

CHAPTER 17

PRIVATE FINANCE

Further information on the subjects dealt with in this chapter is contained in the annual bulletins *Banking and Currency* (5.1) and *Insurance and Other Private Finance* (5.15). Current information is contained in the *Quarterly Summary of Australian Statistics* (1.3), the *Monthly Review of Business Statistics* (1.4), the *Digest of Current Economic Statistics* (1.5) (monthly), and the following mimeographed statements: monthly—*Banking Statistics* (5.2); *Major Trading Banks Statistics* (preliminary statement) (5.3); *Savings Bank Statistics* (preliminary statement) (5.28); *Savings Banks Housing Finance Transactions within Australia* (preliminary statement) (5.35); *Life Insurance Statistics* (5.17); *Finance Companies* (5.14); *Instalment Credit for Retail Sales* (preliminary statement) (5.19); *Permanent Building Societies* (5.34); quarterly—*Instalment Credit for Retail Sales* (5.18); *New Capital Raisings by Companies in Australia* (bulletin (5.9) and preliminary statement (5.10)); *Capital and Maintenance Expenditure by Private Business in Australia* (5.8) (5.7); *Unit Trusts, Land Trusts and Mutual Funds* (5.31). Other relevant annual mimeographed bulletins are *Life Insurance* (5.32); *Australian Fire, Marine and General Insurance Statistics* (5.16); *Government Pension and Superannuation Schemes* (5.23); *Survey of Selected Private Pension Funds* (5.25); *Finance Companies* (5.13); and *Building Societies: Australia* (5.5).

MONEY

Currency

Australia has a decimal system of currency, the unit being the dollar which is divided into 100 cents. Decimal coins and notes became legal tender on the 14 February 1966. Before that date the Australian currency unit was the pound divided into 20 shillings each of 12 pence. One dollar in the present currency is equal to 10 shillings in the old currency. The par value of the Australian dollar under the terms of the International Monetary Fund and established on the 14 February 1966, was 0.99531 grams of gold, which changed on the 23 December 1972 to 1.04360 grams of gold.

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

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

AUSTRALIAN NOTES IN CIRCULATION, JUNE 1968 TO 1972 (\$'000)

	<i>Last Wednesday in June</i>				
	1968	1969	1970	1971	1972
\$1 and 10s	34,881	37,528	40,400	42,218	43,552
\$2 and £1	117,929	117,281	118,500	119,284	118,451
\$5	57,444	64,088	73,307	81,373	85,283
\$10 and £5	401,079	441,276	474,004	521,061	560,268
\$20 and £10	394,667	447,245	509,271	605,383	691,476
£20	1	1	1	..	..
£50	42	42	41	38	38
£100	40	40	37	31	31
Total	1,006,083	1,107,500	1,215,561	1,369,388	1,499,099
<i>Held by banks</i>	<i>159,726</i>	<i>164,867</i>	<i>165,202</i>	<i>177,706</i>	<i>182,648</i>
<i>Held by public</i>	<i>846,357</i>	<i>942,632</i>	<i>1,050,359</i>	<i>1,191,682</i>	<i>1,316,451</i>

AUSTRALIAN DECIMAL COIN: COSTS OF COIN ISSUED, 1968-69 TO 1971-72
(\$'000)

	<i>Cost of metal</i>	<i>Cost of minting</i>	<i>Freight and sundry charges</i>	<i>Total cost</i>	<i>Face value of coin issued</i>	<i>Surplus</i>
Cupro-nickel—						
1968-69	1,044	1,320	72	2,436	13,008	10,572
1969-70	1,226	1,297	68	2,591	19,412	16,821
1970-71	974	960	65	1,999	15,050	13,051
1971-72	721	698	77	1,496	10,758	9,262
Bronze—						
1968-69	511	745	24	1,280	2,296	1,016
1969-70	574	675	28	1,277	2,000	723
1970-71	703	675	36	1,414	2,068	654
1971-72	594	738	24	1,356	2,185	829
Total—						
1968-69	1,555	2,065	96	3,716	15,304	11,588
1969-70	1,800	1,972	96	3,868	21,412	17,544
1970-71	1,677	1,635	101	3,413	17,118	13,705
1971-72	1,315	1,436	101	2,852	12,943	10,091

AUSTRALIAN DECIMAL COIN: VALUE OF COIN ISSUED
30 JUNE 1968 TO 1972
(\$'000)

<i>Year ended 30 June—</i>	<i>50 cents</i>	<i>20 cents</i>	<i>10 cents</i>	<i>5 cents</i>	<i>2 cents</i>	<i>1 cent</i>	<i>Total</i>
1968	1,671	11,206	6,099	2,938	1,118	705	23,737
1969 . . . . .	..	6,307	3,854	2,847	1,390	906	15,304
1970	9,038	5,053	3,074	2,247	1,121	879	21,412
1971	7,420	3,640	2,090	1,900	1,150	919	17,119
1972	4,418	3,360	1,740	1,240	1,370	815	12,943

Gold receipts, issues and price

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

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

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

The average price per fine ounce in Australian currency obtained for gold on premium markets in Australia and overseas for each month during the year 1971-72 was: July \$35.99, August \$37.38, September \$36.45, October \$36.72, November \$36.70, December \$37.26, January \$38.23, February \$40.61, March \$40.56, April \$41.10, May \$43.67 and June \$52.21.

Overseas exchange rates

In the following table the "par of exchange" rate is the rate as at 30 June 1972 established under the International Monetary Fund Agreement. Selling rates shown are mainly the averages of daily quotations by the Commonwealth Trading Bank of Australia, and in other cases are the rates used by the Department of Customs and Excise in converting import values to Australian dollars for purposes of calculating customs duty.

OVERSEAS EXCHANGE RATES: PAR OF EXCHANGE AND AVERAGE TELEGRAPHIC TRANSFER SELLING RATES FOR SYDNEY ON OVERSEAS COUNTRIES, 1971-72

Country	Basis of quotation	Australian decimal currency equivalents		Country	Basis of quotation	Australian decimal currency equivalents	
		Par of exchange	Selling rate 1971-72			Par of exchange	Selling rate 1971-72
America, United States of	Dollars to \$A1	1.216	1.1680	Japan	Yen to \$A1	374.528	368.29
Austria	Schillings to \$A1	28.3328	27.54	Netherlands	Guilders to \$A1	3.9456	3.385
Belgium	Francs to \$A1	54.4961	(a)52.49	New Zealand	\$A to \$NZ1	1.00	1.002
(financial)	Francs to \$A1	---	(a)52.58	Norway	Kroner to \$A1	8.0808	7.86
(convertible)	Francs to \$A1	---	(a)52.58	Noumea	Francs to \$A1	(c)	108.12
Canada	Dollars to \$A1	(b)	1.1700	Pakistan	Rupees to \$A1	13.376	5.386
China, People's Rep. of	New Yuan to \$A1	(c)	2.69	Philippines	Pesos to \$A1	(b)	7.477
Denmark	Kroner to \$A1	8.4877	8.31	Singapore	Dollars to \$A1	3.4286	3.334
Fiji	\$A to \$F1	(b)	1.0397	South Africa, Republic of	Rands to \$A1	(b)	0.8518
France	Francs to \$A1	6.2207	(a)6.003	Spain	Pesetas to \$A1	78.4	77.78
(commercial)	Francs to \$A1	---	(a)6.122	Sri Lanka (formerly Ceylon)	Rupees to \$A1	(d)	6.852
Germany, Fed. Rep. of	Deutsche Marks to \$A1	3.9186	3.804	Sweden	Kronor to \$A1	5.825	5.706
Greece	Drachmae to \$A1	36.48	34.54	Switzerland	Francs to \$A1	(c)	4.567
Hong Kong	Dollars to \$A1	(c)	6.67	Taiwan	Dollars to \$A1	48.64	47.66
India	Rupees to \$A1	(b)	8.505	United Arab Republic	£E to \$A1	0.4235	0.5207
Italy	Lire to \$A1	707.104	696	United Kingdom	\$A to fstg1	(b)	2.1714
				U.S.S.R.	Roubles to \$A1	(c)	0.989

(a) From 20 September 1971 two rates quoted for Belgium and France: "convertible" rate (Belgium), "commercial" rate (France) for trade transactions accompanied by documentation and "financial" rate for other transactions. (b) Exchange rate allowed to fluctuate, no par value fixed. (c) Not a member of the International Monetary Fund. (d) No par value established.

Volume of money

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

VOLUME OF MONEY: AUSTRALIA, JUNE 1968 TO 1972

(Source: Reserve Bank of Australia)

(\$ million)

Average of weekly figures for June	Notes and coin in hands of public	Deposits of public with all trading banks(a)			Deposits with all savings banks(b)	Total volume of money
		Current	Fixed	Certificates of deposits		
1968	964	3,450	2,191	..	6,200	12,805
1969	1,065	3,685	2,404	138	6,682	13,974
1970	1,187	3,798	2,617	145	7,090	14,837
1971	1,336	3,976	2,864	56	7,618	15,851
1972	1,467	4,328	3,260	113	8,339	17,508

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

BANKING

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

Development since federation

With federation in 1901 the new Commonwealth Parliament was given power, under Section 51 of the Commonwealth Constitution, to legislate with respect to 'Banking, other than State Banking, also State Banking extending beyond the limits of the State concerned, the incorporation of banks, and the issue of paper money'. In 1911 the Commonwealth entered the field of banking with the establishment of the Commonwealth Bank of Australia, which conducted both trading bank and savings bank operations. A separate Commonwealth Savings Bank was established in 1928.

Central bank

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

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

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

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

Trading banks

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

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

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

Term Loan Fund

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

Farm Development Loan Fund

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

Savings banks

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

Development banks

The Commonwealth Development Bank of Australia was established by the *Commonwealth Banks Act 1959* and commenced operations on 14 January 1960. The Australian Resources Development Bank was established by the major trading banks with the support of the Reserve Bank of Australia and commenced operations in February 1968. For further information on these banks see pages 512-13.

Current legislation

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

Commonwealth banking legislation

(a) The *Banking Act 1959-1967* applies to all banks operating in Australia including the external Territories of the Commonwealth except State banks trading in their own State. The objects of the Act are: (i) to provide a legal framework uniform throughout Australia for regulating the banking system; (ii) to safeguard depositors of the banks from loss; (iii) to provide for the co-ordination of banking policy under the direction of the Reserve Bank; (iv) to control the volume of credit in circulation and bank interest rates; (v) to mobilise and to provide machinery for the control of the foreign exchange and gold resources of the Australian economy. A summary of the main provisions of the *Banking Act 1959* is given in Year Book No. 46, pages 759-60.

(b) The *Reserve Bank Act 1959-1966* provides for the constitution and management of the Reserve Bank of Australia and the management of the Australian note issue

(c) The *Commonwealth Banks Act 1959-1968* provides for the constitution and management of the Commonwealth Banking Corporation, Commonwealth Trading Bank of Australia, Commonwealth Savings Bank of Australia, and Commonwealth Development Bank of Australia.

The Commonwealth Banking Corporation is the controlling body for the Commonwealth Trading Bank, Commonwealth Savings Bank and Commonwealth Development Bank. Under the *Banking Act 1959-1967* the Corporation and its constituent banks are subject to the same central banking controls as are the private trading banks.

State Banking legislation

The State Acts under which the various banks are incorporated differ. While some of the older banks were incorporated by special Act or Charter, e.g. the Bank of New South Wales by Act of Council 1817, the Bank of Adelaide by Act of the South Australian Parliament, and the Bank of New Zealand by Act of the General Assembly of New Zealand, most of the banks are incorporated under a companies Act of the States or the United Kingdom. This is also the case with those banks which were reconstructed after the financial crisis of 1893. State banks, constituted under State Acts, transacting general banking business are The Rural Bank of New South Wales, the State Bank of South Australia, and the Rural and Industries Bank of Western Australia. State savings banks, constituted under State Acts, transacting savings bank business are The State Savings Bank of Victoria, The Savings Bank of South Australia and the Savings Bank Division of the Rural and Industries Bank of Western Australia.

Reserve Bank of Australia

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

The general functions of the Reserve Bank are set out in Section 10 of the *Reserve Bank Act* 1959-1966, which states:

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

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

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

Management

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

Central banking business

Under the *Commonwealth Bank Act* 1911-1943 and the war-time powers conferred by the National Security Regulations the Commonwealth Bank gradually assumed the functions of a Central Bank. Part III of the *Commonwealth Bank Act* 1945 formally constituted the Bank as a Central Bank and granted the necessary powers to carry on the business of a Central Bank, these powers being carried through into the present Act constituting the Reserve Bank. Under the provisions of the *Reserve Bank Act* 1959-1966 the capital for the Central Banking Business is the capital of the Commonwealth Bank for Central Banking purposes immediately prior to 14 January 1960, and such other sums as are transferred from the Reserve Bank Reserve Fund. The profits of the Bank are distributed as follows: (a) such sums as the Treasurer, after consultation with the Bank, determines shall be placed to the credit of the Reserve Bank Reserve Fund and (b) the remainder shall be paid to the Commonwealth.

Note Issue Department

The Note Issue Department, established in 1920 when the control of the Australian note issue was transferred from the Commonwealth Treasury to the Commonwealth Bank, was maintained in the same form under the *Reserve Bank Act* 1959. The Reserve Bank may, through this Department, issue, re-issue and cancel Australian notes. Under the *Reserve Bank Act* 1959-1966 the profits of the Note Issue Department are paid to the Commonwealth.

Rural Credits Department

The Rural Credits Department, established in 1925 for the purpose of making short-term credit available for the orderly marketing of primary produce, was continued in the same form under the *Reserve Bank Act* 1959. The Reserve Bank may, through this Department, make advances upon the security of primary produce placed under the legal control of the Bank, or other security associated with the production or marketing of primary produce, to co-operative associations or marketing boards formed under the laws of the Commonwealth or a State or Territory of the Commonwealth or other bodies specified by proclamation. The period of the advance shall not exceed one year. Under the provisions of the *Reserve Bank Act* 1959-1966 the capital of the Rural Credits Department is the capital of the Rural Credits Department of the Commonwealth Bank immediately prior to 14 January 1960, and \$4,000,000 provided by the Reserve Bank. The profits of the Rural Credits Department are dealt with as follows: (a) one-half to the credit of the Rural Credits Department Reserve Fund and (b) one-half to the credit of the Rural Credits Development Fund.

RESERVE BANK OF AUSTRALIA: LIABILITIES, 30 JUNE 1968 TO 1972
 (\$ million)

30 June—	Capital and reserve funds	Development fund	Special reserve— I.M.F. special drawing rights	Australian notes on issue	Deposits of trading banks		Deposits of savings banks	Other deposits, bills payable and other liabilities	Total
					Statutory reserve deposit accounts	Other			
CENTRAL BANKING BUSINESS									
1968	60.1	..	..	..	456.4	117.9	495.8	327.6	1,457.8
1969	63.0	..	..	..	565.6	60.4	535.2	658.0	1,882.1
1970	66.7	..	75.0	..	674.5	39.5	613.2	672.2	2,141.2
1971	70.7	..	138.6	..	617.5	62.8	615.5	1,098.9	2,603.9
1972	65.6	..	201.6	..	554.2	88.9	802.9	2,094.9	3,808.1
NOTE ISSUE DEPARTMENT									
1968	..	..	..	998.5	..	..	..	20.3	1,018.8
1969	..	..	..	1,091.5	..	..	..	45.9	1,137.4
1970	..	..	..	1,195.8	..	..	..	62.5	1,258.3
1971	..	..	..	1,369.4	..	..	..	74.2	1,443.6
1972	..	..	..	1,508.2	..	..	..	59.2	1,567.4
RURAL CREDITS DEPARTMENT									
1968	16.7	0.8	..	..	..	..	..	212.0	229.6
1969	17.6	0.9	..	..	..	..	..	461.8	480.3
1970	18.5	1.1	..	..	..	..	..	338.5	358.1
1971	19.3	1.1	..	..	..	..	..	288.3	308.7
1972	20.0	1.1	..	..	..	..	..	239.7	260.8
TOTAL									
1968	76.9	0.8	..	998.5	456.4	117.9	495.8	(a)315.9	(a)2,462.2
1969	80.6	0.9	..	1,091.5	565.6	60.4	535.2	(a)420.8	(a)2,754.9
1970	85.2	1.1	75.0	1,195.8	674.5	39.5	613.2	(a)478.7	(a)3,162.9
1971	90.0	1.1	138.6	1,369.4	617.5	62.8	615.5	(a)765.8	(a)3,660.6
1972	85.6	1.1	201.6	1,508.2	554.2	88.9	802.9	(a)1,361.6	(a)4,604.1

(a) Inter-departmental accounts have been offset.

