

## CHAPTER 17

### PRIVATE FINANCE

Further information on the subjects dealt with in this chapter is contained in the annual bulletins *Banking and Currency* (5.1) and *Insurance and Other Private Finance* (5.15). Current information is contained in the *Quarterly Summary of Australian Statistics* (1.3), the *Monthly Review of Business Statistics* (1.4), the *Digest of Current Economic Statistics* (1.5) (monthly), and the following mimeographed statements: monthly—*Banking Statistics* (5.2); *Major Trading Banks Statistics* (preliminary statement) (5.3); *Savings Bank Statistics* (preliminary statement) (5.28); *Savings Banks Housing Finance Transactions within Australia* (preliminary statement) (5.35); *Life Insurance Statistics* (5.17); *Finance Companies* (5.14); *Instalment Credit for Retail Sales* (5.46); *Permanent Building Societies* (5.34); quarterly—*New Capital Raisings by Companies in Australia* (bulletin (5.9) and preliminary statement (5.10)); *Capital Expenditure by Private Business in Australia* (5.8) (5.7); *Unit Trusts, Land Trusts and Mutual Funds* (5.31). Other relevant annual mimeographed bulletins are *Life Insurance* (5.32); *Australian Fire, Marine and General Insurance Statistics* (5.16); *Government Pension and Superannuation Schemes* (5.23); *Survey of Selected Private Pension Funds* (5.25); *Finance Company Transactions* (5.13); and *Building Societies: Australia* (5.5).

### MONEY

#### Currency

Australia has a decimal system of currency, the unit being the dollar which is divided into 100 cents. Decimal coins and notes became legal tender on the 14 February 1966. Before that date the Australian currency unit was the pound divided into 20 shillings each of 12 pence. One dollar in the present currency is equal to 10 shillings in the old currency. The par value of the Australian dollar under the terms of the International Monetary Fund and established on the 14 February 1966, was 0.99531 grams of gold, which changed on the 9 September 1973 to 1.09578 grams of gold.

The *Reserve Bank Act* 1965 authorised the Reserve Bank of Australia to issue Australian notes in denominations of \$1, \$2, \$5, \$10, \$20, and \$50, and any other denomination that the Treasurer, by instrument in writing published in the Gazette, determines. All Australia's coin requirements are met by the Royal Australian Mint, Canberra.

For additional information on note issue and coinage refer to List of Special Articles, etc., at end of this Year Book.

#### AUSTRALIAN NOTES IN CIRCULATION (\$'000)

	<i>Last Wednesday in June</i>				
	1969	1970	1971	1972	1973
\$1 and 10s . . . . .	37,528	40,400	42,218	43,552	48,487
\$2 and £1 . . . . .	117,281	118,500	119,284	118,451	123,670
\$5 . . . . .	64,088	73,307	81,373	85,283	94,378
\$10 and £5 . . . . .	441,276	474,004	521,061	560,268	639,899
\$20 and £10 . . . . .	447,245	509,271	605,383	691,476	851,381
£20 . . . . .	1	1	..	..	..
£50 . . . . .	42	41	38	38	8
£100 . . . . .	40	37	31	31	19
<b>Total . . . . .</b>	<b>1,107,500</b>	<b>1,215,561</b>	<b>1,369,388</b>	<b>1,499,099</b>	<b>1,757,842</b>
<i>Held by banks . . . . .</i>	<i>164,867</i>	<i>165,202</i>	<i>177,706</i>	<i>182,648</i>	<i>229,222</i>
<i>Held by public . . . . .</i>	<i>942,632</i>	<i>1,050,359</i>	<i>1,191,682</i>	<i>1,316,451</i>	<i>1,528,620</i>

**AUSTRALIAN DECIMAL COIN: COSTS OF COIN ISSUED**  
(\\$'000)

	<i>Cost of metal</i>	<i>Cost of minting</i>	<i>Freight and sundry charges</i>	<i>Total cost</i>	<i>Face value of coin issued</i>	<i>Surplus</i>
<b>Cupro-nickel—</b>						
1969-70 . . . .	1,226	1,297	68	2,591	19,412	16,821
1970-71 . . . .	974	960	65	1,999	15,050	13,051
1971-72 . . . .	721	698	77	1,496	10,758	9,262
1972-73 . . . .	738	1,010	55	1,803	11,190	9,387
<b>Bronze—</b>						
1969-70 . . . .	574	675	28	1,277	2,000	723
1970-71 . . . .	703	675	36	1,414	2,068	654
1971-72 . . . .	594	738	24	1,356	2,185	829
1972-73 . . . .	712	1,066	46	1,824	2,795	971
<b>Total—</b>						
1969-70 . . . .	1,800	1,972	96	3,868	21,412	17,544
1970-71 . . . .	1,677	1,635	101	3,413	17,118	13,705
1971-72 . . . .	1,315	1,436	101	2,852	12,943	10,091
1972-73 . . . .	1,450	2,076	101	3,627	13,985	10,358

**AUSTRALIAN DECIMAL COIN: VALUE OF COIN ISSUED**  
(\\$'000)

<i>Year ended 30 June—</i>	<i>50 cents</i>	<i>20 cents</i>	<i>10 cents</i>	<i>5 cents</i>	<i>2 cents</i>	<i>1 cent</i>	<i>Total</i>
1969 . . . . .	..	6,307	3,854	2,847	1,390	906	15,304
1970 . . . . .	9,038	5,053	3,074	2,247	1,121	879	21,412
1971 . . . . .	7,420	3,640	2,090	1,900	1,150	919	17,119
1972 . . . . .	4,418	3,360	1,740	1,240	1,370	815	12,943
1973 . . . . .	3,970	3,380	2,040	1,800	1,700	1,095	13,985

**Gold receipts, issues and price**

Since early in the 1939-45 War all gold has been acquired by the Reserve Bank, and the export and use of gold has been subject to regulation by the Commonwealth Government. All trading banks in Australia, the Deputy Master of the branch of the Royal Mint in Perth, and three private refining companies are authorised under the Banking (Gold) Regulations to deal in gold on behalf of the Reserve Bank. The Melbourne Mint ceased to deal in gold in 1964. The Royal Australian Mint at Canberra is not authorised to receive and issue gold.

The average price of gold in Australia is fixed by the Reserve Bank and at present reflects the parity value of Australian currency established in conformity with the *International Monetary Agreements Act 1947-1973*. The average price paid for gold delivered to the Reserve Bank of Australia or to persons authorised by the Bank to purchase gold is fixed by the Reserve Bank of Australia, and had been \$31.25 per fine ounce since 1 May 1954, changing to \$29.80 per fine ounce on 23 December 1972, and to \$28.38 per fine ounce on 10 September 1973.

In December 1951 arrangements were made whereby producers could sell a proportion of newly-mined gold for industrial purposes on overseas premium markets. Under these arrangements gold is acquired by the Reserve Bank in the usual manner and sold, at the Bank's buying price, to an association representing gold producers participating in the scheme. The association pays the Bank's handling charges and the costs of preparation of the gold and makes arrangements for export and sale. Profits earned by the association after meeting administrative expenses are distributed to members in proportion to the quantity of gold delivered to the Reserve Bank. Until August 1952, when permission was given for the export of fine gold, gold exported under this arrangement was not to exceed a fineness of 22 carats (11/12ths).

The average price per fine ounce in Australian currency obtained for gold on premium markets in Australia and overseas for each month during the year 1972-73 was: July \$54.91, August \$55.51, September \$54.81, October \$54.16, November \$51.88, December \$53.27, January \$50.76, February \$52.98, March \$58.46, April \$63.50, May \$67.18 and June \$83.53.

## Overseas exchange rates

In the following table the "par of exchange" rate is the rate as at 30 June 1973 established under the International Monetary Fund Agreement. Selling rates shown are mainly the averages of daily quotations by the Commonwealth Trading Bank of Australia, and in other cases are the rates used by the Department of Customs and Excise in converting import values to Australian dollars for purposes of calculating customs duty.

**OVERSEAS EXCHANGE RATES: PAR OF EXCHANGE AND AVERAGE TELEGRAPHIC TRANSFER SELLING RATES FOR SYDNEY ON OVERSEAS COUNTRIES, 1972-73**

Country	Basis of quotation	Australian decimal currency equivalents		Country	Basis of quotation	Australian decimal currency equivalents	
		Par of exchange	Selling rate 1972-73			Par of exchange	Selling rate 1972-73
America, United States of	Dollars to \$A1	1.417	1.2811	Italy (financial)	Lire to \$A1	(a)	(b)828
Austria	Schillings to \$A1	(a)	25.870	(commercial)	Lire to \$A1	—	(b)815
Belgium (financial)	Francs to \$A1	(a)(b)	53.511	Japan	Yen to \$A1	(a)	363.487
(convertible)	Francs to \$A1	—	53.653	Netherlands	Guilders to \$A1	(a)	3.924
Canada	Dollars to \$A1	(a)(b)	1.2683	New Zealand	Dollars to \$A1	1.049	1.030
China, People's Rep. of	New Yuan to \$A1	(c)	2.735	Norway	Kroner to \$A1	(a)	7.976
Denmark	Kroner to \$A1	(a)	8.384	Noumea	Francs to \$A1	(c)	110.02
Fiji	Dollars to \$A1	(a)	1.051	Pakistan	Rupees to \$A1	(d)	(e)
France (financial)	Francs to \$A1	(a)(b)	6.049	Philippines	Pesos to \$A1	(a)	8.587
(commercial)	Francs to \$A1	—(b)	6.123	Singapore	Dollars to \$A1	(a)	3.375
Germany, Fed. Rep. of	Deutsche Marks to \$A1	(a)	3.853	South Africa, Republic of	Rands to \$A1	(a)	0.9567
Greece	Drachmae to \$A1	42.51	37.791	Spain	Pesetas to \$A1	82.2	78.086
Hong Kong	Dollars to \$A1	(c)	6.936	Sri Lanka (formerly Ceylon)	Rupees to \$A1	(d)	8.115
India	Rupees to \$A1	(a)	9.735	Sweden	Kronor to \$A1	(a)	5.865
				Switzerland	Francs to \$A1	(c)	4.502
				Taiwan	Dollars to \$A1	53.85	53.073
				United Kingdom	Pounds to \$A1	(a)	0.522
				U.S.S.R.	Roubles to \$A1	(c)	1.016

(a) Exchange rate allowed to fluctuate, no par value fixed. (b) Two rates quoted for Belgium and France from 20 September 1971 and Italy from 1 February 1973: 'convertible' rate (Belgium), 'commercial' rate (France, Italy) for trade transactions accompanied by documentation and 'financial' rate for other transactions. (c) Not a member of the International Monetary Fund. (d) No par value established. (e) Daily quotations available on application to the Commonwealth Trading Bank of Australia.

## Volume of money

The statistics of volume of money compiled by the Reserve Bank of Australia include notes and coin in the hands of the public, deposits of the public with trading banks and deposits with all savings banks. As far as possible, all components of this series in the table below have been calculated on a weekly average basis. Deposits of the public with trading banks comprise the actual weekly average of current and fixed deposits with trading banks less both the actual weekly average of the Australian and State Government current and fixed deposits and a weekly average of inter-bank current and fixed deposits. Inter-bank deposits mainly comprise savings bank deposits with trading banks and deposits of overseas banks with trading banks in Australia. Certificates of deposit include any holdings by the Australian and State Governments and banks. Deposits of the public with trading banks also include the actual weekly average of deposits of the public with the Reserve Bank of Australia. Deposits with all savings banks comprise an interpolated "weekly average" based on end-of-month figures of total deposits with all savings banks. The figures for the volume of money include details for Papua New Guinea and Australia's other external territories.

## VOLUME OF MONEY: AUSTRALIA

(Source: Reserve Bank of Australia)

(\$ million)

Average of weekly figures for June	Notes and coin in hands of public	Deposits of public with all trading banks(a)			Deposits with all savings banks(b)	Total volume of money
		Current	Fixed	Certificates of deposits		
1969	1,065	3,685	2,404	138	6,682	13,974
1970	1,187	3,798	2,617	145	7,090	14,837
1971	1,336	3,976	2,864	56	7,618	15,851
1972	1,467	4,328	3,260	113	8,339	17,508
1973	1,702	5,615	4,108	447	10,129	22,001

(a) Current and fixed deposits exclude the Australian and State Government and inter-bank deposits but include deposits of the public with the Reserve Bank; certificates of deposit include any holdings by the Australian and State Governments and banks. (b) Interpolated "Weekly average" based on end-of-month figures.

## BANKING

The Australian banking system has developed along the lines of the United Kingdom system with widespread branch banking conducted by relatively few banks.

### Development since federation

With federation in 1901 the new Commonwealth Parliament was given power, under Section 51 of the Commonwealth Constitution, 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'. In 1911 the Commonwealth entered the field of banking with the establishment of the Commonwealth Bank of Australia, which conducted both trading bank and savings bank operations. A separate Commonwealth Savings Bank was established in 1928.

### Central bank

Central banking functions of the Commonwealth Bank developed gradually over the years prior to and during the second world war. In November 1935 a Royal Commission was appointed by the Commonwealth Government to inquire into the monetary and banking systems in operation in Australia and to report whether any, and if so what, alterations were desirable in the interests of the people of Australia as a whole, and the manner in which any such alterations should be effected. The Commission presented its report in July 1937, and a summary of the recommendations appears in Year Book No. 31, page 1010.

In 1945 the Commonwealth Government legislated to give full legal effect to the central banking functions already being exercised by the Commonwealth Bank of Australia and to regulate the banking system as a whole. The Commonwealth Bank of Australia further developed mainly as a central bank when from 3 December 1953 the Commonwealth Trading Bank of Australia was established to take over most of the general trading bank functions of the Commonwealth Bank of Australia.

Legislation in 1959 completed the separation of the trading and central banking functions of the Commonwealth Bank of Australia with the establishment of the Commonwealth Development Bank of Australia under the *Commonwealth Banks Act 1959* to take over the Industrial Finance Department and Mortgage Bank Department of the Commonwealth Bank of Australia.

A new bank, the Reserve Bank of Australia, was established under the *Reserve Bank Act 1959* as the nation's central bank to administer the provisions of a new banking Act (*Banking Act 1959*). A statutory corporation, the Commonwealth Banking Corporation, was set up under the *Commonwealth Banks Act 1959* to control the Commonwealth Trading Bank of Australia, the Commonwealth Development Bank of Australia, and the Commonwealth Savings Bank of Australia.

### Trading banks

Commercial banking in Australia is carried on by thirteen trading banks. Six large private trading banks together with the Commonwealth Trading Bank are generally referred to as the major trading banks. These banks provide widespread banking facilities throughout Australia. The remaining six banks comprise one small local bank, two overseas banks which have been represented in Australia for many years and three State-owned banks operating only within their respective States.

The major trading banks are as follows: Commonwealth Trading Bank of Australia, Australia and New Zealand Banking Group, The Bank of Adelaide, Bank of New South Wales, The Commercial Bank of Australia Ltd, The Commercial Banking Company of Sydney Ltd, and The National Bank of Australasia Ltd.

The other trading banks are: Bank of Queensland Ltd, Bank of New Zealand, Banque Nationale de Paris, The Rural Bank of New South Wales, State Bank of South Australia, The Rural and Industries Bank of Western Australia (Rural Department), and the Bank of China up to 20 December 1972.

### Term Loan Fund

Lending by trading banks is generally conducted on an overdraft basis. A departure from this practice followed discussions during 1961-62 involving the Commonwealth Government, the Reserve Bank and the major trading banks, which resulted in arrangements whereby the banks agreed to create a fund known as the Term Loan Fund, the resources of which would be employed to make loans for capital expenditure on production in the rural, industrial and (to a lesser extent) commercial fields and to finance exports. The loans would be made for fixed terms, varying usually between three and eight years. The term lending arrangements operated from April 1962.

### *Farm Development Loan Fund*

Discussions in March 1966 between the Commonwealth Government, the Reserve Bank and the major trading banks resulted in the establishment of a fund known as the Farm Development Loan Fund, from which resources would be available to provide rural producers, particularly smaller producers, with greater access to medium and long-term finance. The Fund was established in April 1966.

### **Savings banks**

Prior to 1956 savings banks operations were conducted by the Commonwealth Savings Bank, two trustee savings banks in Tasmania, and State-owned banks in Victoria, South Australia and Western Australia. In January 1956 private savings banks were established as subsidiary companies by two of the private trading banks. By mid-1962 all the major private trading banks had established savings bank subsidiary companies. In May 1972 the Bank of New Zealand Savings Bank Limited was granted an authority to carry on savings bank business in Australia.

### **Development banks**

The Commonwealth Development Bank of Australia was established by the *Commonwealth Banks Act* 1959 and commenced operations on 14 January 1960. The Australian Resources Development Bank was established by the major trading banks with the support of the Reserve Bank of Australia and commenced operations in February 1968. For further information on these banks see pages 530-1.

### **Current legislation**

Operations of banks and banking in Australia are currently governed by (i) Commonwealth legislation enacted in 1959 in respect of banking other than State banking, and (ii) State legislation relating to the incorporation of banks and management of State banks.

### *Commonwealth banking legislation*

(a) The *Banking Act* 1959-1973 applies to all banks operating in Australia including the external Territories of the Commonwealth except State banks trading in their own State. The objects of the Act are: (i) to provide a legal framework uniform throughout Australia for regulating the banking system; (ii) to safeguard depositors of the banks from loss; (iii) to provide for the co-ordination of banking policy under the direction of the Reserve Bank; (iv) to control the volume of credit in circulation and bank interest rates; (v) to mobilise and to provide machinery for the control of the foreign exchange and gold resources of the Australian economy. A summary of the main provisions of the *Banking Act* 1959 is given in Year Book No. 46, pages 759-60.

(b) The *Reserve Bank Act* 1959-1973 provides for the constitution and management of the Reserve Bank of Australia and the management of the Australian note issue

(c) The *Commonwealth Banks Act* 1959-1973 provides for the constitution and management of the Commonwealth Banking Corporation, Commonwealth Trading Bank of Australia, Commonwealth Savings Bank of Australia, and Commonwealth Development Bank of Australia.

The Commonwealth Banking Corporation is the controlling body for the Commonwealth Trading Bank, Commonwealth Savings Bank and Commonwealth Development Bank. Under the *Banking Act* 1959-1973 the Corporation and its constituent banks are subject to the same central banking controls as are the private trading banks.

### *State Banking legislation*

The State Acts under which the various banks are incorporated differ. While some 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 Adelaide by Act of the South Australian Parliament, and the Bank of New Zealand by Act of the General Assembly of New Zealand, most of the banks are incorporated under a companies Act of the States or the United Kingdom. This is also the case with those banks which were reconstructed after the financial crisis of 1893. State banks, constituted under State Acts, transacting general banking business are The Rural Bank of New South Wales, the State Bank of South Australia, and the Rural and Industries Bank of Western Australia. State savings banks, constituted under State Acts, transacting savings bank business are The State Savings Bank of Victoria, The Savings Bank of South Australia and the Savings Bank Division of the Rural and Industries Bank of Western Australia.

## Reserve Bank of Australia

The Reserve Bank of Australia preserved and continued in existence the original corporate body known as the Commonwealth Bank of Australia under the new name Reserve Bank of Australia. An account of the progress and development of that bank is given in earlier issues of the Year Book (see No. 37, pages 570-2, and No. 45, pages 735-7).

The general functions of the Reserve Bank are set out in Section 10 of the *Reserve Bank Act* 1959-1973, which states:

'It is the duty of the Board, within the limits of its powers, to ensure that the monetary and banking policy of the Bank is directed to the greatest advantage of the people of Australia and that the powers of the Bank under this Act, the *Banking Act* 1959, and regulations under that Act are exercised in such a manner as, in the opinion of the Board, will best contribute to,

(a) the stability of the currency of Australia; (b) the maintenance of full employment in Australia; and (c) the economic prosperity and welfare of the people of Australia.'

In addition to its functions as a central bank, the Bank controls the Australian note issue through a Note Issue Department, provides special banking facilities through the Rural Credits Department, and acts as banker to the Commonwealth and some of the States.

### Management

The policy of the Reserve Bank is determined by a Board consisting of the Governor (Chairman) the Deputy Governor, the Secretary to the Treasury, and seven other members appointed by the Governor-General. The Bank is managed by the Governor, who acts in accordance with the policy of the Board and with any directions of the Board. The Bank is required to inform the Government of the monetary and banking policy of the Board. In the event of a disagreement between the Government and the Board as to whether the monetary and banking policy of the Bank is directed to the greatest advantage of the people of Australia, the Governor-General, acting with the advice of the Executive Council, may determine the policy to be adopted by the Bank.

