

ACCUMULATION.

PRIVATE WEALTH.

The returns of the Probate Office provide a means whereby an approximate estimate may be made of the private wealth of the people. Of course the estimate must only be taken as a rough approximation, but it will be shown how far the method can be relied on, and what are its defects. The property left by persons who died during the five years, 1898 to 1902, is the basis whereby the property owned by the people living, as shown by the census of 1901, is estimated. A period of five years is taken, because the returns for a single year may be unduly inflated by the falling in of one or several very large estates. The average amount left by each adult who died during the period named is assumed to be the average amount owned by each adult alive at the census of 1901. The accumulated wealth of an individual is believed to be greater at a more advanced than at a less advanced age, and is probably greatest at death. Whatever advantage there may be is probably counter-balanced by some items which cannot be brought into the computation. In Victoria, for instance, deposits in Savings Banks up to £100, and life insurance policies up to £200, may be divided amongst those entitled without taking out probate or administration. Notwithstanding the provisions of the Probate and Administration Act, making chargeable with probate duty settlements and deeds of gift intended to evade payment of the duty, it is probable that some of these escape detection, and would also be unaccounted for in the calculation. The following is a statement on the basis explained, of the private wealth in several Australian States and New Zealand:—

PRIVATE WEALTH: AVERAGE DURING 1898 TO 1902 IN VICTORIA,
NEW SOUTH WALES, SOUTH AUSTRALIA, AND NEW ZEALAND.

State of—	Estates of Deceased Persons. Net Amount Sworn to.	Deaths of Adults.	Average Amount left by each Adult.	Adults at Census, 1901.†	Private Wealth.‡	
					Total.	Per Head.
	£		£		£	£
Victoria ...	25,633,200*	53,213	482	651,143	313,851,000	261
New South Wales	24,027,400	46,710	514	700,480	360,047,000	266
South Australia	6,383,000*	12,591	507	186,327	94,468,000	260
Dominion of New Zealand	11,329,700	24,645†	459	437,208†	200,678,000	246†

* Estimated.

† Including Maoris.

‡ It is only at the time of a census that the adult population is accurately known in the different States, consequently it is only at such a period that the amount of private wealth can be reasonably estimated on the basis adopted.

It must be remembered that the wealth represented by this estimate is the private wealth "in" the State, and not that "of" the State. Probates, &c., of persons dying out of the State leaving property in the State are included in the figures quoted; but on the other hand, many Victorians have large interests, pastoral, mining, and other, in the other States. Taking the net incomes from property of absentees at the same date as the estimate, and capitalizing the same on a 4 per cent. basis, the income-returning property owned by outside investors in Victoria would appear to be about £26,340,000.

It has been found impossible to give a similar estimate of wealth for Queensland, Western Australia, and Tasmania, owing to the probate returns for those States being incomplete or apparently not accounting for anything like the whole of the property left by persons dying. In regard to New Zealand also it is probable that the wealth thereof has been somewhat under-estimated, as it is stated in the New Zealand Official Year-Book that certain estates upon which no duty is payable are not included in the returns. The Registrar-General of New Zealand estimated the average wealth during 1898-1902, on a somewhat similar basis to that above adopted, to be £227,326,000 or £279 per head, which is slightly higher than in the three Australian States for which estimates are given. At 31st December, 1906, the estimate determined from the five years ended with that date was £304,654,000, or an average of £335 per head, excluding Maoris; but it was explained that some exceptionally valuable estates came into the probate accounts during 1906.

Diffusion of
wealth.

The diffusion of wealth at the date of the 1901 census appears to have been far wider in Victoria and South Australia than in New South Wales or New Zealand, according to the proportion of adults who died leaving property in respect of which probate or administration was taken out. For the reason previously mentioned, the comparison must be restricted to these three States and New Zealand. The following are the number of persons who died leaving property, as shown by the probate returns, the number of adult deaths, and the proportion of the former to the latter during the five years, 1898-1902:—

DIFFUSION OF WEALTH IN SEVERAL AUSTRALIAN STATES AND NEW ZEALAND, 1898-1902.

	Deaths of Adults.	Estates Proved.	
		Number.	Number per 1,000 Deaths of Adults.
Victoria ...	53,213	19,014	357
New South Wales ...	46,710	12,627	269
South Australia ...	12,591	4,422	351
New Zealand ...	24,645	6,855	278

It is thus shown that more than one-third of the adults who died in Victoria and South Australia during the five years, 1898-1902, were possessed of accumulated property in respect of which it was found necessary to obtain probate or letters of administration. An allowance should be made for the number of probates sealed of persons dying out of the State; but it is estimated that 5 per cent. would cover this.

In a paper read before the British Association in 1903, Sir Robert Giffen put forward estimates of the aggregate income and wealth of the people of the British Empire as follows:—

AGGREGATE INCOME.

			£
United Kingdom	...	...	1,750,000,000
Canada	...	...	270,000,000
Australasia	...	...	210,000,000
India	...	...	600,000,000
South Africa	...	...	100,000,000
Remainder of Empire	...	...	200,000,000
Total	...	...	<u>3,130,000,000</u>

CAPITAL OR WEALTH.

			£
United Kingdom	...	...	15,000,000,000
Canada	...	...	1,350,000,000
Australasia	...	...	1,100,000,000
India	...	...	3,000,000,000
South Africa	...	...	600,000,000
Remainder of Empire	...	...	1,200,000,000
Total	...	...	<u>22,250,000,000</u>

The property left in Victoria by deceased persons has for the last three years been tabulated according to age at death. In this tabulation, care has been taken to ascertain the net as well as the gross value of such property. By dealing similarly with the records of the next two years, it is anticipated that a fairly accurate estimate will be obtained of the average property left by persons dying at specified ages during the five-year period. It is proposed to apply this average to the numbers living at each age as disclosed at the census in 1911, and it is hoped that by this means it will be possible to obtain a reliable estimate of the private wealth of the people. The accompanying table shows, in various age groups, the number and value of estates of deceased persons of either sex in connexion with which probate or letters of administration were granted during 1910, also the proportions borne by such values to the number of estates and total deaths, and the amount of duty collected on the estates.

In addition to providing data for estimating the wealth of the community, the figures in this table disclose some interesting facts. The resident adults who left property at death in 1910 numbered

Property
left by
deceased
persons.

2,468 males, or 42 per cent. of the male deaths over the age of 21 years, and 1,324 females, or 28 per cent. of adult female deaths. The average value of estates left by males is about twice that of estates left by females. It appears that the average wealth of those leaving property, as well as that of all deceased persons in 1910, reached its maximum in the age group 70 to 80 in the case of both males and females. In the case of females, the ratio of estates to deceased persons is highest for the age group 60 to 70 (37 per cent.), while the ratio for males at each age group between 40 and 90 is practically uniform, ranging from 39 to 46 per cent., and is higher than the ratios for other periods of life. The precaution of making a will is adopted by a larger proportion of males than of females.

ESTATES OF DECEASED PERSONS IN AGE GROUPS, 1910.

Age at Death.	Estates.		Value of Estates.				Amount of Duty.	
	Total Number.	Percent-age Intes-tate.	Gross.		Net—after deducting Liabilities.			
			Real.	Personal.	Real and Personal.	Average to each Estate.		Average to total Deaths in each Age Group.
MALES.								
Under 15 years ..	1	100·0	£ ..	£ 818	£ 818	£ 318	£ 0·16	£ 6
15 to 21 " ..	11	100·0	..	1,881	1,841	167	9	15
21 to 30 " ..	76	75·0	9,181	23,978	23,012	369	78	656
30 to 40 " ..	158	51·9	71,424	78,552	111,435	705	245	4,034
40 to 50 " ..	313	40·3	227,985	262,289	349,885	1,118	431	13,307
50 to 60 " ..	351	41·3	309,482	316,499	493,984	1,407	609	21,037
60 to 70 " ..	424	22·2	566,945	860,471	1,219,162	2,875	1,282	71,873
70 to 80 " ..	701	20·7	1,142,886	1,294,488	2,192,477	3,128	1,415	127,629
80 to 90 " ..	418	13·2	788,873	434,603	1,032,124	2,469	1,130	50,698
90 years and up-wards ..	27	14·8	32,043	23,469	51,324	1,901	524	1,695
Absentees ..	227	32·6	68,461	242,369	304,448	1,341	..	15,171
Total Males	2,707	29·3	3,167,250	3,538,917	5,784,960	2,137	674	306,121
FEMALES.								
Under 15 years ..	2	100·0	£ ..	£ 1,248	£ 1,161	£ 580	£ 0·73	£ 43
15 to 21 " ..	5	100·0	..	1,066	1,066	213	5	17
21 to 30 " ..	25	60·0	2,479	5,824	7,491	300	18	143
30 to 40 " ..	101	66·3	52,675	46,922	80,714	799	158	3,364
40 to 50 " ..	144	43·1	61,968	53,806	93,964	653	172	5,116
50 to 60 " ..	157	40·1	96,837	69,409	147,022	936	257	6,410
60 to 70 " ..	266	34·6	176,748	153,869	293,075	1,102	404	10,919
70 to 80 " ..	415	23·4	275,905	425,936	674,684	1,626	662	30,889
80 to 90 " ..	186	16·1	98,655	126,756	214,305	1,152	303	8,053
90 years and up-wards ..	30	16·7	25,844	16,126	36,984	1,233	306	1,519
Absentees ..	90	35·6	18,812	78,192	95,523	1,061	..	5,329
Total Females	1,421	33·1	809,923	979,154	1,645,989	1,158	235	71,802
Total Males and Females	4,128	30·6	3,977,173	4,518,071	7,430,949	1,800	477	377,923

The number and value of estates dealt with in each of the last three years, grouped according to value and distinguishing those of males from those of females, are as follows:—

NUMBER AND VALUE OF ESTATES OF DECEASED PERSONS,
1908 TO 1910.

Value.	1908		1909.		1910.	
	Number.	Net Value.	Number.	Net Value.	Number.	Net Value.
MALES.						
		£		£		£
Under £100 ...	432	17,915	461	19,052	409	18,382
£100 to £300 ...	685	128,133	614	116,213	581	107,620
£300 to £500 ...	412	163,319	377	148,623	373	145,199
£500 to £1,000 ...	421	305,095	390	278,454	424	309,714
£1,000 to £2,000 ...	359	511,238	339	485,034	341	484,039
£2,000 to £3,000 ...	160	398,974	132	319,286	184	446,567
£3,000 to £4,000 ...	106	369,020	106	371,525	100	351,809
£4,000 to £5,000 ...	59	262,756	62	278,331	64	292,219
£5,000 to £10,000 ...	107	721,732	105	737,664	137	953,548
£10,000 to £15,000 ...	43	516,924	26	309,719	43	520,866
£15,000 to £25,000 ...	25	520,874	25	481,286	22	425,312
£25,000 to £50,000 ...	17	590,707	17	576,708	17	600,716
£50,000 to £100,000 ...	5	351,527	5	345,933	9	566,105
Over £100,000 ...	2	1,004,440	4	647,943	3	562,864
Total Males ...	2,834	5,862,654	2,663	5,115,771	2,707	5,784,960
FEMALES.						
Under £100 ...	301	14,722	264	12,484	261	13,597
£100 to £300 ...	483	91,604	416	77,972	386	73,745
£300 to £500 ...	242	94,788	241	94,382	229	88,513
£500 to £1,000 ...	228	162,026	223	156,348	217	155,677
£1,000 to £2,000 ...	143	197,919	134	189,135	151	209,549
£2,000 to £3,000 ...	38	92,315	65	161,565	65	165,768
£3,000 to £4,000 ...	25	85,516	17	57,934	32	110,935
£4,000 to £5,000 ...	16	70,812	7	31,898	15	65,894
£5,000 to £10,000 ...	23	154,783	23	158,799	48	331,899
£10,000 to £15,000 ...	3	35,995	7	89,463	8	104,083
£15,000 to £25,000 ...	3	50,025	3	60,273	5	94,129
£25,000 to £50,000 ...	6	214,926	5	165,907	2	77,254
£50,000 to £100,000 ...	...	...	...	...	2	154,946
Over £100,000 ...	...	...	1	108,445	...	...
Total Females ..	1,511	1,265,431	1,406	1,364,605	1,421	1,645,989
GRAND TOTAL...	4,345	7,128,085	4,069	6,480,376	4,128	7,430,949

Compared with the returns for 1909 the figures for 1910 show, in estates of males, an increase of 2 per cent. in the number, and of 13 per cent. in the value, and in estates of females, an increase of 1 per cent. in the number, and of nearly 21 per cent. in the value.