RESERVE BANK OF AUSTRALIA: ASSETS, 30 JUNE 1968 TO 1972
 (\$ million)

30 June—	Gold and balances held abroad (a)	Other overseas securities	Australian notes, coin	Australian Government securities (b)	Cheques and bills of other banks	Loans, advances, bills discounted, all other assets (c)	Bank premises (d)	Bills receivable and remittances in transit	Total
1968	349.3	182.0	9.5	536.2	8.0	263.7	33.8	75.3	1,457.8
1969	589.1	231.6	8.4	386.0	10.8	570.1	35.0	51.1	1,882.1
1970	758.8	201.5	12.6	573.9	8.0	469.0	36.3	81.1	2,141.2
1971	1,285.0	285.0	11.4	453.1	3.4	392.7	37.9	135.4	2,603.9
1972	2,680.5	376.2	12.3	299.2	4.7	297.2	41.6	96.3	3,808.1
NOTE ISSUE DEPARTMENT									
1968	315.5	151.4	..	501.0	..	(e)50.8	0.2	..	1,018.8
1969	164.5	198.5	..	457.3	..	(e)316.8	0.3	..	1,137.4
1970	189.9	168.0	..	606.1	..	(e)294.0	0.4	..	1,258.3
1971	289.0	257.1	..	447.7	..	(e)449.2	0.6	..	1,443.6
1972	296.6	234.7	..	199.5	..	(e)834.7	1.8	..	1,567.4
RURAL CREDITS DEPARTMENT									
1968	..	..	..	..	..	229.6	..	..	229.6
1969	..	..	..	..	..	480.3	..	..	480.3
1970	..	..	..	..	..	358.1	..	..	358.1
1971	..	..	..	..	..	308.7	..	..	308.7
1972	..	..	..	..	..	260.8	..	..	260.8
TOTAL (f)									
1968	664.8	333.5	9.5	1,037.2	8.0	300.1	34.0	75.3	2,462.2
1969	753.5	430.1	8.4	843.3	10.8	622.4	35.3	51.1	2,754.9
1970	948.7	369.5	12.6	1,180.0	8.0	526.4	36.7	81.1	3,162.9
1971	1,574.0	542.1	11.4	900.7	3.4	455.1	38.6	135.4	3,660.6
1972	2,977.1	610.9	12.3	498.8	4.7	360.5	43.5	96.3	4,604.1

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

RESERVE BANK OF AUSTRALIA: NET PROFITS, 1967-68 TO 1971-72
(\$ million)

	Central Banking Business	Note Issue Depart- ment	Rural Credits Depart- ment	Total	Distributed to—				
					Common- wealth of Australia	Reserve Bank Reserve fund	Rural Credits Department		Develop- ment fund
							Reserve fund		
1967-68 .	4.4	23.0	1.5	29.0	26.2	1.3	0.7	0.7	
1968-69 .	5.7	23.8	1.6	31.1	26.6	2.9	0.8	0.8	
1969-70 .	8.9	36.3	1.9	47.1	41.6	3.6	0.9	0.9	
1970-71 .	11.3	46.9	1.6	59.8	54.2	4.0	0.8	0.8	
1971-72 .	4.9	25.2	1.5	31.6	25.2	4.9	0.7	0.7	

Trading banks

Balance sheet information contained in the table on page 503 and profit and loss account information contained in the table at the top of page 504 for the years 1968 to 1972 does not relate to uniform accounting periods but rather to the financial years of the banks which ended in the years shown. For balance dates of individual banks see annual bulletin *Banking and Currency* (5.1).

Figures shown for averages of liabilities and assets in the table on page 504 are the average of liabilities and assets within Australia (including Papua New Guinea and other External Territories) of the banks on the weekly balance days (Wednesdays) during the period concerned. In the table on page 505 figures shown for debits to customers' accounts are the average of debits for the weeks ending on the weekly balance days (Wednesdays) during the period concerned. In the table on page 506 figures shown for new and increased lending commitments are the averages of weekly commitments for the six months ending on the second Wednesday of the last month in the period under review.

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

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

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

Advances to resident borrowers are classified into.

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

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

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

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

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

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

Interest rates

At 30 June 1972 the maximum rate of interest paid by trading banks for the following terms were: (i) on fixed deposits of less than \$50,000, 3 months and less than 12 months—4.30 per cent, 12 months and less than 2 years—4.50 per cent, 2 years and less than 4 years—5.00 per cent, 4 years—5.50 per cent; (ii) on fixed deposits of \$50,000 and over, 30 days to 4 years—6.50 per cent; (iii) on certificates of deposit (\$50,000 and over), 3 months to 24 months—6.50 per cent. The maximum rate of interest charged on overdrafts was 7.75 per cent and the maximum flat rate on unsecured personal loans was 6.25 per cent.

Branches and agencies

At 30 June 1972 the major trading banks operated 4,485 branches, and the other trading banks 290 branches. Of the total of 4,775 branches, 2,349 were located in 'metropolitan areas'. Trading bank facilities were also available at 1,397 agencies throughout Australia at 30 June 1972.

Liabilities and assets

TRADING BANKS(a): LIABILITIES AND ASSETS(b), 1968 TO 1972

(\$ million)

LIABILITIES

	<i>Paid-up capital</i>	<i>Reserve funds (used in business of bank)</i>	<i>Final dividend proposed</i>	<i>Balance of profit and loss account</i>	<i>Total shareholders' funds or total capital and reserve funds</i>	<i>Balances due to other banks</i>	<i>Deposits, bills payable and other liabilities(c)</i>	<i>Total</i>
1968 . .	245.6	217.8	10.4	15.6	489.4	229.6	8,001.1	8,720.1
1969 . .	269.9	245.7	8.7	22.0	546.1	335.9	8,671.6	9,553.6
1970 . .	358.6	253.7	12.6	27.3	652.1	460.5	9,295.3	10,407.9
1971 . .	326.7	273.4	13.3	30.4	643.7	690.8	10,009.0	11,343.6
1972 . .	341.5	313.2	16.0	33.5	704.1	801.1	11,981.7	13,487.0

ASSETS

	<i>Coin, bullion, notes and cash at Reserve Bank</i>	<i>Money at short call overseas</i>	<i>Australian public securities</i>				<i>Other public securities</i>	<i>Other securities</i>	<i>Loans to authorised dealers in short-term money market</i>
			<i>Commonwealth Government</i>		<i>Local and semi-government authorities</i>				
			<i>Treasury bills and notes</i>	<i>Other securities</i>					
1968 . .	206.6	33.0	67.7	1,230.1	37.2	45.0	115.9	121.0	
1969 . .	250.3	57.4	77.8	1,344.8	38.9	51.9	149.5	158.2	
1970 . .	252.6	49.6	92.7	1,244.3	47.3	39.3	229.4	132.2	
1971 . .	220.0	49.7	106.5	1,427.1	50.8	71.6	273.4	155.6	
1972 . .	208.3	58.8	258.9	2,100.7	60.1	172.0	310.4	297.9	

	<i>Statutory reserve deposit account with Reserve Bank</i>	<i>Cheques and bills of, and balances with and due from other banks</i>	<i>Loans(d), advances and bills discounted</i>	<i>Bank premises, furniture and sites</i>	<i>Bills receivable and remittances in transit</i>	<i>All other assets</i>	<i>Total</i>
1968 . .	454.6	456.4	4,515.2	165.9	1,174.1	97.4	8,720.1
1969 . .	582.7	420.7	5,004.3	185.3	1,137.4	94.4	9,553.6
1970 . .	632.0	400.4	5,707.6	199.2	1,181.7	199.7	10,407.9
1971 . .	611.6	511.3	6,179.8	178.5	1,271.8	235.9	11,343.6
1972 . .	566.4	753.2	6,866.8	199.7	1,378.8	255.0	13,487.0

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

**TRADING BANKS(a): PROFIT AND LOSS, APPROPRIATION OF PROFITS(b)
1968 TO 1972**
(\$ million)

	Profit and loss			Profits appropriated to—				
	Net earnings (c)	Expenses (d)	Income, land and other taxes and payments in lieu of taxes	Net profit	Reserve funds (e)	Writing-off bank premises	Other appropriations	Dividends paid and proposed
1968	365.3	286.9	37.6	40.9	16.7	2.5	1.7	18.7
1969	422.2	335.5	41.5	45.2	13.4	1.4	2.5	21.6
1970	478.9	378.9	43.8	56.3	15.8	1.0	3.1	31.1
1971	525.6	443.0	36.2	46.3	12.6	1.0	3.9	25.8
1972	586.8	489.8	42.7	54.3	17.0	1.1	3.9	28.8

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

**ALL TRADING BANKS: AVERAGE LIABILITIES AND ASSETS(a) WITHIN AUSTRALIA(b)
JUNE 1968 TO 1972**
(\$ million)

LIABILITIES(c)

June	Deposits repayable in Australia				Balances due to other banks	Bills payable and all other liabilities to the public	Total
	Fixed	Current		Total			
		Bearing interest	Not bearing interest				
1968	2,472.9	448.6	3,165.5	6,086.9	54.2	284.5	6,425.6
1969	2,850.5	467.9	3,387.2	6,705.6	111.5	322.2	7,139.3
1970	3,097.2	462.9	3,538.9	7,098.9	257.7	439.4	7,796.0
1971	3,176.5	551.2	3,703.5	7,431.2	320.8	526.0	8,278.0
1972	3,742.1	538.0	4,042.0	8,322.1	372.0	559.3	9,253.4

ASSETS(d)

June	Coln, bullion, notes and cash at Reserve Bank	Commonwealth Government securities		Local and semi-government securities	Loans to authorised dealers in short-term money market	Statutory reserve deposit account with Reserve Bank	Loans(e), advances and bills discounted	All other assets	Total
		Treasury bills and notes	Other securities						
1968	161.4	27.5	1,188.5	20.6	87.7	457.8	4,019.8	580.3	6,543.6
1969	158.5	52.9	1,389.6	20.3	94.9	567.6	4,383.6	615.0	7,282.4
1970	171.9	54.3	1,275.2	23.7	102.8	678.7	4,902.6	751.3	7,960.5
1971	182.0	110.8	1,339.5	25.5	142.0	619.8	5,316.8	863.4	8,600.0
1972	190.1	116.7	1,702.9	29.2	249.8	558.2	5,875.7	921.2	9,643.7

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

TRADING BANKS: AVERAGE WEEKLY DEBITS TO CUSTOMERS' ACCOUNTS^(a), STATES AND TERRITORIES, 1967-68 TO 1971-72
(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	N.T.	A.C.T.	Aust.
1967-68	1,257.9	1,041.8	289.2	201.7	169.1	51.3	5.8	21.2	3,038.0
1968-69	1,526.0	1,214.1	325.3	224.2	209.0	55.9	7.4	50.4	3,612.6
1969-70	1,865.6	1,413.3	364.7	243.2	246.4	61.2	12.7	87.7	4,294.9
1970-71	2,148.6	1,647.3	405.0	269.6	295.3	64.2	15.8	64.6	4,910.4
1971-72	2,363.0	1,808.7	459.1	293.1	318.4	70.0	18.7	41.8	5,372.8

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

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

For an explanation of items in the following table see notes on page 502.

CLASSIFICATION OF TOTAL ADVANCES WITHIN AUSTRALIA^(a)
JULY 1971 TO JANUARY 1973

	At second Wednesday of—							
	July 1971		January 1972		July 1972		January 1973	
	Amount (\$m)	Per cent	Amount (\$m)	Per cent	Amount (\$m)	Per cent	Amount (\$m)	Per cent
<i>Resident borrowers—</i>								
<i>Business advances—</i>								
Agriculture, grazing and dairying	993.9	20.5	933.9	18.9	962.5	17.9	919.0	15.9
Manufacturing	843.5	17.4	800.1	16.2	879.2	16.3	817.5	14.2
Transport, storage and communication	90.1	1.9	90.2	1.8	94.5	1.8	102.5	1.8
<i>Finance—</i>								
Building and housing societies	42.4	0.9	42.0	0.9	44.3	0.8	42.9	0.7
Other	192.7	4.0	291.2	5.9	266.6	5.0	310.8	5.5
Total finance	235.2	4.9	333.1	6.8	311.0	5.8	353.6	6.1
<i>Commerce—</i>								
Retail trade	331.7	6.9	304.4	6.2	363.0	6.7	353.2	6.1
Wholesale trade ^(b)	366.1	7.6	333.6	6.8	360.9	6.7	459.5	8.0
Total commerce	697.8	14.4	638.0	12.9	723.9	13.4	812.7	14.1
<i>Building and construction</i>	152.1	3.1	140.0	2.8	167.3	3.1	191.8	3.3
<i>Other businesses</i>	817.1	16.9	898.1	18.2	1,007.2	18.7	1,063.3	18.4
<i>Unclassified</i>	51.2	1.1	58.9	1.2	59.3	1.1	82.1	1.4
Total business advances of which—	3,880.8	80.2	3,892.3	79.0	4,204.9	78.1	4,342.4	75.2
Companies	2,437.2	50.4	2,495.3	50.6	2,696.2	50.1	2,801.5	48.5
Other	1,443.6	29.8	1,397.0	28.2	1,508.6	28.0	1,540.9	26.7
<i>Advances to public authorities^(c)</i>	62.3	1.3	132.5	2.7	68.1	1.3	82.9	1.4
<i>Personal advances classified according to main purpose of advance—</i>								
Building or purchasing own home (individuals)	294.8	6.1	296.5	6.0	340.7	6.3	391.2	6.8
Other (including personal loans)	527.5	10.9	535.3	10.9	691.9	12.9	868.9	15.1
Total personal	822.3	17.0	831.8	16.9	1,032.6	19.2	1,260.1	21.8
<i>Advances to non-profit organisations</i>	69.3	1.4	69.6	1.4	72.1	1.3	82.7	1.4
Total advances to resident borrowers	4,834.7	99.9	4,926.2	99.9	5,377.7	99.9	5,768.2	99.9
<i>Advances to non-resident borrowers</i>	4.2	0.1	5.9	0.1	6.8	0.1	7.1	0.1
Total all advances	4,839.0	100.0	4,932.1	100.0	5,384.5	100.0	5,775.3	100.0