### Central banking business

Under the *Commonwealth Bank Act* 1911-1943 and the war-time powers conferred by the National Security Regulations the Commonwealth Bank gradually assumed the functions of a Central Bank. Part III of the *Commonwealth Bank Act* 1945 formally constituted the Bank as a Central Bank and granted the necessary powers to carry on the business of a Central Bank, these powers being carried through into the present Act constituting the Reserve Bank. Under the provisions of the *Reserve Bank Act* 1959 the capital for the Central Banking Business is the capital of the Commonwealth Bank for Central Banking purposes immediately prior to 14 January 1960, and such other sums as are transferred from the Reserve Bank Reserve Fund. The profits of the Bank are distributed as follows: (a) such sums as the Treasurer, after consultation with the Bank, determines shall be placed to the credit of the Reserve Bank Reserve Fund and (b) the remainder shall be paid to the Commonwealth.

### Note Issue Department

The Note Issue Department, established in 1920 when the control of the Australian note issue was transferred from the Commonwealth Treasury to the Commonwealth Bank, was maintained in the same form under the *Reserve Bank Act* 1959. The Reserve Bank may, through this Department, issue, re-issue and cancel Australian notes. Under the *Reserve Bank Act* 1959-1973 the profits of the Note Issue Department are paid to the Commonwealth.

### Rural Credits Department

The Rural Credits Department, established in 1925 for the purpose of making short-term credit available for the orderly marketing of primary produce, was continued in the same form under the *Reserve Bank Act* 1959. The Reserve Bank may, through this Department, make advances upon the security of primary produce placed under the legal control of the Bank, or other security associated with the production or marketing of primary produce, to co-operative associations or marketing boards formed under the laws of the Commonwealth or a State or Territory of the Commonwealth or other bodies specified by proclamation. The period of the advance shall not exceed one year. Under the provisions of the *Reserve Bank Act* 1959 the capital of the Rural Credits Department is the capital of the Rural Credits Department of the Commonwealth Bank immediately prior to 14 January 1960, and \$4,000,000 provided by the Reserve Bank. The profits of the Rural Credits Department are dealt with as follows: (a) one-half to the credit of the Rural Credits Department Reserve Fund and (b) one-half to the credit of the Rural Credits Development Fund.

## RESERVE BANK OF AUSTRALIA: LIABILITIES

(\$ million)

30 June—	Capital and reserve funds	Development fund	Special reserve— I.M.F. special drawing rights	Australian notes on issue	Deposits of trading banks		Deposits of savings banks	Other deposits, bills payable and other liabilities	Total
					Statutory reserve deposit accounts	Other			
<b>CENTRAL BANKING BUSINESS</b>									
1969	63.0	..	..	..	565.6	60.4	535.2	658.0	1,882.1
1970	66.7	..	75.0	..	674.5	39.5	613.2	672.2	2,141.2
1971	70.7	..	138.6	..	617.5	62.8	615.5	1,098.9	2,603.9
1972	65.6	..	201.6	..	554.2	88.9	802.9	2,094.9	3,808.1
1973	45.6	..	192.4	..	784.1	39.4	1,323.0	2,346.7	4,731.2
<b>NOTE ISSUE DEPARTMENT</b>									
1969	..	..	..	1,091.5	..	..	..	45.9	1,137.4
1970	..	..	..	1,195.8	..	..	..	62.5	1,258.3
1971	..	..	..	1,369.4	..	..	..	74.2	1,443.6
1972	..	..	..	1,508.2	..	..	..	59.2	1,567.4
1973	..	..	..	1,767.4	..	..	..	24.0	1,791.4
<b>RURAL CREDITS DEPARTMENT</b>									
1969	17.6	0.9	..	..	..	..	..	461.8	480.3
1970	18.5	1.1	..	..	..	..	..	338.5	358.1
1971	19.3	1.1	..	..	..	..	..	288.3	308.7
1972	20.0	1.1	..	..	..	..	..	239.7	260.8
1973	20.7	0.7	..	..	..	..	..	184.5	206.0
<b>TOTAL</b>									
1969	80.6	0.9	..	1,091.5	565.6	60.4	535.2	(a)420.8	(a)2,754.9
1970	85.2	1.1	75.0	1,195.8	674.5	39.5	613.2	(a)478.7	(a)3,162.9
1971	90.0	1.1	138.6	1,369.4	617.5	62.8	615.5	(a)765.8	(a)3,660.6
1972	85.6	1.1	201.6	1,508.2	554.2	88.9	802.9	(a)1,361.6	(a)4,604.1
1973	66.3	0.7	192.4	1,767.4	784.1	39.4	1,323.0	(a)2,555.2	(a)6,728.5

(a) Inter-departmental accounts have been offset.

## RESERVE BANK OF AUSTRALIA: ASSETS

(\$ million)

30 June—	Gold and balances held abroad (a)	Other overseas securities	Australian notes, coin	Australian Government securities (b)	Cheques and bills of other banks	Loans, advances, bills discounted, all other assets (c)	Bank premises (d)	Bills receivable and remittances in transit	Total
1969	589.1	231.6	8.4	386.0	10.8	570.1	35.0	51.1	1,882.1
1970	758.8	201.5	12.6	573.9	8.0	469.0	36.3	81.1	2,141.2
1971	1,285.0	285.0	11.4	453.1	3.4	392.7	37.9	135.4	2,603.9
1972	2,680.5	376.2	12.3	299.2	4.7	297.2	41.6	96.3	3,808.1
1973	3,152.1	525.8	9.7	411.0	9.4	446.0	49.5	127.6	4,731.2
<b>NOTE ISSUE DEPARTMENT</b>									
1969	164.5	198.5	..	457.3	..	(e)316.8	0.3	..	1,137.4
1970	189.9	168.0	..	606.1	..	(e)294.0	0.4	..	1,258.3
1971	289.0	257.1	..	447.7	..	(e)449.2	0.6	..	1,443.6
1972	296.6	234.7	..	199.5	..	(e)834.7	1.8	..	1,567.4
1973	199.8	226.7	..	197.4	..	(e)1,165.5	2.0	..	1,791.4
<b>RURAL CREDITS DEPARTMENT</b>									
1969	..	..	..	..	..	480.3	..	..	480.3
1970	..	..	..	..	..	358.1	..	..	358.1
1971	..	..	..	..	..	308.7	..	..	308.7
1972	..	..	..	..	..	260.8	..	..	260.8
1973	..	..	..	..	..	206.0	..	..	206.0
<b>TOTAL(f)</b>									
1969	753.5	430.1	8.4	843.3	10.8	622.4	35.3	51.1	2,754.9
1970	948.7	369.5	12.6	1,180.0	8.0	526.4	36.7	81.1	3,162.9
1971	1,574.0	542.1	11.4	900.7	3.4	455.1	38.6	135.4	3,660.6
1972	2,977.1	610.9	12.3	498.8	4.7	360.5	43.5	96.3	4,604.1
1973	3,351.9	752.4	9.7	608.4	9.4	1,817.5	51.6	127.6	6,728.5

(a) Includes currency at short call and International Monetary Fund drawing rights. (b) Includes Treasury bills and Treasury notes. (c) After deducting provision for debts considered bad or doubtful. (d) At cost, less amounts written off. (e) Includes interest-bearing deposit account established with the Central Bank. (f) Inter-departmental accounts have been offset.

**RESERVE BANK OF AUSTRALIA: NET PROFITS**  
(\$ million)

	<i>Central Banking Business</i>	<i>Note Issue Depart- ment</i>	<i>Rural Credits Depart- ment</i>	<i>Total</i>	<i>Distributed to—</i>			
					<i>Common- wealth of Australia</i>	<i>Reserve Bank Reserve fund</i>	<i>Rural Credits Department</i>	
							<i>Reserve fund</i>	<i>Develop- ment fund</i>
1968-69 .	5.7	23.8	1.6	31.1	26.6	2.9	0.8	0.8
1969-70 .	8.9	36.3	1.9	47.1	41.6	3.6	0.9	0.9
1970-71 .	11.3	46.9	1.6	59.8	54.2	4.0	0.8	0.8
1971-72 .	4.9	25.2	1.5	31.6	25.2	4.9	0.7	0.7
1972-73 .	..	..	1.3	1.3	..	..	0.6	0.6

### Trading banks

Balance sheet information contained in the table on page 521 and profit and loss account information contained in the table at the top of page 521 for the years 1969 to 1973 does not relate to uniform accounting periods but rather to the financial years of the banks which ended in the years shown. For balance dates of individual banks *see* annual bulletin *Banking and Currency* (5.1).

Figures shown for averages of liabilities and assets in the table on page 522 are the average of liabilities and assets within Australia (including Papua New Guinea and other External Territories) of the banks on the weekly balance days (Wednesdays) during the period concerned. In the table on page 523 figures shown for debits to customers' accounts are the average of debits for the weeks ending on the weekly balance days (Wednesdays) during the period concerned. In the table on page 524 figures shown for new and increased lending commitments are the averages of weekly commitments for the six months ending on the second Wednesday of the last month in the period under review.

In the classification of bank advances, borrowers are classified into two main groups.

*Resident borrowers* comprising all institutions (including branches of overseas institutions) engaged in business in Australia and individuals permanently residing in Australia, and

*Non-resident borrowers* comprising all other persons and institutions, including companies incorporated abroad, which, although represented, do not carry on business in Australia.

Advances to resident borrowers are classified into.

*Business advances* which are advances to partnerships, companies and other institutions engaged in business in Australia, advances to individuals actively engaged in business or a profession on their own behalf if the advances are mainly for purposes of that business or profession, and advances to mutual, co-operative and benefit societies which distribute their profits to members by way of dividends, rebates of charges for goods and services, or increased benefits.

Separate figures are shown for business advances to companies and to other (unincorporated) businesses and advances are also classified to the main industry of borrower.

*Advances to public authorities* which are advances to local and semi-government authorities including separately constituted government business undertakings but not the Australian and State governments.

*Personal advances* which are advances to individuals for purposes other than carrying on a business or profession.

*Advances to non-profit organisations* which are advances to organisations which are not operated for the purpose of making a profit or gain to individual members, but for the purposes of the organisations or for the benefit of the community in general.

The classification used for overdraft limits is the same as that used for the classification of bank advances (*see* above) while abridged versions of this classification are used for bank deposits and new and increased lending commitments.

**Interest rates**

At 30 June 1974 the maximum rate of interest paid by trading banks for the following terms were: (i) on fixed deposits of less than \$50,000, 3 months and less than 12 months—6.75 per cent, 12 months and less than 2 years—7.50 per cent, 2 years and less than 4 years—7.50 per cent, 4 years—7.50 per cent; (ii) on fixed deposits of \$50,000 and over, 30 days to 4 years—8.00 per cent; (iii) on certificates of deposit (\$50,000 and over), 3 months to 4 years—not subject to maximum rate. The maximum rate of interest charged on overdrafts was 9.50 per cent and the maximum flat rate on unsecured personal loans was 7.25 per cent.

**Branches and agencies**

At 30 June 1973 the major trading banks operated 4,473 branches, and the other trading banks 300 branches. Of the total of 4,773 branches, 2,400 were located in 'metropolitan areas'. Trading bank facilities were also available at 1,417 agencies throughout Australia at 30 June 1973.

**Liabilities and assets**

TRADING BANKS(a): LIABILITIES AND ASSETS(b)

(\$ million)

LIABILITIES

	Paid-up capital	Reserve funds (used in business of bank)	Final dividend proposed	Balance of profit and loss account	Total shareholders' funds or total capital and reserve funds	Balances due to other banks	Deposits, bills payable and other liabilities(c)	Total
1969 . . .	269.9	245.7	8.7	22.0	546.1	335.9	8,671.6	9,553.6
1970 . . .	358.6	253.7	12.6	27.3	652.1	460.5	9,295.3	10,407.9
1971 . . .	326.7	273.4	13.3	30.4	643.7	690.8	10,009.0	11,343.6
1972 . . .	341.5	313.2	16.0	33.5	704.1	801.1	11,981.7	13,487.0
1973 . . .	376.9	388.1	19.3	35.6	819.9	798.3	15,659.9	17,278.1

ASSETS

	Coin, bullion, notes and cash at Reserve Bank	Money at short call overseas	Australian public securities					Loans to authorised dealers in short-term money market	Total
			Australian Government		Local and semi-government authorities	Other public securities	Other securities		
			Treasury bills and notes	Other securities					
1969 . . .	250.3	57.4	77.8	1,344.8	38.9	51.9	149.5	158.2	
1970 . . .	252.6	49.6	92.7	1,244.3	47.3	39.3	229.4	132.2	
1971 . . .	220.0	49.7	106.5	1,427.1	50.8	71.6	273.4	155.6	
1972 . . .	208.3	58.8	258.9	2,100.7	60.1	172.0	310.4	297.9	
1973 . . .	219.7	81.6	186.5	2,258.5	64.8	258.3	400.3	294.5	

	Statutory reserve deposit account with Reserve Bank	Cheques and bills of, and balances with and due from other banks	Loans(d), advances and bills discounted	Bank premises, furniture and sites	Bills receivable and remittances in transit	All other assets	Total
1969 . . .	582.7	420.7	5,004.3	185.3	1,137.4	94.4	9,553.6
1970 . . .	632.0	400.4	5,707.6	199.2	1,181.7	199.7	10,407.9
1971 . . .	611.6	511.3	6,179.8	178.5	1,271.8	235.9	11,343.6
1972 . . .	566.4	753.2	6,866.8	199.7	1,378.8	255.0	13,487.0
1973 . . .	905.1	837.9	9,612.4	217.3	1,549.2	392.0	17,278.1

(a) Excludes the overseas banks but includes the deposits and assets held against those deposits of the Savings Bank Division of the Rural and Industries Bank of Western Australia. (b) This table relates to liabilities and assets both inside and outside Australia. (c) Includes provisions for contingencies. (d) Other than loans to authorised dealers in the short-term money market.

**TRADING BANKS(a): PROFIT AND LOSS, APPROPRIATION OF PROFITS(b)**  
(\$ million)

	Profit and loss			Profits appropriated to—				
	Net earnings (c)	Expenses (d)	Income, land and other taxes and payments in lieu of taxes	Net profit	Reserve funds (e)	Writing-off bank premises	Other appropriations	Dividends paid and proposed
1969 . . . . .	422.2	335.5	41.5	45.2	13.4	1.4	2.5	21.6
1970 . . . . .	478.9	378.9	43.8	56.3	15.8	1.0	3.1	31.1
1971 . . . . .	525.6	443.0	36.2	46.3	12.6	1.0	3.9	25.8
1972 . . . . .	586.8	489.8	42.7	54.3	17.0	1.1	3.9	28.8
1973 . . . . .	707.6	561.8	71.5	74.4	30.8	1.1	4.9	33.6

(a) Excludes the overseas banks. (b) Includes profit and loss on account of the Savings Bank Division of the Rural and Industries Bank of Western Australia. (c) Discount and interest earned, net exchange, commissions and other items (including transfers from contingencies accounts) after deducting interest paid and accrued on deposits, rebate on bills current at balance date, amounts written off assets and losses on realisation of assets, and transfers to the credit of contingencies accounts (out of which accounts provision for all bad and doubtful debts has been made). (d) Includes directors' fees. (e) Excludes accumulated profits and profit and loss accounts.

**ALL TRADING BANKS: AVERAGE LIABILITIES AND ASSETS(a) WITHIN AUSTRALIA(b)**  
(\$ million)

**LIABILITIES(c)**

June	Deposits repayable in Australia				Balances due to other banks	Bills payable and all other liabilities to the public	Total
	Fixed	Current		Total			
		Bearing interest	Not bearing interest				
1969 . . . . .	2,850.5	467.9	3,387.2	6,705.6	111.5	322.2	7,139.3
1970 . . . . .	3,097.2	462.9	3,538.9	7,098.9	257.7	439.4	7,796.0
1971 . . . . .	3,176.5	551.2	3,703.5	7,431.2	320.8	526.0	8,278.0
1972 . . . . .	3,742.1	538.0	4,042.0	8,322.1	372.0	559.3	9,253.4
1973 . . . . .	5,152.2	648.6	5,271.7	11,072.5	351.0	726.3	12,149.7

**ASSETS(d)**

June	Coin, bullion, notes and cash at Reserve Bank	Australian Government securities		Local and semi-government securities	Loans to authorised dealers in short-term money market	Statutory reserve deposit account with Reserve Bank	Loans(e), advances and bills discounted	All other assets	Total
		Treasury bills and notes	Other securities						
1969 . . . . .	158.5	52.9	1,389.6	20.3	94.9	567.6	4,383.6	615.0	7,282.4
1970 . . . . .	171.9	54.3	1,275.2	23.7	102.8	678.7	4,902.6	751.3	7,960.5
1971 . . . . .	182.0	110.8	1,339.5	25.5	142.0	619.8	5,316.8	863.4	8,600.0
1972 . . . . .	190.1	116.7	1,702.9	29.2	249.8	558.2	5,875.7	921.2	9,643.7
1973 . . . . .	213.6	189.0	2,221.0	27.6	149.6	784.7	7,856.2	1,181.2	12,622.9

(a) Figures shown for average of liabilities and assets are the average of liabilities and assets within Australia of the banks at the close of business on the weekly balance days (usually Wednesdays) during the period concerned. (b) Includes Papua New Guinea and other External Territories. (c) Excludes shareholders' funds, inter-branch accounts and contingencies. (d) Excludes inter-branch accounts and contingencies. (e) Excludes loans to authorised dealers in the short-term money market.

**TRADING BANKS: AVERAGE WEEKLY DEBITS TO CUSTOMERS' ACCOUNTS<sup>(a)</sup>**  
(\$ million)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>N.T.</i>	<i>A.C.T.</i>	<i>Aust.</i>
1968-69	1,526.0	1,214.1	325.3	224.2	209.0	55.9	7.4	50.4	3,612.6
1969-70	1,865.6	1,413.3	364.7	243.2	246.4	61.2	12.7	87.7	4,294.9
1970-71	2,148.6	1,647.3	405.0	269.6	295.3	64.2	15.8	64.6	4,910.4
1971-72	2,363.0	1,808.7	459.1	293.1	318.4	70.0	18.7	41.8	5,372.8
1972-73	3,058.0	2,306.7	597.5	336.4	355.9	85.3	17.8	64.6	6,822.2

(a) Covers all trading banks and in addition the Rural Credit Department of the Reserve Bank and the Commonwealth Development Bank. Excludes debits to the Australian and State Government accounts in capital cities.

**Major Trading Banks: classification of bank advances, deposits, new and increased lending commitments and overdraft limits**

For an explanation of items in the following table *see* notes on page 520.

**CLASSIFICATION OF TOTAL ADVANCES WITHIN AUSTRALIA<sup>(a)</sup>**

	<i>At second Wednesday of—</i>							
	<i>July 1972</i>		<i>January 1973</i>		<i>July 1973</i>		<i>January 1974</i>	
	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>
<i>Resident borrowers—</i>								
<i>Business advances—</i>								
Agriculture, grazing and dairying	962.5	17.9	919.0	15.9	1,050.6	14.4	1,052.3	13.3
Manufacturing	879.2	16.3	817.5	14.2	970.1	13.3	1,061.6	13.4
Transport, storage and communication	94.5	1.8	102.5	1.8	125.8	1.7	136.7	1.7
<i>Finance—</i>								
Building and housing societies	44.3	0.8	42.9	0.7	89.8	1.2	65.2	0.8
Other	266.6	5.0	310.8	5.5	485.1	6.6	500.1	6.3
Total finance	311.0	5.8	353.6	6.1	574.9	7.9	565.3	7.1
<i>Commerce—</i>								
Retail trade	363.0	6.7	353.2	6.1	448.3	6.1	441.6	5.6
Wholesale trade <sup>(b)</sup>	360.9	6.7	459.5	8.0	501.8	6.9	574.0	7.2
Total commerce	723.9	13.4	812.7	14.1	950.1	13.0	1,015.6	12.8
Building and construction	167.3	3.1	191.8	3.3	293.1	4.0	319.0	4.0
Other businesses	1,007.2	18.7	1,063.3	18.4	1,364.8	18.7	1,487.9	18.8
Unclassified	59.3	1.1	82.1	1.4	104.9	1.4	96.5	1.2
Total business advances of which—	4,204.9	78.1	4,342.4	75.2	5,434.3	74.4	5,734.9	72.4
Companies	2,696.2	50.1	2,801.5	48.5	3,530.6	48.3	3,698.0	46.7
Other	1,508.6	28.0	1,540.9	26.7	1,903.7	26.1	2,036.9	25.7
Advances to public authorities <sup>(c)</sup>	68.1	1.3	82.9	1.4	50.4	0.6	84.2	1.1
<i>Personal advances classified according to main purpose of advance—</i>								
Building or purchasing own home (individuals)	340.7	6.3	391.2	6.8	475.4	6.5	569.6	7.2
Other (including personal loans)	691.9	12.9	868.9	15.1	1,247.9	17.1	1,414.3	17.6
Total personal	1,032.6	19.2	1,260.1	21.8	1,723.3	23.6	1,983.9	24.8
Advances to non-profit organisations	72.1	1.3	82.7	1.4	85.6	1.2	94.2	1.2
Total advances to resident borrowers	5,377.7	99.9	5,768.2	99.9	7,293.6	99.8	7,897.2	99.8
<i>Advances to non-resident borrowers</i>	6.8	0.1	7.1	0.1	12.4	0.2	12.6	0.2
Total all advances	5,384.5	100.0	5,775.3	100.0	7,306.0	100.0	7,909.8	100.0

(a) Includes Papua New Guinea. (b) Includes temporary advances to woolbuyers. (c) Includes local government and semi-government bodies.

