

PART IV.—ACCUMULATION.

Coins and
accounts.

645. The coins in circulation in Victoria are in all respects the same as those used in the United Kingdom. The accounts are kept in sterling money (£ s. d.).

Foreign
moneys.

646. In dealing with moneys or money values taken from returns where foreign moneys have been quoted, such values, for the purpose of this work, have been converted into their British equivalents according to the scale adopted by the Imperial Board of Trade, which is given in the following table:—

FOREIGN MONEYS AND BRITISH EQUIVALENTS.

Countries.	Foreign Moneys.	British Equivalents.
		£ s. d.
Austria ...	Gulden ...	0 1 8
		or 12 to the £
Argentine Republic ...	Peso nacional ...	0 4 0
Belgium ...	Franc ...	0 0 9·6
		or 25 to the £
Chile ...	Peso fuerte ...	0 4 2
China ...	Tael ...	Various *
Denmark ...	Krone ...	0 1 1½
		or 18 to the £
Egypt ...	Piastre ...	0 0 2½
		or 96 to the £
France ...	Franc ...	0 0 9·6
		or 25 to the £
Germany ...	Mark ...	0 1 0
	Krone ...	0 10 0
	Doppel krone ...	1 0 0
Greece ...	Drachme ...	0 0 8½
		or 28 to the £
Holland ...	Gulden ...	0 1 8
		or 12 to the £
Italy ...	Lira ...	0 0 9·6
		or 25 to the £
Japan ...	Yen ...	0 4 2
Mexico ...	Dollar ...	0 4 2†
Norway ...	Krone ...	0 1 1½
		or 18 to the £

* The Tael is not a coin but a weight. The ideal tael should consist of sycee (pure) silver, and should weigh 583·2 grains. As a matter of fact, however, the weight as well as the purity of the tael varies in different localities. The weight of the Haikwan tael—which is that employed by the Chinese Government in collecting revenue—is about 580 grains, and the fineness about ·9855. The value of the tael is regulated by the price of silver; that of the Haikwan tael has been as follows in the last five years:—1887, 4s. 10½d.; 1886, 5s. 0½d.; 1885, 5s. 3½d.; 1884, 5s. 7d.; 1883, 5s. 7½d.

† In making payments from the Imperial funds in places where the dollar is current, the valuation of the Mexican dollar is fixed by the Lords of Her Majesty's Treasury, for the ensuing six months, on the 1st April and 1st October of each year, according to the market price of silver. Upon this basis the price of the dollar was fixed in 1887-8, at 3s. 4d. for the first, and 3s. 2d. for the second six months; and in 1888-9, at 3s. 3d. for the first, and 3s. for the second six months. See 19th Report of the Deputy Master of the Imperial Mint, page 20.

FOREIGN MONEYS AND BRITISH EQUIVALENTS—*continued.*

Countries.			Foreign Moneys.	British Equivalents.
				£ s. d.
Portugal	...	...	Milreis ...	0 4 6
Roumania	...	...	Lei ...	0 0 9·6
Russia	...	...	Silver rouble ...	or 25 to the £ 0 2 0
Spain ...	...	...	Peseta ...	0 0 9·6
Sweden	...	...	Krona ...	or 25 to the £ 0 1 1½
Switzerland	...	...	Franc ...	or 18 to the £ 0 0 9·6
Turkey	...	...	Piastre ...	or 25 to the £ 0 0 2·16
United States	...	...	Dollar ...	or 100 equal 18s. 0 4 2
Uruguay	...	...	Peso fuerte ...	0 4 2

647. A branch of the Royal Mint was established in Melbourne Royal Mint. in 1872, and was opened to the public on the 12th June of that year. The premises occupy 2 acres 1 rood and 26 perches of land, valued in October, 1880, at £8,500, but now probably worth ten times that amount; the original cost of the buildings, machinery, fittings, and furniture was £68,350.*

648. From the time of the opening of the Mint to the end of Gold 1888 10½ million ounces of gold were received thereat. In point of received at Mint. average purity, the gold sent to the Mint is considerably above the standard (viz., 22 carats, worth £3 17s. 10½d. per oz.), and thus the value of the whole quantity was 42 millions sterling, or slightly under £4 per oz.† The following table shows the quantity and value of the gold received in each year:—

GOLD RECEIVED AT THE MELBOURNE MINT, 1872 TO 1888.