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

**MAJOR TRADING BANKS: CLASSIFICATION OF DEPOSITS^(a) WITHIN AUSTRALIA^(b)
JULY 1971 TO JANUARY 1973**

	<i>At second Wednesday of—</i>							
	<i>July 1971</i>		<i>January 1972</i>		<i>July 1972</i>		<i>January 1973</i>	
	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>
<i>Resident depositors—</i>								
<i>Business deposits—</i>								
Agriculture, grazing and dairying	729.1	11.3	813.7	11.2	792.8	10.9	1,000.8	11.2
Manufacturing	314.7	4.9	415.6	5.7	363.6	4.9	540.7	6.0
Transport, storage and communication	96.8	1.5	104.5	1.5	100.9	1.3	122.8	1.4
Finance	425.9	6.6	487.7	6.7	552.1	7.5	832.6	9.3
Commerce	458.0	7.1	556.4	7.7	476.5	6.5	690.3	7.7
Building and construction	205.0	3.2	237.8	3.3	223.4	3.0	259.3	2.9
Other businesses	928.7	14.5	992.0	13.7	1,081.6	14.7	1,309.6	14.6
Unclassified	100.1	1.6	101.0	1.4	114.1	1.5	125.0	1.4
<i>Total business deposits</i>	<i>3,258.4</i>	<i>50.7</i>	<i>3,708.7</i>	<i>51.2</i>	<i>3,705.0</i>	<i>50.6</i>	<i>4,881.0</i>	<i>54.5</i>
of which—								
Companies	1,514.7	23.6	1,794.4	24.8	1,753.6	24.0	2,496.7	27.9
Other	1,743.7	27.1	1,914.3	26.4	1,951.3	26.7	2,384.3	26.6
Deposits of public authorities	405.6	6.3	494.7	6.8	552.3	7.6	731.4	8.2
Personal deposits	2,340.8	36.4	2,587.8	35.7	2,565.7	35.1	2,811.8	31.4
Deposits of non-profit organisations	318.4	5.0	333.6	4.6	361.7	4.9	358.4	4.0
<i>Total resident depositors</i>	<i>6,323.2</i>	<i>98.4</i>	<i>7,124.9</i>	<i>98.3</i>	<i>7,184.8</i>	<i>98.2</i>	<i>8,782.5</i>	<i>98.0</i>
<i>Total non-resident depositors</i>	<i>102.9</i>	<i>1.6</i>	<i>123.0</i>	<i>1.7</i>	<i>132.8</i>	<i>1.8</i>	<i>178.1</i>	<i>2.0</i>
<i>Total all depositors</i>	<i>6,426.1</i>	<i>100.0</i>	<i>7,247.8</i>	<i>100.0</i>	<i>7,317.5</i>	<i>100.0</i>	<i>8,960.6</i>	<i>100.0</i>

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

**MAJOR TRADING BANKS: NEW AND INCREASED LENDING COMMITMENTS
TO SELECTED INDUSTRIAL GROUPS^(a), JULY 1971 TO JANUARY 1973**

(Source: Reserve Bank of Australia)

(\$ million)

	<i>Six months ended second Wednesday of—</i>							
	<i>July 1971</i>		<i>January 1972</i>		<i>July 1972</i>		<i>January 1973</i>	
	<i>Aggregate</i>	<i>Term loan component</i>	<i>Aggregate</i>	<i>Term loan component</i>	<i>Aggregate</i>	<i>Term loan component</i>	<i>Aggregate</i>	<i>Term loan component</i>
<i>Business—</i>								
Agriculture, grazing and dairying	(b)108.7	10.7	(b)95.8	11.7	(b)188.3	18.4	(b)243.9	28.3
Manufacturing	137.8	40.7	201.2	40.1	315.4	54.2	264.1	49.6
Finance	60.5	0.5	29.8	1.0	109.8	1.2	135.8	1.3
Commerce ^(a)	139.6	16.3	161.0	9.1	219.5	6.2	291.0	6.6
Building and construction	47.2	3.4	44.7	1.6	121.8	6.8	140.2	3.7
<i>Persons—</i>								
Advances for building or purchase of own home (to individuals)	97.2	..	105.6	..	204.2	..	257.3	..
Other (including personal loans)	176.1	..	190.2	..	348.9	..	443.4	..
All other	257.9	46.5	324.1	71.5	423.7	42.0	538.7	35.0
<i>Total</i>	<i>(b)1,025.0</i>	<i>118.0</i>	<i>(b)1,152.5</i>	<i>134.8</i>	<i>(b)1,931.5</i>	<i>128.8</i>	<i>(b)2,314.5</i>	<i>124.5</i>

(a) Excludes commitments in respect of temporary advances to woolbuyers. (b) Includes Farm Development Loan approvals: July 1971, \$15.8 million; January 1972, \$11.6 million; July 1972, \$37.0 million and January 1973 \$55.1 million.

**MAJOR TRADING BANKS: CLASSIFICATION OF OVERDRAFT LIMITS
OUTSTANDING(a), JULY 1971 TO JANUARY 1973**

(Source: Reserve Bank of Australia)

(\$ million)

	Second Wednesday of—			
	July 1971	January 1972	July 1972	January 1973
<i>Resident borrowers—</i>				
Business overdraft limits—				
Agriculture, grazing and dairying—				
Mainly sheep grazing	381.7	352.7	348.9	341.3
Mainly wheat growing	122.8	118.0	115.9	118.0
Mainly dairying and pig raising	103.8	92.7	96.8	101.1
Other	313.3	311.0	337.9	363.9
Total agriculture, etc.	921.5	874.3	899.5	924.2
Manufacturing	1,256.7	1,329.7	1,500.0	1,539.9
Transport, storage and communication	107.5	119.8	118.6	134.0
Finance—				
Building and housing societies	67.7	64.3	84.8	83.3
Pastoral finance companies	147.2	146.3	122.7	124.1
Hire purchase and other finance companies	95.0	102.2	117.8	161.4
Other	99.2	105.7	154.5	178.8
Total finance	409.0	418.4	479.8	547.5
Commerce(a)—				
Retail trade	485.6	493.1	540.1	568.2
Wholesale trade	399.6	413.9	441.9	518.3
Total commerce(a)	885.2	907.0	982.0	1,086.6
Building and construction	196.1	195.9	257.9	317.6
Other businesses—				
Mining	212.2	289.2	277.5	311.7
Other	593.3	589.3	730.5	925.8
Total other business	805.5	878.5	1,007.9	1,237.4
Unclassified	52.8	47.4	70.5	78.4
Total business overdraft limits	4,634.4	4,771.1	5,316.2	5,865.5
Overdraft limits of public authorities	236.0	267.7	279.4	273.0
Personal overdraft limits—				
Building or purchasing own home	347.5	352.8	421.8	495.2
Other	641.7	703.3	851.5	1,104.8
Total personal overdraft limits	989.1	1,056.1	1,273.3	1,599.9
Overdraft limits of non-profit organisations	119.9	121.5	146.0	147.2
Total overdraft limits of resident borrowers	5,979.4	6,216.3	7,014.8	7,885.6
Overdraft limits of non-resident borrowers	4.7	5.5	8.7	9.5
Total all overdraft limits	5,984.1	6,221.8	7,023.6	7,895.1

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

**MAJOR TRADING BANKS: ADVANCES^(a), BY RATE OF INTEREST
JUNE 1971 TO DECEMBER 1972**

(Source: Reserve Bank of Australia)

(Proportion at each rate to total—per cent)

Interest rate per annum	End of—			
	June		December	
	1971	December 1971	1972	December 1972
5 per cent and less	3.7	4.9	5.4	7.9
More than 5 per cent but less than 5½ per cent	0.6	0.7	0.9	0.7
5½ per cent . . . . .	..	0.5	0.2	0.3
More than 5½ per cent but less than 6 per cent	0.1	0.8	0.4	0.3
6 per cent	0.1	1.3	0.3	0.8
More than 6 per cent but less than 6½ per cent	2.1	2.7	2.8	2.4
6½ per cent	1.4	2.3	6.0	7.0
More than 6½ per cent but less than 7 per cent	5.0	5.1	4.8	4.4
7 per cent	9.3	8.5	5.5	4.9
More than 7 per cent but less than 7½ per cent	7.7	7.2	12.0	9.4
7½ per cent	8.5	8.1	8.7	7.0
More than 7½ per cent but less than 8 per cent	13.1	11.7	45.4	44.9
8 per cent	6.7	6.3	0.9	1.1
More than 8 per cent and up to 8½ per cent	37.2	35.2	1.1	1.6
More than 8½ per cent	4.4	4.8	5.8	7.3
Total	100.0	100.0	100.0	100.0

(a) Excludes term loans, farm development loans and personal instalment loans. Comprises categories of loans specifically exempted from the prescribed maximum overdraft requirement such as, short-term mortgage and bridging loans and post-shipment wool advances subject to a disincentive rate of interest. The maximum rate chargeable on overdraft advances was fixed on 4 February 1972 at 7½ per cent on amounts of under \$50,000. For larger amounts, actual rates are a matter for negotiation between banks and their customers.

**MAJOR TRADING BANKS: FIXED DEPOSITS^(a), BY RATE OF INTEREST
JUNE 1971 TO DECEMBER 1972**

(Source: Reserve Bank of Australia)

(Proportion at each rate to total—per cent)

Interest rate per annum	End of—			
	June		December	
	1971	December 1971	1972	December 1972
More than 4 per cent but less than 4½ per cent . . . . .	..	..	..	4.1
4½ per cent and less than 4½ per cent . . . . .	..	..	10.1	18.6
4½ per cent and less than 4¾ per cent	0.1	..	11.8	17.1
4¾ per cent and less than 5 per cent	1.9	..	7.4	4.6
5 per cent and less than 5½ per cent	37.4	28.4	19.9	14.8
5½ per cent and less than 5½ per cent	19.8	19.2	17.4	9.3
5½ per cent and less than 5¾ per cent	28.0	29.9	8.7	9.4
5¾ per cent and less than 6 per cent . . . . .	..	0.1	0.4	2.2
6 per cent and less than 6½ per cent	1.8	3.4	3.7	3.6
6½ per cent and less than 6½ per cent . . . . .	..	..	..	1.3
6½ per cent	11.0	18.9	20.5	15.2
Total	100.0	100.0	100.0	100.0

(a) Excludes Commonwealth and State Government fixed deposits.

Savings banks

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

All savings banks, including trustee savings banks, but not State savings banks, are subject to the *Banking Act 1959-1967*. Details of this Act and the special provisions applying to savings banks are given in Year Book No. 46, pages 759-60.

In the tables on pages 509-10 balance sheet and profit and loss account information for the years 1968 to 1972 does not relate to a uniform accounting period but rather to the financial years of the banks which ended in the years shown. For balance dates of individual savings banks see annual bulletin *Banking and Currency* (5.1).

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

At 30 June 1972 all savings banks were paying interest on deposits at rates of up to 5.00 per cent. For accounts other than friendly and other societies the maximum interest bearing amount in any one account was \$20,000. There is no limit on the maximum interest bearing amount for society cheque accounts. Interest rates charged on loans made by the savings banks were: housing loans—up to 7.00 per cent; other loans—up to 7.75 per cent.

At 30 June 1972 savings banks operated 5,448 branches, 2,825 of these being in the 'metropolitan area'. Savings bank facilities were also available at 15,049 agencies throughout Australia.

SAVINGS BANKS(a): LIABILITIES AND ASSETS(b), 1968 TO 1972

(\$ million)

LIABILITIES

	Paid-up capital	Reserve funds (used in the business of the bank)	Balance of profit and loss account	Total share-holders' funds	Depositors' balances	Balances due to other banks	Bills payable and all other liabilities (c)	Total
1968 . . .	24.0	125.0	6.5	155.4	6,284.4	13.3	203.9	6,657.0
1969 . . .	25.0	132.7	6.7	164.4	6,783.5	13.4	222.2	7,183.6
1970 . . .	31.0	137.4	7.3	175.7	7,161.2	14.2	236.6	7,587.7
1971 . . .	31.0	149.8	8.4	189.2	7,722.0	16.8	258.9	8,186.9
1972 . . .	31.5	171.0	8.9	211.4	8,547.1	19.2	293.9	9,071.7

ASSETS

	Coin, bullion, notes and deposits with Reserve Bank	Deposits in Australia with trading banks	Australian public securities				Other securities
			Commonwealth and States		Local and semi-government authorities	Other securities	
			Treasury bills and notes	Other securities			
1968 . . .	533.2	168.9	31.4	2,216.7	1,483.4	11.0	
1969 . . .	553.5	168.7	61.0	2,246.6	1,649.9	14.7	
1970 . . .	585.1	150.8	74.7	2,232.6	1,791.9	16.5	
1971 . . .	659.8	123.1	58.6	2,287.5	1,963.0	28.7	
1972 . . .	906.1	188.6	39.3	2,352.5	2,171.4	36.9	

	Loans to authorised dealers in short-term money market	Cheques and bills of, and balances with and due from other banks(d)	Loans(e), advances and bills discounted	Bank premises, furniture and sites	Bills receivable and remittances in transit	All other assets	Total
1968 . . .	27.5	6.7	2,026.1	83.0	1.6	67.5	6,657.0
1969 . . .	40.1	9.7	2,270.5	90.5	2.0	76.4	7,183.6
1970 . . .	54.1	167.8	2,337.3	98.2	0.4	78.3	7,587.7
1971 . . .	78.6	195.0	2,602.9	102.6	0.3	86.9	8,186.9
1972 . . .	55.9	212.7	2,897.7	111.5	0.1	99.0	9,071.7

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

SAVINGS BANKS(a): PROFIT AND LOSS, APPROPRIATION OF PROFITS AND DIVIDENDS, 1968 TO 1972

(\$ million)

	Profit and loss			Profits appropriated to—				
	Net earnings (b)	Ex-penses (c)	Income, land and other taxes and payments in lieu of taxes	Net profit	Reserve funds	Writing-off bank premises	Other appropriations	Dividends paid and proposed
1968 . . .	121.0	94.4	7.5	19.1	8.8	2.5	3.9	2.9
1969 . . .	131.2	108.5	7.7	15.0	7.0	2.0	2.3	3.4
1970 . . .	149.6	121.4	9.6	18.6	9.9	1.9	3.0	3.2
1971 . . .	179.4	141.2	11.4	26.7	13.4	1.9	6.3	4.1
1972 . . .	213.9	165.4	14.2	34.4	19.9	2.9	7.5	5.7

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

SAVINGS BANKS BUSINESS TRANSACTED IN AUSTRALIA
1967-68 TO 1971-72

	Number of operative accounts	Deposits (a)	With-drawals (a)	Interest added	Depositors' balances at end of year
	'000	\$m	\$m	\$m	\$m
1967-68 . . .	13,823	8,355.5	8,088.5	189.9	6,221.5
1968-69 . . .	14,534	9,423.8	9,154.1	215.8	6,707.1
1969-70 . . .	15,291	10,671.9	10,508.9	234.6	7,104.7
1970-71 . . .	16,019	12,324.0	12,045.7	251.6	7,634.5
1971-72 . . .	16,726	14,304.3	13,823.0	275.6	8,391.4

(a) Includes inter-branch transfers.

