

CHAPTER VIII. FINANCE.

A. COMMONWEALTH FINANCE.

§ 1. General.

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

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

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

2. **Accounts of Commonwealth Government.**—The Commonwealth Government like the State Governments, bases its accounts mainly upon three funds, the Consolidated Revenue Fund, the Trust Fund, and the Loan Fund. The last mentioned fund came into existence in the financial year 1911-12, but on the outbreak of war it became so important that it was treated in two parts—a General Loan Fund mainly for purposes of Public Works, and a War Loan Fund for purely military purposes. From the year 1923-24 inclusive, the loan expenditure on War Service Homes was debited against works loan expenditure. Previously such expenditure had been a charge on War Loans. Since the year mentioned the transactions of the War Loan Fund consisted mainly of credits arising from repayments of expenditure during previous years.

The following table shows particulars of Commonwealth Consolidated Revenue for the years 1925-26 to 1929-30:—

COMMONWEALTH REVENUE, CONSOLIDATED REVENUE FUND, 1925-26 TO 1929-30.

Particulars.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
PART I.—DEPARTMENTS AND SERVICES OTHER THAN BUSINESS UNDERTAKINGS—					
Taxation	54,373,005	58,994,809	56,637,858	56,303,489	58,187,775
Other	4,623,578	4,373,404	4,194,603	5,116,281	4,860,200
Total Part I. ..	58,996,583	63,368,213	60,832,461	61,419,770	63,047,975
PART II.—BUSINESS UNDERTAKINGS—					
Postmaster-General's Department (a)	10,815,248	11,648,638	12,349,422	12,848,400	13,590,607
Railways	349,768	477,734	603,162	591,016	418,037
Total Part II. ..	11,165,016	12,126,372	12,952,584	13,439,416	14,008,644
PART III.—TERRITORIES	41,973	47,175	23,182	35,613	86,770
PART IV.—PAYMENTS TO OR FOR STATES—					
Balance of Interest on States Debts (payable by States)	2,082,233	2,626,474	2,861,995	4,089,643	25,427,714
Gross Revenue	72,285,805	78,168,234	76,670,222	78,984,442	102,571,103
Deficit	2,823,632	..	5,450,237	2,358,975	1,471,004
Accumulated Deficit .. .. .	..	..	2,628,743	4,987,718	6,458,722

(a) Includes certain pension contributions and repayments and differs on that account from the figures given on page 244.

Particulars of Commonwealth expenditure from Consolidated Revenue Fund and from Loan Fund respectively for the past five years are given in the subjoined table. Details of the expenditure from Loan Fund are given in § 4.3 hereafter.

COMMONWEALTH EXPENDITURE, CONSOLIDATED REVENUE FUND AND LOAN FUND, 1925-26 TO 1929-30.

Particulars.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
(a) CONSOLIDATED REVENUE FUND.					
	£	£	£	£	£
PART I.—DEPARTMENTS AND SERVICES OTHER THAN BUSINESS UNDERTAKINGS—					
War and Repatriation	29,171,850	29,309,083	29,006,212	30,097,751	30,099,806
Other	23,215,233	20,836,865	25,243,459	21,801,326	22,205,028
Total Part I.	52,387,083	50,145,948	54,249,671	51,899,077	52,304,834
PART II.—BUSINESS UNDERTAKINGS—					
Postmaster-General's Department(a)	10,651,925	11,285,899	12,393,850	12,690,072	13,025,353
Railways	893,424	902,806	996,768	1,087,560	1,109,405
Total, Part II.	11,550,349	12,188,705	13,390,618	13,777,632	14,134,763
PART III.—TERRITORIES	385,521	411,220	532,386	540,427	685,452
PART IV.—PAYMENTS TO OTHER STATES—					
Balance of Interest on State Debts (recoverable from States)	2,084,757	2,623,852	2,861,995	4,059,643	25,427,714
Other	3,701,727	10,202,912	11,085,789	11,036,638	11,489,344
Total, Part IV.	10,786,484	12,886,764	13,947,784	15,126,281	36,917,058
Gross Expenditure	75,109,437	75,632,637	82,120,459	81,343,417	104,042,107
Surplus		2,535,597			
Accumulated Surplus	285,897	2,821,494			
(b) LOAN FUND.					
	£	£	£	£	£
Loan Expenditure—					
War and Repatriation	Cr. 7,613	23,938	Cr. 23,741	Cr. 12,972	Cr. 2,669
Works	9,281,201	9,404,632	8,662,089	8,244,119	5,294,202
Total Loan Expenditure	9,273,588	9,428,570	8,638,348	8,231,147	5,291,533

(a) Includes New Works and differs in some cases on that account from the figures given on page 250.

The receipts and expenditure on account of the "Balance of Interest on States' Debts" payable by the States to the Commonwealth under the "Financial Agreement Act" have been included in the foregoing tables. In subsequent detailed statements herein to avoid duplication such payments have been eliminated.

§ 2. Consolidated Revenue Fund.

Division I.—Nature of Fund.

The provisions made for the formation of a Commonwealth Consolidated Revenue Fund, and the means to be adopted for operating on the fund, are contained in sections 81, 82, and 83 of the Constitution.

Division II.—Revenue.

1. General.—The following table furnishes details of the revenue from each source and the amount per head of population under each of the three main headings during the years 1925-26 to 1929-30 :—

COMMONWEALTH CONSOLIDATED REVENUE—SOURCES, 1925-26 TO 1929-30.

Source.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Taxation (a)	54,373,005	53,994,800	56,637,853	56,303,439	53,187,775
Per head of population	£9 1 6	£9 13 1	£9 1 8	£8 17 3	£9 1 5
Business Undertakings (a)	11,121,524	12,084,553	12,907,304	13,404,412	13,000,124
Per head of population	£1 17 1	£1 19 7	£2 1 5	£2 2 4	£2 3 7
Other Revenue—					
Interest, Discount, etc. (c)	2,512,113	2,448,220	2,490,078	3,516,051	3,456,614
Coinage	332,014	373,071	203,252	92,898	41,070
Defence	130,662	152,494	132,877	117,614	103,351
Quarantine	30,553	40,451	31,547	26,284	28,360
Territories (b)	41,973	34,385	23,182	35,613	86,770
Patents, etc.	42,017	41,594	44,258	44,917	58,300
Marine	211,998	216,781	212,490	210,162	201,210
Pension Contributions	56,781	51,575	55,439	44,291	48,924
Net Profit on Australian Note Issue	1,048,062	852,357	846,274	694,642	703,669
Miscellaneous	302,870	251,470	222,768	404,426	258,222
Total	4,700,043	4,462,393	4,263,065	5,186,898	4,986,490
Per head of population	£0 15 9	£0 14 7	£0 13 8	£0 16 5	£0 15 6
Grand Total (c)	70,203,572	75,541,700	73,808,227	74,894,799	77,143,389
Per head of population	£11 14 4	£12 7 3	£11 10 9	£11 16 5	£12 0 6

(a) For details, see succeeding pages.

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

(c) Excludes balance of interest on States' Debts payable by States, see page 239.

2. Taxation.—(i) *Customs Revenue*. Particulars for the five years 1925-26 to 1929-30 are furnished in the following table :—

COMMONWEALTH CUSTOMS REVENUE, 1925-26 TO 1929-30.

Classes.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Stimulants	2,945,346	2,908,982	2,820,547	2,658,071	2,598,593
Narcotics	2,075,940	2,201,550	2,374,659	2,412,859	3,069,426
Sugar	20,433	20,112	16,797	11,654	11,029
Agricultural products	1,287,944	1,547,711	1,403,054	1,262,065	1,291,643
Apparel and textiles	5,179,366	6,233,206	5,802,848	5,362,694	5,154,257
Metals and machinery	4,895,918	5,654,629	5,284,993	4,949,249	4,758,415
Oils, paints, etc.	950,991	2,173,367	2,594,879	3,092,522	4,137,016
Earthenware, etc.	688,321	735,699	704,207	710,052	713,599
Drugs and chemicals	525,649	561,530	520,424	545,958	539,275
Wood, wicker and cane	1,349,687	1,384,469	1,594,825	1,583,145	1,802,580
Jewellery, etc.	866,799	951,691	845,099	870,130	1,028,151
Leather, etc.	1,770,373	1,577,765	1,124,091	743,948	526,056
Paper and stationery	682,745	751,254	760,448	762,357	878,800
Vehicles	3,064,427	3,340,556	2,534,738	3,193,211	2,315,739
Musical instruments	466,054	526,482	364,326	267,824	138,329
Miscellaneous articles	1,007,789	1,192,059	1,040,080	998,785	1,116,340
Other receipts	61,602	77,538	62,364	78,231	77,792
Total Customs	27,839,889	31,832,600	29,848,379	29,502,765	30,157,040

(ii) *Excise Revenue.* Particulars concerning the amount of excise collected under each head during each of the years ending 30th June, 1926 to 1930, are given hereunder :—

COMMONWEALTH EXCISE REVENUE, 1925-26 TO 1929-30.

Particulars.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Beer	5,847,974	6,103,004	6,155,661	6,190,725	6,105,443
Spirits	2,026,415	2,061,573	1,881,030	1,756,957	1,853,951
Tobacco	3,457,052	3,535,984	3,544,602	3,597,061	3,573,198
Petrol .. ..	.. ..	.. ..	.. ..	.. ..	70,065
Starch	15,539	9,647	4,737	134	.. ..
Licences	12,009	11,670	12,311	10,939	11,574
Playing Cards .. ..	.. ..	.. ..	.. ..	.. ..	120
Total Excise	11,358,989	11,719,878	11,598,351	11,555,816	11,617,351

(iii) *Land Tax.* The following table shows the collections during the past five years.

COMMONWEALTH LAND TAX COLLECTIONS, 1925-26 TO 1929-30.

State.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
New South Wales	1,079,414	1,070,670	1,223,308	1,289,158	1,128,747
Victoria (a)	1,074,265	1,094,050	1,292,966	1,225,185	1,278,487
Queensland	46,138	79,445	82,756	84,723	76,876
South Australia (b)	198,630	258,521	314,523	256,885	230,471
Western Australia	78,778	71,379	77,380	96,356	87,939
Tasmania	44,685	41,835	37,273	36,678	37,558
Total	2,521,910	2,615,900	3,027,206	2,988,885	2,840,078

(a) Including Central Office.

(b) Including Northern Territory.

(iv) *Estate Duty.* Collections from this source for the five years 1926 to 1930, are given hereunder :—

COMMONWEALTH ESTATE DUTY COLLECTIONS, 1925-26 TO 1929-30.

Year.	N.S.W.	Vic. (a)	Q'land.	S. Aust.(b)	W. Aust.	Tas.	Total.
	£	£	£	£	£	£	£
1925-26	547,712	515,570	95,827	180,991	41,993	29,243	1,411,336
1926-27	479,011	544,600	128,096	159,405	26,051	25,188	1,362,351
1927-28	666,588	634,999	126,316	181,160	99,056	43,999	1,752,118
1928-29	627,103	1,068,138	151,448	125,776	65,572	42,112	2,080,149
1929-30	936,464	819,345	109,678	181,087	47,509	28,495	2,122,478

(a) Including Central Office.

(b) Including Northern Territory.

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

COMMONWEALTH INCOME TAX COLLECTIONS, 1925-26 TO 1929-30.

State in which Collected.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
New South Wales (a) ..	3,640,219	4,365,567	3,606,463	3,704,763	4,087,137
Victoria (b) ..	4,703,200	4,564,995	4,691,068	4,225,958	4,800,463
Queensland ..	980,852	914,269	745,184	769,631	927,949
South Australia ..	844,076	803,730	669,904	667,077	653,033
Western Australia ..	501,982	367,565	336,657	343,849	508,996
Tasmania ..	185,024	103,130	114,165	127,997	140,230
Northern Territory ..	2,693	2,022	1,734	2,221	2,221
Total ..	10,858,046	11,126,278	10,165,175	9,841,496	11,120,029

(a) Includes Federal Capital Territory.

(b) Including Central Office.

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

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

(vi) *Entertainments Tax.* The rate of entertainments tax, according to Amending Act No. 23 of 1925 is twopence halfpenny for a payment of two shillings and sixpence, and one halfpenny for every subsequent sixpence or part thereof. The collections for the last five years are given hereunder.

COMMONWEALTH ENTERTAINMENTS TAX COLLECTIONS, 1925-26 TO 1929-30.

State.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
New South Wales (a) ..	183,856	160,393	159,944	158,273	135,122
Victoria ..	161,010	123,797	119,115	121,522	103,977
Queensland ..	48,745	36,048	30,922	34,083	35,352
South Australia ..	35,327	25,233	22,621	16,123	12,008
Western Australia ..	23,934	17,291	22,068	25,280	25,725
Tasmania ..	7,382	3,370	4,167	3,364	3,905
Northern Territory ..	72	27	28	52	32
Total ..	460,326	366,159	358,865	358,697	316,121

(a) Includes Federal Capital Territory.

(vii) *War-Time Profits Tax.* Particulars relating to the levying of this tax, which came into force on the 22nd September, 1917, are given in Official Year Book No. 22, page 352. The result of the collections during the past five years are as shown hereunder. Amendments of earlier assessments entailed the payment of refunds in each of the last five years.

COMMONWEALTH WAR-TIME PROFITS TAX COLLECTIONS, 1925-26 TO 1929-30.

State in which Collected.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
New South Wales	9,642	56,698	Dr. 47,499	Dr. 27,013	3,706
Victoria (a)	Dr. 18,547	Dr. 18,788	Dr. 32,503	10,626	10,321
Queensland	Dr. 35,553	Dr. 31,624	Dr. 6,784	8,814	3,636
South Australia	Dr. 32,337	Dr. 11,615	Dr. 17,835	Dr. 16,416	Dr. 2,069
Western Australia	51	Dr. 16,253	Dr. 4,022	..	183
Tasmania	Dr. 747	Dr. 6,770	Dr. 3,593	Dr. 320	Dr. 1,099
Total	Dr. 77,491	Dr. 28,357	Dr. 112,236	Dr. 24,309	14,678

(a) Including Central Office.

3. *Business Undertakings.*—(i) *Postal Revenue.* Particulars concerning this branch of revenue for each of the financial years from 1925-26 to 1929-30 are contained in the following table :—

COMMONWEALTH POSTAL REVENUE, 1925-26 TO 1929-30.

Particulars.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Private boxes and bags	55,813	59,184	61,346	79,101	69,185
Commission—					
Money orders and postal notes	201,445	229,453	240,392	244,976	259,609
Telegraphs	1,490,480	1,488,156	1,422,179	1,447,256	1,390,012
Telephones	4,044,414	4,576,863	5,034,051	5,459,559	5,862,686
Postage	4,580,354	4,847,317	5,006,019	5,177,177	5,179,082
Radio receipts	21,178	35,815	45,030	22,177	166,847
Miscellaneous	378,072	370,031	495,125	383,150	623,666
Total	10,771,756	11,606,819	12,304,142	12,813,396	13,551,087

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

(ii) *Railway Revenue.* The Commonwealth Government is responsible for four lines—the Trans-Australian, the Central Australian, the North Australian and the Federal Capital Territory lines. The appended table shows the amounts paid into the credit of the Consolidated Revenue Fund on account of each of these railways for the past five years.

COMMONWEALTH RAILWAY REVENUE, 1925-26 TO 1929-30.

Railway.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Trans-Australian ..	276,278	299,295	333,000	344,948	274,816
Central Australian ..	27,035	105,988	191,115	185,811	104,724
North Australian ..	38,879	62,202	68,844	50,259	31,291
Federal Capital Territory ..	7,576	10,249	10,203	9,998	7,206
Total	349,768	477,734	603,162	591,016	418,037

Further particulars are given in Chapter VII., part B, Railways.

4. **Other Sources of Revenue.**—(i) *Interest, Discount, etc.* The most important investments of the Commonwealth Government from which interest is derived are—Loans to States, General Trust Funds, Loans placed in London, Fixed Deposits with the Commonwealth and other Banks, and certain advances and overdrafts. In 1929-30 the total included interest on Loans to States for Soldier Land Settlement and for advances for miscellaneous purposes, payable by States; Interest on General Trust Fund Investments; and Interest, Nauru Island Agreement. As previously mentioned, the "Balance of Interest on States' Debts" payable by States under the Financial Agreement Act has not been included in the detailed statement.

(ii) *Other.* During 1929-30 the following contributions to Consolidated Revenue were made in respect of Coinage, £41,070; Defence, £103,351; Patents and Trade Marks, etc., £58,300; Marine, £201,210; net profit on Australian Note Issue, £703,669; and Miscellaneous, £422,276.

Division III.—Expenditure.

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

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

Of these three, only the first two were actual expenditure, the last being merely a transfer, the actual expenditure being incurred by the States. In accordance with the provisions of the Constitution, the expenditure on transferred services was, under the "book-keeping" system, debited to the several States in respect of which such expenditure was incurred, while the expenditure on new services was distributed *per capita*. Surplus Commonwealth revenue was paid to the States monthly. Until the end of the year 1903-4, new works, etc., for transferred departments were treated as transferred expenditure, and were charged to the States on whose behalf the expenditure had been incurred. In subsequent years all such expenditure was regarded as expenditure on new services, and distributed amongst the States *per capita*. Under the arrangement, which superseded the "book-keeping" system, a specific subsidy of 25s. per head of population was made annually by the Commonwealth to the States, and there was no further debiting of expenditure to the several States. The States Grants Act (No. 4 of 1927) provided for the abolition of the *per capita* payments as from 30th June, 1927. From 1st July, 1928, the provisions of the temporary agreement between the Commonwealth and the several States under the *Financial Agreement Act 1928* were operative. Particulars of this agreement were given in some detail in Official Year Book No. 22, pages 363 and 380.

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

2. Details of Expenditure from Consolidated Revenue.—(i) *General*. The following table gives details of the expenditure from Consolidated Revenue exclusive of the "Balance of Interest on States' Debts" (recoverable from the States) during the last five years. Particulars for each individual Department are stated hereinafter.

**COMMONWEALTH EXPENDITURE—CONSOLIDATED REVENUE,
1925-26 TO 1929-30.**

Heads of Expenditure.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Cost of Departments	30,091,321	32,215,254	34,720,920	34,897,077	30,779,707
Miscellaneous—					
New Works	317,037	224,807	229,026	274,730	245,536
War Services	29,171,850	29,309,083	29,006,212	30,097,751	30,099,806
Payments to or for the States	7,951,727	8,262,912	9,085,789	9,036,038	9,489,345
Special Defence Provision	3,742,745	996,729	4,215,911	947,578	..
Federal Aid Roads	750,000	2,000,000	2,000,000	2,000,000	2,000,000
Special Debt Redemptions	1,000,000	..	..	..	..
Total (a)	73,024,680	73,008,785	79,258,464	77,253,774	78,614,304
Per head of population	£12 3 9	£11 19 0	£12 14 3	£12 3 10	£12 5 1

(a) Excludes Balances paid into Trust Funds and Balance of Interest on States' Debts recoverable from States.

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

(ii) *Cost of Departments*.—(a) *Governor-General*. Section 30 of the Constitution enacts that, until the Commonwealth Parliament otherwise provides, there shall be payable out of the Consolidated Revenue Fund for the salary of the Governor-General an annual sum of ten thousand pounds, and a proviso is made that the salary of the Governor-General shall not be altered during his continuance in office. The total expenditure in connexion with the Governor-General and establishment for the five years 1925-26 to 1929-30 is as follows:—

**EXPENDITURE.—GOVERNOR-GENERAL AND ESTABLISHMENT,
1925-26 TO 1929-30.**

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Salary	10,000	10,000	10,000	10,000	10,000
Governor-General's Establishment	12,761	13,950	10,152	21,576	15,329
Contingencies (a)	6,314	6,469	6,361	7,118	5,395
Interest	853	853	853	853	853
Total	29,928	31,272	27,366	39,547	31,577

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

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

EXPENDITURE.—COMMONWEALTH PARLIAMENT, 1925-26 TO 1929-30.

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Salaries of Ministers	15,300	15,300	15,300	15,300	15,300
Allowances to Senators	34,769	35,635	35,251	35,541	35,746
Allowances to Members of House of Representatives	66,055	74,190	74,278	73,720	74,107
Officers, staff, contingencies, etc.	64,089	71,837	81,941	73,940	78,039
Repairs, maintenance, etc. ..	2,281	1,832	4,459	6,179	5,561
Printing	28,182	24,623	37,888	24,938	35,003
Travelling expenses of Members and others	20,144	20,897	23,074	26,725	26,699
Insurance	342	45			
Electoral Office	83,285	87,007	88,226	86,410	90,051
Election expenses	106,704	107,051	875	113,831	106,932
Administration of Electoral Act	41,568	43,702	31,260	41,019	39,465
Miscellaneous	6,700	55,515	22,378	55,160	48,504
Total	469,419	537,634	419,930	557,763	555,407

In section 66 of the Constitution, provision is made for payment out of the Consolidated Revenue Fund of the Commonwealth, for the salaries of Ministers of State, of an annual sum which, until Parliament otherwise provides, shall not exceed £12,000. This was modified in 1915-16, when the Minister of the Navy was given separate Cabinet rank. Allowances to Senators and Members of the House of Representatives are also provided for in the Constitution, section 48 of which specifies that until Parliament otherwise provides, each such allowance shall consist of £400 a year reckoned from the day on which the member takes his seat. During the second session of the Parliament in 1907 an Act was passed raising the annual allowance from £400 to £600, such increase to date from 1st July, 1907. In 1920, the salaries of members of both Houses were further increased to £1,000 per annum. By the Income Tax Salaries Act of 1930, the salaries of Ministers or presiding officers in either House of Parliament were subjected to a tax of 15 per cent., Chairman of Committees or Leader of the Opposition in either House, 12½ per cent., and other Members of either House, 10 per cent.

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

EXPENDITURE.—PRIME MINISTER'S DEPARTMENT (a), 1925-26 TO 1929-30.

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30
	£	£	£	£	£
Salaries, contingencies, and mis- cellaneous	139,318	238,033	164,755	153,373	160,409
Audit Office	33,459	36,512	34,877	36,817	36,871
Rent, repairs, etc.	7,554	7,201	30,202	19,539	14,458
Public Service Board's Office ..	50,485	52,628	55,946	54,864	52,851
High Commissioner's Office ..	63,744	63,220	80,820	66,133	60,684
Commissioner for Australia in United States of America ..	15,270	15,966	16,808	13,134	15,516
Interest and Sinking Fund ..	673,426	705,468	784,120	907,499	976,126
Mail service, Pacific Islands ..	50,418	53,092	52,051	49,750	51,989
Secretariat, League of Nations ..	24,893	24,975	23,994	25,758	28,078
Scientific and Industrial Research	382,564	11,803	269,629	19,451	8,664
Oil Agreement Act		21,184			
Pensions and Superannuation ..	5,265	5,038	6,072	5,434	6,178
Total	1,446,396	1,235,120	1,619,274	1,351,752	1,411,824

(a) Excluding Territories, see page 252.

(d) *Attorney-General's Department.* The extra expenditure connected with this Department of late years has been caused in a large measure by the extension of the Commonwealth Court of Conciliation and Arbitration, the creation of the Bankruptcy Administration, and increases in the items "Patents, Trade Marks, etc." and "Rent, Repairs, etc." Details for the five years 1925-26 to 1929-30 are furnished hereunder :—

EXPENDITURE.—ATTORNEY-GENERAL'S DEPARTMENT, 1925-26 TO 1929-30.

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Attorney-General's Office	21,596	26,801	17,337	24,390	19,691
Crown Solicitor's Office	22,690	24,465	28,626	29,392	27,983
Salaries of Justices of High Court	21,500	21,500	21,500	21,328	17,926
High Court expenses	14,000	14,994	13,511	15,218	15,441
Court of Conciliation and Arbitration	13,808	24,012	27,625	27,491	27,195
Public Service Arbitrator's Office	3,953	4,220	4,368	4,465	5,471
Rent, repairs, etc.	12,571	12,039	20,004	24,111	22,613
Patents, Trade Marks, etc.	48,691	48,119	52,671	51,477	56,301
Investigation Branch	9,970	10,189	10,769	10,951	11,896
Bankruptcy .. ..	..	..	3,102	20,941	24,909
Miscellaneous	16,648	12,171	32,184	16,981	16,065
Total	185,427	198,510	231,697	246,745	245,491

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

EXPENDITURE.—TREASURER'S DEPARTMENT, 1925-26 TO 1929-30.