Year.	Quantity.	Value.	Year.	Quantity.	Value.
	Oz.	£		Oz.	£
1872	190,738	764,917	1882	818,905	3,310,971
1873	221,870	887,127	1883	785,716	3,158,420
1874	335,318	1,349,102	1884	945,429	3,802,229
1875	489,732	1,947,713	1885	836,169	3,350,737
1876	543,199	2,149,481	1886	756,249	3,028,374
1877	378,310	1,491,819	1887	769,897	3,074,223
1878	569,932	2,267,431	1888	757,548	3,022,384
1879	656,556	2,637,738			
1880	758,721	3,061,820			
1881	692,213	2,792,985	Total	10,506 502	42,097,471

* See Amended Return to an order of the Legislative Assembly, Parliamentary Paper C.—No. 4*, Session 1880.

† See also paragraph 658 *post*.

Gold
received in
standard
ounces.

649. A simple calculation, based upon the total value as shown in the lowest line of the last column of the table, will show that the gold received amounted to 10,811,549 oz. standard, valued at £3 17s. 10½d. per oz., or 305,047 oz. more than the actual weight of gold received at the Mint.

Gold
received,
1888.

650. It will be observed that the gold received at the Mint in 1888 was less by 12,349 ounces than in 1887, and was also less than in any other year since 1881 except 1886.

Gold issued
from Mint.

651. Gold is issued from the Mint as coin or as bullion. The former, with the exception of 555,500 half-sovereigns, has consisted entirely of sovereigns. The following is a statement of the gold issued in each year, whether in the shape of coin or bullion:—

GOLD ISSUED AT MELBOURNE MINT, 1872 TO 1888.

Year.	Coin.		Bullion.		Total Value of Coin and Bullion.
	Sovereigns.	Half-sovereigns.	Quantity.	Value.	
	Number.	Number.	Oz.	£	£
1872	748,000	...	1,205	3,611	751,611
1873	752,000	165,000	3,106	11,035	845,535
1874	1,373,000	...	2,912	10,417	1,383,417
1875	1,888,000	...	3,553	13,857	1,901,857
1876	2,124,000	...	3,625	14,145	2,138,145
1877	1,487,000	80,000	3,326	13,004	1,540,004
1878	2,171,000	...	3,691	14,640	2,185,640
1879	2,740,000	...	1,740	6,830	2,746,830
1880	3,052,800	...	1,861	7,219	3,060,019
1881	2,324,800	42,000	106,999	448,767	2,794,567
1882	2,465,250	107,500	189,837	789,687	3,308,687
1883	2,050,000	...	266,679	1,112,478	3,162,478
1884	2,942,000	48,000	200,766	835,728	3,801,728
1885	2,966,500	11,000	91,335	379,839	3,351,839
1886	2,901,500	38,000	25,701	107,719	3,028,219
1887	2,855,800	64,000	45,030	186,395	3,074,195
1888	2,830,000	...	46,611	194,219	3,024,219
Total ...	37,671,650	555,500	997,977	4,149,590	42,098,990

Gold coin
issued.

652. The difference in value between the gold coin issued from the Mint in 1887 and 1888 was £57,800, the excess being in favour of the former. The gold coin issued in 1888 was less not only than that in 1887, but was also less than that in 1886, 1885, 1884, or 1880; it was, however, in excess of that in any other year.

Gold bullion
issued.

653. The quantity of gold issued in the form of bullion has been falling off very considerably since 1883. In that year its value amounted to over £1,100,000, or to 35 per cent. of the total value of

coin and bullion issued; but in 1888 it amounted to little over £194,000, or to only 6·4 per cent. of that value.