The following figures prove that the economic conditions prevalent in Victoria during the last thirty-two years have led to a wide and growing diffusion of wealth amongst the people:—

Period.	Percentage of Adults who died leaving Estates which went through the Probate Office, &c. Yearly Average.
1879-83	22.6
1884-88	25.9
1889-93	30.3
1894-98	33.3
1899-1903	36.7
1904	37.3
1905	36.8
1906	37.4
1907	38.6
1908	37.2
1909	37.1
1910	37.1

RATEABLE PROPERTY: TOTAL AND GROUND VALUES.

Rateable property.

The whole of Victoria, with the exception of about 650 square miles—600 in the county of Wonnangatta and the whole of French Island—or $\frac{3}{4}$ per cent. of the area of the State, being divided into municipalities for the purposes of local government, the value of real property, based on the municipal valuations, can be given with some degree of accuracy. Returns are obtained annually from each city, town, borough, and shire; and the following figures show the net annual rateable value and the capital value estimated by the municipalities over a series of years:—

RATEABLE PROPERTY: ANNUAL AND CAPITAL VALUES, 1880 TO 1911.

Year ended 30th Sept.	Estimated Value of Rateable Property.		Year ended 30th Sept.	Estimated Value of Rateable Property.	
	Annual.	Capital.		Annual.	Capital.
1880	£ 7,117,946	£ 83,847,418	1886	10,393,000	168,427,700
1881	7,175,289	87,642,459	1887	10,345,535	171,253,984
1882	7,433,812	91,792,547	1888	10,152,500	168,611,906
1883	7,692,706	95,610,959	1889	10,134,108	168,456,523
1884	8,098,814	103,795,832	1900	10,283,500	169,911,900
1885	8,793,490	114,283,570	1901	10,537,497	174,141,754
1886	9,521,135	125,878,748	1902	10,885,087	185,101,993
1887	10,153,771	137,885,701	1903	11,188,932	203,902,919
1888	11,913,473	167,385,210	1904	11,437,830	209,143,730
1889	12,931,526	187,558,511	1905	11,743,270	210,920,174
1890	13,265,543	194,313,646	1906	11,795,143	216,615,624
1891	13,733,770	203,351,360	1907	12,174,325	222,598,941
1892	13,605,990	197,366,940	1908	12,638,900	232,725,666
1893	12,779,600	189,461,350	1909	13,123,958	242,688,771
1894	11,676,079	174,984,851	1910	13,504,488	252,006,618
1895	10,641,200	167,197,780	1911	14,225,309	265,083,727

It will be observed from the table that there has been a steady increase each year since 1899 in the annual value of rateable property, as estimated by the municipalities. The capital values

given are not to be relied upon for purposes of accurate comparison. The great bulk of the municipalities capitalize the net annual value on a 5 per cent. basis; but about 27 per cent. of them assume the capital value to be much less in proportion to the annual value, some estimating 19, 16, 15, 12, 10, down to as low as 8 years' purchase, whilst in one case 7 years' purchase is given as the capital value. Twenty years' purchase is adopted by thirteen of the metropolitan municipalities, one adopts 17 years', three 15 years', one 13 years', and three 12 years'; whilst of thirty-nine country towns, twenty-one adopt from 7 to 12 years' purchase as the basis, one returns figures showing 14 years', seven 15 years', one 17 years', and nine 20 years' purchase as the capital value. Of the 146 shires, 128 adopt 20 years' purchase in estimating the capital value, the others adopting from 19 to 8 years' purchase.

The following is an estimate for the last eight years of the capital value of land with and without improvements, the latter of which is commonly called the unimproved value, but should more correctly be termed the ground value:—

Landed property capital and ground values.

VALUE OF LAND WITH AND WITHOUT IMPROVEMENTS, 1903-4 TO 1910-11.

Year.	Annual Rateable Value.	Capital Value with Improvements.	Unimproved or Ground Value.
Urban.			
	£	£	£
1903-4	5,366,477	93,376,880	46,688,440
1904-5	5,498,471	94,583,732	47,291,866
1905-6	5,664,425	99,354,665	49,677,332
1906-7	5,779,231	100,801,295	50,400,647
1907-8	5,944,691	103,666,178	51,833,089
1908-9	6,080,447	106,149,960	53,074,980
1909-10	6,232,091	108,863,963	54,431,981
1910-11	6,508,534	114,113,507	57,056,753
Rural.			
1903-4	6,071,353	115,766,850	77,177,900
1904-5	6,244,799	116,336,442	77,557,628
1905-6	6,130,718	117,260,959	78,173,973
1906-7	6,395,094	121,797,646	81,198,431
1907-8	6,694,209	129,059,488	86,039,659
1908-9	7,043,511	136,538,811	91,025,874
1909-10	7,332,397	143,142,655	95,428,437
1910-11	7,716,775	150,970,220	100,646,814
Total.			
1903-4	11,437,830	209,143,730	123,866,340
1904-5	11,743,270	210,920,174	124,849,494
1905-6	11,795,143	216,615,624	127,851,305
1906-7	12,174,325	222,598,941	131,599,078
1907-8	12,638,900	232,725,666	137,872,748
1908-9	13,123,958	242,688,771	144,100,854
1909-10	13,564,488	252,006,618	149,860,418
1910-11	14,225,309	265,083,727	157,703,567

Improvements are estimated at one-half in the case of urban and one-third in the case of rural properties, which are about the proportions that are found to prevail in New Zealand, according to the valuations of the Valuer-General revised to 1910. If the Victorian estimate were based upon the New Zealand proportion, without distinguishing urban and rural, the ground value in 1910-11 would be about £167,000,000, which is approximate to the above estimate. These proportions have also been checked by an examination of census returns, which give the number of rooms in each house, and the materials of which the same were built. In Melbourne city an average of £100, and in suburbs and country towns £70 per room for brick, &c., houses was allowed; whilst in urban districts £45 per room, and in rural districts £40 per room, was allowed for wooden houses. On this system the above estimates were verified as being remarkably close, allowing for other improvements, besides houses, in rural districts.

ROYAL MINT.

Royal Mint
returns.

The Melbourne branch of the Royal Mint was established in 1872, the date of opening being the 12th June. In the following table particulars are given, for the period 1872 to 1906 and for each of the last four years, showing the quantity of gold received at the Mint, where the same was raised, and its coinage value; also gold coin and bullion issued during the same periods:—

ROYAL MINT RETURNS, 1872 TO 1910.

Gold Received.		1872 to 1906.	1907.	1908.	1909.	1910.
<i>Gross Weight.</i>						
Raised in Victoria ...	oz.	21,932,535	754,810	736,875	704,584	620,882
„ New Zealand „	„	3,060,239	103,764	90,411	95,546	107,839
„ Western Australia „	„	2,796,305	20,772	20,255	21,181	15,856
„ elsewhere „	„	2,226,859	58,823	83,580	83,383	69,248
Total ...	„	30,015,938	938,169	931,121	904,694	813,825
Coinage Value ...	£	118,352,487	3,645,704	3,644,643	3,539,328	3,176,193
<i>Gold Issued.</i>						
Coin—						
Sovereigns ...	No.	108,814,708	3,332,691	3,080,148	3,029,538	3,054,547
Half-Sovereigns ...	„	1,176,767	...	405,034	186,094	...
Bullion—Quantity ...	oz.	2,141,471	74,579	86,393	99,175	31,291
„ Value ...	£	8,945,743	314,022	363,914	417,909	121,837
Total value Coin and Bullion ...	£	118,348,835	3,646,713	3,646,579	3,540,494	3,176,384

Since the opening of the Mint 33,603,747 ounces of gold have been received thereat, the coinage value, at £3 17s. 10½d. per ounce standard, being £132,358,355, thus averaging £3 18s. 9¼d. per ounce gross. Of the total quantity of gold received at the Mint, 24,749,686 ounces were raised in Victoria, 3,457,798 ounces in New Zealand, and 2,874,369 ounces in Western Australia. The average value of Victorian gold received at the Mint during the year 1910 was £3 19s. 3½d. per ounce gross, £3 19s. 2½d. being the value of the gold and 1d. the value of the silver contained therein. The output of the Mint since its establishment comprises 121,311,632 sovereigns, 1,767,895 half-sovereigns, and 2,432,909 ounces of gold bullion; the total value of coin and bullion being £132,359,005.

BANKING.

On 31st December, 1910, there were in Victoria eleven banks possessing 681 branches or agencies engaged in the ordinary business of banking, by receiving deposits and issuing in Victoria or elsewhere bills or notes payable to bearer at sight or on demand. The financial position of these banks, on 31st December in each of the last five years as disclosed by sworn returns rendered to the Chief Secretary, is shown by the following return:—

Finances of banks.

VICTORIAN BANK RETURNS, 1906 TO 1910.

	1906.	1907.	1908.	1909.	1910.
LIABILITIES WITHIN VICTORIA.					
Deposits bearing interest*	£ 24,232,979	£ 24,615,431	£ 23,975,491	£ 25,677,111	£ 27,383,254
Deposits not bearing interest	13,390,841	13,631,858	12,659,502	13,983,615	15,805,721
Notes in circulation ...	886,922	889,357	841,604	865,252	934,291
Other ...	366,950	480,046	332,467	373,741	623,175
Total ...	38,877,692	39,616,692	37,809,064	40,899,719	44,746,441
ASSETS WITHIN VICTORIA.					
Coin, Bullion, &c. ...	6,918,743	8,043,780	7,310,729	8,491,774	8,986,702‡
Debts due to Banks †	31,495,558	33,238,732	33,711,188	32,915,373	35,868,709
Property ...	1,901,999	1,844,237	1,779,182	1,736,566	1,734,998
Other} ...	633,184	605,331	611,900	806,935	751,022
Total ...	40,949,484	43,732,080	43,412,999	43,950,648	47,341,431
CAPITAL AND PROFITS.					
Capital stock paid up	12,965,593	13,441,231	13,610,852	13,615,937	13,933,729
Reserved Profits (ex Dividend)	4,672,901	5,234,983	5,860,550	6,440,770	7,007,837
Last Dividend—					
Amount ...	482,883§	549,604§	567,647§	588,070§	633,855§
Average rate per cent. per annum	7·12	7·84	7·98	8·22	8·67

* Including perpetual inscribed stocks, which in 1910 amounted to £985,914.—† Including notes, bills of exchange, and all stock and funded debts of every description, excepting notes, bills, and balances due to the banks from other banks.—‡ Including Australian notes, £101,722.—§ Half-yearly dividend in the case of nine banks.

The Victorian liabilities of the banks, at the close of the year 1910 were considerably in excess of the liabilities of any of the four previous years, exceeding those for 1906 by £5,868,749, and those for 1909 by £3,846,722, the excess in each case being accounted for almost entirely by increases in customers' deposits. During the interval 1906-10 the Victorian assets increased by £6,391,947; whilst in the twelve months interval 1909-10 such assets increased by £3,390,783. There have been considerable fluctuations in the excess of assets over liabilities, such excess being in 1906 £2,071,792, in 1907 £4,115,388, in 1908 £5,603,935, in 1909 £3,050,929, and in 1910 £2,594,990. It must be borne in mind that the figures represent only the assets and liabilities *within* the State.

Shareholders' capital, which represents the capital of shareholders without as well as within Victoria, amounted to just on 14 millions at the close of 1910, having increased to the extent of £968,136 since 1906, and Reserves during the same period were built up from £4,672,901 to £7,007,837, the increase being £2,334,936 or 50 per cent.

Another indication of the progress in banking business is revealed by the annual increase in dividends paid. Compared with 1906, the average rate of dividend had increased in 1910 by 22 per cent.