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Treasury	51,808	52,585	53,418	54,548	52,869
Taxation Office	426,425	416,889	452,738	428,765	440,102
Pensions Office	97,761	114,446	117,071	83,891	86,940
Maternity Allowance Office	15,384	16,067	15,297	16,464	15,028
Coinage	54,905	45,968	43,008	19,540	11,534
Rent, repairs, etc.	15,302	10,209	16,371	15,672	13,801
Miscellaneous	45,583	42,398	79,180	97,663	318,666
Departmental Expenditure	707,168	698,562	777,083	716,543	938,940
Invalid and Old-age Pen- sions (a)	8,146,636	9,034,938	9,681,837	9,991,299	10,633,979
Maternity Allowance	680,855	660,280	678,920	661,520	642,990
Maintenance of persons in charitable institutions	105,751	109,651	108,509	132,940	157,346
Total	9,640,410	10,503,431	11,246,349	11,602,302	12,373,255

(a) Including the following amounts spent from Trust Funds :—In 1925-26, £1,834,530; 1926-27, £285,807; and in 1927-28, £1,421,493.

(f) *Trade and Customs.* Under this head have been included the expenditure of all the sub-departments under the control of the Minister of Trade and Customs, as well as the amounts payable as sugar and other bounties, and the expenses in connexion therewith. Particulars for the five years 1925-26 to 1929-30 are given in the following table:—

EXPENDITURE.—TRADE AND CUSTOMS DEPARTMENT, 1925-26 TO 1929-30.

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Chief Office	62,540	60,423	69,029	70,814	73,855
Customs (ordinary)	513,190	534,201	563,055	569,163	565,038
Marine—					
Navigation	44,726	44,872	280,225	270,950	263,901
Lighthouses	199,057	230,439			
Audit (proportion)	11,030	12,487	10,045	9,421	2,323
Pensions and retiring allowances	34,091	35,145	36,618	39,468	42,465
Rent, repairs, etc.	21,950	19,102	24,251	21,833	16,599
Bounties	498,582	781,347	890,574	532,564	517,582
Interest on transferred properties	46,986	46,924	66,985	66,985	66,985
Interest on Commonwealth securities	21,224	22,507	23,033	24,519	26,093
Miscellaneous	19,959	24,304	38,330	28,394	35,085
Total	1,473,335	1,811,751	2,002,145	1,634,116	1,609,926

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

EXPENDITURE—DEPARTMENT OF DEFENCE, 1925-26 TO 1929-30.

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Defence—Chief Office	25,515	27,109	24,182	25,821	23,483
Military	1,307,815	1,299,454	1,284,836	1,270,443	1,455,241
Audit (Proportion)	6,162	7,052	6,272	6,636	9,647
Pensions and Retiring Allowances	11,698	13,568	16,551	20,353	23,899
Rent, Repairs, etc.	51,416	43,007	28,412	34,577	47,526
Miscellaneous	184,944	203,119	245,126	254,301	263,089
Total	1,587,550	1,593,309	1,605,429	1,612,241	1,822,885
Navy—Chief Office	78,398	82,366	83,623	88,257	80,537
Naval	1,943,911	2,003,639	1,930,861	1,808,247	1,946,418
Audit (Proportion)	2,463	2,381	2,465	2,462	6,729
Pensions and Retiring Allowances	2,186	1,653	2,544	2,451	2,807
Rent, Repairs, etc.	46,106	40,865	40,591	43,720	37,166
Miscellaneous	63,040	81,813	92,133	94,306	100,876
Total	2,136,113	2,212,717	2,152,217	2,034,443	2,174,533
Air Services—					
Civil Branch—Pay, etc.	15,874	17,078	15,285	17,285	20,881
Development of Civil Aviation	48,245	57,965	49,985	50,990	75,332
R.A.A.F.—					
Pay, etc.	120,679	188,939	199,900	227,325	237,305
General Contingencies	48,084	80,000	74,273	70,346	82,913
General Stores and Maintenance	22,000	38,000	37,673	32,087	80,962
Rent, Repairs, etc.	10,736	11,105	14,176	13,754	16,036
Miscellaneous	15,546	41,718	36,821	37,036	41,703
Total	281,164	434,805	428,173	457,823	555,132
Grand Total	4,004,827	4,240,831	4,185,810	4,104,507	4,552,550

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

EXPENDITURE.—POSTAL DEPARTMENT, 1925-26 TO 1929-30.

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Chief Office.. .. .	51,660	66,504	77,469	80,440	87,395
Postal Department (ordinary)	8,705,960	9,115,787	9,811,847	9,831,131	9,847,327
Audit (proportion)	10,009	10,359	11,149	11,593	12,150
Pensions and retiring allowances	102,518	110,429	102,173	110,603	110,032
Superannuation	59,136	75,563	93,431	112,546	136,095
Rents, repairs, etc.	146,859	137,096	151,169	127,855	129,145
Interest on transferred properties (a)	315,398	203,978	290,262	290,262	290,262
Interest on Commonwealth Securities	855,566	1,084,431	1,194,453	1,403,069	1,619,995
Sinking Fund on Commonwealth Securities	355,891	416,161	475,009	518,066	560,125
Miscellaneous	48,988	65,591	186,074	195,164	232,834
Total	10,651,925	11,285,899	12,392,976	12,680,725	13,025,360

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

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

EXPENDITURE.—HOME AFFAIRS DEPARTMENT (a) 1925-26 TO 1929-30.

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Chief Office	37,158	48,328	51,228	50,998	49,411
Census and Statistics	26,240	27,620	29,170	30,697	31,217
Meteorological Office	34,561	36,616	36,103	35,935	36,199
Interest—					
On Commonwealth Securities.. .. .	2,992	2,055	2,063	2,052	2,030
On Transferred Properties	891	470	672	672	672
Sinking Fund	574	455	455	455	455
Rent, repairs, etc.	12,065	12,293	16,579	24,436	19,844
Miscellaneous	180,468	203,631	92,648	30,469	41,944
Total	294,949	331,468	228,918	175,714	181,772

(a) Excluding Territories, see page 252.

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

the control of the old External Affairs Department, and the Lands and Survey branch, which was transferred to it from the Department of Home and Territories in 1925-26. During 1928-29 the administration of the Commonwealth Railways was transferred to the Markets and Transport Department. The expenditure for the last five years was as follows:—

EXPENDITURE.—WORKS DEPARTMENT, 1925-26 TO 1929-30.

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Chief Office	56,924	32,752	24,809	26,363	24,686
Lands and Survey					
Interest—					
On Commonwealth Securities ..	58,108	68,112	76,718	91,716	105,999
On Transferred Properties ..	1,654	2,067	4,171	4,171	4,171
Sinking Fund	5,522	6,735	8,158	8,990	10,521
Miscellaneous	10,669	13,274	9,034	8,899	9,487
Total	132,877	122,940	122,890	140,139	154,864

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

EXPENDITURE.—HEALTH DEPARTMENT, 1925-26 TO 1929-30.

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Central Administration ..	13,543	18,488	23,769	22,791	19,216
Salaries, Contingencies, etc. ..	83,396	85,146	91,746	93,202	92,743
Interest on C'wealth Securities ..	3,128	3,359	3,460	4,070	4,425
Interest on Transferred Properties	7,668	8,356	9,324	9,324	9,324
Rent and repairs	17,746	22,553	23,914	21,126	17,537
Miscellaneous	58,688	71,232	222,124	140,599	131,988
Total	184,169	209,134	374,337	291,112	275,233

During 1927-28, a sum of £100,000 expended on the purchase of radium was included in the item "Miscellaneous."

(l) *Markets and Transport Department.* The Department of Markets, which was formed in the financial year 1924-25, took over various functions previously performed by other departments. In 1928-29 the Commonwealth Railways administration

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

**EXPENDITURE.—MARKETS AND TRANSPORT DEPARTMENT, 1925-26
TO 1929-30.**

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Markets—					
Salaries and contingencies ..	44,833	58,758	66,398	67,042	74,090
Administration of Commerce Act	33,685	27,403	33,161	33,781	38,855
Dried Fruits Export Control ..	29,229	30,791	27,623	42,753	46,152
Dairy Produce Export Control	26,728	20,664	21,294	22,374	22,898
Assistance to Primary Production .. .. .	..	..	..	50,000	50,000
Miscellaneous	45,398	48,615	30,164	42,062	60,668
Total	179,873	186,231	178,640	258,012	292,663
Transport (a)—					
Salaries and Contingencies ..	47,747	45,835	48,794	40,436	25,049
Interest and Sinking Fund ..	96,999	161,876	222,067	280,128	338,186
Miscellaneous	19,893	41,621	26,882	35,034	25,643
Total	164,639	249,332	297,743	355,598	388,878
Grand Total	344,512	435,563	476,383	613,610	681,541

(a) Excluding Railways, see page 253.

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

EXPENDITURE, TERRITORIES, 1925-26 TO 1929-30.

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Internal—					
North and Central Australia (<i>a</i>)	147,120	150,646	132,758	145,380	138,925
Federal Capital Territory (<i>a</i>) ..	93,772	141,176	286,879	251,348	365,813
External—					
Papua	96,745	72,470	58,947	57,411	49,853
New Guinea	10,214	11,785	13,490	13,346	12,911
Norfolk Island	3,945	4,339	4,000	4,000	4,000
Total	351,796	380,416	496,074	471,485	571,502

(a) Exclusive of Railways, see page 253.

(n) *Railways.* During 1928-29 the Commonwealth Railways were transferred from the Department of Works and Railways to the Department of Markets and Transport. The expenditure on railways for the past five years is shown below as distinct from the expenditure of the other services controlled by the latter Department.

COMMONWEALTH RAILWAYS EXPENDITURE, 1925-26 TO 1929-30.

Details.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Trans-Australian	285,876	271,398	286,175	301,621	294,090
North Australian	138,645	57,580	67,967	54,697	56,155
Central Australian	70,703	130,122	165,306	198,213	198,108
Federal Capital Territory	4,999	6,818	9,588	10,504	8,458
Interest	328,516	366,073	407,646	462,728	490,491
Sinking Fund	35,262	40,502	47,411	50,519	52,479
Miscellaneous	17,349	18,842	12,675	9,278	9,624
Total	881,350	891,335	996,768	1,087,560	1,109,405

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

EXPENDITURE ON NEW WORKS, 1925-26 TO 1929-30.

Department.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Parliament .. ..	..	..	..	..	689
Prime Minister	5,844	42	237	195	..
Treasury .. ..	..	..	..	72	..
Attorney-General	3,251	..	..	600	..
Trade and Customs	714	837	12,081	15,772	9,685
Defence	247,398	177,992	170,219	128,728	96,833
Postmaster-General .. ..	..	..	874	9,347	..
Home Affairs .. ..	..	253	890	30,113	..
Works	603	330	..	..	..
Health	8,018	3,078	9,013	20,961	24,380
Markets and Transport	410	..	..	..	..
Territories	33,725	30,804	36,312	68,942	113,949
Railways	17,074	11,471	..	..	..
Total	317,037	224,807	229,626	274,730	245,536

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

Division IV.—Subsidy Paid to States.

Particulars of the amounts paid to each State under the *Surplus Revenue Act* 1910, and various State Grants Acts, are contained in earlier issues. The appended table shows for the past two years the payments to or for the States. Details of the provisions of the *Financial Agreement Act* 1928, relating to payments to the States were given in Official Year Book No. 22, page 363.

PAYMENTS TO OR FOR THE STATES, 1928-29 AND 1929-30.

Particulars.	New South Wales.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	Total.
	£	£	£	£	£	£	£
1928-29.							
Contributions towards							
Interest on State Debts..	2,917,411	2,127,159	1,096,235	703,816	473,432	266,859	7,584,912
Sinking Fund on State							
Debts (a)	340,889	203,842	144,207	121,812	91,471	29,705	931,726
Special Grants .. ..	..	..	..	..	300,000	220,000	520,000
Total	3,258,300	2,380,801	1,240,442	825,628	864,903	516,564	9,036,638
1929-30.							
Contributions towards							
Interest on State Debts..	2,917,411	2,127,159	1,096,235	703,816	473,432	266,859	7,584,912
Sinking Fund on State							
Debts (a)	375,418	213,970	151,778	127,369	97,862	28,035	994,432
Special Grants .. ..	..	..	..	360,000	300,000	250,000	910,000
Total	3,292,829	2,341,129	1,248,013	1,191,185	871,294	544,894	9,489,344

(a) Paid to National Debt Sinking Fund.

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

Division V.—Surplus Revenue.

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

COMMONWEALTH SURPLUS REVENUE, 1925-26 TO 1929-30.

Year.	Surplus.	Deficiency.	Accumulated Surplus at end of Year.	Accumulated Deficit at end of Year.
	£	£	£	£
1925-26 .. ..	..	2,823,632	285,897	..
1926-27	2,535,597	..	2,821,494	..
1927-28 .. ..	..	5,450,237	..	2,628,743
1928-29 .. ..	..	2,358,975	..	4,987,718
1929-30 .. ..	..	1,471,005	..	6,458,723

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

§ 3. Trust Funds.

The Trust Fund balances on 30th June, 1930, amounted to £12,796,907 as compared with £11,957,383 for the corresponding date in the year 1929. Details concerning the most important trust accounts are contained in Finance Bulletin No. 21 issued by this Bureau.

§ 4. Commonwealth Loan Funds and Public Debt.

1. General.—Although it was not until 1915 that the Federal Government came into the loan market as a borrower, there had previously existed a Commonwealth Public Debt which included several items, such as the balance of the debt taken over from South Australia and the amount owing to the States for transferred properties. In view of

the large expansion of the Public Debt, and its present importance in Commonwealth public finance, the different items are treated seriatim in the following sub-sections:—

2. Loans taken over from South Australia.—The first portions of the debt were contracted at the beginning of 1911, when the Commonwealth assumed responsibility for the payment of interest on transferred properties (further dealt with in sub-section 4) and for the administration and the liabilities of the Northern Territory and the Port Augusta—Oodnadatta Railway. At 30th June, 1911, the debt on account of the former was £3,657,836, and on account of the latter, £2,274,486—a total of £5,932,322. As the securities fall in they are redeemed by the Commonwealth Government, the money required being taken from the Loan Fund. The item is thus constantly diminishing, and on 30th June, 1930, stood at £2,033,170, of which £1,112,124 was on account of the Northern Territory, and £921,046 on account of the railway.

3. Loan Fund for Public Works Redemptions, etc.—Up to the year 1911 the Commonwealth Government had met its public works expenditure out of revenue. In that year, however, in view of the heavy prospective cost of the Trans-Australian Railway and the Federal Capital Territory, it was decided to institute a Loan Fund similar to those of the States. The initiation of this fund was greatly assisted by the fact that the Treasury at that time held a large quantity of gold, principally on behalf of the Australian Notes Account. Up to 30th June, 1914, the money required for loan expenditure was obtained mainly from this source at 3½ per cent., and inscribed stock of an equivalent value was created. Since the outbreak of war, the money required for the Loan Fund has been mainly obtained by the issue of Treasury Bills and other securities issued in London and New York as well as in Australia. The details of the expenditure for the last five years and the total expenditure to 30th June, 1930, are given in the following table:—

COMMONWEALTH LOAN EXPENDITURE FOR WORKS, 1926 TO 1930, AND TOTAL.

Particulars.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.	Total to 30th June, 1930.
	£	£	£	£	£	£
Immigration (a)	262,589	248,104	261,353	132,815	57,705	1,680,335
Shipbuilding Yards and Docks	.. ..	.. ..	.. ..	.. ..	.. ..	733,711
Ship Construction .. ..	.. ..	.. ..	Cr.163,210	Cr. 88,784	Cr.165,000	8,559,060
Subscriptions to Capital of Commonwealth Oil Refinery .. ..	.. ..	.. ..	.. ..	.. ..	.. ..	343,751
Federal Capital Territory Works, Services, and Acquisition of Land	1,270,344	1,671,753	998,507	1,193,500	253,988	7,731,251
North Australia Commission .. ..	.. ..	8,400	22,900	40,500	23,000	95,100
Drill Halls, Stores, Barracks, etc.	19,767	18,158	20,984	33,014	20,204	426,626
Rifles and Ammunition Reserve	.. ..	.. ..	9,831	.. ..	.. ..	315,300
Other Military Services	2,957	12,973	.. ..	231	1,000	101,950
Naval Bases, Depots, etc.	Cr. 14,810	127,016	62,303	36,907	93,230	1,460,327
Fleet Construction .. ..	.. ..	.. ..	.. ..	.. ..	.. ..	355,397
Other Naval Services	24,000	24,000	.. ..	.. ..	.. ..	71,300
Air Services—						
R.A.A.F.	126,815	140,364	103,227	40,530	32,740	464,243
Civil Aviation	6,793	5,516	3,916	.. ..	.. ..	40,177
Buildings and Works, Munitions Production	116,694	93,098	101,308	92,513	83,127	1,147,385
Other Munitions Supply Services	23	2	.. ..	.. ..	.. ..	1,150
Lighthouses and Lighthouse Services	67,359	24,927	23,475	17,673	18,520	554,400
River Murray Waters Act	205,000	209,500	250,000	250,000	200,000	1,933,625
Telegraph and Telephone Construction	5,065,798	3,627,619	3,357,432	2,775,991	2,537,489	28,776,771
Post Office Buildings and Land	472,885	317,706	296,031	227,397	224,186	3,260,192
Wireless	79,560	50,462	50,564	482	10,037	354,881
Serum and Health Laboratories	16,500	4,785	4,753	10,092	3,743	75,220
Wire and Wire-netting .. ..	.. ..	250,000	80,000	230,838	50,000	610,838
Railways—						
Trans-Australian	69,565	88,199	54,820	48,415	64,622	6,631,911
North Australian	195,123	398,764	425,875	79,092	20,097	1,596,649
Central Australian	91,490	399,885	731,368	747,894	170,911	2,447,668
Federal Capital Territory .. ..	.. ..	20,500	4,424	3,291	365	28,580
Grafton—South Brisbane	840,000	1,000,000	1,202,000	675,000	586,000	4,393,090
Other Expenditure .. ..	.. ..	.. ..	.. ..	.. ..	.. ..	200,000
War Service Homes	331,838	673,351	752,583	1,073,451	999,964	7,159,618
Acquisition of Properties not elsewhere included	14,199	833	655	987	769	123,891
London Offices .. ..	.. ..	.. ..	.. ..	.. ..	.. ..	850,190
Miscellaneous	16,757	Cr. 11,268	.. ..	20,000	7,500	417,871
Total	9,281,201	9,404,632	8,662,089	8,244,119	5,294,202	83,032,877

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

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

The terms of the financial agreement between the Commonwealth Government and the Governments of the several States provided, *inter alia*, that, as a temporary measure, the Commonwealth Government would for a period of two years from 1st July, 1927, to 30th June, 1929, pay to each State interest at the rate of 5 per cent. per annum on the agreed value of transferred properties as follows:—New South Wales, £4,788,005; Victoria, £2,302,862; Queensland, £1,560,639; South Australia, £1,035,631; Western Australia, £736,432; and Tasmania, £500,754; a total of £10,924,323.

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

5. **War Loan from the Imperial Government.**—On the outbreak of the European war in 1914, the Commonwealth Government obtained a loan from the Imperial Government for the purpose of financing the prospective large military expenditure. At first, the arrangement was that the Imperial Government should advance the sum of £18,000,000. Subsequently further loans totalling £31,500,000 were negotiated. In addition to this capital indebtedness of £49,500,000, a further sum of £12,696,500 was due to the British Government for the maintenance of Australian troops.

Early in 1921 an arrangement was concluded with the Imperial Government, by means of which almost the entire debt (upwards of £92,000,000) was consolidated. The Commonwealth Government undertook to extinguish the debt in about 35 years by annual payments representing 6 per cent. on the original debt, providing for interest at £4 18s. 4d. per cent., and a sinking fund of £1 1s. 8d. per cent. The amount outstanding on 30th June, 1930, was £81,294,582.

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

7. **Flotation of Loans, 1929–30.**—During the year 1929–30, the loans raised by the Commonwealth (including "Over the Counter" sales and conversions at State Treasuries) totalled £89,680,852, of which £40,073,927 was for Commonwealth purposes and £49,605,925 for the States. Details respecting these loans are given hereunder.

COMMONWEALTH LOANS FLOATED, 1929-30.

For whom Raised.	Amount Raised.			Rate of Interest.	Date of Maturity.	Price.
	London.	Australia.	Total.			
Commonwealth .. £175,244	5,000,000	..	5,000,000	£6 2s. 8d.	3.9.30	(d)
States .. £4,824,756						
Commonwealth .. £1,720,980	..	10,002,980	10,002,980	5½	15.11.34	98
States .. £8,282,000						
Conversion and Redemption—	..	448,218,950	448,218,950	6	15.3.37	100
Commonwealth £38,177,703						
States .. £10,041,247	..	24,157,922	24,157,922	(c)	(c)	98-100-
States (b) .. ..	..	2,300,000	2,300,000	5½	(c)	(d)
States .. ..	..	..	..	..	..	..
Total	5,000,000	84,679,852	89,679,852	..	..	..

(a) Conversions £40,494,100 and Cash Subscriptions £7,724,850.

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

(c) Various.

(d) Short dated Treasury Bills.

8. Commonwealth Public Debt.—(i) *Total Debt.* Separate consideration has already been given to the items composing the Public Debt. The table appended shows the debt of the Commonwealth (including that of the States) at 30th June, 1930.

COMMONWEALTH PUBLIC DEBT AT 30th JUNE, 1930.

Particulars.	Payable in London.	Payable in New York.	Payable in Australia.	Total.
War Debt (a)—	£	£	£	£
Stock, Bonds, etc.	11,020,160	..	225,423,858	236,444,018
Indebtedness to United Kingdom ..	81,294,582	..	..	81,294,582
Total	92,314,742	..	225,423,858	317,738,600
Deduct advances to States for Soldier Land Settlement etc. . . . .	..	..	35,348,068	35,348,068
Total War Debt	92,314,742	..	190,075,790	282,390,532
Works and other Purposes—				
Stock, Bonds, etc.	57,193,621	17,155,718	14,073,196	88,422,535
Balance of Loans taken over from South Australia—				
Northern Territory	329,100	..	783,024	1,112,124
Port Augusta Railway	908,686	..	12,360	921,046
Properties transferred from New South Wales ..	..	..	111,125	111,125
Total Works and other Purposes	58,431,407	17,155,718	14,979,705	90,566,830
Total Commonwealth Purposes	150,746,149	17,155,718	205,055,495	372,957,362
On Account of States—				
Advances for Soldier Land Settlement, etc. . . . .	..	..	35,348,068	35,348,068
Stock, Bonds, etc.	49,355,524	16,143,574	105,059,353	170,558,451
Balance of Debts of States taken over by Commonwealth etc.	325,684,161	14,543,409	181,505,747	521,733,317
Total on Account of States	375,039,685	30,686,983	321,913,168	727,639,836
Grand Total	525,785,834	47,842,701	526,968,663	1,100,597,198

PER HEAD OF POPULATION.(b)

	£ s. d.	£ s. d.	£ s. d.	£ s. d.
War	14 6 9	..	29 10 5	43 17 2
Works and other Purposes	9 1 6	2 13 3	2 6 6	14 1 3
Total Commonwealth Purposes	23 8 3	2 13 3	31 16 11	57 18 5
On Account of States	58 7 4	4 15 6	50 2 0	113 4 11
Grand Total	81 13 2	7 8 7	81 16 10	170 18 7

(a) Less sinking fund contributions and accumulations. (b) Based on population at 30th June, 1930. Debt on account of States has been calculated on the aggregate population of the six States at that date.

(ii) *Place of Flotation.* The loans taken over from South Australia, which constituted the first portion of the Federal Public Debt, included both London and Australian securities. The presence in the Treasury of a large holding of gold, and the moderate rate of interest ruling on gilt-edged securities, made the conditions in 1911 and for some little time afterwards very favourable for the flotation of local loans. London securities were redeemed as they fell due, and replaced by the $3\frac{1}{2}$ per cent. stock of the Loan Fund. Consequently, up to 1914 the amount of the securities repayable in London fell steadily, and the amount repayable in Australia rose rapidly. In 1915 the military loan from the Imperial Government caused a sharp rise in the amount of the securities repayable in London, which was maintained in the two following years. This was, however, more than offset by the flotation of the local war loans. In 1925-26 a loan of £15,411,437 was raised in New York. The appended table gives particulars of Commonwealth loans outstanding in each of the last five years which had been floated overseas and in Australia respectively. The value of transferred properties has been included under debt floated in Australia.