654. From the opening of the Mint to the end of 1887, the quantity of coin struck was 9,023,414 oz., and the net loss (exclusive of tailings) attendant on the out-turn of this quantity was 154 oz. The average net loss per million on the out-turn of coin is therefore 17·1. With the exception of two of the years for which the returns show a gain, the loss varied from 179 per million in the year of the opening of the Mint (1872) to 3 per million in 1881. Loss on minting operations.

655. Nearly four-fifths of the gold received at the Mint since its first establishment was raised in Victoria, and a seventh came from New Zealand. The bulk of the remainder was contributed by the other Australasian colonies—chiefly Tasmania and South Australia—and a very small quantity by Natal. The following were the quantities received from these countries respectively prior to and during 1888 :— Victorian and other gold minted.

**VICTORIAN AND OTHER GOLD RECEIVED AT MELBOURNE MINT,
1872 TO 1888.**

Colony in which the Gold was raised.	Gold Received.		
	Prior to 1888.	During 1888.	Total.
	Oz.	Oz.	Oz.
Victoria	7,672,357	632,245	8,304,602
New South Wales	8,095	486	8,581
Queensland	4,506	373	4,879
South Australia... ..	183,901	14,616	198,517
Western Australia	2,260	1,943	4,203
Tasmania	387,238	37,375	424,613
New Zealand	1,426,381	63,424	1,489,805
Natal	1,731	...	1,731
India	1	...	1
Unknown	62,484	7,086	69,570
Total	9,748,954	757,548	10,506,502

656. Gold deposited at the Mint is subject to a charge of 1½d. per ounce on the gross weight before melting if the deposit contains 1,000 ounces of standard gold or over; and of 2d. per ounce if the deposit contains less than 1,000 ounces—the minimum charge on any deposit being four shillings. Mint charges.

657. Any silver in a deposit in excess of 4 per cent. of the weight of the deposit after melting is allowed for at a rate per ounce to be fixed from time to time by the Deputy Master. A reduction of a Mint allowances.

sixth of the charges is made on deposits containing more than 24 ounces of unrefinable gold, or gold containing silver in less proportion than $4\frac{1}{2}$ per cent. and base metal in less proportion than 2 per cent. of the weight of the deposit after melting.

Fineness of gold received at Mint.

658. Standard gold contains 91·67 per cent. (22 carats out of 24) of pure gold, but the gold (chiefly dust and bars) received at the Mint in 1888 contained as much as 94·47 per cent. of pure gold, and therefore it had to be considerably reduced in fineness to bring it to a fit state for making into money. The silver in the gold received in 1888 amounted to 4·16 per cent., and the base metals to 1·37 per cent. These proportions vary but little from year to year.

Weight and fineness of gold pieces coined.

659. The standard weight of the sovereign is ·25682 of an ounce (equal to 7·988 grammes or 123·27447 grains troy), and the standard weight of the half-sovereign is ·12841 of an ounce. The standard fineness of those pieces is 916·6 parts (or $\frac{11}{12}$) of pure gold in every 1,000 parts. In practice a small margin is allowed, and the actual weight and fineness of the gold coins struck at the Melbourne Mint, as based on the assay of pyx pieces transmitted to London for examination, and there tested, at the periods named, for the information of the Lords Commissioners of Her Majesty's Treasury, were as follow :—

WEIGHT AND FINENESS OF GOLD COINS STRUCK AT THE MELBOURNE MINT.

Date.	Average Weight.		Average Proportion of Gold in 1000 parts.	
	Sovereigns.	Half-sovereigns.	Sovereigns.	Half-sovereigns.
	Oz.	Oz.		
September, 1887 ...	·2568	·1284	916·680	916·606
December „ ...	·2568	...	916·623	...
March, 1888 ...	·2568	...	916·689	...
June „ ...	·2568	...	916·685	...

Loss of weight by circulation.