## MAJOR TRADING BANKS: CLASSIFICATION OF DEPOSITS(a) WITHIN AUSTRALIA(b)

	At second Wednesday of—							
	July 1972		January 1973		July 1973		January 1974	
	Amount (\$m)	Per cent	Amount (\$m)	Per cent	Amount (\$m)	Per cent	Amount (\$m)	Per cent
<b>Resident depositors—</b>								
<b>Business deposits—</b>								
Agriculture, grazing and dairying . . . . .	792.8	10.9	1,000.8	11.2	1,008.1	10.5	1,297.6	12.2
Manufacturing . . . . .	363.6	4.9	540.7	6.0	498.5	5.2	609.7	5.8
Transport, storage and communication . . . . .	100.9	1.3	122.8	1.4	133.2	1.4	142.4	1.3
Finance . . . . .	552.1	7.5	832.6	9.3	829.4	8.7	906.7	8.6
Commerce . . . . .	476.5	6.5	690.3	7.7	642.9	6.7	800.2	7.5
Building and construction Other businesses . . . . .	223.4	3.0	259.3	2.9	258.0	2.7	280.8	2.7
Unclassified . . . . .	1,081.6	14.7	1,309.6	14.6	1,571.1	16.4	1,565.4	14.7
	114.1	1.5	125.0	1.4	146.2	1.5	137.7	1.3
<b>Total business deposits</b>	<b>3,705.0</b>	<b>50.6</b>	<b>4,881.0</b>	<b>54.5</b>	<b>5,087.4</b>	<b>53.1</b>	<b>5,740.4</b>	<b>54.1</b>
of which—								
Companies . . . . .	1,753.6	24.0	2,496.7	27.9	2,504.3	26.1	2,790.2	26.3
Other . . . . .	1,951.3	26.7	2,384.3	26.6	2,583.0	27.0	2,950.2	27.8
Deposits of public authorities	552.3	7.6	731.4	8.2	852.2	8.9	913.8	8.6
Personal deposits . . . . .	2,565.7	35.1	2,811.8	31.4	3,000.9	31.3	3,368.5	31.7
Deposits of non-profit organisations . . . . .	361.7	4.9	358.4	4.0	410.6	4.3	432.1	4.1
<b>Total resident depositors</b>	<b>7,184.8</b>	<b>98.2</b>	<b>8,782.5</b>	<b>98.0</b>	<b>9,351.1</b>	<b>97.6</b>	<b>10,454.7</b>	<b>98.5</b>
<b>Total non-resident depositors</b>	<b>132.8</b>	<b>1.8</b>	<b>178.1</b>	<b>2.0</b>	<b>230.6</b>	<b>2.4</b>	<b>158.3</b>	<b>1.5</b>
<b>Total all depositors</b>	<b>7,317.5</b>	<b>100.0</b>	<b>8,960.6</b>	<b>100.0</b>	<b>9,581.7</b>	<b>100.0</b>	<b>10,613.0</b>	<b>100.0</b>

(a) Excludes deposits of the Australian and State Governments. (b) Includes Papua New Guinea.

MAJOR TRADING BANKS: NEW AND INCREASED LENDING COMMITMENTS  
TO SELECTED INDUSTRIAL GROUPS(a)

(Source: Reserve Bank of Australia)

(\$ million)

	Six months ended second Wednesday of—							
	July 1972		January 1973		July 1973		January 1974	
	Aggre- gate	Term loan com- ponent	Aggre- gate	Term loan com- ponent	Aggre- gate	Term loan com- ponent	Aggre- gate	Term loan com- ponent
<b>Business—</b>								
Agriculture, grazing and dairying . . . . .	(b)188.3	18.4	(b)243.9	28.3	(b)391.7	27.9	(b)243.9	28.3
Manufacturing . . . . .	315.4	54.2	264.1	49.6	372.2	45.2	264.1	49.6
Finance . . . . .	109.8	1.2	135.8	1.3	314.6	13.9	135.8	1.3
Commerce . . . . .	219.5	6.2	291.0	6.6	360.9	15.3	291.0	6.6
Building and construction . . . . .	121.8	6.8	140.2	3.7	211.2	5.8	140.2	3.7
<b>Persons—</b>								
Advances for building or purchase of own home (to individuals) . . . . .	204.2	..	257.3	..	389.8	..	257.3	..
Other (including personal loans) . . . . .	348.9	..	443.4	..	667.4	..	443.4	..
All other . . . . .	423.7	42.0	538.7	35.0	698.2	58.2	538.7	35.0
<b>Total</b>	<b>(b)1,931.5</b>	<b>128.8</b>	<b>(b)2,314.5</b>	<b>124.5</b>	<b>(b)3,405.9</b>	<b>166.3</b>	<b>(b)2,314.5</b>	<b>124.5</b>

(a) Excludes commitments in respect of temporary advances to woolbuyers. (b) Includes Farm Development Loan approvals: July 1972, \$37.0 million; January 1973, \$55.1 million; July 1973, \$118.2 million; and January 1974, \$55.1 million.

**MAJOR TRADING BANKS: CLASSIFICATION OF OVERDRAFT LIMITS  
OUTSTANDING<sup>(a)</sup>**

(Source: Reserve Bank of Australia)

(\$ million)

	Second Wednesday of—			
	July 1972	January 1973	July 1973	January 1974
<i>Resident borrowers—</i>				
Business overdraft limits—				
Agriculture, grazing and dairying—				
Mainly sheep grazing . . . . .	348.9	341.3	333.8	311.8
Mainly wheat growing . . . . .	115.9	118.0	119.3	122.5
Mainly dairying and pig raising . . . . .	96.8	101.1	110.2	109.8
Other . . . . .	337.9	363.9	416.5	425.4
Total agriculture, etc. . . . .	899.5	924.2	979.7	969.5
Manufacturing . . . . .	1,500.0	1,539.9	1,632.5	1,769.7
Transport, storage and communication . . . . .	118.6	134.0	166.8	191.2
Finance—				
Building and housing societies . . . . .	84.8	83.3	138.0	120.3
Pastoral finance companies . . . . .	122.7	124.1	117.9	120.3
Hire purchase and other finance companies . . . . .	117.8	161.4	223.6	242.8
Other . . . . .	154.5	178.8	250.2	262.6
Total finance . . . . .	479.8	547.5	729.7	746.0
Commerce—				
Retail trade . . . . .	540.1	568.2	702.5	726.0
Wholesale trade . . . . .	441.9	518.3	608.7	619.9
Total commerce . . . . .	982.0	1,086.6	1,311.1	1,345.9
Building and construction . . . . .	257.9	317.6	439.0	451.5
Other business—				
Mining . . . . .	277.5	311.7	310.0	247.4
Other . . . . .	730.5	925.8	1,261.7	1,367.3
Total other business . . . . .	1,007.9	1,237.4	1,571.7	1,614.7
Unclassified . . . . .	70.5	78.4	114.3	108.8
Total business overdraft limits . . . . .	5,316.2	5,865.5	6,944.7	7,197.3
Overdraft limits of public authorities . . . . .	279.4	273.0	254.0	302.4
Personal overdraft limits—				
Building or purchasing own home . . . . .	421.8	495.2	625.0	713.9
Other . . . . .	851.5	1,104.8	1,554.4	1,729.2
Total personal overdraft limits . . . . .	1,273.3	1,599.9	2,179.4	2,443.1
Overdraft limits of non-profit organisations . . . . .	146.0	147.2	164.9	168.5
Total overdraft limits of resident borrowers . . . . .	7,014.8	7,885.6	9,543.0	10,111.3
Overdraft limits of non-resident borrowers . . . . .	8.7	9.5	13.9	13.7
Total all overdraft limits . . . . .	7,023.6	7,895.1	9,556.9	10,125.0

(a) Excludes limits in respect of temporary advances to woolbuyers, term loans and farm development loans.

## MAJOR TRADING BANKS: ADVANCES(a), BY RATE OF INTEREST

(Source: Reserve Bank of Australia)

(Proportion at each rate to total—per cent)

Interest rate per annum	At about end of—			
	June 1972	December 1972	June 1973	December 1973 (b)
5 per cent and less . . . . .	5.4	7.9	5.0	5.3
More than 5 per cent but less than 5½ per cent . . . . .	0.9	0.7	0.3	
5½ per cent . . . . .	0.2	0.3	1.2	
More than 5½ per cent but less than 6 per cent . . . . .	0.4	0.3	0.5	0.2
6 per cent . . . . .	0.3	0.8	0.9	
More than 6 per cent but less than 6½ per cent . . . . .	2.8	2.4	2.1	0.3
6½ per cent . . . . .	6.0	7.0	6.9	0.4
More than 6½ per cent but less than 7 per cent . . . . .	4.8	4.4	3.4	0.5
7 per cent . . . . .	5.5	4.9	4.5	0.6
More than 7 per cent but less than 7½ per cent . . . . .	12.0	9.4	8.9	1.0
7½ per cent . . . . .	8.7	7.0	7.1	1.2
More than 7½ per cent but less than 8 per cent . . . . .	45.4	44.9	45.5	1.3
8 per cent . . . . .	0.9	1.1	2.3	1.5
More than 8 per cent but less than 8½ per cent . . . . .	1.1	1.6	2.5	1.6
8½ per cent . . . . .	0.4	0.9	2.2	1.5
More than 8½ per cent but less than 9 per cent . . . . .	0.4	0.8	0.9	2.5
9 per cent . . . . .	0.5	1.0	1.1	17.9
More than 9 per cent but less than 9½ per cent . . . . .	1.2	1.7	2.1	5.5
9½ per cent . . . . .	0.8	0.6	0.9	44.7
More than 9½ per cent but less than 10 per cent . . . . .	1.0	1.0	0.9	2.7
10 per cent . . . . .	1.5	1.3	1.1	2.8
More than 10 per cent but less than 10½ per cent . . . . .	..	..	..	2.2
10½ per cent . . . . .	..	..	..	1.0
More than 10½ per cent but less than 11 per cent . . . . .	..	..	..	1.0
11 per cent . . . . .	..	..	..	2.6
More than 11 per cent but less than 11½ per cent . . . . .	..	..	..	0.9
11½ per cent . . . . .	..	..	..	0.5
More than 11½ per cent . . . . .	..	..	..	0.3
<b>Total . . . . .</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

(a) Excludes term loans, farm development loans and personal instalment loans. Comprises categories of loans specifically exempted from the prescribed maximum overdraft requirement such as, short-term mortgage and bridging loans and post-shipment wool advances subject to a disincentive rate of interest. The maximum rate chargeable on overdraft advances was fixed on 17 September 1973 at 9½ per cent on amounts of under \$50,000. For larger amounts, actual rates are a matter for negotiation between banks and their customers. (b) Percentages to June 1973 are based on figures including Papua New Guinea; from December 1973 percentages are based on figures excluding Papua New Guinea.

## MAJOR TRADING BANKS: FIXED DEPOSITS(a), BY RATE OF INTEREST

(Source: Reserve Bank of Australia)

(Proportion at each rate to total—per cent)

Interest rate per annum	At about end of—			
	June 1972	December 1972	June 1973	December 1973 (b)
Less than 4¼ per cent . . . . .	..	4.1	0.5	16.1
4¼ per cent and less than 4½ per cent . . . . .	10.1	18.6	10.7	
4½ per cent and less than 4¾ per cent . . . . .	11.8	17.1	14.3	
4¾ per cent and less than 5 per cent . . . . .	7.4	4.6	2.9	9.3
5 per cent and less than 5¼ per cent . . . . .	19.9	14.8	18.6	
5¼ per cent and less than 5½ per cent . . . . .	17.4	9.3	7.0	6.0
5½ per cent and less than 5¾ per cent . . . . .	8.7	9.4	14.1	
5¾ per cent and less than 6 per cent . . . . .	0.4	2.2	3.9	24.6
6 per cent and less than 6¼ per cent . . . . .	3.7	3.6	6.6	
6¼ per cent and less than 6½ per cent . . . . .	..	1.3	2.2	9.6
6½ per cent and less than 7 per cent . . . . .	20.5	15.2	19.1	
7 per cent and less than 7½ per cent . . . . .	..	..	..	6.6
7½ per cent and less than 8 per cent . . . . .	..	..	..	
8 per cent . . . . .	..	..	..	27.8
<b>Total . . . . .</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

(a) Excludes Government fixed deposits and certificates of deposit. (b) Percentages to June 1973 are based on figures including Papua New Guinea; from December 1973 percentages are based on figures excluding Papua New Guinea.

## Savings banks

For information on the origin of savings banks in Australia, see Year Book No. 50, page 854, and earlier issues.

All savings banks, including trustee savings banks, but not State savings banks, are subject to the *Banking Act 1959-1973*. Details of this Act and the special provisions applying to savings banks are given in Year Book No. 46, pages 759-60.

In the tables on pages 527-8 balance sheet and profit and loss account information does not relate to a uniform accounting period but rather to the financial years of the banks which ended in the years shown. For balance dates of individual savings banks see annual bulletin *Banking and Currency* (5.1).

The number of operative accounts excludes school bank accounts and small inoperative accounts. The other sections of the tables relating to depositors' balances, etc., include school bank accounts, small inoperative accounts, investment accounts, deposit stock and non-interest bearing cheque accounts at the State Savings Bank of Victoria and the Savings Bank of South Australia, and fixed deposit accounts and non-interest bearing cheque accounts at the trustee savings banks in Tasmania.

At 30 June 1973 all savings banks were paying interest on deposits at rates of up to 5.00 per cent. For accounts other than friendly and other societies the maximum interest bearing amount in any one account was \$20,000. There is no limit on the maximum interest bearing amount for society cheque accounts. Interest rates charged on loans made by the savings banks were: housing loans—up to 7.00 per cent; other loans—up to 7.75 per cent.

At 30 June 1973 savings banks operated 5,452 branches, 2,880 of these being in the 'metropolitan areas. Savings bank facilities were also available at 14,714 agencies throughout Australia.

## SAVINGS BANKS(a): LIABILITIES AND ASSETS(b)

(\$ million)

## LIABILITIES

	Paid-up capital	Reserve funds (used in the business of the bank)	Balance of profit and loss account	Total shareholders' funds	Depositors' balances	Balances due to other banks	Bills payable and all other liabilities (c)	Total
1969 . . .	25.0	132.7	6.7	164.4	6,783.5	13.4	222.2	7,183.6
1970 . . .	31.0	137.4	7.3	175.7	7,161.2	14.2	236.6	7,587.7
1971 . . .	31.0	149.8	8.4	189.2	7,722.0	16.8	258.9	8,186.9
1972 . . .	31.5	171.0	8.9	211.4	8,547.1	19.2	293.9	9,071.7
1973 . . .	36.5	191.1	9.4	237.1	10,398.4	25.3	343.6	11,004.4

## ASSETS

	Coin, bullion, notes and deposits with Reserve Bank	Deposits in Australia with trading banks	Australian public securities		Local and semi-government authorities	Other securities	Total
			Australian Government and States				
			Treasury bills and notes	Other securities			
1969 . . .	553.5	168.7	61.0	2,246.6	1,649.9	14.7	14.7
1970 . . .	585.1	150.8	74.7	2,232.6	1,791.9	16.5	16.5
1971 . . .	659.8	123.1	58.6	2,287.5	1,963.0	28.7	28.7
1972 . . .	906.1	188.6	39.3	2,352.5	2,171.4	36.9	36.9
1973 . . .	1,356.8	233.5	104.1	2,744.4	2,511.2	40.2	40.2

	Loans to authorised dealers in short-term money market	Cheques and bills of, and balances with and due from other banks(d)	Loans(e), advances and bills discounted	Bank premises, furniture and sites	Bills receivable and remittances in transit	All other assets	Total
1969 . . .	40.1	9.7	2,270.5	90.5	2.0	76.4	7,183.6
1970 . . .	54.1	167.8	2,337.3	98.2	0.4	78.3	7,587.7
1971 . . .	78.6	195.0	2,602.9	102.6	0.3	86.9	8,186.9
1972 . . .	55.9	212.7	2,897.7	111.5	0.1	99.0	9,071.7
1973 . . .	103.6	228.4	3,433.1	119.7	2.4	127.0	11,004.4

(a) Excludes Savings Bank Division of the Rural and Industries Bank of Western Australia. (b) This table relates to liabilities and assets both inside and outside Australia. (c) Includes provisions for contingencies. (d) Includes deposits with and loans to specified lenders other than trading banks. (e) Other than loans to dealers in the short-term money market.

## SAVINGS BANKS(a): PROFIT AND LOSS, APPROPRIATION OF PROFITS AND DIVIDENDS

(\$ million)

	Profit and loss			Profits appropriated to—				Dividends paid and proposed
	Net earnings (b)	Ex-penses (c)	Income, land and other taxes and payments in lieu of taxes	Net profit	Reserve funds	Writing-off bank premises	Other appropriations	
1969 . . .	131.2	108.5	7.7	15.0	7.0	2.0	2.3	3.4
1970 . . .	149.6	121.4	9.6	18.6	9.9	1.9	3.0	3.2
1971 . . .	179.4	141.2	11.4	26.7	13.4	1.9	6.3	4.1
1972 . . .	213.9	165.4	14.2	34.4	19.9	2.8	7.5	5.7
1973 . . .	268.5	209.3	17.9	41.4	23.3	2.9	8.4	6.2

(a) Excludes Savings Bank Division of the Rural and Industries Bank of Western Australia. (b) Discount and interest earned, net exchange, commissions and other items (including transfers from contingencies accounts), after deducting interest paid and accrued on deposits, rebate on bills current at balance date, amounts written off assets, and losses on realisation of assets and transfers to the credit of contingencies accounts (out of which accounts provisions for all bad and doubtful debts have been made). (c) Includes directors' fees.

## SAVINGS BANKS: BUSINESS TRANSACTED IN AUSTRALIA

	Number of operative accounts	Deposits (a)	With-drawals (a)	Interest added	Depositors' balances at end of year
	'000	\$m	\$m	\$m	\$m
1968-69 . . .	14,534	9,423.8	9,154.1	215.8	6,707.1
1969-70 . . .	15,291	10,671.9	10,508.9	234.6	7,104.7
1970-71 . . .	16,019	12,324.0	12,045.7	251.6	7,634.5
1971-72 . . .	16,726	14,304.3	13,823.0	275.6	8,391.4
1972-73 . . .	17,468	18,092.3	16,561.6	315.8	10,237.9

(a) Includes inter-branch transfers.