**PUBLIC DEBT (COMMONWEALTH PURPOSES).—PLACE OF FLOTATION,
1926 TO 1930.**

Place of Flotation, etc.	At 30th June—				
	1926.	1927.	1928.	1929.	1930.
	£	£	£	£	£
War Debt—					
London	96,865,883	95,572,848	96,822,659	93,810,641	92,314,742
Total Overseas	96,865,883	95,572,848	96,822,659	93,810,641	92,314,742
Australia	207,650,474	201,332,522	196,597,448	194,007,104	190,075,700
Total War Debt	304,546,357	296,905,370	293,420,107	287,817,745	282,390,532
Works and other purposes—					
London	39,203,296	36,596,850	39,393,188	48,819,932	58,431,407
New York	10,402,754	10,383,252	17,291,277	17,155,718	17,155,718
Total Overseas	49,606,050	46,980,102	56,684,465	65,975,650	75,587,125
Australia	20,786,307	22,726,033	22,679,517	23,828,177	14,979,705
Total Debt for Works, etc.	70,392,357	69,706,135	79,363,982	89,803,827	90,566,830
Total Debt—					
London	136,069,179	132,169,698	136,215,847	142,630,573	150,746,149
New York	10,402,754	10,383,252	17,291,277	17,155,718	17,155,718
Total Overseas	146,471,933	142,552,950	153,507,124	159,786,291	167,901,867
Australia	228,466,781	224,058,555	219,276,965	217,835,281	205,055,495
Grand Total	374,938,714	366,611,505	372,784,089	377,621,572	372,957,362

(iii) *Amount of Debts at Various Rates of Interest.*—When the first debt was taken over from South Australia, it consisted mainly of securities bearing interest varying from 3 per cent. to 4 per cent., the average rate of interest for the first year being £3 12s. 4d. For the first three years the increase in the debt was due almost entirely to the expansion of the 3½ per cent. stock of the Loan Fund, consequently the average rate of interest fell steadily, until on 30th June, 1914, it stood at £3 11s. 10d. Then came the loans for military and repatriation purposes, and the fall in the average rate was ultimately converted into a rise which was steadily maintained until at 30th June, 1930, the average rate stood at £5 3s. 8d.

The accompanying table gives particulars of rates on interest of the debt for Commonwealth purposes for the financial years ended 30th June, 1929 and 1930.

**PUBLIC DEBT (COMMONWEALTH PURPOSES).—RATES OF INTEREST,
1929 AND 1930.**

Rates of Interest.	At 30th June—				Total.
	1929.	1930—Debt floated in—			
		London.	New York.	Australia.	
%	£	£	£	£	£
3	33,262	27	..	33,235	33,262
3½	4,416,799	531,808	..	3,884,990	4,416,798
3¾	803,023	49,173	..	753,000	802,173
4	4,453,778	656,778	..	3,797,000	4,453,778
4½	4,335,436	..	4,335,436	..	4,335,436
4¾	6,000,000	6,000,000	..	..	6,000,000
£4/18/4 ..	82,790,481	81,294,582	..	..	81,294,582
5	71,470,563	47,038,537	12,820,282	9,852,159	69,710,978
5½	91,573,959	..	..	92,252,340	92,252,340
5¾	67,086,580	..	..	67,056,390	67,056,390
6	80,030,658	15,000,000	..	62,645,889	77,645,889
£6/2/8 ..	..	175,244	..	..	175,244
Overdue ..	225,101	..	..	128,560	128,560
Deduct loans to States for Soldier Land Settlement, etc.—	- 35,598,068	..	..	- 35,348,068	- 35,348,068
Total ..	377,621,572	150,746,149	17,155,718	205,055,495	372,957,362
Total Interest Payable ..	19,571,677	7,591,389	836,109	10,900,115	19,327,613
Average rate of interest ..	£5/3/9	£5/0/9	£4/17/6	£5/6/4	£5/3/8

(iv) *Amount of Interest Payable.* A table is appended showing the amounts payable as interest on the total Commonwealth Public Debt (excluding amounts raised on behalf of the several States and Debts of the States taken over) at 30th June in the years 1926 to 1930 inclusive.

**DEBT FOR COMMONWEALTH PURPOSES.—INTEREST PAYABLE OVERSEAS
AND IN AUSTRALIA, AT 30th JUNE, 1926 TO 1930.**

Interest on and where payable.	Year ended 30th June—				
	1926.	1927.	1928.	1929.	1930.
	£	£	£	£	£
War Debt—					
London	4,855,775	4,791,410	4,854,202	4,721,540	4,647,992
Total Overseas	4,855,775	4,791,410	4,854,202	4,721,540	4,647,992
Australia	10,788,764	10,542,922	10,567,542	10,454,458	10,235,359
Total War Debt	15,644,539	15,334,332	15,421,750	15,175,998	14,883,351
Works and other Purposes—					
London	1,974,241	1,835,199	1,984,735	2,460,837	2,943,397
New York	520,138	519,162	842,858	836,109	836,100
Total Overseas	2,494,379	2,354,361	2,827,593	3,296,946	3,779,506
Australia	776,449	1,042,470	1,038,433	1,098,733	664,756
Total Debt for Works, etc.	3,270,828	3,396,831	3,866,026	4,395,679	4,444,262
Total Debt—					
London	6,830,016	6,626,609	6,838,937	7,182,377	7,591,339
New York	520,138	519,162	842,858	836,109	836,100
Total Overseas	7,350,154	7,145,771	7,681,795	8,018,486	8,427,439
Australia	11,565,213	11,585,392	11,605,981	11,553,191	10,900,115
Grand Total	18,915,367	18,731,163	19,287,776	19,571,677	19,327,613

(v) *Dates of Maturity.* The dates of maturity of the several portions of the Commonwealth debt are shown hereunder according to years ending 30th June. On that account the figures given are not directly comparable with those published in previous years. The Commonwealth Government has refrained from issuing interminable stock, and, in respect of only a small proportion of the debt, no definite date of maturity had been assigned on 30th June, 1930. While the actual dates of maturity extend from 1930–31 to 1975–76, or a period of 45 years, the average period till maturity of the gross debt is only 12.22 years.

**DEBT FOR COMMONWEALTH PURPOSES.—DUE DATES OF AMOUNTS OUT-
STANDING ON 30th JUNE, 1930. (a)**

Due dates (year ended 30th June).	Due in—			Total.
	London.	New York.	Australia.	
	£	£	£	£
1930-31	175,244	..	24,593,130	24,768,374
1931-32 .. .. .	..	..	27,052,850	27,052,850
1932-33 .. .. .	..	..	40,251,930	40,251,930
1933-34	79,387	..	3,829,656	3,909,043
1934-35	43,051	..	1,805,080	1,848,131
1935-36	140,000	..	19,191,741	19,331,741
1936-37	805,873	..	50,952,573	51,758,446
1937-38	1,246	..	10,082,530	10,083,776
1938-39	168,202	..	432,060	600,262
1939-40 .. .. .	..	..	1,247,488	1,247,488
1940-41	15,000,000	..	..	15,000,000
1941-42 .. .. .	..	..	28,458,200	28,458,200
1942-43 .. .. .	..	..	18,616,530	18,616,530
1944-45	17,354,817	..	..	17,354,817
1948-49 .. .. .	..	..	9,440,470	9,440,470
1955-56 .. .. .	..	14,565,622	..	14,565,622
1957-58 .. .. .	..	2,590,096	..	2,590,096
1960-61	6,000,000	..	..	6,000,000
1971-72 .. .. .	..	..	3,764,716	3,764,716
1975-76	29,683,720	..	..	29,683,720
Overdue .. .. .	..	..	128,560	128,560
Indefinite	27	..	444,924	444,951
Annual Repayments	81,294,582	..	..	81,294,582
Transferred Properties .. .. .	..	..	111,125	111,125
Deduct loans to States for Soldier Land Settlement, etc.	..	..	-35,348,068	-35,348,068
Total	150,746,149	17,155,718	205,055,495	372,957,362
Average period to maturity —years	28.09	25.80	6.65	12.22

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

9. Sinking Funds.—Particulars relating to the creation of sinking funds are included in previous issues.

The old sinking funds were merged in the National Debt Sinking Fund on 11th August, 1923. Particulars of receipts and expenditure of the Commonwealth Account from the year 1925-26 are as follows:—

**COMMONWEALTH PUBLIC DEBT.—NATIONAL DEBT SINKING FUND,
1925-26 TO 1929-30.**

Items.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Cr. Brought forward	4,152,992	3,192,538	1,324,897	955,726	746,737
From Consolidated Revenue	2,796,722	2,017,391	2,276,092	2,469,272	2,668,133
Repayments of Sundry Loans	33,157	18,171	9,931	260,025	261,855
Purchase Money and Repayments under War Service Homes Act	744,548	831,502	787,897	799,508	702,244
Half net Profit Commonwealth Bank	226,176	236,280	326,583	349,204	362,825
Reparation Moneys	302,922	1,340,573	651,779	876,404	877,832
Interest on Investments	83,950	89,754	54,246	30,312	28,573
Contributions by States .. .. .	..	1,218	8,927	21,013	24,945
Total	8,340,467	7,727,487	5,434,332	5,761,467	5,673,144
Dr. Redemptions	5,147,929	6,402,590	4,478,606	5,014,730	5,099,868
Carried Forward	3,192,538	1,324,897	955,726	746,737	573,276
Total	8,340,467	7,727,487	5,434,332	5,761,467	5,673,144

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

Information regarding the transactions of the States' Account of the National Debt Sinking Fund is published in Finance Bulletin No. 21 issued by this Bureau.

§ 5. Cost of War and Repatriation.

In view of the importance of the subject, a further reference is here made to the cost of the war. The general policy of the Commonwealth Government has been to pay from Consolidated Revenue all recurring charges for interest, sinking fund, pensions, and other charges consequent upon the war, and part of the expense of repatriation. On the other hand, the whole direct cost of the war and the larger proportion of the cost of repatriation have been paid from loans. The total cost from both sources to the 30th June, 1930, is set out in the following table:—

COST OF WAR SERVICES TO 30th JUNE, 1930.

Year.	From Consolidated Revenue (a).		From War Loan Fund.	Total.
	War and Repatriation Services, including War Pensions.	Interest and Sinking Fund.		
	£	£	£	£
1914-15	896,190	115,145	14,100,000	15,111,335
1915-16	1,718,887	2,059,491	37,423,568	41,201,946
1916-17	2,439,271	5,988,058	53,114,237	61,541,566
1917-18	4,049,955	7,813,296	55,028,180	66,891,431
1918-19	9,966,927	11,288,174	59,547,080	80,802,181
1919-20	8,976,793	15,774,938	43,294,764	68,046,495
1920-21	10,242,345	23,043,888	24,148,501	57,434,734
1921-22	10,261,471	21,075,693	7,576,977	38,914,141
1922-23	9,298,560	20,801,912	1,762,694	31,863,166
1923-24	8,161,230	20,608,876	691,247 <i>b</i>	29,461,353
1924-25	8,232,656	20,250,105	Cr. 32,051 <i>b</i>	28,450,710
1925-26	8,473,717	20,698,133	Cr. 7,613 <i>b</i>	29,164,237
1926-27	8,814,001	20,495,082	23,938 <i>b</i>	29,333,021
1927-28	8,788,037	20,218,175	Cr. 23,741 <i>b</i>	28,982,471
1928-29	9,026,749	21,071,002	Cr. 12,972 <i>b</i>	30,084,779
1929-30	9,520,750	20,579,056	Cr. 2,669 <i>b</i>	30,097,137
Discounts and Flotation Expenses on Loans .. ..	..	..	5,895,284	5,895,284
Indebtedness to the Government of the United Kingdom for payments made, services rendered and goods supplied during the war .. ..	..	..	43,398,098	43,398,098
War Gratuities paid in cash	462,205	..	27,036,029	27,488,324
Total to 30th June, 1930	119,319,834	251,881,024	372,961,551	744,162,409
	£371,200,858			

(a) Including expenditure from Trust Fund War Pensions Account.

(b) Exclusive of Expenditure on War Service Homes.

§ 6. Old-age and Invalid Pensions.

1. *General.*—In previous issues of this work an account was given of the introduction of the old-age pension system in Australia, together with a detailed description of the Commonwealth Invalid and Old-age Pensions Act of 1908, which became operative on 1st July, 1909. (See Year Books, Nos. 3 to 8.) An amendment of this Act, assented to on 30th September, 1916, made a very important alteration. Section 24 originally enacted that the pension “shall not exceed the rate of twenty-six pounds per annum in any event, nor shall it be at such a rate as will make the pensioner’s income, together with pension, exceed fifty-two pounds per annum.” It was amended (a) by omitting the words “twenty-six pounds,” and inserting in their stead the words “thirty-two pounds ten shillings”, and (b) by omitting the words “fifty-two pounds” and inserting in their stead the words “fifty-eight pounds ten shillings.” Section 26 originally enacted that if an applicant for an old-age pension was in receipt of board or lodging, the actual or estimated value or cost thereof should be counted as income, to an extent not exceeding five shillings per week. This was amended by omitting the words “five shillings” and inserting in their stead the words “seven shillings and sixpence.”

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

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

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

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

2. *Old-age Pensions.*—(i) *Number in force.* At 30th June, 1929, there were 145,393 old-age pensions in force. During 1929–30, 22,575 pension claims were granted and 12,772 pensions were cancelled, a net increase of 9,803 pensions for the year—bringing the total pensions in existence at 30th June, 1930, to 155,196.

(ii) *Sexes of Pensioners.* Of the 155,196 persons in receipt of pensions at 30th June, 1930, 65,457 (or 42 per cent.) were males, and 89,739 (or 58 per cent.) were females. Details for the several States are as follows :—

OLD-AGE PENSIONS.—SEXES OF PENSIONERS, 1930.

State.	Males.	Females.	Total.	(a) Masculinity
New South Wales	25,651	32,787	58,438	—12.21
Victoria	18,060	27,435	45,495	—20.61
Queensland	9,139	11,259	20,398	—10.39
South Australia	5,377	8,897	14,274	—24.66
Western Australia	3,994	4,919	8,913	—10.38
Tasmania	3,236	4,442	7,678	—15.71
Total	65,457	89,739	155,196	—15.65

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

(iii) *Ages and Conjugal Condition of Pensioners.* The recorded ages of the 22,575 persons, 11,215 males and 11,360 females, to whom pensions were granted during the year 1929–30 varied considerably, ranging from 3,675 at age 60 to 1 at age 96. The conjugal condition of these pensioners was as follows :—Males—single, 2,551; married, 6,589; and widowed, 2,075. Females—single, 1,392; married, 6,027; and widowed, 3,941.

3. *Invalid Pensions.*—(i) *Number in force, 1930.* During the year 1929–30, the number of invalid pensioners increased from 59,148 to 63,304, an increase of 4,156 pensions. Altogether 9,192 claims were allowed and 5,036 pensions were cancelled.

(ii) *Sexes of Pensioners.* Of the 63,304 persons in receipt of invalid pensions on 30th June, 1930, 28,093, or 44 per cent., were males, and 35,211, or 56 per cent., were females. Details for the several States are as follows :—

INVALID PENSIONS.—SEXES OF PENSIONERS, 1930.

State.	Males.	Females.	Total.	(a) Masculinity.
New South Wales	11,361	14,379	25,740	— 11. 72
Victoria	8,237	10,404	18,641	— 11. 62
Queensland	4,386	4,780	9,166	— 4. 30
South Australia	1,515	2,502	4,017	— 24. 57
Western Australia	1,540	1,744	3,284	— 6. 21
Tasmania	1,054	1,402	2,456	— 14. 17
Total	28,093	35,211	63,304	— 11. 24

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

(iii) *Ages and Conjugal Condition of Pensioners, 1930.* The recorded ages of the 9,192 persons (4,661 males and 4,531 females) to whom invalid pensions were granted during the period under review varied from 16 to 85.

The conjugal condition of persons to whom invalid pensions were granted during the year was as follows :—Males—single, 2,082; married, 2,307; and widowed, 272. Females—single, 1,964; married, 1,541; and widowed, 1,026.

4. Cost of Administration.—Under the State régime the cost of administration differed considerably in the several States, and for 1908–9 represented in New South Wales 4.17 per cent. of the amount actually paid in pensions. In Victoria for the same year the corresponding percentage was 0.70. During the year 1929–30, the total cost to the Commonwealth of administering the Old-age and Invalid Pensions Department was £89,201, or about 0.83 per cent. of the amount actually paid in pensions.

The actual sum disbursed in old-age and invalid pensions in the financial year 1929–30, apart from the cost of administration and inclusive of the amount paid to asylums for the maintenance of pensioners, was £10,791,325.

5. Summary.—The following table gives details concerning the working of the Act for the last five years :—

OLD-AGE AND INVALID PENSIONS.—SUMMARY, AUSTRALIA, 1926 TO 1930.

Year ended 30th June—	Number of Pensioners.				Amount Paid in Pensions.	Total Payment to Pensioners and to Asylums for Maintenance of Pensioners.	Cost of Administration.	Cost of Administration per £100 paid to Pensioners and Asylums.	Average Fortnightly Pension on last day of Financial Year.
	Old-age.		Invalid.	Total.					
	No.	Est. No. per 1,000 of persons eligible on age qualification. (a)							
			No.	No.	£	£	£	£ s. d.	s. d.
1926	126,918	359	48,803	175,721	8,146,636	8,252,387	99,620	1 4 2	38 7
1927	133,234	369	52,399	185,633	9,034,938	9,144,589	116,008	1 5 4	38 6
1928	139,367	379	55,517	194,884	9,681,837	9,790,346	118,641	1 4 3	38 5
1929	145,393	390	59,148	204,541	9,991,299	10,124,239	86,605	0 17 1	38 5
1930	155,196	412	63,304	218,500	10,633,979	10,791,325	89,201	0 16 6	38 5

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

§ 7. Maternity Allowance.

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

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

The following table gives a summary in connexion with the working of the Maternity Allowance Act for the years 1926 to 1930 :—

MATERNITY ALLOWANCE.—SUMMARY, 1926 TO 1930.

Year.	Claims Paid.	Claims Rejected.	Amount Paid.	Cost of Administration.	Cost per £100 of allowance paid.
			£	£	£ s. d.
1925-26 ..	136,171	517	680,855	15,702	2 6 1
1926-27 ..	132,056	1,122	660,280	16,131	2 9 0
1927-28 ..	135,784	1,261	678,920	15,489	2 5 8
1928-29 ..	132,304	901	661,520	16,626	2 10 3
1929-30 ..	128,598	821	642,990	15,157	2 7 2
Aggregate—					
1912-13 to					
1929-30 ..	2,349,326	11,538	11,746,628	250,004	2 2 7

§ 8. War Pensions.

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

2. Number of Pensioners and Expenditure on War Pensions.—The following table shows the number of pensioners at 30th June, 1930, and the places where payments were made during 1929-30 :—

WAR PENSIONS.—NUMBER OF PENSIONERS, 1930.

Where Paid.	Incapacitated Members of the Forces.	Dependants of—		Total.	Expenditure.
		Deceased Members.	Incapacitated Members.		
New South Wales ..	25,283	9,073	54,715	89,071	2,736,473
Victoria ..	24,536	10,626	58,722	93,884	2,315,583
Queensland ..	8,072	3,076	17,557	28,705	860,607
South Australia ..	4,200	2,995	9,596	16,791	499,375
Western Australia ..	7,623	3,094	17,690	28,407	793,079
Tasmania ..	2,945	1,366	8,010	12,321	347,272
Total, Australia ..	72,659	30,230	166,290	269,179	7,552,389
London ..	1,622	3,800	3,740	9,162	} 367,087
South Africa ..	53	33	72	158	
New Zealand ..	221	201	302	724	
Other Overseas ..	23	6	33	62	
Total ..	74,578	34,270	170,437	279,285	7,919,476
Payments made in Australia in respect of other countries less amounts received from other countries ..					Cr. 22,185
Total, War Pensions Trust Fund Account ..					7,897,291

3. *Cost of Administration.*—The cost of administration in 1929-30 after allowing for the amount recoverable from the Government of the United Kingdom on account of administrative cost of British pensions was £172,047, or 1.8 per cent. on the total amount paid in pensions.

§ 9. Commonwealth Public Service Superannuation Fund.

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

The number of contributors to the fund at 30th June, 1930, was 31,446, viz., 28,137 males and 3,309 females, and the average pension contributed for was £119 9s. per annum.

During 1929-30, the receipts of the fund amounted to £1,075,176 (including Treasury advance, £496,875), of which officers' contributions represented £429,672. The expenditure from the fund for the year was £1,076,669 (including repayment of Treasurer's advance, £433,275), of which £552,043 was invested, bringing the total funds invested to £2,964,784 (at cost). The average rate of interest earned on investments at 30th June, 1930, was 5.508 per cent.

Pensions in force on the 30th June, 1930, numbered 3,231 with an annual liability of £263,048, of which £214,819 represents the share payable from the Consolidated Revenue.

B. STATE FINANCE

§ 1. General.

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

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

3. *Inter-relation of Commonwealth and State Finance.*—In regard to the inter-relation of Commonwealth and State Finances, a statement in some detail, covering the period from the inception of Federation to the passing of the *Financial Agreement Act 1928*, was published in Official Year Book No. 22, pages 379–80.

§ 2. Consolidated Revenue Funds.

Division I.—Revenue.

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

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

In regard to item (b) attention is directed to the statement (see B. § 1 (2) *ante*) appertaining to the New South Wales accounts. In connexion with the Railway Accounts for that State the Consolidated Revenue Fund contributes to the Railways Commissioners a sum not exceeding £800,000 in respect of losses on country developmental railways. To avoid duplication in determining the aggregate receipts and expenditure for each of the past two years, this amount has not been included in the railways receipts or Consolidated Revenue Expenditure. During 1929–30, a refund of £327,129 was made to the Railways Commissioners from the Consolidated Revenue Surplus of 1928–29 in respect of Sinking Fund Contribution paid by the Railways Commissioners in 1928–29. This amount has not been included in revenue for the year 1929–30.

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

2. *Revenue Received.*—The following table furnishes particulars of the total amounts and the amounts per head, of consolidated revenue received by the several States during the five years 1925–26 to 1929–30:—

STATE CONSOLIDATED REVENUE, 1925–26 TO 1929–30.

Year.	N.S.W. (a)	Victoria. (a)	Q'land. (c)	S. Aust.	W. Aust. (b)	Tasmania.	All States.
TOTAL COLLECTIONS.							
	£	£	£	£	£	£	£
1925–26	41,569,166	25,269,756	15,599,718	10,474,094	8,808,166	2,726,482	104,447,382
1926–27	47,060,753	27,128,700	16,147,787	10,784,897	9,750,833	3,040,220	113,913,190
1927–28	47,997,372	27,357,917	16,718,070	11,346,903	9,807,949	2,962,687	116,190,898
1928–29	50,447,100	28,166,034	16,736,188	10,840,914	9,947,951	2,766,434	118,894,621
1929–30	46,904,889	27,323,842	15,997,870	10,551,016	9,750,515	2,956,272	113,484,404
PER HEAD OF POPULATION.							
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1925–26	18 1 9	15 0 1	18 2 3	18 19 9	23 13 4	12 11 3	17 9 1
1926–27	20 0 11	15 16 11	18 6 1	19 0 10	25 14 11	14 3 2	18 13 6
1927–28	19 19 11	15 14 3	18 11 10	19 14 2	25 0 0	13 14 6	18 13 4
1928–29	20 12 7	15 19 9	18 5 2	18 14 3	24 10 2	12 15 6	18 16 0
1929–30	18 18 8	15 7 6	17 3 9	18 3 8	23 7 11	13 9 11	17 14 7

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

(b) Excludes motor taxation now paid into a special fund.

(c) Excludes motor taxation.

During the period from 30th June, 1926, to 30th June, 1930, the aggregate revenue of the States increased by £9,037,022, or about 9 per cent. Increases were in evidence in all the States, the largest being that of £5,335,723 in New South Wales.

There has been a marked increase in the collections per head in all the States. Western Australia throughout the period has occupied the premier position, and in 1929-30 the revenue per head in that State exceeded the average for Australia by about 32 per cent. In Tasmania, however, the revenue per head averaged about 76 per cent. only on the average for Australia.

3. Sources of Revenue.—(i) *General.* Classifying the revenue of the several States in the manner indicated in 1 *ante*, particulars for the year 1929-30 are as follows:—

STATE CONSOLIDATED REVENUE.—SOURCES, 1929-30.