There are twenty-two banks in Australasia, many of which do business in several States. Eleven do business in Victoria and Queensland, fifteen in New South Wales, eight in South Australia, six in Western Australia, and five in Tasmania and New Zealand. The amounts of deposits, advances, notes in circulation, and coin and bullion for the quarter ended 31st December, 1910, are as follows:—

AUSTRALASIAN BANKING BUSINESS, 31ST DECEMBER, 1910.

State, &c.	Deposits.*	Advances, &c.	Notes in Circulation.	Coin, Bullion, and Australian Notes.
	£	£	£	£
Victoria ...	42,203,061	35,868,709	934,291	8,986,702
New South Wales ...	51,082,522	40,813,942	2,243,128	14,015,158
Queensland ...	18,928,605	15,668,381	...	3,354,976
South Australia ...	10,595,034	7,499,626	564,061	2,720,450
Western Australia ...	6,787,827	6,839,838	384,624	3,614,345
Tasmania ...	3,534,578	2,925,853	164,997	722,782
Australia ...	133,131,627	109,616,349	4,291,101	33,414,413
New Zealand ...	24,393,471	21,868,732	1,649,928	5,028,248
Australasia ...	157,525,098	131,485,081	5,941,020	38,442,661

* Excluding perpetual inscribed stocks, which amount to £985,914 in Victoria, £638,812 in New South Wales, £84,188 in Queensland, and £304,700 in South Australia.

These figures have been taken from the *Australasian Insurance and Banking Record*. Except in Western Australia, deposits exceed advances outstanding.

As compared with the previous year, deposits have increased by £15,574,329 in the whole of Australasia, increases occurring in Victoria £3,494,200, New South Wales £5,762,666, Queensland £1,705,859, South Australia £1,033,057, Western Australia £1,383,053, and New Zealand £2,197,300, but in Tasmania deposits show a decrease of £1,806. Advances, which include notes, bills of exchange, and all stock and funded debts of every description except notes, bills and balances due to the banks from other banks, are £8,365,486 more for Australia and £886,732 more for New Zealand than at the close of 1909, the increases in the different States being, Victoria £2,953,336, New South Wales £2,358,437, Queensland £449,240, South Australia £1,420,800, Western Australia £1,096,360, and Tasmania £87,313. Notes in circulation have increased by £660,584 in Australia; and by £75,974 in New Zealand. The reserves of coin, bullion, and Australian notes in the Australian States have increased to the extent of £5,863,265 during the twelve months ended 31st December, 1910, whereas in New Zealand the reserves of coin and bullion are £62,596 less than at the close of 1909.

The following table shows the particulars respecting the clearances through the Melbourne Clearing House for the eleven years, 1900-1910.

Melbourne
Clearing
House.

MELBOURNE CLEARING HOUSE—TRANSACTIONS, 1900-1910.

Year.	Clearances.			Payments in Coin.	Average Weekly Clearances.
	Notes.	Cheques, Bills, &c.	Total.		
	£	£	£	£	£
1900	10,577,293	149,371,785	159,949,078	19,953,585	3,075,944
1901	11,059,519	159,367,162	170,426,681	21,505,100	3,277,436
1902	10,967,723	159,057,401	170,025,124	21,869,162	3,269,714
1903	10,322,250	156,371,148	166,693,398	21,505,741	3,205,642
1904	9,813,956	164,352,306	174,166,262	21,606,342	3,349,351
1905	9,979,716	177,652,709	187,632,425	24,562,534	3,608,316
1906	11,007,506	209,034,550	220,042,056	27,839,446	4,231,578
1907	11,557,939	225,035,841	236,593,780	29,281,793	4,549,830
1908	11,211,842	210,141,833	221,353,675	26,226,196	4,256,801
1909	11,157,341	228,506,266	239,663,607	30,065,454	4,608,915
1910	11,760,548	249,622,886	261,383,434	30,507,742	5,026,604

In this table the two sides of the clearance are considered as one transaction. The amount passed through the Clearing House during 1910 has not been exceeded since 1890, and exceeds the clearances of 1909 by 21½ millions, and those of ten years previously by 101½ millions. Compared with 1900 the weekly average for 1910 shows an increase of 63 per cent.

Deposits
and
advances
of banks.

The principal item in each case of the liabilities and assets of the banks is shown for a series of years in the next statement. The proportion of deposits to liabilities to the public is usually about 96 per cent., whilst advances generally constitute about three-quarters of the banks' assets.

DEPOSITS IN AND ADVANCES BY BANKS, 1900 TO 1910.
(Average of the last quarter of each year.)

Year.	Deposits.			Advances.	Excess of Deposits over Advances.
	Government.	Other.	Total.		
	£	£	£	£	£
1900	2,840,102	27,798,183	30,638,285	30,612,533	25,752
1901	2,557,811	28,060,251	30,618,062	31,263,826	-645,764*
1902	2,455,773	28,504,451	30,960,224	29,861,071	1,099,153
1903	2,201,989	28,227,314	30,429,303	30,401,807	27,496
1904	3,117,683	28,557,114	31,674,797	29,293,210	2,381,587
1905	3,576,895	31,547,001	35,123,896	29,918,226	5,205,670
1906	3,903,702	33,720,118	37,623,820	31,495,558	6,128,262
1907	2,665,655	35,581,634	33,247,289	33,238,732	5,008,557
1908	2,210,549	34,424,444	36,634,993	33,711,188	2,923,805
1909	3,796,729	35,863,997	39,660,726	32,915,373	6,745,353
1910	3,798,116	39,390,859	43,188,975	35,868,709	7,320,266

* Excess of Advances over Deposits.

Rates of
exchange.

The average rates of exchange for bank bills in 1910 and in the first year of each of the two preceding five-year periods are subjoined. The bills drawn on London are payable at 60 days' sight, and those drawn on Australian States and New Zealand on demand.

RATES OF EXCHANGE, 1900, 1905, AND 1910.

Places on which Bills were Drawn.	Average Rates of Exchange.		
	1900.	1905.	1910.
London	$\frac{1}{2}$ to $\frac{3}{4}$ per cent. premium	$\frac{1}{8}$ per cent. pre- mium	$\frac{1}{4}$ per cent. dis- count
New South Wales	$\frac{1}{4}$ per cent. pre- mium	$\frac{1}{4}$ per cent. pre- mium	$\frac{1}{4}$ per cent. pre- mium
Queensland	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium
South Australia ...	$\frac{1}{4}$ per cent. pre- mium	$\frac{1}{4}$ per cent. pre- mium	$\frac{1}{4}$ per cent. pre- mium
Western Australia	$\frac{1}{2}$ to 1 per cent. premium	$\frac{1}{2}$ to $\frac{3}{4}$ per cent. premium	$\frac{1}{2}$ per cent. pre- mium
Tasmania	$\frac{1}{4}$ per cent. pre- mium	$\frac{1}{4}$ per cent. pre- mium	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium
New Zealand	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium	$\frac{1}{2}$ per cent. pre- mium	$\frac{3}{8}$ to $\frac{1}{2}$ per cent. premium

The average rate of discount on local bills at the beginning, middle, and end of the decennial period 1900-1910 is given in the next statement and shows but slight variation. Rates of discount.

RATES OF DISCOUNT ON LOCAL BILLS, 1900, 1905, AND 1910.

Currency of Bills.	Average Rate of Discount per annum.		
	1900.	1905.	1910.
Under 65 days	per cent. 5 to 6	per cent. 5 to 6	per cent. 5 to 6
65 to 95 ,,	5 to 6	5 to 6	5 to 6
95 to 125 ,,	5½ to 7	5½ to 7	5 to 7
Over 125 ,,	6 to 7	5½ to 7	5 to 7

The succeeding statement shows the range for ten years in the average rate of interest per annum paid by the different banks to depositors for twelve months :—

Year.	Average Rate per Cent.
1901	2½ to 3½
1902	3 to 3½
1903	3 to 3½
1904	3 to 3½
1905	3 to 3½
1906	2 to 3
1907	3
1908	3
1909	3 to 3¼
1910	3

An analysis of the banks' liabilities and assets within the State for the years 1900, 1905, and 1910 reveals the following results :—

Analysis of bank returns.

The liabilities amounted to	{ 76·39 per cent. of the assets in 1900	1905
	{ 89·91 ,, ,,	1910
	{ 94·52 ,, ,,	1900
Coin and bullion* formed	{ 18·63 ,, ,,	1905
	{ 19·89 ,, ,,	1910
	{ 18·98 ,, ,,	1910
Of the moneys deposited	{ 59·97 ,, bore interest in 1900	1905
	{ 65·64 ,, ,,	1910
	{ 63·40 ,, ,,	1910

* Including Australian notes in 1910.

During the 1910 session, the Commonwealth Parliament passed an Act (No. 11 of 1910) authorizing the issue of Australian notes. The Act, which was brought into operation on the 1st November, 1910, provided that after six months from that date, it would not be legal for a bank to issue or circulate notes of a State. This has resulted in the recall of the note issue of Queensland. Under the Act notes may be issued in the denominations of 10s., £1, £5, £10, £20, £50, and £100, but only notes of £1 and upwards have so far been circulated. The notes are legal tender, redeemable in gold at the Commonwealth Treasury at the seat of Government. Australian note issue.

Pending the printing of a permanent design for Australian notes, the forms of various banks suitably inscribed have been circulated.

Against the note circulation gold coin must be held by the Treasurer of the Commonwealth to the amount of at least one-fourth of the notes in actual circulation up to £7,000,000. Gold for the full circulation above £7,000,000 must be held. The remainder of the moneys derived from the issue may be invested by the Treasurer on deposit in any bank or in the securities of the United Kingdom, the Commonwealth, or a State.

As the accumulation of interest derived from investments is also held (less expenses) as a reserve, there will in a few years be a large amount of assets in excess of the note liability.

To meet a possible emergency the Treasurer is empowered to issue on the security of the revenue of the Commonwealth, Treasury Bills, the proceeds of the sale of which shall be applied towards the redemption of Australian notes.

The Parliament passed an Act (No. 14 of 1910) placing a prohibitive tax of 10 per cent. per annum on all notes issued or re-issued by any bank after the 1st July, 1911 (the date fixed by proclamation).

The following table shows the denomination, number, and amount of Australian notes in the hands of the banks and the public on 30th June, 1911:—

Denomination.	Number.	Amount.
		£
£1	2,758,542	2,758,542
£5	467,655	2,338,275
£10	147,970	1,479,700
£20	22,260	445,200
£50	14,556	727,800
£100	2,817	281,700
Totals ...	3,413,800	8,031,217

The amount of gold coin held by the Treasurer on that date was £3,352,281 (about 42 per cent. of the note circulation), whilst the investments in State securities amounted to £3,536,000, and the fixed deposits in banks to £1,106,500, a total of £7,994,781.

For purposes of comparison the following particulars respecting Canadian note issues may be useful:—

Dominion notes may be issued by the Government to any amount. Up to 30,000,000 dollars the Government must hold at least 25 per cent. of the amount outstanding in gold (which must be at least 15 per cent.), and securities guaranteed by the British Government. Gold must be held equal to the circulation above 30,000,000 dollars. Dominion notes are legal tender redeemable in specie.

Canadian banks may issue notes (of not less than 5 dollars each) to the extent of the unimpaired paid-up capital, and in addition during the usual season of mowing the crops, an amount of notes

not exceeding 15 per cent. of the combined capital and reserve funds. The notes are a first charge upon the assets of the bank, which is required to keep in the hands of the Government a deposit equal to 5 per cent. of its circulation, and to hold not less than 40 per cent. of its cash reserves in Dominion notes. Bank notes are not a legal tender.

On the 30th April, 1910, the amount of Dominion notes outstanding was 87,063,361 dollars. The amounts held by the Government for their redemption were:—Specie, 69,692,151 dollars; guaranteed debentures, 1,946,667 dollars; total, 71,638,818 dollars. This represented a small sum over the statutory requirement.

The two classes of Savings Banks which formerly existed in Victoria, viz., the Post Office and the Trustees, were, in 1897, merged into one institution controlled by the Savings Banks' Commissioners, and guaranteed by the Government. The interest allowed to depositors at 30th June, 1910, was at the rate of $3\frac{1}{4}$ per cent. on sums up to £100, and 3 per cent. on sums over £100 up to £250, but no interest was allowed on any excess over £250. The following are the particulars of depositors and deposits at regular intervals during the last thirty-six years.