SCHOOL SAVINGS BANKS: AUSTRALIA, 1968 TO 1972

End of June—	Number of school agencies	Number of operative accounts	Depositors' balances
		'000	\$'000
1968	10,400	1,516	26,482
1969	10,957	1,584	28,476
1970	11,042	1,600	28,079
1971	10,923	1,598	28,808
1972	10,874	1,615	26,700

**SAVINGS BANKS: HOUSING FINANCE TRANSACTIONS WITHIN AUSTRALIA
1967-68 TO 1971-72**

Housing loans approved to—

Individuals

	<i>Dwellings not previously occupied</i>		<i>Dwellings previously occupied</i>		<i>Alterations and additions</i>	<i>Total</i>	<i>Building societies</i>
	<i>Number(a)</i> '000	<i>\$m(b)</i>	<i>Number(a)</i> '000	<i>\$m(b)</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1967-68(c) . . .	25.1	180.9	32.5	207.4	6.6	395.0	22.0
1968-69(c) . . .	26.1	200.7	33.8	230.9	7.5	439.1	19.5
1969-70 . . .	25.6	204.2	35.6	257.2	7.8	469.2	12.7
1970-71 . . .	27.7	237.9	40.5	320.3	9.0	567.2	16.6
1971-72 . . .	28.5	262.7	45.1	394.0	13.9	670.5	17.0

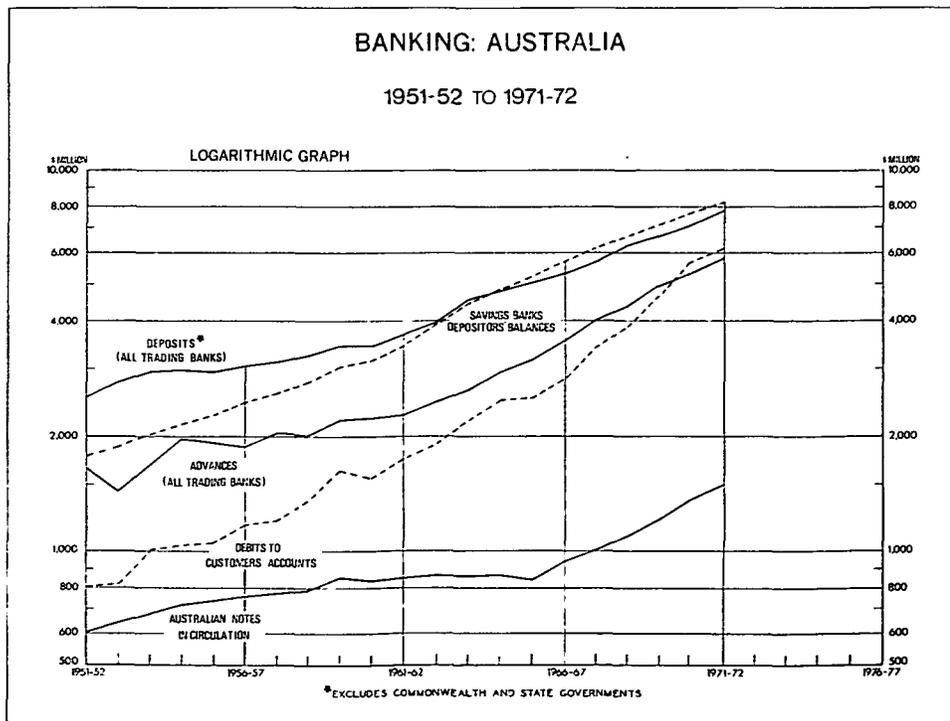
Housing loans approved to individuals—

Balances outstanding on housing loans to—

Interest debited to loan accounts of

	<i>Cancel'ation of loans previously approved(d)</i>		<i>Undrawn commitments at end of year</i>	<i>Individuals</i>		<i>Building societies</i>	<i>Individuals</i>
	<i>Number(a)</i> '000	<i>\$m(b)</i>	<i>\$m</i>	<i>\$m(e)</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1967-68(c) . . .	n.a.	n.a.	96.5	1,501.7	249.5	n.a.	n.a.
1968-69(c) . . .	n.a.	n.a.	105.1	1,715.2	246.3	n.a.	n.a.
1969-70 . . .	3.6	26.5	114.4	1,898.3	245.3	106.9	106.9
1970-71 . . .	4.1	32.2	129.0	2,124.9	238.6	130.1	130.1
1971-72 . . .	4.2	35.3	161.0	2,392.0	227.6	141.8	141.8

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



Development banks

Commonwealth Development Bank of Australia

The Commonwealth Development Bank of Australia was established by the *Commonwealth Banks Act* 1959 and commenced operations on 14 January 1960. It was formed basically from an amalgamation of the Mortgage Bank and Industrial Finance Departments of the Commonwealth Bank. Under the Act the Bank is authorised to provide assistance for the development of worthwhile enterprises in the fields of primary and secondary industries, which would otherwise be unable to obtain the necessary finance on reasonable and suitable terms and conditions. The Commonwealth Development Bank is managed by a General Manager under the Managing Director of the Commonwealth Banking Corporation and its policy is determined by the Board of that Corporation. The capital of the Development Bank consists of the capital of the Mortgage Bank and Industrial Finance Departments of the Commonwealth Bank immediately prior to 14 January 1960, \$10 million provided by the Reserve Bank, \$20 million appropriated from the Consolidated Revenue Fund in 1961-62 by the *Commonwealth Banks Act* 1961 and the *Commonwealth Banks Act* 1962, \$10 million appropriated in 1963-64 by the *Commonwealth Banks Act* 1963, and such other sums as are provided from the Commonwealth Development Bank Reserve Fund. The net profits of the Bank are paid to the Commonwealth Development Bank Reserve Fund, which at 30 June 1972 stood at \$32.5 million. Net profits in 1970-71 and 1971-72 amounted to \$1.8 million and \$1.5 million respectively.

COMMONWEALTH DEVELOPMENT BANK OF AUSTRALIA: LIABILITIES 30 JUNE 1968 TO 1972 (\$ million)

30 June—	Capital	Reserve fund	Balances due to other banks	Deposits, bills payable, all other liabilities	Total
1968	61.7	25.2	112.8	32.3	232.0
1969	61.7	27.2	131.3	34.7	254.9
1970	61.7	29.3	142.2	32.5	265.6
1971	61.7	31.0	157.7	32.3	282.7
1972	61.7	32.5	159.8	42.0	296.0

COMMONWEALTH DEVELOPMENT BANK OF AUSTRALIA: ASSETS 30 JUNE 1968 TO 1972 (\$ million)

30 June—	Coin, bullion, notes and cash at bankers	Australian public securities (incl. Treasury bills)	Other securities	Loans to authorised dealers in short-term money market	Cheques and bills of other banks	Loans, advances, and bills discounted	All other assets	Total
1968	0.5	1.2	0.3	0.4	1.4	227.5	0.8	232.0
1969	0.8	1.2	0.2	..	1.5	250.2	0.9	254.9
1970	0.8	0.8	0.3	..	1.7	261.0	1.0	265.6
1971	0.8	0.7	0.2	..	1.9	277.8	1.2	282.7
1972	0.9	0.5	..	0.8	2.3	290.4	1.0	296.0

Australian Resources Development Bank Limited

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

AUSTRALIAN RESOURCES DEVELOPMENT BANK LIMITED: LIABILITIES
30 SEPTEMBER 1969 TO 1972
(\$ million)

30 September—	Capital	Reserve fund	Balances due to other banks	Deposits, bills payable, all other liabilities	Total
1969	3.0	0.3	15.4	73.2	91.9
1970	3.0	0.5	27.7	163.6	194.8
1971	3.0	1.3	42.3	256.6	303.1
1972	3.0	2.8	53.8	304.4	364.0

AUSTRALIAN RESOURCES DEVELOPMENT BANK LIMITED: ASSETS
30 SEPTEMBER 1969 TO 1972
(\$ million)

30 September—	Coin, bullion, notes and cash at bankers	Australian public securities (incl. Treasury bills)	Other securities	Loans to authorised dealers in short-term money market	Cheques and bills of other banks	Loans, advances, and bills discounted	All other assets	Total
1969	0.3	0.2	..	0.1	89.8	1.0	0.4	91.9
1970 . . . .	..	0.2	..	3.0	187.3	3.1	1.1	194.8
1971	0.1	0.2	0.1	9.4	283.6	6.2	3.4	303.1
1972 . . . .	..	0.2	0.3	10.0	326.5	15.5	11.6	364.0

INSURANCE

Legislation

Section 51 of the Commonwealth Constitution confers the necessary powers on the Commonwealth Parliament to legislate with respect to 'insurance other than State insurance; also State insurance extending beyond the limits of the State concerned'. Commonwealth legislation includes the *Marine Insurance Act 1909-1966* defining the limits of marine insurance and regulating the terms of contracts, etc., the *Insurance Act 1932-1966* requiring the lodgment of deposits by insurance companies, and the *Life Insurance Act 1945-1965* generally regulating life insurance business in Australia. The *Marine Insurance Act 1909-1966* and the *Insurance Act 1932-1966* have limited application, and except for life insurance business, which is regulated by the *Life Insurance Act 1945-1965*, insurance business is conducted almost entirely under State laws.

Insurance Act 1932-1966

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

The following are not regarded as insurance business under the Act: staff superannuation schemes; schemes of religious organisations solely for insurance of their property; friendly society, union and association schemes involving superannuation or insurance benefits to employees.

This Act does not apply to State insurance within the limits of the State concerned, and under the *Life Insurance Act 1945-1965* ceased to apply to life insurance business.

Life Insurance Act 1945-1965

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

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

Deposits under Insurance Acts

Deposits lodged under the Insurance Acts at 30 June 1972 totalled \$40.6 million, comprising \$4.9 million held by the Commonwealth in respect of life insurance, and \$35.7 million held by the Commonwealth in respect of other forms of insurance. The deposits consisted of Commonwealth Government securities \$24.6 million, United Kingdom Government securities \$2.0 million, fixed deposits \$1.1 million, bank guarantees and undertakings \$9.9 million, corporation debentures and stock \$0.8 million, titles and mortgages \$2.0 million, and other securities \$0.2 million.

Life insurance

Since 1947, returns lodged under the *Life Insurance Act* 1945-1965 have been used to compile life insurance statistics. The statistics included in the following tables relate to the Australian and overseas business of companies with head offices in Australia together with the Australian business of companies with head offices overseas. Unless otherwise stated, life insurance business in Australia excludes life insurance business in Papua New Guinea. The information shown has been compiled from returns of life insurance business submitted in the financial years which ended during the year stated.

Offices transacting business

The number of companies which transacted life insurance business in Australia during 1971 was 48. Of these, 35 were companies incorporated outside Australia or were subsidiaries of such companies. Nine companies, including 4 incorporated outside Australia, were mutual companies. All companies conducted ordinary business and 46 conducted superannuation business. Industrial business was conducted by 11 companies, all of which also conducted superannuation business. In addition two State Government institutions conduct life insurance business only in their own State.

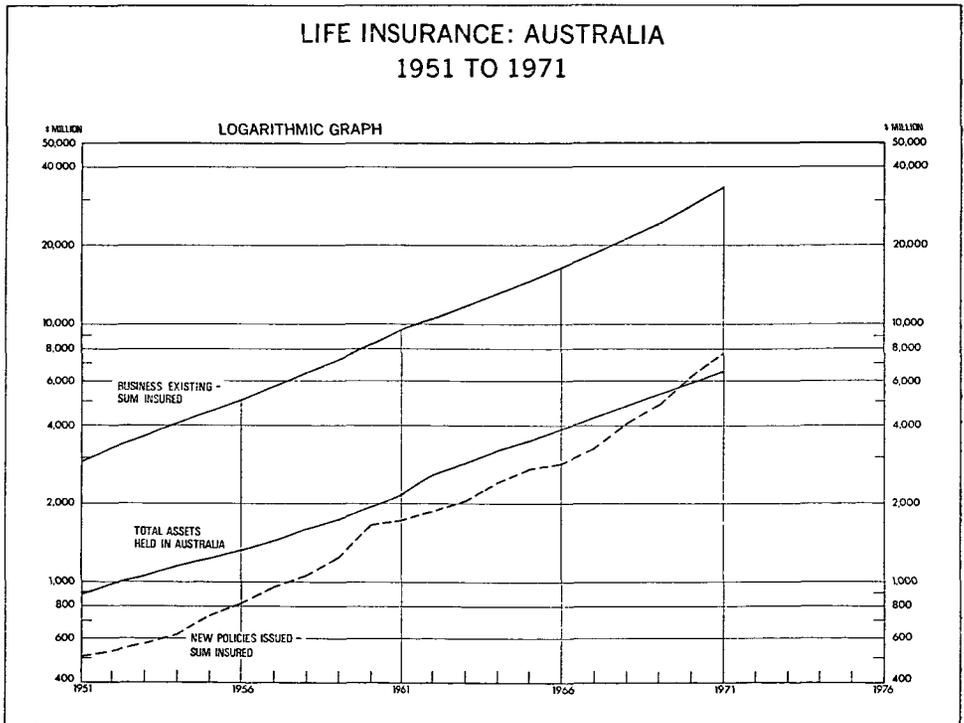


PLATE 33

LIFE INSURANCE: SUMMARY, AUSTRALIA, 1967 TO 1971

	<i>Insurance and endowment policies</i>			<i>Annuity policies</i>	
	<i>Number of policies</i>	<i>Sum insured (\$ million)</i>	<i>Annual premiums (\$ million)</i>	<i>Number of policies</i>	<i>Annuities per annum (\$ million)</i>
ORDINARY BUSINESS					
New policies issued—					
1967(a)	409,403	2,102.5	47.3	85	0.1
1968(a)	436,928	2,606.6	59.1	95	0.1
1969	464,062	3,088.4	65.7	109	0.1
1970	504,613	3,777.9	75.3	55	0.1
1971	569,370	4,882.6	91.5	66	0.1
Policies discontinued or reduced(b)—					
1967(a)	246,139	709.4	17.4	210	0.1
1968(a)	258,639	799.7	18.2	186	0.1
1969	248,906	974.3	20.3	181	0.1
1970	273,765	1,153.2	24.5	204	0.1
1971	293,708	1,510.0	28.0	109	..
Policies existing at end of—					
1967(a)	4,351,564	13,016.1	329.2	2,268	1.0
1968(a)	4,529,853	14,823.0	370.1	2,177	1.1
1969	4,676,164	16,806.1	411.7	2,065	1.3
1970	4,907,012	19,430.8	462.6	1,951	1.1
1971	5,182,123	22,803.4	525.7	1,906	1.1
INDUSTRIAL BUSINESS					
New policies issued—					
1967(a)	136,764	140.4	5.5	..	..
1968(a)	132,504	145.7	5.8	..	..
1969	139,360	165.0	6.5	..	..
1970	138,647	198.5	7.3	..	..
1971	135,384	231.4	8.0	..	..
Policies discontinued or reduced(b)—					
1967(a)	177,219	77.7	3.3	..	..
1968(a)	174,576	86.3	3.7	..	..
1969	169,893	91.1	3.8	..	..
1970	168,600	100.6	4.1	..	..
1971	165,067	115.0	4.5	..	..
Policies existing at end of—					
1967(a)	2,603,178	981.2	40.3	..	..
1968(a)	2,561,106	1,040.6	42.4	..	..
1969	2,530,386	1,114.4	45.1	..	..
1970	2,500,433	1,212.3	48.3	..	..
1971	2,470,750	1,328.7	51.8	..	..
SUPERANNUATION BUSINESS					
New policies issued—					
1967(a)	88,478	1,053.3	29.4	81	8.6
1968(a)	89,085	1,328.1	33.1	83	6.3
1969	94,771	1,591.6	41.7	64	5.0
1970	74,334	2,298.6	58.8	60	10.6
1971	78,005	2,785.3	72.4	45	12.9
Policies discontinued or reduced(b)—					
1967(a)	73,319	434.7	11.3	44	3.1
1968(a)	67,338	539.8	14.3	60	7.0
1969	114,664	709.1	17.7	43	7.8
1970	126,552	940.0	26.5	33	4.5
1971	87,208	1,129.0	29.4	28	4.7
Policies existing at end of—					
1967(a)	699,735	4,745.4	135.3	905	28.8
1968(a)	721,482	5,533.7	154.2	928	28.1
1969	752,302	6,439.2	179.2	950	25.4
1970	699,652	7,797.8	211.5	977	31.4
1971	690,451	9,454.2	254.5	980	39.6

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

**LIFE INSURANCE: POLICIES DISCONTINUED OR REDUCED IN AUSTRALIA
BY CAUSE OF DISCONTINUANCE OR REDUCTION, 1967 TO 1971(a)(b)**