660. It may be mentioned that, according to experiments made by the late Professor Stanley Jevons and Mr. J. B. Martin, of the Institute of Bankers, the sovereign, when in circulation, loses ·043 grain per annum, equivalent to $\frac{7}{20,000}$, or about one-twelfth of a penny, and becomes light (three-quarters of a grain short in weight) in 18 years from the date of its issue.

Mint receipts and expenditure.

661. By the *Victorian Mint Act* (31 Vict. No. 307) it is provided that the sum of £20,000 shall be paid annually to the Mint from the Consolidated Revenue, but in the following table, which shows the

Mint revenue and expenditure in each of the fifteen financial years ended with 1887-8, and the excess of the latter over the former, the net results alone are given, the amount of subsidy returned to the Treasury each year being omitted from both sides of the account :—

MINT REVENUE AND EXPENDITURE,* 1873-4 TO 1887-8.

Year.	Mint Receipts.	Mint Expenditure.	Excess of Expenditure over Receipts.	
			Amount.	Percentage.
	£	£	£	
1873-4 ...	4,799	4,972	173	3·60
1874-5 ...	7,504	15,701	8,197	109·24
1875-6 ...	7,659	9,305	1,646	21·49
1876-7 ...	7,512	11,229	3,717	49·48
1877-8 ...	7,247	19,553	12,306	169·81
1878-9 ...	7,906	13,376	5,470	69·19
1879-80 ...	10,158	13,650	3,492	34·38
1880-81 ...	10,197	14,372	4,175	40·94
1881-2 ...	10,917	14,656	3,739	34·24
1882-3 ...	11,292	15,897	4,605	40·78
1883-4 ...	10,415	15,148	4,733	45·44
1884-5 ...	13,042	14,696	1,654	12·68
1885-6 ...	11,705	15,387	3,682	31·46
1886-7 ...	11,058	18,014	6,956	62·91
1887-8 ...	10,377	16,126	5,749	55·40
Total ...	141,788	212,082	70,294	49·54

662. It will be observed that in the period to which the table relates the Mint expenditure exceeded the Mint receipts by nearly 50 per cent., and the establishment was worked at an apparent total loss of of £70,294, the average loss per annum being £4,686. During 1887-8 the loss was £5,749, or 55 per cent over the receipts.

663. Whilst in 1888, the expenditure in the Melbourne Mint exceeded the revenue by considerably more than half, the expenditure in the Sydney Mint exceeded the revenue by less than a fourth. In the London Mint, on account of the large profit made on the purchase of silver† and bronze for coinage, the receipts amounted to nearly two and three-quarter times the expenditure. The following is a statement of the revenue and expenditure, and difference between those items, in the three Mints during the past year :—

* Figures derived from those given in the Treasurer's Finance Statements. The fluctuations in the expenditure are probably due chiefly to the subsidy being returned at irregular periods.

† The average price at which silver bullion was purchased by the London Mint in 1888 was 3s. 6½d. per ounce, as compared with 3s. 6¾d. in 1887; and as silver coin is issued at 5s. 6d. per ounce, the profit (seignorage) which accrued to the State in the year under review was 1s. 11½d. per ounce, or at the rate of 53¾ per cent. The rate of seignorage averaged only 9 per cent. in the years 1870 to 1872, but rose rapidly—especially since 1877—to 42 per cent. in 1886 and 53¾ per cent. in 1888. See 19th Report of London Mint, p. 9.)

MELBOURNE, SYDNEY, AND LONDON MINTS.—REVENUE AND EXPENDITURE, 1888.

Locality of Mint.	Mint Receipts. *	Mint Expenditure.	Excess of Expenditure over Receipts.	
			Amount.	Percentage.
	£	£	£	
Melbourne ...	11,377	16,126	5,749	55·40
Sydney ...	10,906	13,495	2,589	23·74
London...	218,844	81,766	+ 137,078	+ 167·65

NOTE.—The plus sign (+) indicates that the receipts exceeded the expenditure.