Savings
Banks.

SAVINGS BANKS: DEPOSITORS AND DEPOSITS, 1875 TO 1910.

On 30th June.	Number of Depositors.		Amount remaining on Deposit.	
	Total.	Per 1,000 of Population.	Total.	Average to each Depositor.
1875	65,837	81	£ 1,469,849	£ s. d. 22 6 6
1880	92,115	108	1,661,409	18 0 9
1885	170,014	174	3,337,018	19 12 7
1890	281,509	252	5,262,105	18 13 10
1895	338,480	286	7,316,129	21 12 3
1900	375,070	314	9,110,793	24 5 9
1901	393,026	327	9,662,006	24 11 8
1902	410,126	340	10,131,604	24 14 1
1903	418,511	347	10,341,857	24 14 3
1904	432,867	358	10,582,808	24 9 0
1905	447,382	369	10,896,741	24 7 2
1906	466,752	380	11,764,179	25 4 1
1907	491,318	394	12,792,590	26 0 9
1908	511,681	404	13,428,676	26 5 0
1909	532,425	415	14,101,710	26 9 9
1910	560,515	429	15,417,887	27 10 2

The best evidence of the growing habit of thrift, as well as of the wide diffusion of wealth amongst the middle and poorer classes in Victoria, is contained in the Savings Banks' returns, the number of depositors in proportion to population having increased by 37 per cent. since 1900, and by 70 per cent. since 1890. On 30th June, 1910, more than two persons out of every five in the State (including children and infants, who themselves number more than one-third of the population) were depositors with a balance, on the average,

of £27 10s. 2d., and of these depositors 48 per cent. were females. Of the amount on deposit in 1910, 34 per cent. belonged to depositors with accounts up to £100 each, 40 per cent. to those with accounts over £100 and up to £250, and 26 per cent. to those with accounts over £250. The aggregate of the excess over £250—the money on deposit for which interest is not allowed—was, on 30th June, 1910, £849,090.

It should, however, be pointed out that 147,326 of the accounts remaining open were small sums under £1 left by depositors who had ceased to operate their accounts, and the total amount at whose credit was about £20,105. If these figures be withdrawn from those in the preceding table it would appear that, on 30th June, 1910, there were 413,189 active accounts with £15,397,782 at credit—an average of £37 5s. 4d. per depositor—and that the number of depositors per thousand of the population was 316.

The next statement shows the assets and liabilities of savings banks in Victoria, the former indicating the manner in which deposits are invested or held:—

SAVINGS BANKS, ASSETS AND LIABILITIES, 30TH JUNE, 1910.

<i>Assets.</i>		£
With Treasurer of Victoria—Certificate representing Post Office Savings Bank Deposits, taken over 30th September, 1897		845,052
Government Debentures		7,561,187
Bank Fixed Deposits Receipts (in name of Treasurer of Victoria)		3,376,962
Savings Bank Mortgage Bonds and Debentures (Advance Dept.)		940,123
City of Melbourne Debentures		43,704
Melbourne and Metropolitan Board of Works Debentures ...		858,389
Mortgage Securities		1,547,609
Mortgage Properties foreclosed or in possession		47,900
Melbourne Trust Ltd. Debentures and Shares		4,428
• Accrued Interest, &c., on Investments		197,144
Bank premises		190,000
Advances Department		623
Inter-State Transfer Account		2,544
Commercial Bank—Current Accounts		84,513
Cash at various Savings Banks, Agencies, and Trustees' Bankers and in transit		155,656
Total		15,855,834
 <i>Liabilities.</i>		 £
Depositors' balances, with Interest to date		15,417,888
Other liabilities		3,641
Surplus Funds allotted as follows:—		
Reserve Fund	£400,000	
Depreciation Fund	6,277	
Profit and Loss Account	20,011	
Fidelity Guarantee Fund	8,017	
Total Surplus Funds		434,305
Total		15,855,834

A department was established in 1896 by the Act amalgamating the Post Office and Commissioners' Savings Banks for the purpose of making advances to farmers, the amount of any such advance not to be less than £50 nor more than £2,000. Funds for this purpose are raised by sale of mortgage bonds for £25 each, and of debentures in denominations of £100 and over, redeemable at fixed dates not more than fifteen years from date of issue. The total issues up to 30th June, 1910, amounted to £2,783,600, of which bonds and debentures for £1,128,775 have been redeemed or repurchased, leaving £1,654,825 outstanding. Of this amount £691,250 is held by the public, and the balance by the Commissioners themselves in respect of money invested out of Savings Banks' funds. The sum advanced during the year 1909-10 was £165,015, making with the amounts previously advanced a total of £2,657,713, of which £1,333,849 has been repaid, leaving outstanding on 30th June, 1910, an amount of £1,323,864, representing 3,131 loans, which thus averaged £423. As a measure of the safety with which the advance department has been conducted, it may be mentioned that the instalments of principal in arrear amounted on 30th June, 1910, to only £42, and the interest in arrear to £59.

Savings
Banks
loans to
farmers.

TRANSACTIONS UNDER CRÉDIT FONCIER SYSTEM TO 30TH JUNE, 1910.

	At 30th June, 1909.	During 1909-10.	At 30th June, 1910.
Loans raised	£ 2,583,600	200,000	2,783,600
" repaid	£ 1,003,750	125,025	1,128,775
" outstanding	£ 1,579,850	...	1,654,825
Applications received	No. 11,834	669	12,503
" " amount	£ 5,703,975	319,060	6,023,035
Applications granted	No. 7,439	468	7,907*
" " amount	£ 3,293,665	209,150	3,502,815*
Amounts advanced—			
To pay liabilities	£ 2,203,137	143,072	2,346,209
" Crown rents	£ 88,019	1,552	89,571
For improvement and development of land	£ 201,542	20,391	221,933
Total advanced	£ 2,492,698	165,015	2,657,713
Amounts repaid	£ 1,180,494	153,355	1,333,849
" outstanding	£ 1,312,204	...	1,323,864

* Including £596,300 offered to, but not accepted by, 1,137 applicants.

Advances by the Savings Banks were confined to pastoral or agricultural properties until December, 1910, when Act No. 2280 empowered the Commissioners to grant loans on the security of shops or dwellings on somewhat similar terms and conditions to those allowed to farmers, but not to exceed £1,000 on any one property.

Savings
Banks in
Australasia.

The Savings Banks of Australasia comprise Trustee banks in Victoria and South Australia—those of Victoria being guaranteed by and under the supervision of the Government—Government banks in Queensland and Western Australia; Government and Trustee banks in New South Wales; Government and Joint Stock banks in Tasmania; and Government and private banks in New Zealand. The number of depositors in these banks, and the amount on deposit, including interest, are given in the succeeding table. The figures relate to the date, 30th June, 1910, except those of the Tasmanian and New Zealand banks. As regards these, the figures of the Joint Stock banks of Tasmania are made up to the end of February, 1910, and those of the others to the date, 31st December, 1909.

SAVINGS BANKS IN AUSTRALIA AND NEW ZEALAND, 1909-10.

State.	Number of Depositors.		Amount remaining on Deposit.	
	Total.	Per 1,000 of the Population.	Total.	Average to each Depositor.
			£	£ s. d.
Victoria	560,515	429	15,417,887	27 10 2
New South Wales	478,006	288	20,823,764	43 11 3
Queensland	114,720	195	5,622,986	49 0 4
South Australia	194,394	466	6,771,151	34 16 8
Western Australia	77,481	274	3,472,258	44 16 3
Tasmania	60,646	325	1,652,966	27 5 1
Australia	1,485,762	334	53,761,012	36 3 8
New Zealand	408,770	416	14,065,410	34 8 2
Australasia	1,894,532	349	67,826,422	35 16 0

The number of depositors in proportion to population in Victoria is greater than in the other States (excepting South Australia) and New Zealand, although the average amount standing to the credit of each depositor is larger than in the case of Tasmania only. It has already been shown that the diffusion of wealth, as evidenced by the proportion of persons dying and leaving property, was at the date of the 1901 census wider in Victoria than elsewhere, and this is corroborated by the above figures. More than one-third of the population of Victoria, South Australia, and New Zealand are

depositors, nearly one-third in Tasmania, more than one-fourth in New South Wales and Western Australia, and nearly one-fifth in Queensland.

The following table shows the number and proportion to population of depositors, the amount of deposits, and the average to each depositor in Savings Banks in Great Britain, other European countries, and the United States:—

Savings
Banks in
various
countries.

SAVINGS BANKS IN GREAT BRITAIN AND FOREIGN COUNTRIES.

Country.	Year.	Number of Depositors.		Amount remaining on Deposit.	
		Total.	Per 1,000 of the Population.	Total.	Average to each Depositor.
				£	£ s. d.
England and Wales	1909	11,470,592	319	177,048,482	15 8 8
Scotland ...	1909	1,107,155	226	25,809,908	23 6 3
Ireland ...	1909	631,716	145	13,919,658	22 0 8
United Kingdom...	1909	13,209,463	292	216,778,048	16 8 3
Austria ...	1906	5,789,777	209	229,592,664	39 13 1
Belgium ...	1907	2,528,207	345	33,448,221	13 4 7
France ...	1908	13,206,564	336	207,245,915	15 13 10
Italy ...	1908	7,123,377	208	145,576,179	20 8 9
Netherlands ...	1907-8	1,803,620	309	20,219,417	11 4 3
Russia ...	1908	6,210,238	40	121,515,700	19 11 4
Sweden ...	1908	2,069,281	381	43,087,480	20 16 5
Norway ...	1908	908,004	386	25,428,430	28 0 1
Denmark ...	1908	1,267,362	477	40,172,345	31 14 0
United States ...	1909	8,831,863	100	763,054,700	86 7 11

The following statements give the approximate stocks of gold, silver, and paper money in the principal countries of the world for 1909, and the world's coinage of gold and silver for 1909. The

World's
stocks of
money and
coinage.

information has been extracted from reports issued by the Directors of the Mints of the United States and Great Britain:—

APPROXIMATE STOCKS OF MONEY IN THE PRINCIPAL COUNTRIES OF THE WORLD AT THE CLOSE OF 1909.

Country.	Value of—		
	Gold.	Silver.	Uncovered Paper.
	£	£	£
Argentina	34,501,000	*	49,235,000
Austria-Hungary	73,749,000	26,960,000	19,850,000
Belgium	4,582,000	1,829,000	27,412,000
British Empire—			
Australasia	35,652,000	2,055,000	*
Canada	19,932,000	1,377,000	15,699,000
South Africa	13,439,000	4,110,000	*
United Kingdom	115,997,000	24,494,000	23,549,000
Egypt	37,583,000	3,267,000	575,000
France	190,363,000	84,475,000	30,885,000
Germany	39,166,000	48,413,000	71,283,000
Italy	58,317,000	4,932,000	29,857,000
Japan	14,857,000	11,836,000	13,809,000
Mexico	7,726,000	11,507,000	10,521,000
Netherlands	13,932,000	10,829,000	11,774,000
Russia	185,164,000	16,110,000	*
Spain	21,206,000	35,693,000	19,768,000
Turkey	27,104,000	5,425,000	*
United States	336,710,000	151,156,000	160,423,000
Other Countries	63,290,000	73,769,000	332,333,000
Total	1,293,270,000	518,237,000	816,973,000

* No information.

WORLD'S COINAGE DURING THE YEAR 1909.

Country.	Gold,	Silver,	Nickel, Copper, Bronze, &c.
	£	£	£
United Kingdom	14,179,300	1,228,300	108,200
Australasia	9,725,800	...	...
India (a) ... ..	...	1,902,400	167,500
British Colonies and Dependencies (b) ... ..	...	988,200	48,000
Austria-Hungary	2,320,300	2,008,500	262,100
China ... ..	...	2,281,700	632,300
France and French Colonies... ..	8,029,100	2,758,800	40,600
Germany and German Colonies	6,149,700	2,679,600	141,400
Japan (a)	2,102,600	1,574,800	...
Mexico ... ..	...	326,800	31,600
Russia ... ..	...	1,040,900	112,200
Turkey	1,674,100	160,100	...
United States and Philippines (a)	22,537,500	3,916,100	275,500
Other Countries	835,800	3,153,700	601,400
Total	67,554,200	24,019,900	2,420,800

(a) Financial Year, 1908-9.