Particulars.	N.S.W. (a)	Victoria. (a)	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
TOTAL REVENUE.							
Taxation (c) ..	£ 13,263,792	£ 7,377,421	£ 4,297,418	£ 2,857,618	£ 1,452,793	£ 1,119,722	£ 30,368,764
Business Under- takings ..	27,028,608	14,356,920	7,703,830	5,363,384	5,465,963	861,573	60,780,287
Land ..	1,989,626	382,738	1,352,325	242,309	474,862	67,304	4,509,164
Commonwealth payments ..	2,917,411	2,127,159	1,096,235	61,063,816	6 773,432	6 516,859	8,494,912
Miscellaneous ..	1,705,452	3,079,604	1,548,053	1,023,889	1,583,465	390,814	9,351,277
Total ..	46,904,889	27,323,842	15,997,870	10,551,016	9,750,515	2,956,272	113,484,404

PER HEAD OF POPULATION.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Taxation (c) ..	5 7 1	4 3 0	4 12 4	4 18 6	3 9 9	5 2 3	4 14 11
Business Under- takings ..	10 18 2	8 1 7	8 5 6	0 4 10	13 2 4	3 18 8	9 0 11
Land ..	0 16 1	0 4 4	1 9 1	0 8 4	1 2 9	0 6 2	0 14 1
Commonwealth payments ..	1 3 7	1 3 11	1 3 7	6 1 16 8	6 1 17 1	2 7 2	1 6 6
Miscellaneous ..	0 13 9	1 14 8	1 13 3	1 15 4	3 16 0	1 15 8	1 9 2
Total ..	18 18 8	15 7 6	17 3 9	18 3 8	23 7 11	13 9 11	17 14 7

(a) Includes certain moneys not paid into Consolidated Revenue Fund. (b) Including special grant. (c) In some States certain taxation collections are not paid into Consolidated Revenue Fund. For total collections see next page. (d) Excludes £300,000 paid to Railways Commissioners from Consolidated Revenue in respect of losses on country developmental railways and £327,129 refund of Railway Sinking Fund contribution in 1928-29.

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

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

(ii) *Revenue from Taxation.*—(a) *General.* Owing to varying practices obtaining in the several States in regard to the method of treating motor taxation in the respective Treasurers' Statements of Accounts, particulars of State taxation collections have not always been directly comparable. The following table shows for the year 1929-30 particulars of all state taxation collections irrespective of whether such moneys have been paid into the Consolidated Revenue Funds or not. For this reason, the particulars hereunder are inconsistent with those stated in the tables relating to the Consolidated Revenue Funds, but represent a comprehensive statement of all taxation collections in each State. In this and the succeeding statements of taxation, the collections have been grouped according to the nature of the tax rather than the method of collection. For example, stamp duties on betting tickets and bookmakers' licences have been included under "Racing Taxation" instead of under "Stamp duties" and "Licences," respectively.

STATE REVENUE FROM TAXATION, 1929-30.

Taxation.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	All States
	£	£	£	£	£	£	£
Probate and succession duties	1,860,052	1,133,422	491,892	395,082	75,707	65,991	4,022,146
Other stamp duties	1,362,147	985,088	555,391	379,546	255,725	64,929	3,002,826
Land Tax	2,588	531,426	556,532	440,265	219,066	99,453	1,849,330
Income Tax	7,084,405	2,931,050	2,405,810	1,507,375	751,116	322,098	15,051,914
Family Endowment	1,886,715						1,886,715
Liquor Licences	496,951	362,122	96,831	34,576	76,304	21,648	1,088,432
Other Licences	40,757	35,552	30,331	35,735	7,433	13,619	169,427
Racing Taxation	546,636	145,748	90,822	52,499	70,212	14,968	920,883
Lotteries			43,750			413,119	450,869
Motor Taxation	1,809,485	1,147,957	523,881	620,571	314,300	59,791	4,505,985
Other Taxation	54,711	55,056		22,110	76,470	14,108	222,455
Total	15,150,507	7,377,421	4,795,240	3,487,769	1,846,333	1,119,722	33,776,982

(a) Includes Dividend Tax.

Prior to Federation, duties of Customs and Excise constituted the principal source of revenue from taxation. At present, the most productive State tax is the income tax, imposed in all the States, and representing for 1929-30, 44 per cent. of the total taxation revenue. For 1929-30, motor tax occupied second place. In addition to these, a State land tax and licence fees of various kinds are collected in all the States, while a dividend tax is levied in Western Australia and a family endowment tax is imposed in New South Wales.

The total amounts and the amounts per head raised from all sources of taxation by the several State Governments, including amounts not paid into the Consolidated Revenue Fund, during the five years 1925-26 to 1929-30 are given in the following table:—

STATE REVENUE FROM TAXATION, 1925-26 TO 1929-30.

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	All States.
TOTAL.							
	£	£	£	£	£	£	£
1925-26	9,848,072	5,821,034	4,294,156	2,714,185	1,589,898	1,239,967	25,507,312
1926-27	12,698,642	6,411,936	4,759,829	2,885,266	1,485,536	1,229,823	29,471,032
1927-28	13,217,001	7,177,999	5,362,964	3,736,263	1,587,920	1,134,528	32,216,675
1928-29	13,604,187	7,154,131	5,128,170	3,767,993	1,721,833	1,111,533	32,487,847
1929-30	15,150,507	7,377,421	4,795,240	3,487,769	1,846,333	1,119,722	33,776,982

PER HEAD OF POPULATION.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1925-26	4 5 8	3 9 2	4 19 9	4 18 5	4 5 5	5 14 3	4 5 3
1926-27	5 8 2	3 14 11	5 7 11	5 1 11	3 18 5	5 14 7	4 16 8
1927-28	5 10 1	4 2 5	5 19 3	6 9 9	4 0 11	5 5 2	5 3 6
1928-29	5 11 3	4 1 3	5 11 11	6 10 1	4 4 10	5 2 8	5 2 9
1929-30	6 2 3	4 3 1	5 3 0	6 0 2	4 8 7	5 2 4	5 5 6

During the period between 30th June, 1926, and 30th June, 1930, State revenue from taxation increased by about 32 per cent., the increase varying considerably in the different States and in the different sources of taxation.

Taking the States as a whole, taxation increased by £1 0s. 3d. per head during the same period, the most marked increase, £1 16s. 7d., occurring in the case of New South Wales, due to the introduction of the "family endowment tax" in 1927-28. Increases were recorded in all States except Tasmania, where the decrease represented 11s. 11d. per head of population.

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

The duties collected for the financial years 1925-26 to 1929-30 are as follows:—

STATE PROBATE AND SUCCESSION DUTIES.—COLLECTIONS, 1925-26 TO 1929-30.

State.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
New South Wales	1,171,364	1,223,979	1,596,804	1,816,927	1,860,052
Victoria	940,609	1,111,876	1,117,164	1,079,840	1,133,422
Queensland	356,758	402,173	556,456	524,135	491,892
South Australia	269,332	242,187	327,940	329,924	395,082
Western Australia	84,635	66,366	81,452	82,469	75,707
Tasmania	74,370	151,200	99,640	74,812	65,991
Total	2,897,068	3,197,781	3,779,456	3,908,107	4,022,146

(c) *Other Stamp Duties.* The revenue derived from stamp duties (exclusive of probate and succession duties) for the years 1925-26 to 1929-30 is shown in the accompanying table:—

STATE STAMP DUTIES (a).—COLLECTIONS, 1925-26 TO 1929-30.

State.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
New South Wales	1,443,739	1,626,318	1,552,117	1,586,776	1,362,147
Victoria	1,019,250	1,061,219	1,005,957	1,017,908	985,088
Queensland	443,702	558,063	558,970	575,809	555,391
South Australia	384,000	420,932	445,517	469,861	379,546
Western Australia	224,311	246,089	263,871	291,400	255,725
Tasmania	62,858	62,700	62,267	62,623	64,929
Total	3,577,860	3,975,321	3,888,699	4,004,377	3,602,826

(a) Excludes stamp duties on betting tickets.

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

The following table shows the amount collected by means of such taxes during the financial years 1925-26 to 1929-30 :—

STATE LAND TAX.—COLLECTIONS, 1925-26 TO 1929-30.

State.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
New South Wales ..	2,667	2,870	2,744	2,870	2,588
Victoria ..	457,441	517,229	560,013	560,765	531,426
Queensland ..	468,020	481,937	531,940	569,551	556,532
South Australia ..	244,132	367,318	458,222	452,994	440,265
Western Australia ..	145,830	147,415	162,906	196,301	219,066
Tasmania ..	126,251	114,322	67,494	99,384	99,453
Total ..	1,444,341	1,631,091	1,813,319	1,881,865	1,849,330

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

The following table shows the total amount collected in the several States during the years 1925-26 to 1929-30. In the case of Western Australia the amount of dividend duty collected is included.

STATE INCOME AND DIVIDEND TAXES.—COLLECTIONS, 1925-26 TO 1929-30.

State.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
New South Wales ..	5,392,946	7,739,627	6,382,467	7,343,049	7,084,465
Victoria ..	2,238,429	2,382,991	3,035,014	2,881,917	2,981,050
Queensland ..	2,617,253	2,821,217	3,082,552	2,768,514	2,405,810
South Australia ..	1,422,993	1,359,437	1,803,829	1,735,922	1,507,375
Western Australia ..	832,239	619,140	648,537	644,836	751,116
Tasmania ..	721,231	599,550	574,902	584,565	322,098
Total ..	13,225,091	15,521,962	15,527,301	15,948,803	15,051,914

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

MOTOR TAXATION.—COLLECTIONS, 1925-26 to 1929-30.

State.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
New South Wales ..	997,195	1,247,915	1,478,986	1,710,453	1,809,485
Victoria ..	641,765	804,903	922,437	1,065,734	1,147,957
Queensland ..	203,789	275,362	403,956	477,310	523,881
South Australia ..	a 272,974	a 368,211	a 539,521	a 623,586	a 620,571
Western Australia ..	152,201	221,107	215,567	265,059	314,300
Tasmania ..	49,681	68,729	68,916	80,296	89,791
Total ..	2,317,605	2,976,227	3,629,383	4,222,438	4,505,985

(a) Includes motor spirit tax.

In all the States except Tasmania, the proceeds of Motor Tax and Motor Registration Fees, which latter are included herein, are paid into a special roads fund and the amounts do not appear in the Consolidated Revenue Fund. In New South Wales a proportion of the collections is however retained and paid to Consolidated Revenue as an offset against administrative charges.

(iii) *Business Undertakings.* A very large proportion of State revenues is made up of receipts from public works and services under the control of the Governments. The principal of these are railways and tramways, harbour works, and water supply and sewerage, while, in addition, State batteries for the treatment of auriferous ores exist in Western Australia, and various minor revenue-producing services are rendered by the Governments of all States. For the year 1929-30 the revenue from these sources was £60,780,287, or 54 per cent. of the revenue from all sources. Details of revenue are as follows :—

STATE REVENUE FROM BUSINESS UNDERTAKINGS, 1929-30.

Particulars.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	All States.
	£	£	£	£	£	£	£
Railways and tramways.	a 21,730,163	a 11,729,153	a 7,356,059	a 3,299,808	3,961,994	a 508,931	48,606,108
Harbour services	c 1,017,934	70,994	85,528	582,343	363,224	..	2,120,023
Water supply and sewerage	d 3,065,321	b 620,632	..	884,351	615,476	..	5,185,780
Other ..	1,215,190	1,936,141	262,252	596,882	505,269	352,642	4,863,376
Total ..	27,028,608	14,356,920	7,703,839	5,363,384	5,465,063	861,573	60,780,287

(a) Railways only. (b) Water supply only. (c) Not paid into Consolidated Revenue. See B. 1 § 2.
(d) Portion only paid to Consolidated Revenue Fund.

As mentioned in the footnote to the table on page 268 the particulars shown above for New South Wales railways and tramways do not include a sum of £800,000, recouped to Railways Commissioners from Consolidated Revenue in respect of losses on operating country developmental railways and £327,129 which was repaid from the Consolidated Revenue Surplus of 1928-29, in respect of Sinking Fund contribution during that year.

(iv) *Lands.* The revenue from the sale and rental of Crown lands has, with few exceptions, been treated from the earliest times as forming part of the Consolidated Revenue Funds, and has been applied to meet ordinary expenses. Where the rentals received are for lands held for pastoral or residential purposes such application of the revenue would appear justifiable. On the other hand, where the rentals are for mineral and timber lands, and in all cases of sales of lands, the proceeding is essentially a disposal of capital to defray current expenses, and is, therefore, open to criticism. The following table gives the revenue from sales and rentals of Crown lands for the year 1929-30 :—

STATE LAND REVENUE, 1929-30.

Particulars.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	All States.
	£	£	£	£	£	£	£
Sales ..	110,824	82,522	..	17,972	165,885	17,236	394,439
Rental ..	1,789,696	185,083	1,154,505	224,337	150,156	31,564	3,535,341
Forestry ..	89,106	115,133	197,820	..	158,821	18,504	579,384
Total ..	1,989,626	382,738	1,352,325	242,309	474,862	67,304	4,509,164

(v) *Commonwealth Payments.* The payments to the States (inclusive of special grants but excluding the contributions in respect of sinking fund on States' Debts and Federal Aid Roads grants) represent in each instance a considerable proportion of the States' revenue, and for the year 1929-30 aggregated £8,494,412, or 7.48 per cent. of the total revenue of the States.

(vi) *Miscellaneous.* In addition to the foregoing, there are in each State several miscellaneous sources of revenue, including such items as interest, fines, fees, etc., which for the year 1929-30 aggregated £9,331,277. Of this amount, interest was responsible for £5,016,556.

Division II.—Expenditure.

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

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

Of these, that of working expenses of railways and tramways was the most important, and for the year 1929-30 represented about 34 per cent. of the aggregate expenditure from the Consolidated Revenue Fund. Next in importance for that year was the item of interest and sinking fund in connexion with the public debt, then education, medical and charitable expenditure, and police, in the order named.

2. *Total Expenditure.*—The total expenditure from Consolidated Revenue Funds in the several States, and the expenditure per head of population during each of the years 1925-26 to 1929-30 are given in the table hereunder:—

STATE EXPENDITURE.—CONSOLIDATED REVENUE FUNDS, 1925-26 TO 1929-30.

Year.	N.S.W. (a)	Victoria. (a)	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
TOTAL.							
	£	£	£	£	£	£	£
1925-26	42,820,400	25,559,583	16,154,404	10,460,943	8,907,308	2,698,262	106,600,900
1926-27	45,481,416	27,744,903	16,490,954	11,834,947	9,722,588	2,855,077	114,129,885
1927-28	48,857,763	27,521,270	16,707,564	11,621,834	9,834,415	2,867,605	117,410,451
1928-29	50,470,660	28,104,947	16,902,145	11,771,772	10,223,919	2,855,977	120,329,420
1929-30	52,167,117	28,496,712	16,721,055	12,176,840	10,268,519	2,981,992	122,812,235

STATE EXPENDITURE.—CONSOLIDATED REVENUE FUNDS 1925-26 TO 1929-30.—*continued.*

Year.	N.S.W. (a)	Victoria. (a)	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
PER HEAD OF POPULATION.							
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1925-26	18 12 7	15 3 7	18 15 2	18 19 5	23 18 8	12 8 8	17 16 3
1926-27	19 7 5	16 4 2	18 13 10	20 17 11	25 13 5	13 5 11	18 14 1
1927-28	20 7 1	15 16 1	18 11 7	20 3 8	25 1 5	13 5 8	18 17 3
1928-29	20 12 10	15 19 2	18 8 9	20 6 5	25 3 10	13 3 9	19 0 6
1929-30	21 1 1	16 0 9	17 19 3	20 19 8	24 12 9	13 12 3	19 3 8

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

Details of the expenditure for the year 1929-30 are given in the next table.

3. Details of Expenditure for 1929-30.—The following table shows the total expenditure and expenditure per head under each of the principal items:—

STATE EXPENDITURE.—DETAILS, 1929-30.

Particulars.	N.S.W. (c)	Victoria. (c)	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
TOTAL.							
	£	£	£	£	£	£	£
Public debt (interest, sinking fund, etc.)	13,734,811	8,173,970	5,528,504	4,877,270	3,453,548	1,202,562	36,970,674
Railways and tramways (working expenses)	19,169,611	9,216,112	6,946,163	6,484,457	3,411,642	655,867	41,779,852
Water Supply and Sewerage	1,250,248	266,602	228,172	225,275	317,877	..	2,088,174
Justice	649,103	305,382	192,160	72,942	93,757	37,098	1,350,382
Police	1,863,021	921,383	596,057	327,572	250,200	96,214	4,054,447
Penal establishments	392,710	122,134	39,334	52,164	31,569	12,361	650,272
Education	4,881,758	2,969,156	1,788,641	1,030,934	723,672	335,319	11,729,480
Medical and charitable	3,972,895	1,434,772	1,116,593	692,386	494,970	210,536	7,922,152
All other expenditure	1,625,960	5,087,192	1,485,431	1,413,840	1,491,284	536,095	16,266,802
Total	52,167,117	28,496,712	16,721,055	12,176,840	10,268,510	2,981,992	122,812,235

PER HEAD OF POPULATION.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Public debt (interest, sinking fund, etc.)	5 10 10	4 12 0	5 13 9	8 8 1	8 5 8	5 9 9	5 15 6
Railways and tramways (working expenses)	17 14 9	5 3 9	6 7 9	6 0 1	8 3 9	6 10 5	6 10 6
Water Supply and Sewerage	0 10 1	0 3 0	0 0 7	0 7 9	0 15 3	..	0 6 6
Justice	0 5 3	0 3 5	0 4 2	0 2 6	0 4 6	0 3 5	0 4 3
Police	0 15 0	0 10 4	0 12 10	0 11 3	0 12 0	0 8 9	0 12 8
Penal establishments	0 3 2	0 1 5	0 0 10	0 1 10	0 1 6	0 1 2	0 2 0
Education	1 19 5	1 13 5	1 18 5	1 15 6	1 14 9	1 10 7	1 16 8
Medical and charitable	1 12 1	0 16 2	1 4 0	1 3 11	1 3 9	0 19 3	1 4 9
All other expenditure	1 2 10	2 17 3	1 11 11	2 8 9	3 11 7	2 8 11	2 10 10
Total	21 1 1	16 0 9	17 19 3	20 10 8	24 12 9	13 12 3	19 3 8

(a) Including 9.79 miles of electric tramways operated by the Victorian Railways. (b) Railways only. (c) Includes expenditure of certain moneys not paid into Consolidated Revenue. (d) Includes £531,624 adjustment of accounts at 30th June, 1928, but excludes £300,000 paid from Consolidated Revenue Fund on account of losses on country developmental Railways, and £327,129 refund of Sinking Fund contribution in 1928-29. (e) Water Supply only. (f) Includes £266,040 of 1928-29 surplus paid to Family Endowment Fund. (g) Portion only from Consolidated Revenue Fund.

§ 3. State Trust Funds.

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

2. Extent.—The amount of trust funds held on the 30th June, 1930, was as follows :—

STATE TRUST FUNDS, 30th JUNE, 1930.

Particulars.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	All States.
	£	£	£	£	£	£	£
Amount of trust funds	24,544,829	6,026,603	602,932	1,502,992	16,483,820	801,495	49,962,671

§ 4. State Loan Funds.

Division I.—Loan Expenditure.

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

2. Loan Expenditure, 1929-30.—For the year ended 30th June, 1930, State net expenditure from loan funds (exclusive of revenue deficits charged to loan and Treasury Bills retired) was £24,542,464. Details for the year for each State are given in the following table :—

STATE NET LOAN EXPENDITURE, 1929-30.

Heads of Expenditure.	N.S.W. (a)	Victoria. (a)	Q'land. (c)	S. Aust.	W. Aust. (b)	Tasmania.	All States.
	£	£	£	£	£	£	£
Railways	5,034,505	953,432	739,548	405,153.	849,662	} Cr. 69,940	7,090,685
Tramways	48,305	..	..	..	..
Water Supply	467,294	} 539,648	} 215,586	} 359,013	} 338,900	}	3,417,082
Sewerage	546,071						
Water Conservation, etc.	713,585						
Harbours, Rivers and Lighthouses	396,358	46,197	15,369	188,351	263,255	} 253,825	3,786,144
Roads and Bridges	1,015,873	600,916	122,094	Cr. 31,419	315,325		
Public Buildings (other than State schools)	515,554	76,837	} 166,762	} 137,632	} 54,140	} 63,483	1,681,231
State Schools	331,020	258,580						77,223
Immigration	Cr. 2,071	..	..	..	7,182	..	4,511
Development of mines and mineral resources	..	..	3,423	..	92,219	..	95,642
Agricultural Bank .. ..	..	..	Cr. 56,515	Cr. 500,000	849,849	Cr. 2,781	290,578
Advances to settlers	264,133	165,609	} 39,326	} 671,105	} 794,851	} 20,065	3,408,499
Land purchased for settlement	606,100	846,691						Cr. 8,381
Soldier Settlement .. ..	..	590,756	Cr. 54,018	108,723	46,313	61,440	843,214
Loans to local bodies	..	..	260,935	463,285	5,084	Cr. 279,713	449,591
Rabbit-proof fencing	Cr. 2,490	20,538	Cr. 16,879	3,880	..	..	5,049
Electricity supply	112,429	1,774,954	..	..	44,050	78,175	2,009,608
Other public works and purposes	232,561	110,621	60,235	141,737	32,222	13,279	590,655
Total	10,878,627	6,034,779	1,295,866	2,493,287	3,693,052	146,853	24,542,464
Revenue deficit .. ..	..	..	..	Cr. 4,848	..	..	Cr. 4,848
Grand Total	10,878,627	6,034,779	1,295,866	2,488,439	3,693,052	146,853	24,537,616

(a) Expenditure charged to Loan Fund. (b) Excludes expenditure from Loan Suspense Account.
(c) In addition, £967,502 was charged to loan to cover debit balances on certain industrial undertakings, expenditure on which was made from Trust Funds in previous years. (d) Includes loans to Local Bodies for Water Supply and Sewerage, Cr. £23,081.

3. Loan Expenditure, 1925-26 to 1929-30.—The following table gives the loan expenditure during each of the years 1925-26 to 1929-30 :—

STATE NET LOAN EXPENDITURE, 1925-26 TO 1929-30,

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
TOTAL.							
	£	£	£	£	£	£	£
1925-26	11,180,482	8,001,375	3,905,863	6,430,014	4,078,686	540,152	34,136,572
1926-27	10,422,270	8,962,353	3,598,957	6,074,387	4,113,054	329,698	33,500,719
1927-28	14,407,619	8,478,238	3,198,506	3,882,268	4,680,260	377,777	35,024,668
1928-29	14,249,082	7,128,273	2,141,653	3,536,422	4,372,269	348,818	31,776,517
1929-30	10,878,627	6,034,779	1,295,866	2,493,287	3,693,052	146,853	24,542,464
PER HEAD OF POPULATION.							
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1925-26	4 17 3	4 15 0	4 10 9	11 13 2	10 19 2	2 9 9	5 14 1
1926-27	4 8 9	5 4 9	4 1 7	10 14 6	10 17 2	1 10 8	5 9 10
1927-28	6 0 0	4 17 4	3 11 2	6 14 10	11 18 7	1 15 0	5 12 6
1928-29	5 16 7	4 1 0	2 6 9	6 2 1	10 15 5	1 12 3	5 0 6
1929-30	4 7 10	3 7 11	1 7 10	4 5 11	8 17 3	0 13 5	3 16 8

The loan expenditure per head of population varies in the different States and in different years, reaching its highest point for the five years under review in Western Australia in 1927-28 with £11 18s. 7d. per head, and its lowest in Tasmania in 1929-30 with 13s. 5d. per head.

4. Total Loan Expenditure to 30th June, 1930.—The total loan expenditure of the States from the initiation of borrowing to the 30th June, 1930, amounted to £765,956,288. The purposes for which this sum was expended are shown in the following table:—

TOTAL STATE LOAN EXPENDITURE TO 30th JUNE, 1930.