	<i>Events provided for in policy</i>							<i>Total</i>
	<i>Death</i>	<i>Maturity</i>	<i>Other (including expiry)</i>	<i>Sur- render</i>	<i>For- feiture</i>	<i>Transfer</i>	<i>Other causes</i>	
ORDINARY BUSINESS								
Number of policies—								
1967(c)	20,886	68,425	3,127	97,985	62,126	-1,104	-5,306	246,139
1968(c)	22,532	70,339	2,903	104,415	60,504	-1,967	-87	258,639
1969	21,957	69,445	3,577	107,713	55,885	-2,385	-7,286	248,906
1970	23,047	73,132	4,241	121,917	65,380	-1,786	-12,166	273,765
1971	23,138	75,516	4,654	128,879	68,741	-1,442	-5,778	293,708
Sum insured (\$'000)—								
1967(c)	39,817	49,248	83,020	272,396	273,629	-4,474	-4,235	709,402
1968(c)	46,144	52,568	92,477	309,793	315,594	-6,543	-10,340	799,694
1969	48,298	55,046	165,033	425,186	291,956	-9,737	-1,503	974,278
1970	54,235	63,201	158,407	506,645	394,872	-8,346	-15,845	1,153,169
1971	61,256	69,738	217,760	731,739	465,615	-5,990	-30,130	1,509,988
INDUSTRIAL BUSINESS								
Number of policies—								
1967(c)	12,368	67,134	3,806	62,421	31,602	63	-175	177,219
1968(c)	12,689	58,945	7,370	61,374	34,460	-255	-7	174,576
1969	11,947	67,716	..	55,481	34,861	-133	21	169,893
1970	12,554	69,069	-1	52,432	34,610	40	-104	168,600
1971	13,745	65,575	..	50,901	34,879	-26	-7	165,067
Sum insured (\$'000)—								
1967(c)	2,601	9,237	744	27,537	37,527	45	-5	77,688
1968(c)	2,843	8,640	1,524	31,937	41,457	-96	9	86,314
1969	2,800	10,760	..	32,307	45,247	-22	1	91,095
1970	3,152	11,236	..	34,841	51,316	54	18	100,617
1971	3,673	12,199	62	37,226	61,855	6	21	115,042
SUPERANNUATION BUSINESS								
Number of policies—								
1967(c)	3,793	7,428	983	38,421	1,542	3	21,150	73,319
1968(c)	3,390	7,806	103	36,881	1,447	-11	17,722	67,338
1969	3,881	8,381	185	48,870	1,471	9	51,867	114,664
1970	3,661	9,193	181	53,065	1,655	5	58,792	126,552
1971	3,712	8,938	632	44,651	1,535	-9	27,749	87,208
Sum insured (\$'000)—								
1967(c)	15,256	14,189	29,425	258,790	18,517	38	98,513	434,727
1968(c)	16,659	17,330	44,596	341,571	22,172	-92	97,566	539,802
1969	19,058	18,639	53,617	430,440	19,024	-31	168,389	709,136
1970	23,053	23,573	72,008	605,648	21,848	-1,063	194,976	940,043
1971	25,471	30,083	148,506	708,678	24,752	2,076	189,383	1,128,950

(a) Excludes annuities. (b) See footnote (b) on page 515. (c) Includes life insurance business in Papua New Guinea.

Minus sign (-) denotes an increase in existing business due to an excess of transfers from overseas registers to Australian registers, or conversions from other classes of business over discontinuances.

LIFE INSURANCE: REVENUE FROM PREMIUMS, AUSTRALIA, 1967 TO 1971
(\$'000)

	Ordinary business		Industrial business	Superannuation business		Total, all business combined
	Insurance and endowment premiums	Consideration for annuities	Insurance and endowment premiums	Insurance and endowment premiums	Consideration for annuities	
1967(a)	327,258	606	38,564	142,566	9,495	518,489
1968(a)	371,941	1,132	40,716	165,530	9,893	589,212
1969	418,206	1,302	42,978	187,439	9,768	659,693
1970	472,120	675	45,987	222,995	11,967	753,745
1971	545,217	620	49,200	259,208	13,259	867,503

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

LIFE INSURANCE: PAYMENTS TO POLICY-HOLDERS, AUSTRALIA
1967 TO 1971
(\$'000)

	Claims	Surrenders	Annuities	Cash bonuses	Total
ORDINARY BUSINESS					
1967(a)	115,631	40,722	931	851	158,134
1968(a)	128,307	46,235	949	1,280	176,771
1969	139,781	53,526	977	1,338	195,622
1970	159,360	67,029	994	1,487	228,870
1971	180,923	81,511	995	1,606	265,035
INDUSTRIAL BUSINESS					
1967(a)	14,517	6,185	..	..	20,702
1968(a)	14,757	6,590	..	1	21,348
1969	15,909	6,614	..	1	22,525
1970	17,496	6,953	..	..	24,450
1971	19,102	7,560	..	..	26,661
SUPERANNUATION BUSINESS					
1967(a)	34,117	27,649	2,401	1,025	65,193
1968(a)	40,437	33,854	2,694	1,207	78,192
1969	45,333	42,374	3,143	1,003	91,853
1970	57,666	55,200	3,077	998	116,940
1971	66,588	62,848	4,012	1,109	134,558

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

LIFE INSURANCE: TOTAL REVENUE, 1967-1971
(\$'000)

<i>Australia and overseas</i>							
	<i>Insurance and endowment premiums</i>	<i>Con- sideration for annuities granted</i>	<i>Net interest dividends and rents</i>	<i>All other revenue</i>	<i>Total revenue</i>		
					<i>Australia (a)</i>	<i>Overseas</i>	
ORDINARY BUSINESS							
1967	445,631	10,483	206,809	20,042	493,627	189,342	
1968	491,446	10,794	225,001	43,544	572,737	198,047	
1969	545,681	10,730	250,938	39,431	635,488	211,294	
1970	610,678	10,299	279,643	50,724	719,140	232,204	
1971	695,185	11,860	315,409	58,467	828,437	252,485	
INDUSTRIAL BUSINESS							
1967	42,999	..	20,500	478	57,146	6,831	
1968	44,915	..	21,995	1,848	62,196	6,561	
1969	47,269	..	23,946	1,202	65,563	6,855	
1970	50,377	..	26,701	1,335	71,325	7,087	
1971	53,770	..	27,904	2,739	77,024	7,390	
SUPERANNUATION BUSINESS							
1967	151,245	10,674	54,940	3,582	207,083	13,359	
1968	174,697	11,141	63,180	12,706	247,003	14,721	
1969	197,456	11,237	71,974	13,913	278,294	16,284	
1970	233,518	13,825	83,331	28,026	339,175	19,525	
1971	271,748	16,389	94,313	38,179	399,178	21,449	

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

LIFE INSURANCE: TOTAL EXPENDITURE, 1967 TO 1971
(\$'000)

<i>Australia and overseas</i>								
	<i>Claims and annuities paid</i>	<i>Surrenders</i>	<i>Cash bonuses paid to policy-holders</i>	<i>Com- mission</i>	<i>Other expenses of manage- ment</i>	<i>All other expendi- ture</i>	<i>Total expenditure</i>	
							<i>Australia (a)</i>	<i>Overseas</i>
ORDINARY BUSINESS								
1967	172,580	56,485	1,624	44,113	51,258	(b)137,105	240,693	222,472
1968	186,897	62,942	2,088	50,812	55,574	87,503	273,542	172,273
1969	202,122	74,582	2,260	59,152	62,856	29,663	309,235	121,400
1970	228,462	88,708	2,464	68,885	72,105	29,093	360,745	128,971
1971	252,679	105,049	2,616	84,356	87,701	35,986	428,482	139,902
INDUSTRIAL BUSINESS								
1967	16,851	6,795	..	6,255	7,211	(b)7,719	34,093	10,741
1968	16,445	7,211	1	6,383	7,224	5,629	35,852	7,042
1969	18,476	7,256	1	6,818	7,797	2,720	38,306	4,762
1970	20,104	7,620	..	7,557	8,682	2,060	41,099	4,926
1971	21,635	8,224	..	8,620	10,281	2,725	46,262	5,222
SUPERANNUATION BUSINESS								
1967	39,255	29,330	1,105	5,888	12,032	(b)25,702	93,401	19,914
1968	46,784	35,767	1,288	6,375	13,689	18,008	114,323	7,588
1969	51,483	45,719	1,088	6,936	14,826	26,830	138,032	8,850
1970	64,936	58,608	1,069	8,019	17,181	55,262	192,669	12,406
1971	75,329	66,839	1,187	9,329	20,368	61,664	222,771	11,947

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

(b) Includes adjustments which have resulted from Sterling devaluation on 18 November 1967.

LIFE INSURANCE: LIABILITIES, AUSTRALIA AND OVERSEAS, 1971
(\$ million)

	<i>Life insurance business</i>	<i>Other classes of business</i>	<i>Total liabilities</i>
Shareholders' capital—			
Authorized . . . . .	..	73.6	73.6
Less un-issued . . . . .	..	42.2	42.2
Subscribed capital . . . . .	..	31.4	31.4
Paid-up—			
In money . . . . .	..	25.9	25.9
Otherwise than in money . . . . .	..	4.8	4.8
Total paid-up capital . . . . .	..	30.6	30.6
Life insurance statutory funds—			
Ordinary business	5,551.2	..	5,551.2
Industrial business	503.5	..	503.5
Superannuation business	1,579.1	..	1,579.1
Total statutory funds	7,633.8	..	7,633.8
Funds in respect of other classes of business . . . . .	..	39.5	39.5
General reserves	64.8	41.3	106.1
Profit and loss account balance . . . . .	..	6.4	6.4
<i>Total shareholders' capital, insurance funds and reserves</i>	<i>7,698.6</i>	<i>117.8</i>	<i>7,816.4</i>
Other liabilities—			
Deposits	35.5	12.0	47.6
Staff provident and superannuation funds	1.7	2.8	4.5
Claims admitted or intimated but not paid	77.2	32.3	109.5
Premiums paid in advance and in suspense	7.4	..	7.5
Sundry creditors	45.5	5.1	50.6
Bank overdraft	47.4	0.4	47.9
Reserves and provisions for taxation	53.6	5.1	58.7
All other liabilities	13.2	19.0	32.2
Grand total	7,980.2	194.6	8,174.8

LIFE INSURANCE(a): ASSETS HELD IN AUSTRALIA(b), 1967 TO 1971
(\$ million)

	1967	1968	1969	1970	1971
Freehold and leasehold property	434.7	501.0	636.6	761.6	948.3
Government and municipal securities	1,395.6	1,536.2	1,665.5	1,819.3	2,052.5
Other investments	1,073.4	1,241.3	1,408.7	1,578.4	1,727.8
Loans on mortgage	1,036.8	1,108.9	1,188.3	1,235.4	1,252.9
Loans on companies' policies	155.1	174.4	195.5	223.0	251.8
Other loans	44.2	54.1	57.8	57.1	60.3
All other assets	153.0	177.2	201.2	236.3	270.3
Total	4,292.7	4,793.1	5,353.8	5,911.1	6,563.8

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

LIFE INSURANCE: ASSETS, AUSTRALIA AND OVERSEAS, 1971
(\$'000)

	Australia(a)			Australia and overseas		
	Life insurance business	Other classes of business	Total	Life insurance business	Other classes of business	Total
Fixed assets—						
Freehold and leasehold property, office premises	938.5	9.8	948.3	1,119.7	9.8	1,129.5
Furniture, etc.	11.1	1.0	12.1	12.8	1.0	13.9
<i>Total fixed assets</i>	<i>949.6</i>	<i>10.8</i>	<i>960.4</i>	<i>1,132.6</i>	<i>10.8</i>	<i>1,143.4</i>
Loans—						
On mortgage	1,238.6	14.3	1,252.9	1,649.0	14.3	1,663.3
On policies of the company	251.8	..	251.8	318.5	..	318.5
Other loans	53.7	6.6	60.3	62.2	6.6	68.7
<i>Total loans</i>	<i>1,544.1</i>	<i>20.9</i>	<i>1,565.0</i>	<i>2,029.7</i>	<i>20.9</i>	<i>2,050.6</i>
Investments—						
Government securities—						
Australia	1,447.5	12.3	1,459.8	1,456.1	12.3	1,468.4
Other	10.5	0.6	11.1	390.4	2.2	392.6
Securities of local and semi-government bodies						
Other investments	577.6	4.0	581.6	684.1	4.1	688.2
Other investments	1,628.8	99.1	1,727.8	2,027.7	99.7	2,127.2
<i>Total investments</i>	<i>3,664.3</i>	<i>115.9</i>	<i>3,780.2</i>	<i>4,558.4</i>	<i>118.2</i>	<i>4,676.6</i>
Cash on deposit, current account and in hand	20.4	14.0	34.4	23.4	14.1	37.6
Other assets(b)	194.1	29.9	223.8	236.2	30.5	266.7
Grand total	6,372.3	191.4	6,563.8	7,980.2	194.6	8,174.8

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

LIFE INSURANCE COMPANIES: NEW LOANS PAID OVER(a), BY CLASS OF SECURITY AND STATE OR TERRITORY, 1968 TO 1972
(\$'000)

	1968(b)	1969	1970	1971	1972
Class of security—					
Mortgage of real estate	161,651	187,498	156,544	157,459	132,958
Companies' policies	41,818	48,482	60,920	65,571	58,448
Other	6,485	8,049	12,439	10,380	19,497
State or Territory(c)—					
New South Wales	91,761	100,726	88,551	104,057	90,048
Victoria	58,754	68,576	68,632	61,711	59,671
Queensland	(d)18,523	24,672	24,144	21,633	24,065
South Australia(e)	14,477	17,492	16,456	18,307	13,526
Western Australia	19,157	23,965	22,341	19,588	13,189
Tasmania	5,491	6,418	6,081	4,688	4,425
Australian Capital Territory	1,790	2,178	3,698	3,425	5,977
Total	(d)209,953	244,029	229,903	233,410	210,904

(a) Excludes advances of premiums. (b) Excludes new loans paid over by the two State Government Offices. (c) State or Territory of location of mortgage, registration of policy or residence of borrower. (d) Includes Papua New Guinea. (e) Includes Northern Territory.

Fire, marine and general insurance

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

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

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

During 1971-72 revenue from premiums amounted to \$1,005.1 million, and that from net interest on investments, etc., to \$71.2 million, a total of \$1,076.4 million. Expenditure on claims amounted to \$648.5 million, contributions to fire brigades \$26.1 million, commission and agents' charges \$85.0 million, expenses of management \$167.4 million, and taxation \$27.9 million, a total of \$954.8 million.

FIRE, MARINE AND GENERAL INSURANCE: PREMIUMS AND CLAIMS BY PRINCIPAL CLASS OF RISK, AUSTRALIA, 1967-68 TO 1971-72 (\$'000)

<i>Class of risk</i>	1967-68	1968-69	1969-70	1970-71	1971-72
PREMIUMS (LESS RETURNS, REBATES AND BONUSSES)					
Fire	97,985	106,045	115,332	125,912	143,598
Householders' comprehensive	47,581	54,619	63,036	72,198	85,006
Loss of profits	12,169	13,691	15,206	18,939	22,612
Hailstone(a)	4,375	7,455	5,242	4,531	4,420
Marine	28,899	34,059	40,317	48,172	50,580
Motor vehicle—					
Compulsory third party	97,883	127,593	143,903	157,814	176,397
Other	193,975	205,171	226,819	252,225	300,342
Workers' compensation(b)	142,727	149,197	164,574	181,792	236,546
Personal accident	25,564	28,465	32,080	36,559	42,638
Burglary	11,604	13,586	14,995	16,382	18,726
All other	51,419	59,713	69,845	86,610	107,478
Total	714,180	799,593	891,351	1,001,134	1,188,343
CLAIMS (LESS AMOUNTS RECOVERABLE)					
Fire	44,119	48,769	54,498	58,559	68,722
Householders' comprehensive	15,260	19,871	21,159	24,060	33,996
Loss of profits	3,840	5,397	4,488	5,040	3,968
Hailstone(a)	2,453	2,531	5,635	3,510	4,514
Marine	16,712	21,323	23,008	25,238	25,333
Motor vehicle—					
Compulsory third party	110,456	118,639	147,584	152,056	181,671
Other	133,709	148,810	172,031	186,673	217,932
Workers' compensation(b)	100,323	106,618	117,435	126,850	165,021
Personal accident	10,481	11,757	13,376	15,224	16,705
Burglary	7,187	7,460	8,121	8,844	10,618
All other	25,689	27,400	32,244	39,999	44,639
Total	470,227	518,575	599,580	646,052	773,119

(a) Excludes hailstone insurance in Tasmania which is included in 'All other'.