(b) Inclusive of coins struck at Calcutta and Bombay (during the Financial Year, 1908-9), at Ottawa, and at the "Mint," Birmingham.

PRICES, ETC., OF GOVERNMENT STOCKS.

Selecting one of the leading 4 per cent. and one of the leading 3½ per cent. Victorian stocks, and finding the highest prices quoted in 1885 and each subsequent year, an adequate idea may be formed of the general course of prices in London during the last twenty-six years. These are shown in the following table, together with the equivalent returns to the investor.

Comparative prices of Victorian stocks.

PRICES OF VICTORIAN REPRESENTATIVE STOCKS IN LONDON, 1885 TO 1910.

Year.	Highest Prices quoted on Stock Exchange		Minimum Return to Investor.	
	4 per cents. (due 1920).	3½ per cents. (due 1923).	4 per cents.	3½ per cents.
			£ s. d.	£ s. d.
1885	104½	...	3 15 10	...
1886	107½	...	3 13 2	...
1887	108½	...	3 13 1	...
1888	114½	...	3 6 5	...
1889	114½	105	3 5 8	3 5 5
1890	111½	103½	3 8 0	3 7 0
1891	109½	100½	3 10 3	3 9 9
1892	106¾	98	3 13 9	3 13 5
1893	103½	93½	3 18 6	4 3 4
1894	106¾	99½	3 15 2	3 10 2
1895	111½	105¾	3 9 0	3 6 1
1896	116¾	109½	3 2 7	3 1 6
1897	115	108¾	3 4 0	3 2 7
1898	113¾	107¾	3 5 1	3 3 6
1899	114	107¾	3 4 5	3 2 10
1900	111¾	105¾	3 6 8	3 5 0
1901	112½	106¾	3 5 3	3 4 1
1902	112½	104¾	3 5 3	3 6 0
1903	107¾	101¾	3 11 2	3 10 0
1904	107	98½	3 11 10	3 14 5
1905	107	100¾	3 11 6	3 11 6
1906	105¾	101¾	3 13 4	3 10 7
1907	105	100¾	3 14 2	3 11 8
1908	105¾	101½	3 12 1	3 10 5
1909	104¾	100½	3 13 11	3 12 9
1910	103¾	99½	3 15 9	3 14 5

The minimum return to the investor is calculated after allowing for accrued interest and redemption at par at maturity.

The following are the means between the highest and lowest prices of Australasian stocks in London during each of the last Prices of Australasian stocks.

seventeen years. The stocks selected are the representative issues of 4 and 3½ per cents. :—

MEAN PRICES OF AUSTRALASIAN STOCKS IN LONDON, 1894 TO 1910.

Year.	Victoria.	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.
FOUR PER CENTS. REDEEMABLE IN—							
	1920.	1933.	1915.	1917-36.	1934.	1920-40.	1929.
1894 ..	103 $\frac{1}{8}$	107 $\frac{3}{8}$	105 $\frac{5}{8}$	105 $\frac{3}{8}$	108 $\frac{1}{8}$	..	107 $\frac{3}{8}$
1895 ..	104	113 $\frac{1}{2}$	109 $\frac{3}{8}$	109 $\frac{7}{8}$	117 $\frac{1}{4}$	..	109 $\frac{1}{2}$
1896 ..	111 $\frac{1}{2}$	118	111 $\frac{1}{4}$	111 $\frac{3}{8}$	124 $\frac{1}{4}$	..	112 $\frac{3}{8}$
1897 ..	113	120 $\frac{3}{8}$	113 $\frac{3}{8}$	112 $\frac{5}{8}$	121 $\frac{7}{8}$	..	114 $\frac{3}{8}$
1898 ..	111 $\frac{1}{2}$	117 $\frac{1}{2}$	109 $\frac{3}{8}$	110	118 $\frac{3}{8}$	..	112 $\frac{1}{2}$
1899 ..	110	115 $\frac{1}{4}$	109	108 $\frac{1}{2}$	116 $\frac{1}{2}$	..	111
1900 ..	109 $\frac{1}{2}$	114 $\frac{1}{4}$	108 $\frac{3}{4}$	107 $\frac{5}{8}$	115 $\frac{1}{8}$	110 $\frac{1}{2}$	111 $\frac{1}{2}$
1901 ..	110	114 $\frac{3}{8}$	107 $\frac{1}{2}$	107 $\frac{3}{8}$	113 $\frac{5}{8}$	109 $\frac{1}{2}$	113
1902 ..	108	112	105 $\frac{1}{4}$	105 $\frac{5}{8}$	112 $\frac{3}{8}$	110	111 $\frac{1}{2}$
1903 ..	104	107	102 $\frac{1}{4}$	102 $\frac{3}{8}$	109 $\frac{7}{8}$	107	107 $\frac{3}{8}$
1904 ..	104	107 $\frac{1}{2}$	102 $\frac{3}{4}$	101 $\frac{1}{2}$	107 $\frac{3}{8}$	105 $\frac{1}{2}$	106
1905 ..	105 $\frac{1}{2}$	107	103 $\frac{3}{4}$	103 $\frac{1}{2}$	107 $\frac{3}{8}$	106 $\frac{1}{2}$	107 $\frac{3}{8}$
1906 ..	103 $\frac{3}{4}$	108	102 $\frac{3}{4}$	102 $\frac{3}{8}$	108 $\frac{3}{8}$	105 $\frac{3}{8}$	107 $\frac{3}{8}$
1907 ..	102 $\frac{1}{2}$	106 $\frac{3}{8}$	101 $\frac{3}{8}$	101 $\frac{3}{8}$	107 $\frac{1}{2}$	104 $\frac{3}{8}$	106
1908 ..	103 $\frac{7}{8}$	107	102 $\frac{3}{8}$	102 $\frac{7}{8}$	107 $\frac{3}{8}$	104 $\frac{7}{8}$	107 $\frac{3}{8}$
1909 ..	103	107	102 $\frac{1}{2}$	102 $\frac{1}{2}$	107 $\frac{3}{8}$	103 $\frac{3}{8}$	106 $\frac{1}{2}$
1910 ..	102 $\frac{3}{8}$	105 $\frac{5}{8}$	101 $\frac{5}{8}$	102 $\frac{5}{8}$	10 $\frac{3}{8}$	102 $\frac{5}{8}$	104 $\frac{7}{8}$
THREE AND A HALF PER CENTS. REDEEMABLE IN—							
	1923.	1924.	1924.	1939.	1915-35.	1920-40.	1940.
1894 ..	95 $\frac{3}{4}$	99 $\frac{1}{2}$	95 $\frac{1}{4}$	97 $\frac{3}{4}$	..	96 $\frac{5}{8}$	99 $\frac{7}{8}$
1895 ..	98	104 $\frac{3}{8}$	102 $\frac{1}{2}$	104 $\frac{3}{8}$	..	102 $\frac{3}{8}$	103 $\frac{1}{2}$
1896 ..	104 $\frac{1}{2}$	108	106 $\frac{1}{2}$	108 $\frac{3}{8}$	..	107 $\frac{3}{8}$	106
1897 ..	106	109 $\frac{5}{8}$	106	111 $\frac{3}{8}$	..	108 $\frac{1}{2}$	107 $\frac{5}{8}$
1898 ..	104	106 $\frac{1}{2}$	104	103	..	107 $\frac{3}{8}$	106 $\frac{3}{8}$
1899 ..	103 $\frac{5}{8}$	105 $\frac{1}{2}$	103 $\frac{7}{8}$	106 $\frac{3}{8}$	..	103 $\frac{7}{8}$	105 $\frac{1}{2}$
1900 ..	103	105	103	103 $\frac{5}{8}$	102 $\frac{1}{2}$	102 $\frac{7}{8}$	105
1901 ..	104	104 $\frac{3}{8}$	102	104 $\frac{3}{8}$	101 $\frac{1}{2}$	102 $\frac{3}{8}$	106 $\frac{7}{8}$
1902 ..	102 $\frac{1}{2}$	103 $\frac{1}{2}$	101	103 $\frac{1}{2}$	100 $\frac{3}{4}$	103 $\frac{1}{8}$	105 $\frac{7}{8}$
1903 ..	98	99 $\frac{3}{8}$	97 $\frac{1}{2}$	101 $\frac{1}{2}$	98 $\frac{3}{8}$	100 $\frac{3}{8}$	102 $\frac{1}{2}$
1904 ..	96 $\frac{3}{4}$	97 $\frac{1}{2}$	96 $\frac{1}{2}$	98 $\frac{3}{8}$	95 $\frac{5}{8}$	98	99 $\frac{1}{2}$
1905 ..	98 $\frac{1}{4}$	99 $\frac{3}{4}$	98 $\frac{1}{2}$	99	97 $\frac{1}{4}$	99 $\frac{3}{8}$	98 $\frac{7}{8}$
1906 ..	100	100 $\frac{3}{8}$	99 $\frac{3}{8}$	100 $\frac{7}{8}$	99	98 $\frac{7}{8}$	100 $\frac{1}{2}$
1907 ..	98 $\frac{3}{8}$	99 $\frac{1}{2}$	97 $\frac{1}{2}$	99	96 $\frac{3}{8}$	97 $\frac{1}{2}$	99 $\frac{1}{2}$
1908 ..	99 $\frac{1}{2}$	100 $\frac{3}{8}$	98 $\frac{5}{8}$	99 $\frac{3}{4}$	98 $\frac{1}{2}$	98 $\frac{3}{8}$	99 $\frac{5}{8}$
1909 ..	9	99	97 $\frac{1}{2}$	98 $\frac{3}{8}$	98 $\frac{1}{2}$	98 $\frac{1}{2}$	98 $\frac{1}{2}$
1910 ..	97 $\frac{3}{8}$	98 $\frac{3}{8}$	97 $\frac{5}{8}$	98 $\frac{1}{8}$	97 $\frac{1}{2}$	98 $\frac{1}{2}$	96 $\frac{5}{8}$

The earlier years in this table are marked by a series of rapid rises in the prices of all the stocks quoted, but in 1898 prices began to recede and this process continued until 1904. In 1905 and 1906 they hardened generally, but in 1907 a fall took place; in 1908 a partial recovery was made which, however, has not been sustained. The figures, as they stand, do not afford an indication of the real values of the stocks concerned; the table simply shows the mean between the highest and lowest prices for the year.

Investors' return from Australasian stocks.

The best method of comparing the values of stocks over a series of years, or of comparing the different values placed upon the stocks of different States by investors, is to show the actual or effective rate of interest the investor is satisfied with, as evidenced by the mean between the highest and lowest quotations during the year. This is done in the following table, allowance being made for an average of three months' accrued interest, which is deducted from the market price before the computation is made. In computing the yield to the investor, the gain or loss incurred by redemption at par at maturity is taken into account:—

INVESTORS' INTEREST RETURN FROM AUSTRALASIAN STOCKS,
1894, 1897, 1900, 1902, AND 1904 TO 1910.