London
mint, profit
on silver
and bronze
coinage.

664. At the London Mint in 1888 the profit made upon silver bullion purchased for coinage was £176,339; and the profit made upon bronze coinage was £32,166. As against this there was a loss of £1,301 on the coinage of gold, and a loss of £28,202 on worn silver coin exchanged. Of this exchange £393 was effected at the Melbourne Mint, and £577 at the Sydney Mint.

Sydney
Mint, 1855
to 1888.

665. The Sydney Branch of the Royal Mint was established in 1855, and from that date to the end of 1888, 16,213,435 ounces† of gold were received thereat, of which it is believed that 7,182,295 ounces, or less than half, were raised in the colony of New South Wales; 5,212,784 ounces, or nearly a third, in Queensland; 2,116,707 ounces, or nearly an eighth, in New Zealand; and 1,438,151 ounces, or about an eleventh, in Victoria. In the same period, 56,035,500 sovereigns, 4,777,000 half-sovereigns, and 676,992 ounces of bullion (valued at £2,704,818), were issued from this branch, the whole being valued at £61,128,818. It should be mentioned that since the establishment of the Melbourne Mint only about 800 ounces of Victorian gold have been coined in Sydney.

Sydney
Mint, 1888.

666. The quantity of gold received at the Sydney Mint during 1888 was 609,844‡ ounces, valued at £2,182,231, five-sixths of which was produced in Queensland, less than one-seventh in New South Wales, but only a very small quantity in the other colonies. The total value of coin and bullion issued in that year amounted to £2,207,227, consisting of 2,187,000 sovereigns, and 4,785 ounces of gold bullion valued at £20,227. The value of coin and bullion issued from the Sydney Mint was less by nearly a million sterling in 1887, and by over three-quarters of a million in 1888, than that issued from the Melbourne Mint in those years.

London
Mint, 1888.

667. No other metal than gold is coined at the Melbourne and Sydney Mints, the silver and bronze coinage required by the colonies

* The Melbourne Mint receives an annual subsidy of £20,000 from the Government of Victoria, and the Sydney Mint one of £15,000 from the Government of New South Wales. The unexpended portions of these amounts are left out of account in this table.

† Including 186,878 ounces of coin.

‡ Including 25,430 ounces of coin.

being obtained from England. Besides gold, silver, and bronze British money, silver, nickel and bronze coins of various denominations are struck at the Royal Mint, London, for several of Her Majesty's possessions. The following table shows the number and value of coins of forty-two different denominations issued from that Mint in 1888 :—

COINS STRUCK AT THE LONDON MINT, 1888.