## SCHOOLS SAVINGS BANKS: AUSTRALIA

End of June—	Number of school agencies	Number of operative accounts	Depositors' balances
		'000	\$'000
1969 . . . . .	10,957	1,584	28,476
1970 . . . . .	11,042	1,600	28,079
1971 . . . . .	10,923	1,598	28,808
1972 . . . . .	10,874	1,615	26,700
1973 . . . . .	10,838	1,617	28,419

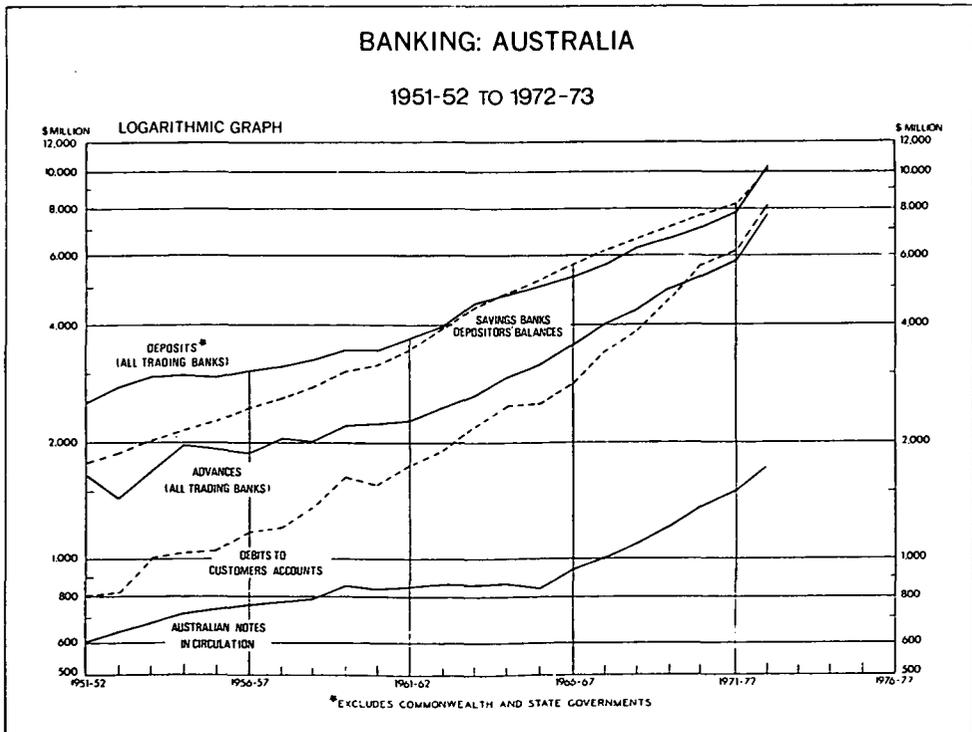
## SAVINGS BANKS: HOUSING FINANCE TRANSACTIONS WITHIN AUSTRALIA

<i>Housing loans approved to—</i>							
<i>Individuals</i>							
	<i>Dwellings not previously occupied</i>		<i>Dwellings previously occupied</i>		<i>Alterations and additions</i>	<i>Total</i>	<i>Building societies</i>
	<i>Number(a)</i> <i>'000</i>	<i>\$m(b)</i>	<i>Number(a)</i> <i>'000</i>	<i>\$m(b)</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1968-69(c) . . .	26.1	200.7	33.8	230.9	7.5	439.1	19.5
1969-70 . . .	25.6	204.2	35.6	257.2	7.8	469.2	12.7
1970-71 . . .	27.7	237.9	40.5	320.3	9.0	567.2	16.6
1971-72 . . .	28.5	262.7	45.1	394.0	13.9	670.5	17.1
1972-73 . . .	36.4	400.4	63.4	676.2	27.7	1,104.3	24.7

	<i>Housing loans approved to individuals—</i>			<i>Balances outstanding on housing loans to—</i>		<i>Interest debited to loan accounts of individuals</i>
	<i>Cancellation of loans previously approved(d)</i>		<i>Undrawn commitments at end of year</i>	<i>Individuals</i>	<i>Building societies</i>	
	<i>Number(a)</i> <i>'000</i>	<i>\$m(b)</i>	<i>\$m</i>	<i>\$m(e)</i>	<i>\$m</i>	<i>\$m</i>
1968-69(c) . . .	n.a.	n.a.	105.1	1,715.2	246.3	n.a.
1969-70 . . .	3.6	26.5	114.4	1,898.3	245.3	106.9
1970-71 . . .	4.1	32.2	129.0	2,124.9	238.6	130.1
1971-72 . . .	4.2	35.3	161.0	2,392.0	227.6	144.0
1972-73 . . .	5.6	57.3	348.9	2,825.3	215.9	174.1

(a) Number of dwelling units for which first mortgage loans approved. (b) Includes second mortgage finance to complete original purchase or construction. (c) Includes details relating to the external territories. (d) Includes amounts cancelled as a result of periodic examinations by banks of undrawn commitments. (e) Includes interest debited to loan accounts.



## Development banks

### Commonwealth Development Bank of Australia

The Commonwealth Development Bank of Australia was established by the *Commonwealth Banks Act 1959* and commenced operations on 14 January 1960. It was formed basically from an amalgamation of the Mortgage Bank and Industrial Finance Departments of the Commonwealth Bank. Under the Act the Bank is authorised to provide assistance for the development of worthwhile enterprises in the fields of primary and secondary industries, which would otherwise be unable to obtain the necessary finance on reasonable and suitable terms and conditions. The Commonwealth Development Bank is managed by a General Manager under the Managing Director of the Commonwealth Banking Corporation and its policy is determined by the Board of that Corporation. The capital of the Development Bank consists of the capital of the Mortgage Bank and Industrial Finance Departments of the Commonwealth Bank immediately prior to 14 January 1960, \$10 million provided by the Reserve Bank, \$20 million appropriated from the Consolidated Revenue Fund in 1961-62 by the *Commonwealth Banks Act 1961* and the *Commonwealth Banks Act 1962*, \$10 million appropriated in 1963-64 by the *Commonwealth Banks Act 1963*, and such other sums as are provided from the Commonwealth Development Bank Reserve Fund. The net profits of the Bank are paid to the Commonwealth Development Bank Reserve Fund, which at 30 June 1973 stood at \$34.0 million. Net profits in 1971-72 and 1972-73 amounted to \$1.5 million and \$1.5 million respectively.

#### COMMONWEALTH DEVELOPMENT BANK OF AUSTRALIA: LIABILITIES (\$ million)

30 June—	Capital	Reserve fund	Balances due to other banks	Deposits, bills payable, all other liabilities	Total
1969 . . .	61.7	27.2	131.3	34.7	254.9
1970 . . .	61.7	29.3	142.2	32.5	265.6
1971 . . .	61.7	31.0	157.7	32.3	282.7
1972 . . .	61.7	32.5	159.8	42.0	296.0
1973 . . .	61.7	34.0	159.1	44.2	299.1

#### COMMONWEALTH DEVELOPMENT BANK OF AUSTRALIA: ASSETS (\$ million)

30 June—	Coin, bullion, notes and cash at bankers	Australian public securities (incl. Treasury bills)	Other securities	Loans to authorised dealers in short-term money market	Cheques and bills of other banks	Loans, advances, and bills discounted	All other assets	Total
1969 . . .	0.8	1.2	0.2	..	1.5	250.2	0.9	254.9
1970 . . .	0.8	0.8	0.3	..	1.7	261.0	1.0	265.6
1971 . . .	0.8	0.7	0.2	..	1.9	277.8	1.2	282.7
1972 . . .	0.9	0.5	..	0.8	2.3	290.4	1.0	296.0
1973 . . .	0.6	2.0	..	1.2	2.7	291.5	1.1	299.1

### Australian Resources Development Bank Limited

The Australian Resources Development Bank Limited was established in 1967 with equity capital of \$3 million subscribed by the major trading banks. It was given the status of a bank by the *Banking Act 1967* and opened for business on 29 March 1968. The main object of the Australian Resources Development Bank is to assist Australian enterprises to participate more fully in the development of Australia's natural resources. It provides finance to enterprises engaged in major developmental projects by direct loans, investing in equity capital or by refinancing loans made by trading banks acting individually or as a group. The Australian Resources Development Bank obtains funds by accepting deposits and by borrowing on the Australian and overseas capital markets.

**AUSTRALIAN RESOURCES DEVELOPMENT BANK LIMITED: LIABILITIES**  
(\$ million)

30 September—	Capital	Reserve fund	Balances due to other banks	Deposits, bills payable, all other liabilities	Total
1970 . . .	3.0	0.5	27.7	163.6	194.8
1971 . . .	3.0	1.3	42.3	256.6	303.1
1972 . . .	3.0	2.8	53.8	304.4	364.0
1973 . . .	3.0	4.0	49.5	283.8	340.3

**AUSTRALIAN RESOURCES DEVELOPMENT BANK LIMITED: ASSETS**  
(\$ million)

30 September—	Coin, bullion, notes and cash at bankers	Australian public securities (incl. Treasury bills)	Other securities	Loans to authorised dealers in short-term money market	Cheques and bills of other banks	Loans, advances, and bills discounted	All other assets	Total
1970 . . .	..	0.2	..	3.0	187.3	3.1	1.1	194.8
1971 . . .	0.1	0.2	0.1	9.4	283.6	6.2	3.4	303.1
1972 . . .	..	0.2	0.3	10.0	326.5	15.5	11.5	364.0
1973 . . .	..	0.1	0.3	12.2	305.2	12.1	10.3	340.3

## INSURANCE

### Legislation

Section 51 of the Commonwealth Constitution confers the necessary powers on the Australian Parliament to legislate with respect to 'insurance other than State insurance; also State insurance extending beyond the limits of the State concerned'. Commonwealth legislation includes the *Marine Insurance Act 1909-1973* defining the limits of marine insurance and regulating the terms of contracts, etc., the *Insurance (Deposits) Act 1932-1973* requiring the lodgment of deposits by insurance companies, and the *Life Insurance Act 1945-1973* generally regulating life insurance business in Australia. The *Marine Insurance Act 1909-1973* and the *Insurance (Deposits) Act 1932-1973* have limited application, and except for life insurance business, which is regulated by the *Life Insurance Act 1945-1973*, insurance business is conducted almost entirely under State laws.

### Insurance (Deposits) Act 1932-1973

Companies, persons or associations of persons carrying on insurance business in Australia or in any Territory of Australia are required to lodge a deposit with the Australian Government Treasurer. Money deposited is invested by the Treasurer in prescribed securities selected by the depositor and all interest is paid to depositors. Deposits remain as security against liability to policy holders and are available to satisfy judgments obtained in respect of policies. Deposits held by States on 1 February 1932 could, however, remain with the States subject to the conditions embodied in the laws of the States, and depositors to the extent of the value of these deposits were exempt from liability to make deposits under the Commonwealth Act.

The following are not regarded as insurance business under the Act: staff superannuation schemes; schemes of religious organisations solely for insurance of their property; 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, and under the *Life Insurance Act 1945-1973* ceased to apply to life insurance business.

### Life Insurance Act 1945-1973

The objects of this Act are: (a) to replace all State legislation on the subject of life insurance, except that relating to the life insurance operations of State Government insurance offices within the State concerned, and to provide uniform legislation for the whole of Australia; (b) to appoint an Insurance Commissioner to exercise active supervision of the activities of life insurance companies, with a view to securing the greatest possible protection for policy holders; (c) to set up adequate

machinery for dealing with any company that fails to maintain a required minimum standard of solvency. The Act came into operation on 20 June 1946. A summary of the provisions of the Act is given in Year Book No. 37, pages 595-7. The Insurance Commissioner issues an annual report which contains detailed information on the operations of life insurance companies.

#### Deposits under Insurance Acts

Deposits lodged under the Insurance Acts at 30 June 1973 totalled \$43.0 million, comprising \$5.1 million held by the Australian Government in respect of life insurance, and \$38.0 million held by the Australian Government in respect of other forms of insurance. The deposits consisted of Australian Government securities \$24.4 million, United Kingdom Government securities \$2.0 million, fixed deposits \$1.4 million, bank guarantees and undertakings \$12.2 million, corporation debentures and stock \$0.9 million, titles and mortgages \$1.9 million, and other securities \$0.2 million.

### Life insurance

Since 1947, returns lodged under the *Life Insurance Act 1945-1973* have been used to compile life insurance statistics. The statistics included in the following tables relate to the Australian and overseas business of companies with head offices in Australia together with the Australian business of companies with head offices overseas. Unless otherwise stated, life insurance business in Australia excludes life insurance business in Papua New Guinea. The information shown has been compiled from returns of life insurance business submitted in the financial years which ended during the year stated.

#### Offices transacting business

The number of companies which transacted life insurance business in Australia during 1972 was 49. Of these, 35 were companies incorporated outside Australia or were subsidiaries of such companies. Nine companies, including 4 incorporated outside Australia, were mutual companies. All companies conducted ordinary business and 46 conducted superannuation business. Industrial business was conducted by 10 companies, all of which also conducted superannuation business. In addition two State Government institutions conduct life insurance business only in their own State.

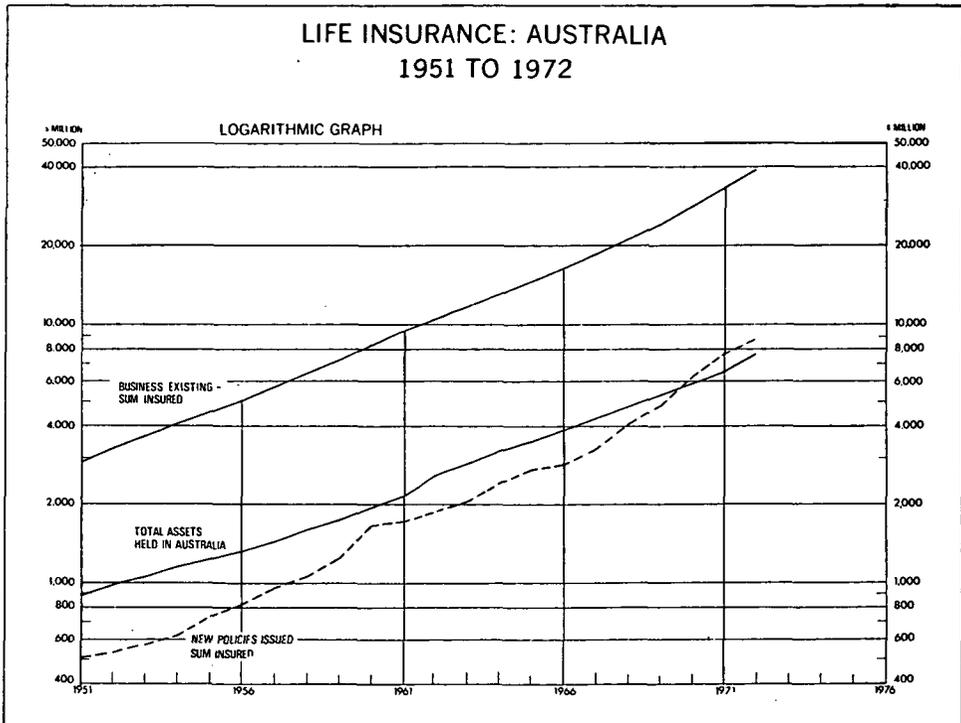


PLATE 38

## LIFE INSURANCE: SUMMARY, AUSTRALIA

	<i>Insurance and endowment policies</i>			<i>Annuity policies</i>	
	<i>Number of policies</i>	<i>Sum insured (\$ million)</i>	<i>Annual premiums (\$ million)</i>	<i>Number of policies</i>	<i>Annuitties per annum (\$ million)</i>
<b>ORDINARY BUSINESS</b>					
<b>New policies issued—</b>					
1968(a)	436,928	2,606.6	59.1	95	0.1
1969	464,062	3,088.4	65.7	109	0.1
1970	504,613	3,777.9	75.3	55	0.1
1971	569,370	4,882.6	91.5	66	0.1
1972	575,650	5,489.0	100.4	74	0.1
<b>Policies discontinued or reduced(b)—</b>					
1968(a)	258,639	799.7	18.2	186	0.1
1969	248,906	974.3	20.3	181	0.1
1970	273,765	1,153.2	24.5	204	0.1
1971	293,710	1,510.0	28.3	109	..
1972	324,374	1,878.9	34.0	91	..
<b>Policies existing at end of—</b>					
1968(a)	4,529,853	14,823.0	370.1	2,177	1.1
1969	4,676,164	16,806.1	411.7	2,065	1.3
1970	4,907,012	19,430.8	462.6	1,951	1.1
1971	5,182,672	22,803.4	525.7	1,906	1.1
1972	5,433,948	26,413.5	592.2	1,889	1.2
<b>INDUSTRIAL BUSINESS</b>					
<b>New policies issued</b>					
1968(a)	132,504	145.7	5.8	..	..
1969	139,360	165.0	6.5	..	..
1970	138,647	198.5	7.3	..	..
1971	135,384	231.4	8.0	..	..
1972	133,700	255.3	8.7	..	..
<b>Policies discontinued or reduced(b)—</b>					
1968(a)	174,576	86.3	3.7	..	..
1969	169,892	91.1	3.8	..	..
1970	168,600	100.6	4.1	..	..
1971	165,067	115.0	4.5	..	..
1972	215,164	142.4	5.3	..	..
<b>Policies existing at end of—</b>					
1968(a)	2,561,106	1,040.6	42.4	..	..
1969	2,530,386	1,114.4	45.1	..	..
1970	2,500,433	1,212.3	48.3	..	..
1971	2,470,750	1,328.7	51.8	..	..
1972	2,389,286	1,441.5	55.2	..	..
<b>SUPERANNUATION BUSINESS</b>					
<b>New policies issued—</b>					
1968(a)	89,085	1,328.1	33.1	83	6.3
1969	94,771	1,591.6	41.7	64	5.0
1970	74,334	2,298.6	58.8	60	10.6
1971	78,005	2,785.3	72.4	45	12.9
1972	86,394	2,973.7	78.8	59	14.6
<b>Policies discontinued or reduced(b)—</b>					
1968(a)	67,338	539.8	14.3	60	7.0
1969	114,664	709.1	17.7	43	7.8
1970	126,552	940.0	26.5	33	4.5
1971	87,206	1,129.0	29.4	28	4.7
1972	67,696	1,319.0	32.9	43	7.1
<b>Policies existing at end of—</b>					
1968(a)	721,482	5,533.7	154.2	928	28.1
1969	752,302	6,439.2	179.2	950	25.4
1970	699,652	7,797.8	211.5	977	31.4
1971	690,451	9,454.2	254.5	980	39.6
1972	709,149	11,108.9	300.5	996	47.0

(a) Includes life insurance business in Papua New Guinea. (b) Includes policies matured, surrendered, forfeited, transferred to overseas registers, converted to other classes of business, etc.

**LIFE INSURANCE: POLICIES DISCONTINUED OR REDUCED IN AUSTRALIA  
BY CAUSE OF DISCONTINUANCE OR REDUCTION(a)(b)**

	<i>Events provided for in policy*</i>							<i>Total</i>
	<i>Death</i>	<i>Maturity</i>	<i>Other (including expiry)</i>	<i>Sur- render</i>	<i>For- feiture</i>	<i>Transfer</i>	<i>Other causes</i>	
<b>ORDINARY BUSINESS</b>								
<b>Number of policies—</b>								
1968(c)	22,532	70,339	2,903	104,415	60,504	-1,967	-87	258,639
1969	21,957	69,445	3,577	107,713	55,885	-2,385	-7,286	248,906
1970	23,047	73,132	4,241	121,917	65,380	-1,786	-12,166	273,765
1971	23,138	75,516	4,654	128,879	68,741	-1,442	-5,776	293,710
1972	23,630	79,432	4,947	145,473	73,395	-1,826	-777	324,274
<b>Sum insured (\$'000)—</b>								
1968(c)	46,144	52,568	92,477	309,793	315,594	-6,543	-10,340	799,694
1969	48,298	55,046	165,033	425,186	291,956	-9,737	-1,503	974,278
1970	54,235	63,201	158,407	506,645	394,872	-8,346	-15,845	1,153,169
1971	61,606	69,738	217,410	731,739	465,615	-5,990	-30,130	1,509,988
1972	65,541	77,812	261,881	929,600	572,708	-12,765	-15,843	1,878,934
<b>INDUSTRIAL BUSINESS</b>								
<b>Number of policies—</b>								
1968(c)	12,689	58,945	7,370	61,374	34,460	-255	-7	174,576
1969	11,947	67,716	..	55,481	34,861	-133	21	169,893
1970	12,554	69,069	-1	52,432	34,610	40	-104	168,600
1971	13,745	65,575	..	50,901	34,879	-26	-7	165,067
1972	12,267	112,636	..	51,941	38,281	51	-12	215,164
<b>Sum insured (\$'000)—</b>								
1968(c)	2,843	8,640	1,524	31,937	41,457	-96	9	86,314
1969	2,800	10,760	..	32,307	45,247	-22	1	91,095
1970	3,152	11,236	..	34,841	51,316	54	18	100,617
1971	3,673	12,199	62	37,226	61,855	6	21	115,042
1972	3,378	20,218	112	42,803	75,768	113	1	142,393
<b>SUPERANNUATION BUSINESS</b>								
<b>Number of policies—</b>								
1968(c)	3,390	7,806	103	36,881	1,447	-11	17,722	67,338
1969	3,881	8,381	185	48,870	1,471	9	51,867	114,664
1970	3,661	9,193	181	53,065	1,655	5	58,792	126,552
1971	3,712	8,938	632	44,651	1,535	-9	27,749	87,208
1972	3,854	8,994	188	33,144	1,596	5	19,915	67,696
<b>Sum insured (\$'000)—</b>								
1968(c)	16,659	17,330	44,596	341,571	22,172	-92	97,566	539,802
1969	19,058	18,639	53,617	430,440	19,024	-31	168,389	709,136
1970	23,053	23,573	72,008	605,648	21,848	-1,063	194,976	940,043
1971	25,471	30,083	148,506	708,678	24,752	2,076	189,383	1,128,950
1972	29,088	36,706	151,451	811,420	22,384	-495	268,450	1,319,005

(a) Excludes annuities. (b) See footnote (b) on page 533. (c) Includes life insurance business in Papua New Guinea. Minus sign (-) denotes an increase in existing business due to an excess of transfers from overseas registers to Australian registers, or conversions from other classes of business over discontinuances.

**LIFE INSURANCE: REVENUE FROM PREMIUMS, AUSTRALIA**  
(\\$'000)

	<i>Ordinary business</i>		<i>Industrial business</i>	<i>Superannuation business</i>		<i>Total, all business combined</i>
	<i>Insurance and endowment premiums</i>	<i>Con-sideration for annuities</i>	<i>Insurance and endowment premiums</i>	<i>Insurance and endowment premiums</i>	<i>Con-sideration for annuities</i>	
1968(a)	371,941	1,132	40,716	165,530	9,893	589,212
1969	415,622	1,293	42,975	186,855	9,768	656,514
1970	469,329	675	45,983	222,331	11,967	750,286
1971	541,713	620	49,196	258,366	13,259	863,154
1972	610,063	1,005	52,514	306,880	26,359	996,821

(a) Includes life insurance business in Papua New Guinea.