Year.	Victoria.	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.
FOUR PER CENTS.							
	Per cent. £ s. d.	Per cent. £ s. d.	Per cent. £ s. d.	Per cent. £ s. d.	Per cent. £ s. d.	Per cent. £ s. d.	Per cent. £ s. d.
1894	3 17 2	3 13 7	3 13 10	3 13 9	3 13 0	..	3 13 4
1897	3 5 1	3 2 2	3 2 2	3 4 1	3 1 3	..	3 6 2
1900	3 8 8	3 6 4	3 7 6	3 7 10	3 6 2	3 7 0	3 9 0
1902	3 8 4	3 8 2	3 11 10	3 11 8	3 8 0	3 6 9	3 8 5
1904	3 14 0	3 13 0	3 16 2	3 19 9	3 13 0	3 13 2	3 13 9
1905	3 12 11	3 12 5	3 13 5	3 15 4	3 12 8	3 11 1	3 11 6
1906	3 14 11	3 11 5	3 15 1	3 16 5	3 11 8	3 11 8	3 11 3
1907	3 17 0	3 13 6	3 18 2	3 18 2	3 12 10	3 13 0	3 13 3
1908	3 14 1	3 11 7	3 15 6	3 15 1	3 12 5	3 12 1	3 11 3
1909	3 15 4	3 12 0	3 15 4	3 16 4	3 11 10	3 14 0	3 12 3
1910	3 16 8	3 13 11	3 17 3	3 16 4	3 13 2	3 16 1	3 14 4
THREE AND A HALF PER CENTS.							
	Per cent. £ s. d.	Per cent. £ s. d.	Per cent. £ s. d.	Per cent. £ s. d.	Per cent. £ s. d.	Per cent. £ s. d.	Per cent. £ s. d.
1894	3 15 11	3 11 11	3 16 4	3 12 10	..	3 15 2	3 11 0
1897	3 3 11	3 0 6	3 3 7	3 1 0	..	3 1 1	3 3 11
1900	3 6 10	3 5 0	3 6 10	3 5 9	3 7 7	3 7 3	3 6 4
1902	3 7 10	3 6 8	3 9 0	3 7 6	3 10 3	3 6 9	3 5 6
1904	3 16 0	3 14 10	3 16 10	3 12 7	4 2 2	3 14 11	3 11 9
1905	3 14 0	3 11 8	3 13 10	3 11 10	3 19 0	3 12 8	3 12 0
1906	3 11 5	3 10 5	3 12 3	3 10 0	3 15 0	3 13 8	3 10 4
1907	3 14 4	3 12 2	3 15 6	3 11 11	4 2 9	3 16 8	3 11 5
1908	3 12 5	3 10 10	3 13 10	3 11 2	3 18 9	3 14 5	3 11 3
1909	3 14 5	3 13 2	3 15 8	3 12 5	4 0 3	3 16 0	3 12 6
1910	3 16 2	3 14 8	3 15 7	3 13 2	4 5 3	3 16 6	3 14 8

NOTE.—Where the date of redemption is optional, the earliest date has been adopted for the calculation.

Taking the 3½ per cents. as being the representative stocks, it appears that, almost without exception, those of New South Wales, South Australia, and New Zealand, yield least to the investor, being practically alike.

Representative British and Colonial stocks in London.

The following is a statement of the interest return to the investor in the principal issues of Colonial stocks and in British Consols, as indicated by the mean between the highest and lowest market prices quoted during the years 1900 and 1910:—

INTEREST ON MEAN PRICES OF BRITISH CONSOLS AND COLONIAL STOCKS, 1900 AND 1910.

Country.	Date of Maturity.	Rate of Interest on Stock.	Return to Investor Per Cent.		
			1900.	1910.	Increase.
United Kingdom ..	Inter-minable	per cent. 2½*	£ 2 10 0	£ 3 2 4	£ 0 12 4
Ceylon	1934	4	3 6 11	3 11 0	0 4 1
Canada	1938	3	3 0 0	3 11 2	0 11 2
Cape Colony ..	1929-49	3½	3 5 3	3 12 0	0 6 9
Canada	1947	2½	2 17 1	3 12 7	0 15 6
Newfoundland ..	1935	4	3 11 1	3 12 11	0 1 10
Natal	1937	4	3 10 1	3 13 0	0 2 11
Western Australia..	1934	4	3 6 2	3 13 2	0 7 0
South Australia ..	1939	3½	3 5 9	3 13 2	0 7 5
Jamaica	1934	4	3 10 11	3 13 5	0 2 6
Trinidad	1917-42	4	3 7 8	3 13 8	0 6 0
New South Wales	1933	4	3 6 4	3 13 11	0 7 7
British Guiana ..	1935	4	3 12 3	3 14 0	0 1 9
New Zealand ..	1929	4	3 9 0	3 14 4	0 5 4
New Zealand ..	1940	4	3 6 4	3 14 8	0 8 4
New Zealand ..	1940	3½	3 5 0	3 14 8	0 9 8
New South Wales ..	1924	3	3 3 2	3 14 10	0 11 8
New Zealand ..	1945	3	3 3 2	3 14 10	0 11 8
Cape Colony ..	1923	4	3 10 4	3 15 3	0 4 11
Queensland ..	1924	3½	3 6 10	3 15 7	0 8 9
Tasmania	1920-40	4	3 7 0	3 16 1	0 9 1
Victoria	1923	3½	3 6 10	3 16 2	0 9 4
South Australia ..	1917-36	4	3 7 10	3 16 4	0 8 6
Tasmania	1920-40	3½	3 7 3	3 16 6	0 9 3
Victoria	1920	4	3 8 8	3 16 8	0 8 0
Queensland ..	1915	4	3 7 6	3 17 3	0 9 9
New South Wales	1935	3	3 0 11	3 17 6	0 16 7
Hong Kong ..	1918-43	3½	3 7 5	3 18 7	0 11 2
Quebec	1937	3	3 10 7	3 19 11	0 9 4
Victoria	1929-49	3	3 4 10	4 4 6	0 19 8
Natal	1929-49	3	3 4 9	4 4 6	0 19 9
Natal	1914-39	3½	3 7 11	4 5 2	0 17 3
Western Australia	1915-35	3½	3 7 7	4 5 3	0 17 8
British Guiana ..	1923-45	3	3 7 2	4 13 2	1 6 0
Trinidad	1922-44	3	3 6 11	4 15 3	1 8 4
Queensland ..	1922-47	3	3 6 1	4 17 3	1 11 2
Western Australia	1916-36	3	3 12 0	5 14 5	2 2 5
South Australia ..	1916 or later	3	3 10 2	6 17 0	3 6 10

* Consols carried 2½ per cent. interest until 1903; but the rate of interest to a permanent investor in 1900 is only reckoned at 2½, which is now the permanent rate.

It would appear from this table as if the Australian and other Colonial 3 per cent. stocks were not viewed with approbation by the British investor; but as most of these stocks are payable at the option of the Governments between extremes of 20 or 25 years, and the computation of returns to investors has been made on the assumption of redemption of the loans at the earliest dates, such returns are higher than the probabilities warrant. Since the market rate of interest is about $3\frac{3}{4}$ per cent., it is not at all likely that the Governments will endeavour to redeem at the earliest date, unless under the unlikely condition of a fall in interest below 3 per cent. Therefore, in the case of these stocks, it would be a fairer comparison to calculate the return to the investor on the assumption of redemption at the latest optional date. Under these circumstances, the interest realized by the purchasers of the various 3 per cent. Australian and other Colonial stocks in 1900 and 1910 would be as follows:—

Stocks.	Return to Investor.—Per cent.					
	1900.		1910.		Increase.	
	£	s. d.	£	s. d.	s.	d.
South Australia, 1916 or later ...	3	3 11	3	12 8	8	9
Western Australia, 1916-36 ...	3	6 10	3	16 4	9	6
British Guiana, 1923-45 ...	3	4 9	3	16 2	11	5
Victoria, 1929-49 ...	3	3 8	3	15 2	11	6
Natal, 1929-49 ...	3	3 8	3	15 2	11	6
Trinidad, 1922-44 ...	3	4 7	3	16 4	11	9
Queensland, 1922-47 ...	3	3 11	3	16 5	12	6

It is thus seen, on comparison with the yields of the $3\frac{1}{2}$ and 4 per cents. shown in the previous tables, that there was no real preference exhibited in favour of any particular stock in 1910.

The amount of Victorian Government stock and debentures, under certain loans payable in Melbourne, outstanding on 30th June, the price in January, and the return to the investor per cent. for recent years, are as follows. The market prices are taken from the *Australasian Insurance and Banking Record*:—

Prices of stock and debentures in Melbourne.

PRICES OF STOCK AND DEBENTURES IN MELBOURNE: 1899 TO 1911.

Year.	Amount Outstanding on 30th June.	Price in January.	Return to Investor per cent.
	£		£ s. d.
3 % Stock, due 1917 or at any time thereafter.			
1899 ...	2,790,482	100 $\frac{1}{2}$	2 19 8
1900 ...	3,059,511	100-100 $\frac{1}{4}$	2 19 11
1901 ...	3,146,000	98 $\frac{1}{2}$ -99 $\frac{1}{4}$	3 0 7
1902 ...	3,195,619	99 $\frac{3}{8}$	3 0 4
1903 ...	3,196,933	97	3 1 10
1904 ...	3,120,492	92 $\frac{1}{2}$	3 4 10

PRICES OF STOCK AND DEBENTURES IN MELBOURNE: 1899 TO 1911—
continued.

Year.	Amount Outstanding on 30th June.	Price in January.	Return to Investor per cent.		
			£	s.	d.
3 % Stock, due 1917 or at any time thereafter— <i>continued.</i>					
1905	3,155,773	88 $\frac{3}{4}$	3	7	7
1906	3,153,067	93	3	4	6
1907	3,197,732	91 $\frac{1}{2}$	3	5	7
1908	3,226,585	89	3	7	5
1909	3,229,429	87	3	9	0
1910	3,224,771	85 $\frac{1}{2}$	3	10	2
1911	...	85	3	10	7
3 % Debentures, due 1921-30.					
1901	532,000	97 $\frac{1}{4}$ -97 $\frac{1}{2}$	3	2	9
1902	1,000,000	95-95 $\frac{3}{4}$	3	4	10
1903	1,000,000	93 $\frac{1}{2}$ -93 $\frac{3}{4}$	3	7	1
1904	1,000,000	88-90	3	13	2
1905	1,000,000	87 $\frac{1}{2}$ -88	3	15	3
1906	997,400	93	3	8	7
1907	993,150	90	3	12	10
1908	985,950	89	3	14	8
1909	985,650	86 $\frac{1}{2}$ -87	3	18	8
1910	972,850	88 $\frac{3}{8}$ -89	3	16	0
1911	...	90	3	14	7
4 % Debentures, due 1913-23.					
1899	746,795	111-112	3	1	2
1900	746,795	112	2	19	6
1901	746,795	105-107 $\frac{1}{2}$	3	8	2
1902	746,795	106	3	8	0
1903	746,795	104 $\frac{1}{4}$	3	10	9
1904	746,795	103	3	12	10
1905	746,795	103 $\frac{3}{4}$	3	10	3
1906	746,795	104 $\frac{1}{2}$ -105	3	6	5
1907	746,795	104	3	7	3
1908	746,795	102 $\frac{1}{2}$	3	10	8
1909	746,795	103 $\frac{1}{4}$	3	6	0
1910	746,795	104 $\frac{1}{2}$	2	17	7
1911	...	102-102 $\frac{1}{4}$	3	5	0

The prices quoted in this table do not include any allowance for accrued interest, the practice on the Melbourne Stock Exchange differing from that on the London Exchange, where accrued interest is included in prices quoted.

In computing the returns to investors, the 3 per cent. stock has been regarded as interminable, since it is at the option of the Government whether it be redeemed in 1917, or at any time thereafter; and, as before explained, with reference to other Colonial stock, it is extremely unlikely that redemption will take place at the earliest date. For the 3 per cent. debentures it has been assumed that redemption will be made at the latest optional date, viz., 1930. For the 4 per cent. debentures the earliest date has been assumed, since the nominal interest is in excess of the market rate. For the years

1901, 1902, and 1903, the 4 per cent. debentures gave the highest yield per cent., but since then the investor in the 3 per cent. debentures has had the highest return each year. In the last three years the 4 per cent. debentures gave a lower return to the investor than either the 3 per cent. stock or 3 per cent. debentures. It appears that the yields realized by the investor in Victoria from 3 per cent. stock and 4 per cent. debentures in January, 1911, were considerably lower than those generally realized by the investor in Colonial stocks on the British market during 1910.

INSURANCE.

There are twenty-one companies transacting life assurance business in Victoria. Seven of these companies have their head offices in Victoria, five in New South Wales, three in America, five in the United Kingdom, and one in New Zealand. The following are the number and amount of policies in force in Victoria in companies whose head offices are within, and in those whose head offices are outside Australasia for the years 1900 to 1910:—

LIFE POLICIES IN FORCE IN VICTORIA, 1900 TO 1910.

