

CHAPTER XX.

PRIVATE FINANCE.

A. CURRENCY.

§ 1. General.

The Australian monetary system is based on the British system, of which the unit is the pound (£) divided into 20 shillings (s.) each of 12 pence (d.). When the Australian currency was introduced in 1909 the Australian pound was specified as equivalent to 123.27447 grains of gold $\frac{11}{18}$ ths fine or 113.002 grains of fine gold and, until the depression in 1930, was identical with the pound sterling. There was a gradual depreciation of the Australian pound in terms of sterling from the beginning of 1930 until 3rd December, 1931, when it was stabilized at the rate of £125 Australian = £100 sterling. This relationship has been maintained until the present time. Following the depreciation, no action was taken to define the value of the Australian pound in terms of gold until 5th August, 1947, when the Australian Government advised the International Monetary Fund, in terms of the membership agreement, that the par value of the Australian pound was 2.86507 grammes (44.2148 grains) of fine gold. From 19th September, 1949 this was reduced to 1.99062 grammes (30.720 grains) of fine gold.

When the Commonwealth was established in 1901, the currency in Australia consisted of United Kingdom gold, silver and bronze coins, notes issued by the banks, and Queensland Treasury notes. Queensland Treasury notes were in circulation in Queensland only, having superseded bank notes in that State after the 1893 crisis. Under the Commonwealth Constitution, the control of currency, coinage and legal tender and the issue of paper money was vested in the Commonwealth. The Commonwealth assumed these powers by enacting the Coinage Act 1909 and the Australian Notes Act 1910.

Imperial gold coins of the specified weight and fineness and Australian notes are legal tender in Australia for any amount. Australian silver coins are legal tender for any amount not exceeding forty shillings and Australian bronze coins are legal tender for any amount not exceeding one shilling.

§ 2. Coinage.

1. **Coins in Circulation.**—Brief historical notes relating to the Australian Coinage are given in Official Year Book No. 37, pages 557 and 558. For weight, metal, composition, etc., of Australian coins in circulation see Official Year Book No. 39, page 697.

The silver coins issued prior to July, 1947, have a millesimal fineness of 925 (thirty-seven fortieths silver and three fortieths copper) and those issued since 1st July, 1947 (dated 1946 and later) have a millesimal fineness of 500 (one-half silver and one-half other metals).

From 1910 to 1916, Australian coins were minted in England by the Royal Mint, London, and the Mint, Birmingham Ltd., and in 1916 and 1917 by the Indian Mints. The minting of Australian coins was undertaken by the Australian Mints in 1916 and coins have been minted at the Melbourne branch of the Royal Mint from 1916 to the present time, at the Sydney branch from 1919 until that Mint closed in 1926 and at the Perth branch in 1922 and since 1940.

During the 1939–45 War, the two Australian mints were unable to meet the demand for Australian coins and some coins were minted in the United States of America and India. In 1951–52 and 1952–53, some coins were minted at the Royal Mint, London, to meet the heavy demand for coins. Details of Australian coins obtained from each mint to 30th June, 1956, are as follows :—Melbourne, £38,910,000 ; Perth, £1,285,000 ; Sydney, £488,000 ; United Kingdom Mints, £3,016,000 ; United States Mints, £6,000,000 ; Indian Mints, £169,000 ; Total, £49,868,000.

2. **Issues of Australian Coins.**—The net issues of Australian silver and bronze coin from 1910 to 30th June, 1956 were :—Crown (5s.), £276,000 ; Florin (2s.), £17,656,000 ; Shilling (1s.), £6,981,000 ; Sixpence (6d.), £4,588,000 ; Threepence (3d.), £5,221,000 ; Total silver coin, £34,669,000 ; Penny (1d.), £2,192,000 ; Half-penny (½d.), £692,000 ; Total bronze coin, £2,884,000. Except in the total no allowance has been made for £53,000 worth of damaged silver coin, for which denominations are not available, withdrawn since 1910.

3. **Profits on Coinage of Silver and Bronze.**—Australian silver and bronze coins are token coins and, as the face value of the coins is greater than the value of the bullion they contain, a profit is made from their issue. This profit forms part of the Commonwealth Consolidated Revenue. In the following table, details are given of the value of coins issued, the cost of bullion, the cost of minting and sundry expenses connected with the issue, and the profits made on the issue of coins during the years 1938–39 and 1951–52 to 1955–56.

AUSTRALIAN SILVER AND BRONZE COINS : PROFITS FROM ISSUE.

(£.)

Year.	Coin Issued.	Cost of Bullion.	Gross Profit.	Cost of Minting and Sundry Charges.	Net Profit.
SILVER COIN.					
1938–39	219,600	81,314	138,286	18,459	119,827
1951–52	3,003,600	1,663,384	1,340,216	316,970	1,023,246
1952–53	1,709,600	971,471	738,129	180,608	557,521
1953–54	2,469,400	1,381,027	1,088,373	233,151	855,222
1954–55	2,127,800	1,187,041	940,759	172,552	768,207
1955–56	915,900	514,848	401,052	95,770	305,282
BRONZE COIN.					
1938–39	41,800	7,838	33,962	26,025	7,937
1951–52	249,639	125,514	124,125	251,991	— 127,866
1952–53	327,620	413,263	— 85,643	161,640	— 247,283
1953–54	61,368	71,421	— 10,053	94,963	— 105,016
1954–55	14,616	12,665	1,951	45,590	— 43,639
1955–56	174,889	163,393	11,496	117,347	— 105,851
TOTAL.					
1938–39	261,400	89,152	172,248	44,484	127,764
1951–52	3,253,239	1,788,898	1,464,341	568,961	895,380
1952–53	2,037,220	1,384,734	652,486	342,248	310,238
1953–54	2,530,768	1,452,448	1,078,320	328,114	750,206
1954–55	2,142,416	1,199,706	942,710	218,142	724,568
1955–56	1,090,789	678,241	412,548	213,117	199,431

NOTE.—Minus sign (—) denotes a loss.

4. **Australian Mints.**—(i) *General.* Soon after the discovery of gold in Australia, a branch of the Royal Mint was established in Sydney. The formal opening took place on 14th May, 1855. The Melbourne branch was opened on 12th June, 1872, and the Perth Branch on 20th June, 1899. The States of New South Wales, Victoria and Western Australia provided an annual endowment in return for which the mint receipts were paid to the respective State Treasuries. Owing to losses incurred in its operations, the Sydney branch was closed at the end of 1926.

Since their establishment, the Australian branches of the Royal Mint have been primarily concerned with the refining of gold, minting of Imperial gold coins and the production of bars and ingots of gold bullion for export. The minting of Imperial gold coins was discontinued in September, 1931. In 1916, the Melbourne branch took over the minting of Australian silver and bronze coins from the Royal Mint, London. Australian coins were also minted at the Sydney Mint from 1919 to 1926 and at the Perth Mint in 1922 and from 1940 to the present time. The Melbourne branch has also minted token coins for the Territory of New Guinea and for New Zealand.

(ii) *Gold Receipts and Issues.* (a) *Receipts.* The receipts of gold at Australian mints during 1955 amounted to 984,369 fine ounces (Melbourne, 147,602 fine ounces ; Perth, 836,767 fine ounces).

(b) *Issues.* The Australian mints issue gold bullion for the use of local manufacturers (jewellers, dentists, etc.) and for export. Since September, 1931, when the United Kingdom departed from the gold standard, the minting and issue of gold coins by Australian mints has ceased. Australian exports of gold are mainly in the form of 400-oz. ingots, but in earlier years a considerable amount of gold was shipped to India in 10-oz. bars. Since early in the 1939-45 War, all gold has been acquired by the Commonwealth Bank and the export and use of gold has been subject to regulation by the Commonwealth Government. From December, 1951, export of a proportion of newly-mined gold for sale on premium markets overseas was permitted (see para. 5 below). The issues from Australian mints during 1955 amounted to 986,857 fine ounces (Melbourne, 149,381 fine ounces, Perth, 837,476 fine ounces).

5. *Price of Gold.*—The following table shows the average prices of gold and the average value of the sovereign in London and Australia for the years 1938-39 and 1951-52 to 1955-56. The average price of gold in Australia is based on the Commonwealth Bank's buying price for gold lodged with the mints.

PRICE OF GOLD : LONDON AND AUSTRALIA.

Period.	London.		Australia.		
	Average price per fine oz.	Average value of Sovereign.	Average price per fine oz.	Sovereign.	
				Average value.	Equivalent to a premium of—
	£stg. s. d.	£stg. s. d.	£A. s. d.	£A. s. d.	%
1938-39..	7 6 9	1 14 7	9 2 9	2 3 0	115.0
1951-52..	12 8 0	2 18 5	15 9 10	3 12 0	260.0
1952-53..	12 8 0	2 18 5	15 9 10	3 12 0	260.0
1953-54..	12 8 3	2 18 5	15 10 4	3 12 1	260.4
1954-55..	12 10 0	2 18 10	15 12 6	3 12 6	267.8
1955-56..	12 10 0	2 18 10	15 12 6	3 12 6	267.8

In December, 1951, arrangements were made whereby producers could sell a proportion of newly-mined gold for industrial purposes on oversea premium markets. Under the arrangements, gold is acquired by the Commonwealth 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. The gold can be sold only against payment in United States dollars. Profits earned by the association after meeting administrative expenses are distributed to members in proportion to the quantity of gold delivered to the Commonwealth 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 ($\frac{11}{12}$ ths.).

The average prices per fine ounce in Australian currency (f.o.b.) obtained for gold exported under this scheme for each of the months during 1955-56 for which there were sales were:—July, £15 13s. 1d.; August and September, £15 13s. 2d.; October, £15 12s. 11d.

§ 3. Notes.

1. *General.*—Brief historical notes relating to the circulation and issue of notes in Australia are given in Official Year Book No. 37, pages 561 and 562. The issue of notes intended for circulation as money other than by the Commonwealth Bank is prohibited.

2. *The Australian Note Issue.*—(i) *General.* Notes in circulation in Australia are issued by the Commonwealth Bank through the Note Issue Department. The Bank is authorized to issue Australian notes in denominations of 5s., 10s., £1, £5, £10 and any multiple of £10. The Commonwealth Bank is not required to hold a specific reserve in gold against the note issue, but the assets of the Note Issue Department must be held or invested in gold, on deposit with any bank, or in securities of the Government of the United Kingdom, the Commonwealth or a State. All profits of the Note Issue Department, with the exception of an amount not exceeding £500,000 each year which may be used as capital for the Commonwealth Trading Bank, or the special departments of the Commonwealth Bank, are paid to the Commonwealth Consolidated Revenue Fund.

Australian notes are legal tender to any amount within Australia and have been issued in denominations of 10s., £1, £5, £10, £20, £50, £100 and £1,000. Notes of denominations higher than £10, however, have not been issued to the public since 1945.

(ii) *Australian Notes in Circulation.* Particulars of the average values of notes in circulation for the years 1938–39 and 1951–52 to 1955–56 are given in the following table :—

AUSTRALIAN NOTE ISSUE.
(£'000.)

Denomination.	Average of monthly statements for year—					
	1938–39.	1951–52.	1952–53.	1953–54.	1954–55.	1955–56.
10s.	4,141	9,454	9,738	9,936	10,175	10,496
£1	21,124	69,399	68,286	69,038	69,646	70,564
£5	11,718	132,432	152,679	168,032	176,383	180,565
£10	5,126	83,131	88,257	91,911	101,443	113,809
£20	111	7	6	6	6	4
£50	1,259	59	55	51	49	46
£100	2,238	63	60	57	55	50
£1,000	2,855	572	649	683	799	802
<i>Held by Banks</i>	15,454	37,745	36,400	38,996	40,880	42,909
<i>Held by Public</i>	33,118	257,372	283,330	300,718	317,676	333,427
Total	48,572	295,117	319,730	339,714	358,556	376,336

(iii) *Commonwealth Bank—Note Issue Department.* The following statement shows particulars of liabilities and assets of the Note Issue Department of the Commonwealth Bank as at 30th June, 1955 and 1956.

NOTE ISSUE DEPARTMENT : LIABILITIES AND ASSETS, 30th JUNE.
(£'000.)

Liabilities.	1955.	1956.	Assets.	1955.	1956.
Notes on Issue(a) ..	362,753	371,969	Gold and Balances held abroad (including money at short call)	120,926	120,831
Special Reserve— Premium on gold sold	4,755	4,755	Government Securities (including Commonwealth Treasury Bills)	250,041	259,368
Other Liabilities(a) ..	3,531	3,525	Other Assets	72	50
Total Liabilities	371,039	380,249	Total Assets	371,039	380,249

(a) Notes of a denomination not exceeding one pound which have been on issue for more than twenty years, and notes of a denomination exceeding one pound which have been on issue for more than 40 years are not included in the item "Notes on Issue" but are included in the item "Other Liabilities".

In 1955–56, the net profits of the Note Issue Department amounted to £8,365,937 of which £7,865,937 was paid to the Commonwealth Treasury and £500,000 to the Capital Accounts of sections of the Commonwealth Bank and the Commonwealth Trading Bank as follows :—Mortgage Bank Department £143,000, Rural Credits Department £71,000, Industrial Finance Department £143,000, and the Commonwealth Trading Bank £143,000. For the basis of distribution of the net profits of the Note Issue Department, see page 708.

B. BANKING.

§ 1. Cheque-Paying Banks.

1. *Banking Legislation.*—(i) *Commonwealth Legislation.* Under Section 51 of the Commonwealth Constitution, the Commonwealth Parliament has power to legislate with respect to "Banking, other than State banking ; also State banking extending beyond the limits of the State concerned, the incorporation of banks, and the issue of paper money". The principal Commonwealth Acts at present in force relating to Banking are—

- (a) The Commonwealth Bank Act 1945–1953 which provides for the constitution and management of the Commonwealth Bank, Commonwealth Trading Bank and Commonwealth Savings Bank and the management of the Australian note issue ; and

- (b) The Banking Act 1945-1953, which provides for the regulation of banking and for the protection of the currency and the public credit of the Commonwealth.

The Banking Act 1945 was assented to on 3rd August, 1945, and came into operation on 21st August, 1945. It applies to all banks, except State banks, operating in Australia or Territories of the Commonwealth. The objects of the Act are :—(a) To provide a legal framework, uniform throughout Australia, for regulating the banking system ; (b) to safeguard depositors of the banks from loss ; (c) to provide for the co-ordination of banking policy under the direction of the Commonwealth Bank ; (d) to control the volume of credit in circulation and bank interest rates ; (e) to mobilize 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 Act is given in Official Year Book No. 37, page 565.

The Banking Act 1953, assented to on 1st April, 1953, amended the Banking Act 1945. Details of the main amendments are given in Official Year Book No. 40, page 616.

(ii) *State Legislation.* State banking legislation relates to the incorporation of banks and the constitution and management of State banks. The 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 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.

2. *Royal Commission on Monetary and Banking Systems.*—A Royal Commission was appointed by the Commonwealth Government in November, 1935, 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 interest of the people of Australia as a whole, and the manner in which any such alterations should be effected. The Commission presented its report on 15th July, 1937, and a summary of the recommendations appears in Official Year Book No. 31, page 1010.

3. *Presentation of Banking Statistics.*—Because of the different purposes they serve in the Australian financial system, Australian banks have been divided for statistical purposes into four groups and a separate series is presented for each. These groups are :—

- (a) *The Commonwealth Bank.* This is the Central Bank. It also provides special banking facilities through the Rural Credits, Mortgage Bank and Industrial Finance Departments. It transacted general banking business through a General Banking Division up to 3rd December, 1953, when that business was transferred to the Commonwealth Trading Bank of Australia. Statistics of the Central Banking Business (including the Note Issue Department), and Rural Credits, Mortgage Bank and Industrial Finance Departments are presented in separate series.
- (b) *The Commonwealth Trading Bank of Australia.* This bank commenced operations on 3rd December, 1953. On that date, under the provisions of the Commonwealth Bank Act, 1953, it took over the business of the General Banking Division of the Commonwealth Bank. The statistics presented in the Commonwealth Trading Bank series include averages for the General Banking Division of the Commonwealth Bank up to 3rd December, 1953.

- (c) *Private Trading Banks.* This group was formerly known as the Nine Trading Banks but the number of banks included has been reduced to seven by amalgamations. With the Commonwealth Trading Bank, these banks provide the major part of the general banking facilities in Australia. The banks included in this group are—the Bank of New South Wales, The Commercial Banking Company of Sydney Ltd., The National Bank of Australasia Ltd. (which has absorbed the Queensland National Bank Ltd., and The Ballarat Banking Co. Ltd.), The Commercial Bank of Australia Ltd., The Bank of Adelaide, the Australia and New Zealand Bank Ltd. (an amalgamation of The Bank of Australasia Ltd. and The Union Bank of Australia Ltd.), and The English, Scottish and Australian Bank Ltd.
- (d) *Other Banks.* This group consists of (i) three State Government Banks—The Rural Bank of New South Wales, the State Bank of South Australia and The Rural and Industries Bank of Western Australia, which, in their general banking business, specialize mainly in financing rural industries, (ii) one joint stock bank—The Brisbane Permanent Building and Banking Co. Ltd., which has specialized business in one district only, and (iii) branches of three oversea banks—the Bank of New Zealand, Comptoir National d'Escompte de Paris and the Bank of China, which transact limited business in Australia and are mainly concerned with financing trade, etc., between Australia and oversea countries.

In addition to the series mentioned above, a series for all cheque-paying banks is presented. This series covers the Commonwealth Trading Bank, the Private Trading Banks and the other cheque-paying banks included in the fourth group.

Unless otherwise stated, the statistics presented are averages of weekly returns. Averages of liabilities and assets are the averages of the liabilities and assets of the banks on the several weekly balance days during the period concerned. Averages of bank clearings and debits to customers' accounts are the averages of transactions for weeks ended on the balance days during the period.

4. **Banks Transacting Business in Australia.**—(i) *Number of Branches.* At 30th June, 1956, the 15 banks operating in Australia transacted all classes of banking business at 3,415 branches and 1,305 agencies. The Commonwealth Trading Bank and the Private Trading Banks have branches throughout the Commonwealth. The Rural Bank of New South Wales, the State Bank of South Australia and The Rural and Industries Bank of Western Australia, being State Government banks specializing mainly in financing rural industries, have branches only in their respective States. The Brisbane Permanent Building and Banking Co. Ltd., transacts business in Brisbane only. The remaining three banks are branches of oversea banks.

CHEQUE-PAYING BANKS : NUMBER OF BRANCHES^(a) AT 30th JUNE, 1956.

Banks.	New South Wales.	Vic-toria.	Q'land.	South Aust.	West. Aust.	Tas-mania.	Nor. Terr.	Aust. Cap. Terr.	Total.
Commonwealth Trading Bank of Australia ..	271	71	72	20	46	8	2	2	492
Private Trading Banks ..	900	818	447	265	231	65	9	9	2,744
Other Cheque-paying Banks	111	2	1	30	35	..	..	..	179
All Cheque-paying Banks—									
Metropolitan areas ..	495	406	113	111	123	16	..	..	1,264
Elsewhere ..	787	485	407	204	189	57	11	11	2,151
Total ..	1,282	891	520	315	312	73	11	11	3,415

(a) Includes Head Offices. Excludes 1,305 agencies.

(ii) *Capital Resources, Profits and Dividends.* The paid-up capital of cheque-paying banks (excluding the three oversea banks, the Bank of New Zealand, the Bank of China and the Comptoir National d'Escompte de Paris), together with their reserve funds, their profits and the amount of their last dividends, are shown in the following table. The information relates to the balance-sheet last preceding 31st October, 1955. All amounts are expressed in Australian currency.

CHEQUE-PAYING BANKS : CAPITAL RESOURCES, PROFITS AND DIVIDENDS,
1954-55.

(£'000.)