(b) Excludes workers' compensation insurance in coal-mining industry in New South Wales.

Export Payments Insurance Corporation

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

EXPORT PAYMENTS INSURANCE CORPORATION: BUSINESS, 1967-68 TO 1971-72

	1967-68	1968-69	1969-70	1970-71	1971-72
Commercial business—					
Policies and guarantees No.	692	746	809	941	1,037
Face value of policies current \$'000	271,076	298,829	343,064	511,105	621,955
Maximum contingent liability "	141,108	158,966	190,067	301,061	375,358
Premium income "	651	730	861	1,025	1,602
Operating costs "	388	426	516	585	686
Claims paid (gross) "	854	388	353	939	422
Recoveries "	591	263	212	693	165
Underwriting reserve "	1,420	1,897	2,401	2,997	4,023
National interest and warehousing business—					
Policy holders No.	3	1	2	4	13
Face value of policies current \$'000	2,247	1,208	2,420	63,793	208,292
Maximum contingent liability "	1,978	1,087	2,183	42,487	126,232
Overseas investment insurance—					
Policies No.	29	41	56	78	96
Face value of policies \$'000	12,097	19,813	19,505	44,535	47,636
Maximum contingent liability "	10,887	17,832	17,555	40,081	42,872

PENSION AND SUPERANNUATION SCHEMES

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

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

Schemes operated through separately constituted funds

GOVERNMENT, LOCAL GOVERNMENT, AND SEMI-GOVERNMENT PENSION AND SUPERANNUATION SCHEMES OPERATED THROUGH SEPARATELY CONSTITUTED FUNDS, 1967-68 TO 1971-72

	1967-68	1968-69	1969-70	1970-71	1971-72
Income—	\$'000	\$'000	\$'000	\$'000	\$'000
Contributions—					
Employees	100,024	114,091	132,813	157,973	193,602
Employing authorities	119,429	136,782	148,445	171,918	219,558
Interest, dividends and rent	72,015	82,002	93,444	104,889	125,831
Transfers . . . . .	..	..	..	..	29
Other income	15,465	10,278	10,663	12,734	12,833
Total income	306,934	343,153	385,364	447,513	551,853
Expenditure—					
Pensions	118,473	130,658	144,350	161,177	193,984
Lump sum payments—					
On retirement, death, resignation or dismissal(a)	32,196	40,818	72,509	69,334	88,628
Gratuities	2,655	3,446	4,496	4,459	4,124
Other expenditure	11,581	14,472	14,408	15,877	18,689
Total expenditure	164,906	189,394	235,764	250,847	305,424
Assets at end of year—					
Cash—					
Deposits with Treasury	39,933	44,159	48,894	60,270	65,649
Other deposits and cash	7,802	11,283	17,503	31,676	29,271
Commonwealth Government securities	125,497	142,401	143,093	166,125	188,465
Local and semi-government securities	845,450	920,929	1,004,392	1,077,769	1,192,393
Mortgages—					
Housing	31,722	34,073	37,903	39,619	44,159
Other	103,537	129,696	169,201	220,878	285,956
Loans to building societies	31,385	33,081	34,370	34,893	52,775
Company shares, debentures and notes	97,409	106,770	122,007	121,518	157,657
Other assets	95,955	110,771	108,474	129,961	152,099
Total assets(b)	1,378,690	1,533,162	1,685,838	1,882,708	2,168,423
Less Sundry creditors, etc.	18,342	19,056	22,132	22,335	32,105
Accumulated funds(b)	1,360,347	1,514,106	1,663,707	1,860,373	2,136,318
	No.	No.	No.	No.	No.
Contributors at end of year	547,684	595,158	598,738	619,630	678,034
Pensioners at end of year—					
Ex-employees	66,655	68,650	71,078	73,123	74,861
Widows	29,648	30,607	31,892	33,213	39,960
Children	6,033	6,494	6,903	7,289	7,559

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

(b) Includes assets of the Voluntary Savings Scheme

Schemes operated through life insurance offices

LOCAL GOVERNMENT AND SEMI-GOVERNMENT PENSION AND SUPERANNUATION SCHEMES OPERATED THROUGH LIFE INSURANCE OFFICES 1967-68 TO 1971-72

	1967-68	1968-69	1969-70	1970-71	1971-72
Income—					
Contributions—					
Employees \$'000	7,488	8,462	11,158	12,985	11,154
Employing authorities \$'000	9,398	10,866	14,595	17,782	14,967
Contributors at end of year No.	72,252	75,162	83,430	91,429	62,192

Parliamentary pension and superannuation schemes

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

PARLIAMENTARY PENSION AND SUPERANNUATION SCHEMES^(a), 1967-68 TO 1971-72

	1967-68	1968-69	1969-70	1970-71	1971-72
	\$'000	\$'000	\$'000	\$'000	\$'000
Income—					
Contributions—					
Members	468	530	608	657	767
Government	621	648	1,084	1,322	1,386
Interest and other income	260	326	433	400	456
Total income	1,350	1,503	2,125	2,379	2,608
Expenditure—					
Pension payments	884	1,046	1,199	1,395	1,599
Other	24	68	400	294	259
Total expenditure	908	1,114	1,599	1,690	1,858
Assets at end of year—					
Cash—					
Deposits with Treasury	81	124	147	86	188
Other deposits and cash	44	10	54	34	192
Commonwealth Government securities	962	901	947	1,005	1,064
Local government and semi-government securities	3,757	3,872	4,083	4,344	4,511
Other assets	538	871	1,093	1,522	1,778
Total assets	5,382	5,779	6,323	6,991	7,734
Less Sundry creditors, etc.	17	25	43	21	13
Accumulated funds	5,365	5,754	6,280	6,970	7,720
	No.	No.	No.	No.	No.
Contributors at end of year—					
Males	645	648	658	656	715
Females	12	11	10	9	15
Pensioners at end of year—					
Ex-members	253	269	294	304	280
Widows ^(b)	193	202	200	213	215

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

Coal and oil-shale mine workers' superannuation schemes

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

COAL AND OIL-SHALE MINE WORKERS' SUPERANNUATION SCHEMES(a)

1967-68 TO 1971-72

	1967-68	1968-69	1969-70	1970-71	1971-72
	\$'000	\$'000	\$'000	\$'000	\$'000
Income—					
Contributions	5,671	5,959	6,016	6,664	7,473
Interest, dividends, rent and other income	1,177	1,272	1,369	1,447	1,530
Total income	6,848	7,231	7,386	8,111	9,003
Expenditure—					
Pensions and lump sum payments	5,471	5,289	5,953	7,360	7,987
Other	149	170	176	210	330
Total expenditure	5,620	5,458	6,129	7,570	8,317
Assets at end of year—					
Local government and semi-government securities	21,530	22,943	23,791	24,227	25,074
Other assets	1,084	1,285	1,698	1,884	1,688
Total assets	22,613	24,228	25,488	26,111	26,761
<i>Less</i> Sundry creditors, statutory reserve funds, etc.	218	59	64	144	109
Accumulated funds	22,395	24,168	25,425	25,967	26,652
	No.	No.	No.	No.	No.
Number of contributions at end of year	16,116	16,404	17,276	18,697	18,980
Number of pensioners at end of year	11,884	11,505	11,648	11,770	11,657

(a) Operating in all States except South Australia.

Private superannuation, pension and retiring allowance schemes

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

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

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

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

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

Further surveys, relating to the same funds that were included in the enlarged 1964-65 survey, of selected private pension funds, have been made in respect of each year from 1965-66 to 1971-72 inclusive. Since the *Survey of Selected Private Pension Funds* for 1971-72 is not a representative sample it is not known to what extent their share of the whole field has changed since the 1962-63 survey; nor is the pattern of income, expenditure and asset distribution of the large funds included in this survey necessarily representative of the whole field.

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

**SELECTED SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS: INCOME
AND EXPENDITURE, 1967-68 TO 1971-72**
(\$ million)

INCOME										
	Employees' contributions	Employers' contributions	Interest on local and semi-government securities	Other interest, dividends and rent	Profit from sale or revaluation of assets	Other income(a)	Total income			
1967-68	29.4	52.7	20.3	30.8	16.1	6.3	155.6			
1968-69	32.3	58.1	21.9	36.0	18.7	7.1	174.1			
1969-70	36.2	68.1	23.6	41.6	5.0	3.3	177.8			
1970-71	40.9	77.3	26.1	47.1	4.0	3.6	199.0			
1971-72	46.7	87.4	29.7	53.3	16.2	9.1	242.3			

EXPENDITURE											
	Pensions paid			Lump sum payments			Loss on sale or revaluation of assets	Other expenditure (b)	Total expenditure		
				To former employees							
	Ex-employees	Widows or children	Total	On retirement	On resignation or dismissal	To widows or children				Total	
1967-68	15.3	2.6	17.9	13.1	10.7	2.9	26.7	1.1	3.3	49.0	
1968-69	17.0	3.1	20.1	14.7	12.7	3.4	30.8	1.6	3.4	55.9	
1969-70	18.7	3.6	22.3	18.1	15.9	3.0	37.0	3.8	8.1	71.2	
1970-71	21.3	4.0	25.3	22.4	16.9	3.8	43.1	7.2	5.6	81.3	
1971-72	26.4	4.4	30.8	30.6	19.4	4.3	54.3	3.0	5.4	93.4	

(a) Includes receipts from life insurance offices, sub-underwriting commissions, etc.

(b) Includes administrative expenses payable from funds, payments to life insurance offices, etc.

SELECTED SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS: ASSETS(a)
1967-68 TO 1971-72

	Cash in hand or in bank	Cwllth Govt securi- ties	Local ana semi- govern- ment securi- ties	Loans on mortgage		Com- pany deben- tures, notes, and other loans to com- panies	Shares in com- panies	Land and build- ings	All other assets (b)	Total assets	Less sundry credi- tors, etc.	Amount of funds in Aus- tralia
				To com- panies	Other							
AMOUNT (\$ million)												
1967-68 .	22.2	155.2	195.0	56.2	26.5	230.0	258.0	8.2	21.5	972.9	4.7	968.3
1968-69 .	23.8	171.3	202.2	70.5	31.1	256.8	299.7	11.4	20.7	1,087.6	6.8	1,080.8
1969-70 .	18.0	193.1	207.0	85.9	37.0	272.9	337.5	16.3	27.1	1,194.7	8.8	1,185.9
1970-71 .	23.1	222.7	207.4	102.0	37.0	290.8	370.7	25.2	32.8	1,311.7	9.0	1,302.7
1971-72 .	33.2	259.9	213.3	100.9	44.3	312.9	418.5	33.3	44.2	1,460.6	9.0	1,451.6

PERCENTAGE DISTRIBUTION

1967-68 .	2.3	15.9	20.0	5.8	2.7	23.6	26.5	1.0	2.2	100.0	0.5	99.5
1968-69 .	2.2	15.8	18.6	6.5	2.9	23.6	27.5	1.0	1.9	100.0	0.6	99.4
1969-70 .	1.5	16.2	17.3	7.1	3.1	22.8	28.3	1.4	2.3	100.0	0.7	99.3
1970-71 .	1.8	17.0	15.8	7.8	2.8	22.2	28.2	1.9	2.5	100.0	0.7	99.3
1971-72 .	2.3	17.8	14.6	6.9	3.0	21.4	28.7	2.3	3.0	100.0	0.6	99.4

(a) Book values at balance dates.
to building societies.

(b) Includes loans to authorised dealers in the short-term money market and loans to building societies.

FINANCE COMPANIES

Information relating to the lending operations of finance companies in Australia is given in the following tables. A comprehensive account of the scope of these statistics and fuller details of the transactions of finance companies, together with definitions of the various categories of finance agreements and of the items of data given in the tables, are provided in the bulletin *Finance Companies Transactions 1971-72* (5.13) and in the monthly statements *Finance Companies* (5.14). For the purposes of these statistics, finance companies are defined as companies which are engaged mainly in providing to the general public (businesses as well as persons in their private capacity) credit facilities of the following types: hire purchase and other instalment credit for retail sales, wholesale hire purchase, other consumer and commercial loans, and factoring. The finance companies covered in these statistics, insofar as they provide instalment credit for retail sales, are also included in the statistics of Instalment Credit for Retail Sales (see pages 530-1).

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

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

FINANCE COMPANIES: SUMMARY, AUSTRALIA, 1967-68 TO 1971-72
(\$ million)

	Amount financed	Collections and other liquidations			Balances outstanding at end of year		
		Contracts including charges	Contracts excluding charges	All contracts	Contracts including charges	Contracts excluding charges	All contracts (a)
1967-68 . . .	2,731.3	1,250.4	1,552.2	2,802.5	1,850.6	593.4	2,444.1
1968-69 . . .	3,247.0	1,418.4	1,916.3	3,334.6	2,105.5	723.5	2,829.0
1969-70 . . .	3,852.7	1,619.6	2,223.0	3,842.5	2,412.1	1,012.4	3,424.5
1970-71 . . .	4,505.3	1,788.3	2,771.4	4,559.7	2,773.4	1,280.4	4,053.9
1971-72 . . .	5,512.6	2,020.2	3,449.6	5,469.8	3,077.0	1,821.8	4,898.7

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

FINANCE COMPANIES: AMOUNT FINANCED, COLLECTIONS AND OTHER LIQUIDATIONS OF BALANCES, AND BALANCES OUTSTANDING BY TYPE OF AGREEMENT, 1967-68 TO 1971-72
(\$ million)

	Instal-ment credit for retail sales	Commercial loans repayable at call or within 90 days		Other consumer and commercial loans		Total	
		Personal loans	Wholesale finance	Factor-ing	Commercial loans		Other consumer and commercial loans
					Contracts including charges	Contracts excluding charges	
AMOUNT FINANCED DURING YEAR							
1967-68 . . .	811.0	122.0	855.8	75.5	371.1	496.0	2,731.3
1968-69 . . .	914.2	132.1	944.4	75.7	496.9	683.7	3,247.0
1969-70 . . .	1,037.4	152.4	1,059.7	91.6	572.5	939.1	3,852.7
1970-71 . . .	1,124.8	162.6	1,134.6	97.6	865.8	1,120.0	4,505.3
1971-72 . . .	1,121.8	206.4	1,294.0	98.5	1,245.9	1,546.0	5,512.6

COLLECTIONS AND OTHER LIQUIDATIONS OF BALANCES DURING YEAR

1967-68 . . .	908.3	(a)	836.6	83.1	351.7	342.1	280.7	2,802.5
1968-69 . . .	1,019.7	(a)	934.8	87.9	503.6	398.7	390.0	3,334.6
1969-70 . . .	1,153.5	(a)	1,053.1	103.6	543.5	466.1	522.7	3,842.5
1970-71 . . .	1,302.8	174.7	1,127.6	114.4	836.8	335.8	667.5	4,559.7
1971-72 . . .	1,405.6	199.0	1,268.7	115.4	1,151.9	444.4	884.9	5,469.8

BALANCES OUTSTANDING AT END OF YEAR

1967-68 . . .	1,215.2	(a)	127.6	21.5	64.8	635.4	379.6	2,444.1
1968-69 . . .	1,368.6	(a)	146.7	22.6	53.9	736.9	500.4	2,829.0
1969-70 . . .	1,561.5	(a)	167.6	26.9	79.0	850.5	739.0	3,424.5
1970-71 . . .	1,732.4	218.3	193.4	27.8	108.2	843.96	930.2	4,053.9
1971-72 . . .	1,791.2	278.4	237.0	25.7	227.4	1,028.1	1,311.0	4,898.7

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

**FINANCE COMPANIES:
LEASING, BILLS OF EXCHANGE AND LOANS TO NON-FINANCE COMPANIES
AUSTRALIA, 1967-68 TO 1971-72**
(\$ million)

	<i>Leasing of business equipment and plant</i>		<i>Bills of exchange</i>		<i>Balances outstanding at end of period</i>	<i>Loans to non-finance companies in group</i>
	<i>Value of goods newly leased during period</i>	<i>Value of all leasing agreements at end of period</i>	<i>Amounts paid for bills acquired during period</i>	<i>Amounts received for bills disposed of during period</i>		
1967-68 . . .	125.3	191.1	111.1	99.1	16.6	16.0
1968-69 . . .	148.7	253.9	122.4	122.4	17.8	20.6
1969-70 . . .	207.5	345.9	170.8	154.8	34.7	25.4
1970-71 . . .	262.5	459.6	280.8	265.0	51.8	32.0
1971-72 . . .	304.1	648.0(a)	346.6	318.5	83.7	30.2

(a) As from July 1971 the valuation is 'gross receivables' and figures have been partly estimated. For more details see explanatory notes to the bulletin *Finance Companies Transactions 1971-72* (Reference No. 5.13).