**LIFE INSURANCE: PAYMENTS TO POLICY-HOLDERS, AUSTRALIA**  
(\\$'000)

	<i>Claims</i>	<i>Surrenders</i>	<i>Annuities</i>	<i>Cash bonuses</i>	<i>Total</i>
<b>ORDINARY BUSINESS</b>					
1968(a)	128,307	46,235	949	1,280	176,771
1969	139,743	53,525	977	1,338	195,583
1970	159,357	67,028	994	1,487	228,867
1971	180,920	81,511	995	1,607	265,031
1972	197,647	97,717	1,110	1,720	298,195
<b>INDUSTRIAL BUSINESS</b>					
1968(a)	14,757	6,590	..	1	21,348
1969	15,913	6,614	..	1	22,529
1970	17,499	6,953	..	..	24,453
1971	19,107	7,561	..	..	26,667
1972	30,907	8,307	..	..	39,214
<b>SUPERANNUATION BUSINESS</b>					
1968(a)	40,437	33,854	2,694	1,207	78,192
1969	44,828	42,864	3,159	1,003	91,853
1970	57,665	55,199	3,077	998	116,941
1971	66,589	62,848	4,012	1,109	134,557
1972	80,336	68,656	5,196	1,589	155,775

(a) Includes life insurance business in Papua New Guinea.

**LIFE INSURANCE: TOTAL REVENUE**  
(\$'000)

<i>Australia and overseas</i>							
	<i>Insurance and endowment premiums</i>	<i>Con- sideration for annuities granted</i>	<i>Net interest dividends and rents</i>	<i>All other revenue</i>	<i>Total revenue</i>		
					<i>Australia (a)</i>	<i>Overseas</i>	
<b>ORDINARY BUSINESS</b>							
1968 . . . . .	491,446	10,794	225,001	43,544	572,737	198,047	
1969 . . . . .	545,681	10,730	250,938	39,431	635,488	211,294	
1970 . . . . .	610,678	10,299	279,643	50,724	719,140	232,204	
1971 . . . . .	695,185	11,860	315,409	58,467	828,437	252,485	
1972 . . . . .	771,364	12,596	347,559	88,294	940,024	279,789	
<b>INDUSTRIAL BUSINESS</b>							
1968 . . . . .	44,915	..	21,995	1,848	62,196	6,561	
1969 . . . . .	47,269	..	23,946	1,202	65,563	6,855	
1970 . . . . .	50,377	..	26,701	1,335	71,325	7,087	
1971 . . . . .	53,770	..	27,904	2,739	77,024	7,390	
1972 . . . . .	57,142	..	29,955	3,921	83,428	7,589	
<b>SUPERANNUATION BUSINESS</b>							
1968 . . . . .	174,697	11,141	63,180	12,706	247,003	14,721	
1969 . . . . .	197,456	11,237	71,974	13,913	278,294	16,284	
1970 . . . . .	233,518	13,825	83,331	28,026	339,175	19,525	
1971 . . . . .	271,748	16,389	94,313	38,179	399,178	21,449	
1972 . . . . .	322,831	30,945	109,191	95,283	531,934	26,315	

(a) Includes life insurance business in Papua New Guinea.

**LIFE INSURANCE: TOTAL EXPENDITURE**  
(\$'000)

<i>Australia and overseas</i>								
	<i>Claims and annuities paid</i>	<i>Surrenders</i>	<i>Cash bonuses paid to policy-holders</i>	<i>Com- mission</i>	<i>Other expenses of manage- ment</i>	<i>All other expendi- ture</i>	<i>Total expenditure</i>	
							<i>Australia (a)</i>	<i>Overseas</i>
<b>ORDINARY BUSINESS</b>								
1968 . . . . .	186,897	62,942	2,088	50,812	55,574	87,503	273,542	172,273
1969 . . . . .	202,122	74,582	2,260	59,152	62,856	29,663	309,235	121,400
1970 . . . . .	228,462	88,708	2,464	68,885	72,105	29,093	360,745	128,971
1971 . . . . .	252,679	105,049	2,616	84,356	87,701	35,986	428,482	139,902
1972 . . . . .	268,354	123,128	2,647	94,221	99,149	48,669	484,574	151,596
<b>INDUSTRIAL BUSINESS</b>								
1968 . . . . .	16,445	7,211	1	6,383	7,224	5,629	35,852	7,042
1969 . . . . .	18,476	7,256	1	6,818	7,797	2,720	38,306	4,762
1970 . . . . .	20,104	7,620	..	7,557	8,682	2,060	41,099	4,926
1971 . . . . .	21,635	8,224	..	8,620	10,281	2,725	46,262	5,222
1972 . . . . .	35,136	9,037	..	9,295	11,051	3,364	60,083	7,800
<b>SUPERANNUATION BUSINESS</b>								
1968 . . . . .	46,784	35,767	1,288	6,375	13,689	18,008	114,323	7,588
1969 . . . . .	51,483	45,719	1,088	6,936	14,826	26,830	138,032	8,850
1970 . . . . .	64,936	58,608	1,069	8,019	17,181	55,262	192,669	12,406
1971 . . . . .	75,329	66,839	1,187	9,329	20,368	61,664	222,771	11,947
1972 . . . . .	90,539	72,850	1,651	10,250	22,699	66,736	252,413	12,310

(a) Includes life insurance business in Papua New Guinea.

LIFE INSURANCE: LIABILITIES, AUSTRALIA AND OVERSEAS, 1972  
(\$ million)

	<i>Life insurance business</i>	<i>Other classes of business</i>	<i>Total liabilities</i>
<b>Shareholders' capital—</b>			
Authorised . . . . .	..	73.8	73.8
<i>Less un-issued</i> . . . . .	..	38.9	38.9
<b>Subscribed capital</b> . . . . .	..	34.9	34.9
<b>Paid-up—</b>			
In money . . . . .	..	24.7	24.7
Otherwise than in money . . . . .	..	9.5	9.5
<b>Total paid-up capital</b> . . . . .	..	34.2	34.2
<b>Life insurance statutory funds—</b>			
Ordinary business . . . . .	6,041.0	..	6,041.0
Industrial business . . . . .	525.0	..	525.0
Superannuation business . . . . .	1,866.3	..	1,866.3
<b>Total statutory funds</b> . . . . .	8,432.3	..	8,432.3
<b>Funds in respect of other classes of business</b> . . . . .	..	47.0	47.0
General reserves . . . . .	71.5	29.4	100.9
Profit and loss account balance . . . . .	..	8.8	8.8
<b>Total shareholders' capital, insurance funds and reserves</b>	8,503.8	119.4	8,623.2
<b>Other liabilities—</b>			
Deposits . . . . .	56.6	13.5	70.1
Staff provident and superannuation funds . . . . .	1.9	3.6	5.5
Claims admitted or intimated but not paid . . . . .	84.1	28.3	112.4
Premiums paid in advance and in suspense . . . . .	9.0	0.2	9.2
Sundry creditors . . . . .	47.0	3.9	50.9
Bank overdraft . . . . .	53.0	0.3	53.3
Reserves and provisions for taxation . . . . .	60.7	5.5	66.2
All other liabilities . . . . .	13.7	21.0	34.7
<b>Grand total</b> . . . . .	8,829.8	195.6	9,025.4

LIFE INSURANCE(a): ASSETS HELD IN AUSTRALIA(b)  
(\$ million)

	1968	1969	1970	1971	1972
Freehold and leasehold property . . . . .	501.0	636.6	761.6	948.3	1,164.7
Government and municipal securities . . . . .	1,536.2	1,665.5	1,819.3	2,052.5	2,329.5
Other investments . . . . .	1,241.3	1,408.7	1,578.4	1,727.8	1,961.7
Loans on mortgage . . . . .	1,108.9	1,188.3	1,235.4	1,252.9	1,271.5
Loans on companies' policies . . . . .	174.4	195.5	223.0	251.8	267.8
Other loans . . . . .	54.1	57.8	57.1	60.3	62.3
All other assets . . . . .	177.2	201.2	236.3	270.3	311.4
<b>Total</b> . . . . .	4,793.1	5,353.8	5,911.1	6,563.8	7,369.0

(a) Includes other classes of business. (b) Includes Papua New Guinea.

**LIFE INSURANCE: ASSETS, AUSTRALIA AND OVERSEAS, 1972**  
(\$'000)

	<i>Australia(a)</i>			<i>Australia and overseas</i>		
	<i>Life insurance business</i>	<i>Other classes of business</i>	<i>Total</i>	<i>Life insurance business</i>	<i>Other classes of business</i>	<i>Total</i>
<b>Fixed assets—</b>						
Freehold and leasehold property, office premises . . . . .	1,157.8	6.8	1,164.7	1,359.5	6.8	1,366.3
Furniture, etc. . . . .	12.4	1.2	13.6	14.3	1.2	15.5
<i>Total fixed assets</i> . . . . .	<i>1,170.2</i>	<i>8.0</i>	<i>1,178.2</i>	<i>1,373.8</i>	<i>8.0</i>	<i>1,381.8</i>
<b>Loans—</b>						
On mortgage . . . . .	1,255.6	15.9	1,271.5	1,654.1	16.0	1,670.1
On policies of the company . . . . .	267.8	..	267.8	335.5	..	335.5
Other loans . . . . .	52.0	10.3	62.3	59.6	10.3	69.9
<i>Total loans</i> . . . . .	<i>1,575.4</i>	<i>26.2</i>	<i>1,601.6</i>	<i>2,049.3</i>	<i>26.3</i>	<i>2,075.6</i>
<b>Investments—</b>						
<b>Government securities—</b>						
Australia . . . . .	1,656.2	11.8	1,668.0	1,662.0	11.8	1,673.8
Other . . . . .	10.7	0.2	10.9	406.7	1.2	407.9
<b>Securities of local and semi-government bodies . . . . .</b>						
Other investments . . . . .	1,863.9	97.9	1,961.7	2,273.4	98.8	2,372.2
<i>Total investments</i> . . . . .	<i>4,176.8</i>	<i>114.4</i>	<i>4,291.2</i>	<i>5,098.8</i>	<i>116.5</i>	<i>5,215.3</i>
Cash on deposit, current account and in hand . . . . .	32.2	20.4	52.6	39.7	20.9	60.6
Other assets(b) . . . . .	221.7	23.5	245.2	268.3	23.9	292.2
<b>Grand total</b> . . . . .	<b>7,176.4</b>	<b>192.6</b>	<b>7,369.0</b>	<b>8,829.8</b>	<b>195.6</b>	<b>9,025.4</b>

(a) Includes Papua New Guinea. (b) Includes advances of premiums.

**LIFE INSURANCE COMPANIES: NEW LOANS PAID OVER(a), BY CLASS OF SECURITY AND STATE OR TERRITORY**  
(\$'000)

	1969	1970	1971	1972	1973
<b>Class of security—</b>					
Mortgage of real estate . . . . .	187,498	156,544	157,459	132,958	176,645
Companies' policies . . . . .	48,482	60,920	65,571	58,448	50,839
Other . . . . .	8,049	12,439	10,380	19,497	33,983
<b>State or Territory(b)—</b>					
New South Wales . . . . .	100,726	88,551	104,057	90,048	109,253
Victoria . . . . .	68,576	68,632	61,711	59,671	83,239
Queensland . . . . .	24,672	24,144	21,633	24,065	23,868
South Australia(c) . . . . .	17,492	16,456	18,307	13,526	18,973
Western Australia . . . . .	23,965	22,341	19,588	13,189	13,193
Tasmania . . . . .	6,418	6,081	4,688	4,425	4,560
Australian Capital Territory . . . . .	2,178	3,698	3,425	5,977	8,382
<b>Total</b> . . . . .	<b>244,029</b>	<b>229,903</b>	<b>233,410</b>	<b>210,904</b>	<b>261,468</b>

(a) Excludes advances of premiums. (b) State or Territory of location of mortgage, registration of policy or residence of borrower. (c) Includes Northern Territory.

### Fire, marine and general insurance

The following statistics, which are in respect of the Australian business of companies operating in Australia and State Government insurance offices, conform to the following definitions and should be interpreted accordingly.

- (a) *Premiums* represent the full amount receivable in respect of policies issued or renewed in the year, less returns, rebates and bonuses paid or credited to policy-holders during the year. They are not adjusted to provide for premiums unearned at the end of the year and consequently the amounts differ from 'earned premium income' appropriate to the year. In recent years, as the volume of premiums receivable has been increasing, the figures shown in the tables are greater than the premiums earned by insurers.
- (b) *Claims* comprise payments made during the year, plus the estimated amount of outstanding claims at the end of the year, less the estimated amount of outstanding claims at the beginning of the year. Salvage and other amounts recoverable have been deducted.
- (c) *Contributions to fire brigades, commission and agents' charges, and expenses of management* are mainly charges paid during the year.
- (d) *Taxation* is mainly payments made during the year, and includes income tax, pay-roll tax, licence fees, stamp duty (where paid by the company), etc. Income tax paid during the year is based on the income of earlier years.

The figures relate to selected items of statistics and are not construable as 'Profit and Loss' statements or 'Revenue Accounts'.

During 1972-73 revenue from premiums amounted to \$1,322.7 million, and that from net interest on investments, etc., to \$94.7 million, a total of \$1,417.4 million. Expenditure on claims amounted to \$903.5 million, contributions to fire brigades \$34.8 million, commission and agents' charges \$105.4 million, expenses of management \$216.8 million, and taxation \$38.2 million, a total of \$1,298.7 million.

#### FIRE, MARINE AND GENERAL INSURANCE: PREMIUMS AND CLAIMS BY PRINCIPAL CLASS OF RISK, AUSTRALIA

(\$'000)

Class of risk	1968-69	1969-70	1970-71	1971-72	1972-73
<b>PREMIUMS (LESS RETURNS, REBATES AND BONUSES)</b>					
Fire . . . . .	106,045	115,332	125,912	143,598	152,073
Householders' comprehensive . . . . .	54,619	63,036	72,198	85,006	102,249
Loss of profits . . . . .	13,691	15,206	18,939	22,612	25,115
Hailstone(a) . . . . .	7,455	5,242	4,531	4,420	4,178
Marine . . . . .	34,059	40,317	48,172	50,580	53,332
Motor vehicle—					
Compulsory third party . . . . .	127,593	143,903	157,814	171,740	183,026
Other . . . . .	205,171	226,819	252,225	300,342	329,932
Workers' compensation(b) . . . . .	149,197	164,574	181,792	236,546	291,248
Personal accident . . . . .	28,465	32,080	36,559	42,638	45,556
Burglary . . . . .	13,586	14,995	16,382	18,726	19,537
All other . . . . .	59,713	69,845	86,610	107,477	116,414
<b>Total . . . . .</b>	<b>799,593</b>	<b>891,351</b>	<b>1,001,134</b>	<b>1,183,686</b>	<b>1,322,661</b>
<b>CLAIMS (LESS AMOUNTS RECOVERABLE)</b>					
Fire . . . . .	48,769	54,498	58,559	68,722	72,352
Householders' comprehensive . . . . .	19,871	21,159	24,060	33,996	40,449
Loss of profits . . . . .	5,397	4,488	5,040	3,968	8,656
Hailstone(a) . . . . .	2,531	5,635	3,510	4,514	2,411
Marine . . . . .	21,323	23,008	25,238	25,333	25,049
Motor vehicle—					
Compulsory third party . . . . .	118,639	147,584	152,056	182,865	209,223
Other . . . . .	148,810	172,031	186,673	217,932	223,364
Workers' compensation(b) . . . . .	106,618	117,435	126,850	165,021	245,008
Personal accident . . . . .	11,757	13,376	15,224	16,705	19,415
Burglary . . . . .	7,460	8,121	8,844	10,618	9,740
All other . . . . .	27,400	32,244	39,999	44,639	47,822
<b>Total . . . . .</b>	<b>518,575</b>	<b>599,580</b>	<b>646,052</b>	<b>774,314</b>	<b>903,489</b>

(a) Excludes hailstone insurance in Tasmania which is included in 'All other'.  
workers' compensation insurance in coal-mining industry in New South Wales.

(b) Excludes

### Export Payments Insurance Corporation

The Export Payments Insurance Corporation was established under the *Export Payments Insurance Corporation Act 1956* to provide exporters with insurance against risks associated with overseas trade. For further information on the Corporation see Chapter 11, Overseas Transactions.

#### EXPORT PAYMENTS INSURANCE CORPORATION: BUSINESS

	1968-69	1969-70	1970-71	1971-72	1972-73
<b>Commercial business—</b>					
Policies and guarantees . . . . . No.	746	809	941	1,037	1,113
Face value of policies current . . . . . \$'000	298,829	343,064	511,105	621,955	671,400
Maximum contingent liability . . . . . "	158,966	190,067	301,061	375,358	407,192
Premium income . . . . . "	730	861	1,025	1,602	2,295
Operating costs . . . . . "	426	516	585	686	830
Claims paid (gross) . . . . . "	388	353	939	422	807
Recoveries . . . . . "	263	212	693	165	114
Underwriting reserve . . . . . "	1,897	2,401	2,997	4,023	5,560
<b>National interest and warehousing business—</b>					
Policy holders . . . . . No.	1	2	4	13	14
Face value of policies current . . . . . \$'000	1,208	2,420	63,793	208,292	151,200
Maximum contingent liability . . . . . "	1,087	2,183	42,487	126,232	88,341
<b>Overseas investment insurance—</b>					
Policies . . . . . No.	41	56	78	96	107
Face value of policies . . . . . \$'000	19,813	19,505	44,535	47,636	51,800
Maximum contingent liability . . . . . "	17,832	17,555	40,081	42,872	46,659

### PENSION AND SUPERANNUATION SCHEMES

#### Government, local government and semi-government pension and superannuation schemes

The Australian and all State Governments have established pension and superannuation schemes for their employees. These schemes are operated through funds to which both the Governments and their employees make contributions. Employees of local government and semi-government authorities are covered either by the Australian and State Government schemes or by a separate scheme of the authority which is operated either through a separately constituted fund or through a life insurance office.

## Schemes operated through separately constituted funds

## GOVERNMENT, LOCAL GOVERNMENT, AND SEMI-GOVERNMENT PENSION AND SUPERANNUATION SCHEMES OPERATED THROUGH SEPARATELY CONSTITUTED FUNDS

	1968-69	1969-70	1970-71	1971-72	1972-73
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income—</b>					
<b>Contributions—</b>					
Employees . . . . .	114,091	132,813	157,973	193,643	214,773
Employing authorities . . . . .	136,782	148,445	171,918	219,658	238,036
Interest, dividends and rent . . . . .	82,002	93,444	104,889	125,872	145,573
Transfers . . . . .	..	..	..	29	1,149
Other income . . . . .	10,278	10,663	12,734	9,000	13,238
<b>Total income . . . . .</b>	<b>343,153</b>	<b>385,364</b>	<b>447,513</b>	<b>548,202</b>	<b>612,769</b>
<b>Expenditure—</b>					
Pensions . . . . .	130,658	144,350	161,177	193,999	216,060
<b>Lump sum payments—</b>					
On retirement, death, resignation or dismissal(a) . . . . .	40,818	72,509	69,334	88,725	95,785
Gratuities . . . . .	3,446	4,496	4,459	4,124	3,900
Other expenditure . . . . .	14,472	14,408	15,877	14,182	16,610
<b>Total expenditure . . . . .</b>	<b>189,394</b>	<b>235,764</b>	<b>250,847</b>	<b>301,029</b>	<b>332,355</b>
<b>Assets at end of year—</b>					
<b>Cash—</b>					
Deposits with Treasury . . . . .	44,159	48,894	60,270	65,649	80,360
Other deposits and cash . . . . .	11,283	17,503	31,676	29,271	28,994
Australian Government securities . . . . .	142,401	143,093	166,125	188,465	208,969
Local and semi-government securities . . . . .	920,929	1,004,392	1,077,769	1,192,368	1,284,863
<b>Mortgages—</b>					
Housing . . . . .	34,073	37,903	39,619	44,159	48,561
Other . . . . .	129,696	169,201	220,878	286,690	383,284
Loans to building societies . . . . .	33,081	34,370	34,893	52,775	48,220
Company shares, debentures and notes . . . . .	106,770	122,007	121,518	158,406	218,081
Other assets . . . . .	110,771	108,474	129,961	152,154	168,968
<b>Total assets(b) . . . . .</b>	<b>1,533,162</b>	<b>1,685,838</b>	<b>1,882,708</b>	<b>2,169,936</b>	<b>2,470,300</b>
<b>Less Sundry creditors, etc. . . . .</b>	<b>19,056</b>	<b>22,132</b>	<b>22,335</b>	<b>32,162</b>	<b>52,111</b>
<b>Accumulated funds(b) . . . . .</b>	<b>1,514,106</b>	<b>1,663,707</b>	<b>1,860,373</b>	<b>2,137,775</b>	<b>2,418,189</b>
<b>Contributors at end of year . . . . .</b>	<b>No. 595,158</b>	<b>No. 598,738</b>	<b>No. 598,804</b>	<b>No. 689,113</b>	<b>No. 705,016</b>
<b>Pensioners at end of year—</b>					
Ex-employees . . . . .	68,650	71,078	70,620	74,861	78,360
Widows . . . . .	30,607	31,892	30,606	39,960	44,168
Children . . . . .	6,494	6,903	6,906	7,559	7,680

(a) Includes refunds of contributions to continuing members of the State Superannuation Fund in South Australia.