Bank.	Paid-up Capital. (a)	Re-serve Funds.	Balance of Profit and Loss Account. (b)	Total Share-holders' Funds. (c)	Reserve Liability of Share-holders. (d)	Net Profit for year. (e)	Net Dividends. (f)
<i>Commonwealth Trading Bank of Australia</i>	5,143	2,160	..	7,303	..	734	..
<i>Private Trading Banks—</i>							
Australia and New Zealand Bank Ltd.	12,801	8,119	2,089	23,009	10,667	1,056	883
The Bank of Adelaide	1,750	1,750	165	3,665	1,750	219	175
Bank of New South Wales	13,170	10,250	1,324	24,744	13,170	1,894	1,185
The Commercial Bank of Australia Ltd.	5,170	3,100	402	8,672	..	554	390
The Commercial Banking Co. of Sydney Ltd.	6,000	5,000	447	11,447	6,000	627	508
The English, Scottish and Australian Bank Ltd.	3,765	3,765	755	8,285	2,510	395	253
The National Bank of Australasia Ltd.	10,089	7,500	958	18,547	2,700	889	757
The Queensland National Bank Ltd. (in vol. liq.) (g) .. .. .	..	..	130	130	..	..	..
The Ballarat Banking Co. Ltd. (in vol. liq.) (g)	159	166	16	341	141	15	6
<i>Total Private Trading Banks</i>	<i>52,904</i>	<i>39,650</i>	<i>6,286</i>	<i>98,840</i>	<i>36,938</i>	<i>5,649</i>	<i>4,157</i>
<i>Other Cheque-paying Banks—</i>							
The Brisbane Permanent Building and Banking Co. Ltd.	1,000	275	67	1,342	..	85	80
The Rural Bank of New South Wales	16,899	9,593	..	26,492	..	107	..
State Bank of South Australia	3,942	1,121	..	5,063	..	101	..
The Rural and Industries Bank of Western Australia	8,522	194	..	8,716	..	26	..
<i>Total Other Cheque-paying Banks</i>	<i>30,363</i>	<i>11,183</i>	<i>67</i>	<i>41,613</i>	<i>..</i>	<i>319</i>	<i>80</i>
Grand Total	88,410	52,993	6,353	147,756	36,938	6,702	4,237

(a) For the Commonwealth Trading Bank, the amount shown in this column is the amount specified as capital in the Commonwealth Bank Act 1945-1953. This amount was appropriated out of Reserve Funds built up from profits of the Commonwealth Bank. For the State Bank of South Australia and The Rural and Industries Bank of Western Australia, the amounts shown in this column are capital funds provided by the respective State Governments. Capital of The Rural Bank of New South Wales consists of Inscribed Stock and Debentures issued by the Bank for capital purposes. (b) Includes dividends declared but not paid at date of balance-sheet. (c) For the Commonwealth Trading Bank and the State Banks, the amount shown in this column is total capital and reserves. (See footnote (a).) (d) Includes uncalled capital. (e) For the State Government Banks, the net profit is the profit after writing off bank premises and payment of interest on capital. For the other Banks, the net profit is the profit before writing off bank premises. (f) Dividends paid and payable out of profits earned during 1954-55. (g) These banks are in process of liquidation consequent upon the amalgamation of their business with The National Bank of Australasia Ltd.

5. Commonwealth Bank of Australia.—(i) *General.* An account of the progress and development of the Commonwealth Bank is given in earlier issues of the Official Year Book (see No. 37, pages 570 to 573). The general functions of the Bank are set out in section 8 of the Commonwealth Bank Act 1945-1953 which states—

“ 8. It shall be the duty of the Commonwealth Bank, within the limits of its powers, to pursue a monetary and banking policy directed to the greatest advantage of the people of Australia, and to exercise its powers under this Act and the Banking Act 1945 in such a manner as, in the opinion of the Bank, 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 and provides special services through the Rural Credits Department, Mortgage Bank Department and Industrial Finance Department. The Commonwealth Bank also provided general banking facilities through the General Banking Division up to 3rd December, 1953. In accordance with the provisions of the Commonwealth Bank Act, 1953, the Commonwealth Trading Bank, on that date, took over the business of the General Banking Division of the Commonwealth Bank. The Commonwealth Savings Bank, a separate institution providing for small depositors, is controlled by the Commonwealth Bank Board and is operated in conjunction with the Commonwealth Trading Bank.

(ii) *Management.* Under the Commonwealth Bank Act 1911, the Bank was managed by a Governor. From 1924 to August, 1945, it was controlled by a Board of Directors. Under the Commonwealth Bank Act 1945, control was vested in a Governor, assisted by an Advisory Council. Since 21st August, 1951, under the Commonwealth Bank Act 1951, the policy of the Commonwealth Bank and the Commonwealth Savings Bank has been determined by the Commonwealth Bank Board consisting of the Governor (Chairman), the Deputy Governor, the Secretary of the Department of 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 Bank and with any directions of the Board. The Board is required to inform the Government of the monetary and banking policy of the Bank. 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. The Commonwealth Trading Bank is managed by a General Manager under the Governor of the Commonwealth Bank and its policy is determined by the Commonwealth Bank Board.

(iii) *Central Banking Business.* Under the powers it possessed under the Commonwealth Bank Act 1911–1943, and under its war-time powers under the National Security Regulations, the Commonwealth Bank had gradually assumed the functions of a Central Bank. Part III. of the Commonwealth Bank Act 1945 formally constituted the Commonwealth Bank as a Central Bank and granted the Bank the necessary powers to carry on the business of a Central Bank. The capital for the Central Banking Business is £4,000,000 and such other sums as are transferred from the Reserve Fund. Since 1951, the profits of the Commonwealth Bank have been distributed as follows:—(a) One-half to the National Debt Sinking Fund; (b) for a period of five years, an amount not exceeding £500,000 per annum may be paid to the capital of the several departments of the Bank and the Commonwealth Trading Bank, this amount to be distributed as follows:—Commonwealth Trading Bank, Mortgage Bank Department, and Industrial Finance Department each two-sevenths and the Rural Credits Department one-seventh; and (c) the balance to be paid to the Commonwealth Bank Reserve Fund.

(iv) *Note Issue Department.* This Department was established in 1920 when the control of the Australian note issue was transferred from the Commonwealth Treasury to the Commonwealth Bank. The Bank may, through this department, issue, re-issue and cancel Australian notes. Until 30th June, 1951, all profits of this Department, with the exception of £2,000,000 paid to the Capital Account of the Rural Credits Department and £1,200,000 paid to the Capital Account of the Mortgage Bank Department, were paid to the Commonwealth Consolidated Revenue Fund. In 1951, provision was made for an amount, not exceeding £500,000 per annum for five years, to be paid to the Capital Accounts of the Commonwealth Trading Bank and the Rural Credits, Industrial Finance and Mortgage Bank Departments of the Commonwealth Bank. This amount is payable only if a similar amount is paid from the profits of the Central Banking Business and is to be distributed to the various sections in the same proportions as the amount payable from the profits of the Central Banking Business. The balance of the profits is to be paid to the Commonwealth Consolidated Revenue Fund.

(v) *General Banking Division.* Under the Commonwealth Bank Act 1911–1943, no provision was made for the separation of the general banking business of the bank from its central banking business. Under the Commonwealth Bank Act 1945, the General Banking Division was set up to carry on the general banking business of the Bank and the accounts and transactions of this division were kept separate and distinct from the other accounts of the Bank. The capital of the General Banking Division was £4,000,000, and

such other sums as were transferred from the General Banking Division Reserve Fund, or from the profits of the Central Banking Business and the Note Issue Department. Transfers from these two sources increased the total capital to £4,572,000 at 30th June, 1953. The profits of the General Banking Division were distributed as follows:—(a) one-half was credited to the General Banking Division Reserve Fund, and (b) one-half was paid to the National Debt Sinking Fund. Under the Commonwealth Bank Act 1953, the business of the General Banking Division was transferred to the Commonwealth Trading Bank on 3rd December, 1953. *See also* para. 6 below—Commonwealth Trading Bank of Australia.

(vi) *Rural Credits Department.* The Rural Credits Department was established in 1925 for the purpose of making short-term credit available for the orderly marketing of primary produce. The 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 of a State or Territory of the Commonwealth or other bodies specified by proclamation. The period of the advance shall not be more than one year. The capital of the Rural Credits Department is £2,000,000 and such amounts as are transferred from the profits of the Central Banking Business and the Note Issue Department. Transfers from these two sources have increased the total capital to £2,714,000 at 30th June, 1956. Profits are distributed as follows:—(a) one-half is credited to the Rural Credits Department Reserve Fund, and (b) one-half is credited to the Rural Credits Department Development Fund for the promotion of primary production.

(vii) *Mortgage Bank Department.* The Mortgage Bank Department was established in 1943 for the purpose of making long-term loans to primary producers. Through this department, the Bank may make a loan to any person engaged in farming, agricultural, horticultural, pastoral or grazing operations or other form of primary production, upon the security of a mortgage to the Bank of an estate or interest in land in the Commonwealth owned by the borrower. The term of the loan shall not be less than five years nor more than forty-one years. The capital of the Department is £4,000,000 plus any amount transferred from the profits of the Central Banking Business and the Note Issue Department. Transfers from these two sources have increased the total capital to £5,428,000 at 30th June, 1956. Profits are credited to the Mortgage Bank Department Reserve Fund.

(viii) *Industrial Finance Department.* The functions of the Industrial Finance Department, established in January, 1946, are:—(a) to provide finance for the establishment and development of industrial undertakings; (b) to assist in the establishment and development of industrial undertakings; and (c) to provide advice on the operations of industrial undertakings with a view to promoting the efficient organization and conduct thereof. To exercise these functions the Bank may, through the Industrial Finance Department, lend money and purchase and sell shares or securities in an industrial undertaking. The capital of this department is £4,000,000 plus any amount transferred from the profits of the Central Banking Business and the Note Issue Department. Transfers from these two sources have increased the total capital to £5,429,000 at 30th June, 1956. The Treasurer, the Bank and the Savings Bank may advance money to the Industrial Finance Department. The amount that may be advanced by the Bank is limited to £1,000,000. The profits of the Department are credited to the Industrial Finance Department Reserve Fund.

(ix) *Housing Loans.* Provision is made for the Bank, through the Commonwealth Trading Bank, to make loans to individuals or building societies for the erection or purchase of homes or for the discharge of mortgages on homes. These loans must be made at the lowest possible rate of interest. Loans to individuals are to be on *crédit foncier* terms, to be secured by first mortgage on an estate or interest in land owned by the borrower and to be repaid in periods of not less than five years nor more than 35 years. Loans to building societies are to be made on such security and on such terms and conditions as the Bank determines.

(x) *Liabilities and Assets—All Departments.* Liabilities and assets of each Department of the Commonwealth Bank at 30th June, 1956, are shown in the following table. The

Commonwealth Trading Bank and the Commonwealth Savings Bank, which are operated as separate institutions, are not included (*see* § 1, para. 6 (ii) and § 2, para. 7 (ii) following):—

COMMONWEALTH BANK OF AUSTRALIA: LIABILITIES AND ASSETS,
30th JUNE, 1956.
(£'000.)

Item.	Central Banking Business.	Note Issue Depart- ment.	Rural Credits Depart- ment.	Mortgage Bank Depart- ment.	Industrial Finance Depart- ment.	Total.(a)
LIABILITIES.						
Capital	4,000	..	2,714	5,428	5,429	17,571
Reserve Funds	9,350	..	1,027	519	2,530	13,426
Special Reserve—Premium on gold sold .. .. .	..	4,755	..	..	..	4,755
Development Fund .. .. .	..	..	173	..	..	173
Notes on issue .. .. .	..	371,969	..	..	..	371,969
Deposits, bills payable and other liabilities—						
Special Accounts of Trading Banks	255,399	..	..	..	..	255,399
Other deposits of Trading Banks	36,321	..	..	..	..	36,321
Other (including provision for contingencies)	222,648	3,525	78,030	674	22,007	326,884
<i>Total Liabilities</i>	<i>527,718</i>	<i>380,249</i>	<i>81,944</i>	<i>6,621</i>	<i>29,966</i>	<i>950,167</i>
ASSETS.						
Gold and balances held abroad (including money at short call)	153,557	120,831	..	..	..	274,388
Australian notes and coin and cash balances	2,648	..	..	50	497	3,195
Cheques and bills of other banks	16,105	..	..	..	..	16,105
Commonwealth Government securities (including Commonwealth Treasury Bills)	217,257	259,368	..	1,145	3,247	481,017
Securities of other Governments, and of local and semi-governmental authorities	33,568	..	..	..	..	33,568
Bills receivable and remittances in transit	7,310	..	..	..	..	7,310
Bank premises at cost less amounts written off	590	..	..	..	..	590
Loans, advances, bills discounted, and other assets (after deducting debts considered bad or doubtful)	96,683	50	81,944	5,426	26,222	210,325
<i>Total Assets</i>	<i>527,718</i>	<i>380,249</i>	<i>81,944</i>	<i>6,621</i>	<i>29,966</i>	<i>950,167</i>

(a) Inter-departmental accounts totalling £76,331,000 have been offset in the combined figures.

(xi) *Profits.* Net profits of the various Departments of the Commonwealth Bank for the years ended 30th June, 1939 and 1952 to 1956, were as follows:—

COMMONWEALTH BANK OF AUSTRALIA: NET PROFITS.
(£'000.)

Year ended 30th June—	General Bank Depart- ment.	Central Banking Business. (a)	Note Issue Depart- ment.	General Banking Division. (a) (b)	Rural Credits Depart- ment.	Mortgage Bank Depart- ment. (c)	Indus- trial Finance Depart- ment. (d)	Total.
1939	356	..	767	..	32	..	..	1,155
1952	2,274	3,881	352	97	49	290	6,943
1953	2,892	5,361	457	160	52	292	9,214
1954	3,918	6,207	..	171	59	346	10,701
1955	4,518	6,017	..	192	65	398	11,190
1956	6,561	8,366	..	220	75	416	15,638

(a) Created 21st August, 1945. Previously combined under General Bank Department. (b) From 3rd December, 1953 business transferred to Commonwealth Trading Bank. (c) Commenced business 27th September, 1943. (d) Commenced business 2nd January, 1946.

The distribution of these profits for the years ended 30th June, 1952 to 1956 is given in the following table :—

COMMONWEALTH BANK OF AUSTRALIA : DISTRIBUTION OF PROFITS.
(£'000.)

To—	1952.	1953.	1954.	1955.	1956.
National Debt Sinking Fund	1,313	1,675	1,959	2,259	3,280
Commonwealth Consolidated Revenue Fund	3,381	4,861	5,707	5,517	7,866
Commonwealth Trading Bank Capital Account .. ..	..	..	285	286	286
Commonwealth Bank Reserve Fund	637	946	1,459	1,759	2,780
General Banking Division—					
Capital Account	286	286	..	..	..
Reserve Fund	176	229	..	..	..
Rural Credits Department—					
Capital Account	143	143	143	142	143
Reserve Fund	48	80	85	96	110
Development Fund	48	80	86	96	110
Mortgage Bank Department—					
Capital Account	285	286	286	286	286
Reserve Fund	50	51	59	65	75
Industrial Finance Department—					
Capital Account	286	285	286	286	286
Reserve Fund	290	292	346	398	416
Total	6,943	9,214	10,701	11,190	15,638

(xii) *Central Banking Business—Average Liabilities and Assets.* The average liabilities and assets of the Central Banking Business and Note Issue Department of the Commonwealth Bank for the years ended June, 1952 to 1956, are shown in the two tables which follow.

COMMONWEALTH BANK OF AUSTRALIA : CENTRAL BANKING BUSINESS
(INCLUDING NOTE ISSUE DEPARTMENT)—AVERAGE LIABILITIES.
(£'000.)

Year ended June—	Capital and Reserve Funds.	Notes on Issue.	Special Accounts of Trading Banks.	Other Deposits of Trading Banks.	Other Liabilities.	Total Liabilities.
1952	10,450	293,639	468,800	31,112	270,937	1,074,938
1953	11,023	318,192	212,890	45,447	(a)287,361	874,913
1954	11,906	338,223	306,820	41,731	(a)283,397	982,077
1955	13,279	357,023	306,286	36,795	243,468	956,851
1956	14,945	374,096	272,841	35,630	208,717	906,229

(a) Includes special deposit of General Banking Division 1952–53, £21,731,000 ; 1953–54, £14,265,000.

COMMONWEALTH BANK OF AUSTRALIA : CENTRAL BANKING BUSINESS
(INCLUDING NOTE ISSUE DEPARTMENT)—AVERAGE ASSETS.
(£'000.)

Year ended June—	Gold and Balances held Abroad.	Australian Coin.	Cheques and Bills of other Banks.	Government and other Securities (including Commonwealth Treasury Bills.)	Bills Receivable and Remittances in Transit.	Other Assets.	Total Assets.
1952	470,644	2,164	6,321	503,089	85	92,635	1,074,938
1953	363,576	2,538	6,595	434,771	130	67,303	874,913
1954	512,615	2,105	6,895	407,979	2,514	49,969	982,077
1955	415,896	2,380	7,009	459,839	3,488	68,239	956,851
1956	298,885	2,364	6,505	515,716	3,746	79,013	906,229

6. **Commonwealth Trading Bank of Australia.**—(i) *General.* The Commonwealth Trading Bank was established by the Commonwealth Bank Act, 1953, and on 3rd December, 1953, took over the business of the General Banking Division of the Commonwealth Bank. The Commonwealth Trading Bank is a body corporate with its own General Manager who is appointed by the Governor-General on the recommendation of the Commonwealth Bank Board for a term of seven years. The General Manager, under the Governor of the Commonwealth Bank, is responsible for the administration of the Commonwealth Trading Bank in accordance with policy determined by the Commonwealth Bank Board. Under the Banking Act 1945–1953, the Commonwealth Trading Bank is subject to the same central banking controls as the private trading banks and is required to maintain a Special Account with the Commonwealth Bank on the same basis as those of the private trading banks. The capital of the Commonwealth Trading Bank is the total of the capital of the General Banking Division of the Commonwealth Bank immediately before 3rd December, 1953, and such other sums as are transferred from the Commonwealth Trading Bank Reserve Fund, or from the profits of the Central Banking Business and the Note Issue Department of the Commonwealth Bank. The net profits of the Commonwealth Trading Bank are divided as follows :—(a) one-half placed to the credit of the Commonwealth Trading Bank Reserve Fund, and (b) one-half paid into the National Debt Sinking Fund.

(ii) *Liabilities and Assets.* The liabilities and assets of the Commonwealth Trading Bank at 30th June, 1955 and 1956, are shown in the following table:—

COMMONWEALTH TRADING BANK OF AUSTRALIA: LIABILITIES AND ASSETS, 30th JUNE.
(£'000.)

Liabilities.	1955.	1956.	Assets.	1955.	1956.
Capital	5,143	5,429	Coin, bullion, notes and cash at bankers ..	14,498	13,919
Reserve Fund ..	2,160	2,435	Money at short call in London	1,800	1,875
Deposits, bills payable and other liabilities (including provision for contingencies) ..	225,493	221,713	Special Account with Commonwealth Bank	33,850	31,150
Balances due to other banks	454	481	Cheques and bills of other banks and balances with and due from other banks	2,313	2,161
			Treasury bills ..	7,500	7,000
			Public securities of Australian Governments	40,019	35,720
			Bills receivable and remittances in transit	27,138	25,376
			Bank premises (at cost less amounts written off)	3,506	3,831
			Loans, advances and bills discounted (after deducting provision for debts considered bad or doubtful) ..	99,961	105,217
			Other assets ..	2,665	3,809
Total	233,250	230,058	Total	233,250	230,058

(iii) *Average Liabilities and Assets within Australia.* The average liabilities and assets within Australia of the General Banking Division of the Commonwealth Bank for the years ended 30th June, 1952 and 1953, and of the Commonwealth Trading Bank for the years ended 30th June, 1954 to 1956, are shown in the tables below.

COMMONWEALTH TRADING BANK OF AUSTRALIA(a)—AVERAGE LIABILITIES WITHIN AUSTRALIA.(b)
(£'000.)

Year ended June—	Deposits.			Balances due to other Banks.	Bills payable and all other Liabilities to the Public.	Total Liabilities.
	Not Bearing Interest.	Bearing Interest.	Total.			
1952	90,595	20,093	110,688	2,644	8,524	121,856
1953	96,664	22,817	119,481	3,820	8,569	131,870
1954	120,885	35,352	156,237	2,034	11,766	170,037
1955	130,909	43,549	174,458	309	16,148	190,915
1956	135,617	46,243	181,860	314	17,496	199,670

(a) General Banking Division of Commonwealth Bank prior to 3rd December, 1953. (b) Includes Territories of Papua and New Guinea.

COMMONWEALTH TRADING BANK OF AUSTRALIA(a)—AVERAGE ASSETS WITHIN AUSTRALIA.(b)
(£'000.)

Year ended June—	Cash and Cash Balances.	Special Account with Commonwealth Bank.	Balances with other Banks. (c)	Australian Public Securities.		Other Securities.	Loans, Advances, and Bills Discounted.	All other Assets.	Total Assets.
				Treasury Bills.	Other.				
1952	6,581	.. .. .	994	26,392	13,274	2	76,407	3,230	126,880
1953	8,784	(d)21,731	1,600	17,239	25,840	92	59,492	3,984	138,762
1954	11,000	(e)34,800	787	23,404	29,924	1,284	69,204	4,360	174,763
1955	10,456	36,061	870	12,260	38,165	1,606	89,138	5,675	194,231
1956	10,213	33,155	1,238	6,333	38,599	1,824	103,894	6,815	202,071

(a) General Banking Division of Commonwealth Bank prior to 3rd December, 1953. (b) Includes Territories of Papua and New Guinea. (c) Includes notes, cheques and bills of other banks. (d) Special deposit of General Banking Division. (e) Includes special deposit of General Banking Division. £14,265,000.

(iv) *Profits.* The net profits of the Commonwealth Trading Bank for the years ended 30th June, 1955 and 1956 were £734,185 and £708,461 respectively. These profits were distributed as follows (1955 figures shown in parentheses):—£158,210 (£134,160) was applied to writing off bank premises; £275,126 (£300,012) was appropriated to the Commonwealth Trading Bank Reserve Fund; and £275,125 (£300,013) was paid to the National Debt Sinking Fund.

7. *Private Trading Banks.*—(i) *Average Liabilities and Assets in Australia.* The average liabilities and assets within Australia of the Private Trading Banks (see page 706 for list of banks) for the years ended June, 1939 and 1952 to 1956, are shown in the following tables:—

PRIVATE TRADING BANKS: AVERAGE LIABILITIES WITHIN AUSTRALIA
(£'000.)