**FINANCE COMPANIES: INSTALMENT CREDIT FOR RETAIL SALES
AMOUNT FINANCED, COLLECTIONS AND OTHER LIQUIDATIONS, AND BALANCES
OUTSTANDING, AUSTRALIA, 1967-68 TO 1971-72**
(\$ million)

	<i>Amount financed</i>				<i>Collections and other liquidations</i>			<i>Balances outstanding at end of year</i>	
	<i>New motor vehicles</i>	<i>Used motor vehicles</i>	<i>Plant and machinery</i>	<i>Household and personal goods</i>	<i>Total</i>	<i>Cash collections</i>	<i>Other liquidations</i>		<i>Total</i>
1967-68 . . .	318.2	296.8	59.0	136.9	811.0	878.3	29.9	908.3	1,215.2
1968-69 . . .	352.1	341.5	78.0	142.6	914.2	981.5	38.2	1,019.7	1,368.6
1969-70 . . .	400.6	404.1	80.4	152.2	1,037.4	1,103.0	50.5	1,153.5	1,561.5
1970-71 . . .	426.5	462.6	67.8	167.8	1,124.8	1,226.9	75.9	1,302.8	1,732.4
1971-72 . . .	424.2	466.2	61.6	170.3	1,122.3	1,313.3	91.6	1,404.9	1,791.2

INSTALMENT CREDIT FOR RETAIL SALES

Information relating to instalment credit for retail sales in Australia is given in the following tables. More detailed information may be found in the annual bulletin *Insurance and Other Private Finance* and in the monthly and quarterly statements relating to instalment credit for retail sales issued by this Bureau (*see* beginning of chapter).

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

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

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

INSTALMENT CREDIT FOR RETAIL SALES, BY TYPE OF BUSINESS: AMOUNT FINANCED, BY COMMODITY GROUP, CASH COLLECTIONS, AND BALANCES OUTSTANDING, AUSTRALIA, 1967-68 TO 1971-72

(\$ million)

	<i>Amount financed during year</i>					<i>Cash collections during year</i>	<i>Balances outstanding at end of year</i>
	<i>Motor vehicles, etc.</i>		<i>Plant and machinery</i>	<i>Household and personal goods</i>	<i>Total</i>		
	<i>New</i>	<i>Used</i>					
Retail businesses—							
1967-68	12.1	8.8	3.4	266.0	290.3	335.7	337.8
1968-69	13.5	11.5	3.8	273.0	301.9	347.9	344.8
1969-70	12.5	9.8	2.6	288.2	313.1	360.7	349.9
1970-71	13.2	8.8	1.9	304.9	328.8	371.4	363.7
1971-72	12.6	6.7	1.5	316.1	336.9	384.6	366.9
Non-retail finance businesses—							
1967-68	339.9	302.9	93.6	87.8	824.2	905.5	1,233.4
1968-69	373.3	348.4	115.0	88.5	925.2	1,013.9	1,381.7
1969-70	422.1	413.1	112.7	88.5	1,036.3	1,127.7	1,557.7
1970-71	447.5	469.2	103.0	90.4	1,110.0	1,245.7	1,712.8
1971-72	449.7	475.3	92.9	93.4	1,111.3	1,343.8	1,768.4
All businesses—							
1967-68	352.0	311.7	97.0	353.8	1,114.5	1,241.2	1,571.3
1968-69	386.8	359.9	118.8	361.6	1,227.1	1,361.8	1,726.5
1969-70	434.6	422.9	115.3	376.7	1,349.5	1,488.4	1,907.5
1970-71	460.7	477.9	104.9	395.2	1,438.8	1,617.1	2,076.5
1971-72	462.3	482.0	94.4	409.5	1,448.2	1,728.4	2,135.3

INSTALMENT CREDIT FOR RETAIL SALES, BY TYPE OF CREDIT
 AMOUNT FINANCED, BY COMMODITY GROUP, AND
 BALANCES OUTSTANDING, AUSTRALIA, 1967-68 TO 1971-72
 (\$ million)

	<i>Amount financed during year</i>				<i>Balances outstanding at end of year</i>
	<i>Motor vehicles, etc.</i>	<i>Plant and machinery</i>	<i>Household and personal goods</i>	<i>Total</i>	
Hire purchase—					
1967-68	431.2	84.3	133.9	649.3	1,026.4
1968-69	463.5	97.8	134.1	695.4	1,078.0
1969-70	526.2	93.7	135.8	755.7	1,159.5
1970-71	604.2	91.7	136.7	832.6	1,261.5
1971-72	656.4	87.8	136.8	881.0	1,333.9
Other instalment credit—					
1967-68	232.6	12.7	219.9	465.2	544.9
1968-69	283.2	21.1	227.5	531.7	648.5
1969-70	331.3	21.6	240.9	593.8	748.1
1970-71	334.5	13.2	258.6	606.3	815.1
1971-72	287.9	6.6	272.7	567.2	801.4
Total instalment credit—					
1967-68	663.7	97.0	353.8	1,114.5	1,571.3
1968-69	746.7	118.8	361.6	1,227.1	1,726.5
1969-70	857.4	115.3	376.7	1,349.5	1,907.5
1970-71	938.6	104.9	395.2	1,438.8	2,076.5
1971-72	944.3	94.4	409.5	1,448.2	2,135.3

NEW HIRE PURCHASE AGREEMENTS: AVERAGE VALUE AND
 AMOUNT AND PROPORTION FINANCED, BY COMMODITY
 GROUP, AUSTRALIA, 1971-72

<i>Commodity group</i>	<i>Average value of goods purchased per agreement</i>	<i>Average amount financed per agreement</i>	<i>Average proportion financed</i>
	\$	\$	Per cent
Motor vehicles, tractors, etc.	2,253	1,574	70
Plant and machinery	3,824	2,661	70
Household and personal goods	225	189	84
All groups	1,049	752	72

PASTORAL FINANCE COMPANIES

PASTORAL FINANCE COMPANIES: RURAL ADVANCES
AMOUNTS OUTSTANDING(a), JUNE 1968 TO 1972

(Source: Reserve Bank of Australia)

(\$ million)

End of June—	N.S.W.	Vic.	Qld	S.A.	W.A. and Tas.	Total
1968 . . .	72.2	54.8	63.5	61.0	62.9	314.4
1969 . . .	77.6	65.9	62.6	70.2	61.5	337.7
1970 . . .	76.7	66.1	66.8	71.4	68.2	349.1
1971 . . .	70.8	57.2	69.6	73.7	61.7	333.0
1972 . . .	60.6	57.2	57.0	63.3	54.4	292.5

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

PASTORAL FINANCE COMPANIES: LIABILITIES AND ASSETS(a), JUNE 1968 TO 1972

(Source: Reserve Bank of Australia)

(\$ million)

LIABILITIES

End of June—	Balances due to banks	Clients' credit balances	Debentures, notes and deposits		Other outside liabilities	Share- holders' funds	Overseas liabilities	Total liabili- ties/ assets
			Maturing within twelve months	Other				
1968 . . .	94.4	34.4	51.9	40.0	89.9	162.5	133.2	606.1
1969 . . .	86.7	37.6	52.7	46.5	107.2	173.4	138.4	642.4
1970 . . .	95.1	34.7	70.6	52.1	113.6	181.1	152.5	699.6
1971 . . .	96.2	31.9	85.3	78.4	122.1	179.6	128.6	722.0
1972 . . .	57.1	35.1	137.6	86.4	150.2	183.3	124.0	773.6

ASSETS

End of June—	Cash and deposits with banks	Loans to author- ised money market dealers	Other short- term assets (b)	Cwth Govt securi- ties	Advances and sundry debtors		Stocks	Fixed assets	Other assets
					Rural	Other			
1968 . . .	8.6	1.7	1.3	35.7	314.4	29.9	40.4	148.4	25.7
1969 . . .	11.1	1.6	6.9	35.7	337.7	29.7	40.4	151.6	27.7
1970 . . .	7.9	1.2	17.5	32.6	349.1	36.9	42.5	176.5	35.3
1971 . . .	10.7	3.3	28.8	35.7	333.0	33.9	42.3	190.9	43.3
1972 . . .	10.0	15.0	60.8	65.7	292.5	32.1	48.9	185.3	63.4

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

RURAL DEBT

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

ESTIMATED RURAL DEBT TO SPECIFIED LENDERS, 30 JUNE 1968 TO 1972

(Source: Reserve Bank of Australia)

(\$ million)

Lender	30 June—				
	1968	1969	1970	1971	1972
Major trading banks	918	939	998	994	963
Ex-service settlement	88	83	80	83	79
Other government, including State banks and State savings banks	297	317	(a)351	374	430
Pastoral finance companies	314	338	349	333	293
Commonwealth Development Bank	143	162	176	192	202
Life insurance companies	97	113	128	129	132
Total	1,857	1,952	2,082	2,104	2,098

(a) Reserve Bank estimate.

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

NEW CAPITAL RAISINGS BY COMPANIES IN AUSTRALIA

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

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

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

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

New money

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

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

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

**LISTED COMPANIES: NEW CAPITAL RAISED THROUGH ISSUES OF SHARES
DEBENTURES, OR REGISTERED NOTES, ETC (a), OR ACCEPTING
DEPOSITS(b), 1967-68 TO 1971-72**
(\$ million)

	Share capital					Debentures, registered notes and deposits			
	Value of issues commenced	Non-cash issues commenced (c)	Cash issues commenced	Cash raised during period (d)	Amount not involving new money	New money	Total amount raised (e)	Amount not involving new money (e)	New money
1967-68 . . .	281.0	79.3	201.8	170.1	47.2	122.9	1,393.9	1,045.2	348.7
1968-69 . . .	927.2	209.9	717.3	482.2	143.7	338.5	1,838.4	1,389.5	449.1
1969-70 . . .	1,070.0	232.8	787.2	664.5	207.6	456.8	2,567.2	2,085.7	481.5
1970-71 . . .	991.7	446.3	545.4	456.4	93.4	361.2	3,193.1	2,676.7	516.4
1971-72 . . .	655.4	398.8	256.5	342.2	87.3	255.0	3,650.3	2,925.5	724.9

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

**UNLISTED COMPANIES: NEW CAPITAL RAISED THROUGH ISSUE OF
SHARES AND LOANS SECURED BY CHARGES OVER THE COMPANIES'
ENTIRE ASSETS, 1967-68 TO 1971-72**
(\$ million)

	Share capital					Loans secured by charges over the companies' entire assets			
	Value of issues commenced(a)	Non-cash issues commenced (b)	Cash issues commenced	Cash raised during period (c)	Amount not involving new money	New money	Total amount raised (d)	Amount not involving new money (d)	New money
1967-68 . . .	400.1	190.9	209.1	209.2	158.4	50.8	66.3	48.2	18.1
1968-69 . . .	718.8	343.8	375.3	299.0	230.5	68.4	95.3	62.8	32.5
1969-70 . . .	809.1	290.9	518.2	454.5	374.9	79.5	95.0	75.4	19.6
1970-71 . . .	721.6	233.1	488.6	460.2	389.3	70.9	85.1	66.5	18.7
1971-72 . . .	783.7	353.1	430.6	469.5	403.8	65.6	127.1	95.2	31.9

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

LISTED AND UNLISTED COMPANIES: NEW MONEY RAISED, BY INDUSTRY GROUP, 1967-68 TO 1971-72
(\$ million)

	<i>Companies listed on stock exchanges</i>			<i>Companies not listed on stock exchanges</i>			<i>Grand total</i>
	<i>Share capital(a)</i>	<i>Debentures registered notes and deposits(b)</i>	<i>Total</i>	<i>Share capital(a)</i>	<i>Secured loans(c)</i>	<i>Total</i>	
Manufacturing—							
1967-68	24.7	82.4	107.1	12.7	7.8	20.5	127.6
1968-69	92.9	68.3	161.2	14.4	6.3	20.7	181.9
1969-70	122.9	56.2	179.1	12.7	3.3	16.0	195.1
1970-71	72.6	33.3	105.9	12.1	0.7	12.8	118.7
1971-72	31.1	122.6	153.7	11.5	5.7	17.2	170.9
Finance and property(b)—							
1967-68	15.6	255.4	271.0	8.1	6.2	14.3	285.3
1968-69	45.9	338.1	384.0	18.9	6.4	25.3	409.3
1969-70	36.7	366.7	403.4	20.9	10.2	31.1	434.5
1970-71	35.8	424.3	462.8	11.8	9.2	21.0	483.8
1971-72	42.3	563.1	605.4	13.1	19.4	32.5	637.9
Commerce—							
1967-68	7.9	4.3	12.2	8.9	0.8	9.7	21.9
1968-69	18.4	30.7	49.1	10.1	2.3	12.4	61.5
1969-70	8.9	13.8	22.7	8.4	0.9	9.3	32.0
1970-71	5.2	29.3	34.5	5.4	0.8	6.2	40.7
1971-72	12.3	36.3	48.6	5.6	0.3	5.9	54.5
Other industries—							
1967-68	75.0	6.6	81.6	17.6	3.4	21.0	102.6
1968-69	181.5	12.0	193.5	21.5	17.3	38.8	232.3
1969-70	288.4	44.8	333.2	33.0	5.3	38.3	371.5
1970-71	244.9	29.6	274.5	35.4	8.2	43.6	318.1
1971-72	169.3	2.9	172.2	26.5	6.4	32.9	205.1
All industries—				(e)		(e)	(e)
1967-68	122.9	348.7	471.6	50.8	18.1	68.9	540.5
1968-69	338.5	449.1	787.6	68.4	32.5	100.9	888.5
1969-70	456.8	481.5	938.3	79.5	19.6	99.1	1,037.4
1970-71	361.2	516.4	877.6	70.9	18.7	89.6	967.2
1971-72	255.0	724.9	979.9	65.6	31.9	97.5	1,077.2

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

SHORT-TERM MONEY MARKET

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

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

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

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

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

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

SHORT-TERM MONEY MARKET: SELECTED LIABILITIES AND ASSETS AND INTEREST RATES OF AUTHORISED DEALERS, JUNE 1968 TO 1972

(Source: Reserve Bank of Australia)

Month	Liabilities to clients			Holdings of Cwth Govt securities (at face value)		Bank's certificates of deposit	Interest rates on loans accepted during month				Weighted average interest rate on loans outstanding (a)
	All trading banks	Other clients	Total	Com-mercial bills	At call		For fixed periods				
					Mini-mum per cent per annum		Maxi-mum per cent per annum	Mini-mum per cent per annum	Maxi-mum per cent per annum		
June—	Average of weekly figures—(\$ million)										
1968 .	87.7	406.5	494.2	491.3	35.7	..	3.00	6.75	3.75	5.40	4.29
1969 .	94.9	398.7	493.6	505.6	28.9	15.0	2.00	7.50	4.00	6.75	4.59
1970 .	102.8	464.2	567.0	575.4	38.3	3.6	3.50	8.80	4.50	8.50	6.12
1971 .	142.0	555.2	697.2	682.0	45.4	3.4	2.00	9.50	4.00	8.00	5.91
1972 .	249.8	741.5	991.3	975.0	39.8	20.8	2.00	8.25	4.25	6.60	5.18

(a) Average of weekly figures.