(b) Includes assets of the Voluntary Savings Scheme

## Schemes operated through life insurance offices

## LOCAL GOVERNMENT AND SEMI-GOVERNMENT PENSION AND SUPERANNUATION SCHEMES OPERATED THROUGH LIFE INSURANCE OFFICES

	1968-69	1969-70	1970-71	1971-72	1972-73
<b>Income—</b>					
<b>Contributions—</b>					
Employees . . . . .	\$'000 8,462	11,158	12,985	11,187	11,259
Employing authorities . . . . .	\$'000 10,866	14,595	17,782	15,042	15,929
<b>Contributors at end of year . . . . .</b>	<b>No. 75,162</b>	<b>83,430</b>	<b>91,429</b>	<b>62,322</b>	<b>62,332</b>

### Parliamentary pension and superannuation schemes

Pension and superannuation schemes have been established for members of the Australian and State Parliaments. All the schemes are operated through funds to which the members of Parliament and the Australian or State Governments contribute.

#### PARLIAMENTARY PENSION AND SUPERANNUATION SCHEMES<sup>(a)</sup>

	1968-69	1969-70	1970-71	1971-72	1972-73
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income—</b>					
<b>Contributions—</b>					
Members . . . . .	530	608	657	767	855
Government . . . . .	648	1,084	1,322	1,386	1,820
Interest and other income . . . . .	326	433	400	456	482
<b>Total income . . . . .</b>	<b>1,503</b>	<b>2,125</b>	<b>2,379</b>	<b>2,608</b>	<b>3,158</b>
<b>Expenditure—</b>					
Pension payments . . . . .	1,046	1,199	1,395	1,599	1,778
Other . . . . .	68	400	294	259	1,102
<b>Total expenditure . . . . .</b>	<b>1,114</b>	<b>1,599</b>	<b>1,690</b>	<b>1,858</b>	<b>2,880</b>
<b>Assets at end of year—</b>					
<b>Cash—</b>					
Deposits with Treasury . . . . .	124	147	86	188	368
Other deposits and cash . . . . .	10	54	34	192	113
Australian Government securities . . . . .	901	947	1,005	1,064	1,034
Local government and semi-government securities . . . . .	3,872	4,083	4,344	4,511	4,655
Other assets . . . . .	871	1,093	1,522	1,778	1,853
<b>Total assets . . . . .</b>	<b>5,779</b>	<b>6,323</b>	<b>6,991</b>	<b>7,734</b>	<b>8,024</b>
<b>Less Sundry creditors, etc. . . . .</b>	<b>25</b>	<b>43</b>	<b>21</b>	<b>13</b>	<b>25</b>
<b>Accumulated funds . . . . .</b>	<b>5,754</b>	<b>6,280</b>	<b>6,970</b>	<b>7,720</b>	<b>7,999</b>
	No.	No.	No.	No.	No.
<b>Contributors at end of year—</b>					
Males . . . . .	648	658	656	717	718
Females . . . . .	11	10	9	15	15
<b>Pensioners at end of year—</b>					
Ex-members . . . . .	269	294	304	280	312
Widows <sup>(b)</sup> . . . . .	202	200	213	215	215

(a) Includes the Ministerial Retiring Allowances Fund. (b) Includes children in receipt of Australian Parliamentary pensions.

**Coal and oil-shale mine workers' superannuation schemes**

In all States except South Australia superannuation schemes have been established for coal and oil-shale mine workers. These schemes are operated through funds to which mine workers, mine owners and the State Governments contribute.

**COAL AND OIL-SHALE MINE WORKERS' SUPERANNUATION SCHEMES<sup>(a)</sup>**

	1968-69	1969-70	1970-71	1971-72	1972-73
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income—</b>					
Contributions . . . . .	5,959	6,016	6,664	7,473	7,668
Interest, dividends, rent and other income	1,272	1,369	1,447	1,530	1,597
<b>Total income . . . . .</b>	<b>7,231</b>	<b>7,386</b>	<b>8,111</b>	<b>9,003</b>	<b>9,265</b>
<b>Expenditure—</b>					
Pensions and lump sum payments . . . . .	5,289	5,953	7,360	7,987	7,749
Other . . . . .	170	176	210	330	282
<b>Total expenditure . . . . .</b>	<b>5,458</b>	<b>6,129</b>	<b>7,570</b>	<b>8,317</b>	<b>8,031</b>
<b>Assets at end of year—</b>					
Local government and semi-government securities . . . . .	22,943	23,791	24,227	25,074	25,961
Other assets . . . . .	1,285	1,698	1,884	1,688	2,080
<b>Total assets . . . . .</b>	<b>24,228</b>	<b>25,488</b>	<b>26,111</b>	<b>26,761</b>	<b>28,041</b>
<b>Less Sundry creditors, statutory reserve funds, etc. . . . .</b>	<b>59</b>	<b>64</b>	<b>144</b>	<b>109</b>	<b>154</b>
<b>Accumulated funds . . . . .</b>	<b>24,168</b>	<b>25,425</b>	<b>25,967</b>	<b>26,652</b>	<b>27,887</b>
	No.	No.	No.	No.	No.
<b>Number of contributions at end of year . . . . .</b>	<b>16,404</b>	<b>17,276</b>	<b>18,697</b>	<b>18,970</b>	<b>18,742</b>
<b>Number of pensioners at end of year . . . . .</b>	<b>11,505</b>	<b>11,648</b>	<b>11,770</b>	<b>11,657</b>	<b>11,976</b>

(a) Operating in all States except South Australia.

**Private superannuation, pension and retiring allowance schemes**

In 1955-56, 1960-61, 1961-62 and 1962-63 the Bureau conducted sample surveys of pension and retiring allowance schemes in private businesses subject to pay-roll tax, other than in rural industries, private domestic service, and certain businesses such as accountants, trade associations, consultant engineers, etc. Australian Government airlines and banks were included where they had established their own funds separately from the Australian Government superannuation funds, but statutory coal miners' pension funds were excluded. Details were asked for three types of pension and retiring allowance schemes. They were (a) schemes operated through life insurance offices, (b) schemes operated through separately constituted funds, and (c) direct payments of pensions and retiring allowances.

The results of the 1955-56 survey are available in *Finance Bulletin No. 47, Part I—Public and Private Finance*, and the 1960-61, 1961-62 and 1962-63 survey results were published in *Insurance and Other Private Finance, Bulletin No. 2 and Year Book No. 51* (pages 898-900).

For the years 1956-57 to 1958-59, 1963-64 and 1964-65, information was collected from a small number of the larger separately constituted funds. Although only a small number of funds was included in these collections they accounted, in 1962-63, for about 27 per cent of the income, 28 per cent of the expenditure and about 34 per cent of the total assets of the separately constituted funds covered by the more comprehensive sample survey conducted for 1962-63.

Information for these selected funds for the years 1955-56, 1960-61, 1961-62 and 1962-63 was extracted from the returns obtained in the sample surveys conducted for those years and results of the survey for 1964-65, together with comparative figures for previous years, were published in April 1966 in a mimeographed bulletin.

In order to improve the coverage of the published statistics of private pension funds, returns were collected from some additional funds for 1964-65 and tabulated with the returns from the survey for 1964-65 referred to above. The separately constituted private pension funds included in the enlarged 1964-65 survey together accounted, in 1962-63, for about 72 per cent of the total contributions, 71 per cent of the income, 68 per cent of the expenditure and 77 per cent of the assets of the separately constituted funds covered by the more comprehensive sample survey conducted for 1962-63. The results of the enlarged 1964-65 survey were published in September 1966 in a mimeographed bulletin.

Further surveys, relating to the same funds that were included in the enlarged 1964-65 survey of selected private pension funds, have been made in respect of each year from 1965-66 to 1972-73 inclusive. Since the *Survey of Selected Private Pension Funds* for 1972-73 is not a representative sample it is not known to what extent their share of the whole field has changed since the 1962-63 survey; nor is the pattern of income, expenditure and asset distribution of the large funds included in this survey necessarily representative of the whole field.

The statistics do not relate to uniform accounting periods but to the financial years of the funds which ended in the years shown.

**SELECTED SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS: INCOME  
AND EXPENDITURE**  
(\$ million)

INCOME							
	Employees' contri- butions	Employers' contri- butions	Interest on Aust. Govt local and semi-govern- ment securities	Other interest, dividends and rent	Profit from sale or revaluation of assets	Other income(a)	Total income
1968-69 . . .	32.3	59.8	22.4	37.4	18.7	7.0	177.7
1969-70 . . .	36.2	69.9	24.3	43.0	5.1	3.3	181.8
1970-71 . . .	40.9	79.1	26.7	48.8	4.0	3.6	203.1
1971-72 . . .	46.7	90.0	30.3	55.3	16.2	9.0	247.5
1972-73 . . .	54.2	99.3	34.4	61.4	18.3	6.1	273.8

EXPENDITURE										
	Pensions paid			Lump sum payments To former employees			Loss on sale or revalua- tion of assets	Other expen- diture (b)	Total expen- diture	
	Ex- employees	Widows or children	Total	On retire- ment	On resigna- tion or dismissal	To widows or children				Total
1968-69 . . .	18.5	3.3	21.8	14.9	12.7	3.4	31.0	1.6	3.3	57.6
1969-70 . . .	20.4	3.8	24.2	18.2	15.8	3.0	37.0	3.7	8.1	72.9
1970-71 . . .	23.2	4.1	27.3	22.7	16.8	3.8	43.3	7.2	5.6	83.4
1971-72 . . .	28.6	4.4	33.0	30.8	19.4	4.3	54.5	3.4	5.3	96.2
1972-73 . . .	31.6	4.8	36.4	39.7	22.0	4.8	66.5	2.0	9.5	114.4

(a) Includes receipts from life insurance offices, sub-underwriting commissions, etc. expenses payable from funds, payments to life insurance offices, etc.

(b) Includes administrative

## SELECTED SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS: ASSETS(a)

	Cash in hand or in bank	Aust. Govt securi- ties	Local and semi- govt securi- ties	Loans on mortgage		Com- pany deben- tures, notes, and other loans to com- panies	Shares in com- panies	Land and build- ings	All other assets (b)	Total assets	Less sundry credi- tors, etc.	Amount of funds in Aus- tralia
				To com- panies	Other							
AMOUNT (\$ million)												
1968-69	24.5	178.5	206.0	74.8	33.7	261.0	310.5	11.4	21.1	1,121.7	6.8	1,114.9
1969-70	18.8	200.9	210.8	88.8	41.2	277.4	348.8	16.3	28.1	1,231.1	8.8	1,222.3
1970-71	24.3	230.9	211.1	105.2	41.3	295.9	382.4	25.2	33.6	1,350.0	9.0	1,341.0
1971-72	34.8	268.7	217.2	100.9	51.5	319.6	430.5	33.3	44.9	1,501.4	9.1	1,492.4
1972-73	36.0	296.9	224.2	136.6	35.7	352.2	475.0	41.4	67.5	1,665.5	11.8	1,653.7

## PERCENTAGE DISTRIBUTION

1968-69	2.2	15.9	18.4	6.7	3.0	23.3	27.7	1.0	1.9	100.0	0.6	99.4
1969-70	1.5	16.3	17.1	7.2	3.3	22.5	28.3	1.3	2.3	100.0	0.7	99.3
1970-71	1.8	17.1	15.6	7.8	3.1	21.9	28.3	1.9	2.5	100.0	0.7	99.3
1971-72	2.3	17.9	14.5	6.7	3.4	21.3	28.7	2.2	3.0	100.0	0.6	99.4
1972-73	2.2	17.8	13.5	8.2	2.1	21.1	28.5	2.5	4.1	100.0	0.7	99.3

(a) Book values at balance dates. (b) Includes loans to authorised dealers in the short-term money market and loans to building societies.

## FINANCE COMPANIES

Information relating to the lending operations of finance companies in Australia is given in the following tables. A comprehensive account of the scope of these statistics and fuller details of the transactions of finance companies, together with definitions of the various categories of finance agreements and of the items of data given in the tables, are provided in the bulletin *Finance Companies Transactions 1972-73* (5.13) and in the monthly statements *Finance Companies* (5.14). For the purposes of these statistics, finance companies are defined as companies which are engaged mainly in providing to the general public (businesses as well as persons in their private capacity) credit facilities of the following types: hire purchase and other instalment credit for retail sales, wholesale hire purchase, other consumer and commercial loans, and factoring. The finance companies covered in these statistics, insofar as they provide instalment credit for retail sales, are also included in the statistics of Instalment Credit for Retail Sales (see pages 548-9).

In general, companies which are engaged both in financing activities and other activities come within the scope of these statistics, provided that the major portion of their assets consists of financial assets of the types listed above and/or a major proportion of their income is derived from such assets. Companies are excluded if the major proportion of their balances outstanding consists of agreements written for the purpose of financing their own sales. Companies which are engaged mainly in financing, in any way, the operations of related companies ('related' as defined in the Companies Act) are also excluded from these statistics, as are unincorporated finance companies. Also excluded are the following classes of financial and quasi-financial institutions: banks; life insurance companies; fire, marine and general insurance companies; short-term money market dealers; pastoral finance companies; investment companies; unit trusts; land trusts; mutual funds and management companies for the foregoing trusts and funds; pension and superannuation funds; building and friendly societies; credit unions.

As from July 1971 the scope of the monthly collection has been altered to exclude all finance companies whose balances outstanding, on an Australia-wide basis, were less than \$500,000. Prior to July 1971 finance companies with balances outstanding of less than \$100,000 were excluded. Finance companies newly excluded from the collection as from July 1971 had, as at 30 June 1971, balances outstanding of less than \$57 million on the types of agreements mentioned above and \$0.7 million on leasing agreements. They had no transactions in bills of exchange.

**FINANCE COMPANIES: SUMMARY, AUSTRALIA**  
(\$ million)

	Collections and other liquidations			Balances outstanding at end of year			
	Amount financed	Contracts including charges	Contracts excluding charges	All contracts	Contracts including charges	Contracts excluding charges	All contracts (a)
1968-69 . . .	3,247.0	1,418.4	1,916.3	3,334.6	2,105.5	723.5	2,829.0
1969-70 . . .	3,852.7	1,619.6	2,223.0	3,842.5	2,412.1	1,012.4	3,424.5
1970-71 . . .	4,505.3	1,788.3	2,771.4	4,559.7	2,773.4	1,280.4	4,053.9
1971-72 . . .	5,513.2	2,020.2	3,449.6	5,469.8	3,077.0	1,822.4	4,899.3
1972-73 . . .	5,704.6	2,414.7	3,430.1	5,844.8	3,435.2	2,228.3	5,663.5

(a) Amounts shown in this column are intended to provide a broad overall measure of total balances outstanding. However, movements in this series may be affected by changes in the proportions of the two components of the series to the total.

**FINANCE COMPANIES: AMOUNT FINANCED, COLLECTIONS AND OTHER LIQUIDATIONS OF BALANCES, AND BALANCES OUTSTANDING BY TYPE OF AGREEMENT**  
(\$ million)

	Instal-ment credit for retail sales	Commercial loans repayable			Other consumer and commercial loans		Total
		Personal loans	Wholesale finance	Factor-ing	at call or within 90 days	Contracts including charges	
<b>AMOUNT FINANCED DURING YEAR</b>							
1968-69 . . .	914.2	132.1	944.4	75.7	496.9	683.7	3,247.0
1969-70 . . .	1,037.4	152.4	1,059.7	91.6	572.5	939.1	3,852.7
1970-71 . . .	1,124.8	162.6	1,134.6	97.6	865.8	1,120.0	4,505.3
1971-72 . . .	1,121.8	206.4	1,294.1	98.5	1,246.5	1,546.0	5,513.2
1972-73 . . .	1,193.8	272.7	1,439.5	109.3	(a)	2,689.3	5,704.6

**COLLECTIONS AND OTHER LIQUIDATIONS OF BALANCES DURING YEAR**

1968-69 . . .	1,019.7	(b)	934.8	87.9	503.6	398.7	390.0	3,334.6
1969-70 . . .	1,153.5	(b)	1,053.1	103.6	543.5	466.1	522.7	3,842.5
1970-71 . . .	1,302.8	174.7	1,127.6	114.4	836.8	335.8	667.5	4,559.7
1971-72 . . .	1,405.6	199.0	1,268.7	115.4	1,151.9	444.4	884.9	5,469.8
1972-73 . . .	1,491.1	280.5	1,473.5	126.3	(a)	678.2	1,795.3	5,844.9

**BALANCES OUTSTANDING AT END OF YEAR**

1968-69 . . .	1,368.6	(b)	146.7	22.6	53.9	736.9	500.4	2,829.0
1969-70 . . .	1,561.5	(b)	167.6	26.9	79.0	850.5	739.0	3,424.5
1970-71 . . .	1,732.4	218.3	193.4	27.8	108.2	843.96	930.2	4,053.9
1971-72 . . .	1,791.2	278.4	237.0	25.7	228.0	1,028.1	1,311.0	4,899.3
1972-73 . . .	1,866.8	373.6	224.4	27.2	(a)	1,220.2	1,951.3	5,663.5

(a) Series discontinued (b) Before 1970-71 personal loans were included in other consumer and commercial loans.

**FINANCE COMPANIES: LEASING, BILLS OF EXCHANGE AND  
LOANS TO NON-FINANCE COMPANIES, AUSTRALIA**

(\$ million)

	<i>Leasing of business equipment and plant</i>		<i>Bills of exchange</i>		<i>Balances outstanding at end of period</i>	<i>Loans to non-finance companies in group</i>
	<i>Value of goods newly leased during period</i>	<i>Value of all leasing agreements at end of period</i>	<i>Amounts paid for bills acquired during period</i>	<i>Amounts re- ceived for bills disposed of during period</i>		
1968-69 . . .	148.7	253.9	122.4	122.4	17.8	20.6
1969-70 . . .	207.5	345.9	170.8	154.8	34.7	25.4
1970-71 . . .	262.5	459.6	280.8	265.0	51.8	32.0
1971-72 . . .	304.1	648.0(a)	346.6	318.5	83.7	30.2
1972-73 . . .	401.1	803.8	493.8	453.4	124.1	52.4

(a) As from July 1971 the valuation is 'gross receivables' and figures have been partly estimated. For more details see explanatory notes to the bulletin *Finance Companies Transactions 1972-73* (Reference No. 5.13).

**FINANCE COMPANIES: INSTALMENT CREDIT FOR RETAIL SALES  
AMOUNT FINANCED, COLLECTIONS AND OTHER LIQUIDATIONS, AND BALANCES  
OUTSTANDING, AUSTRALIA**

(\$ million)

	<i>Amount financed</i>				<i>Total</i>	<i>Collections and other liquidations</i>		<i>Total</i>	<i>Balances out- standing at end of year</i>
	<i>New motor vehicles</i>	<i>Used motor vehicles</i>	<i>Plant and machinery</i>	<i>House- hold and personal goods</i>		<i>Cash col- lections</i>	<i>Other liquida- tions</i>		
1968-69 . . .	352.1	341.5	78.0	142.6	914.2	981.5	38.2	1,019.7	1,368.6
1969-70 . . .	400.6	404.1	80.4	152.2	1,037.4	1,103.0	50.5	1,153.5	1,561.5
1970-71 . . .	426.5	462.6	67.8	167.8	1,124.8	1,226.9	75.9	1,302.8	1,732.4
1971-72 . . .	424.2	466.2	61.6	170.3	1,122.3	1,313.3	91.6	1,404.9	1,791.2
1972-73 . . .	433.6	496.1	69.0	194.5	1,193.7	1,393.0	97.9	1,490.9	1,867.7

### INSTALMENT CREDIT FOR RETAIL SALES

Information relating to instalment credit for retail sales in Australia is given in the following tables. More detailed information may be found in the annual bulletin *Insurance and Other Private Finance* (5.15) and in the monthly bulletin *Instalment Credit for Retail Sales* (5.46).

The statistics cover operations of all types of instalment credit schemes which relate primarily to the financing of retail sales of goods, whether the credit is advanced by a retail business or by a non-retail finance business. In general, the term 'instalment credit' is defined as relating to schemes in which repayment is made by regular pre-determined instalments. Types of schemes covered include hire purchase, time payment, budget account, and personal loan schemes which relate primarily to the financing of retail sales of goods. In these statistics the term 'retail sales' relates not only to retail sales by retail establishments coming within the scope of the Censuses of Retail Establishments conducted periodically by this Bureau, but includes also other sales of goods to final purchasers (e.g. plant and machinery).