Year ended June—	Inter-minable Deposits or Deposit Stock.	Deposits.			Notes in Circulation.	Balances due to other Banks.	Bills payable and all other Liabilities to the Public.	Total Liabilities.
		Not Bearing Interest.	Bearing Interest.	Total.				
1939	2,644	a 118,868	198,793	317,661	167	921	(b) 3,005	324,398
1952	729	963,524	238,217	1,201,741	158	61,527	14,970	1,279,125
1953	226	943,747	218,699	1,162,446	158	10,628	14,247	1,187,705
1954	14	1,035,707	239,774	1,275,481	158	3,360	14,980	1,293,993
1955	9	1,047,677	262,986	1,310,663	158	3,282	16,432	1,330,544
1956	6	1,032,332	263,107	1,295,439	158	6,528	16,913	1,319,044

(a) Includes other Liabilities. (b) Excludes other Liabilities.

PRIVATE TRADING BANKS: AVERAGE ASSETS WITHIN AUSTRALIA.
(£'000.)

Year ended June—	Cash and Cash Balances.	Special Account with Commonwealth Bank.	Balances with Other Banks. (a)	Australian Public Securities.		Other Securities.	Loans, Advances and Bills Discounted.	All other Assets.	Total Assets.
				Treasury Bills.	Other. (b)				
1939	33,597	..	3,938	21,533	20,477	(c)	d 288,109	(e) 9,421	377,075
1952	60,589	465,991	29,140	32,402	68,416	1,124	621,435	33,151	1,312,248
1953	74,712	211,737	22,580	123,059	86,513	2,313	638,092	29,693	1,188,699
1954	71,244	285,226	17,346	99,368	130,306	3,588	658,534	36,549	1,302,161
1955	66,908	269,117	18,436	51,602	121,927	3,425	776,762	48,925	1,357,102
1956	66,883	238,803	19,672	50,015	113,977	5,839	804,392	56,042	1,355,623

(a) Includes notes, cheques and bills of other banks. (b) Government and Municipal Securities.
(c) Included with Loans, Advances and Bills Discounted. (d) See footnotes (c) and (e). (e) Landed and House Property only. Other assets included with Loans, Advances and Bills Discounted.

(ii) *Ratios of Assets and Liabilities to Total Deposits.* The following table shows, for the Private Trading Banks, the ratios of certain assets and liabilities to total deposits for the years ended June, 1939 and 1952 to 1956. The ratios are based on the average liabilities and assets for the years shown.

PRIVATE TRADING BANKS: RATIOS OF AVERAGE ASSETS AND LIABILITIES TO AVERAGE TOTAL DEPOSITS.

(Per cent.)

Year ended June—	Cash and Cash Balances.	Treasury Bills.	Government and Municipal Securities. (a)	Special Account with Commonwealth Bank.	Advances.	Deposits.	
						Not Bearing Interest.	Bearing Interest.
1939	10.6	6.8	6.5	..	90.7	37.4	62.6
1952	5.0	2.7	5.7	38.8	51.7	80.2	19.8
1953	6.4	10.6	7.4	18.2	54.9	81.2	18.8
1954	5.6	7.8	10.2	22.4	51.6	81.2	18.8
1955	5.1	3.9	9.3	20.5	59.3	79.9	20.1
1956	5.2	3.9	8.8	18.4	62.1	79.7	20.3

(a) Excludes Treasury Bills.

(iii) *Proportion of Non-Interest Bearing to Total Deposits.* The following table shows, for each State, the proportion of non-interest bearing deposits to total deposits with the Private Trading Banks for each of the years ended June, 1939 and 1952 to 1956. The ratios are based on the average deposits for the years shown.

PRIVATE TRADING BANKS: PROPORTION OF NON-INTEREST BEARING DEPOSITS TO TOTAL DEPOSITS.

(Per cent.)

Year ended June—	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Nor. Terr.	Aust. Cap. Terr.	Total. (a)
1939	43.5	30.3	45.4	26.1	45.7	36.5	61.1	23.2	37.4
1952	83.1	77.8	82.5	72.0	83.1	75.6	84.7	78.4	80.2
1953	84.3	79.2	82.5	72.4	84.4	78.5	87.0	82.6	81.2
1954	83.9	79.6	82.7	72.3	83.1	79.7	89.5	88.2	81.2
1955	81.9	78.1	82.6	71.6	84.1	80.1	88.7	89.6	79.9
1956	81.6	78.6	81.3	71.2	82.3	79.8	86.5	88.1	79.7

(a) Includes Papua and New Guinea for 1952 and following years.

(iv) *Ratio of Advances to Total Deposits.* The ratio of advances to total deposits, for each State for the years ended June, 1939 and 1952 to 1956, is shown in the following table. The ratios are based on the averages of deposits and advances for the years shown.

PRIVATE TRADING BANKS: RATIO OF ADVANCES TO TOTAL DEPOSITS.
(Per cent.)

Year ended June—	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Nor. Terr.	Aust. Cap. Terr.	Total. (a)
1939	104.5	71.6	99.2	77.6	155.5	57.0	24.5	37.7	90.7
1952	54.5	52.1	60.0	33.0	41.5	48.4	29.6	26.4	51.7
1953	60.2	52.8	63.7	35.2	46.1	54.0	24.0	27.6	54.9
1954	56.4	47.8	59.7	32.2	52.7	57.3	30.0	35.6	51.6
1955	66.1	51.8	68.5	37.2	71.6	61.9	55.8	49.5	59.3
1956	71.6	53.4	67.8	39.0	78.4	60.1	59.5	43.9	62.1

(a) Includes Papua and New Guinea for 1952 and following years.

8. **Other Cheque-paying Banks.**—Average Liabilities and Assets within Australia. The average liabilities and assets within Australia of "Other Cheque-paying Banks" (see page 706 for list of these banks) for the years ended June, 1952 to 1956, are shown in the following tables.

OTHER CHEQUE-PAYING BANKS: AVERAGE LIABILITIES WITHIN AUSTRALIA.
(£'000.)

Year ended June—	Inter-minable Deposits or Deposit Stock. (a)	Deposits.			Notes in Circulation.	Balances due to other Banks.	Bills payable and all other Liabilities to the Public.	Total Liabilities.
		Not Bearing Interest.	Bearing Interest.	Total.				
1952	19,336	37,445	13,369	50,814	..	504	1,478	72,132
1953	19,286	35,848	15,302	51,150	..	622	525	71,583
1954	19,734	39,408	15,309	54,717	..	664	454	75,569
1955	20,520	41,415	16,069	57,484	..	554	461	79,019
1956	20,569	39,726	16,359	56,085	..	1,536	484	78,674

(a) Inscribed stock and debentures, Rural Bank of New South Wales and State Bank of South Australia.

OTHER CHEQUE-PAYING BANKS: AVERAGE ASSETS WITHIN AUSTRALIA.
(£'000.)

Year ended June—	Cash and Cash Balances.	Special Account with Commonwealth Bank.	Balances with other Banks. (a)	Australian Public Securities.		Other Securities.	Loans, Advances and Bills Discounted.	All other Assets. (b)	Total Assets.
				Treasury Bills.	Other.				
1952	5,104	2,612	1,800	2,925	14,880	111	61,816	5,423	94,671
1953	4,640	1,153	2,176	3,911	13,874	149	64,731	3,792	94,426
1954	5,091	1,090	2,409	7,326	13,977	432	65,982	3,815	100,122
1955	4,586	1,108	2,198	5,641	13,972	701	72,189	4,923	105,318
1956	3,992	883	1,588	4,119	14,388	245	75,825	5,332	106,372

(a) Includes notes, cheques and bills of other banks. (b) Includes The Rural and Industries Bank of Western Australia and State Bank of South Australia accounts with State Treasuries.

9. **All Cheque-paying Banks.**—Average Liabilities and Assets within Australia. Particulars of the average liabilities and assets within Australia of all cheque-paying banks in Australia for the years ended 30th June, 1952 to 1956, are shown in the following tables. The series includes the Commonwealth Trading Bank (General Banking Division of the Commonwealth Bank to 3rd December, 1953), but the Central Banking business of the Commonwealth Bank is excluded.

ALL CHEQUE-PAYING BANKS: AVERAGE LIABILITIES WITHIN AUSTRALIA.(a)
(£'000.)

Year ended June—	Inter-minable Deposits or Deposit Stock.	Deposits.			Notes in Circulation.	Balances due to other Banks.	Bills payable and all other liabilities to the Public.	Total Liabilities.
		Not Bearing Interest.	Bearing Interest.	Total.				
1952	20,065	1,091,564	271,679	1,363,243	158	64,675	24,972	1,473,113
1953	19,512	1,076,259	256,818	1,333,077	158	15,070	23,341	1,391,158
1954	19,748	1,196,000	290,435	1,486,435	158	6,058	27,200	1,539,599
1955	20,529	1,220,001	322,604	1,542,605	158	4,145	33,041	1,600,478
1956	20,575	1,207,675	325,709	1,533,384	158	8,378	34,893	1,597,388

(a) Includes Territories of Papua and New Guinea.

ALL CHEQUE-PAYING BANKS: AVERAGE ASSETS WITHIN AUSTRALIA.(a)
(£'000.)

Year ended June—	Cash and Cash Balances.	Special Account with Commonwealth Bank.	Balances with other Banks.	Australian Public Securities.		Other Securities.	Loans, Advances and Bills. Dis-counted.	All Other Assets.	Total Assets.
				Treasury Bills.	Other.				
1952 ..	72,274	468,603	31,934	61,719	96,570	1,237	759,658	41,804	1,533,799
1953 ..	88,136	234,621	26,356	144,209	126,227	2,554	762,315	37,469	1,421,887
1954 ..	87,335	321,116	20,542	130,098	174,207	5,304	793,720	44,724	1,577,046
1955 ..	81,950	306,286	21,504	69,503	174,064	5,732	938,089	59,523	1,656,651
1956 ..	81,088	272,841	22,498	60,467	166,964	7,908	984,111	68,189	1,664,066

(a) Includes Territories of Papua and New Guinea.

10. Classification of Advances within Australia.—Commonwealth Trading Bank of Australia and Private Trading Banks.—(i) States, June, 1956. A dissection of advances made by the Commonwealth Trading Bank and the Private Trading Banks at the end of June, 1956, is shown in the following table. Business advances, which have been classified according to the main industry of the borrower, are those made mainly for business purposes and include all loans to corporate bodies other than public authorities. Advances made to public authorities are those made to Commonwealth and State Governments, Government Agencies and Local and Semi-governmental Authorities irrespective of the purpose of the advance or the industry in which the authority is engaged. Personal advances, which have been classified according to purpose, include advances to persons in their private capacity for such purposes as the purchase of a house or of household equipment, repayment of personal debts, etc.

COMMONWEALTH TRADING BANK OF AUSTRALIA AND PRIVATE TRADING BANKS : CLASSIFICATION OF ADVANCES WITHIN AUSTRALIA(a)—STATES, END OF JUNE, 1956.

(£'000.)

Classification.	N.S.W. (b)	Vic.	Q'land. (a)	S. Aust. (c)	W. Aust.	Tas.	Total Aust. (d)	Proportion of Total.
A. BUSINESS ADVANCES CLASSIFIED ACCORDING TO MAIN INDUSTRY OF BORROWER.								
1. Agriculture, Dairying and Grazing ..	84,141	42,849	53,091	12,606	16,157	4,169	213,013	23.7
2. Manufacturing ..	80,498	61,309	24,538	9,184	6,413	3,175	185,117	20.6
3. Transport, Storage and Communication ..	5,199	5,795	3,093	1,284	1,096	800	17,267	1.9
4. Finance and Property	44,955	29,760	8,877	3,286	3,089	2,605	92,572	10.3
5. Commerce—								
Retail Trade ..	33,512	23,433	11,776	6,275	7,894	3,420	86,310	9.6
Wholesale Trade ..	35,875	21,601	4,342	4,991	3,686	1,567	72,062	8.1
Total Class 5 ..	69,387	45,034	16,118	11,266	11,580	4,987	158,372	17.7
6. Miscellaneous(d) ..	20,795	18,829	10,697	2,795	5,209	1,650	59,975	6.7
7. Not elsewhere specified	4,320	2,667	1,728	553	950	114	10,332	1.2
Total ..	309,295	206,243	118,142	40,974	44,494	17,500	736,648	82.1
B. ADVANCES TO PUBLIC AUTHORITIES.								
Public Authority Advances (including Government, Semi-Governmental and Municipal Bodies) ..	4,774	11,147	1,249	232	322	372	18,096	2.0
C. PERSONAL ADVANCES CLASSIFIED ACCORDING TO MAIN PURPOSE OF ADVANCE.								
1. Advances for building or purchasing own home (Individuals)	44,270	24,947	11,100	3,614	8,846	1,794	94,571	10.6
2. All other (including Personal Loans) ..	19,997	14,918	5,499	2,307	4,111	1,078	47,910	5.3
Total ..	64,267	39,865	16,599	5,921	12,957	2,872	142,481	15.9
TOTAL ADVANCES.								
Grand Total ..	378,336	257,255	135,990	47,127	57,773	20,744	897,225	100.0

(a) Includes Papua and New Guinea. (b) Includes Australian Capital Territory. (c) Includes Northern Territory. (d) Includes (i) fishing, hunting, trapping and forestry; (ii) mining and quarrying; (iii) legal and other professions, religious, charitable and benevolent institutions, hospitals, schools and industrial and trade associations; (iv) amusements, wireless broadcasting, sporting associations and promoters; and (v) hotels, boarding houses and restaurants, laundries, social clubs, etc.

(ii) *Australia, June, 1953 to June, 1956.* The following table provides a dissection of advances within Australia (including Papua and New Guinea) as at the end of June, 1953 to 1956.

COMMONWEALTH TRADING BANK OF AUSTRALIA^(a) AND PRIVATE TRADING BANKS : CLASSIFICATION OF ADVANCES WITHIN AUSTRALIA^(b)—AMOUNT AND PROPORTION OF EACH CLASS TO TOTAL.

Classification.	At End of—							
	June, 1953.		June, 1954.		June, 1955.		June, 1956.	
	Amount (£'000.)	Per cent.						
A. BUSINESS ADVANCES CLASSIFIED ACCORDING TO MAIN INDUSTRY OF BORROWER.								
1. Agriculture, Dairying and Grazing ..	148,279	22.1	192,340	24.3	220,879	23.8	213,013	23.7
2. Manufacturing ..	141,481	21.1	139,314	17.6	190,728	20.6	185,117	20.6
3. Transport, Storage and Communication ..	12,710	1.9	16,690	2.1	17,244	1.9	17,267	1.9
4. Finance and Property	64,615	9.6	84,475	10.7	94,535	10.2	92,572	10.3
5. Commerce—								
Retail Trade ..	50,433	7.6	74,861	9.4	86,962	9.4	86,310	9.6
Wholesale Trade ..	59,132	8.8	57,678	7.3	73,827	7.9	72,062	8.1
Total Class 5 ..	109,565	16.4	132,539	16.7	160,789	17.3	158,372	17.7
6. Miscellaneous ^(c)	42,618	6.4	52,460	6.6	60,190	6.5	59,975	6.7
7. Not elsewhere specified	9,345	1.4	9,874	1.2	10,623	1.1	10,332	1.2
Total ..	528,613	78.9	627,692	79.2	754,988	81.4	736,648	82.1

B. ADVANCES TO PUBLIC AUTHORITIES.

<i>Public Authority Advances (including Government, Semi-Governmental and Municipal Bodies)</i> ..	13,551	2.0	9,871	1.2	11,378	1.2	18,096	2.0
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C. PERSONAL ADVANCES CLASSIFIED ACCORDING TO MAIN PURPOSE OF ADVANCE.

1. Advances for building or purchasing own home (Individuals)	86,587	12.9	102,872	13.0	105,676	11.4	94,571	10.6
2. All other (including Personal Loans)	41,325	6.2	52,083	6.6	55,399	6.0	47,910	5.3
Total ..	127,912	19.1	154,955	19.6	161,075	17.4	142,481	15.9

TOTAL ADVANCES.

Grand Total ..	670,076	100.0	792,518	100.0	927,441	100.0	897,225	100.0
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(a) Prior to 3rd December, 1953, General Banking Division of the Commonwealth Bank. (b) Includes Papua and New Guinea. (c) Includes (i) fishing, hunting, trapping and forestry; (ii) mining and quarrying; (iii) legal and other professions, religious, charitable and benevolent institutions, hospitals, schools and industrial and trade associations; (iv) amusements, wireless broadcasting, sporting associations and promoters; and (v) hotels, boarding houses and restaurants, laundries, social clubs, etc.

11. **Interest on Deposits : Rates—Cheque-paying Banks.**—Particulars of interest rates for fixed deposits since 1945 are shown hereunder.

BANK FIXED DEPOSIT RATES : AUSTRALIA.

(Per cent. per annum.)

Date from which Operative.	Deposits for—			
	Three Months.	Six Months.	Twelve Months.	Twenty-four Months.
1st December, 1945	$\frac{1}{2}$	$\frac{3}{4}$	1	(a) $1\frac{1}{2}$
29th July, 1952	1	$1\frac{1}{4}$	$1\frac{1}{2}$	(b) $1\frac{3}{4}$
1st January, 1955	$1\frac{1}{4}$	$1\frac{1}{2}$	$1\frac{3}{4}$	2
15th March, 1956	$2\frac{1}{4}$	$2\frac{1}{2}$	$2\frac{3}{4}$	3

(a) On first £10,000; rate on amounts in excess of £10,000 was 1 per cent. (b) On first £10,000; rate on amounts in excess of £10,000 was $1\frac{1}{2}$ per cent.

12. **Clearing House Returns—Average Weekly Clearings.**—The average weekly clearings in each capital city for the years ended June, 1939 and 1952 to 1956 are shown in the following table.

BANK CLEARINGS(a) : AVERAGE WEEKLY CLEARINGS.
(£'000.)

Year ended June—	Sydney.	Melbourne.	Brisbane.	Adelaide.	Perth.	Hobart.	Total.
1939 ..	17,832	15,415	4,212	2,953	2,055	623	43,090
1952 ..	92,557	86,022	17,478	17,226	11,425	2,980	227,688
1953 ..	88,557	78,965	17,886	16,794	11,441	2,985	216,628
1954 ..	97,191	87,505	20,736	18,027	13,249	3,393	240,101
1955 ..	103,849	95,245	22,072	19,681	13,684	3,670	258,201
1956 ..	109,975	101,153	22,488	21,021	14,089	3,962	272,688

(a) Excludes transactions connected with the issue and redemption of Treasury Bills.

13. **Debits to Customers' Accounts—All Cheque-paying Banks.**—Statistics of debits to customers' accounts have been collected since September, 1945. Generally they represent the total of all cheques drawn by the customers of the banks. In the following table, the average weekly debits to customers' accounts of all cheque-paying banks are shown for each State for the years ended June, 1952 to 1956. In this table, debits to accounts of Australian Governments in capital cities are excluded, as they are subject to abnormal influences and are not uniform for each State.

AVERAGE WEEKLY DEBITS TO CUSTOMERS' ACCOUNTS : ALL CHEQUE-PAYING BANKS.
(Excluding Debits to Australian Government Accounts in Capital Cities.)
(£'000.)

Year ended June—	N.S.W.	Vic.	Q'land.	S. Aust.	W.Aust.	Tas.	A.C.T.	Total.
1952 ..	156,602	142,358	41,516	30,792	21,810	8,872	471	402,421
1953 ..	151,938	131,998	43,796	30,063	22,091	8,850	580	389,316
1954 ..	171,709	154,885	51,032	32,802	25,339	9,938	775	446,480
1955 ..	187,471	176,146	53,873	36,288	26,247	10,716	821	491,562
1956 ..	200,852	185,369	56,028	39,564	26,918	11,615	1,025	521,371

14. **Rates of Exchange.**—(i) *Oversea Exchange Rates.* In the following table, the par of exchange (based on par values agreed with the International Monetary Fund) and average telegraphic transfer selling rates of exchange for Sydney on a number of oversea countries are shown. Generally, the averages which are averages of daily quotations are based on rates quoted by the Commonwealth Bank, but where these were not available rates issued by the Department of Customs and Excise have been used.

OVERSEA EXCHANGE RATES : PAR OF EXCHANGE AND AVERAGE TELEGRAPHIC TRANSFER SELLING RATES FOR SYDNEY ON OVERSEA COUNTRIES.