Denomination.				Number of Coins.		Nominal Value.		
						£	s.	d.
Imperial—								
Gold—Sovereigns	...	...	...	2,277,424		2,277,424	0	0
Silver—Crowns	...	...	...	131,899		32,974	15	0
„ Double Florins	...	...	...	243,340		48,668	0	0
„ Half-crowns	...	...	...	1,428,787		178,598	7	6
„ Florins	...	...	...	1,547,540		154,754	0	0
„ Shillings	...	...	...	4,526,856		226,342	16	0
„ Sixpences	...	...	...	4,197,698		104,942	9	0
„ Fourpences (Maundy money only)	...	...	...	9,583		159	14	4
„ Threepences	...	...	...	522,687		6,533	11	9
„ Twopences (Maundy money only)	...	...	...	9,528		79	8	0
„ Pence	„	„	„	14,480		60	6	8
Bronze—Pence	...	...	...	5,125,020		21,354	5	0
„ Half-pence	...	...	...	6,814,070		14,195	19	7
„ Farthings	...	...	...	1,887,250		1,965	17	8
Jersey—								
Bronze—Pence	...	...	..	180,000		750	0	0
„ Half-pence	...	...	...	120,000		250	0	0
Colonial—								
Canada, Silver—Fifty cents	...	...	...	60,000		6,165	5	0
„ „ Twenty-five cents	...	...	...	400,000		20,550	15	0
„ „ Ten cents	...	...	...	500,000		10,275	7	6
„ „ Five cents	...	...	...	1,000,000		10,275	7	6
„ Bronze—Cents	...	...	...	4,000,000		8,220	6	0
Guiana (British), Silver—Fourpences	...	...	...	120,000		2,000	0	0
Honduras (British), Bronze—Cents	...	...	...	100,000		162	10	0
Hong Kong, Silver—Twenty cents	...	...	...	500,000		16,250	0	0
„ „ Ten cents	...	...	...	7,027,454		114,196	2	6
„ „ Five cents	...	...	...	5,952,084		48,360	13	8
Jamaica, Nickel—Pence	...	...	...	24,000		100	0	0
„ „ Half-pence	...	...	...	96,000		200	0	0
„ „ Farthings	...	...	...	192,000		200	0	0
Mauritius, Bronze—Five cents	...	...	...	100,000		364	11	8
„ „ Two cents	...	...	...	250,000		364	11	8
„ „ Cents	...	...	...	500,000		364	11	8
Newfoundland, Gold—Double dollars	...	...	...	25,000		10,416	13	4
„ Silver—Fifty cents	...	...	...	20,000		2,083	6	8
„ „ Twenty cents	...	...	...	75,000		3,125	0	0
„ „ Ten cents	...	...	...	30,000		625	0	0
„ „ Five cents	...	...	...	40,000		416	13	4
„ Bronze—Cents	...	...	...	50,000		104	3	4
Straits Settlements, Silver—Fifty cents	...	...	...	96,000		7,800	0	0
„ „ Twenty cents	...	...	...	295,000		9,587	10	0
„ „ Ten cents	...	...	...	1,075,000		17,468	15	0
„ „ Five cents	...	...	...	590,000		4,793	15	0
Total ...				52,153,700		3,363,524	9	4

Silver coined
at London
Mint, 1888.

668. According to the table, the silver coined at the London Mint in 1888, represented an aggregate nominal value of £1,027,087, which was more by £61,221 than that coined in 1887, and more by £441,069 than that coined in 1886, but less by £242,938 than that coined in 1883, when, however, the silver coinage was larger than in any other year since the introduction of the present coinage in 1817.

Gold coined
at London
Mint, 1872
to 1888.

669. In consequence, no doubt, of the gold coined at the Colonial Mints having been sufficient to meet all requirements, no sovereigns were struck at the London Mint in 1881, 1882, 1883, or 1886, and no half-sovereigns in the first two and last of those years, or in 1888. Gold to the value of £1,999,075, however, was coined in 1887, and gold to the value of £2,287,841 was coined in 1888. The dies used in the former year were of a new design, in honour of the Jubilee of Her Majesty, whilst the gold coined in the latter year included 25,000 double dollars for Newfoundland, of the value of £10,417. The following is the nominal value of the gold coins struck at the London Mint during the last 17 years:—

NOMINAL VALUE OF GOLD COINS STRUCK AT THE LONDON MINT,
1872 TO 1888.

£				£			
1872	...	...	15,261,436	1882	...	...	Nil
1873	...	...	3,384,564	1883	...	...	1,403,713
1874	...	...	1,461,564	1884	...	...	2,324,015
1875	...	...	243,247	1885	...	...	2,973,453
1876	...	...	4,696,649	1886	...	...	Nil
1877	...	...	981,469	1887	...	...	1,999,075
1878	...	...	2,265,069	1888	...	...	2,287,841
1879	...	...	35,050				
1880	...	...	4,150,053	Total		...	£43,467,198
1881	...	...	Nil				

Gold coins
in the
United
Kingdom.

670. It is estimated that 90,000,000 sovereigns, and 40,000,000 half-sovereigns, of a nominal value in all of £110,000,000, are circulating in the United Kingdom, and that about half these are light. The Mint authorities state that, exclusive of the expense of re-coinage, it would cost nearly £650,000 to make good the deficient weight, which amounts to 5½ tons.