Heads of Expenditure.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
	£	£	£	£	£	£	£
Railways	135,046,602	73,310,565	61,196,339	32,225,135	} 24,350,201	} 6,838,628	} 348,879,220
Tramways	12,292,109	..	..	63,560,641			
Telegraphs and telephones	1,762,095	..	524,387	991,772	} 332,293	} 142,410	} 3,752,957
Water supply	22,984,062	..	..	12,792,668			
Sewerage	13,368,596	} 25,818,260	} 7,211,348	} 2,420,574	} 9,314,106	} ..	} 115,245,267
Water conservation ..	13,696,048						
Harbours, rivers and lighthouses	22,278,654	1,327,361	2,417,908	7,601,184	5,663,109	} 6,685,092	} 78,003,879
Roads and bridges ..	13,339,763	11,267,254	2,245,304	3,202,453	1,975,797		
Defence	1,457,536	149,323	..	291,615	..	123,224	2,026,693
Public buildings (excluding State schools) ..	} 11,916,899	1,008,677	3,278,228	1,291,058	1,565,337	} 1,785,695	} 27,586,131
State schools		4,998,621	..	..	1,741,616		
Immigration	762,825	20,000	2,763,071	..	501,999	235,714	4,283,609
Development of mines and mineral resources ..	..	520,421	..	..	2,461,981	..	2,982,402
Agricultural Bank ..	..	..	2,457,279	1,595,001	4,584,294	247,621	8,884,195
Advances to settlers ..	2,595,822	2,122,415	59,112	1,914,853	..	..	..
Land purchased for settlement	7,391,707	10,872,472	1,166,200	1,694,631	} 13,996,847	} 732,135	} 42,546,254
Soldier Settlement ..	..	26,512,761	1,822,792	8,754,683			
Loans to local bodies ..	..	1,129,414	5,934,183	354,719	7,914,934	2,302,468	47,307,638
Rabbit-proof fencing ..	384,091	616,195	351,419	257,332	94,394	1,237,224	8,749,934
Electricity supply ..	1,135,008	16,292,992	..	..	325,703	..	1,937,740
Other public works and purposes	69,122,049	60,515,692	20,855,042	69,774,724	1,170,892	3,750,192	22,353,084
Total	269,533,926	182,482,423	112,282,612	98,113,204	77,673,840	25,870,274	765,956,288

(a) Includes industrial undertakings, grain elevators, returned soldiers' aid, etc. (b) Loans to Local Bodies for Tramways. (c) Includes £4,185,338 Treasury Bills retired, and Funded Deficits and Deficits on Loans, £4,881,522. (d) Includes Revenue Deficits, £3,875,682. (e) Includes Revenue Deficits, £1,036,990. (f) Includes Treasury Bills retired and Revenue Deficits, £496,272, and Deficits on Loans.

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

Division II.—State Public Debts.

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

2. State Debts, 1926 to 1930.—The table hereunder shows the State public debts and the amounts owing per head of population at the 30th June in each year from 1926 to 1930 inclusive. The totals include sums advanced by the Commonwealth to the States for settling returned soldiers on the land, and for this reason they differ in some cases from those given in previous issues. On the transfer of the Queensland State Savings Bank business to the Commonwealth Bank in 1920, Queensland Government securities were handed to the latter for the Savings Bank current account credit balance and for

amounts owing on account of Advances to Settlers and Workers' Dwellings. This transaction added a total of £5,936,916 to the Public Debt without involving any additional borrowing. Repayments reduced this amount at 30th June, 1930, to £3,262,560.

As provided in the *Financial Agreement Act 1928* (particulars of which were given in Official Year Book No. 22, pages 363 and 380), the Commonwealth Government on 1st July, 1929, assumed, as between Commonwealth and States, the liabilities of the States to bondholders in respect of the debts of the States existing at 1st July, 1929, and taken over by the Commonwealth.

STATE PUBLIC DEBTS, 30th JUNE, 1926 TO 1930.

Date.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
TOTAL.							
	£	£	£	£	£	£	£
30th June, 1926	223,433,708	138,738,141	102,309,501	79,259,916	70,799,260	24,475,463	639,061,929
" 1927	240,725,933	146,353,163	105,711,107	83,112,110	71,455,083	24,512,321	678,869,719
" 1928	238,474,598	157,283,470	112,138,970	93,223,165	77,071,749	24,826,660	722,019,812
" 1929	269,975,833	155,983,652	113,375,611	94,256,162	70,132,660	22,697,092	726,406,490
" 1930	270,630,848	155,719,888	112,623,979	93,986,118	71,090,141	22,688,862	727,639,836
PER HEAD OF POPULATION.							
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
30th June, 1926	98 9 3	81 17 6	116 6 10	141 18 1	188 14 5	116 17 11	105 18 4
" 1927	101 10 11	84 15 5	118 3 9	154 6 9	185 11 6	117 14 11	109 19 2
" 1928	106 13 6	89 18 1	122 13 11	159 12 5	192 16 6	117 19 2	115 2 4
" 1929	109 12 9	88 1 1	122 5 5	162 13 6	170 6 9	106 16 1	114 4 0
" 1930	108 17 11	87 6 7	119 10 6	161 17 5	171 19 3	105 5 4	113 4 11

The greatest increase in indebtedness was experienced in New South Wales, which added £47,142,140 during the period under review. The public debt of the whole of the States increased during the same period by £88,577,907, or at the rate of over £22,000,000 per annum.

3. Place of Flotation of Loans.—As pointed out previously, the yearly loans, usually for comparatively small amounts, were raised locally, but, with the increasing demand for loan funds and the more favourable terms offering in the London market, the practice of raising loans in London came into vogue, and for many years local flotations, except for short terms or small amounts, were comparatively infrequent. In more recent years, however, the accumulating stocks of money in Australia seeking investment have led to the placing of various redemption and other loans locally, with very satisfactory results. Moreover, certain loans have been placed in New York on account of all States. The following table gives particulars of loans outstanding on the 30th June, 1930, which had been floated abroad and in Australia respectively:—

STATE PUBLIC DEBTS.—PLACE OF FLOTATION OF LOANS, 30th JUNE, 1930.

State.	Floated Abroad.			Floated in Australia.	Grand Total.
	London.	New York.	Total.		
	£	£	£	£	£
New South Wales	155,112,103	13,945,628	169,057,731	101,573,117	270,630,848
Victoria ..	58,846,378	4,658,461	63,504,839	92,215,049	155,719,888
Queensland ..	63,317,619	7,956,766	71,274,385	41,349,594	112,623,979
South Australia ..	40,914,766	1,789,767	42,704,533	51,281,585	93,986,118
Western Australia	43,706,544	2,100,052	45,806,596	26,183,545	71,990,141
Tasmania ..	13,142,275	236,309	13,378,584	9,310,278	22,688,862
Total ..	375,039,685	30,686,983	405,726,668	321,913,168	727,639,836

Particulars of the aggregate debts of the States maturing overseas and in Australia for the past five years will be found on page 283.

4. Rates of Interest.—As mentioned previously, the highest rate of interest paid for the earliest State loans was fivepence farthing per £100 per diem, or, approximately, 8 per cent. per annum. At present the rates vary from $7\frac{1}{2}$ per cent. to 3 per cent., over twenty separate rates being involved. The average rate payable on the aggregate indebtedness is more than $4\frac{1}{2}$ per cent. For the separate States the average varies considerably, being lowest in the case of Tasmania and Queensland and highest in that of South Australia, the difference between these two average rates being about $\frac{1}{2}$ per cent. The table hereunder gives particulars of the rates of interest payable at the 30th June, 1930 :—

STATE PUBLIC DEBTS.—RATES OF INTEREST PAYABLE, 30th JUNE, 1930.

Rate of Interest.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	Total.
%	£	£	£	£	£	£	£
7½ ..	2,311,068	565,814	769,222	513,564	1,380,000	268,649	5,808,317
7 ..	..	..	2,465,838	..	..	..	2,465,838
£6/15/2 ..	1,250,000	613,248	10,742	..	477,802	..	2,351,792
£6/14/- ..	..	..	67,026	..	500,000	19,280	586,306
6½ ..	6,500,000	..	2,900,820	3,000,000	250,000	2,357,399	15,008,219
£6/7/- ..	4,285,099	5,480,743	1,580,780	1,730,158	1,939,883	900,000	15,916,663
£6/2/8 ..	1,928,055	1,432,212	..	734,756	729,734	..	4,824,757
£6/1/3 ..	..	..	336,000	..	..	..	386,000
6 ..	19,957,165	8,031,486	6,226,349	14,017,925	6,351,397	602,548	55,186,870
5½ ..	18,075,999	2,015,450	..	..	1,109,993	..	21,201,442
5 ..	34,908,468	13,013,512	2,421,790	6,506,924	4,763,968	1,494,243	63,108,905
5 ..	..	100,000	..	..	..	..	109,000
£5/6/11 ..	1,874,412	3,553,124	501,241	522,283	1,045,559	600,000	8,095,619
£5/5/3 ..	85,405	1,581,146	309,730	67,000	87,958	341,635	2,472,874
5½ ..	54,952,056	29,356,200	9,956,630	23,254,049	4,528,341	3,559,345	125,606,621
5 ..	..	431,750	..	..	..	..	431,750
5 ..	56,244,952	58,162,071	42,840,544	25,020,762	23,537,623	3,096,612	208,902,569
4½ ..	..	50,000	..	..	..	..	50,000
4½ ..	..	6,080,730	..	500,000	..	..	6,580,730
4½ ..	15,109,322	906,734	7,702,612	103,050	5,231,695	328,837	29,382,250
4 ..	..	500,000	..	..	..	140,759	640,759
4 ..	20,734,489	4,005,667	12,500,216	6,337,857	8,506,601	4,054,278	56,139,108
3½ ..	1,911,650	220,000	2,019,900	1,732,252	888,008	..	6,772,410
3 ..	13,833,856	10,171,063	14,475,156	4,933,727	7,827,410	4,475,286	55,716,498
3 ..	16,601,415	9,448,939	5,489,383	5,001,771	2,832,504	450,000	39,524,011
Overdue ..	67,437	..	..	10,040	1,060	..	78,537
Total ..	270,630,848	155,719,888	112,623,979	93,986,118	71,990,141	22,688,862	727,639,886
Interest payable—							
London (a)	7,479,612	2,753,532	2,868,670	1,944,125	1,971,840	576,732	17,594,511
New York	677,666	228,729	462,087	89,438	105,003	11,816	1,574,789
Australia ..	5,429,516	4,761,809	2,023,480	2,725,422	1,423,205	505,775	16,869,207
Total ..	13,536,794	7,744,070	5,354,237	4,759,035	3,500,048	1,094,323	33,038,507
Average rate	5 0 5	4 10 6	4 15 1	5 1 3	4 17 3	4 16 6	4 19 1

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

The average rate of interest payable has risen from £4 17s. 10d. per cent. in 1925-26 to £4 19s. 1d. in 1929-30.

5. Dates of Maturity.—Securities like the British Consols are interminable, but Australian debts have in most cases a fixed date for repayment, there being a few exceptions which are included in the following table under the headings "interminable," "terminable at Government option," and "date not fixed." Those "terminable at

Government option" include amounts which are payable by the respective Governments after giving a specified notice, and those "date not fixed" consist of certain amounts owing to the Commonwealth Government. In most cases, at date of maturity renewal is effected in respect of the greater portion of the loan, as provision for redemption has been made in exceptional cases only. In order to avoid application to the market at an unfavourable time, several States adopted the practice of specifying a period prior to the date of maturity within which the Government, on giving twelve, or in some cases six months' notice, has the option of redeeming the loan. The Government can, therefore, take advantage of opportunities that may offer during the period for favourable renewals. Particulars concerning the due dates of the State loans outstanding on the 30th June, 1930, are given in the following table, the various maturities being grouped according to years ending 30th June, and on that account are not directly comparable with information published in previous years.

Where the Government has the option of redemption during a specified period the loan is classified according to the latest date of maturity.

While the latest dates of maturity of the various loans extend over the period 1930-31 to 1975-76, the average for the States as a whole is almost 16½ years.

**STATE PUBLIC DEBTS.—LATEST DATE OF MATURITY OF AMOUNT
• OUTSTANDING ON 30th JUNE, 1930.**

Year of Maturity (ending 30th June).	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania	Total.
	£	£	£	£	£	£	£
Overdue ..	67,437			10,040	1,060		78,537
1930-31 ..	14,148,897	11,857,305	4,612,258	3,199,765	5,134,338	1,865,801	40,818,364
1931-32 ..	5,663,345	3,928,080	622,220	3,581,650	1,297,709	291,335	15,384,339
1932-33 ..	20,611,260	7,805,146	1,198,000	5,130,746	1,462,732	837,053	37,044,937
1933-34 ..	16,175,946	19,141,435	3,004,340	6,216,794	2,583,455	379,789	47,501,759
1934-35 ..	23,419,064	15,874,520	489,770	9,552,388	7,476,943	624,065	57,438,750
1935-36 ..	16,787,447	6,700,534	3,450,820	4,146,739	2,029,822	692,880	33,808,242
1936-37 ..	4,560,342	4,857,117	2,027,464	9,113,482	1,641,809	226,010	22,426,224
1937-38 ..	304,798	523,000	473,000	1,312,959	1,939,250	32,619	4,585,626
1938-39 ..	839,720	648,375	2,300,697	2,965,182	463,533	88,853	7,306,360
1939-40 ..	5,707,250	3,132,872	1,581,320	2,344,273	830,069	6,348,630	19,950,414
1940-41 ..	16,490,900	4,534,780	4,635,932	5,990,000	3,793,253	2,203,222	37,648,087
1941-42 ..	14,070,435	1,815,270	3,895,093	2,049,021	292,630	60,841	22,183,340
1942-43 ..	8,965,954	15,514,540	1,178,200	10,063,127	652,297	1,291,697	37,065,815
1943-44 ..	918,537			64,650	756,100	15,281	1,754,568
1944-45 ..	6,400	807,475	7,435,750	798,812	5,654,390	200,000	14,902,827
1945-46 ..	11,000,800	1,065,268			10,500		12,076,568
1946-47 ..			7,591,486		1,453,600	250,000	9,295,086
1947-48 ..	8,100		590,091		250,000		848,191
1948-49 ..	3,300	5,467,314	1,211,191				6,681,805
1949-50 ..	6,200	6,231,957	1,674,066			42,000	7,954,223
1950-51 ..	12,074,300		7,834,001			2,800,000	22,708,301
1951-52 ..			679,536				679,536
1952-53 ..	8,000	239,500	2,622,326				2,869,826
1953-54 ..	3,300	478,874	628,178			143,000	1,253,352
1954-55 ..	2,700		775,378		3,345,804		4,123,882
1955-56 ..	25,637,922	2,751,094	1,884,825	762,560	1,531,655		32,568,856
1956-57 ..	5,007,603				568,396		5,575,999
1957-58 ..	22,900,603		1,551,238	1,027,207		236,300	27,622,724
1959-60 ..		2,970,700			888,608		3,859,308
1960-61 ..		6,000,000	20,228,800	2,989,617			29,218,417
1961-62 ..					4,964,083		4,964,083
1962-63 ..	10,500,000						10,500,000
1963-64 ..					1,566,000		1,566,000
1964-65 ..	14,130,000				2,666,165		16,796,165
1969-70 ..			2,000,000				2,000,000
1975-76 ..	2,909,644	14,510,817	10,755,200	14,097,898	13,298,688	1,248,025	63,820,272
Interminable ..	532,889			98,382			631,271
Terminable at Government option ..	7,361,771			5,001,771			12,363,542
Half-yearly option ..			3,992,166			681,888	4,674,054
Date not fixed ..	9,805,984	16,956,548	2,700,583	3,469,055	5,431,202	2,129,564	40,492,936
Total ..	270,630,848	155,719,888	112,623,979	93,986,118	71,990,141	22,688,862	727,639,836
Average period to maturity, years	14.57	13.41	23.12	14.39	20.16	12.39	16.15

6. Sinking Funds.—The practice of providing sinking funds has been consistently adopted in the case of Western Australia only. This State has established, in connexion with each of its loans, sinking funds varying from 1 per cent. to 3 per cent. per annum of the nominal amount of the loan. The funds are placed with trustees in London, by whom they are invested in securities, and applied from time to time to the redemption of loans falling due. In the other States the sinking fund provision made is varied, consisting in certain instances of the revenues from specified sources, in others of the Consolidated Revenue Fund surplus, and in others again of fixed annual amounts. The following table gives the sinking funds and net indebtedness of each State at the 30th June, 1930 :—

STATE SINKING FUNDS AND NET INDEBTEDNESS, 30th JUNE, 1930.

State.	Gross Indebtedness.	Sinking Fund.	Net Indebtedness.	Net Indebtedness per Head.
	£	£	£	£ s. d.
New South Wales	270,630,848	145,739	270,485,109	108 16 9
Victoria	155,719,888	5,091	155,714,797	87 6 7
Queensland	112,623,979	815,004	111,808,975	118 13 2
South Australia	93,986,118	8,324	33,977,794	161 17 2
Western Australia	71,990,141	1,019,975	70,970,166	169 10 6
Tasmania	22,688,862	8,013	22,680,849	105 4 7
Total	727,639,836	2,002,146	725,637,690	112 18 8

C.—COMMONWEALTH AND STATE FINANCE.

1. Revenue and Expenditure.—The appended tabular statements show the aggregate revenue and expenditure of the Commonwealth and States for each of the five years ended 30th June, 1930, allowance having been made in cases of duplication.

COMMONWEALTH AND STATES.—REVENUE 1925–26 TO 1929–30.

Year ended 30th June—	Revenue collected by Commonwealth Government(a).	Revenue collected by State Governments(b).	Total.
	£	£	£
1926	68,403,380	96,823,283	165,226,663
1927	73,777,993	105,298,063	179,076,056
1928	71,855,280	107,779,249	179,634,529
1929	72,865,813	110,939,913	183,805,726
1930	75,238,342	104,989,492	180,227,834

(a) Excluding Interest on Loans to States for Soldier Land Settlement, Miscellaneous Loans, and Balance of Interest on States' Debts.

(b) Excluding Payments by Commonwealth Government under "Surplus Revenue", "Special Grants", "Financial Agreement", and "Federal Aid Roads" Acts.

COMMONWEALTH AND STATES.—EXPENDITURE, 1925-26 TO 1929-30.

Year ended 30th June—	Expenditure by Commonwealth Government(a).	Expenditure by State Governments.	Total.
	£	£	£
1926	63,272,762	106,600,900	169,873,662
1927	62,982,107	114,129,885	177,111,992
1928	69,040,002	117,410,451	186,450,453
1929	67,119,876	120,329,420	187,449,296
1930	68,214,435	122,812,235	191,026,670

(a) Excluding Payments to States and Interest on States' Debts, etc.

2. **Taxation.**—In the table hereunder showing the combined Commonwealth and State taxation for each of the years 1925-26 to 1929-30, as well as the amount per head of population, certain taxation collections by the State Governments which are not paid into the Consolidated Revenue Fund have been included :—

TOTAL COMMONWEALTH AND STATE TAXATION, 1925-26 TO 1929-30.

Particulars.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	£	£	£	£	£
Commonwealth—					
Customs and Excise	39,198,878	43,552,478	41,446,730	41,058,571	41,774,391
Other	15,174,127	15,442,331	15,191,128	15,244,918	16,413,384
Total	54,373,005	58,994,809	56,637,858	56,303,489	58,187,775
State	25,507,312	29,471,032	32,216,675	32,487,847	33,776,982
Grand Total	79,880,317	88,465,841	88,854,533	88,791,336	91,964,757
Taxation per head—					
Commonwealth—					
Customs and Excise	£6/10/10	£7/2/6	£6/12/11	£6/9/7	£6/10/4
Other	£2/10/8	£2/10/7	£2/8/9	£2/8/1	£2/11/1
Total	£9/1/6	£9/13/1	£9/1/8	£8/17/8	£9/1/5
State	£4/5/3	£4/16/8	£5/3/6	£5/2/9	£5/5/6
Grand Total	£13/6/7	£14/9/7	£14/5/0	£14/0/3	£14/6/9

3. **Public Debt.**—The table hereunder shows the public debt of the Commonwealth and of the States at the 30th June in each of the years 1926 to 1930. In this table all moneys borrowed by the Commonwealth on behalf of the States have been included with State debts only, and similarly, the debts taken over by the Commonwealth from South Australia on account of the Northern Territory and of the Port Augusta-Oodnadatta Railway have now been included with the Commonwealth Debt.

COMMONWEALTH AND STATE PUBLIC DEBTS, 1925-26 TO 1929-30.

Particulars.	Redeem- able.	At 30th June—				
		1926.	1927.	1928.	1929.	1930.
		£	£	£	£	£
Commonwealth— War Debt ..	Overseas	96,865,883	95,572,843	96,822,659	93,810,641	92,314,742
	Australia	207,680,474	201,332,522	199,597,448	194,007,104	190,075,790
	Total	304,546,357	296,905,370	296,420,107	287,817,745	282,390,532
Works and Other Purposes ..	Overseas	49,600,050	46,980,102	50,684,465	65,975,650	75,587,125
	Australia	27,786,307	22,726,033	22,679,517	23,828,177	14,979,705
	Total	77,386,357	69,706,135	73,363,982	89,803,827	90,566,830
States ..	Overseas	146,471,933	142,552,950	153,507,124	159,786,291	167,901,867
	Australia	228,468,781	224,058,556	219,276,965	217,835,281	205,055,495
	Grand Total	374,939,714	366,611,506	372,784,089	377,621,572	372,957,362
States ..	Overseas	357,752,782	373,306,219	416,066,672	412,496,612	405,726,668
	Australia	281,309,147	303,599,500	305,358,140	313,909,378	321,913,163
	Total	639,061,929	676,869,719	722,018,812	726,406,490	727,639,836
Grand Total Public Debt Commonwealth and States	Overseas	504,224,715	515,913,169	570,167,796	672,282,903	673,628,535
	Australia	509,775,928	527,568,055	524,035,105	531,745,159	526,963,663
	Grand Total	1,014,000,643	1,043,481,224	1,094,802,901	1,104,028,062	1,100,592,198

4. Interest Payable.—The table hereunder shows the interest payable on the public debt of the Commonwealth and of the States at the 30th June in each of the years 1926 to 1930.

COMMONWEALTH AND STATE PUBLIC DEBT, INTEREST PAYABLE AT
30TH JUNE, 1926 TO 1930.

Particulars.	Where Payable.	At 30th June—				
		1926.	1927.	1928.	1929.	1930.
		£	£	£	£	£
Commonwealth— War Debt ..	Overseas	4,855,775	4,791,410	4,854,202	4,721,540	4,647,992
	Australia	10,788,764	10,542,922	10,567,548	10,454,458	10,235,359
	Total	15,644,539	15,334,332	15,421,750	15,175,998	14,883,351
Works and Other Purposes ..	Overseas	2,494,379	2,354,361	2,827,593	3,296,946	3,779,506
	Australia	776,449	1,042,470	1,038,433	1,098,733	664,756
	Total	3,270,828	3,396,831	3,866,026	4,395,679	4,444,262
States ..	Overseas	7,350,154	7,145,771	7,681,705	8,018,486	8,427,493
	Australia	11,565,213	11,585,392	11,605,981	11,553,191	10,900,115
	Grand Total	18,915,367	18,731,163	19,287,776	19,571,677	19,327,613
States ..	Overseas	16,877,654	17,510,151	19,611,441	19,512,507	19,169,300
	Australia	14,708,525	15,853,382	15,954,987	16,415,301	16,869,207
	Total	31,586,179	33,363,533	35,566,428	35,927,803	36,038,507
Grand Total Public Debt Commonwealth and States	Overseas	24,027,808	24,655,922	27,293,236	27,530,993	27,596,798
	Australia	26,273,738	27,438,774	27,560,963	27,968,492	27,769,322
	Grand Total	50,301,546	52,094,696	54,854,204	55,499,485	55,366,120

5. Overseas Debts—Dates of Maturity.—The particulars given in the appended table show separately as at 30th June, 1930, the amounts of Commonwealth and States securities maturing overseas according to year of maturity, together with the amount of interest payable yearly thereon. It should be noted that the year of maturity is given for fiscal years ended 30th June and for that reason the information is not directly comparable with statements published in previous years. Debts with optional dates of maturity, representing about 75 per cent. of the total overseas obligations, have been grouped according to the latest year of maturity.

OVERSEAS DEBTS—DATES OF MATURITY, 30th JUNE, 1930.