Country.	Basis of Quotation.	Par of Ex-change.(a)	Selling Rate 1955-56.	Country.	Basis of Quotation.	Par of Ex-change.(a)	Selling Rate 1955-56.
Belgium ..	Francs to £A.1 ..	112.000	110.380	Netherlands ..	Guilders to £A.1 ..	8.512	8.426
Canada ..	Dollars to £A.1 ..	(b)	2.213	New Zealand ..	£A to £NZ.100 ..	(c)	124.540
Ceylon ..	Pence A. to Rupee ..	22.500	22.802	Norway ..	Kroner to £A.1 ..	16.000	15.840
Denmark ..	Kroner to £A.1 ..	15.472	15.310	Pakistan ..	Pence A. to Rupee ..	22.500	23.573
Egypt ..	Piastres to £A.1 ..	78.006	77.490	Portugal ..	Escudos to £A.1 ..	(c)	63.802
Fiji ..	£A. to £F.100 ..	112.610	113.000	Singapore ..	Pence A. to Dollar ..	35.000	35.271
Finland ..	Marks to £A.1 ..	515.200	509.960	South Africa,			
France ..	Francs to £A.1 ..	(b)	778.020	Union of ..	£A. to £SA.100 ..	125.000	125.790
French Oceania	Francs to £A.1 ..	(b)	138.610	Sweden ..	Kroner to £A.1 ..	11.588	11.476
Germany, Fed.	Deutsche Marks to			Switzerland ..	Francs to £A.1 ..	(c)	9.703
Rep. of ..	£A.1 ..	9.408	9.314	United Kingdom	£A. to £Eng.100 ..	125.000	125.500
Hong Kong ..	Pence A. to Dollar ..	18.750	18.776	United States of			
India ..	Pence A. to Rupee ..	22.500	22.724	America ..	Dollars to £A.1 ..	2.240	2.228
Indonesia ..	Rupiahs to £A.1 ..	(c)	24.706	U.S.S.R. ..	Roubles to £A.1 ..	(c)	8.924
Japan ..	Yen to £A.1 ..	806.400	792.830				

(a) As at 30th June, 1955, established under International Monetary Fund Agreement.

(b) No par value established.

(c) Not a member of International Monetary Fund.

(ii) *Interstate Exchange Rates.* Exchange rates between the capital cities and towns of each of the States and other States or parts thereof at 30th June, 1956, are shown below. Rates varied from 2s. per £100 between the nearer locations to 10s. per £100 between those more widely separated.

INTERSTATE BANK EXCHANGE RATES, 30th JUNE, 1956.(a)

(s. d. per £100.)

Between—	And—						
	New South Wales.	Victoria.	Brisbane and adjacent towns.	South Australia.	Perth and all but distant towns.	Tasmania.	Aust. Cap. Terr.
Sydney and New South Wales towns	..	2 6	2 6	5 0	7 6	5 0	2 0
Melbourne and Victorian towns ..	2 6	5 0	5 0	2 6	5 0	2 6	2 0
Brisbane and adjacent towns ..	2 6	5 0	..	7 6	10 0	7 6	2 6
Adelaide and South Australian towns	5 0	2 6	7 6	..	2 6	5 0	5 0
Perth and all but distant towns ..	7 6	5 0	10 0	2 6	..	7 6	7 6
Hobart and Tasmanian towns ..	5 0	2 6	7 6	5 0	7 6	..	5 0
Australian Capital Territory ..	2 0	2 0	2 6	5 0	7 6	5 0	..

(a) Unchanged since 1st January, 1940.

There is no charge for transfers within a city or a town. In all States excepting Queensland and Western Australia, the exchange for transfers between towns in the same State is 2s. per £100. Queensland and Western Australia are divided into zones. The exchange rate for transfers between towns in the same zone is 2s. per £100, with higher rates for inter-zone transfers.

The exchange rate between Papua and New Guinea and the mainland is 10s. per £100 for all points.

§ 2. Savings Banks.

1. *General.*—The inauguration of savings banks in Australia dates from 1819, when a private savings bank was opened in Sydney. In 1832, the legislature created “The Savings Bank of New South Wales” under the control of trustees, and shortly after its establishment the funds of the private savings bank were transferred to the new institution. In the other States provision for placing deposits with savings banks dates from 1841 in Victoria; 1854 in Queensland; 1848 in South Australia; 1863 in Western Australia (a savings bank was opened in 1856 but was closed a year later); 1835 in Launceston; and 1845 in Hobart. These early banks functioned as trustee savings banks, but, with the exception of the Hobart and Launceston institutions, were later absorbed by, or amalgamated with, State government savings banks. The Commonwealth Savings Bank, established as a branch of the Commonwealth Bank in 1912 and separately constituted in 1928, absorbed the Tasmanian State savings bank in 1913, the Queensland State savings bank in 1920 and the New South Wales and Western Australian State savings banks in 1931.

Post office savings banks were established in all States from 1864 onwards. These were separate government institutions except in South Australia, where the Post Office acted as agent for the savings bank. Since the federation of the Australian States in 1900, post offices have been controlled by the Commonwealth Government, but they continued to act as savings bank agencies for the State institutions until the establishment of the Commonwealth Bank in 1912. They now act as agents for the Commonwealth Savings Bank.

During 1956, four new savings banks, the Bank of New South Wales Savings Bank Ltd., the Australia and New Zealand Savings Bank Ltd., the C.B.C. Savings Bank Ltd., and The Rural and Industries Bank of Western Australia, were established. Three of these are associated with and operate from the same premises as existing private trading banks and the other is a division of a State bank—The Rural and Industries Bank of Western Australia. Savings banks operating at the end of 1956 were—the Commonwealth Savings Bank (in

all States and Territories), the Bank of New South Wales Savings Bank Ltd. and the Australia and New Zealand Savings Bank Ltd. (in all States and Territories except South Australia and Tasmania), The C.B.C. Savings Bank Ltd. (in all States except South Australia and Tasmania and in the Australian Capital Territory), The State Savings Bank of Victoria, The Savings Bank of South Australia, The Rural and Industries Bank of Western Australia, and the two trustee banks, The Launceston Bank for Savings and The Hobart Savings Bank.

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

Commencing with July, 1931, monthly returns of statistics have been furnished by savings bank authorities. The information given in the following paragraphs relates to the deposits at 30th June in each year.

2. **Number of Operative Accounts.** The following table shows the number of operative savings bank accounts in existence at 30th June, 1955 and 1956. It should be noted that these figures relate to the number of accounts and not necessarily to the number of depositors.

ALL SAVINGS BANKS: NUMBER OF OPERATIVE ACCOUNTS.(a)

State or Territory.	At 30th June.	
	1955.	1956.
New South Wales	2,336,570	2,462,816
Victoria	2,153,926	2,233,738
Queensland	868,838	907,385
South Australia	801,067	822,150
Western Australia	426,637	446,419
Tasmania	279,027	285,487
Northern Territory	9,604	10,549
Australian Capital Territory	19,412	21,271
Total	6,895,081	7,189,815

(a) Excludes school bank accounts and inoperative accounts (i.e. accounts of less than £1 which have not been operated on for more than two years).

3. **Business Transacted.** The following table shows details of the business transacted in Australia by savings banks during the years ended 30th June, 1955 and 1956:—

ALL SAVINGS BANKS: BUSINESS TRANSACTED IN AUSTRALIA.

(£'000.)

State or Territory.	Year ended 30th June, 1955.				Year ended 30th June, 1956.			
	Deposits During Year.	Withdrawals During Year.	Interest Added to Accounts During Year.	Amount on Deposit at 30th June, 1955.	Deposits During Year.	Withdrawals During Year.	Interest Added to Accounts During Year.	Amount on Deposit at 30th June, 1956.
New South Wales	322,473	310,423	6,799	358,645	365,766	345,452	7,717	386,676
Victoria	314,040	295,882	6,809	364,748	351,896	338,250	7,782	386,176
Queensland	119,281	114,244	2,371	124,814	133,639	128,439	2,686	132,700
South Australia	97,585	91,546	2,704	131,692	103,921	102,854	2,997	135,756
Western Australia	53,086	53,117	1,046	53,629	57,629	54,491	1,167	57,934
Tasmania	28,317	27,205	750	35,809	29,985	29,431	848	37,211
Northern Territory	2,108	1,959	25	1,482	2,301	2,158	31	1,656
Australian Capital Territory	3,499	3,300	48	2,575	3,998	3,620	57	3,010
Total	940,389	897,676	20,552	1,073,394	1,049,135	1,004,695	23,285	1,141,119

4. Deposits.—The amount at credit of depositors' accounts and the average deposits per head of population for each State and Territory at 30th June, 1939 and 1952 to 1956, are shown in the following table:—

ALL SAVINGS BANKS: TOTAL DEPOSITS IN AUSTRALIA.

At 30th June.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Terr.	A.C.T.	Total.
COMMONWEALTH SAVINGS BANK. (£'000.)									
1939..	87,474	11,242	29,045	3,167	12,396	2,358	99	319	146,100
1952..	304,532	76,485	102,661	22,502	47,171	11,406	1,036	1,821	567,614
1953..	319,149	85,137	109,360	25,483	49,794	12,170	1,116	2,154	604,363
1954..	339,796	94,174	117,406	28,192	52,614	12,869	1,308	2,328	648,687
1955..	358,645	104,597	124,814	30,547	53,629	13,763	1,482	2,575	690,052
1956..	363,833	110,215	126,998	31,880	54,295	14,312	4,384		705,917

STATE AND TRUSTEE SAVINGS BANKS.

(£'000.)									
1939..	..	69,219	..	24,230	..	6,038	..	..	99,487
1952..	..	224,347	..	81,224	..	18,713	..	..	324,284
1953..	..	234,834	..	88,392	..	19,908	..	..	343,134
1954..	..	245,607	..	94,757	..	21,078	..	..	361,442
1955..	..	260,151	..	101,145	..	22,046	..	..	383,342
1956..	..	264,317	..	103,876	635	22,899	..	..	391,727

PRIVATE SAVINGS BANKS.

(£'000.)									
1956..	22,843	11,644	5,702	..	3,004	..	282		43,475

ALL SAVINGS BANKS.

(£'000.)									
1939..	87,474	80,461	29,045	27,397	12,396	8,396	99	319	245,587
1952..	304,532	300,832	102,661	103,726	47,171	30,119	1,036	1,821	891,898
1953..	319,149	319,971	109,360	113,875	49,794	32,078	1,116	2,154	947,497
1954..	339,796	339,781	117,406	122,949	52,614	33,947	1,308	2,328	1,010,129
1955..	358,645	364,748	124,814	131,692	53,629	35,809	1,482	2,575	1,073,394
1956..	386,676	386,176	132,700	135,756	57,934	37,211	1,656	3,010	1,141,119

PER HEAD OF POPULATION.

(£. s. d.)									
1939..	31 16 7	42 16 8	28 10 7	45 18 6	26 7 5	35 1 5	15 14 8	25 7 4	35 4 11
1952..	91 3 10	128 6 3	81 10 3	137 7 6	78 12 9	101 13 0	67 0 5	69 1 5	103 5 5
1953..	94 6 4	133 11 8	84 13 8	146 15 9	80 4 10	105 9 10	70 8 3	75 3 8	107 9 8
1954..	99 5 1	138 11 1	89 1 3	154 4 11	82 4 9	109 19 0	79 8 8	76 15 8	112 8 1
1955..	102 15 1	144 11 4	92 16 7	160 13 9	81 8 9	113 15 11	84 6 5	79 8 4	116 13 3
1956..	108 16 4	148 4 9	96 16 3	159 19 10	85 10 6	116 8 3	90 10 0	87 5 11	121 0 10

5. **School Banking.**—With the object of encouraging principles of thrift amongst children, agencies of the Savings Banks have been established at most of the schools throughout Australia. Particulars of operative accounts for the Commonwealth at 30th June of the years 1939 and 1952 to 1956, appear below:—

SCHOOL SAVINGS BANKS: AUSTRALIA.

At 30th June—				Number of School Agencies.	Number of Operative Accounts.	Deposits.	Deposits per Operative Account.
1939	..	..	..	9,535	560,116	1,090,703	1 18 11
1952	..	..	..	8,219	638,476	3,866,793	6 1 2
1953	..	..	..	8,148	684,527	4,375,185	6 7 10
1954	..	..	..	8,179	724,038	4,831,538	6 13 6
1955	..	..	..	8,210	761,974	5,280,808	6 18 7
1956	..	..	..	8,591	825,777	5,786,546	7 0 2

6. **War Savings and Savings Certificates.**—Sales of savings certificates and stamps under the War Savings and Savings Certificate schemes, particulars of which were given in earlier issues of the Official Year Book (*see* No. 37, page 586), were discontinued after 31st January, 1949, except for some sales made to wind up savings groups, etc. This method of saving was replaced by special savings schemes to operate through the savings banks. Employers were asked to co-operate by forming employee savings groups and by making regular deductions from wages and salaries for payment into group savings bank accounts, and thence, at the end of each quarter to individual accounts. The total value of certificates outstanding at 30th June in each of the last five years was:—1952, £41,809,000; 1953, £35,601,000; 1954, £30,310,000; 1955, £26,615,000; 1956, £23,366,000.

7. **Commonwealth Savings Bank of Australia.**—(i) *General.* The Savings Bank Department of the Commonwealth Bank opened for business in Victoria on 15th July, 1912; in Queensland on 16th September, 1912; in the Northern Territory on 21st October, 1912; in Tasmania on 1st January, 1913, and in New South Wales, South Australia and Western Australia on 13th January, 1913. The Tasmanian State Savings Bank was absorbed by the Commonwealth Bank on 1st January, 1913, the Queensland State Savings Bank was taken over in 1920 and the New South Wales and Western Australian State Savings Banks in 1931. The Savings Bank Department was separated from the General Bank on 9th June, 1928, and established as a separate institution known as the “Commonwealth Savings Bank of Australia”. It has since then operated independently, publishing its own balance-sheets and profit and loss accounts. The Commonwealth Bank Act 1927, which provided for the establishment of the Commonwealth Savings Bank as a separate institution, provided for a Commission of three members to manage the Savings Bank. This Commission was never appointed and the Commonwealth Bank Act 1945 placed the control of the Commonwealth Savings Bank under the Governor of the Commonwealth Bank.

(ii) *Balance-sheet, 30th June, 1955 and 1956.* Particulars of the liabilities and assets of the Commonwealth Savings Bank as at 30th June, 1955 and 1956 were as follows:—

COMMONWEALTH SAVINGS BANK(a): LIABILITIES AND ASSETS, 30th JUNE.
(£'000.)

Liabilities.	1955.	1956.	Assets.	1955.	1956.
Reserve Fund	8,828	9,191	Cash Balances and Money at Short Call	72,719	72,519
Depositors' Balances and Accrued Interest	695,930	712,342	Australian Notes and Coin	692	803
Contingency Account and other Liabilities ..	20,675	20,802	Government Securities	470,778	469,129
			Securities of Municipal and other Public Authorities ..	72,709	78,584
			Bank Premises ..	4,667	5,890
			Loans and Advances ..	92,821	103,277
			Other Assets	11,047	12,133
Total	725,433	742,335	Total	725,433	742,335

(a) Includes branches in London, Territories of Papua and New Guinea, and British Solomon Islands.

(iii) *Profits.* Under the terms of the Savings Bank Amalgamation Agreements the profits of the Commonwealth Savings Bank in New South Wales, Queensland, Western Australia and Tasmania are equally divided between the Bank and the former controlling authorities in those States. Net profits for the years ended 30th June, 1939 and 1952 to 1956, and the distribution of those profits are shown in the following table.

COMMONWEALTH SAVINGS BANK: DISTRIBUTION OF PROFITS.

(£.)

Year ended 30th June—	Total Profit.	Payments to State Authorities under Savings Bank Amalgamation Agreements.					Pub- lished Profit.	Distribution of Published Profit.	
		New South Wales. (a)	Queens- land. (b)	Western Aus- tralia. (b)	Tas- mania. (b)	Total.		National Debt Sinking Fund.	Savings Bank Reserve Fund.
1939 ..	532,736	168,878	30,464	13,251	3,861	216,454	316,282	158,141	158,141
1952 ..	1,522,507	453,200	140,443	20,122	7,024	620,789	901,718	450,859	450,859
1953 ..	1,525,475	497,082	94,795	23,544	4,984	620,405	905,070	452,535	452,535
1954 ..	2,031,371	629,614	155,365	33,217	12,439	830,635	1,200,736	600,368	600,368
1955 ..	1,855,901	587,959	130,415	26,284	6,327	750,985	1,104,916	552,458	552,458
1956 ..	1,251,153	453,105	60,347	12,211	304	525,967	725,186	362,593	362,593

(a) Paid to Rural Bank of New South Wales.

(b) Paid to State Consolidated Revenue Funds.

8. *State Savings Banks.*—(i) *General.* State Savings Banks (including Trustee Savings Banks) at present operating (with date of establishment shown in parentheses) are: The State Savings Bank of Victoria (1841); The Savings Bank of South Australia (1848); The Rural and Industries Bank of Western Australia (1956) and the Trustee Banks—Hobart and Launceston (1845 and 1835 respectively).

(ii) *Assets, 1956.* The assets of the State Savings Banks (except the Rural and Industries Bank of Western Australia) as at the date of their respective balance sheets are given in the following table.

STATE SAVINGS BANKS : ASSETS, 1955 AND 1956.

(£'000.)

Particulars.	1956.				1955.
	Victoria. (a)	South Australia. (a)	Tasmania. (b)	Total.	Total.
Cash in hand, in transit and on					
Current Account	3,290	} 14,774	{ 1,340	} 58,716	{ 8,183
Fixed Deposits	37,407					1,905	58,027
Outstanding Interest, Dividends and Rents	2,297	763	261	3,321	3,036
Government Securities	113,990	54,126	6,501	174,617	178,752
Municipal and other Public Securities	105,312	20,617	8,349	134,278	118,402
Mortgages	16,085	19,944	6,382	42,411	38,142
Landed and House Property	1,430	700	323	2,453	2,013
All other Assets .. .. .	..	..	11	11	8
Total Assets	279,811	110,924	25,072	415,807	c 406,563

(a) At 30th June. (b) At 31st August. (c) State totals were: Victoria, £274,754,000; South Australia, £107,673,000; and Tasmania, £24,136,000.

(iii) *Profit and Loss Accounts, 1955 and 1956.* Details of the profit and loss accounts of the State Savings Banks included in the above table are given below for the years 1955 and 1956.

STATE SAVINGS BANKS: PROFIT AND LOSS ACCOUNTS, 1955 and 1956.
(£'000.)

Particulars.	1956.				1955.
	Victoria. (a)	South Australia. (a)	Tasmania. (b)	Total.	Total.
<i>Receipts—</i>					
Total, Interest, Dividends, Rents, and all other	8,805	3,748	894	13,447	12,212
<i>Expenditure—</i>					
Interest allotted to Depositors ..	5,058	2,337	595	7,990	7,208
Provision for accrued interest on Depositors' Balances	576	..	..	576	451
Expenses of Management	2,639	} 959	{ 210 3	} 4,176	{ 3,331 507
All other Expenditure	365				
<i>Total</i>	8,638	3,296	808	12,742	11,497
Profit for year	167	452	86	705	715
Balance of profit and loss account brought forward	133	158	106	397	383
<i>Total</i>	300	610	192	1,102	1,098
<i>Distribution of Profits—</i>					
Amount written off Bank Premises Amount carried to Reserves and Depreciation Funds	3	(c)	32	(d) 35	124
Balance of Profit and Loss Account carried forward	197	160	107	464	397

(a) Year ended 30th June.
expenses of management, &c.(b) Year ended 31st August.
(d) Incomplete, see footnote (c).

(c) Not available, included with

9. Private Savings Banks.—(i) *General.* The Bank of New South Wales Savings Bank Limited and the Australia and New Zealand Savings Bank Limited on the 18th January, 1956, and the C.B.C. Savings Bank Limited on the 2nd June, 1956, were granted authority under section 8 of the Banking Act 1945–1953 to carry on banking business subject to the following conditions:—

1. The Savings Bank shall not, in the course of that business, receive a deposit from a company or other body engaged in or formed for the purpose of trading or acquiring pecuniary profit.
2. The Savings Bank shall not, in the course of that business, permit a cheque to be drawn on an account maintained with the Savings Bank, not being an account maintained by a local authority, friendly society, co-operative society, or any other society, body or club.
3. The Savings Bank shall not, in the course of that business, place money on deposit in Australia (whether fixed or in current account) with a bank other than a bank specified in Part 1. of the First Schedule to the Banking Act 1945–1953, the Commonwealth Bank of Australia or the Commonwealth Trading Bank of Australia.
4. The Savings Bank shall at all times maintain in investments of the following kinds an amount which, together with cash on hand in Australia and moneys on deposit in Australia with banks, is not less than the amount on deposit in Australia with the Savings Bank:—
 - (a) securities issued by the Government of the Commonwealth, including Commonwealth Treasury Bills;
 - (b) securities issued by the Government of a State;
 - (c) securities issued or guaranteed by an authority constituted by or under a Commonwealth or a State Act;
 - (d) loans to building societies the repayment of which is guaranteed by the Commonwealth or a State; and
 - (e) loans for housing or other purposes on the security of land in Australia.

5. The Savings Bank shall at all times maintain in investments of the following kinds an amount which, together with cash on hand in Australia and moneys on deposit with the Commonwealth Bank of Australia, is not less than seventy per centum of the amount on deposit in Australia with the Savings Bank:—
- securities issued by the Government of the Commonwealth, including Commonwealth Treasury Bills;
 - securities issued by the Government of a State; and
 - securities issued or guaranteed by an authority constituted by or under a Commonwealth or a State Act.
6. The Savings Bank shall at all times maintain in investment in Commonwealth Treasury Bills an amount which, together with moneys on deposit with the Commonwealth Bank of Australia, is not less than ten per centum of the amount on deposit in Australia with the Savings Bank.
7. For the purposes of these conditions, the amount on deposit in Australia with the Savings Bank includes interest credited to the accounts of depositors.

The Bank of New South Wales Savings Bank Limited and the Australia and New Zealand Savings Bank Limited commenced business on the 19th January, 1956 and the C.B.C. Savings Bank Limited on 16th July, 1956.