Figures for amounts financed *exclude* interest, hiring charges, insurance, etc. Figures for balances outstanding and collections *include* interest, hiring charges, insurance, etc. Details are not available of these charges or of other items (e.g. rebates allowed for early payments, late payment charges, bad debts written off) which affect the reconciliation of the three main instalment credit series—amount financed, collections, and balances outstanding.

Statistics of amounts financed are classified by type of goods, defined as follows: *motor vehicles* (new and used separately)—motor cars and motor cycles, commercial vehicles, tractors, caravans, trailers, motor parts and accessories, etc.; *plant and machinery*—farm machinery and implements, earth-moving equipment, aircraft, industrial plant and machinery, business machines and equipment (including commercial refrigeration equipment), etc.; *household and personal goods*—furniture, furnishings and floor coverings, domestic refrigerators, electrical goods, radios, television, musical instruments, bicycles, motor mowers, clothing, etc.

#### INSTALMENT CREDIT FOR RETAIL SALES, BY TYPE OF BUSINESS: AMOUNT FINANCED, BY COMMODITY GROUP, CASH COLLECTIONS, AND BALANCES OUTSTANDING, AUSTRALIA (\$ million)

	<i>Amount financed during year</i>					<i>Cash collections during year</i>	<i>Balances outstanding at end of year</i>
	<i>Motor vehicles, etc.</i>		<i>Plant and machinery</i>	<i>Household and personal goods</i>	<i>Total</i>		
	<i>New</i>	<i>Used</i>					
<b>Retail businesses—</b>							
1968-69 . . . . .	13.5	11.5	3.8	273.0	301.9	347.9	344.8
1969-70 . . . . .	12.5	9.8	2.6	288.2	313.1	360.7	349.9
1970-71 . . . . .	13.2	8.8	1.9	304.9	328.8	371.4	363.7
1971-72 . . . . .	12.6	6.7	1.5	316.1	336.9	384.6	366.9
1972-73 . . . . .	12.5	7.0	1.9	359.3	380.6	414.9	395.3
<b>Non-retail finance businesses—</b>							
1968-69 . . . . .	373.3	348.4	115.0	88.5	925.2	1,013.9	1,381.7
1969-70 . . . . .	422.1	413.1	112.7	88.5	1,036.3	1,127.7	1,557.7
1970-71 . . . . .	447.5	469.2	103.0	90.4	1,110.0	1,245.7	1,712.8
1971-72 . . . . .	449.7	475.3	92.9	93.4	1,111.3	1,343.8	1,768.4
1972-73 . . . . .	460.2	507.7	104.1	101.1	1,173.2	1,396.3	1,829.6
<b>All businesses—</b>							
1968-69 . . . . .	386.8	359.9	118.8	361.6	1,227.1	1,361.8	1,726.5
1969-70 . . . . .	434.6	422.9	115.3	376.7	1,349.5	1,488.4	1,907.5
1970-71 . . . . .	460.7	477.9	104.9	395.2	1,438.8	1,617.1	2,076.5
1971-72 . . . . .	462.3	482.0	94.4	409.5	1,448.2	1,728.4	2,135.3
1972-73 . . . . .	472.6	514.7	106.0	460.4	1,553.8	1,811.2	2,224.9

INSTALMENT CREDIT FOR RETAIL SALES, BY TYPE OF CREDIT  
AMOUNT FINANCED, BY COMMODITY GROUP, AND  
BALANCES OUTSTANDING, AUSTRALIA  
(\$ million)

	<i>Amount financed during year</i>				<i>Balances outstanding at end of year</i>
	<i>Motor vehicles, etc.</i>	<i>Plant and machinery</i>	<i>Household and personal goods</i>	<i>Total</i>	
<b>Hire purchase—</b>					
1968-69 . . . . .	463.5	97.8	134.1	695.4	1,078.0
1969-70 . . . . .	526.2	93.7	135.8	755.7	1,159.5
1970-71 . . . . .	604.2	91.7	136.7	832.6	1,261.5
1971-72 . . . . .	656.4	87.8	136.8	881.0	1,333.9
1972-73 . . . . .	769.5	98.4	158.0	1,025.9	1,474.4
<b>Other instalment credit—</b>					
1968-69 . . . . .	283.2	21.1	227.5	531.7	648.5
1969-70 . . . . .	331.3	21.6	240.9	593.8	748.1
1970-71 . . . . .	334.5	13.2	258.6	606.3	815.1
1971-72 . . . . .	287.9	6.6	272.7	567.2	801.4
1972-73 . . . . .	217.9	7.6	302.4	527.9	750.5
<b>Total instalment credit—</b>					
1968-69 . . . . .	746.7	118.8	361.6	1,227.1	1,726.5
1969-70 . . . . .	857.4	115.3	376.7	1,349.5	1,907.5
1970-71 . . . . .	938.6	104.9	395.2	1,438.8	2,076.5
1971-72 . . . . .	944.3	94.4	409.5	1,448.2	2,135.3
1972-73 . . . . .	987.4	106.0	460.4	1,553.8	2,224.9

NEW HIRE PURCHASE AGREEMENTS: AVERAGE VALUE AND  
AMOUNT AND PROPORTION FINANCED, BY COMMODITY  
GROUP, AUSTRALIA, 1972-73

<i>Commodity group</i>	<i>Average value of goods purchased per agreement</i>	<i>Average amount financed per agreement</i>	<i>Average proportion financed</i>
	\$	\$	Per cent
Motor vehicles, tractors, etc. . . . .	2,375	1,704	72
Plant and machinery . . . . .	4,887	3,489	71
Household and personal goods . . . . .	243	203	84
<b>All groups . . . . .</b>	<b>1,112</b>	<b>815</b>	<b>73</b>

## PASTORAL FINANCE COMPANIES

PASTORAL FINANCE COMPANIES: RURAL ADVANCES  
AMOUNTS OUTSTANDING<sup>(a)</sup>

(Source: Reserve Bank of Australia)

(\$ million)

End of June—	N.S.W.	Vic.	Qld	S.A.	W.A. and Tas.	Total
1969 . . .	77.6	65.9	62.6	70.2	61.5	337.7
1970 . . .	76.7	66.1	66.8	71.4	68.2	349.1
1971 . . .	70.8	57.2	69.6	73.7	61.7	333.0
1972 . . .	60.6	57.2	57.0	63.3	54.4	292.5
1973 . . .	65.3	68.0	53.3	57.3	59.2	303.1

(a) Compiled from returns supplied to the Reserve Bank by major pastoral finance companies. Advances are classified according to the location of the branch holding the advance, which in some cases may differ from the State of residence of the borrower.

PASTORAL FINANCE COMPANIES: LIABILITIES AND ASSETS<sup>(a)</sup>

(Source: Reserve Bank of Australia)

(\$ million)

## LIABILITIES

End of June—	Balances due to banks	Clients' credit balances	Debentures, notes and deposits		Other outside liabilities	Share- holders' funds	Overseas liabilities	Total liabili- ties/ assets
			Maturing within twelve months	Other				
1969 . . .	86.7	37.6	52.7	46.5	107.2	173.4	138.4	642.4
1970 . . .	95.1	34.7	70.6	52.1	113.6	181.1	152.5	699.6
1971 . . .	96.2	31.9	85.3	78.4	122.1	179.6	128.6	722.0
1972 . . .	57.1	35.1	137.6	86.4	150.2	183.3	124.0	773.6
1973 . . .	54.7	57.6	207.5	94.3	196.6	199.1	129.3	939.1

## ASSETS

End of June—	Cash and deposits with banks	Loans to author- ised money market dealers	Other short- term assets (b)	Aust. Govt securi- ties	Advances and sundry debtors		Stocks	Fixed assets	Other assets
					Rural	Other			
1969 . . .	11.1	1.6	6.9	35.7	337.7	29.7	40.4	151.6	27.7
1970 . . .	7.9	1.2	17.5	32.6	349.1	36.9	42.5	176.5	35.3
1971 . . .	10.7	3.3	28.8	35.7	333.0	33.9	42.3	190.9	43.3
1972 . . .	10.0	15.0	60.8	65.7	292.5	32.1	48.9	185.3	63.4
1973 . . .	14.9	19.1	171.7	58.3	303.1	45.7	67.2	190.0	69.2

(a) Compiled from returns supplied to the Reserve Bank by major pastoral finance companies. (b) Excludes Australian Government securities.

## RURAL DEBT

Major sources of credit for rural purposes include banks, Australian and State governments, financial agencies, pastoral finance companies, and life insurance companies. The following table shows the estimated rural debt to these lenders.

## ESTIMATED RURAL DEBT TO SPECIFIED LENDERS,

(Source: Reserve Bank of Australia)

(\$ million)

Lender	30 June—				
	1969	1970	1971	1972	1973
Major trading banks . . . . .	939	998	994	963	1,051
Ex-service settlement . . . . .	83	80	83	79	71
Other government, including State banks and State savings banks . . . . .	317	(a)351	374	432	481
Pastoral finance companies . . . . .	338	349	333	293	303
Commonwealth Development Bank . . . . .	162	176	192	202	198
Life insurance companies . . . . .	113	128	129	125	117
<b>Total . . . . .</b>	<b>1,952</b>	<b>2,082</b>	<b>2,104</b>	<b>2,094</b>	<b>2,221</b>

(a) Reserve Bank estimate.

In addition, credit is supplied to the rural sector by finance companies, merchants, co-operative producer organisations, and by private lenders and investors, the most noteworthy of these last-mentioned sources involving family arrangements and property vendors. No data are currently available on the extent of the outstanding debt by the rural sector to these sources.

## NEW CAPITAL RAISINGS BY COMPANIES IN AUSTRALIA

Information relating to capital raised by companies in Australia is given in the following tables. More detailed information may be found in the annual bulletin *Insurance and Other Private Finance* and in quarterly bulletins dealing with capital raisings (see beginning of chapter).

The statistics relate to capital raised by companies through issues of shares, and in the case of companies listed on stock exchanges, through the issue of debentures, notes and similar securities and the acceptance of deposits, and in the case of unlisted companies, by way of loans secured over the entire assets of the company. Capital obtained by way of bank overdraft or bank loans, trade credit, temporary advances, and loans secured over part only of the assets of the company is not included. Totally unsecured loans are included in the case of listed companies, but are excluded in the case of unlisted companies.

Separate statistics are given for listed and unlisted companies. Listed companies are companies incorporated in Australia or Papua New Guinea and listed on one or more of the Australian stock exchanges. All other companies incorporated in Australia (excluding its overseas territories), including subsidiaries of listed companies, are classified as unlisted companies. Companies incorporated overseas, whether listed on an Australian stock exchange or not, are excluded from the statistics of share issues. However, subsidiaries of overseas companies, if incorporated in Australia, are included in the statistics of share issues. The statistics of new capital raised through issues of debentures, notes, etc., and the acceptance of deposits, include, in addition to capital raised by companies incorporated in Australia (including subsidiaries of overseas companies), capital raised in this way from Australian sources by overseas public companies through their Australian offices. Where an issue is made at the same time on Australian and overseas markets, that part of the issue which is taken up through overseas brokers is excluded.

The following are explanatory notes relating to some of the items shown in the tables.

## New money

This is the net amount of cash transferred from the 'investing public' to the 'company sector'. For this purpose the 'investing public' is defined to include all non-company subscribers, Australian life insurance companies and Australian government and private superannuation funds. Subscriptions

by overseas banks, overseas life insurance companies and overseas superannuation funds, are excluded. In practice, it is necessary to include in 'new money', most subscriptions by companies holding less than five per cent of the ordinary shares of an issuing company as it is not practicable to separately identify all such subscriptions. However, where large subscriptions by companies holding less than five per cent of the ordinary shares in the issuing company are identified they are not included in 'new money'.

*Amount not involving new money.* This amount includes cash subscriptions received by issuing companies from associated companies. Such subscriptions represent inter-company transfers only, and do not involve a receipt of funds from the 'investing public'. Also included are amounts which, although subscribed by the 'investing public' (i.e. subscribers other than 'associated companies'), are not retained by the issuing company or its associates, but are used to redeem shares, debentures or unsecured notes, etc., or are used to purchase from individuals existing shares, debentures, etc., in other companies, including existing shares, etc., in associated and subsidiary companies. The funds used in this way are thus returned to another section of the 'investing public' and do not represent a *net* transfer of cash from the 'investing public' to the companies. (Besides these purchases of existing shares, etc., from individuals, purchases of existing shares, etc., from companies other than associates of the issuing company might also be included in this item, but the amounts involved are small and separate details have not been collected.) In the tables which follow, the 'amount not involving new money' is obtained by deducting from the total cash raised the amount of 'new money'.

**LISTED COMPANIES: NEW CAPITAL RAISED THROUGH ISSUES OF SHARES  
DEBENTURES, OR REGISTERED NOTES, ETC (a), OR ACCEPTING DEPOSITS(b)**  
(\$ million)

	Share capital					Debentures, registered notes and deposits			
	Value of issues commenced	Non-cash issues commenced (c)	Cash issues commenced	Cash raised during period (d)	Amount not involving new money	New money	Total amount raised (e)	Amount not involving new money (e)	New money
1968-69 . . .	927.2	209.9	717.3	482.2	143.7	338.5	1,838.4	1,389.5	449.1
1969-70 . . .	1,070.0	282.8	787.2	664.5	207.6	456.8	2,567.2	2,085.7	481.5
1970-71 . . .	991.7	446.3	545.4	454.6	93.4	361.2	3,193.1	2,676.7	516.4
1971-72 . . .	655.4	398.8	256.5	342.2	87.3	255.0	3,650.3	2,925.5	724.9
1972-73 . . .	708.5	403.5	305.1	360.1	159.0	201.1	3,629.6	3,026.0	603.6

(a) Includes convertible notes. (b) Deposits accepted by banks, life insurance companies, pastoral companies and building societies, and loans to authorised dealers in the short-term money market are not included. (c) Includes bonus issues, conversion issues, issues in exchange for existing shares, etc. (d) Amounts paid up on issues commenced during the year plus calls on issues commenced in earlier years. (e) Includes conversions, renewals, etc.

**UNLISTED COMPANIES: NEW CAPITAL RAISED THROUGH ISSUE OF  
SHARES AND LOANS SECURED BY CHARGES OVER THE COMPANIES'  
ENTIRE ASSETS**  
(\$ million)

	Share capital					Loans secured by charges over the companies' entire assets			
	Value of issues commenced(a)	Non-cash issues commenced (b)	Cash issues commenced	Cash raised during period (c)	Amount not involving new money	New money	Total amount raised (d)	Amount not involving new money (d)	New money
1968-69 . . .	718.8	343.8	375.3	299.0	230.5	68.4	95.3	62.8	32.5
1969-70 . . .	809.1	290.9	518.2	454.5	374.9	79.5	95.0	75.4	19.6
1970-71 . . .	721.6	233.1	488.6	460.2	389.3	70.9	85.1	66.5	18.7
1971-72 . . .	783.7	353.1	430.6	469.5	403.8	65.6	127.1	95.2	31.9
1972-73 . . .	655.1	287.7	367.4	381.8	319.0	62.8	123.0	79.6	43.4

(a) From 1970-71, issues with a nominal value of \$200 or less are excluded. (b) Includes bonus issues, conversion issues, issues in exchange for existing shares, etc. (c) Amounts paid up on issues commenced during year plus calls on issues commenced in previous years. (d) Includes conversion, renewals etc.

**LISTED AND UNLISTED COMPANIES: NEW MONEY RAISED, BY INDUSTRY GROUP**  
(\$ million)

	<i>Companies listed on stock exchanges</i>			<i>Companies not listed on stock exchanges</i>			<i>Grand total</i>
	<i>Share capital(a)</i>	<i>Debentures registered notes and deposits(b)</i>	<i>Total</i>	<i>Share capital(a)</i>	<i>Secured loans(c)</i>	<i>Total</i>	
<b>Manufacturing—</b>							
1968-69 . . . . .	92.9	68.3	161.2	14.4	6.3	20.7	181.9
1969-70 . . . . .	122.9	56.2	179.1	12.7	3.3	16.0	195.1
1970-71 . . . . .	72.6	33.3	105.9	12.1	0.7	12.8	118.7
1971-72 . . . . .	31.1	122.6	153.7	11.5	5.7	17.2	170.9
1972-73 . . . . .	66.6	23.9	90.6	9.5	4.6	14.1	104.7
<b>Finance and property(b)—</b>							
1968-69 . . . . .	45.9	338.1	384.0	18.9	6.4	25.3	409.3
1969-70 . . . . .	36.7	366.7	403.4	20.9	10.2	31.1	434.5
1970-71 . . . . .	38.5	424.3	462.8	11.8	9.2	21.0	483.8
1971-72 . . . . .	42.3	563.1	605.4	13.1	19.4	32.5	637.9
1972-73 . . . . .	26.7	532.2	558.9	19.3	27.6	46.9	605.8
<b>Commerce—</b>							
1968-69 . . . . .	18.4	30.7	49.1	10.1	2.3	12.4	61.5
1969-70 . . . . .	8.9	13.8	22.7	8.4	0.9	9.3	32.0
1970-71 . . . . .	5.2	29.3	34.5	5.4	0.8	6.2	40.7
1971-72 . . . . .	12.3	36.3	48.6	5.6	0.3	5.9	54.5
1972-73 . . . . .	9.3	16.6	25.9	9.0	3.1	12.1	38.0
<b>Other industries—</b>							
1968-69 . . . . .	181.5	12.0	193.5	21.5	17.3	38.8	232.3
1969-70 . . . . .	288.4	44.8	333.2	33.0	5.3	38.3	371.5
1970-71 . . . . .	244.9	29.6	274.5	35.4	8.2	43.6	318.1
1971-72 . . . . .	169.3	2.9	172.2	26.5	6.4	32.9	205.1
1972-73 . . . . .	98.5	30.7	129.2	17.6	8.0	25.6	154.8
<b>All industries—</b>				(d)		(d)	(d)
1968-69 . . . . .	338.5	449.1	787.6	68.4	32.5	100.9	888.5
1969-70 . . . . .	456.8	481.5	938.3	79.5	19.6	99.1	1,037.4
1970-71 . . . . .	361.2	516.4	877.6	70.9	18.7	89.6	967.2
1971-72 . . . . .	255.0	724.9	979.9	65.6	31.9	97.5	1,077.2
1972-73 . . . . .	201.1	603.6	804.7	62.8	43.4	106.2	910.9

(a) Includes preference shares. (b) Excludes deposits accepted by banks, insurance companies, pastoral companies and building societies, and loans to authorised dealers in the short-term money market. (c) Includes only loans which are secured by charges over the companies' entire assets. (d) Up to 1969-70, the industry figures for unlisted companies exclude share issues with a nominal value of \$2,000 or less, but such issues are included in the All Industries figures. From 1970-71 the industry figures for unlisted companies exclude issues with a nominal value of \$10,000 or less, and issues with a nominal value of \$200 or less are excluded from the All Industries figures.

## SHORT-TERM MONEY MARKET

For some years prior to 1959 leading stockbrokers had been actively engaged in the acceptance of short-term funds against the security of government securities, but their operations were limited by the absence of suitable short-term securities and their liquidity requirements. In February 1959 the Commonwealth Bank (now the Reserve Bank) gave official status to the market by announcing that under certain conditions it would act as lender of last resort to authorised dealers in the short-term money market.

The form of organisation consists of nine companies whose functions are:

- (i) to accept loans overnight, at call or for fixed periods, in minimum amounts of \$50,000 and to invest these funds in money market securities.
- (ii) to engage as traders in the buying and selling of money market securities.

The types of securities that may be used as money market securities are subject to the approval of the Reserve Bank. At present they comprise Australian Government securities maturing within five years, commercial bills of any maturity that have been accepted or endorsed by a trading bank, banks' certificates of deposit maturing within five years, and non-bank commercial bills maturing within 180 days.

Dealers are required to have a minimum paid-up capital of \$400,000 and there is a limit on the maximum ratio of loans to shareholders' funds.

Under the lender of last resort arrangements dealers may borrow from the Reserve Bank for a minimum of seven days and at a high rate of interest against the lodgment of Australian Government securities.

### SHORT-TERM MONEY MARKET: SELECTED LIABILITIES AND ASSETS AND INTEREST RATES OF AUTHORISED DEALERS

(Source: Reserve Bank of Australia)

Month	Liabilities to clients			Holdings of Aust. Govt securities (at face value)	Com-mercial bills	Bank's certi-ficates of deposit	Interest rates on loans accepted during month				Weighted average interest rate on loans out-standing (a)	
	All trading banks	Other clients	Total				At call		For fixed periods			
							Mini-mum per cent per annum	Maxi-mum per cent per annum	Mini-mum per cent per annum	Maxi-mum per cent per annum		
	Average of weekly figures—(\$ million)											
June—												
1969	94.9	398.7	493.6	505.6	28.9	15.0	2.00	7.50	4.00	6.75	4.59	
1970	102.8	464.2	567.0	575.4	38.3	3.6	3.50	8.80	4.50	8.50	6.12	
1971	142.0	555.2	697.2	682.0	45.4	3.4	2.00	9.50	4.00	8.00	5.91	
1972	249.8	741.5	991.3	975.0	39.8	20.8	2.00	8.25	4.25	6.60	5.18	
1973	149.6	670.2	819.8	732.2	40.8	79.7	2.00	8.75	2.00	7.00	4.70	

(a) Average of weekly figures.