Year.	Companies with Head Offices in—			Total.
	Australasia.	United Kingdom.	America.	
NUMBER.				
1900 ..	165,848	1,203	5,662	172,713
1901 ..	188,073	1,130	6,833	196,036
1902 ..	202,033	1,052	7,837	210,922
1903 ..	205,302	1,004	8,555	214,861
1904 ..	214,372	950	8,890	224,212
1905 ..	217,225	914	9,029	227,168
1906 ..	226,440	841	7,810	235,091
1907 ..	234,562	805	7,018	242,385
1908 ..	247,820	751	6,146	254,717
1909 ..	265,033	706	5,160	270,899
1910 ..	286,312	815	4,928	292,055
AMOUNT.				
	£	£	£	£
1900 ..	23,185,797	554,124	2,575,941	26,315,862
1901 ..	25,220,187	523,560	2,821,142	28,564,889
1902 ..	26,408,467	477,934	2,991,761	29,878,162
1903 ..	26,634,510	458,820	3,137,237	30,230,567
1904 ..	27,338,229	434,030	3,208,084	30,980,343
1905 ..	27,944,942	426,840	3,214,742	31,586,524
1906 ..	28,984,315	393,765	2,868,727	32,246,807
1907 ..	30,190,191	377,906	2,544,255	33,112,352
1908 ..	31,511,180	344,859	2,201,808	34,057,847
1909 ..	32,874,409	324,630	1,921,714	35,120,753
1910 ..	34,283,548	378,577	1,830,126	36,492,251

The policies dealt with in the preceding table include simple life assurance, endowment assurance, and pure endowment, in both the ordinary and industrial classes.

The percentage of policies held in Australasian, British, and American offices in Victoria in 1910, and the percentage increase or decrease since 1900, are as follows:—

LIFE ASSURANCE POLICIES: PERCENTAGE AND GROWTH OF VICTORIAN BUSINESS IN AUSTRALASIAN AND OTHER OFFICES.

Companies with Head Offices in—	Percentage in 1910 of—		Increase per cent. in 1910 as compared with 1900.	
	Total Policies.	Total Amount Assured.	Number.	Amount.
Australasia	98·03	93·95	72·63	47·88
United Kingdom	·28	1·04	- 32·25*	- 31·68*
America	1·69	5·01	- 12·96*	- 28·95*
Total	100·00	100·00	69·10	38·68

* The minus sign denotes a decrease.

Thus, while there has been a very large increase in the business of the Australasian offices, there has been a large falling off in the business of the British and American companies, nearly all of which have, however, ceased to accept new business.

It is significant that of the total amount assured (£36,495,251) 93 per cent. is placed with the Australasian Mutual offices.

Classification of assurance policies.

The business transacted by the different offices comprise many varieties of assurance, but these may be grouped into three large classes—(1) simple assurance payable only at death; (2) endowment assurance, payable at the end of a specified term or at previous death; (3) endowments payable only should a person named survive a specified term. An endeavour has been made to obtain direct from each office the business under each of these classes; but in the case of three of the offices the separation between ordinary assurance and endowment assurance could not be effected. The following table shows the available information on the subject for the past three years, distinguishing between ordinary and industrial business:—

LIFE ASSURANCE POLICIES IN FORCE AT 31ST DECEMBER, 1908 TO 1910.

	1908.	1909.	1910.
<i>Ordinary Business.</i>			
Number of Policies—			
Assurance	135,555	140,815	146,591
Endowment Assurance			
Pure Endowment .. ..				8,899	10,619	11,139
Total	144,454	151,434	157,730

LIFE ASSURANCE POLICIES IN FORCE AT 31ST DECEMBER,
1908 TO 1910—*continued.*

	1908.	1909.	1910.
<i>Ordinary Business—continued.</i>			
Amount Assured—	£	£	£
Assurance ...	30,936,052	31,744,357	32,736,163
Endowment Assurance } ...			
Pure Endowment ...				850,275	969,903	1,039,694
Total ...	31,786,327	32,714,260	33,775,857
Annual Premiums—		£	£
Assurance ...	...	1,089,515	1,119,149
Endowment Assurance } ...			
Pure Endowment ...				40,709	43,317
Total ...	...	1,130,224	1,162,496
<i>Industrial Business.</i>			
Number of Policies—			
Assurance ...	41,067	44,847	50,744
Endowment Assurance ..	50,536	54,947	62,300
Pure Endowment ...	18,660	19,671	21,281
Total ...	110,263	119,465	134,325
Amount Assured—	£	£	£
Assurance ...	807,248	818,955	905,431
Endowment Assurance ..	1,133,610	1,252,467	1,456,821
Pure Endowment ...	330,662	335,071	357,142
Total ...	2,271,520	2,406,493	2,719,394
Annual Premiums—		£	£
Assurance ...	...	40,599	46,746
Endowment Assurance...	...	66,965	80,921
Pure Endowment ...	...	23,233	25,009
Total ...	...	130,797	152,676

There has thus been an increase of 6,296 ordinary and 14,860 industrial policies since 1909, the increase in the total sum assured by the ordinary policies being £1,061,597, and in that by the industrial policies £312,901. The average amount of policy in the former category for 1910 was £214, whilst—calculated from the returns of those societies which distinguish between simple assurance and endowment assurance—the average amount of the simple assurance policy in the ordinary branch was £332, and that of the endowment assurance policy £172, the total amounts of the policies in the two forms of assurance being very similar, viz., £15,462,987 for simple assurance, and £16,503,227 for endowment assurance. The amount secured under pure endowment policies was £1,039,694, or an average of £93 for each policy. In the industrial branch of the

business the average amount of policy is £20.2, and there is not much variation in the average policies of the three classes, viz., simple assurance, £17.8, endowment assurance, £23.4, and pure endowment £16.8. The total amounts of the several policies were £905,431, £1,456,821, and £357,142 respectively. Taking these figures in conjunction with those relating to the ordinary business (with the restriction before mentioned) it would seem that there is a preference in favour of endowment assurance. A better test of popularity would be furnished by the number of policies in the respective classes. In the ordinary business there are 46,594 simple assurance, and 96,170 endowment assurance policies, and in the industrial business 50,744 and 62,300 policies respectively. Judged by these figures, endowment assurance must be regarded as the popular form.

Annuity
policies.

The following are the number and amount of annuity policies in force in Victoria at the end of each of the last eleven years, distinguishing between those in force in companies whose head offices are inside, and those in companies having head offices outside Victoria:—

ANNUITY POLICIES IN FORCE IN VICTORIA, 1900 TO 1910.

Year.	Head Offices in Victoria.		Head Offices outside Victoria.		Total.	
	Number.	Amount per Annum.	Number.	Amount per Annum.	Number.	Amount per Annum.
		£		£		£
1900 ..	65	3,877	189	12,307	254	16,184
1901 ..	81	4,221	229	15,150	310	19,371
1902 ..	85	4,958	269	15,990	354	20,948
1903 ..	91	4,850	294	13,971	385	18,821
1904 ..	101	7,275	308	14,108	409	21,383
1905 ..	117	7,253	308	14,179	425	21,432
1906 ..	137	8,146	320	14,270	457	22,416
1907 ..	144	8,181	336	15,007	480	23,188
1908 ..	157	8,845	324	14,163	481	23,008
1909 ..	181	11,662	334	14,838	515	26,500
1910 ..	159	9,686	388	17,656	547	27,342

The annuities at the close of 1910 exceed those at the close of 1900 by 115 per cent. in number and 69 per cent. in amount.

Of the 388 annuities held in 1910 in companies whose head offices were outside Victoria, 300 for £13,486 per annum were in New South Wales offices, 12 for £663 in English offices, and 76 for £3,507 in American offices. The figures in this table include industrial annuities, of which there were nine in force on 31st December, 1910, for an aggregate amount of £220 per annum.

The preceding tables relate to policies in force on 31st December. In the succeeding table is summarized the amount of new business written by all life insurance companies during the years 1909 and 1910, the annual premium income obtainable therefrom being also given.

Life assur-
ance, new
business.

LIFE ASSURANCE—NEW POLICIES ISSUED DURING 1909 AND 1910.

			1909.	1910.
<i>Ordinary Business.</i>				
Number of Policies—	Assurance	...	2,939	3,121
	Endowment Assurance	...	11,733	13,207
	Pure Endowment	...	4,338	3,540
	Total	...	19,010	19,868
	Annuities	...	60	47
Sum Assured —	Assurance	...	£ 975,575	£ 996,088
	Endowment Assurance	...	1,849,738	2,038,808
	Pure Endowment	...	305,417	288,012
	Total	...	3,130,730	3,322,908
	Annuities	...	4,406	2,243
Single Premiums—	Assurance	...	4,605	3,833
	Endowment Assurance	...	1,447	1,000
	Pure Endowment	...	4,197	1,024
	Total	...	10,249	5,857
	Annuities	...	33,701	18,953
Annual Premiums —	Assurance	...	30,521	32,225
	Endowment Assurance	...	71,166	78,628
	Pure Endowment	...	11,883	11,633
	Total	...	113,570	122,486
	Annuities	...	195	76
<i>Industrial Business.</i>				
Number of Policies—	Assurance	...	15,066	20,401
	Endowment Assurance	...	28,721	33,331
	Pure Endowment	...	5,191	8,492
	Total	...	48,978	62,224
	Annuities	...	...	9
Sum Assured —	Assurance	...	£ 357,959	£ 462,962
	Endowment Assurance	...	764,744	940,399
	Pure Endowment	...	87,072	165,292
	Total	...	1,209,775	1,568,653
	Annuities	...	...	230
Annual Premiums—	Assurance	...	18,495	24,698
	Endowment Assurance	...	43,523	53,094
	Pure Endowment	...	6,273	11,765
	Total	...	68,291	89,557
	Annuities	...	...	21

Insurance—
other than
Life.

The following table shows the transactions of insurance companies doing other than life business and operating in Victoria in 1904, 1905, 1906, 1907, 1909, and 1910:—

INSURANCE—OTHER THAN LIFE: 1904-1910.

Nature of Insurance.	Year.	Receipts.			Outgo.		
		Premiums	Other.	Total.	Losses.	Other.	Total.
		£	£	£	£	£	£
Fire and Marine	1904	559,518	33,614	593,132	230,626	220,029	450,655
	1905	550,138	36,874	587,012	248,947	225,972	474,919
	1906	587,502	36,245	623,747	240,357	235,910	476,267
Fire ...	1907	496,667	28,484	525,151	227,871	208,076	435,947
	1909	559,100	27,498	586,598	254,098	225,521	479,619
	1910	562,157	30,561	592,718	190,555	229,963	420,518
Marine ...	1907	136,534	6,285	142,819	109,474	44,202	153,676
	1909	115,825	4,603	120,428	67,515	34,978	102,493
	1910	132,439	2,882	135,321	86,555	36,976	123,531
Accident and Guarantee	1904	47,110	2,756	49,866	19,085	21,649	40,734
	1905	53,539	4,072	57,611	23,508	19,990	43,498
	1906	60,799	3,872	64,671	18,585	26,701	45,286
Accident ...	1907	57,190	2,254	59,444	20,343	30,556	50,899
	1909	75,110	3,185	78,295	27,733	45,037	72,770
	1910	91,391	3,974	95,365	45,983	47,187	93,170
Guarantee ...	1907	11,047	1,710	12,757	2,129	4,953	7,082
	1909	9,558	1,382	10,940	1,972	4,531	6,503
	1910	10,002	1,453	11,455	1,329	4,462	5,791
Other (Live Stock, Burglary, Plate Glass)	1904	7,655	593	8,248	4,348	2,175	6,523
	1905	9,853	658	10,511	4,477	2,448	6,925
	1906	10,672	737	11,409	6,093	3,330	9,423
Live Stock ...	1907	16,109	465	16,574	9,102	3,549	12,651
	1909	22,813	467	23,285	10,054	5,785	15,839
	1910	39,623	689	40,312	23,672	14,481	38,153
Burglary ...	1907	2,563	66	2,629	1,027	1,234	2,261
	1909	3,106	55	3,161	1,932	1,388	3,320
	1910	3,592	79	3,671	1,095	1,373	2,468
Plate Glass ...	1907	5,428	532	5,960	1,778	2,808	4,586
	1909	5,698	564	6,262	2,072	2,730	4,802
	1910	7,300	557	7,857	2,369	3,029	5,398
Other ...	1909	4,675	662	5,337	1,674	2,281	3,955
	1910	5,445	3	5,448	1,790	2,826	4,616
	Totals ...	1904	614,283	36,963	651,246	254,059	243,853	497,912
	1905	613,530	41,604	655,134	276,932	248,410	525,342
	1906	658,973	40,854	699,827	265,035	265,941	530,976
	1907	725,538	39,796	765,334	371,724	295,378	667,102
	1909	795,890	38,416	834,306	367,050	322,251	689,301
	1910	851,949	40,198	892,147	353,348	340,297	693,645

The particulars given in this table relate to Victorian risks, that is, to all business written on the Victorian registers of the seventy-one companies represented in the return. The figures are net, and in the case of premiums exclude all re-insurances and returns; the losses also exclude amounts recovered from re-insuring offices, but include losses on Victorian risks wherever paid. The item "Other outgo" excludes expenditure, amounting to £16,963, incurred in Victoria

in connexion with the supervision of branches outside the State, as well as the sum expended outside Victoria on the supervision of branches within the State. The amount so expended outside the State is unknown, but it is probably less than the outlay under the former heading.