(ii) *Assets.* Two of the three private savings banks published Annual Reports for 1956. Details of the assets as shown in these Reports are given below.

PRIVATE SAVINGS BANKS : ASSETS, AT 30th SEPTEMBER, 1956.

(£'000.)

Particulars.	The Bank of New South Wales Savings Bank Ltd.	The Australia and New Zealand Savings Bank Ltd.
Cash at Bankers—		
Commonwealth Bank	2,625	1,995
Parent Bank	8,957	2,222
Government Securities—		
Treasury Bills	3,750	299
Other	23,543	13,474
Municipal and other Public Securities	3,037	3,715
Loans and Advances (including accrued Interest and other Sundry Accounts)	590	1,486
Total	42,502	23,191

(iii) *Profit and Loss.* The net profits for the year ended 30th September, 1956 (after allowing for all expenses and providing for reserves, contingencies, etc.) were : The Bank of New South Wales Savings Bank Limited, £37,135; and the Australia and New Zealand Savings Bank Limited £24,705.

10. *Classification of Depositors' Balances.*—The classification of deposits published by savings banks does not permit a fully detailed analysis with respect to Australia as a whole, but information supplied to the Royal Commission on Monetary and Banking Systems, for all savings banks except the Hobart trustee savings bank, shows that at 30th June, 1936 the amount on deposit in accounts with balances of less than £100 represented 21 per cent. of the total deposits; balances of over £100 but under £250, 21 per cent.; over £250 but under £500, 23 per cent.; over £500 but under £1,000, 25 per cent.; while those of over £1,000 accounted for 10 per cent. School, penny bank and small inoperative accounts were excluded in determining these percentages.

A similar classification as at 30th June, 1936, 1939 and 1952 to 1956, but relating only to the combined State Savings Banks of Victoria and South Australia, is shown below.

STATE SAVINGS BANKS : CLASSIFICATION OF DEPOSITS.

(Per cent.)

At 30th June—	£100 and under.	£101-£300.	£301-£500.	Total under £501.	£501-£1,000.	Over £1,000.
1936	19.54	26.13	17.84	63.51	27.42	9.07
1939	20.27	27.15	17.90	65.32	26.14	8.54
1952		45.85		45.85	32.33	21.82
1953		43.88		43.88	32.73	23.39
1954		42.17		42.17	32.03	25.80
1955		40.45		40.45	30.34	29.21
1956		39.93		39.93	29.90	30.17

11. Rates of Interest on Deposits.—The following table shows the rates of interest allowed by Savings Banks at the 30th June, 1952 to 1956.

SAVINGS BANKS : INTEREST RATES ON DEPOSITS.

(Per cent. per annum.)

Particulars.	Interest Rates at 30th June.				
	1952.	1953.	1954.	1955.	1956.
Commonwealth Savings Bank, State Savings Bank of Victoria, Bank of New South Wales Savings Bank Ltd.(a), Australia and New Zealand Savings Bank Ltd.(a), Rural and Industries Bank of Western Australia(b)—					
Ordinary Accounts(c)—					
£1 to £500	2	2½	2½	2½	2½
£501 to £1,000	1	1½	1½	1½	1½
£1,001 to £1,500	Nil	Nil	1½	1½	1½
Friendly and other Society Accounts—					
£1 to £2,000	2	2½	2½	2½	2½
£2,001 and over	1	1½	1½	1½	1½
Deposit Stock(c)(d)—					
£10 to £1,000	1	1½	1½	2	2½
Savings Bank of South Australia—					
Ordinary Accounts(c)—					
£1 to £500	2½	2½	2½	2½	2½
£501 to £750	1½	1½	1½	2½	2½
£751 to £1,000	1½	1½	1½	1½	2½
£1,001 to £1,500	Nil	Nil	1½	1½	2½
Friendly and other Society Accounts—					
£1 to £500	2½	2½	2½	2½	2½
£501 to £2,000	2	2½	2½	2½	2½
£2,001 and over	1	1½	1½	1½	1½
Deposit Stock(c)—					
£10 to £2,000	1	1½	1½	2	2½
Trustee Banks—Hobart and Launceston—					
Ordinary Accounts(c)—					
£1 to £450	2½	2½	2½	2½	3

(a) Commenced Savings Bank business on the 19th January 1956. (b) Commenced Savings Bank business on the 5th April, 1956. (c) No interest is payable on amounts in excess of the maximum amount shown. (d) State Savings Bank of Victoria only.

C. COMPANIES.

NOTE.—Statistics available in regard to companies relate to (a) Trustee, Executor and Agency Companies; (b) Building and Investment Societies; and (c) Co-operative Societies.

§ 1. Trustee, Executor and Agency Companies.

The following table shows, for the years 1939 and 1951 to 1955, particulars of the assets and liabilities of certain trustee companies transacting business in Australia and New Zealand. Details have been extracted from a summary of the last published balance-sheets for the various years, as shown in the *Australasian Insurance and Banking Record*:

TRUSTEE, EXECUTOR AND AGENCY COMPANIES. AUSTRALIA AND NEW ZEALAND.

Particulars.	1939.	1951.	1952.	1953.	1954.	1955.
Number of Companies ..	23	24	24	24	24	24
Liabilities—						
Capital paid-up	£ 1,408,452	£ 1,528,452	£ 1,528,452	£ 1,528,452	£ 1,528,452	£ 1,530,952
Reserves and undistributed Profits	1,254,262	1,508,912	1,511,596	1,533,107	1,583,874	1,807,231
Other Liabilities	621,069	901,314	1,000,752	1,107,642	1,133,959	1,038,225
Total Liabilities ..	3,283,783	3,938,678	4,040,800	4,169,201	4,246,285	4,376,408
Assets—						
Deposits with Government, Public Securities, Fixed Deposits, etc.	966,847	1,511,739	1,393,241	1,463,523	1,479,961	1,423,758
Mortgages	547,705	313,295	294,206	276,590	262,155	277,296
Property	1,104,216	1,117,672	1,140,149	1,149,490	1,170,708	1,385,657
Cash	102,300	265,985	478,812	481,606	559,982	544,744
Other Assets	562,715	729,987	734,392	797,992	773,479	744,953
Total Assets	3,283,783	3,938,678	4,040,800	4,169,201	4,246,285	4,376,408
Total Trust Fund Assets	£'000. (a)157,256	£'000. (a)203,585	£'000. (a)208,168	£'000. (b)219,155	£'000. (b)219,466	£'000. (b)226,874

(a) Nine offices only.

(b) Ten offices only.

§ 2. Building and Investment Societies.

1. Summary.—During 1954, returns were received from 1,074 societies, but the information is not exhaustive, as particulars regarding a number of organizations are not included. In the following table, general information is given relating to the societies for the year 1953–54.

BUILDING AND INVESTMENT SOCIETIES: SUMMARY, 1953-54.

Particulars.	N.S.W.	Vic.(a)	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
Societies making returns—							
Permanent .. No.	29	18	5	5	6	5	68
Terminating .. No.	977	2	9	16	2	..	1,006
Total .. No.	1,006	20	14	21	8	5	1,074
Number of shareholders ..	114,082	12,016	26,867	23,814	25,465	8,349	210,593
„ shares ..	b 2,067,782	1,201,823	8,703,531	114,804	(c)	104,075	(c)
„ borrowers ..	(d) 11,725	17,474	10,107	3,752	4,393	2,425	49,876
Income for year from interest, etc. ..	£ 1,140,708	778,460	253,697	76,091	147,371	106,737	2,503,064
Working expenses for year ..	£ 794,598	607,351	411,452	45,625	36,846	22,314	1,918,186
Amounts of deposits during year ..	£ 480,441	1,015,819	823,827	524,471	695,868	444,073	3,984,499
Repayment of loans during year ..	£ 1,995,894	3,060,657	1,209,394	356,880	803,305	461,209	7,887,339
Loans granted during year ..	£ e 3,591,484	2,465,176	1,596,767	528,436	1,243,200	661,040	10,086,103

(a) Year 1954; excludes Co-operative Housing Societies, for details of which see para. 3.

(b) Terminating societies only. (c) Not available.

(d) Permanent societies only.

(e) Incomplete

—“Other terminating societies” not available.

2. **Liabilities and Assets.**—Particulars of liabilities and assets in 1953–54 of the 1,074 societies mentioned in the previous paragraph are shown below.

BUILDING AND INVESTMENT SOCIETIES: LIABILITIES, 1953-54.

(£.)

State.	Paid-up Capital and Subscriptions.	Reserve Funds.	Deposits.	Bank Overdrafts and other Liabilities.	Total Liabilities.
New South Wales ..	22,532,874	2,150,708	1,196,583	73,455,689	99,335,854
Victoria(a) ..	4,247,524	b 1,424,231	3,572,885	5,584,216	14,828,856
Queensland ..	4,942,291	102,248	104,754	683,799	5,833,092
South Australia ..	2,018,166	203,818	294,443	31,080	2,547,507
Western Australia ..	2,245,790	83,003	759,976	(c) 346,151	3,434,920
Tasmania ..	1,408,716	156,918	451,707	131,030	2,148,371
Total ..	37,395,361	4,120,926	6,380,348	80,231,965	128,128,600

(a) Year 1954. (b) Includes balance of Profit and Loss account, £147,254. (c) Includes net accumulated profits, £113,416.

BUILDING AND INVESTMENT SOCIETIES: ASSETS, 1953-54.

(£.)

State.	Advances on Mortgage.	Landed and House Property, Furniture, etc.	Cash in Hand and on Deposit	Other Assets.	Total Assets.
New South Wales ..	a97,433,157	(b)	(b)	1,902,697	99,335,854
Victoria(c) ..	14,453,380	180,091	39,591	155,794	14,828,856
Queensland ..	a 5,516,577	125,286	48,654	142,575	5,833,092
South Australia ..	2,269,947	41,719	107,092	128,749	2,547,507
Western Australia ..	3,261,763	45,006	39,954	88,197	3,434,920
Tasmania ..	2,056,648	18,608	906	72,209	2,148,371
Total ..	124,991,472	410,710	236,197	2,490,221	128,128,600

(a) Includes Starr-Bowkett and other terminating societies:—New South Wales, £86,722,760; Queensland, £1,121,138. (b) Not available. Included in Other Assets. (c) Year 1954.

3. **Co-operative Housing Societies, Victoria.**—In addition to the information shown above, the following details of co-operative housing societies in Victoria have been extracted from the 9th Annual Report of the Registrar of Co-operative Housing Societies. At 30th June, 1954, 250 co-operative housing societies were registered in Victoria with 23,697 members who had subscribed for 811,343 shares giving a nominal share capital subscribed of £42,767,419. For the twelve months ended 30th April, 1954, returns were submitted by 245 societies, the total income of those societies being £179,915, and total expenditure £160,698. The liabilities at 30th April, 1954 of the societies submitting returns were:—bank overdraft, £24,718,524; subscriptions, £3,340,012; surplus interest and management expenses, £321,361; other liabilities, £514,424; total liabilities, £28,894,321. Assets at the same date consisted of:—advances, £28,562,818; other assets, £331,503; total assets, £28,894,321.

§ 3. 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-operative Act 1923–1950. A summary of the business of all co-operative societies for the years 1953–54 or 1954 for all States except Western Australia is given in the following tables. For Western Australia, details of the business during 1940–41 (the latest year available) are given. Separate particulars for each of the three types of Co-operative Societies are given in the annual bulletin *Finance* (see No. 46, pages 190 and 191).

CO-OPERATIVE SOCIETIES.

Particulars.	N.S.W 1953–54.	Vic. 1953–54.	Q'land. 1953–54.	S. Aust. 1954.	W. Aust. 1940–41.	Tas. 1953–54.
SUMMARY.						
Number of Societies ..	295	97	179	72	85	9
„ Branches ..	(a)	74	94	(a)	36	7
„ Members ..	199,958	62,074	120,306	107,069	21,663	12,394
Gross Turnover (Sales) ..	£ 100,132,114	£ 26,345,006	£ 53,133,054	£ 12,458,088	£ 2,548,776	£ 3,412,349
Other Income ..	£ 479,285	£ 818,725	£ 1,780,200	£ 1,024,031	£ 698,449	£ 104,431
Total Income ..	£ 100,611,399	£ 27,163,731	£ 54,913,254	£ 13,482,119	£ 3,247,225	£ 3,516,780
Total Purchases during Year ..	£ 98,300,739	£ 21,506,894	£ 42,896,091	£ 10,279,675	£ 2,254,419	£ 2,901,529
Other Expenditure ..	£ 4,621,068	£ 4,621,068	£ 9,906,243	£ 2,728,545	£ 850,741	£ 725,223
Total Expenditure ..	£ 98,300,739	£ 26,127,962	£ 52,802,334	£ 13,008,220	£ 3,105,160	£ 3,626,752
Rebates and Bonuses ..	£ 1,530,438	£ 355,646	£ 623,041	£ 537,319	£ 15,472	£ 66,271
Dividends on Share Capital ..	£ 296,504	£ 142,584	£ 155,285	£ 76,849	£ 19,097	£ 18,528

LIABILITIES AND ASSETS. (£.)

Liabilities—						
Paid-up Capital ..	7,762,048	2,782,568	4,481,692	1,744,116	469,144	346,994
Loan Capital ..		286,659	2,327,306	1,877,184	225,009	147,269
Bank Overdrafts ..	5,851,314	1,229,411	4,646,238	830,475	61,388	376,351
Accumulated Profits ..	4,713,002	785,872	1,028,742	477,217	22,814	158,008
Reserve Funds ..		2,342,307	4,829,079	1,050,363	322,255	155,451
Sundry Creditors ..		2,290,033	6,940,214	841,456	374,533	720,556
Other Liabilities ..	9,897,559	759,399	423,901	1,913,634	457,371	55,037
Total Liabilities ..	28,223,923	10,476,249	24,677,172	8,734,445	1,932,514	1,959,666
Assets—						
Land and Buildings ..			5,071,358	1,473,758	510,279	537,176
Machinery, Plant and other fixed Assets ..	11,550,982	4,476,460	6,682,518	995,281	247,143	134,335
Stocks ..	8,576,618	2,162,349	3,414,476	3,150,283	351,437	782,897
Sundry Debtors ..	6,159,985	2,682,884	8,239,948	1,165,388	468,608	378,669
Cash in hand and on deposit ..		595,185	411,648	472,181	191,383	35,508
Profit and Loss Account ..		15,770	98,715	4,395	50,025	2,112
Other Assets ..	1,936,338	543,601	758,509	1,473,159	113,639	88,969
Total Assets ..	28,223,923	10,476,249	24,677,172	8,734,445	1,932,514	1,959,666

(a) Not available.

D. INSURANCE.

§ 1. Introductory.

1. **Legislation.**—Section 51 of the Commonwealth Constitution confers the necessary powers on the Commonwealth 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 defining the limits of marine insurance and regulating the terms of contracts, etc., the Insurance

Act 1932–1937 requiring the lodgment of deposits by insurance companies, and the Life Insurance Act 1945–1953 generally regulating life assurance business in Australia. The Marine Insurance Act 1909 and the Insurance Act 1932–1937 have limited application, and, except for life assurance business, which is regulated by the Life Insurance Act 1945–1953, insurance business is conducted under State laws.

2. Insurance Act 1932–1937.—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 Commonwealth 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 1st 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 businesses under the Act:—

Staff superannuation schemes; schemes of religious organizations solely for insurance of their property; and friendly society, union and association schemes involving superannuation or insurance benefits to employees.

This Act does not apply to State insurance within the limits of the State concerned, and, under the Life Insurance Act 1945–1953, ceased to apply to life assurance business.

3. Life Insurance Act 1945–1953.—The objects of this Act are :—(a) To replace all State legislation on the subject of life assurance 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 assurance 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 was assented to on 16th August, 1945 and came into operation on 20th June, 1946. A summary of the provisions of the Act is given in Official Year Book No. 37 (pages 595 to 597).

The main amendment by the Life Insurance Act, No. 94 of 1953 was to repeal Part VI. of the principal Act, which provided for the establishment of a Commonwealth Government Insurance Office.

4. Deposits under Insurance Acts.—Deposits lodged under the Insurance Acts at 30th June, 1955, totalled £5,766,359, comprising £1,152,282 held by the Commonwealth in respect of life assurance and £4,390,787 held by the Commonwealth and £223,290 held by the States in respect of other forms of insurance. The deposits consisted of government, municipal and other securities £4,647,709, fixed deposits £1,000, bank guarantees and undertakings £785,000 and titles and mortgages £332,650.

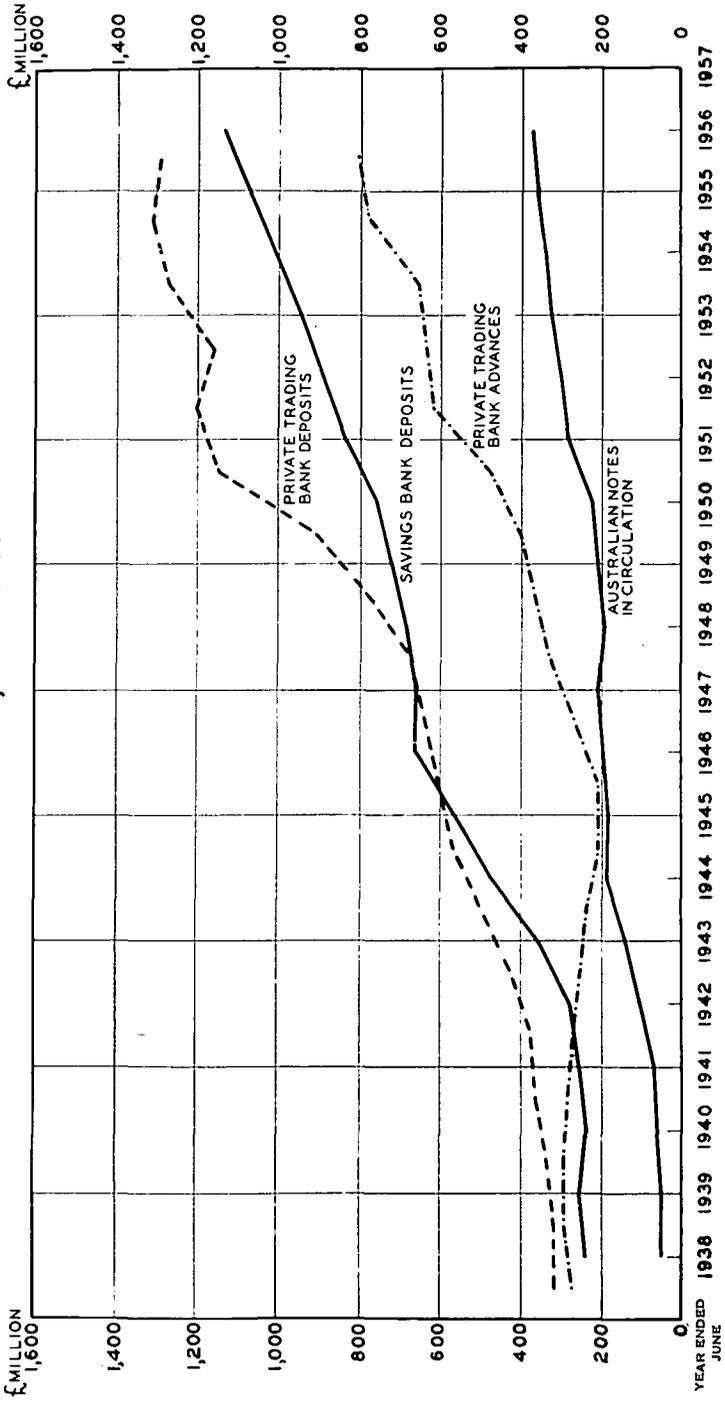
At the 30th June, 1956, total deposits lodged amounted to £6,347,552, comprising £1,212,282 held by the Commonwealth in respect of life assurance and £4,911,980 held by the Commonwealth and £223,290 held by the States in respect of other forms of insurance. The deposits consisted of government, municipal and other securities £4,924,902, fixed deposits £1,000, bank guarantees and undertakings, £1,089,000 and titles and mortgages, £332,650.

§ 2. Life Assurance.