Year of Maturity.	Debt Maturing Overseas.			Annual Interest Payable at 30th June, 1930, in respect of Overseas Debt maturing in years stated.		
	Debt for Commonwealth Purposes.	States' Debts.	Total Debt.	Commonwealth Purposes.	States.	Total.
	£	£	£	£	£	£
1930-31.. ..	175,244	8,607,682	8,782,926	10,748	428,327	439,075
1931-32.. ..	..	..	..	..	747,092	747,092
1932-33.. ..	..	12,992,904	12,992,904	..	593,353	593,353
1933-34.. ..	79,337	13,634,199	13,713,536	3,077	593,353	593,430
1934-35.. ..	43,051	15,560,038	15,603,139	1,722	715,508	717,230
1935-36.. ..	140,000	14,172,201	14,312,201	5,600	444,037	449,637
1936-37.. ..	805,873	2,603,833	3,409,706	30,374	88,147	118,521
1937-38.. ..	1,246	..	1,246	47	..	47
1938-39.. ..	168,202	2,359,276	2,526,478	5,908	82,530	88,447
1939-40.. ..	..	5,606,500	5,606,500	..	193,977	193,977
1940-41.. ..	15,000,000	33,720,250	48,720,250	900,000	2,058,496	2,958,496
1941-42.. ..	..	2,465,838	2,465,838	..	172,608	172,608
1942-43.. ..	..	24,659,650	24,659,650	..	1,232,982	1,232,982
1943-44.. ..	..	..	..	..	..	..
1944-45.. ..	17,354,817	12,788,047	30,142,864	867,741	580,402	1,448,143
1945-46.. ..	..	12,049,568	12,049,568	..	547,480	547,480
1946-47.. ..	..	7,772,678	7,772,678	..	302,044	302,044
1947-48.. ..	..	..	..	..	..	..
1948-49.. ..	..	5,202,146	5,202,146	..	156,064	156,064
1949-50.. ..	..	6,119,695	6,119,695	..	214,189	214,189
1950-51.. ..	..	20,867,423	20,867,423	..	774,360	774,360
1951-52 to 1953-54	..	..	..	..	..	..
1954-55.. ..	..	3,345,804	3,345,804	..	117,103	117,103
1955-56.. ..	14,565,622	32,568,056	47,133,678	706,605	1,598,977	2,305,582
1956-57.. ..	..	5,575,999	5,575,999	..	278,800	278,800
1957-58.. ..	2,500,096	27,622,724	30,212,820	129,504	1,425,850	1,555,354
1958-59.. ..	..	..	..	..	..	..
1959-60.. ..	..	3,850,724	3,850,724	..	151,807	151,807
1960-61.. ..	6,000,000	29,213,835	35,213,835	285,000	1,390,834	1,675,834
1961-62.. ..	..	4,964,033	4,964,033	..	198,563	198,563
1962-63.. ..	..	10,392,396	10,392,396	..	415,696	415,696
1963-64 to 1964-65	..	..	..	..	..	..
1965-66.. ..	..	16,796,165	16,796,165	..	826,477	826,477
1966-67 to 1968-69	..	..	..	..	..	..
1969-70.. ..	..	2,000,000	2,000,000	..	70,000	70,000
1970-71 to 1974-75	..	..	..	..	..	..
1975-76.. ..	29,683,720	65,770,208	95,453,928	1,434,186	3,288,510	4,722,696
Annual Repayments	81,294,582	..	81,294,582	3,996,985	..	3,996,985
Indefinite	27	..	27	1	..	1
Overdue	..	10,550	10,550	..	..	..
Permanent	..	1,200	1,200	..	60	60
Option of Treasurer	..	2,433,941	2,433,941	..	73,018	73,018
Total	167,901,867	405,726,668	573,628,535	8,427,498	19,169,300	27,596,798

D. THE AUSTRALIAN LOAN COUNCIL.

The Australian Loan Council, consisting of the Treasurers of the Commonwealth and of the States, was created during 1923-24 as the result of representations made by the Commonwealth Government, and has for its object the prevention of undue competition and clashing in the raising of loans.

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

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

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

During the year 1929-30 the loan raisings amounted to £89,679,852, details concerning which are given on page 256 *ante*.

E. PRIVATE FINANCE.

§ 1. Coinage.—Australian Mints.

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

2. *Gold Receipts and Issues.* (i) *Receipts.* The receipts of gold during 1930 and the aggregate at each mint to the end of 1930 were as follows:—

AUSTRALIAN MINTS.—RECEIPTS OF GOLD, 1930, AND TOTAL.

Mint.	Deposits during 1930.	Total to end of 1930.		
		Quantity.		Value.
		Gross.	Fine.	
	Ozs. Gross.	Ozs.	Ozs.	£
Sydney .. ..	..	(a) 42,082,928	(a) 36,907,045	(a) 156,771,141
Melbourne .. ..	..	41,617,823	38,329,056	162,811,374
Perth .. ..	..	33,243,727	27,226,575	115,651,067
Total	733,875	116,944,478	102,462,676	435,233,582

(a) To end of 1926.

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

(ii) *Issues.* The Australian mints, besides issuing gold coin in the shape of sovereigns and half-sovereigns, also issue gold bullion, partly for the use of local manufacturers (jewellers and dentists), and partly for export, India taking a considerable quantity of gold cast into 10-oz. bars. During recent years the export was subject to regulation by the Commonwealth Government. The issues during 1930, and the total to the end of that year, are shown in the table below :—

AUSTRALIAN MINTS.—ISSUES OF GOLD.

Mint.	Coin.			Bullion.	Total
	Sovereigns.	Half-sovereigns.	Total.		
1930—	£	£	£	£	£
Melbourne ..	77,547	..	77,547	461,325	538,872
Perth ..	1,915,352	..	1,915,352	2,462	1,917,814
Total, 1930	1,992,899	..	1,992,899	463,787	2,456,686
Aggregate—					
Sydney ..	144,435,550	4,781,000	149,216,550	7,574,408	156,790,958
Melbourne ..	147,225,352	946,780	148,172,132	14,639,301	162,811,433
Perth ..	105,210,629	367,338	105,577,967	10,065,191	115,643,158
Total to end of 1930 ..	396,871,531	6,095,118	402,966,649	32,278,900	435,245,549

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

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

(ii) *Profits on Coinage of Silver.* As sixty-six shillings are coined out of one pound troy of standard silver, the silver required to produce £3 6s. of coin cost, at the average 1930 London market price of 1s. 5.66d. per ounce, approximately 17s. 8d. The difference nearly represents, therefore, the gross profit or seigniorage made on the coinage of every £3 6s. Negotiations for the coinage of silver and bronze coin in Australia took place for a number of years between the Imperial authorities and the Governments of New South Wales and Victoria, but no decision was arrived at. As section 51 of the Commonwealth Constitution makes legislation concerning "currency, coinage, and legal tender" a Federal matter, the question remained in abeyance until 1907, when the matter was discussed at the Colonial Conference, London, with the result that in the latter part of 1908 the Commonwealth Treasurer announced his intention of initiating the coinage. Since 1916 silver and bronze coins have been minted in Australia on behalf of the Commonwealth Treasury.

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

AUSTRALIAN MINTS.—SILVER AND BRONZE ISSUES BY TREASURY, 1910 TO 1930.

Year.	Silver.					Bronze.		
	2/-.	1/-.	6d.	3d.	Total.	1d.	½d.	Total.
	£	£	£	£	£	£	£	£
1910-1925 ..	2,470,600	1,504,600	574,800	582,350	5,132,350	262,413	85,650	348,063
1925-26 ..	379,000	96,300	98,000	59,575	630,875	12,830	5,760	18,590
1926-27 ..	381,000	99,400	87,900	74,575	642,875	11,810	8,865	20,675
1927-28 ..	123,400	60,600	64,400	66,800	305,200	18,460	3,620	22,080
1928-29 ..	71,000	12,400	20,000	24,500	128,000	13,080	5,510	18,590
1929-30 ..	30,000	10,000	11,200	10,000	61,200	3,020	2,310	5,330
Total ..	3,455,000	1,773,300	854,300	817,900	6,900,500	321,563	111,715	433,278

(iv) *Withdrawals of Worn Silver Coin.* The value of worn silver coins received during 1930 was as follows :—Melbourne, £35,634 ; Perth, £1,500. The total withdrawals of worn silver coin were :—Melbourne, £1,747,295 ; Perth, £129,738 ; Sydney (to 1926), £1,248,672.

4. *Standard Weight and Fineness of Coinage.*—In addition to coins minted at Melbourne and Perth mints, Imperial silver coins legally current in England and which were minted prior to 31st March, 1920, when the fineness was reduced from .925 to .500 are also legal tender in Australia. Sovereigns coined at the Royal Mint, London, or at any of its branches throughout the Empire are legal tender in Australia. The provisions as to legal tender are, gold coins, legal tender to any amount, silver for an amount not exceeding forty shillings, and bronze up to one shilling. The standard weights of the sovereign and half-sovereign are respectively 123.27447 grains and 61.63723 grains but these coins will pass current if they do not fall below 122.5 grains and 61.125 grains respectively.

§ 2. Cheque-Paying Banks.

1. *Banking Legislation*—(i) *Commonwealth Legislation.* Under Section 51 of the Commonwealth Constitution Act the Commonwealth Parliament has power to legislate with respect to “Banking, other than State banking, also State banking extending beyond the limits of the State concerned, the incorporation of banks, and the issue of paper money.” Legislation under this authority comprises the following Acts : No. 27 of 1900, dealing with Bills of Exchange, Cheques, and Promissory Notes ; No. 11 of 1910, dealing with Australian Notes ; and No. 14 of 1910, a Bank Notes Tax Act. The Notes Act and the Bank Notes Tax Act were supplemented in the following year by the passing of Act No. 18 of 1911, “An Act to provide for a Commonwealth Bank,” which passed both Houses and was assented to on 22nd December, 1911. Some account of the foundation of the Bank appeared in No. 6 to No. 10 issues of the Official Year Book.

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

COMMONWEALTH BANK.—AGGREGATE PROFITS, 1926 TO 1930.

Date.	Aggregate Net Profit to Date.			
	General Bank.	Savings Bank.	Rural Credits Department.	Total.
	£	£	£	£
30th June, 1926 ..	4,309,787	1,140,740	6,024	5,456,551
" 1927 ..	4,585,181	1,446,333	26,000	6,057,514
" 1928 ..	4,909,327	1,795,822	61,266	6,766,415
" 1929 ..	5,367,950	2,037,057	109,928	7,514,935
" 1930 ..	5,868,398	2,288,389	179,337	8,336,124

In accordance with the provisions of section 30 of the Bank Act and section 9 (2) of the National Debt Sinking Fund Act, half of the net profits of the Bank have been placed to the credit of the Bank's Reserve Fund and half to the credit of the National Debt Sinking Fund. Up to 30th June, 1930, the latter fund has benefited to the extent of £1,876,400.

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

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

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

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

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

(iii) *Australian Note Issue.* In December, 1920, the Australian Note Issue was handed over to the control of the Commonwealth Bank, the notes, however, still remaining Treasury Notes. The Note Issue Department of the Bank is administered by the above-mentioned Board of Directors. The notes in circulation on 30th June, 1930, amounted to £44,914,326, of which approximately 49.8 per cent. was held by the banks and 50.2 per cent. by the public. Against this there was a reserve of gold coin and bullion

amounting to £19,931,102, or 44.38 per cent. At 30th June, 1930, the assets of the Australian Note Issue Department included investments amounting to £4,940,724, the annual amount of interest in respect of which was £206,680.

Details of the investments of the Australian Notes Account are given in Finance Bulletin No. 21.

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

2. **Banks in Operation and Capital Resources.**—The paid-up capital of the 21 cheque-paying banks, together with their reserve funds, the rate per cent., and the amount of their last dividends are shown in the table hereunder. The information relates to the balance-sheet last preceding the 30th June, 1930. In regard to the reserve funds it must be noted that in the case of some of the banks these are invested in Government securities, while in other cases they are used in the ordinary business of the banks, and in a few instances they are partly invested and partly used in business :—

CHEQUE-PAYING BANKS.—CAPITAL RESOURCES, 30TH JUNE, 1930.

Bank.	Paid-up Capital.	Rate per cent. per annum of last Dividend and Bonus.	Amount of last Half-yearly Dividend and Bonus.	Amount of Reserved Profits. (c)	Amount carried forward to next Balance Period.
	£	%	£	£	£
Commonwealth Bank of Australia	4,000,000	..	..	868,808	..
Joint Stock Banks—					
Bank of Australasia	4,500,000	14	b 630,000	4,475,000	161,943
Union Bank of Australia Ltd. ..	4,000,000	12½	250,000	4,850,000	86,336
English, Scottish and Australian Bank Ltd.	3,000,000	12½	b 375,000	3,080,000	347,741
Bank of New South Wales	7,500,000	10	a 187,500	6,150,000	163,470
Commercial Banking Coy. of Sydney Ltd.	4,739,013	10	236,951	4,200,000	71,503
Australian Bank of Commerce Ltd.	2,208,000	8	88,320	1,086,880	28,670
Primary Producers' Bank of Australia Ltd.	438,803	..	..	20,000	8,434
Rural (New South Wales Government)	5,694,200 ^d	..	..	..	..
National Bank of Australasia Ltd.	5,000,000	10	250,000	3,200,000	162,907
Commercial Bank of Australia Ltd.	3,838,759	4 Pref., 15 Ord.	163,128	1,963,750	94,190
Hallarat Banking Coy. Ltd.	153,000	8	6,120	85,000	5,770
Queensland National Bank Ltd.	1,750,000	8	a 35,000	840,000	6,059
Queensland Deposit Bank Ltd.	66,488	10	2,845	52,000	6,854
Federal Deposit Bank Ltd.	326,568	10	15,026	85,000	1,425
Brisbane Permanent Building and Banking Co.	400,000	10	20,000	120,000	2,435
Bank of Adelaide	1,250,000	8	50,000	1,000,000	49,482
State Bank of South Australia ..	1,732,076	..	..	..	..
Total Australian Banks	50,596,907	..	2,314,890	32,076,433	1,197,242
Bank of New Zealand	6,858,114	10% "A" Pref., 13 2/11% "B" Pref., 14 1/2% Ord.	b 817,969	3,550,000	623,156
Comptoir National d'Escompte de Paris	3,225,806	16	b 516,128	3,437,798	5,828
Yokohama Specie Bank Ltd.	10,000,000	10	c 500,000	c 11,150,000	623,184
Grand Total	70,680,827	..	4,148,987	50,214,236	2,449,410

(a) For three months. (b) For twelve months. (c) Exclusive of amounts carried forward to next balance period. (d) Stock and debentures issued. (e) Approximate.

3. **Liabilities and Assets.**—(i) *Liabilities, each State, Quarter ended 30th June, 1930.* Banks transacting business in any State are obliged under the existing State laws to furnish a quarterly statement of their assets and liabilities, which contains the averages of the weekly statement prepared by the bank for that purpose, and they have since the year 1908 furnished quarterly statements to the Commonwealth Statistician. As all other financial returns in this work generally refer to a period closing on the 30th June, the banking figures are given throughout for the June quarter of each year. The liabilities are those to the general public, and are exclusive of the bank's liabilities to their shareholders, which are shown in the preceding table. It has been deemed desirable

to keep the figures for the Commonwealth Bank separate from those of the Joint Stock Banks, and the figures set out in the tables which follow are, therefore, exclusive in every case of the Commonwealth Bank. For purposes of convenience the term "Joint Stock Banks" has been retained, although the figures in the following tables include returns from the Rural Bank branch of the Savings Bank of New South Wales and the State Bank of South Australia.

JOINT STOCK BANKS—LIABILITIES, JUNE QUARTER, 1930.

States and Territories.	Notes in Circulation not Bearing Interest.	Bills in Circulation not Bearing Interest.	Balances Due to Other Banks.	Deposits.			Total Liabilities.
	£	£		Not Bearing Interest.	Bearing Interest.	Total.	
New South Wales	68,870	1,863,358	1,736,537	42,907,191	78,492,878	121,400,069	124,563,834
Victoria ..	86,237	329,918	651,664	24,316,853	64,142,831	88,959,734	80,227,553
Queensland ..	(a)	604,622	100,390	12,290,990	24,759,337	37,049,727	37,754,739
South Australia ..	21,746	89,084	320,545	4,869,420	15,603,837	20,473,807	20,904,682
Western Australia ..	25,109	170,872	47,090	4,558,242	5,818,062	10,371,304	10,614,465
Tasmania ..	2,285	68,397	58,178	2,129,037	4,537,513	6,666,550	6,795,410
Northern Territory		18	24,540	91,700	84,049	175,749	200,307
Federal Capital Territory ..	(a)			31,033	67,466	98,499	161,370
Total ..	199,337	2,829,140	2,938,944	91,688,866	193,506,073	285,194,939	291,162,360

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

(ii) *Liabilities, all States, June Quarters, 1926 to 1930.* In the next table, which shows the average liabilities of the Joint Stock Banks for the quarters ended 30th June, 1926 to 1930, for Australia as a whole, the growth in liabilities is almost entirely due to an increase in the deposits bearing interest.

JOINT STOCK BANKS.—LIABILITIES, JUNE QUARTER, 1926 TO 1930.

June Quarter.	Notes in Circulation not Bearing Interest.	Bills in Circulation not Bearing Interest.	Balances Due to Other Banks	Deposits.			Total Liabilities.
	£	£		Not Bearing Interest.	Bearing Interest.	Total.	
1926 ..	201,551	2,792,080	3,549,630	111,420,109	153,372,042	264,792,151	271,335,412
1927 ..	200,943	2,732,069	3,474,171	110,093,351	169,117,702	279,211,653	276,618,836
1928 ..	200,326	3,500,066	2,851,923	111,678,372	177,857,269	289,535,632	296,087,882
1929 ..	199,846	3,653,919	2,629,601	110,215,432	192,059,284	302,274,716	308,758,887
1930 ..	199,337	2,829,140	2,938,944	91,688,866	193,506,073	285,194,939	291,162,360

(iii) *Assets, each State, Quarter ended 30th June, 1930.* The average assets of the banks are shown in the following table:—

JOINT STOCK BANKS.—ASSETS, JUNE QUARTER, 1930.

States and Territories.	Coined Gold and Silver and other Metals.	Gold and Silver in Bullion or Bars.	Australian Notes and Cash with Commonwealth Bank.	Government and Municipal Securities.	Landed and House Property.	Balances Due from other Banks.	Notes and Bills of other Banks.	Discounts, Over-drafts, and all other Assets.	Total Assets.
	£	£	£	£	£	£	£	£	£
N.S.W.	1,910,535	4,873	13,592,921	8,223,290	3,286,047	4,782,790	621,913	121,884,348	154,306,717
Victoria	1,255,334	22,491	10,671,958	9,929,096	2,202,698	783,444	777,611	79,886,946	105,529,578
Q'land	515,959	460	3,703,126	1,720,740	1,227,468	790,402	260,437	34,964,140	43,092,732
S. Aust.	409,856	473	2,739,219	483,593	482,569	310,502	100,030	22,605,750	27,131,992
W. Aust.	372,399	130,415	1,704,124	110,140	563,885	66,897	86,224	20,012,301	23,046,295
Tasmania	126,894	..	1,029,131	..	151,490	30,073	23,262	4,796,806	6,157,656
Nor. Ter.	1,481	18	5,776	..	500	..	..	31,344	39,119
Fed. Cap. Ter.	1,652	..	15,794	..	25,108	499	786	101,504	145,843
Total	4,594,110	158,730	33,462,049	20,466,859	7,939,765	6,674,517	1,870,263	234,283,139	359,449,432

(iv) *Assets, all States, June Quarter, 1926 to 1930.* The average assets of the banks for the June quarters of each of the years 1926 to 1930 are given below.

JOINT STOCK BANKS.—ASSETS, JUNE QUARTER, 1926 TO 1930.

June Quarter.	Gold and Silver and Other Metals, Coin, Bullion or Bars.	Australian Notes.	Government and Municipal Securities.	Landed and Other Property.	Balance-Due from Other Banks.	Notes and Bills of Other Banks.	Discounts, Overdrafts, and all Other Assets.	Total Assets.
	£	£	£	£	£	£	£	£
1926	20,070,333	22,635,460a	17,232,471	6,532,006	3,879,783	2,321,218	213,252,020	292,523,291
1927	20,322,453	22,555,655a	15,119,232	6,699,599	3,712,835	2,161,994	236,136,717	312,708,485
1928	25,796,158	27,284,852a	23,918,520	6,975,330	5,554,746	2,129,041	240,677,748	332,336,396
1929	25,455,684	23,108,635a	24,391,764	7,358,170	5,119,408	2,135,997	267,831,631	355,400,684
1930	4,752,840	33,462,040a	20,466,859	7,939,765	6,674,517	1,870,263	284,283,139	359,449,432

(a) Including cash with Commonwealth Bank.

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

JOINT STOCK BANKS.—PERCENTAGE ON LIABILITIES OF COIN, BULLION, AND AUSTRALIAN NOTES, 1926 TO 1930.

Year.	Liabilities at Call.	Coin, Bullion, and Australian Notes.	Percentage on Liabilities at Call.
	£	£	%
1926	111,621,660	49,305,793	44.17
1927	110,294,894	48,878,108	44.32
1928	111,378,698	53,081,010	47.44
1929	110,415,278	48,564,319	43.98
1930	91,888,203	38,214,889	41.59

The figures in the last column show that the banks generally consider it advisable to hold over 40 per cent. of the amount of liabilities at call in coin, bullion, and notes.

(ii) *Percentage in each State.* The proportion of coin, bullion, and Australian notes to liabilities at call varies considerably amongst the States, and sometimes in the same State from year to year. A table is appended showing the percentage for each State for the quarter ended 30th June in each of the years 1926 to 1930:—

JOINT STOCK BANKS.—PERCENTAGE OF COIN, BULLION, AND AUSTRALIAN NOTES ON LIABILITIES AT CALL, 1926 TO 1930.

June Quarter.	N.S.W. (a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Ter.	All States.
	%	%	%	%	%	%	%	%
1926	44.74	45.53	30.52	49.71	59.24	46.69	6.95	44.17
1927	42.19	46.33	33.97	53.00	61.60	47.84	9.87	44.32
1928	42.82	55.40	33.81	58.84	64.11	49.81	9.12	47.44
1929	43.01	46.17	31.11	64.12	48.76	49.86	8.80	43.98
1930	36.10	47.99	34.33	64.39	48.20	54.24	7.93	41.59

(a) Includes Federal Capital Territory.

(iii) *Queensland Treasury Notes*.—In Queensland, Treasury notes took the place of bank notes in 1893. These Treasury notes are disregarded in the quarterly statement of the banks; according to Treasury returns the amount outstanding on 30th June, 1930, was £22,450. Under the Australian Notes Act, previously referred to, the issue of notes by a State is now prohibited.

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

JOINT STOCK BANKS.—DEPOSITS, 1926 TO 1930.

Year.	N.S.W. (a)	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	N. Ter.	All States.
TOTAL.								
	£	£	£	£	£	£	£	
1926	104,372,440	90,067,719	33,668,028	21,362,996	0,505,222	5,540,665	215,075	264,702,151
1927	106,533,424	91,923,910	32,990,221	22,025,309	10,067,814	5,833,872	211,103	270,211,653
1928	120,617,512	91,910,458	36,193,107	22,095,419	11,293,652	6,599,601	219,833	289,535,632
1929	120,221,754	98,457,790	37,735,443	21,291,423	11,539,399	6,844,893	194,044	302,274,716
1930	121,408,508	88,959,734	37,049,727	20,473,307	10,371,304	6,666,550	175,749	285,194,939

PER HEAD OF POPULATION.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1926	45 0 3	53 4 2	38 10 10	38 6 11	22 17 7	26 5 9	57 11 1	43 18 2
1927	45 0 11	53 6 7	37 1 5	39 13 9	20 5 5	27 17 4	50 11 1	43 10 3
1928	49 14 2	52 11 1	39 17 8	39 6 5	28 7 10	31 4 9	51 16 9	46 3 0
1929	51 2 10	55 14 5	40 17 6	36 14 9	28 2 4	32 2 8	47 7 3	47 9 10
1930	48 14 7	49 17 8	39 9 7	35 5 5	24 16 2	30 18 0	37 11 4	44 6 6

(a) Includes Federal Capital Territory.

(ii) *Advances*. In the quarterly statements furnished by the banks, the column headed "all other debts due to the banks" is made up of such miscellaneous items as bills discounted, promissory notes discounted, overdrafts on personal security, overdrafts secured by deposits of deed or by mortgage, etc. The form prescribed for quarterly returns furnished to the Commonwealth Statistician in 1908 and 1909 provided for a division of the amounts under this heading into a number of sub-headings, but all the banks were not in a position to make the necessary division, and as it is impossible to separate these items the totals in the column must, therefore, be treated as advances. The following table shows the totals for each State during the years 1926 to 1930:—

JOINT STOCK BANKS.—ADVANCES, 1926 TO 1930.

Year.	N.S.W. (a)	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	N. Ter.	All States.
	£	£	£	£	£	£	£	£
1926	85,124,897	67,568,544	28,272,761	15,017,374	12,712,905	4,546,061	9,478	213,252,020
1927	91,218,825	75,668,559	31,929,601	18,447,113	14,047,168	4,819,660	10,781	236,136,717
1928	100,453,971	72,017,807	31,080,984	18,145,454	14,340,517	4,622,252	16,763	240,677,748
1929	113,899,867	76,723,122	33,093,449	21,633,865	17,698,739	4,753,570	26,019	267,831,631
1930	121,985,852	79,886,946	34,964,140	22,605,750	20,012,301	4,796,806	31,344	284,283,139

(a) Includes Federal Capital Territory.