### SHORT-TERM MONEY MARKET: AUTHORISED DEALERS' LIABILITIES BY TYPE OF CLIENT(a)

(Source: Reserve Bank of Australia)

(\$ million)

Client	30 June—				
	1969	1970	1971	1972	1973
All trading banks	90.0	158.4	189.2	369.3	212.9
Savings banks	36.0	37.3	77.7	69.0	125.5
Insurance offices	32.4	24.4	26.8	44.8	48.9
Superannuation, pension and provident funds	8.9	16.6	22.4	19.3	16.1
Hire purchase and other instalment credit companies	2.4	7.9	6.1	11.7	7.7
Companies, n.e.i.	140.3	143.7	155.3	253.3	209.4
Australian and State Governments	62.3	47.7	91.9	100.3	75.6
Local government and semi-government authorities, n.e.i.	75.3	87.7	70.0	99.8	91.2
All other lenders(b)	45.9	36.2	41.5	71.1	51.0
<b>Total</b>	<b>493.4</b>	<b>559.9</b>	<b>680.8</b>	<b>1,038.7</b>	<b>838.2</b>

(a) Compiled from returns supplied by authorised dealers in the short-term money market. Liabilities to Reserve Bank as lender of last resort are excluded. (b) Includes marketing boards and trustee companies.

## UNIT TRUSTS, LAND TRUSTS AND MUTUAL FUNDS

Statistics of operations of unit trusts, land trusts and mutual funds are shown below. Details of superannuation funds conducted by unit trust management companies are not included in these tables.

**TRUSTS AND FUNDS: TOTAL MARKET VALUE AND TRANSACTIONS**  
(\$ million)

	<i>Cash transactions— trust units and fund shares</i>		<i>Purchases and sales of investments(b)</i>		
	<i>Total market value at end of period(a)</i>	<i>Total amount received(c)</i>	<i>Total amount paid(d)</i>		
				<i>Purchases (e)</i>	<i>Sales (f)</i>
1968-69 . . .	270.2	41.6	42.0	48.2	54.6
1969-70 . . .	286.1	59.0	32.3	61.1	50.8
1970-71 . . .	278.6	56.5	39.3	74.5	51.5
1971-72 . . .	326.9	57.9	33.6	78.3	47.0
1972-73 . . .	380.3	79.1	32.7	111.5	71.5

(a) Includes value of land trusts at valuation. (b) Australian Government, local authority and semi-government securities, shares, debentures, unsecured notes, loans, deposits on term or notice of three months or longer, land and buildings, etc. (c) For trust units and fund shares issued. Includes re-issues and new issues. Includes fees and expenses. (d) For trust units and fund shares repurchased. Includes those units and fund shares intended for re-issue. (e) Payments for assets acquired during period. Includes brokerage and stamp duty. (f) Receipts for assets sold or redeemed during period. Excludes brokerage and stamp duty.

**TRUSTS AND FUNDS: ANALYSIS OF PURCHASES AND SALES OF  
INVESTMENTS**  
(\$ million)

	<i>Shares (incl. preference shares)</i>	<i>Debentures, unsecured notes, deposits (a)</i>	<i>Land, buildings, mortgages</i>	<i>Other(b)</i>	<i>Total</i>
<b>Purchases—</b>					
1968-69 . . .	17.0	11.6	19.6	0.1	48.2
1969-70 . . .	35.3	10.6	14.9	0.3	61.1
1970-71 . . .	39.2	10.6	24.6	..	74.5
1971-72 . . .	17.2	14.3	42.9	3.9	78.3
1972-73 . . .	22.1	18.2	71.0	0.1	111.5
<b>Sales—</b>					
1968-69 . . .	44.0	5.5	3.5	1.6	54.6
1969-70 . . .	37.9	6.4	5.5	1.1	50.8
1970-71 . . .	35.8	8.3	5.1	2.3	51.5
1971-72 . . .	30.9	7.9	7.6	0.5	47.0
1972-73 . . .	45.3	9.4	15.7	1.1	71.5

(a) Excludes cash on hand and at bank, loans to authorised dealers in the short-term money market, and other deposits under three months' term or notice. (b) Includes Australian Government, local and semi-government securities.

## REGISTERED BUILDING SOCIETIES

Permanent and terminating building societies

REGISTERED BUILDING SOCIETIES: SELECTED ITEMS(a)  
AUSTRALIA

	<i>Societies making returns</i>			<i>Shareholders</i>	<i>Loans paid over</i>	<i>Administrative expenses</i>
	<i>Permanent</i>	<i>Terminating (b)</i>	<i>Total</i>			
	No.	No.	No.	No.	\$'000	\$'000
1967-68 . . . . .	161	4,388	4,549	458,881	260,011	13,060
1968-69 . . . . .	173	4,641	4,814	535,173	331,850	16,503
1969-70 . . . . .	182	4,883	5,065	669,371	444,263	21,500
1970-71 . . . . .	189	5,240	5,429	862,617	453,038	27,139
1971-72 . . . . .	193	5,434	5,627	1,243,298	650,603	37,378

(a) At various balance dates within the financial year shown. (b) Co-operative housing and other terminating societies.

REGISTERED BUILDING SOCIETIES: LIABILITIES AND ASSETS(a), AUSTRALIA  
(\$'000)

	<i>Liabilities</i>					<i>Assets</i>			
	<i>Investing members' funds</i>	<i>Borrowing members' funds</i>	<i>Deposits</i>	<i>Loans due to governments</i>	<i>Other liabilities</i>	<i>Total liabilities</i>	<i>Advances on mortgages(b)</i>	<i>Other assets</i>	<i>Total assets</i>
1967-68 . . . . .	394,806	178,242	72,395	257,638	441,742	1,344,823	1,266,294	78,528	1,344,823
1968-69 . . . . .	548,619	185,623	126,114	283,716	454,129	1,598,204	1,490,259	107,945	1,598,204
1969-70 . . . . .	812,688	174,676	156,849	312,909	475,198	1,932,322	1,776,761	155,561	1,932,322
1970-71 . . . . .	1,132,556	165,747	195,776	348,959	457,272	2,300,311	2,038,305	262,005	2,300,311
1971-72 . . . . .	1,616,255	160,129	259,145	377,870	461,635	2,875,034	2,462,258	412,775	2,875,034

(a) At various balance dates within the financial year shown. (b) Includes advances on mortgages of terminating societies which are mainly on a gross basis. Net advances may be derived by subtracting 'Borrowing members' funds'.

## Permanent building societies

The following statistics summarise information obtained from a monthly collection introduced in May 1969 and relate to the operations of permanent building societies in all States and the Australian Capital Territory and the Northern Territory.

PERMANENT BUILDING SOCIETIES: AUSTRALIA  
SELECTED TRANSACTIONS AND BALANCES  
(\$'000)

	<i>Loans approved during year(a)</i>	<i>Loans advanced during year(b)</i>	<i>Loans approved but not advanced at end of year(c)</i>	<i>Principal owing on mortgages at end of year</i>	<i>Paid-up share-capital at end of year</i>	<i>Borrowings by</i>
						<i>societies— amount owing at end of year(d)</i>
1969-70 . . . . .	379,051	375,535	58,354	993,539	799,470	277,659
1970-71 . . . . .	428,628	368,733	100,285	1,246,167	1,120,150	322,627
1971-72 . . . . .	689,358	616,399	150,421	1,702,602	1,624,710	414,183
1972-73 . . . . .	1,180,792	1,085,708	189,185	2,510,326	2,254,704	612,812

(a) Includes loans approved for flats and home units, supplementary loans approved to complete the original purchase or construction of a house, flat or home unit and second mortgage loans approved. (b) Includes capitalised mortgage insurance premiums and other capitalised charges. (c) Excludes cancellations of loan approvals. (d) Includes deposits with societies, advances under Commonwealth and State Housing Agreements but excludes unsecured borrowings from banks.

## FRIENDLY SOCIETIES AND CO-OPERATIVE SOCIETIES

## Friendly societies

In 1972 the total membership of friendly societies in Australia was about 439,000, 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 be more than doubled to arrive at an estimate of the number of persons who receive some direct benefit from these societies, even when due allowances are made for young and unmarried members. 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 conform to the law, and that the scale of contribution is sufficient to provide the promised benefits. Societies are obliged to forward to the Registrar annual returns about their membership and their finances, and reports dealing with the returns received are published in most of the States.

## FRIENDLY SOCIETIES(a): SUMMARY, 1971-72

	N.S.W.(b)	Vic.	Qld	S.A.	W.A.	Tas.(c)	Total
Registered societies . . . . .	39	115	17	13	11	9	204
Branches . . . . .	1,506	1,046	376	455	243	108	3,734
Benefit members at end of year . . . . .	159,043	147,115	63,933	50,077	14,087	4,506	438,761
Average benefit members during year . . . . .	156,073	147,969	63,446	50,283	14,464	4,608	436,843
Members who received sick pay . . . . .	n.a.	n.a.	4,884	6,579	1,877	661	n.a.
Total weeks sick pay granted . . . . .	n.a.	354,374	94,165	136,197	48,189	17,339	n.a.
Average sick weeks per member . . . . .	n.a.	n.a.	19.3	20.7	25.7	26.2	n.a.
Deaths of benefit members . . . . .	n.a.	2,328	1,240	1,043	347	196	n.a.
Proportion of deaths per 1,000 members (average) . . . . .	n.a.	15.7	19.5	20.7	24.0	42.5	n.a.
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue—</b>							
Entrance fees, levies and members' contributions . . . . .	27,528	24,583	5,564	11,744	3,735	66	73,220
Interest, dividends and rents . . . . .	1,996	3,499	2,367	1,243	193	92	13,357
All other revenue . . . . .	744	1,155		1,961	91	18	
<b>Total revenue . . . . .</b>	<b>30,268</b>	<b>29,237</b>	<b>7,931</b>	<b>14,947</b>	<b>4,018</b>	<b>175</b>	<b>86,576</b>
<b>Expenditure—</b>							
Sick pay . . . . .	667	567	119	173	38	23	1,587
Medical attendance and medicine . . . . .	20,968	20,968	5,976	11,076	3,294	1	62,282
Sums payable at death . . . . .	745	270	207	145	52	47	1,466
Administration . . . . .	4,510	3,934	1,245	1,641	260	45	16,053
All other expenditure . . . . .	996	2,445		690	246	42	
<b>Total expenditure . . . . .</b>	<b>27,885</b>	<b>28,183</b>	<b>7,547</b>	<b>13,726</b>	<b>3,889</b>	<b>158</b>	<b>81,388</b>
<b>Total funds . . . . .</b>	<b>37,663</b>	<b>50,635</b>	<b>11,866</b>	<b>22,184</b>	<b>4,541</b>	<b>1,463</b>	<b>128,352</b>

(a) Excludes juvenile branches, dispensaries, medical institutes, and certain miscellaneous societies. Receipts and payments of subsidy under the Commonwealth medical and hospital benefit schemes are excluded. (b) Includes the Australian Capital Territory. (c) Year ended 31 December 1972.

## Co-operative societies

Co-operative societies are divided into three classes: (i) those engaged in the manufacture and marketing of primary products and trade requirements; (ii) those engaged in retailing general household requirements; and (iii) those engaged in activities covered by both classes (i) and (ii). The first class may be described briefly as producers' co-operative societies and the second as consumers' co-operative societies. The particulars given for New South Wales relate to societies registered under the Co-operation Act, 1923-1969. A summary of the business of all co-operative societies for the year 1971-72 for all States is given in the following table.

## CO-OPERATIVE SOCIETIES: 1971-72

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
Societies . . . No.	325	150	280	62	68	16	901
Members . . . No.	409,119	162,974	163,879	123,755	53,984	6,695	920,406
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income—</b>							
Gross turnover (sales) .	441,120	199,242	220,280	74,021	78,638	12,346	1,025,647
Other income . . .	3,933	5,923	14,344	5,814	27,424	670	58,108
<b>Total income . . .</b>	<b>445,053</b>	<b>205,165</b>	<b>234,624</b>	<b>79,835</b>	<b>106,063</b>	<b>13,016</b>	<b>1,083,755</b>
<b>Expenditure—</b>							
Other purchases . . .	434,717	145,356	168,512	52,106	66,218	10,506	1,047,059
Other expenditure . . .		51,892	52,620	28,215	34,603	2,314	
<b>Total expenditure . . .</b>	<b>434,717</b>	<b>197,248</b>	<b>221,132</b>	<b>80,321</b>	<b>100,821</b>	<b>12,820</b>	<b>1,047,059</b>
Rebates and bonuses . .	6,501	1,672	4,426	2,057	3,498	n.a.	n.a.
Dividends on share capital	1,642	1,772	981	555	796	32	5,779
<b>Liabilities—</b>							
Paid-up capital . . .	43,258	27,894	30,708	8,867	13,302	1,304	125,334
Bank overdrafts . . .	47,345	17,964	15,949	8,596	5,120	946	95,919
Accumulated profits . .	26,920	3,396	8,537	1,367	169	479	126,295
Reserve funds . . .		26,873	38,620	9,163	9,984	788	
Loan capital . . .	73,633	13,440	22,523	16,644	60,827	1,387	318,497
Sundry creditors . . .		31,535	36,243	6,259	16,317	2,022	
Other liabilities . . .		7,413	13,290	12,092	4,593	279	
<b>Total liabilities . . .</b>	<b>191,155</b>	<b>128,515</b>	<b>165,870</b>	<b>62,988</b>	<b>110,311</b>	<b>7,205</b>	<b>666,045</b>
<b>Assets—</b>							
Land and buildings . . .	75,780	30,228	77,637	13,843	10,809	1,579	302,950
Machinery, plant and other fixed assets . . .		25,479		11,046	55,821	727	
Stocks . . .	59,161	22,783	13,675	20,049	7,226	1,228	124,122
Sundry debtors . . .	36,889	35,506	61,505	9,428	27,357	2,804	173,489
Cash in hand and on deposit . . .	19,324	5,530	3,597	844	2,114	257	65,483
Profit and loss account . . .		2,885	893	284	804	611	
Other assets . . .		6,102	8,563	7,493	6,180		
<b>Total assets . . .</b>	<b>191,155</b>	<b>128,515</b>	<b>165,870</b>	<b>62,988</b>	<b>110,311</b>	<b>7,205</b>	<b>666,045</b>

**LOTTERIES AND BETTING**

**Lotteries**

The State Governments of New South Wales, Queensland, South Australia and Western Australia operate lotteries in their own States. Tattersall Sweep Consultations are operated under government licence in Victoria and also sell tickets under government licence in Tasmania and New Zealand. Tickets for any of these lotteries may also be sold in the Northern Territory and the Australian Capital Territory. The statistics of sales of tickets and prizes include the sales and allotments of prizes in New Zealand, Tasmania, the Northern Territory and the Australian Capital Territory. In general, revenue derived by the State Governments from these lotteries is used directly or indirectly to provide funds for expenditure on hospitals, charities, etc.

**LOTTERIES: VALUE OF TICKET SALES, PRIZES ALLOTTED, TAXES PAID AND OTHER NET CONTRIBUTIONS TO STATE GOVERNMENT REVENUES (\$'000)**

<i>Year</i>	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Total</i>
<b>TICKET SALES</b>						
1968-69 . . .	53,335	19,440	16,680	5,350	5,150	99,955
1969-70 . . .	55,645	21,400	17,600	5,700	6,200	106,545
1970-71 . . .	58,057	21,360	18,560	6,000	6,250	110,227
1971-72 . . .	62,389	21,388	20,510	6,200	7,400	117,887
1972-73 . . .	64,563	30,145	20,420	6,746	8,149	130,023
<b>PRIZES ALLOTTED</b>						
1968-69 . . .	32,843	11,664	10,651	3,241	3,001	61,400
1969-70 . . .	34,052	12,840	11,237	3,460	3,757	65,346
1970-71 . . .	35,815	12,816	11,851	3,648	3,803	67,932
1971-72 . . .	38,284	12,833	13,122	3,775	4,506	72,519
1972-73 . . .	39,485	18,087	13,070	4,125	4,958	79,725
<b>TAXES PAID AND OTHER NET CONTRIBUTIONS TO STATE GOVERNMENT REVENUES(a)</b>						
1968-69 . . .	12,202	6,026	4,160	1,633	1,437	25,458
1969-70 . . .	12,712	6,634	4,358	1,927	1,643	27,274
1970-71 . . .	13,127	6,622	4,492	1,833	1,594	27,667
1971-72 . . .	13,655	6,630	4,910	1,979	1,935	29,109
1972-73 . . .	13,923	9,345	4,826	1,894	2,137	32,125

(a) Includes grants to Tasmanian and New Zealand governments by Tattersall Sweep Consultations, Victoria.

**Betting**

**TOTALISATOR INVESTMENTS AND INVESTMENTS WITH LICENSED BOOKMAKERS  
STATES AND AUSTRALIAN CAPITAL TERRITORY  
(\$'000)**

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>A.C.T.</i>	<i>Total</i>
<b>TOTALISATOR INVESTMENTS</b>								
1968-69	241,350	224,955	61,003	26,292	52,938	1,145	4,215	611,897
1969-70	292,442	245,993	81,771	31,679	60,913	1,250	7,092	721,141
1970-71	334,814	273,638	94,534	38,403	67,652	1,322	8,808	819,172
1971-72	394,620	329,142	115,312	47,281	82,543	1,453	10,723	981,074
1972-73	450,268	377,825	140,184	57,768	92,375	1,493	13,699	1,133,612

<b>INVESTMENTS WITH LICENSED BOOKMAKERS<sup>(a)</sup></b>								
1968-69	282,497	172,388	141,167	50,263	32,189	41,705	4,127	724,335
1969-70	310,881	183,296	145,837	58,165	38,972	44,899	4,713	786,763
1970-71	314,658	196,166	147,931	60,728	39,778	48,825	5,232	813,318
1971-72	345,770	217,898	158,652	73,544	41,840	52,871	6,805	897,381
1972-73	377,222	228,756	181,858	82,746	44,282	58,220	8,093	981,177

(a) Estimated from taxes on betting with licensed bookmakers in all States except Australian Capital Territory.

**PROBATES AND LETTERS OF ADMINISTRATION**

The following table gives some particulars of the number and value of estates of deceased persons in each State for the latest year for which information is available. Owing to differences in legislation in the various States the figures are not entirely comparable.

**PROBATES AND LETTERS OF ADMINISTRATION: STATES**

	<i>N.S.W.</i> <i>1972-73(a)</i>	<i>Vic.</i> <i>1972</i>	<i>Qld</i> <i>1972-73</i>	<i>S.A.</i> <i>1972</i>	<i>W.A.</i> <i>1972-73</i>	<i>Tas.</i> <i>1972(b)</i>
<b>Estates</b>	No.	28,549	21,011	9,810	5,291	4,624
<b>Gross value</b>	\$'000	n.a.	405,229	182,341	98,170	98,537
<b>Net value</b>	\$'000	599,057	358,580	170,415	90,881	90,628
						27,877

(a) Total estates of deceased persons assessed for death duty. (b) Estates dealt with by the Taxation Department.

**AUSTRALIAN INDUSTRY DEVELOPMENT CORPORATION**

The Australian Industry Development Corporation was established by the *Australian Industry Development Corporation Act 1970-1973* and commenced operations on 1 February 1971. Within the objectives and broad policy guidelines defined in the Act the Corporation operates as an independent commercial enterprise governed by its own Board of Directors.

The Corporation has a capital of \$100 million, to be subscribed by the Australian Government in instalments but the whole being available if required to meet obligations. The paid-up capital at 30 June 1974 was \$50 million.

The central objectives of the Corporation are to promote the development of industries in Australia and support local participation in the ownership and control of industries and resources. Consistent with these objectives and the principle that A.I.D.C. must operate on a commercial basis and assist only in ventures which can demonstrate sound prospects, the Corporation provides finance, obtained principally by overseas borrowings, for essentially Australian-owned firms (including local firms with foreign partners) engaged in new development or expansion in the manufacturing, processing and mining industries.

The Corporation's financial participation in a venture is governed by the prevailing terms and conditions under which it can itself obtain loan finance. The capital of the Corporation is provided as a base for its borrowings and is not directly used for assistance to industry projects.

The Corporation participates in the financing of a development only at the invitation of the enterprise concerned and in the manner dictated by the needs of the project. Its assistance may be given in a variety of ways, such as loan investments or guarantees, or by temporarily taking a minority equity position.

As at 30 June 1974, the end of A.I.D.C.'s second year of operations, the Corporation had undertaken financial commitments totalling \$157 million in respect of 88 industry development ventures.