1. General.—Statistical returns have been collected from life assurance institutions since 1907. Until 1946, these returns were collected under the Census and Statistics Act. Since 1947, returns lodged under the Life Insurance Act 1945–1953 have been used to compile life assurance statistics. This change in method of collection has resulted in some slight changes in definition and, as a result, the statistics for 1947 and later years are not in all cases strictly comparable with those for earlier years. In earlier years, statistics of

BANK DEPOSITS AND ADVANCES AND NOTES IN CIRCULATION

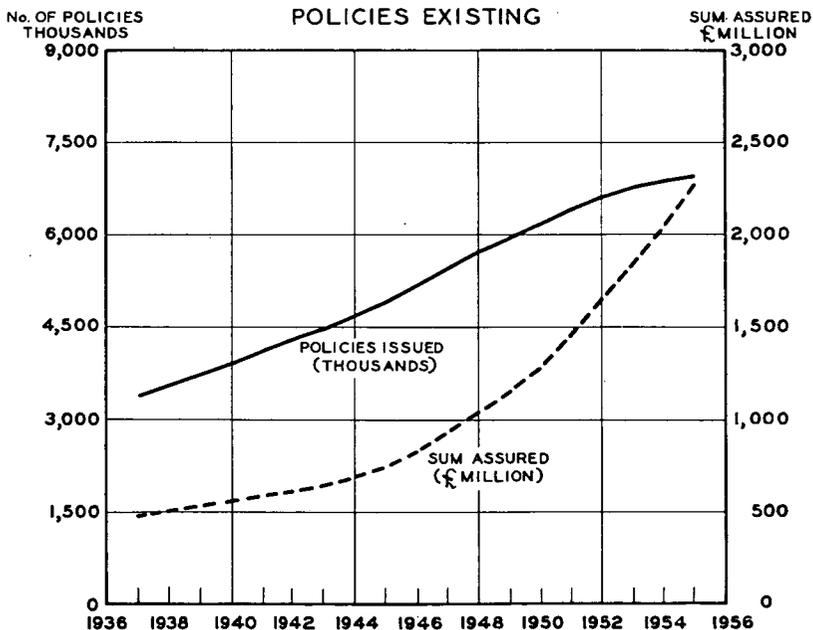
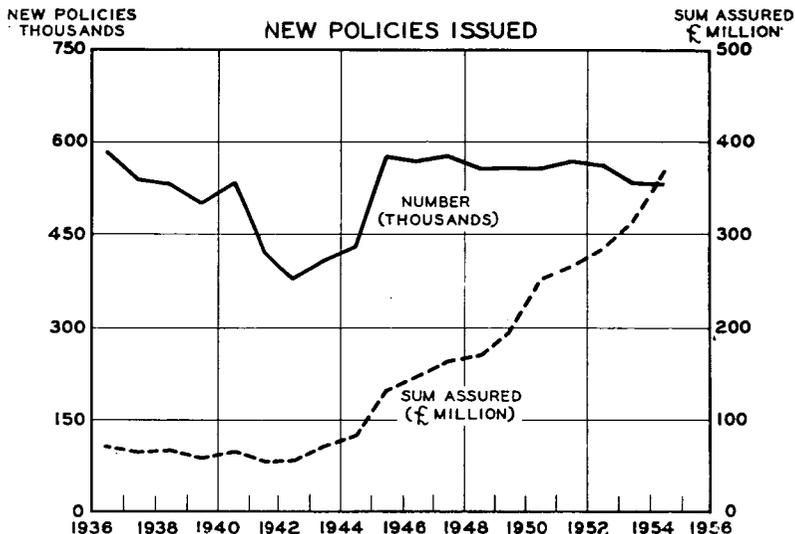
AUSTRALIA, 1938 TO 1956



LIFE ASSURANCE: AUSTRALIA

1937 TO 1955

POLICIES ISSUED AND SUM ASSURED



revenue and expenditure and of assets and liabilities, although generally related only to the life assurance business of the offices making the returns, included, in some cases, a small amount of other classes of business. Under the Life Insurance Act 1945-1953, companies transacting life assurance business are required to set up separate statutory funds for their life assurance business. As a result of this, it has been possible to separate life assurance business from other classes of business. Except where otherwise indicated, the figures in the succeeding paragraphs refer to Australian business only. Business in the Territories of Papua and New Guinea is, however, included in the Australian figures.

2. **Offices Transacting Business.**—The number of offices which transacted life assurance business in Australia during 1954 was 23 including three oversea companies. Of the twenty Australian offices, six are purely mutual, including one which transacts general business in respect of which share capital is used, twelve are public companies, and two are State Government institutions. Of the total offices, thirteen transacted both ordinary and industrial business, and one industrial business only. In 1955, the number of offices transacting life assurance business in Australia was reduced to 22, one Australian public company, which transacted industrial business only, ceasing business at the end of December, 1954. Ordinary and industrial business has, where possible, been kept separate.

3. **Australian Business—Policies in Existence.**—In the following tables, details of policies on the registers in each State and in the Australian Capital Territory are given for the years 1954 and 1955—

LIFE ASSURANCE: POLICIES EXISTING IN AUSTRALIA, 1954.

State or Territory.(a)	Assurance and Endowment Policies.				Annuity Policies.		
	Number of Policies.	Sum Assured. (£'000.)	Bonus Additions. (£'000.)	Annual Premiums. (£'000.)	Number of Policies.	Annuities Per Annum. (£.)	Annual Premiums. (£.)
ORDINARY DEPARTMENT.							
New South Wales ..	1,093,268	603,259	51,522	21,020	5,102	1,184,519	362,083
Victoria ..	842,849	504,030	41,554	17,796	7,116	4,563,311	983,708
Queensland(b) ..	510,317	270,566	19,452	8,600	937	85,552	20,670
South Australia(c) ..	283,777	159,597	13,235	5,706	916	84,340	18,571
Western Australia ..	195,231	110,784	9,520	3,995	628	70,117	14,852
Tasmania ..	97,525	58,967	4,499	1,953	655	81,895	22,328
Australian Capital Territory ..	10,283	33,957	739	523	1,611	198,094	16,328
Total ..	3,033,250	1,741,160	140,521	59,593	16,965	6,267,828	1,438,540
INDUSTRIAL DEPARTMENT.							
New South Wales ..	1,403,180	110,868	2,983	5,428	..	..	..
Victoria ..	1,219,603	92,940	2,711	4,614	..	..	..
Queensland(b) ..	449,415	35,857	906	1,747	..	..	..
South Australia(c) ..	407,775	29,077	832	1,433	..	..	..
Western Australia ..	242,681	20,120	503	970	..	..	..
Tasmania ..	98,847	7,651	220	368	..	..	..
Australian Capital Territory ..	5,244	481	18	23	..	..	..
Total ..	3,826,745	296,994	8,173	14,583	..	..	..

(a) Location of register of policies.

(b) Includes Territories of Papua and New Guinea.

(c) Includes Northern Territory.

LIFE ASSURANCE : POLICIES EXISTING IN AUSTRALIA, 1955.

State or Territory.(a)	Assurance and Endowment Policies.				Annuity Policies.		
	Number of Policies.	Sum Assured. (£'000.)	Bonus Additions. (£'000.)	Annual Premiums. (£'000.)	Number of Policies.	Annuities per Annum. (£.)	Annual Premiums. (£.)
ORDINARY DEPARTMENT.							
New South Wales ..	1,151,471	674,123	56,196	23,369	5,069	1,283,376	399,731
Victoria ..	876,458	571,035	45,639	19,789	7,206	5,330,853	1,089,503
Queensland(b) ..	536,650	301,281	21,335	9,496	965	89,440	25,275
South Australia(c) ..	298,732	183,485	14,671	6,520	904	89,837	20,296
Western Australia ..	205,137	125,772	10,505	4,498	659	83,965	19,156
Tasmania ..	103,419	68,241	5,007	2,240	664	87,100	25,024
Australian Capital Territory ..	11,777	46,813	1,018	639	1,668	234,302	18,125
Total ..	3,183,644	1,970,750	154,371	66,551	17,135	7,198,873	1,597,110
INDUSTRIAL DEPARTMENT.							
New South Wales ..	1,375,826	114,540	3,087	5,545	..	..	..
Victoria ..	1,194,985	95,623	2,795	4,683	..	..	..
Queensland(b) ..	445,704	37,210	960	1,790	..	..	..
South Australia(c) ..	401,777	30,146	863	1,465	..	..	..
Western Australia ..	238,787	20,744	528	987	..	..	..
Tasmania ..	97,840	7,887	232	374	..	..	..
Australian Capital Territory ..	10,932	1,220	35	57	..	..	..
Total ..	3,765,851	307,370	8,500	14,901	..	..	..

(a) Location of register of policies. (b) Includes Territories of Papua and New Guinea.
(c) Includes Northern Territory.

The following table shows particulars of policies existing at the end of the years 1939 and 1951 to 1955 inclusive:—

LIFE ASSURANCE : POLICIES EXISTING IN AUSTRALIA.

At End of Year—	Assurance and Endowment Policies.				Annuity Policies.	
	Number of Policies.	Sum Assured. (£'000.)	Average per Policy. (£.)	Annual Premiums. (£'000.)	Number of Policies.	Annuities per Annum. (£.)
ORDINARY DEPARTMENT.						
1939	1,243,378	427,291	344	(a) 13,954	3,826	384,584
1951	2,553,710	1,211,970	475	41,868	14,459	4,346,634
1952	2,731,284	1,378,474	505	47,634	16,240	5,587,112
1953	2,892,842	1,552,706	537	53,186	16,971	5,975,783
1954	3,033,250	1,741,160	574	59,593	16,965	6,267,828
1955	3,183,644	1,970,750	619	66,551	17,135	7,198,873
INDUSTRIAL DEPARTMENT.						
1939	2,491,742	111,862	45	(a) 6,490	2	58
1951	3,842,716	253,594	66	13,069	1	13
1952	3,872,726	270,323	70	13,682	1	13
1953	3,880,768	285,594	74	14,232	..	..
1954	3,826,745	296,994	78	14,583	..	..
1955	3,765,851	307,370	82	14,901	..	..

(a) Annual premium income.

4. **New Policies issued in Australia.**—During 1955, 314,545 new policies for £335,473,000 were issued in the Ordinary Department. The average amount per policy was £1,067 as compared with an average of £574 per policy for all ordinary policies existing at the end of 1954.

In the Industrial Department, 216,896 new policies were issued during 1955, assuring £33,175,000. The average amount per policy was £153 as compared with an average of £78 per policy for all industrial policies existing at the end of 1954.

In the following tables, details are given of new policies issued in each State and the Australian Capital Territory during 1954 and 1955 for each class of business :—

LIFE ASSURANCE : NEW POLICIES ISSUED IN AUSTRALIA, 1954.

State or Territory.(a)	Assurance and Endowment Policies.				Annuity Policies.			
	Number of Policies.	Sum Assured. (£'000.)	Premiums.		Number of Policies.	Annuities per Annum. (£'000.)	Premiums.	
			Single. (£'000.)	Annual. (£'000.)			Single. (£'000.)	Annual. (£'000.)
ORDINARY DEPARTMENT.								
New South Wales ..	110,302	97,247	164	3,522	649	151	141	63
Victoria ..	79,399	77,896	128	2,831	514	719	449	157
Queensland(b) ..	49,065	40,907	109	1,299	42	10	13	3
South Australia(c) ..	26,474	26,558	32	985	34	8	17	3
Western Australia ..	20,157	18,405	14	677	28	6	15	2
Tasmania ..	11,174	11,136	6	376	35	9	2	3
Australian Capital Territory ..	897	6,355	36	83	87	36	2	1
Total ..	297,468	278,504	489	9,773	1,389	939	639	232

INDUSTRIAL DEPARTMENT.								
State or Territory.(a)	Number of Policies.	Sum Assured. (£'000.)	Single. (£'000.)	Annual. (£'000.)	Number of Policies.	Annuities per Annum. (£'000.)	Single. (£'000.)	Annual. (£'000.)
New South Wales ..	91,554	13,313	..	617	..	..	..	..
Victoria ..	68,135	9,365	..	433	..	..	..	..
Queensland(b) ..	29,332	3,970	..	184	..	..	..	..
South Australia(c) ..	24,934	3,298	..	151	..	..	..	..
Western Australia ..	16,396	2,470	..	111	..	..	..	..
Tasmania ..	6,283	947	..	43	..	..	..	..
Australian Capital Territory ..	302	44	..	2	..	..	..	..
Total ..	236,936	33,407	..	1,541	..	..	..	..

(a) Location of register of policies.

(b) Includes Papua and New Guinea.

(c) Includes Northern Territory.

LIFE ASSURANCE : NEW POLICIES ISSUED IN AUSTRALIA, 1955.

State or Territory.(a)	Assurance and Endowment Policies.				Annuity Policies.			
	Number of Policies.	Sum Assured. (£'000.)	Premiums.		Number of Policies.	Annuities per Annum. (£'000.)	Premiums.	
			Single. (£'000.)	Annual. (£'000.)			Single. (£'000.)	Annual. (£'000.)
ORDINARY DEPARTMENT.								
New South Wales ..	122,516	110,606	108	3,881	534	197	154	76
Victoria ..	77,367	100,614	173	3,197	672	1,304	554	288
Queensland(b) ..	52,169	46,246	198	1,424	66	10	15	6
South Australia(c) ..	28,164	32,231	24	1,153	55	11	40	3
Western Australia ..	20,016	21,553	25	761	58	17	3	5
Tasmania ..	13,007	14,224	10	459	50	11	3	4
Australian Capital Territory ..	1,306	9,999	3	128	184	49	4	4
Total ..	314,545	335,473	541	11,003	1,619	1,599	773	386

INDUSTRIAL DEPARTMENT.								
State or Territory.(a)	Number of Policies.	Sum Assured. (£'000.)	Single. (£'000.)	Annual. (£'000.)	Number of Policies.	Annuities per Annum. (£'000.)	Single. (£'000.)	Annual. (£'000.)
New South Wales ..	86,691	13,520	..	630	..	..	..	..
Victoria ..	61,200	9,322	..	429	..	..	..	..
Queensland(b) ..	28,222	3,994	..	186	..	..	..	..
South Australia(c) ..	20,622	3,083	..	140	..	..	..	..
Western Australia ..	13,842	2,209	..	99	..	..	..	..
Tasmania ..	5,583	901	..	41	..	..	..	..
Australian Capital Territory ..	736	146	..	7	..	..	..	..
Total ..	216,896	33,175	..	1,532	..	..	..	..

(a) Location of register of policies.

(b) Includes Papua and New Guinea.

(c) Includes Northern Territory.

New policies issued in Australia during each of the years 1939 and 1951 to 1955 were as shown in the following table:—

LIFE ASSURANCE: NEW POLICIES ISSUED IN AUSTRALIA.

Year.	Assurance and Endowment Policies.				Annuity Policies.			
	Number of Policies.	Sum Assured. (£'000.)	Premiums.		Number of Policies.	Annuities per Annum. (£'000.)	Premiums.	
			Single. (£'000.)	Annual. (£'000.)			Single. (£'000.)	Annual. (£'000.)
ORDINARY DEPARTMENT.								
1939 ..	142,157	48,263	(a)	(a)	420	87	(a)	(a)
1951 ..	287,647	221,132	460	7,854	2,658	1,300	649	380
1952 ..	298,797	233,186	365	8,240	2,602	1,741	600	418
1953 ..	300,295	252,080	518	8,765	1,724	968	552	224
1954 ..	297,468	278,504	489	9,773	1,389	939	639	232
1955 ..	314,545	335,473	541	11,003	1,619	1,599	773	386
INDUSTRIAL DEPARTMENT.								
1939 ..	385,498	18,542	(a)	(a)	..	..	..	..
1951 ..	266,577	30,661	..	1,413	..	..	..	..
1952 ..	270,391	34,367	..	1,579	..	..	..	..
1953 ..	260,948	34,570	..	1,592	..	..	..	..
1954 ..	236,936	33,407	..	1,541	..	..	..	..
1955 ..	216,896	33,175	..	1,532	..	..	..	..

(a) Not available.

5. Policies Matured or Otherwise Discontinued in Australia.—The volume of business discontinued from various causes in each year is always large. In the following tables, details are given of ordinary and industrial life assurance policies matured or otherwise discontinued in each State and the Australian Capital Territory during the years 1954 and 1955.

Policies discontinued in 1954 and 1955 include policies in existence at the beginning of the year which were discontinued as a result of the winding up of two companies.

LIFE ASSURANCE: POLICIES MATURED OR OTHERWISE DISCONTINUED IN AUSTRALIA, 1954.(a)

State or Territory.(b)	Assurance and Endowment.			Annuity Policies.		
	Number of Policies.	Sum Assured. (£'000.)	Annual Premiums. (£'000.)	Number of Policies.	Annuities per Annum. (£'000.)	Annual Premiums. (£'000.)
ORDINARY DEPARTMENT.						
New South Wales	64,504	34,680	1,327	611	125	44
Victoria	42,244	27,091	989	534	495	87
Queensland(c)	24,654	12,845	445	26	5	1
South Australia(d)	11,070	7,153	283	41	5	1
Western Australia	8,970	5,371	210	17	3	1
Tasmania	5,625	3,682	134	76	5	2
Australian Capital Territory ..	-7	-772	-22	90	9	1
Total	157,060	90,050	3,366	1,395	647	137
INDUSTRIAL DEPARTMENT.						
New South Wales	120,217	9,098	489	..	..	..
Victoria	91,689	6,682	366	..	..	..
Queensland(c)	30,940	2,464	133	..	..	..
South Australia(d)	25,071	1,758	97	..	..	..
Western Australia	16,920	1,405	74	..	..	..
Tasmania	5,842	573	30	..	..	..
Australian Capital Territory ..	280	27	1	..	..	..
Total	290,959	22,007	1,190	..	..	..

(a) See letterpress above. (b) Location of register of policies. (c) Includes Papua and New Guinea. (d) Includes Northern Territory.

NOTE.—Minus sign (—) indicates excess of transfers to registers or other adjustment to number and value of policies.

LIFE ASSURANCE: POLICIES MATURED OR OTHERWISE DISCONTINUED IN AUSTRALIA, 1955.(a)

State or Territory.(b)	Assurance and Endowment.			Annuity Policies.		
	Number of Policies.	Sum Assured. (£'000.)	Annual Premiums. (£'000.)	Number of Policies.	Annuities per Annum. (£'000.)	Annual Premiums. (£'000.)
ORDINARY DEPARTMENT.						
New South Wales	64,313	39,743	1,532	567	98	38
Victoria	43,758	33,608	1,204	582	536	182
Queensland(c)	25,836	15,530	529	38	6	2
South Australia(d)	13,209	8,343	338	67	6	1
Western Australia	10,110	6,565	258	27	3	1
Tasmania	7,113	4,951	172	41	6	2
Australian Capital Territory	-188	-2,857	12	127	13	2
Total	164,151	105,883	4,045	1,449	668	228

INDUSTRIAL DEPARTMENT.						
	Number of Policies.	Sum Assured.	Annual Premiums.			
New South Wales	114,045	9,848	513	..	..	..
Victoria	85,818	6,639	360	..	..	..
Queensland(c)	31,933	2,641	144	..	..	..
South Australia(d)	26,620	2,014	109	..	..	..
Western Australia	17,736	1,586	81	..	..	..
Tasmania	6,590	664	34	..	..	..
Australian Capital Territory	-4,952	-593	-27	..	..	..
Total	277,790	22,799	1,214	..	..	..

(a) See letterpress on previous page. (b) Location of register of policies. (c) Includes Papua and New Guinea. (d) Includes Northern Territory.

NOTE.—Minus sign (—) indicates excess of transfers to registers or other adjustment to number and value of policies.

Policies matured or otherwise discontinued in Australia during each of the years 1939 and 1951 to 1955 were as shown in the following table:—

LIFE ASSURANCE: POLICIES MATURED OR OTHERWISE DISCONTINUED IN AUSTRALIA.

Year.	Assurance and Endowment Policies.			Annuity Policies.		
	Number of Policies.	Sum Assured. (£'000.)	Annual Premiums. (£'000.)	Number of Policies.	Annuities per Annum. (£'000.)	Annual Premiums. (£'000.)
ORDINARY DEPARTMENT.						
1939	80,912	24,786	(a)	275	17	(a)
1951	110,969	56,307	2,067	947	360	124
1952	121,228	66,694	2,473	821	500	179
1953	138,737	77,848	3,213	993	579	135
1954(b)	157,060	90,050	3,366	1,395	647	137
1955	164,151	105,883	4,045	1,449	668	228
INDUSTRIAL DEPARTMENT.						
1939	262,096	12,132	(a)	..	..	..
1951	216,935	15,388	861	..	..	..
1952	240,381	17,638	967	..	..	..
1953	252,906	19,299	1,042	1	..	..
1954(b)	290,959	22,007	1,190	..	..	..
1955(b)	277,790	22,799	1,214	..	..	..

(a) Not available.

(b) See letterpress on previous page.

The number of policies and sums assured, excluding annuities, discontinued during the years 1939 and 1951 to 1955 and the cause for discontinuance are given in the following table:—

LIFE ASSURANCE: POLICIES^(a) MATURED OR OTHERWISE DISCONTINUED IN AUSTRALIA—CAUSE OF DISCONTINUANCE.

Year.	Death or Maturity.	Surrender.	Forfeiture.	Other.	Total.
ORDINARY DEPARTMENT: NUMBER OF POLICIES.					
1939	22,529	18,409	39,382	— 128	80,192
1951	36,150	43,347	33,259	— 1,787	110,969
1952	39,150	48,879	33,734	— 535	121,228
1953	40,836	53,064	37,027	7,810	138,737
1954	45,386	62,238	41,287	(b) 8,149	157,060
1955	48,224	67,929	42,941	5,057	164,151
ORDINARY DEPARTMENT: SUM ASSURED. (£'000.)					
1939	5,612	5,863	13,414	— 103	24,786
1951	10,816	24,303	18,108	3,080	56,307
1952	12,044	28,824	21,458	4,368	66,694
1953	13,107	34,026	25,792	4,923	77,848
1954	14,904	41,344	28,770	(b) 5,032	90,050
1955	16,012	50,065	35,467	4,339	105,883
INDUSTRIAL DEPARTMENT: NUMBER OF POLICIES.					
1939	73,585	33,766	154,328	417	262,096
1951	122,209	33,109	60,877	740	216,935
1952	136,117	43,769	60,402	93	240,381
1953	146,134	51,044	55,289	439	252,906
1954	157,150	51,917	59,828	(b) 22,064	290,959
1955	167,060	54,895	54,922	(b) 913	277,790
INDUSTRIAL DEPARTMENT: SUM ASSURED. (£'000.)					
1939	2,759	1,372	7,976	25	12,132
1951	5,056	2,462	7,819	51	15,388
1952	5,728	3,914	7,983	13	17,638
1953	6,285	5,383	7,569	62	19,299
1954	6,849	5,877	8,484	(b) 797	22,007
1955	7,517	6,574	8,675	(b) 33	22,799

(a) Excludes annuities. (b) See letterpress on p. 736.
NOTE.—Minus sign (—) indicates excess of transfers to registers or other adjustment to number and value of policies.