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

JOINT STOCK BANKS.—PERCENTAGE OF ADVANCES ON DEPOSITS,
1926 TO 1930.

Year.	N.S.W. (a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Ter.	All States.
	%	%	%	%	%	%	%	%
1926 ..	81.56	75.02	83.98	70.30	132.91	82.05	4.41	80.54
1927 ..	85.60	82.32	96.77	81.53	139.53	82.62	5.08	87.39
1928 ..	83.28	78.35	85.88	79.95	126.98	70.04	7.62	83.13
1929 ..	90.24	77.92	87.70	101.62	153.50	69.46	13.41	88.61
1930 ..	100.40	89.80	94.37	110.42	192.96	71.95	17.83	99.68

(a) Includes Federal Capital Territory.

6. Commonwealth Bank of Australia.—(i) *Liabilities, June Quarter, 1930.*—It has been considered desirable that particulars of the liabilities and assets of the Commonwealth Bank should be shown separately from other trading banks. In effecting comparisons with previous years, it should be noted that the Savings Bank Department functions as a separate entity, and such figures have been excluded for 1929–30.

COMMONWEALTH BANK OF AUSTRALIA.—LIABILITIES, JUNE QUARTER, 1930.

States and Territories.	Bills in Circulation.	Balances Due to Other Banks.	Deposits.			Total Liabilities.
			Not Bearing Interest.	Bearing Interest.	Total Deposits.	
	£	£	£	£	£	£
New South Wales ..	115,788	5,978,496	5,380,381	3,952,845	9,333,226	15,427,510
Victoria ..	56,901	6,720,916	1,489,426	2,647,464	4,136,890	10,914,707
Queensland ..	45,674	1,897,394	2,668,015	4,566,080	7,234,095	9,177,163
South Australia ..	34,947	1,008,663	1,597,205	363,893	1,961,098	3,004,708
Western Australia ..	15,609	799,013	810,207	1,025,226	1,835,433	2,650,055
Tasmania ..	9,661	532,553	252,751	486,073	738,820	1,281,043
Federal Capital Territory ..	280	811	81,209	48,607	129,816	130,907
Total ..	278,860	16,937,846	12,279,194	13,090,193	25,369,387	42,586,093

(ii) *Liabilities, all States, June Quarter, 1926 to 1930.*—The average liabilities in the years specified are given in the table below.

COMMONWEALTH BANK OF AUSTRALIA.—LIABILITIES, JUNE QUARTER,
1926 TO 1930.

Quarter ended 30th June—	Bills in Circulation.	Balances Due to Other Banks.	Deposits.				Total Liabilities.
			Not Bearing Interest.	Bearing Interest.	Savings Bank Deposits.	Total Deposits.	
	£	£	£	£	£	£	£
1926 ..	355,240	6,045,894	23,350,534	7,103,349	43,068,182	73,522,065	79,923,199
1927 ..	258,605	7,306,854	20,435,503	8,216,302	44,212,050	72,863,855	80,429,314
1928 ..	327,570	12,053,761	14,901,816	9,411,560	45,705,114	70,018,490	82,399,821
1929 (a) ..	258,661	9,225,120	17,479,342	10,413,202	(a)	27,892,544	37,376,325
1930 (a) ..	278,860	16,937,846	12,279,194	13,090,193	(a)	25,369,387	42,586,093

(a) The Commonwealth Savings Bank was created a separate department on 9th June, 1923.

(iii) *Assets, June Quarter, 1930.* The assets for the June Quarter, 1930, are as follows:—

COMMONWEALTH BANK OF AUSTRALIA.—ASSETS, JUNE QUARTER, 1930.

States and Territories.	Coin.	Bullion.	Austra- lian Notes.	Govern- ment and Municipal Securities.	Landed and House Property.	Balances Due from Other Banks.	Notes and Bills of Other Banks.	Discounts, Overdrafts, and all other Assets (not including Contingent Assets).	Total Assets.
	£	£	£	£	£	£	£	£	£
N.S.W. ..	339,391	..	2,174,181	13,949,102	186,371	107,040	1,491	6,966,912	23,724,468
Victoria ..	480,281	4	1,246,635	2,000,000	136,586	13,388	327	4,566,723	8,443,944
Queensland	168,087	16	927,740	4,739,539	150,979	39,713	470	1,691,652	7,718,196
S. Australia	126,517	..	624,745	519,846	33,627	3,658	448	822,277	2,131,118
W. Australia	168,666	1,740	556,732	1,574,077	25,734	3,979	83	847,687	3,178,698
Tasmania ..	92,148	..	192,613	500,000	5,756	2,202	198	158,434	951,351
Nor. Ter. ..	..	..	..	..	..	..	..	..	..
Fed. Cap. Ter.	1,622	..	21,081	..	1,000	365	8	58,157	82,233
Total ..	1,876,712	1,760	5,743,707	23,282,564	540,053	170,345	3,025	15,111,842	46,230,008

(iv) *Assets, all States, June Quarter, 1926 to 1930.*—Particulars of the assets for the last five years are given in the following table:—

COMMONWEALTH BANK OF AUSTRALIA.—ASSETS, JUNE QUARTER, 1926 TO 1930.

Quarter ended 30th June—	Coin.	Bullion.	Austra- lian Notes.	Govern- ment and Municipal Securities.	Landed and House Property.	Balances Due from Other Banks.	Notes and Bills of Other Banks.	Discounts, Overdrafts, and all other Assets (not including Contingent Assets).	Total Assets.
	£	£	£	£	£	£	£	£	£
1926 ..	6,016,703	945	12,219,139	42,278,108	848,416	2,889,718	954,635	13,113,051	78,320,715
1927 ..	1,141,600	11,209	7,092,716	52,904,863	705,070	1,580,422	2,157,966	17,043,767	82,637,613
1928 ..	755,551	51,302	4,507,681	57,057,707	644,182	142,832	2,154,022	16,697,661	82,010,968
1929(a) ..	1,044,917	1,663	4,216,102	13,695,886	519,511	80,311	3,042	14,721,274	34,252,706
1930(a) ..	1,376,712	1,760	5,743,707	23,282,564	540,053	170,345	3,025	15,111,842	46,230,008

(a) Excludes Commonwealth Savings Bank.

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

CHEQUE-PAYING BANKS.—CLEARING HOUSE RETURNS, 1926 TO 1930.

Year.	Sydney.	Melbourne.	Brisbane.	Adelaide.	Perth.	Hobart.
	£	£	£	£	£	£
1926	954,523,000	790,111,000	195,719,000	178,998,000	103,523,000	25,691,000
1927	1,034,894,000	825,676,000	192,274,000	186,752,000	111,454,000	26,805,000
1928	1,033,511,000	762,851,000	196,566,000	164,166,000	112,503,000	28,226,000
1929	1,043,324,000	814,668,000	196,289,000	156,685,000	114,589,000	27,364,000
1930	893,159,000	725,916,000	167,963,000	125,684,000	89,032,000	23,093,000

8. *Rates of Exchange, Australia on London.*—The following statement, which has been prepared from data courteously supplied by Mr. A. C. Davidson, General Manager, Bank of New South Wales, Sydney, shows particulars of the various rates of exchange,

Australia on London, in operation since 16th October, 1913. The details given show the value in Australia of £100 in London according to the rates quoted by the Associated Banks for buying and selling £100 in London on telegraphic transfer. Prior to 30th October, 1920, when "T.T." buying rates were not quoted, the rate was determined approximately by applying the difference between the buying and selling rates for "On Demand" drafts to the quoted "T.T." selling rate.

EXCHANGE RATES—AUSTRALIA ON LONDON, TELEGRAPHIC TRANSFER, 1913 TO 1931.

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

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

§ 3. Savings Banks.

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

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

SAVINGS BANKS.—ACCOUNTS OPEN, 1926 TO 1930.

30th June—	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Ter.	Fed. Cap. Ter.	All States.
NUMBER.									
1926 ..	1,440,688	1,396,438	420,908	489,148	292,358	138,993	978	5,744	4,185,250
1927 ..	1,599,912	1,455,581	438,282	512,332	309,540	142,028	1,197	6,580	4,465,458
1928 ..	1,689,280	1,515,097	458,960	530,382	330,284	150,091	1,349	7,876	4,688,419
1929 ..	1,799,708	1,575,089	480,160	553,647	350,046	168,939	1,308	8,531	4,937,428
1930 ..	1,868,231	1,610,940	501,074	568,626	367,665	178,054	1,323	9,132	5,105,045

PER 1,000 OF POPULATION.

1926 ..	602	824	479	876	779	665	259	893	692
1927 ..	674	843	490	897	804	744	281	874	724
1928 ..	697	866	502	917	825	743	337	984	746
1929 ..	731	891	518	955	850	795	314	1,023	775
1930 ..	752	903	532	979	878	826	277	1,033	793

In connexion with the number of accounts open per 1,000 of the population, it must be borne in mind that savings bank accounts are not restricted to adults, since many accounts are opened in the names of children. The proportion, notwithstanding, is a very large one, amounting in the case of Australia to 80 per cent. and rising in Victoria to 90 per cent. and in South Australia to 98 per cent. and in the Federal Capital Territory to 103 per cent. of the population. As it is possible in some States for the same person to have accounts in both Commonwealth and State Savings Banks, the figures given are somewhat in excess of the number of individual depositors. Allowance must also be made for the fact that the funds of various societies, small trust funds, etc., are sometimes deposited in Savings Banks.

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

SAVINGS BANKS.—DEPOSITS, 1926 TO 1930.

30th June.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Ter.	Fed. Cap. Ter.	All States.
TOTAL.									
1926	£ 73,629,455	£ 63,253,525	£ 22,836,909	£ 21,778,970	£ 8,989,824	£ 4,772,780	£ 36,577	£ 178,195	£ 195,456,285
1927	78,145,643	65,852,619	22,452,749	23,600,897	9,694,396	5,079,274	48,025	206,090	204,579,698
1928	81,627,667	68,826,768	23,324,829	24,941,688	10,645,373	5,522,766	64,617	234,754	215,188,482
1929	85,727,513	72,799,991	24,075,564	25,228,402	11,609,190	5,811,458	47,291	279,355	225,485,704
1930	82,465,430	69,367,233	23,901,136	24,012,176	11,728,617	5,699,321	48,913	287,671	217,510,517

AVERAGE PER SAVINGS BANK ACCOUNT.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1926	51 2 2	45 5 11	54 5 1	44 10 6	30 13 8	34 6 9	37 8 0	31 0 5	46 14 0	46 14 0
1927	48 16 10	44 17 11	51 4 7	40 1 4	31 6 4	35 15 3	40 2 5	31 6 5	45 16 3	45 16 3
1928	48 0 5	45 7 11	50 18 5	47 0 6	32 4 7	35 7 8	47 18 0	29 10 2	45 18 0	45 18 0
1929	47 12 8	46 3 3	50 2 10	45 11 4	33 3 4	34 8 0	36 3 1	32 14 11	45 13 4	45 13 4
1930	44 2 10	43 1 2	47 14 0	42 4 9	31 18 0	32 0 2	36 19 5	31 10 0	42 12 2	42 12 2

PER HEAD OF POPULATION.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1926	31 15 7	37 6 7	25 19 5	38 19 11	23 18 2	22 15 11	0 13 10	27 13 5	32 6 9	32 6 9
1927	32 19 3	37 17 1	25 2 1	41 6 10	25 3 7	24 8 0	11 5 6	27 5 3	33 9 5	33 9 5
1928	33 13 9	39 6 10	25 11 8	43 3 5	26 12 8	26 4 10	15 4 4	29 6 1	34 4 10	34 4 10
1929	34 16 3	41 2 8	25 19 5	43 10 10	23 3 11	27 6 11	11 6 10	33 10 3	35 7 7	35 7 7
1930	33 3 8	38 18 0	25 7 4	41 7 2	28 0 4	26 8 10	10 5 0	32 10 9	33 15 7	33 15 7

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

Considerable use has for long been made of the Savings Bank account as an alternative to a fixed deposit with a cheque-paying bank. Deposits in Savings Banks may be withdrawn at any time with a minimum loss of interest, the rate of which is fixed, generally at one-half per cent. less than that offered by trading banks for six months deposits.

The classification of accounts and depositors' balances at 30th June, 1930, as disclosed by four State institutions shows the following proportions. School and Penny Savings Bank accounts and special purpose accounts have been excluded.

Balances.	Percentage on Total.	
	Accounts.	Deposits.
	%	%
Under £100	87	20
Over £100 but under £500	11	48
Over £500 but under £750	1	16
Over £750 but under £1,000	1	9
Over £1,000 .. ..	..	7
Total	100	100

The classification of accounts published by Savings Banks does not permit of an analysis in greater detail, but a reliable estimate indicates that 95 per cent. of the accounts had balances under £300 while the deposits in such accounts represented 48 per cent. of the total. In these circumstances, inferences from the amount of deposits per head must be made with great caution.

The principal State Savings Banks have fixed an interest-bearing limit of £1,000 (the Commonwealth Savings Bank limit is £1,300 except in Queensland, £2,000) which, however, does not apply to the accounts of friendly and other societies, interest being allowed on unlimited deposits.

State Savings Banks have been of very material assistance to the State Governments inasmuch as they provided a very convenient source for raising loans. At 30th June, 1930, the investments of Savings Banks included nearly £84,000,000 in Government securities out of total assets of over £178,000,000.

3. Rates of Interest.—The rates of interest allowed, and the limits of interest-bearing deposits, are as follows:—New South Wales Government Savings Bank, 4 per cent. up to £1,000; Victoria, 4 per cent. up to £1,000, also 4½ per cent. on deposit stock up to £1,000; South Australia, 4 per cent. on accounts closed during the year, and 4½ per cent. up to £500, thence 4½ per cent. to £1,000 on accounts remaining open; Western Australia, 4 per cent. on current accounts to £500, thence 3½ per cent. to £1,000 and 3 per cent. on excess of £1,000; Hobart Trustees' Savings Bank, 4½ per cent. up to £300 and 5 per cent. on twelve months deposits; Launceston Trustees' Savings Bank, 4½ per cent. up to £300; and Commonwealth Savings Bank, in all States except Queensland where no State Savings Bank is in existence, 4 per cent. on the first £500, 3½ per cent. on the next £500, and 3 per cent. upon another £300. In Queensland, the rate is 4 per cent. for the first £500 and 3½ per cent. on the excess up to £2,000.

4. Annual Business.—The business transacted by the savings banks is very large as compared with the total amount of deposits (See 2 iii *ante*). The following table shows the business transacted during the year 1929–1930:—

SAVINGS BANKS.—TRANSACTIONS, 1929–30.

States and Territories.	Total Deposits at end of Year 1928–29.	Amounts Deposited during Year 1929–30.	Interest Added during Year 1929–30.	Total.	Amounts Withdrawn during Year 1929–30.	Total Deposits at end of Year 1929–30.
	£	£	£	£	£	£
New South Wales ..	85,727,513	76,362,544	3,114,905	165,204,962	82,739,532	82,465,430
Victoria ..	72,706,991	59,052,398	2,673,273	134,432,667	65,065,414	69,367,253
Queensland ..	24,075,504	24,602,899	896,869	49,575,272	25,674,136	23,901,136
South Australia ..	25,228,402	16,157,215	1,082,853	42,468,470	18,456,294	24,012,176
Western Australia ..	11,609,190	12,814,635	437,652	24,861,477	13,132,860	11,728,617
Tasmania ..	5,811,458	4,313,512	232,992	10,357,962	4,658,641	5,699,321
Northern Territory ..	47,291	44,968	1,779	94,038	45,125	48,913
Federal Cap. Territory	279,355	341,331	10,342	631,028	343,357	287,671
Total ..	225,485,704	193,689,502	8,450,670	427,625,876	210,115,359	217,510,517

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

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

The following table gives the number of accounts, and the amount at credit on 30th June, 1930, at the various branches of the Commonwealth Savings Bank :—

COMMONWEALTH SAVINGS BANK, 30th JUNE, 1930.

Locality.	Number of Accounts.	Amount at Credit.
		£
New South Wales	385,302	11,899,198
Victoria	198,010	6,424,278
Queensland	501,074	23,901,136
South Australia	65,300	2,145,811
Western Australia	101,401	3,240,252
Tasmania	69,471	1,682,727
Northern Territory	1,323	48,913
Federal Capital Territory	7,820	220,559
Total, Australia	1,329,701	49,562,874
Papua and New Guinea	2,922	114,914
London	4,017	371,936
Grand Total	1,336,640	50,049,724

As mentioned in §2 (page 288), the Commonwealth Savings Bank Department was from 9th June, 1928, separated from the General Bank.

§ 4. Companies.

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

2. **Trustees, Executors and Agency Companies.**—Returns are available for eight Victorian, two New South Wales, one Queensland, four South Australian, two Western Australian and four Tasmanian companies. The paid-up capital of these twenty-one companies amounted to £1,328,452; reserve funds and undivided profits to £983,032; other liabilities, £578,020; total liabilities, including capital, £2,889,504. Among the assets are included—Deposits with Governments, £225,030; other investments in public securities, fixed deposits, etc., £611,394; loans on mortgage, £490,824; property owned, £957,799; other assets, £604,457. Of the twenty-one companies, ten show the total amount of the estates, etc., under administration, the total for 1930 being approximately £122,381,533. In respect of the twenty-one companies, net profits for the year totalled £199,740, of which £151,370 was paid in dividends.

3. Registered Building and Investment Societies.—(i) *General*. Returns have been received relating to 219 societies, but the information is not exhaustive, as particulars regarding unimportant organizations are not included.

REGISTERED BUILDING AND INVESTMENT SOCIETIES.—SUMMARY, 1929.

Particulars.	N.S.W. (d) 1928-29.	Vic. 1929.	Q'land. 1928-29.	S. Aust. 1929.	W. Aust. 1928-29.	Tas. 1929.	Total.
Societies making returns—							
Permanent ..	7	14	10	8	5	4	219
Terminating ..	137	11					
Number of shareholders ..	(c) 2,218	9,688	7,384	19,161	16,262	4,641	59,354
Number of shares ..	(c) 28,772	(a)	1,829,792	72,313	38,038	43,892	62,012,807
Number of borrowers ..	(c) 4,453	11,953	5,134	3,349	2,634	1,590	29,118
Income for year from interest ..	£ 197,036	397,651	87,004	45,255	54,268	47,416	828,630
Working expenses for year ..	£ 158,008	177,522	12,559	14,335	42,532	17,325	422,281
Amount of deposits during year ..	£ 475,412	1,786,409	241,839	225,432	277,917	37,589	3,044,598
Repayment of loans during year ..	£ 769,276	1,257,625	240,776	164,676	200,416	126,964	2,759,733
Loans granted during year ..	£ 808,312	1,069,738	351,276	173,978	268,100	150,898	2,822,302

(a) Not available. (b) Exclusive of Victoria. (c) Permanent societies only.

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

(ii) *Liabilities and Assets*. The balance-sheets of the companies in respect of which particulars of liabilities and assets are stated hereunder cover periods ended during the year 1929. The figures quoted for the States of New South Wales, South Australia and Tasmania refer to the calendar year 1929, while those for the remaining States are for the fiscal year 1928-29.

REGISTERED BUILDING AND INVESTMENT SOCIETIES.—LIABILITIES, 1929.

State.	Paid-up Capital or Subscriptions.	Reserve Funds.	Deposits.	Bank Overdrafts and other Liabilities.	Total Liabilities.
	£	£	£	£	£
New South Wales ..	2,968,379	645,413	616,457	118,534	4,348,783
Victoria ..	2,022,558	734,485	1,846,620	351,492	4,955,155
Queensland ..	1,223,632	41,221	6,554	92,955	1,364,362
South Australia ..	771,890	92,587	53,546	32,544	950,567
Western Australia ..	734,928	..	114,310	38,292	887,530
Tasmania ..	297,985	93,803	254,952	15,291	662,031
Total ..	8,019,372	1,607,509	2,892,439	649,108	13,168,428

REGISTERED BUILDING AND INVESTMENT SOCIETIES.—ASSETS, 1929.

State.	Advances on Mortgage.	Landed and House Property, Furniture, etc.	Cash in hand and on Deposit and other Assets.	Total Assets.
	£	£	£	£
New South Wales ..	3,702,485	143,713	502,585	4,348,783
Victoria ..	4,703,978	126,293	124,884	4,955,155
Queensland ..	1,283,187	45,868	35,307	1,364,362
South Australia ..	881,907	28,510	40,150	950,567
Western Australia ..	839,648	20,918	26,964	887,530
Tasmania ..	585,646	10,390	65,995	662,031
Total ..	1,996,851	375,692	795,885	13,168,428

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

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

CO-OPERATIVE SOCIETIES.—NUMBER, MEMBERSHIP AND TRADING RESULTS, 1929.

Heading.	N.S.W. 1929.	Vic. 1928-29.	Qld. 1928-29.	S.A. 1929.	W.A. 1928-29.	Tas. 1928-29.	All States.
Producers' Co-operative Societies—							
Number of societies ..	89	60	50	32	6	12	249
Membership ..	24,073	40,436	34,186	6,723	9,448	5,249	121,015
Gross turnover (Sales) £	7,848,368	4,757,255	7,731,517	660,248	1,524,697	345,305	22,867,390
Total income ..	8,028,827	5,100,884	7,800,897	778,590	1,739,932	371,772	23,815,002
Total purchases ..	£ 6,649,929	3,985,544	4,504,323	506,600	1,340,230	(c)	616,986,626
Total expenditure (a) £	7,952,009	5,093,456	6,939,027	747,618	1,676,561	361,876	22,770,547
Rebates and bonuses £		11,656	23,195	30,540	10,912		76,312
Dividends on share capital £	8,098	28,135	17,698	13,717	15,837	2,429	85,914
Rate per cent. ..	1.80	2.99	3.52	7.24	6.47	3.03	3.57
Consumers' Co-operative Societies—							
Number of Societies ..	46	43	8	9	57	3	166
Membership ..	59,350	15,578	23,584	38,453	8,041	480	145,486
Gross turnover (Sales) £	3,863,524	1,373,492	49,465	1,383,468	929,035	88,149	7,687,133
Total income ..	3,932,492	1,400,036	86,051	1,389,177	935,795	88,650	7,882,201
Total purchases ..	£ 2,825,047	1,111,876	21,416	1,049,975	806,389	(c)	65,814,703
Total expenditure (a) £	3,574,588	1,331,275	58,773	1,310,177	956,530	73,337	7,304,680
Rebates and bonuses £	325,797	38,858	710	44,408	19,831	1,331	430,935
Dividends on share capital £	37,126	9,059	7,739	30,577	10,872	414	95,787
Rate per cent. ..	3.59	4.61	2.89	5.19	5.79	2.01	4.66

(a) Includes payments to suppliers.

(b) Excludes Tasmania. (c) Not Available.

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

CO-OPERATIVE SOCIETIES.—LIABILITIES AND ASSETS, 1929.

Heading.	N.S.W. 1929.	Vic. 1928-29.	Q'land. 1928-29.	S.A. 1929.	W.A. 1928-29.	Tas. 1928-29.	All States.
Producers' Co-operative Societies—	£	£	£	£	£	£	£
Liabilities—							
Paid-up capital ..	449,783	942,152	503,126	189,500	244,585	80,055	2,409,201
Loan capital ..	(a)	224,281	99,247	188,233	161,945	30,905	3,407,574
Overdraft ..	1,189,643	998,873	148,629	138,530	251,927	25,371	
Reserves and undivided profits ..	429,131	432,016	340,633	138,812	161,888	24,277	1,526,757
Other liabilities ..		402,750	558,719	255,773	234,351	58,677	1,510,270
Total liabilities ..	2,018,557	3,000,072	1,650,354	910,838	1,054,696	219,285	8,853,802
Assets—							
Land, buildings, and plant ..	1,045,387	1,257,323	872,560	356,912	221,240	115,545	3,863,976
Stocks ..	377,570	709,693	317,269	239,978	215,506	85,203	1,943,219
Other assets ..	595,600	1,033,056	460,525	263,048	617,941	68,537	3,039,607
Total assets ..	2,018,557	3,000,072	1,650,354	910,838	1,054,696	219,285	8,853,802
Consumers' Co-operative Societies—							
Liabilities—							
Paid-up capital ..	1,034,600	196,552	26,736	588,731	187,834	20,555	2,055,008
Loan capital ..	(a)	71,710	13,523	170,362	9,649	2,582	957,980
Overdraft ..	468,477	111,366	1,821	43,222	62,877	2,388	
Reserves and undivided profits ..	448,802	181,111	12,844	159,397	145,552	9,784	957,490
Other liabilities ..		126,771	20,931	63,441	144,614	15,204	370,961
Total liabilities ..	1,951,879	687,510	75,855	1,025,153	550,526	50,516	4,341,439
Assets—							
Land, buildings, and plant ..	895,193	263,096	32,199	336,585	123,410	16,916	1,667,399
Stocks ..	502,817	186,599	16,168	333,496	173,997	17,537	1,230,614
Other assets ..	553,869	237,815	27,488	355,072	253,119	10,063	1,443,424
Total assets ..	1,951,879	687,510	75,855	1,025,153	550,526	50,516	4,341,439

(a) Includes sundry creditors.