SHORT-TERM MONEY MARKET: AUTHORISED DEALERS' LIABILITIES BY TYPE OF CLIENT(a), 30 JUNE 1968 TO 1972

(Source: Reserve Bank of Australia)

(\$ million)

Client	30 June—				
	1968	1969	1970	1971	1972
All trading banks	17.6	90.0	158.4	189.2	369.3
Savings banks	26.5	36.0	37.3	77.7	69.0
Insurance offices	20.1	32.4	24.4	26.8	44.8
Superannuation, pension and provident funds	4.6	8.9	16.6	22.4	19.3
Hire purchase and other instalment credit companies	2.8	2.4	7.9	6.1	11.7
Companies, n.e.i.	156.8	140.3	143.7	155.3	253.3
Commonwealth and State Governments	78.1	62.3	47.7	91.9	100.3
Local government and semi-government authorities, n.e.i.	72.2	75.3	87.7	70.0	99.8
All other lenders(b).	20.6	45.9	36.2	41.5	71.1
Total	499.3	493.4	559.9	680.8	1,038.7

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

UNIT TRUSTS, LAND TRUSTS AND MUTUAL FUNDS

Statistics of operations of unit trusts, land trusts and mutual funds for the years 1967-68 to 1971-72 are shown below. Details of superannuation funds conducted by unit trust management companies are not included in these tables.

TRUSTS AND FUNDS: TOTAL MARKET VALUE AND TRANSACTIONS
YEARS 1967-68 TO 1971-72

(\$ million)

	Total market value at end of period(a)	Cash transactions— trust units and fund shares		Purchases and sales of investments(b)	
		Total amount received(c)	Total amount paid(d)	Purchases (e)	Sales (f)
1967-68 . .	263.4	30.9	35.1	33.0	40.8
1968-69 . .	270.2	41.6	42.0	48.2	54.6
1969-70 . .	286.1	59.0	32.3	61.1	50.8
1970-71 . .	278.6	56.5	39.3	74.5	51.5
1971-72 . .	326.9	57.9	33.6	78.3	47.0

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

TRUSTS AND FUNDS: ANALYSIS OF PURCHASES AND SALES OF
INVESTMENTS, 1967-68 TO 1971-72

(\$ million)

	Shares (incl. preference shares)	Debentures, unsecured notes, deposits (a)	Land, buildings, mortgages	Other(b)	Total
Purchases—					
1967-68 . .	13.2	7.3	12.3	0.1	33.0
1968-69 . .	17.0	11.6	19.6	0.1	48.2
1969-70 . .	35.3	10.6	14.9	0.3	61.1
1970-71 . .	39.2	10.6	24.6	..	74.5
1971-72 . .	17.2	14.3	42.9	3.9	78.3
Sales—					
1967-68 . .	34.7	3.8	2.1	0.2	40.8
1968-69 . .	44.0	5.5	3.5	1.6	54.6
1969-70 . .	37.9	6.4	5.5	1.1	50.8
1970-71 . .	35.8	8.3	5.1	2.3	51.5
1971-72 . .	30.9	7.9	7.6	0.5	47.0

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

REGISTERED BUILDING SOCIETIES

Permanent and terminating building societies

REGISTERED BUILDING SOCIETIES: SELECTED ITEMS(a)
AUSTRALIA, 1966-67 TO 1970-71

	Societies making returns			Share- holders	Loans paid over	Adminis- trative expenses
	Permanent	Terminating (b)	Total			
	No.	No.	No.	No.	\$'000	\$'000
1966-67	144	4,058	4,202	402,557	194,653	11,154
1967-68	161	4,388	4,549	458,881	260,011	13,060
1968-69	173	4,641	4,814	535,173	331,850	16,503
1969-70	182	4,883	5,065	669,371	444,263	21,500
1970-71	189	5,240	5,429	862,617	453,038	27,139

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

REGISTERED BUILDING SOCIETIES: LIABILITIES AND ASSETS(a)
AUSTRALIA, 1966-67 TO 1970-71

(\$'000)

	Liabilities					Assets			
	Investing members' funds	Borrowing members' funds	Deposits	Loans due to govern- ments	Other liabilities	Total liabilities	Advances on mort- gages(b)	Other assets	Total assets
1966-67	291,766	175,243	55,529	225,399	417,509	1,165,446	1,111,354	54,092	1,165,446
1967-68	394,806	178,242	72,395	257,638	441,742	1,344,823	1,266,294	78,528	1,344,823
1968-69	548,619	185,623	126,114	283,716	454,129	1,598,204	1,490,259	107,945	1,598,204
1969-70	812,688	174,676	156,849	312,909	475,198	1,932,322	1,776,761	155,561	1,932,322
1970-71	1,132,556	165,747	195,776	348,959	457,272	2,300,311	2,038,305	262,005	2,300,311

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

Permanent building societies

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

PERMANENT BUILDING SOCIETIES: 1968-69 TO 1971-72

(\$'000)

	Loans approved during year(a)	Loans advanced during year(b)	Loans approved but not advanced at end of year(c)	Principal owing on mortgages at end of year	Paid-up share- capital at end of year	Borrowings by
						societies— amount owing at end of year(d)
1968-69	n.a.	n.a.	75,940	706,966	553,650	221,971
1969-70	379,051	375,535	58,354	993,539	799,470	277,659
1970-71	428,628	368,733	100,285	1,246,167	1,120,150	322,627
1971-72	689,323	616,349	150,421	1,702,549	1,624,697	414,223

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

FRIENDLY SOCIETIES AND CO-OPERATIVE SOCIETIES

Friendly societies

In 1971 the total membership of friendly societies in Australia was about 435,000, but as certain benefits such as medical attendance and free medicines, and in many cases funeral expenses, are granted to members' families as well as to members themselves, this figure must be more than doubled to arrive at an estimate of the number of persons who receive some direct benefit from these societies, even when due allowances are made for young and unmarried members. Legislation has conferred certain privileges on friendly societies, but, on the other hand, it insists on their registration, and it is the duty of the Registrars in the various States, prior to registering a new society, to see that its proposed rules conform to the law, and that the scale of contribution is sufficient to provide the promised benefits. Societies are obliged to forward to the Registrar annual returns about their membership and their finances, and reports dealing with the returns received are published in most of the States.

FRIENDLY SOCIETIES(a): SUMMARY, STATES, 1970-71

	N.S.W.(b)	Vic.	Qld	S.A.	W.A.	Tas.(c)	Total
Registered societies	39	123	17	14	11	9	213
Branches	1,641	1,075	381	481	246	110	3,934
Benefit members at end of year	153,104	148,823	62,898	50,488	14,841	4,709	434,863
Average benefit members during year	149,724	150,005	63,005	50,642	15,058	4,763	433,197
Members who received sick pay	n.a.	n.a.	5,518	7,480	1,945	631	n.a.
Total weeks sick pay granted	n.a.	370,555	96,982	141,994	48,633	18,015	n.a.
Average sick weeks per member	n.a.	n.a.	17.6	19.0	25.0	28.6	n.a.
Deaths of benefit members	n.a.	2,439	1,240	1,079	297	212	n.a.
Proportion of deaths per 1,000 members (average)	n.a.	16.3	19.7	21.3	19.7	44.5	n.a.
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue—							
Entrance fees, levies and members' contributions	23,579	17,449	4,727	9,993	2,946	64	58,759
Interest, dividends and rents	1,952	2,682	669	1,110	192	83	9,349
All other revenue	676	461		1,237	260	25	
Total revenue	26,208	20,592	5,396	12,341	3,399	173	68,108
Expenditure—							
Sick pay	621	580	124	181	38	17	1,561
Medical attendance and medicine	18,232	14,366	3,364	8,368	2,660	2	46,993
Sums payable at death	690	262	216	151	44	41	1,404
Administration	3,845	3,379	955	1,483	228	44	12,939
All other expenditure	873	1,444		550	114	26	
Total expenditure	24,263	20,031	4,659	10,733	3,082	129	62,897
Total funds	35,458	48,647	11,482	20,962	4,411	1,458	122,418

(a) Excludes juvenile branches, dispensaries, medical institutes, and certain miscellaneous societies. Receipts and payments of subsidy under the Commonwealth medical and hospital benefit schemes are excluded. (b) Includes the Australian Capital Territory. (c) Year ended 31 December 1971.

Co-operative societies

Co-operative societies are divided into three classes: (i) those engaged in the manufacture and marketing of primary products and trade requirements; (ii) those engaged in retailing general household requirements; and (iii) those engaged in activities covered by both classes (i) and (ii). The first class may be described briefly as producers' co-operative societies and the second as consumers' co-operative societies. The particulars given for New South Wales relate to societies registered under the Co-operation Act, 1923-1967. A summary of the business of all co-operative societies for the year 1970-71 for all States is given in the following table. Separate particulars for each of the three types of co-operative societies are given in the annual bulletin *Insurance and Other Private Finance*, and issue No. 7, 1969-70, contains details for 1967-68 and 1968-69.

CO-OPERATIVE SOCIETIES: STATES, 1970-71

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
Societies . . . No.	340	150	404	63	66	17	1,040
Members . . . No.	383,299	156,269	161,292	124,021	66,062	6,434	897,377
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income—							
Gross turnover (sales) .	390,452	173,738	193,634	64,059	79,544	11,063	912,490
Other income . . .	3,563	7,399	12,644	5,029	22,512	1,256	52,403
Total income . . .	394,015	181,137	206,278	69,088	102,056	12,319	964,893
Expenditure—							
Other purchases . . . }	385,401	126,014	146,522	47,620	70,022	9,278	930,655
Other expenditure . . }		46,803	44,102	21,329	30,598	2,966	
Total expenditure . .	385,401	172,818	190,623	68,949	100,620	12,244	930,655
Rebates and bonuses . .	4,546	1,884	4,666	2,467	3,258	n.a.	n.a.
Dividends on share capital	1,237	1,712	942	514	816	74	5,295
Liabilities—							
Paid-up capital . . .	42,871	26,583	30,254	8,800	13,111	1,248	122,867
Bank overdrafts . . .	51,140	19,012	18,639	7,753	11,605	(a)	(a)
Accumulated profits . . }	25,765	3,157	8,521	1,177	80	546	118,885
Reserve funds . . . }		26,508	33,946	9,015	9,485	685	
Loan capital }	76,369	9,322	25,465	15,433	54,691	(a)	(a)
Sundry creditors . . . }		24,293	28,436	5,630	14,883	2,041	
Other liabilities . . . }		6,597	11,386	11,288	5,010	2,740	
Total liabilities . . .	196,145	115,472	156,647	59,097	108,865	7,260	643,485
Assets—							
Land and buildings . . }	76,345	52,131	74,374	13,813	9,531	1,501	292,286
Machinery, plant and other fixed assets . . }				10,032	53,904	655	
Stocks	64,812	17,988	14,816	16,959	7,899	1,224	123,699
Sundry debtors	38,375	32,875	56,469	9,146	28,869	2,920	168,653
Cash in hand and on deposit }	16,612	3,080	4,117	987	1,947	281	58,847
Profit and loss account . . }		3,194	751	362	211	681	
Other assets }		6,204	6,119	7,797	6,502		
Total assets	196,145	115,472	156,647	59,097	108,865	7,260	643,485

(a) Not available for publication, included in total liabilities.

LOTTERIES AND BETTING

Lotteries

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

LOTTERIES: VALUE OF TICKET SALES, PRIZES ALLOTTED, TAXES PAID AND OTHER NET CONTRIBUTIONS TO STATE GOVERNMENT REVENUES 1967-68 TO 1971-72

(\$'000)

<i>Year</i>	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Total</i>
TICKET SALES						
1967-68 . . .	50,528	19,420	15,900	5,200	4,350	95,398
1968-69 . . .	53,335	19,440	16,680	5,350	5,150	99,955
1969-70 . . .	55,645	21,400	17,600	5,700	6,200	106,545
1970-71 . . .	58,057	21,360	18,560	6,000	6,250	110,227
1971-72 . . .	62,389	21,388	20,510	6,200	7,400	117,887
PRIZES ALLOTTED						
1967-68 . . .	30,850	11,652	10,151	3,129	2,493	58,275
1968-69 . . .	32,843	11,664	10,651	3,241	3,001	61,400
1969-70 . . .	34,052	12,840	11,237	3,460	3,757	65,346
1970-71 . . .	35,815	12,816	11,851	3,648	3,803	67,932
1971-72 . . .	38,284	12,833	13,122	3,775	4,506	72,519
TAXES PAID AND OTHER NET CONTRIBUTIONS TO STATE GOVERNMENT REVENUES(a)						
1967-68 . . .	11,809	6,020	4,006	1,726	1,236	24,798
1968-69 . . .	12,202	6,026	4,160	1,633	1,437	25,458
1969-70 . . .	12,712	6,634	4,358	1,927	1,643	27,274
1970-71 . . .	13,127	6,622	4,492	1,833	1,594	27,667
1971-72 . . .	13,655	6,630	4,910	1,979	1,935	29,109

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

Betting

**TOTALISATOR INVESTMENTS AND INVESTMENTS WITH LICENSED BOOKMAKERS
STATES AND AUSTRALIAN CAPITAL TERRITORY, 1967-68 TO 1971-72
(\$'000)**

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.(a)</i>	<i>W.A.</i>	<i>Tas.</i>	<i>A.C.T.</i>	<i>Total</i>
TOTALISATOR INVESTMENTS								
1967-68 .	196,120	200,253	55,330	20,030	46,180	1,277	3,098	522,288
1968-69 .	241,350	224,955	61,003	26,292	52,938	1,145	4,215	611,897
1969-70 .	292,442	245,993	81,771	31,679	60,913	1,250	7,092	721,141
1970-71 .	334,814	273,638	94,534	38,403	67,652	1,322	8,808	819,172
1971-72 .	394,620	329,142	115,312	47,281	82,543	1,453	10,723	981,074
INVESTMENTS WITH LICENSED BOOKMAKERS(b)								
1967-68 .	283,262	172,603	131,145	49,189	27,332	42,090	3,919	709,540
1968-69 .	282,497	172,388	141,167	50,263	32,189	41,705	4,127	724,335
1969-70 .	310,881	183,296	145,837	58,165	38,972	44,899	4,713	786,763
1970-71 .	314,658	196,166	147,931	60,728	39,778	48,825	5,232	813,318
1971-72 .	345,770	217,898	158,652	73,544	41,840	52,871	6,805	897,381

(a) Totalisator Agency Board commenced operating on 29 March 1967.
censed bookmakers in all States except Australian Capital Territory.

(b) Estimated from taxes on betting with

PROBATES AND LETTERS OF ADMINISTRATION

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

PROBATES AND LETTERS OF ADMINISTRATION: STATES

	<i>N.S.W.</i> <i>1971-72(a)</i>	<i>Vic.</i> <i>1971</i>	<i>Qld</i> <i>1971-72</i>	<i>S.A.</i> <i>1971</i>	<i>W.A.</i> <i>1971-72</i>	<i>Tas.</i> <i>1971(b)</i>
Estates No.	27,080	21,421	9,844	5,864	4,935	1,792
Gross value \$'000	n.a.	426,079	183,481	100,044	87,924	34,391
Net value \$'000	517,193	381,610	166,726	93,032	81,027	31,067

(a) Total estates of deceased persons assessed for death duty.

(b) Estates dealt with by the Taxation Department.

AUSTRALIAN INDUSTRY DEVELOPMENT CORPORATION

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

The Corporation has a capital of \$100 million, to be subscribed by the Australian Government in instalments but the whole being available if required to meet obligations. The paid-up capital at 30 June 1973 was \$50 million.

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

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

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

As at 30 June 1973, the end of A.I.D.C.'s second year of operations, the Corporation had undertaken financial commitments totalling \$114 million in respect of 60 industry development ventures.