6. **Premiums and Claims, Australia.**—(i) *Premiums.* (a) *Ordinary Business.* Details of revenue from premiums in respect of the ordinary business of all offices doing business in Australia are shown in the following tables for each State and the Australian Capital Territory for the years 1954 and 1955:—

ORDINARY LIFE ASSURANCE: AUSTRALIAN REVENUE FROM PREMIUMS, 1954.
(£'000.)

State or Territory.(a)	Assurance and Endowment Premiums.		Consideration for Annuities.		Total.
	Single Premiums.	Other Premiums.	Single Premiums.	Other Premiums.	
New South Wales	169	20,850	142	355	21,516
Victoria	131	17,631	428	938	19,128
Queensland ^(b)	74	8,360	10	21	8,465
South Australia ^(c)	33	5,602	17	19	5,671
Western Australia	16	3,919	15	16	3,966
Tasmania	6	1,890	2	23	1,921
Australian Capital Territory	35	1,045	2	190	1,272
Total	464	59,297	616	1,562	61,939

(a) Location of register of policies.
(c) Includes Northern Territory.

(b) Includes Territories of Papua and New Guinea.

ORDINARY LIFE ASSURANCE : AUSTRALIAN REVENUE FROM PREMIUMS, 1955.
(£'000.)

State or Territory.(a)	Assurance and Endowment Premiums.		Consideration for Annuities.		Total.
	Single Premiums.	Other Premiums.	Single Premiums.	Other Premiums.	
New South Wales	126	23,428	154	463	24,171
Victoria	177	19,689	538	1,049	21,453
Queensland(b)	110	9,330	19	23	9,482
South Australia(c)	24	6,362	40	20	6,446
Western Australia	24	4,380	3	21	4,428
Tasmania	6	2,178	3	25	2,212
Australian Capital Territory ..	4	973	4	167	1,148
Total	471	66,340	761	1,768	69,340

(a) Location of register of policies. (b) Includes Territories of Papua and New Guinea.
(c) Includes Northern Territory.

(b) *Industrial Business.* Details of revenue from premiums in respect of the industrial business of all offices doing business in Australia are shown in the following table for each State and the Australian Capital Territory for the years 1954 and 1955 :—

INDUSTRIAL LIFE ASSURANCE : AUSTRALIAN REVENUE FROM PREMIUMS, 1954 AND 1955.
(£'000.)

State or Territory.(a)	1954.			1955.		
	Assurance and Endowment Premiums.		Total.	Assurance and Endowment Premiums.		Total.
	Single Premiums.	Other Premiums.		Single Premiums.	Other Premiums.	
New South Wales	2	5,296	5,298	4	5,452	5,456
Victoria	3	4,547	4,550	2	4,623	4,625
Queensland .. ..	..	1,708	1,708	..	1,755	1,755
South Australia .. ..	..	1,398	1,398	..	1,439	1,439
Western Australia	1	949	950	1	965	969
Tasmania .. ..	..	358	358	..	368	368
Australian Capital Territory .. ..	..	23	23	..	5	5
Total	6	14,279	14,285	7	14,607	14,614

(a) Location of register of policies.

(c) *Ordinary and Industrial Business.* The following table shows, for each of the years 1939 and 1951 to 1955, the aggregate Australian income from premiums in respect of both ordinary and industrial business of all offices doing business in Australia :—

LIFE ASSURANCE : AUSTRALIAN REVENUE FROM PREMIUMS.
(£'000.)

Year.	Ordinary Department.			Industrial Department.	Ordinary and Industrial Departments Combined.
	Assurance and Endowment Premiums.	Consideration for Annuities.	Total.		
1939	13,954	184	14,138	6,490	20,628
1951	41,265	1,679	42,944	12,874	55,818
1952	47,091	1,870	48,961	13,379	62,340
1953	53,114	2,029	55,143	13,888	69,031
1954	59,761	2,178	61,939	14,285	76,224
1955	66,811	2,529	69,340	14,614	83,954

(ii) *Claims, etc., Paid.* Details of the claims, etc., paid on policies in each State and the Australian Capital Territory during the years 1954 and 1955 are shown in the following tables:—

LIFE ASSURANCE : PAYMENTS TO POLICY-HOLDERS IN AUSTRALIA, 1954.
(£'000.)

State or Territory.(a)	Claims.		Sur- renders.	Annuities.	Cash Bonuses.	Total.
	Death or Disability	Maturity.				
ORDINARY DEPARTMENT.						
New South Wales	3,614	3,220	1,927	155	45	8,961
Victoria	2,914	3,061	1,482	151	49	7,657
Queensland(b)	1,419	1,210	577	23	13	3,242
South Australia(c)	851	762	303	27	9	1,952
Western Australia	654	425	267	19	9	1,374
Tasmania	329	238	147	18	3	735
Australian Capital Territory	88	69	235	11	1	404
Total	9,869	8,985	4,938	404	129	24,325

INDUSTRIAL DEPARTMENT.						
New South Wales	344	2,497	404	..	..	3,245
Victoria	277	2,251	281	..	..	2,809
Queensland(b)	114	774	117	..	..	1,005
South Australia(c)	82	580	82	..	..	744
Western Australia	57	394	61	..	..	512
Tasmania	21	126	26	..	..	173
Australian Capital Territory .. .. .	..	10	1	..	..	11
Total	895	6,632	972	..	..	8,499

(a) Location of register of policies.
Northern Territory.

(b) Includes Papua and New Guinea.

(c) Includes

LIFE ASSURANCE : PAYMENTS TO POLICY-HOLDERS IN AUSTRALIA, 1955.
(£'000.)

State or Territory.(a)	Claims.		Sur- renders.	Annuities.	Cash Bonuses.	Total.
	Death or Disability	Maturity.				
ORDINARY DEPARTMENT.						
New South Wales	3,954	3,442	1,987	165	52	9,600
Victoria	3,043	3,344	2,029	173	125	8,714
Queensland(b)	1,434	1,387	736	23	14	3,594
South Australia(c)	890	834	412	26	9	2,171
Western Australia	648	475	332	18	16	1,489
Tasmania	263	224	182	17	2	688
Australian Capital Territory	76	91	431	8	..	606
Total	10,308	9,797	6,109	430	218	26,862

INDUSTRIAL DEPARTMENT.						
New South Wales	357	2,803	432	..	..	3,592
Victoria	270	2,597	298	..	..	3,165
Queensland(b)	102	841	132	..	..	1,075
South Australia(c)	87	626	92	..	..	805
Western Australia	49	416	75	..	..	540
Tasmania	15	147	27	..	..	189
Australian Capital Territory .. .. .	..	1	..	..	..	1
Total	880	7,431	1,056	..	..	9,367

(a) Location of register of policies.
Northern Territory.

(b) Includes Papua and New Guinea.

(c) Includes

In the following table details are given of claims, etc., paid on policies in Australia for each of the years 1939 and 1951 to 1955:—

LIFE ASSURANCE: PAYMENTS TO POLICY-HOLDERS IN AUSTRALIA.
(£'000.)

Year.	Claims.	Surrenders.	Annuities.	Cash Bonuses.	Total.
ORDINARY DEPARTMENT.					
1939	7,935	1,843	220	260	10,258
1951	14,029	2,641	346	87	17,103
1952	15,576	3,287	379	107	19,349
1953	16,739	3,982	391	126	21,238
1954	18,854	4,938	404	129	24,325
1955	20,105	6,109	430	218	26,862
INDUSTRIAL DEPARTMENT.					
1939	3,132	499	..	..	3,631
1951	5,585	566	..	..	6,151
1952	6,284	772	..	..	7,056
1953	6,879	927	..	..	7,806
1954	7,527	972	..	..	8,499
1955	8,311	1,056	..	..	9,367

7. **Total Revenue and Expenditure.**—(i) *Total Revenue.* The following table shows particulars of the total life assurance revenue derived by life assurance offices from sources within and beyond Australia during each of the years 1939 and 1951 to 1955:—

ORDINARY AND INDUSTRIAL LIFE ASSURANCE: TOTAL REVENUE.
(£'000.)

Year.	Assurance and Endowment Premiums.	Consideration for Annuities Granted.	Interest, Dividends and Rents.	All other Revenue.	Total Revenue.
ORDINARY BUSINESS.					
1939	21,568	303	9,901	17	31,789
1951	57,869	2,461	18,244	307	78,881
1952	64,980	2,372	20,175	106	87,633
1953	72,389	2,614	22,508	2,545	100,056
1954	80,701	2,824	25,679	676	109,880
1955	89,353	3,240	29,196	548	122,337
INDUSTRIAL BUSINESS.					
1939	7,863	..	2,127	61	10,051
1951	14,915	..	3,831	85	18,831
1952	15,437	..	4,120	26	19,583
1953	15,975	..	4,415	603	20,993
1954	16,402	..	4,812	219	21,433
1955	16,757	..	5,195	179	22,131

(ii) *Total Expenditure.* The next table supplies details of the total expenditure, both within and beyond Australia, of life assurance offices during each of the years 1939 and 1951 to 1955:—

ORDINARY AND INDUSTRIAL LIFE ASSURANCE: TOTAL EXPENDITURE.
(£'000.)

Year.	Claims and Annuities paid.	Surrenders.	Cash Bonuses paid to Policy-holders.	Commission.	Shareholders' Dividends.	All other Expenditure.(a)	Total Expenditure.
ORDINARY BUSINESS.							
1939	12,320	2,668	380	1,483	125	3,867	20,843
1951	21,786	3,813	134	5,042	128	7,770	38,673
1952	24,034	4,691	161	5,479	120	10,355	44,840
1953	25,905	5,636	178	5,964	122	11,793	49,598
1954	28,772	6,739	178	6,724	132	11,709	54,254
1955	30,398	8,187	280	7,419	173	12,823	59,280
INDUSTRIAL BUSINESS.							
1939	3,763	576	..	1,619	72	1,278	7,308
1951	6,743	667	..	2,250	35	2,646	12,341
1952	7,594	878	..	2,405	75	3,030	13,982
1953	8,348	1,053	..	2,421	130	3,978	15,930
1954	9,124	1,096	..	2,399	88	3,408	16,115
1955	9,994	1,185	..	2,406	28	3,342	16,955

(a) Includes other expenses of management, licence fees and taxes, etc.

8. **Liabilities and Assets.**—(i) *General.* The liabilities of the Australian offices consist mainly of their assurance funds, but in the case of public companies there is a further liability on account of the shareholders' capital. The assets consist chiefly of government and municipal securities, mortgages, loans on policies, landed and house property, etc. Loans on personal security are granted by very few of the Australian offices. Separate details of liabilities and assets in respect of Australian business are not available.

(ii) *Total Liabilities and Assets.* In the two tables which follow, the details of liabilities and assets relate to all business (Australian and overseas) of Australian companies, the life assurance business of the two State Government offices, all business of the Provident Life Assurance Co. Ltd. (incorporated in New Zealand) and the Australian business only of the Prudential Assurance Co. Ltd. (incorporated in England). For various reasons several offices do not attempt the dissection of liabilities and assets between the industrial and ordinary branches, and, therefore, the figures in the following tables relate to the ordinary and industrial branches combined. Details of the total liabilities of life assurance offices for the years 1954 and 1955 are given in the following tables.

ORDINARY AND INDUSTRIAL LIFE ASSURANCE: TOTAL LIABILITIES, 1954.
(£'000.)

Item.	Life Assurance Business.	Other Classes of Business.	Total Liabilities.
<i>Shareholders' Capital—</i>			
Authorized	4,399	4,399
Less Unissued	1,704	1,704
<i>Subscribed Capital</i>	2,695	2,695
<i>Paid-up—</i>			
In Money	2,319	2,319
Otherwise than in Money	79	79
<i>Total</i>	2,398	2,398

ORDINARY AND INDUSTRIAL LIFE ASSURANCE: TOTAL
LIABILITIES, 1954—*continued.*
(£'000.)

Item.	Life Assurance Business.	Other Classes of Business.	Total Liabilities.
<i>Life Assurance Statutory Funds—</i>			
Ordinary Department	633,807	..	633,807
Industrial Department	118,969	..	118,969
<i>Total</i>	<i>752,776</i>	..	<i>752,776</i>
Funds in respect of Other Classes of Business ..	..	855	855
General Reserves	17,353	1,708	19,061
Profit and Loss Account Balance .. .. .	..	143	143
<i>Total, Shareholders' Capital, Assurance Funds and Reserves</i>	<i>770,129</i>	<i>5,104</i>	<i>775,233</i>
<i>Other Liabilities—</i>			
Deposits	1,406	3,096	4,502
Staff Provident and Superannuation Funds ..	191	314	505
Claims admitted or intimated but not paid ..	9,021	116	9,137
Annuities due but not paid	6	..	6
Premiums Paid in Advance and in Suspense ..	1,093	15	1,108
Sundry Creditors	2,706	267	2,973
Bank Overdraft	2,390	254	2,644
Reserves and Provisions for Taxation	2,823	147	2,970
All other Liabilities	473	2	475
Total Liabilities	790,238	9,315	799,553

ORDINARY AND INDUSTRIAL LIFE ASSURANCE: TOTAL LIABILITIES, 1955.
(£'000.)

Item.	Life Assurance Business.	Other Classes of Business.	Total Liabilities.
<i>Shareholders' Capital—</i>			
Authorized .. .. .	..	4,379	4,379
Less Unissued .. .. .	..	1,697	1,697
<i>Subscribed Capital</i> .. .. .	..	<i>2,682</i>	<i>2,682</i>
<i>Paid-up—</i>			
In Money .. .. .	..	2,310	2,310
Otherwise than in Money .. .. .	..	79	79
<i>Total</i> .. .. .	..	<i>2,389</i>	<i>2,389</i>
<i>Life Assurance Statutory Funds—</i>			
Ordinary Department	696,864	..	696,864
Industrial Department	124,138	..	124,138
<i>Total</i>	<i>821,002</i>	..	<i>821,002</i>
Funds in respect of Other Classes of Business ..	..	946	946
General Reserves	18,271	1,870	20,141
Profit and Loss Account Balance .. .. .	..	204	204
<i>Total, Shareholders' Capital, Assurance Funds and Reserves</i>	<i>839,273</i>	<i>5,409</i>	<i>844,682</i>
<i>Other Liabilities—</i>			
Deposits	2,007	3,102	5,109
Staff Provident and Superannuation Funds ..	249	265	514
Claims admitted or intimated but not paid ..	9,581	167	9,748
Annuities due but not paid	6	..	6
Premiums Paid in Advance and in Suspense ..	1,116	16	1,132
Sundry Creditors	3,661	246	3,907
Bank Overdraft	3,715	335	4,050
Reserves and Provisions for Taxation	3,322	167	3,489
All other Liabilities	509	5	514
Total Liabilities	863,439	9,712	873,151

The following tables furnish details of the total assets of life assurance offices for the years 1954 and 1955:—

ORDINARY AND INDUSTRIAL LIFE ASSURANCE : TOTAL ASSETS, 1954.
(£'000.)

Item.	Life Assurance Business.	Other Classes of Business.	Total.	Amount of Total Assets held in Australia.
Freehold and leasehold property, office premises, furniture, etc.	26,709	386	27,095	18,774
<i>Loans—</i>				
On Mortgage	220,272	99	220,371	165,555
On Policies of the Company including Advances of Premiums	31,135	..	31,135	23,096
Other Loans	21,793	444	22,237	22,085
<i>Total Loans</i>	<u>273,200</u>	<u>543</u>	<u>273,743</u>	<u>210,736</u>
<i>Investments—</i>				
Government Securities—				
Australia	215,795	5,833	221,628	213,193
Other	52,680	92	52,772	2
Securities of Local and Semi-Governmental Bodies	138,397	194	138,591	107,559
Other Investments	68,694	1,591	70,285	58,173
<i>Total Investments</i>	<u>475,566</u>	<u>7,710</u>	<u>483,276</u>	<u>378,927</u>
Cash on Deposit, Current Account and in hand	2,861	86	2,947	2,333
Other Assets	11,902	590	12,492	9,562
<i>Total Assets</i>	<u>790,238</u>	<u>9,315</u>	<u>799,553</u>	<u>620,332</u>

ORDINARY AND INDUSTRIAL LIFE ASSURANCE : TOTAL ASSETS, 1955.
(£'000.)

Item.	Life Assurance Business.	Other Classes of Business.	Total.	Amount of Total Assets held in Australia.
Freehold and leasehold property, office premises, furniture, etc.	31,713	436	32,149	23,094
<i>Loans—</i>				
On Mortgage	264,300	155	264,455	197,710
On Policies of the Company including Advances of Premiums	34,537	..	34,537	25,661
Other Loans	23,726	540	24,266	23,923
<i>Total Loans</i>	<u>322,563</u>	<u>695</u>	<u>323,258</u>	<u>247,294</u>
<i>Investments—</i>				
Government Securities—				
Australia	213,262	5,921	219,183	209,217
Other	51,155	98	51,253	..
Securities of Local and Semi-Governmental Bodies	143,923	186	144,109	111,254
Other Investments	84,310	1,667	85,977	71,756
<i>Total Investments</i>	<u>492,650</u>	<u>7,872</u>	<u>500,522</u>	<u>392,227</u>
Cash on Deposit, Current Account and in hand	3,566	73	3,639	2,922
Other Assets	12,947	636	13,583	10,287
<i>Total Assets</i>	<u>863,439</u>	<u>9,712</u>	<u>873,151</u>	<u>675,824</u>

(iii) *Assets held in Australia.* Details of assets held in Australia for the years 1939 and 1951 to 1955 are set out in the following table:—

ORDINARY AND INDUSTRIAL LIFE ASSURANCE(a): ASSETS HELD IN AUSTRALIA.
(£'000.)

Particulars.	1939. (b)	1951.	1952.	1953.	1954.	1955.
Landed and house property ..	12,823	13,941	15,776	16,840	18,060	22,345
Government and municipal securities	115,712	267,158	271,892	301,254	320,754	320,471
Other investments	6,700	45,613	48,218	51,885	58,173	71,756
Loans on mortgages	61,720	113,312	136,006	149,507	165,555	197,710
Loans on companies' policies ..	22,445	18,067	20,580	21,745	23,096	25,661
Other loans	(c)	16,463	19,998	22,008	22,085	23,923
All other assets	8,116	11,562	12,128	11,685	12,609	13,958
Total Assets held in Australia	227,516	486,116	524,598	574,924	620,332	675,824

(a) Life assurance and other classes of business. (b) Australian assets. (c) Included with other investments.

9. *Loans.*—In the following table, details are given of new loans granted by life assurance companies during each of the years ended 31st December, 1952 to 1956. The information has been compiled from monthly returns furnished by each company. New loans granted by the Government Insurance Office of New South Wales and the Queensland State Government Insurance Office are not included. Advances of premiums are also excluded.

LIFE ASSURANCE COMPANIES : NEW LOANS GRANTED.
(£'000.)

Particulars.	1952.	1953.	1954.	1955.	1956.
CLASS OF SECURITY.					
Mortgage of Real Estate ..	30,140	26,863	33,216	50,081	47,876
Companies' Policies ..	4,329	3,477	3,725	4,793	5,903
Other	4,937	3,967	4,113	3,415	4,081
Total	39,406	34,307	41,054	58,289	57,860
STATE OR TERRITORY.(a)					
New South Wales	21,748	18,637	17,699	25,884	22,542
Victoria	10,687	9,638	12,196	17,534	20,121
Queensland(b)	2,065	1,841	4,158	3,400	4,548
South Australia(c)	2,349	1,754	2,765	4,800	4,698
Western Australia	1,649	1,694	3,005	4,581	3,550
Tasmania	858	731	1,176	2,018	2,324
Aust. Cap. Territory	50	12	55	72	77
Total	39,406	34,307	41,054	58,289	57,860

(a) State or Territory of location of mortgage, registration of policy, or residence of borrower.
(b) Includes Papua and New Guinea. (c) Includes Northern Territory.

§ 3. Fire, Marine and General Insurance.

1. **General.**—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 in accordance therewith.

(a) Premiums represent the full amount receivable in respect of policies issued and 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. When business is increasing, as in recent years, premiums receivable (as shown in the statistics) are greater than "earned premium income" appropriate to the year. The converse applies when business is declining.

(b) Claims or losses include provision for outstanding claims and represent claims or losses incurred in the year. Salvage and other amounts recoverable have been deducted.

(c) Contributions to Fire Brigades, Commission and Agents' Charges, and Expenses of Management represent mainly charges paid during the year.