§ 5. Life Assurance.

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

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

Returns for the year 1929 have been collected from life assurance societies, with results which are in the main satisfactory. The figures below refer to Australian business only.

2. **Companies Transacting Business.**—(i) *General.* The number of companies transacting life assurance business in Australia during 1929 was 34, three of which were overseas companies.

Of the thirty-one Australian companies seven are purely mutual, and twenty-three are proprietary companies with a paid-up capital aggregating £1,929,408, part of which is, however, used in fire, marine, and accident insurance business. One office is a State government institution.

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

3. **Australian Business, 1929.**—(i) *Ordinary.* The subjoined table shows the ordinary life business in force for each of the last five years. While the total sum assured has increased by over 54 million pounds (23 per cent.), the average per policy has increased from £282 to £319. The amount assured in 1929 represents an average of approximately £45 per head of population.

ORDINARY LIFE ASSURANCE.—AUSTRALIAN BUSINESS, 1925 TO 1929.

Year.	Policies in Force.	Amount.	Average per Policy.	Annual Premium Income.
	No.	£	£	£
1925	834,936	235,687,567	282	7,835,501
1926	848,427	248,549,883	293	8,248,511
1927	866,710	262,276,366	303	8,532,723
1928	889,521	276,391,009	311	9,154,560
1929	908,807	290,313,414	319	9,513,249

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

The amount assured has increased by over 21 million pounds (42 per cent.) in the period under review. The average amount per policy in 1929 was £43, compared with an average of £38 in 1925.

INDUSTRIAL LIFE INSURANCE.—AUSTRALIAN BUSINESS, 1925 TO 1929.

Year.	Policies in Force.	Amount.	Average per Policy.	Annual Premium Income.
	No.	£	£	£
1925	1,310,642	49,907,583	38	2,871,799
1926	1,395,744	54,990,807	39	3,167,523
1927	1,481,044	60,732,865	41	3,524,919
1928	1,564,081	65,966,754	42	3,884,416
1929	1,640,989	71,053,864	43	4,170,989

4. *Income and Outgo.*—(i) *Ordinary Business.* The following table shows the aggregate Australian income for the last four years of all the societies doing business in Australia. In the latter year premiums—new and renewal—amounted to nearly 58 per cent., and interest, dividends, and rent to over 39 per cent. of the Australian income.

ORDINARY LIFE ASSURANCE.—AUSTRALIAN INCOME, 1926 TO 1929.

Heading.	Amount.			
	1926.	1927.	1928.	1929.
	£	£	£	£
Premiums—New	1,047,965	1,027,378	1,133,529	1,067,895
Renewal	7,200,546	7,505,345	8,021,031	8,445,354
Consideration for annuities	81,083	62,766	83,941	92,841
Interest, dividends, and rents	5,217,666	5,611,813	6,070,259	6,469,996
Other receipts	307,658	244,769	686,337	341,546
Total income	13,854,818	14,452,071	15,995,097	16,417,632

In 1929 outgo amounted to £9,870,972, of which claims accounted for almost 55 per cent., surrenders nearly 12 per cent., expenses of management 9 per cent., and commission 8 per cent.

ORDINARY LIFE ASSURANCE.—AUSTRALIAN OUTGO, 1926 TO 1929.

Heading.	Amount.			
	1926.	1927.	1928.	1929.
	£	£	£	£
Claims	4,596,541	4,936,336	4,990,017	5,389,720
Surrenders	1,055,957	975,115	1,049,259	1,164,504
Annuities	102,280	103,990	101,752	116,015
Commission	720,780	691,972	752,344	769,252
Expenses of management	846,847	883,879	963,876	928,696
Licence fees and taxes	149,501	175,902	186,952	425,202
Shareholders' dividends	87,806	74,080	78,263	102,367
Cash bonuses paid to shareholders	380,461	444,322	483,633	579,490
All other expenses	241,598	190,755	350,866	395,726
Total outgo	8,181,771	8,476,351	8,956,362	9,870,972

The excess of income over outgo during the past four years was as follows:—1926, £5,673,047; 1927, £5,975,720; 1928, £7,038,735; and 1929, £6,546,660.

(ii) *Industrial Business.* The aggregate Australian income for the years 1926 to 1929 of societies transacting industrial business was as follows:—

INDUSTRIAL LIFE ASSURANCE.—AUSTRALIAN INCOME, 1926 TO 1929.

Heading.	Amount.			
	1926.	1927.	1928.	1929.
	£	£	£	£
Premiums—New and renewal ..	3,167,523	3,521,919	3,884,416	4,170,989
Consideration for annuities ..	13	13	13	14
Interest, dividends, and rents ..	801,891	914,468	981,444	1,105,141
Other receipts ..	27,755	21,812	17,328	18,732
Total income ..	3,997,182	4,461,212	4,883,201	5,294,876

Outgo during 1929 totalled £3,386,343. Claims amounted to almost 42 per cent., commission 29 per cent., and expenses of management 15 per cent.

INDUSTRIAL LIFE ASSURANCE.—AUSTRALIAN OUTGO, 1926 TO 1929.

Heading.	Amount.			
	1926.	1927.	1928.	1929.
	£	£	£	£
Claims	926,399	1,170,393	1,278,853	1,408,735
Surrenders	109,398	125,638	150,508	194,202
Annuities	295	295	254	195
Commission	779,472	847,891	944,909	988,565
Expenses of management	402,211	456,872	464,057	508,883
Licence fees and taxes	24,817	31,478	33,549	87,186
Shareholders' dividends	64,676	67,762	70,034	68,980
Cash bonuses paid to shareholders .. .. .	..	4,049	..	..
All other expenses	70,709	56,125	87,040	129,597
Total outgo	2,377,977	2,760,503	3,029,204	3,386,343

The excess of income over outgo for each of the past four years was:—1926, £1,619,205; 1927, £1,700,709; 1928, £1,853,997; and 1929, £1,908,533.

5. *Liabilities and Assets, 1929.*—(i) *General.* The liabilities of the Australian societies consist mainly of their assurance funds; as already mentioned, however, some of the societies are proprietary, and in these cases there is a further liability on account of the shareholders' capital. The assets consist chiefly of loans on mortgage and policies, government, municipal, and similar securities, shares, freehold property, etc. Loans on personal security are granted by very few of the Australian societies.

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

ORDINARY AND INDUSTRIAL LIFE ASSURANCE.—AUSTRALIAN LIABILITIES, 1926 TO 1929.

Heading.	Amount.			
	1926.	1927.	1928.	1929.
	£	£	£	£
Shareholders' capital, paid up ..	1,891,916	1,978,098	1,965,386	1,729,408
Assurance and annuity funds ..	72,307,626	78,419,126	85,295,617	91,938,296
Other funds	6,609,019	7,499,078	8,330,742	9,532,291
Claims admitted but not paid ..	772,088	846,112	891,849	920,549
All other liabilities	2,188,288	2,192,928	2,619,086	2,521,056
Total Australian liabilities (a) ..	83,768,937	90,845,342	99,102,680	106,641,600

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

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

**ORDINARY AND INDUSTRIAL LIFE ASSURANCE.—AUSTRALIAN ASSETS,
1926 TO 1929.**

Heading.	Amount.			
	1926.	1927.	1928.	1929.
	£	£	£	£
Government and municipal securities ..	60,354,135	62,202,524	65,206,148	70,678,790
Mortgages ..	24,146,487	20,144,316	32,378,820	34,632,357
Loans on companies' policies ..	10,543,370	11,576,592	12,644,271	13,864,243
Landed and house property ..	4,081,973	4,467,563	4,944,345	5,327,568
Life interests and reversions ..	149,555	204,552	143,710	151,724
Other investments ..	2,618,627	2,670,305	3,089,755	3,195,550
Outstanding premiums ..	879,137	963,851	1,001,740	1,052,187
Outstanding interest, dividends, and rents ..	974,735	1,142,496	1,303,410	1,425,585
Cash ..	2,131,936	2,570,576	2,724,952	2,015,003
Establishment and organization accounts ..	1,221,472	1,288,052	1,320,700	1,259,921
All other assets ..	1,923,921	2,043,220	2,286,136	1,096,050
Total Australian assets ..	109,025,348	118,274,047	127,043,087	134,598,978

(iii) *Total Assets.* It has been thought advisable to restrict the figures relating to life assurance to business in Australia. Several of the companies whose head offices are in Australia transact, however, a large amount of business elsewhere, viz., in New Zealand, in South Africa, and in the United Kingdom, while in the case of the foreign companies, the Australian business is insignificant compared with that done elsewhere. Particulars as to this foreign business of both Australian and foreign companies will be found in "Finance Bulletin No. 21."

The total assets of all life companies operating in Australia amounted to £405,728,093 in 1929, of which government and municipal securities (£122,119,763), and mortgages (£95,224,868), represented more than 50 per cent.

6. *New Policies issued in Australia, 1929.*—(i) *Ordinary Business.* During 1929 85,258 new policies were issued for £33,826,595. The average amount per policy was almost £397, which compares with an average of £319 per policy for all policies which were in existence at the end of 1929.

(ii) *Industrial Business.* New policies to the number of 325,949 were issued during the year for a total of £16,708,467. The average per policy was over £51, or £2 more than the average for all industrial policies which were current at the end of 1929.

7. *Policies Discontinued in Australia, 1927, 1928 and 1929.*—(i) *Ordinary Business.* The volume of business which from various causes becomes void in each year is always large. The number and amount of policies discontinued in the last three years, and the reasons for discontinuance are given in the following table :—

**ORDINARY LIFE ASSURANCE.—POLICIES DISCONTINUED IN AUSTRALIA,
1927 TO 1929.**

Mode.	1927.		1928.		1929.	
	No. of Policies.	Amount.	No. of Policies.	Amount.	No. of Policies.	Amount.
		£		£		£
Death or maturity ..	15,965	3,703,588	16,027	3,695,861	17,280	3,933,620
Surrender ..	15,120	3,697,414	16,294	4,477,050	15,823	4,409,649
Forfeiture ..	33,770	10,957,429	34,527	11,776,201	32,538	11,461,656
Total ..	64,855	18,358,431	66,848	19,949,112	65,641	19,804,925

(ii) *Industrial Business.* The number of policies discontinued in this branch each year is also very large. Of the total amount of discontinuance during 1929 only 12 per cent. was due to death or maturity, while 83 per cent. was due to forfeiture.

INDUSTRIAL LIFE ASSURANCE.—POLICIES DISCONTINUED IN AUSTRALIA,
1927 TO 1929.

Mode.	1927.		1928.		1929.	
	No. of Policies.	Amount.	No. of Policies.	Amount.	No. of Policies.	Amount.
		£		£		£
Death or maturity ..	52,021	1,182,281	53,624	1,282,137	56,374	1,388,032
Surrender ..	7,632	355,071	9,158	448,426	11,111	553,886
Forfeiture ..	150,580	7,612,505	169,921	8,978,480	183,605	9,680,842
Total ..	210,233	9,149,857	232,703	10,709,043	251,090	11,622,760

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

§ 6. Fire, Marine, and General Insurance.

1. *Australasian Companies* * (i) *General.* Returns in some detail are available showing the revenue and expenditure, assets and liabilities, and investments of 42 insurance companies having their head offices either in Australia, New Zealand, or Fiji. The business transacted by these companies represents between 60 and 70 per cent. of the total Australian business, some particulars of which are given in the succeeding pages.

(ii) *Revenue and Expenditure.* The most important items of revenue and expenditure are given below. The trade surplus in 1929–30 was £680,157, or 8.19 per cent. of premium income.

FIRE, MARINE, AND GENERAL INSURANCE COMPANIES.—SUMMARY OF
REVENUE AND EXPENDITURE, 1926 TO 1930.

Heading.	1925–26.	1926–27.	1927–28.	1928–29.	1929–30.
	£	£	£	£	£
Premiums, less re-insurances ..	7,249,917	8,432,000	8,412,080	8,321,762	8,304,632
Losses	3,993,076	4,881,671	5,016,717	4,993,394	4,829,345
Expenses, commission, and taxes	2,614,007	2,727,885	2,833,854	2,812,676	2,795,130
Trade surplus	642,834	815,444	561,509	515,692	680,157
Interest, rent, etc.	682,957	756,897	783,969	779,314	829,410
Total surplus	1,325,791	1,572,341	1,345,478	1,295,006	1,509,667
Dividends and Bonuses paid ..	620,812	607,961	641,085	659,704	653,595
Ratio to premium income of—					
(a) Losses .. per cent.	55.08	57.98	59.64	60.00	58.15
(b) Expenses, etc. .. per cent.	36.05	32.35	33.69	33.80	33.66
(c) Trade surplus .. per cent.	8.87	9.67	6.68	6.20	8.19

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

(iii) *Liabilities and Assets.* The liabilities and assets for the same period are set out in the following tables. Comparison of the results for 1929-30 with those for 1925-26 shows that paid-up capital increased by 7 per cent. and reserves by 37 per cent. While loans on mortgage decreased by 30 per cent., Government securities increased by 27 per cent., and landed and other property by 23 per cent.

FIRE, MARINE, AND GENERAL INSURANCE COMPANIES, 1926 TO 1930.

Heading.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
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PAID-UP CAPITAL, RESERVES, AND LIABILITIES.

	£	£	£	£	£
Paid-up capital	6,131,149	6,292,050	6,400,284	6,423,425	6,541,033
Reserves and re-insurance funds(a)	7,401,536	8,637,831	9,487,950	10,048,875	10,136,075
Undivided profits	664,181	706,528	612,827	766,041	784,695
Losses unsettled	913,982	987,670	988,700	935,219	974,016
Sundry creditors, etc. ..	2,436,815	2,309,610	2,379,748	2,417,780	2,419,285
Dividends, etc., to pay ..	334,029	384,006	387,887	405,109	376,091
Life assurance funds (b) ..	2,208,553	1,436,372	1,706,108	2,008,769	2,331,665
Total liabilities ..	20,140,245	20,754,067	21,963,504	23,005,218	23,562,860

INVESTMENTS AND OTHER ASSETS.

	£	£	£	£	£
Loans on mortgage	1,175,228	727,850	759,382	768,378	829,079
Government securities, etc. ..	10,989,880	12,004,751	12,668,290	13,331,925	13,932,258
Landed and other property ..	2,908,637	2,841,654	3,307,205	3,550,460	3,584,044
Fixed deposits, etc.	1,467,234	1,929,271	1,828,566	1,850,771	2,194,546
Loans on life policies (b) ..	60,533	62,451	84,871	104,175	136,899
Investments	165,153	139,055	234,321	239,496	149,841
Cash and bills receivable ..	899,232	763,272	757,970	769,923	670,078
Sundry debtors and other assets ..	2,474,348	2,285,763	2,322,899	2,390,090	2,066,116
Total assets ..	20,140,245	20,754,067	21,963,504	23,005,218	23,562,860

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

(b) Some of the companies transact Life Business.

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

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

The appended table shows for each State the aggregate premium income, less reinsurances and returns, and claims paid, less reinsurances, together with the proportions of losses on premiums for all classes of insurance other than life for the years 1928-29 and 1929-30.

FIRE, MARINE, AND GENERAL INSURANCE—PREMIUMS AND LOSSES, STATES, 1928-29 AND 1929-30.

State.	Premiums, less re-insurances and returns.		Losses less re-insurances.		Proportion of Losses on Premiums.	
	1928-29.	1929-30.	1928-29.	1929-30.	1928-29.	1929-30.
	£	£	£	£	%	%
New South Wales ..	6,229,699	6,038,874	3,804,141	3,330,404	61.06	55.15
Victoria ..	3,571,986	3,569,734	1,507,074	1,975,075	42.19	55.33
Queensland (a) ..	1,445,265	1,477,965	809,755	662,624	56.03	44.83
South Australia ..	1,087,013	977,459	405,415	355,946	37.30	36.42
Western Australia ..	1,186,795	1,226,101	602,036	581,607	50.73	47.44
Tasmania ..	305,676	313,429	117,931	112,988	38.58	36.05
All States ..	13,826,434	13,603,562	7,246,352	7,018,644	52.41	51.59

(a) Exclusive of Workers' Compensation.

(ii) *Classes of Insurance.* The statement hereunder shows premiums and losses in respect of the principal classes of risks with the proportions of losses on premiums for the years 1928-29 and 1929-30.

FIRE, MARINE, AND GENERAL INSURANCE.—PREMIUMS AND LOSSES, PRINCIPAL CLASSES OF RISK 1928-29 AND 1929-30.

Class of Risk.	Premiums, less re-insurances and returns.		Losses less re-insurances.		Proportion of Losses on Premiums.	
	1928-29.	1929-30.	1928-29.	1929-30.	1928-29.	1929-30.
	£	£	£	£	%	%
Fire ..	6,355,883	6,335,419	3,288,632	3,313,899	51.74	52.31
Motor Vehicle ..	2,641,582	2,623,129	1,409,408	1,382,930	53.35	52.72
Workers' Compensation(a) ..	2,474,426	2,404,253	1,643,676	1,506,248	66.43	62.65
Marine ..	1,044,143	928,640	441,508	349,539	42.28	37.64
Personal Accident ..	427,198	411,054	193,171	189,644	45.22	46.14
All other ..	883,202	901,067	269,957	276,384	30.67	30.67
Total ..	13,826,434	13,603,562	7,246,352	7,018,644	52.41	51.59

(a) Exclusive of Queensland.

During each of the above years, the volume of business measured by the amounts of premium income shows that fire insurances represented slightly under 50 per cent. of the total, while the proportion of motor vehicle and workers' compensation insurances was slightly under 20 per cent.

With a receding volume of business in 1929-30, it is safe to make the general inference that slightly more than half the premiums received are paid out in satisfaction of claims, and slightly less than half are required for expenses and profits.

§ 7. Friendly Societies.

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

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

FRIENDLY SOCIETIES.—SOCIETIES, LODGES, AND MEMBERS, 1929.

State.	Number of Registered Friendly Societies.	Number of Lodges.	Benefit Members at end of year.	Average No. of Benefit Members during the year.
New South Wales	33	2,453	247,730	244,965
Victoria	58	1,484	164,307	163,079
Queensland	18	(a) 592	67,361	(b) 67,217
South Australia	17	724	77,785	78,034
Western Australia	14	350	24,491	24,000
Tasmania	20	194	27,160	(b) 26,659
Total .. .. .	..	5,797	608,834	603,354

(a) Excluding Juvenile Branches.

(b) Estimated.

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

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

FRIENDLY SOCIETIES.—SICKNESS AND DEATH RETURNS, 1929.

State.	Number of Members who received Sick Pay.	Total Number of Weeks Sick Pay Granted.	Average-Number of Weeks per Member Sick.	Benefit Members.	
				Deaths.	Proportion of deaths per 1,000 (Average).
New South Wales	56,294	(a)	(a)	(a)	(a)
Victoria	35,681	341,842	9.58	1,594	9.77
Queensland	11,503	107,199	9.32	589	8.78
South Australia	15,410	167,955	10.90	897	11.49
Western Australia	5,000	37,604	7.52	147	6.12
Tasmania	5,206	50,194	9.64	221	8.48
Total	129,094	(b) 704,794	(b) 9.68	(b) 3,448	(b) 9.62

(a) Not available.

(b) Exclusive of New South Wales.

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

FRIENDLY SOCIETIES.—REVENUE, 1929.

State.	Entrance Fees, Members' Contributions, and Levies.	Interest, Dividends, and Rents.	All other Income.	Total Revenue.
	£	£	£	£
New South Wales	832,188	219,788	66,174	1,118,150
Victoria (b)	560,681	263,078	227,345	1,051,104
Queensland	234,527	88,831	(a)	323,358
South Australia	249,491	126,260	39,264	415,015
Western Australia	80,495	25,458	29,365	135,318
Tasmania	88,571	20,645	14,748	123,964
Total	2,045,953	744,060	376,896	3,168,909

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

(b) Includes certain inter-fund transfers.

(ii) *Expenditure.* The returns relating to expenditure are more complete than those for revenue. The figures show that the excess of revenue for the year was £524,703 for Australia. The revenue exceeded the expenditure by about 17s. 6d. per average benefit member.

FRIENDLY SOCIETIES.—EXPENDITURE, 1929.

State.	Year ended—	Sick Pay.	Medical Attendance and Medicine.	Sums Paid at Death of Members and Members' Wives.	Adminis- tration.	All other Expendi- ture.	Total Expendi- ture.
		£	£	£	£	£	£
New South Wales	30. 6. 29	319,787	343,381	77,928	161,300	42,638	945,034
Victoria (b)	"	215,972	228,293	37,728	113,222	280,252	875,467
Queensland	"	77,007	98,781	30,389	55,306	(a)	261,483
South Australia	31. 12. 29	101,163	101,377	38,969	54,812	40,188	336,509
Western Australia	30. 6. 29	27,370	31,101	5,130	20,766	32,431	116,798
Tasmania	31. 12. 29	33,192	29,238	17,738	19,083	7,664	106,915
Total	—	774,491	832,171	207,882	424,489	403,173	2,642,206

(a) Included in administration.

(b) Includes certain inter-fund transfers.

It appears from the above figures that sick pay averaged about 25s. 8d. per week per average benefit member, but, as the returns include pay at half and quarter rates, and as the proportion of these to full rates is not stated, the average given must be taken for what it is worth. Medical attendance and medicine came to about 27s. 7d. per average benefit member.

5. Funds.—The two foregoing tables show that the surplus of revenue over expenditure in all States amounted to £524,703 for the year, and a small surplus must, of course, result annually in every society which levies adequate contributions to enable it to meet all possible claims. These accumulations of profits are generally invested, and at the end of the year 1929 the total funds of friendly societies amounted to £13,505,865, (£22 3s. per benefit member), of which over £13,000,000 was invested, principally on mortgage, loans on members' homes, and in Government and Municipal securities.

§ 8. Probates.

1. Probates and Letters of Administration.—The value of the estates left by deceased persons gives some idea of the distribution of property among the general population. There were in 1929 approximately 48,700 deaths of adult persons, while the number of probates and letters of administration granted during the same period was 19,909. It would therefore appear that about two-fifths of the adults who died during the year were possessed of sufficient property to necessitate the taking out of probate. The details for each State are shown in the table hereunder :—

PROBATES AND LETTERS OF ADMINISTRATION, 1929.

State.	Year ended—	Number of Estates.			Net Values of Estates.		
		Probates.	Letters of Administration.	Total.	Probates.	Letters of Administration.	Total.
			(a)		£	£	£
New South Wales ..	30.6.29	7,494		7,494	24,548,457	(a)	24,548,457
Victoria ..	31.12.29	5,245	1,880	7,125	19,926,784	(a)	19,926,784
Queensland ..	30.6.29	949	197	1,146	63,912,443	6382,416	b 4,294,859
South Australia ..	31.12.29	1,730	414	2,144	5,485,443	244,574	5,730,017
Western Australia ..	"	c 930	c 350	c 1,280	1,980,834	213,546	2,194,380
Tasmania ..	"	594	102	696	1,359,595	84,777	1,444,372
North Australia ..	30.6.29	3	21	24	b 1,289	b 1,679	b 2,963
Total ..	—	16,945	2,964	19,909	57,214,845	926,992	58,141,837

(a) Included with Probates. (b) Gross value. (c) Applications lodged.

2. Intestate Estates.—The number of intestate estates placed under the control of the Curator during the year, and the amount of unclaimed money paid into Consolidated Revenue in each State during the year 1929, are given hereunder :—

INTESTATE ESTATES, 1929.

Particulars.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	North Aust.	Total.
Intestate estates placed under control of Curator during 1929—								
Number	(a)	(b)	1,282	g 244	290	e 112	20	c 1,948
Value £	(a)	(b)	732,663	g 87,142	d 34,077	e 26,121	d 1,173	c 881,176
Unclaimed money paid into Consolidated Revenue by Curator during 1929 £	f 185,453	376	10,407	5,195	1,974	8,953	1,077	c 213,436

(a) Included with Probates. (b) Not available. (c) Incomplete. (d) Gross Value.
 (e) Estates wound up by Public Trustee. (f) Held by Public Trustee. (g) Included with Letters of Administration.