The total amount at risk is not available, but it is obvious, from the extent of the premiums, that the amount covered must be very large.

The total losses on all classes of insurance for the six years given in the table represent 44 per cent. of the premiums.

BUILDING SOCIETIES.

Building societies in Victoria date from an early period in the history of the State, and up to 1892 their business was extensive. Since then it has been comparatively small, although the figures of recent years show that an improvement has taken place in building society business. The following table gives particulars of the principal items of business during the last five years:—

BUILDING SOCIETIES: 1906 TO 1910.

	1906.	1907.	1908.	1909.	1910.
Number of societies ...	31	30	29	27	27
" shareholders	6,920	6,949	6,420	7,413	6,929
" borrowers	7,418	7,638	7,770	8,127	8,653
During the year—	£	£	£	£	£
Advances ...	253,029	316,516	272,245	242,790	291,880
Repayments ...	316,005	344,051	347,302	330,848	412,149
Working expenses ..	...	..	...	60,574	62,241
At end of year—					
Deposits ...	712,186	694,095	665,295	714,265	695,037

NOTE.—Working expenses as shewn above include interest on deposits, loans, &c.

The total assets of the building societies on 31st December, 1910, amounted to £2,326,411, of which £1,814,690 consisted of loans on mortgage, and £456,588 of properties in possession or surrendered. Of the total liabilities, viz., £2,114,194, £1,162,490 was due to shareholders, £129,520 to debenture holders, and £695,037 to depositors. The total reserved funds at the same date amounted to £244,761.

MORTGAGES, LIENS, ETC.

A statement of the number and amount of registered mortgages and releases of land in each of the last five years is given hereunder. Generally, in about 5 per cent. of the mortgages the amount of the loan is not stated, so that the amounts appearing in the following table may be taken as understating the total by about that proportion. No account is taken of unregistered or equitable mortgages to

financial institutions and individuals, as there is no public record of these dealings; nor are building society mortgages over land held under the *Transfer of Land Act* included, they being registered as absolute transfers. Besides releases registered as such, some mortgages are released or lapse in other ways, e.g., by a transfer from mortgagor to mortgagee, by sale by mortgagee, or by foreclosure.

LAND MORTGAGES AND RELEASES: 1906 TO 1910.

Registered During Year.	1906.	1907.	1908.	1909.	1910.
Mortgages—					
Number ..	8,964	10,523	11,563	11,759	11,433
Amount £	7,139,501	8,937,305	8,787,077	9,853,459	10,323,828
Releases—					
Number ..	8,318	8,034	8,721	8,286	9,998
Amount £	6,896,972	7,222,827	5,694,406	8,002,484	8,029,001

Stock mortgages, liens on wool and crops.

The number and amount of stock mortgages, liens on wool, and liens on crops registered during each of the last five years were as follows. Releases are not shown, as releases of liens are not required to be registered, the latter being removed from the register after the expiration of twelve months; and very few of the mortgagors of stock trouble to secure themselves by a registered release:—

STOCK MORTGAGES, LIENS ON WOOL AND CROPS: 1906 TO 1910.

Security.	1906.	1907.	1908.	1909.	1910.
Stock Mortgages—					
Number ..	747	799	743	771	667
Amount £	141,154	171,145	136,731	114,009	122,557
Liens on Wool—					
Number ..	152	150	153	149	142
Amount £	56,396	65,898	45,666	87,440	25,616
Liens on Crops—					
Number ..	1,086	503	445	465	451
Amount £	80,580	52,280	65,607	57,730	71,762
Total—					
Number ..	1,985	1,452	1,341	1,385	1,260
Amount £	278,130	289,323	248,004	259,179	219,935

The large number of liens on crops in 1906 is due to the fact that 624 were liens to the Board of Land and Works, under the *Seed Advances Act 1903*. There were 174 such liens in 1907, 208 in 1908, 19 in 1909, and 60 in 1910.

Two forms of security are taken by lenders over personal chattels, viz., a bill of sale, or a contract of sale for letting and hiring. The former is a simple mortgage of the chattels, whilst the latter purports to be an absolute sale of the chattels to the lender, with an agreement by the lender to hire the goods back to the borrower at a certain rental, which takes the place of interest. The numbers and amounts of those filed in each of the last five years are as follows:—

Bills and
contracts
of sale.

BILLS AND CONTRACTS OF SALE: 1906 TO 1910.

Security.	1906.	1907.	1908.	1909.	1910.
Bills of Sale—					
Number ..	1,998	1,407	1,428	1,327	1,050
Amount £	184,911	167,292	223,324	180,626	154,287
Contracts of Sale—					
Number ..	161	152	189	131	92
Amount £	5,184	5,376	8,216	6,156	5,362

Before filing a bill of sale, 14 days' notice of intention to file must be lodged with the Registrar-General, within which period any creditor may lodge a "caveat" to prevent the filing of the bill without the payment by the borrower of his claim. To circumvent this, the practice arose, in 1877, whereby the borrower purported to sell the chattels to the lender, who hired them back to the borrower, and this became the form of security more generally adopted until 1887, when a decision was given that if there were any tacit understanding that the transaction should be considered as a loan, the security would be void unless registered as a bill of sale. In consequence of this, the number of contracts of sale gradually decreased, until in 1906 the bills of sale were more than twelve times their number, and the amount secured thirty-six times as great. In 1910 the number of bills was eleven times the number of contracts, and the amount secured thereby twenty-nine times as great.

Trading
companies
registered.

A statement of the number and nature of trading companies floated and registered in Victoria during the eleven-year period 1894-1904, and during each of the last six years, is appended:—

TRADING COMPANIES REGISTERED IN VICTORIA, 1894 TO 1910.

Nature of Company.	1894 to 1904.	1905.	1906.	1907.	1908.	1909.	1910.
FINANCE—							
Land, property, investment	24	5	...	7	3	7	12
Finance, agency, &c. ...	12	3	2	6	2	5	4
Insurance ...	5	1	...	...	1	...	1
TRADE—							
Cycling ...	15	2	...	...	3	...	4
Export ...	6	...	...	1	...	1	1
Produce ...	20	3	...	2	5	2	1
Supply and trading ...	22	6	10	12	14	11	18
Merchants' imports ...	29	5	5	2	6	5	8
TRANSPORT—							
Carrying ...	10	...	1	1	1	1	2
Railways and rolling-stock	5	...	1	...	...	...	...
Tramways ...	4	...	...	1	...	2	1
Steamship ...	8	...	1	1	2	1	4
Others ...	11	1	2	...	1	2	1
INDUSTRIAL—							
Bacon curing, &c. ...	7	...	...	1	2	...	2
Brewing ...	7	1	...	6	1	4	1
Bricks, tiles ...	6	...	...	1	...	5	1
Electric ...	7	3	...	3	...	...	5
Engineering, machinery ...	10	11	10	8	15	7	11
Explosives, &c. ...	5	...	...	3	1	4	3
Freezing ...	5	1	1	2	...	1	2
Manufacturing (undefined)	13	9	7	5	1	2	7
Tobacco ...	7	...	...	1	...	...	...
Preserving ...	12	...	...	1	2	...	...
Printing ...	7	3	1	2	2	6	...
Wine-making ...	6	...	...	...	...	...	...
Others ...	171	5	6	14	29	41	34
PRIMARY PRODUCTION—							
Cultivation ...	4	...	2	4	...	8	13
Dairying, &c. ...	99	8	4	6	1	3	7
Mining, prospecting, &c. ...	37	2	9	6	4	4	5
Gold saving, extracting, &c.	10	3	...	1	1	...	...
Pastoral ...	5	1	1	2	1	1	2
MISCELLANEOUS—							
Newspaper, magazine ...	28	1	2	2	1	2	5
Public halls ...	16	1	2	...	2	...	3
Other ...	86	10	8	8	13	9	10
Total ...	719	85	75	109	114	134	168

The figures in the above table refer only to companies registered under Part I. of the *Companies Act* 1890, and are, therefore, exclusive of ordinary mining companies, of which 134 were registered during 1910 under Part II. of the Act. Insurance companies doing life business only, as well as building societies, are also excluded. An examination of the above figures shows that of the 1,404 new companies registered during the last seventeen years, 557, or 40 per cent., were industrial; 254, or 18 per cent., were connected with primary production; 219, or 15½ per cent., with trade; 100, or 7 per cent., with finance; and 65, or 4½ per cent., with transport; whilst 209, or 15 per cent., were of a miscellaneous character, including newspapers, magazines, public halls, and various societies and associations. Those industrial companies, included under the term "others," are principally companies registered for the manufacture of a particular patented article, but include a number of companies formed for the manufacture of various commodities and for the treatment of natural products.

According to records in the Registrar-General's office, there were 1,472 trading companies in 1910 actively engaged in the operations for which they were formed, as against 1,323 in 1909, 1,303 in 1908, 1,337 in 1907, and 1,305 in 1906. In addition to the above there were 16 insurance companies doing life business only in 1910, and a large number of mining companies, but how many is not known.

The following table shows the particulars of the Registered Co-operative Societies for 1910:—

REGISTERED CO-OPERATIVE SOCIETIES, 1910.

Number of Societies	...	...	...	...	39
Number of Shareholders	...	...	...	...	21,682
Total Sales during Year	...	...	...	...	£519,444
Other Receipts	...	...	...	...	£12,794
Wages and Salaries for Year	...	...	...	...	£46,071
Other Working Expenses	...	...	...	...	£39,898
Net Profit	...	...	...	...	£10,685
Liabilities at end of Year—					£
Paid-up Capital	...	...	...	121,865	
Reserves	...	...	...	11,080	
Bank Overdraft	...	...	...	69,931	
Sundry Creditors	...	...	...	42,603	
Other Liabilities	...	...	...	39,582	
Total Liabilities	...	...	...		£285,061
Assets at end of Year—					£
Real Estate	...	...	...	93,845	
Stock	...	...	...	79,479	
Fittings, Plant, and Machinery	...	...	...	32,882	
Sundry Debtors	...	...	...	77,066	
Cash in Hand and on Deposit	...	...	...	8,464	
Other Assets	...	...	...	5,259	
Total Assets	...	...	...		£296,995

Number of existing companies.

Registered co-operative societies.

As compared with 1909 there has been an increase of only two in the number of societies. Sales and other receipts show an increase of £51,536 over the preceding year, and net profits an increase of £2,409.

Of the thirty-seven co-operative societies, fifteen were engaged in the purchase of farmers' requisites or the sale of farm and garden produce, six as general distributors, four in bread-making, two each in the manufacture of jams, &c., in fruit packing and selling, and in meat supplying, and one each in supplying coachbuilders' materials, co-operative credit banking, fish selling, printing and publishing, eucalyptus oil distilling, fruit drying, fodder and produce selling, and brick-making.