(d) Taxation represents 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 tables contain selected items of statistics and the information shown is not suitable for the construction of a "profit and loss" statement or "revenue" account.

In cases where the business is underwritten in one State and the risk is situated in another the business is included in the State in which the policy was issued.

During 1955-56, revenue from premiums amounted to £123,970,000 and from net interest on investments, etc., to £4,372,000, totalling £128,342,000. Expenditure on claims amounted to £71,913,000, contributions to fire brigades £2,922,000, commission and agents charges £12,509,000, expenses of management £20,246,000 and taxation £4,518,000, a total of £112,108,000.

2. **States.**—The following table shows, for each State, the aggregate premium income less reinsurances and returns, and claims or losses less amounts recoverable, for all classes of insurance other than life for the years 1938-39 and 1951-52 to 1955-56.

FIRE, MARINE AND GENERAL INSURANCE : PREMIUMS AND LOSSES—STATES. (£'000.)

State.	1938-39.	1951-52.	1952-53.	1953-54.	1954-55.	1955-56.
GROSS PREMIUMS, LESS REINSURANCES AND RETURNS.						
New South Wales(a)	6,943	31,107	35,130	38,381	42,696	48,726
Victoria	4,505	24,441	28,215	30,775	33,946	39,110
Queensland	2,327	9,015	10,733	12,016	13,801	15,377
South Australia	1,245	6,167	7,275	8,041	9,115	10,244
Western Australia	1,373	4,975	5,779	6,224	6,854	7,362
Tasmania	457	1,878	2,214	2,547	2,813	3,151
Total	16,850	77,583	89,346	97,984	109,225	123,970
GROSS CLAIMS OR LOSSES, LESS AMOUNTS RECOVERABLE.						
New South Wales(a)	3,842	16,661	17,848	20,981	23,302	28,888
Victoria	2,194	12,205	15,208	16,709	20,303	23,081
Queensland	1,071	4,979	5,650	5,981	8,234	8,717
South Australia	487	2,858	3,021	4,835	6,402	5,441
Western Australia	731	2,938	3,085	3,078	3,671	4,131
Tasmania	204	724	953	1,084	1,372	1,655
Total	8,529	40,365	45,765	52,668	63,284	71,913

(a) From 1947-48 excludes Workers' Compensation Insurance in coal-mining industry in New South Wales.

3. **Classes of Insurance.**—The following statement shows premiums and losses in respect of the principal classes of risks, for the years 1938–39 and 1951–52 to 1955–56 :—

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

(£'000.)

Class of Risk.	1938–39.	1951–52.	1952–53.	1953–54.	1954–55.	1955–56.
GROSS PREMIUMS, LESS REINSURANCES AND RETURNS.						
Fire	5,597	18,535	21,366	22,170	23,603	25,807
Workers' Compensation(a) ..	4,361	17,159	19,310	20,279	22,133	25,660
Motor Vehicle—						
Compulsory Third Party ..	} 3,848	{ 4,725	7,106	8,496	10,480	12,789
Other			18,048	21,934	25,805	29,409	32,659
Marine	1,018	7,433	5,940	6,056	6,637	7,179
Personal Accident	554	1,899	2,184	2,479	2,911	3,391
All other	1,472	9,784	11,506	12,699	14,052	16,485
Total	16,850	77,583	89,346	97,984	109,225	123,970

GROSS CLAIMS OR LOSSES, LESS AMOUNTS RECOVERABLE.

Fire	2,223	6,669	6,731	5,842	6,859	7,191
Workers' Compensation(a) ..	2,972	8,678	10,934	14,542	18,641	20,383
Motor Vehicle—						
Compulsory Third Party ..	} 2,324	{ 5,288	7,007	9,525	10,538	12,198
Other			12,025	13,436	13,950	17,239	21,924
Marine	243	3,352	3,420	2,263	2,706	2,878
Personal Accident	264	634	741	912	1,075	1,295
All other	503	3,719	3,496	5,634	6,226	6,044
Total	8,529	40,365	45,765	52,668	63,284	71,913

(a) From 1947–48 excludes Workers' Compensation in coal-mining industry in New South Wales.

The volume of business measured by the amount of premium income shows that fire insurance represented about 21.6 per cent. of total business during 1954–55 and 20.8 per cent. during 1955–56, workers' compensation 20.3 per cent. during 1954–55 and 20.7 per cent. during 1955–56, motor vehicles (including compulsory third party insurance) 36.5 per cent. in 1954–55 and 36.7 per cent. in 1955–56 and marine insurance 6.1 per cent. in 1954–55 and 5.8 per cent. in 1955–56.

E. FRIENDLY SOCIETIES.

1. **General.**—The total membership of friendly societies in Australia is just over 500,000 but as certain benefits, such as medical attendance and free medicines, and in many cases funeral expenses, are granted to members' families as well as to members themselves, this figure must, even when due allowance is made for young and unmarried members, be more than doubled to arrive at an estimate of the number of persons who receive some direct benefit from these societies. Legislation has conferred certain privileges on friendly societies, but, on the other hand, it insists on their registration, and it is the duty of the Registrars in the various States, prior to registering a new society, to see that its proposed rules 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 are published in most of the States dealing with the returns received.

2. **Societies, Members and Revenue.**—The following table sets out the number of societies, members, etc., and revenue and expenditure and funds of registered societies for the year 1953–54. More detailed information is available in *Finance*, Bulletin No. 46.

FRIENDLY SOCIETIES(a) : 1953-54.

Particulars.	New South Wales. (b)	Victoria. (c)	Queensland.	South Australia.	Western Australia.	Tasmania. (c)	Total.
	No.	No.	No.	No.	No.	No.	No.
Registered Societies	37	142	24	15	13	20	
Branches	2,155	1,377	519	696	295	151	5,193
Benefit members at end of year ..	170,257	177,620	55,700	61,345	23,279	18,229	506,430
Average benefit members during year ..	174,919	178,733	56,988	62,633	23,597	18,503	515,373
Members who received sick pay ..	(d)	38,069	10,328	13,357	4,349	2,586	(d)
Total weeks sick pay granted ..	(d)	473,603	130,153	178,518	58,101	34,127	(d)
Average weeks per member sick ..	(d)	12.44	12.60	13.37	13.36	13.20	(d)
Deaths of benefit members ..	(d)	2,566	1,033	1,058	293	339	(d)
Proportion of deaths per 1,000 members (average)	(d)	14.36	18.13	16.89	12.42	18.27	(d)
Revenue—	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.
Entrance fees, levies and members' contributions	1,565	1,413	392	515	323	78	4,286
Interest, dividends and rents	275	342	116	173	40	29	1,229
All other revenue	77	71		13	35	58	
Total	1,917	1,826	508	701	398	165	5,515
Expenditure—							
Sick pay	224	278	78	89	27	18	714
Medical attendance and medicine ..	719	584	133	190	219	40	1,885
Sums payable at death	125	67	48	52	16	22	330
Administration	431	339	115	131	53	32	1,101
All other expenditure	52	166		51	15	24	308
Total	1,551	1,434	374	513	330	136	4,338
Total Funds	7,651	9,334	2,960	4,269	1,233	693	26,140

(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 Australian Capital Territory. (c) Year 1954. (d) Not available.

F. PROBATES AND LETTERS OF ADMINISTRATION.

The following particulars give some idea 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,

Particulars.	New South Wales. 1954-55. (a)	Victoria. 1954.	Queensland. 1953-54.	South Australia. 1954.	Western Australia. 1954.	Tasmania. 1954. (b)
Probates—						
Estates No.	17,795	10,358	1,813	2,789	2,180	997
Gross Value £	(c)	(d)	19,744,878	16,237,522	12,197,485	5,907,667
Net Value £	80,492,038	(d)	(c)	14,962,564	11,544,598	5,511,872
Letters of Administration—						
Estates No.	(c)	2,490	274	850	276	185
Gross Value £	(c)	(d)	2,990,350	1,577,049	816,549	429,645
Net Value £	(c)	(d)	(c)	1,409,358	721,380	383,204
Total—						
Estates No.	17,795	12,848	2,087	3,639	2,456	1,182
Gross Value £	(c)	66,516,396	22,735,228	17,814,571	13,014,034	6,337,312
Net Value £	80,492,038	62,702,533	(c)	16,371,922	12,265,978	5,895,076

(a) Total estates of deceased persons assessed for death duty. (b) Estates dealt with by Taxation Department. (c) Not available. (d) Not available separately.

G. LOTTERIES AND BETTING.

§ 1. Lotteries.

State Governments operate lotteries in New South Wales, Queensland and Western Australia. Tattersalls Lotteries and Tasmanian Lotteries are operated under Government licences in Victoria and Tasmania respectively.

New South Wales State Lotteries are conducted in accordance with the New South Wales State Lotteries Act, 1930 and the first drawing took place on 20th August, 1931. At present, each ordinary lottery consists of 100,000 tickets at 5s. 6d. each, with prizes totalling £17,550 and each special lottery of 100,000 tickets at 10s. each, with prize money totalling £31,700. In addition, there is a mammoth lottery consisting of 100,000 tickets at £1 each with prize money totalling £64,200. Net profits of the lottery are paid to the Consolidated Revenue Fund from which grants are made to hospitals.

Tattersalls Lotteries, which were previously conducted in Tasmania, were transferred to Victoria in 1954 and the first drawing in Melbourne took place on 8th July, 1954. The Tattersalls Consultations Act, 1953 provides that prizes in each consultation shall not be less than sixty per cent. of total subscriptions to that consultation, and that a duty equal to thirty-one per cent. of subscriptions shall be paid into the Consolidated Revenue Fund from which an equivalent amount will be paid out into the Hospitals and Charities Fund and the Mental Hospitals Fund in such proportions as the Treasurer determines from time to time. At present, tickets are priced at 5s. each (200,000) with prizes totalling £30,000; 10s. each (100,000) with prizes totalling £30,000, and £1 each (100,000) with prizes totalling £60,000. In addition there is a special Melbourne Cup consultation at £1 each (200,000) with prize money of £120,000.

In Queensland, the Golden Casket Art Union commenced in 1916 with the specific object of augmenting the funds of the Queensland War Council. Subsequently, Anzac Cottages and Nurses Quarters Funds benefited until 1920 when net profits were paid to the Department of Health and Home Affairs (Hospitals, Motherhood and Child Welfare Trust Fund) and used for the maintenance of hospitals, grants to institutions, and for motherhood and child welfare purposes. A stamp duty is imposed on tickets sold. The proceeds of this are paid to Consolidated Revenue Fund. At present, ordinary tickets are priced at 5s. 6d. each (100,000), special tickets at 10s. (100,000) and £1 (100,000) each with prizes totalling £17,550, £32,000 and £64,300 respectively. A special Melbourne Cup lottery with tickets priced at 15s. (100,000) and prizes totalling £48,100 was introduced in 1955.

In Western Australia, lotteries are conducted by the Lotteries Commission under the Lotteries Control Act of 1932. Profits are paid by the Commission to hospitals and other charities. At present tickets are priced at 2s. 6d. each (100,000) with prizes totalling £6,630 and 5s. each (100,000) with prizes totalling £16,630.

In Tasmania, lotteries are subject to the provisions of the Racing and Gaming Act 1950-1952. With the transfer of Tattersalls from Hobart to Melbourne, Tasmanian Lotteries commenced operations under Government licence and the first drawing took place on 30th June, 1954. The stamp duty on tickets sold and the tax on prize money are paid into Consolidated Revenue. At present tickets are priced at 5s. each (250,000) with prizes totalling £38,046; £1 each (250,000) with prizes totalling £152,188; £5 each (50,000 and 100,000) with prizes totalling £152,188 and £304,375 respectively; and £100 each (5,000) with prizes totalling £304,375.

Details of ticket sales, prizes allotted, and taxes paid and other net contributions to State Government revenues relating to lotteries drawn during each of the years ended 30th June, 1952 to 1956 are given in the following table:—

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

Year ended 30th June.	New South Wales.	Victoria.	Queensland.	Western Australia.	Tasmania.	Total.
TICKET SALES.						
1952	8,775	..	4,883	950	4,500	19,108
1953	10,335	..	5,650	975	4,800	21,760
1954	10,610	..	5,760	1,100	4,763	22,233
1955	11,268	8,450	6,115	1,112	1,703	28,648
1956	11,728	8,850	6,045	1,112	3,875	31,610
PRIZES ALLOTTED.						
1952	5,592	..	3,119	512	2,739	11,962
1953	6,584	..	3,609	530	2,922	13,645
1954	6,767	..	3,679	596	2,899	13,941
1955	7,180	5,070	3,908	603	1,036	17,797
1956	7,472	5,310	3,863	605	2,359	19,609
TAXES PAID AND OTHER NET CONTRIBUTIONS TO STATE GOVERNMENT REVENUES.						
1952	2,917	..	1,471	309	1,311	6,008
1953	3,434	..	1,699	310	1,398	6,841
1954	3,469	..	1,731	357	1,387	6,944
1955	3,689 (a)	2,620	1,836	364	496	9,005
1956	3,842	2,744	1,798	362	1,129	9,875

(a) Includes £25,000 paid to Tasmanian Government in respect of incomplete lotteries at date of transfer of Tattersalls Lotteries to Victoria.

§ 2. Betting.

Estimates of totalizator investments and investments with licensed bookmakers for the years 1951-52 to 1955-56 are given in the following table:—

TOTALIZATOR INVESTMENTS AND INVESTMENTS WITH LICENSED BOOKMAKERS.
(£'000.)

Year ended 30th June—	New South Wales.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	Total.
TOTALIZATOR INVESTMENTS.(a)							
1952	16,344	11,334	2,857	2,204	3,226	951	36,916
1953	14,190	10,314	2,888	2,337	3,019	839	33,587
1954	14,202	10,172	2,925	2,497	3,002	993	33,791
1955	13,101	9,442	2,713	2,332	2,912	981	31,481
1956	13,645	10,669	2,530	2,267	2,263	1,004	32,378
INVESTMENTS WITH LICENSED BOOKMAKERS.(b)							
1952	115,485	52,000	(c)	25,080	(c)	8,889	(c)
1953	110,080	50,000	(c)	24,642	(c)	10,764	(c)
1954	114,402	55,000	(c)	27,197	(c)	11,662	(c)
1955	112,876	45,000	(c)	26,721	(c)	10,828	(c)
1956	113,225	52,000	(c)	30,019	(d)24,012	11,577	(c)

(a) Estimated from taxes on totalizators. (b) Estimated from taxes on betting with licensed bookmakers. (c) Not available. (d) Eleven months ended 30th June, 1956.

H. GOVERNMENT, SEMI-GOVERNMENTAL AND PARLIAMENTARY PENSION AND SUPERANNUATION SCHEMES.

§ 1. Government and Semi-Governmental Pension and Superannuation Schemes.

The Commonwealth and all State Governments have established pension or superannuation schemes for their employees. These schemes are operated through funds to which both the Government and the employees make contributions. Employees of semi-governmental authorities are in some cases covered by the Commonwealth or State Government scheme and in other cases by a separate scheme of the authority.

In the following table, aggregate details are given for the year 1954-55, of the receipts, expenditure, accumulated funds and number of contributors and pensioners of the Commonwealth and State Government and main semi-governmental schemes. The funds included are:—

- (a) *Commonwealth*.—The Superannuation Fund and Defence Forces Retirement Benefits Fund.
- (b) *New South Wales*.—State Superannuation Fund, Government Railways Superannuation Fund and Police Superannuation and Reward Fund.
- (c) *Victoria*.—The State Superannuation Fund, Police Superannuation Fund, Police Pensions Fund, Melbourne Harbor Trust Superannuation Account, Geelong Harbor Trust Superannuation Fund, Melbourne and Metropolitan Board of Works Superannuation Fund, State Electricity Commission Provident Fund, Gas and Fuel Corporation Superannuation Fund, Metropolitan Fire Brigades Board Superannuation Fund, Country Fire Authority Superannuation Fund and Port Phillip Pilots' Sick and Superannuation Fund.
- (d) *Queensland*.—Public Service Superannuation Fund and Police Superannuation Fund.
- (e) *South Australia*.—South Australia Superannuation Fund, Police Pensions Fund and Public Service Superannuation Fund.
- (f) *Western Australia*.—The Superannuation Fund.
- (g) *Tasmania*.—Public Service Superannuation Fund (Old and New Funds), Police Provident Fund and State Teachers' Superannuation Fund.

GOVERNMENT AND SEMI-GOVERNMENTAL PENSION AND SUPERANNUATION SCHEMES, 1954-55.

Particulars.	C'wlth.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
<i>Receipts—</i>								
Contributions—	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.
Employees ..	6,094	3,528	2,564	325	716	268	358	13,853
Government ..	3,678	6,904	3,242	243	737	520	229	15,553
Interest ..	1,606	1,894	1,139	243	344	125	100	5,451
Other ..	71	6	34	5	5	1	5	127
<i>Total</i> ..	<i>11,449</i>	<i>12,332</i>	<i>6,979</i>	<i>816</i>	<i>1,802</i>	<i>914</i>	<i>692</i>	<i>34,984</i>
<i>Expenditure—</i>								
Pension Payments ..	4,436	5,902	3,172	348	951	549	268	15,626
Gratuities or Rewards ..	236	41	91	..	84	..	8	376
Refund of Contributions	931	561	229	76	..	28	57	1,966
Other ..	..	55	8	..	36	..	3	102
<i>Total</i> ..	<i>5,603</i>	<i>6,559</i>	<i>3,500</i>	<i>424</i>	<i>1,071</i>	<i>577</i>	<i>336</i>	<i>18,070</i>
<i>Funds at end of Year</i> ..	<i>45,992</i>	<i>48,400</i>	<i>31,784</i>	<i>5,472</i>	<i>8,969</i>	<i>3,471</i>	<i>2,669</i>	<i>146,757</i>
<i>Contributors at end of Year—</i>								
Males ..	No. 119,998	No. 87,310	No. 41,524	No. 10,392	No. 11,816	No. 6,989	No. 5,699	No. 310,304
Females ..	13,756	8,526	5,266	3,611	1,344	583	1,756	310,304
<i>Total</i> ..	<i>133,754</i>	<i>87,310</i>	<i>47,050</i>	<i>14,003</i>	<i>13,160</i>	<i>7,572</i>	<i>7,455</i>	<i>310,304</i>
<i>Pensioners at end of Year—</i>								
Males ..	8,392	} 24,133	8,078	1,027	2,775	2,366	789	} 68,481
Female ex-employees ..	845		1,099	225	439	166	165	
Widows ..	5,526		5,817	268	2,240	1,206	460	
Children ..	1,280		618	35	240	176	116	
<i>Total</i> ..	<i>16,043</i>		<i>24,133</i>	<i>15,612</i>	<i>1,555</i>	<i>5,694</i>	<i>3,914</i>		1,530

For details of the individual funds summarized above see *Finance Bulletin* No. 46, issued by this Bureau.

§ 2. Parliamentary Pension and Superannuation Schemes.

Pension and superannuation schemes have been established for members of the Commonwealth and State Parliaments. Details of these schemes, except for Tasmania, are given in pp. 91 to 99 of Official Year Book No. 38. Details of the Tasmanian scheme, which came into operation in November, 1955, are given in Chapter III.—General Government, p. 72 of this volume. All the schemes are operated through funds to which the members of Parliament and the Commonwealth or States contribute. Details of the receipts, expenditure, funds and number of contributors and pensioners for the year 1954-55 are given in the following table:—

PARLIAMENTARY PENSION AND SUPERANNUATION SCHEMES, 1954-55.

Particulars.	C'with.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Total.
<i>Receipts—</i>	£	£	£	£	£	£	£
<i>Contributions—</i>							
Members	29,710	13,693	14,708	7,358	4,161	5,200	74,830
Government	10,447	5,976	8,191	7,358	7,661	5,200	44,833
Interest	5,728	2,133	..	7,859	2,264	980	18,964
Other .. .. .	..	..	..	..	..	60	60
<i>Total</i>	<i>45,885</i>	<i>21,802</i>	<i>22,899</i>	<i>22,575</i>	<i>14,086</i>	<i>11,440</i>	<i>138,687</i>
<i>Expenditure—</i>							
Pension Payments (a)	13,530	11,225	22,899	2,515	3,171	3,345	56,685
Refund of Contributions	720	..	..	..	..	240	960
Other .. .. .	..	..	..	..	60	..	60
<i>Total</i>	<i>14,250</i>	<i>11,225</i>	<i>22,899</i>	<i>2,515</i>	<i>3,231</i>	<i>3,585</i>	<i>57,705</i>
<i>Funds at end of Year</i>	<i>166,385</i>	<i>62,620</i>	<i>..</i>	<i>189,605</i>	<i>64,128</i>	<i>31,343</i>	<i>514,081</i>
<i>Contributors at end of Year</i>	<i>No. 183</i>	<i>No. 98</i>	<i>No. 100</i>	<i>No. 71</i>	<i>No. 59</i>	<i>No. 78</i>	<i>No. 589</i>
<i>Pensioners at end of Year—</i>							
Ex-members	15	17	(b)	11	4	10	(b)
Widows	13	13	(b)	..	6	12	(b)
<i>Total</i>	<i>28</i>	<i>30</i>	<i>(b)</i>	<i>11</i>	<i>10</i>	<i>22</i>	<i>(b)</i>

(a) Including lump sum payments.

(b) Not available.