Silver and
bronze coin
supplied
and with-
drawn.

671. Besides supplying the silver and bronze coinage required for circulation in the Australasian colonies, as already stated, the London Mint also withdraws silver coin from the colonies after it has become worn or defaced, allowing for the same at its full nominal value. The

following are the values of the coin supplied and withdrawn in the last ten years:—

COIN SUPPLIED TO AND WITHDRAWN FROM THE AUSTRALASIAN COLONIES BY THE LONDON MINT, 1879 TO 1888.

Colony.	Year.	Value of Coin Supplied.			Value of Worn Silver Coin Withdrawn.
		Silver.	Bronze.	Total.	
		£	£	£	£
Victoria ...	1879	125,500	2,080	127,580	24,230
	1880	80,000	...	80,000	58,039
	1881	74,800	...	74,800	51,519
	1882	55,200	1,005	56,205	34,036
	1883	24,800	600	25,400	10,601
	1884	10,000	2,000	12,000	9,474
	1885	30,000	2,500	32,500	9,483
	1886	21,600	2,500	24,100	9,407
	1887	28,800	1,000	29,800	7,633
	1888	63,200	2,000	65,200	2,980
New South Wales ...	1879	85,000	1,000	86,000	890
	1880	25,000	...	25,000	16,574
	1881	24,000	500	24,500	9,950
	1882	44,000	2,000	46,000	7,590
	1883	49,000	2,000	51,000	9,207
	1884	40,000	1,000	41,000	4,531
	1885	56,000	3,000	59,000	4,075
	1886	34,000	1,500	35,500	2,380
	1887	2,400	500	2,900	4,042
	1888	...	1,000	1,000	4,850
Queensland ...	1882	50,000	...	50,000	...
	1885	51,200	520	51,720	...
	1886	...	...	...	...
	1887	...	...	...	...
	1888	57,300	500	57,800	...
South Australia ...	1879	30,000	2,240	32,240	...
	1880	57,000	...	57,000	...
	1882	40,000	...	40,000	...
	1886	4,000	1,100	5,100	...
	1887	...	20	20	...
	1888	...	20	20	...
Western Australia ...	1879	5,000	400	5,400	...
	1880	...	...	...	1,200
	1881	...	...	...	1,200
	1886	...	...	...	...
	1887	...	...	...	...
Tasmania ...	1882	16,000	...	16,000	...
	1883	14,000	20	14,020	10,045
	1885	...	600	600	...
	1886	2,400	...	2,400	...
	1887	...	...	...	...

COIN SUPPLIED TO AND WITHDRAWN FROM THE AUSTRALASIAN
COLONIES BY THE LONDON MINT, 1879 TO 1888—*continued.*

Colony.	Year.	Value of Coin Supplied.			Value of Worn Silver Coin Withdrawn.
		Silver.	Bronze.	Total.	
		£	£	£	£
New Zealand	1879	500	2,500	3,000	...
	1882	73,800	...	73,800	...
	1884	500	1,500	2,000	...
	1886	2,000	500	2,500	...
	1887	5,295	480	5,775	...
Total	1879	246,000	8,220	254,220	25,120
	1880	162,000	...	162,000	75,813
	1881	98,800	500	99,300	62,669
	1882	279,000	3,005	282,005	41,626
	1883	87,800	2,620	90,420	29,853
	1884	50,500	4,500	55,000	14,005
	1885	137,200	6,620	143,820	13,558
	1886	64,000	5,600	69,600	11,787
	1887	36,495	2,000	38,495	11,675
	1888	120,500	3,520	124,020	7,830

Coinage of
the world.

672. The value of gold and silver coin issued from the mints of the different countries of the world in the three years ended with 1887 is stated to have been as follows *:—

GOLD AND SILVER COINAGE OF THE WORLD, 1885 TO 1887.†

Countries.	1885.		1886.		1887.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
	£	£	£	£	£	£
Australia ...	4,458,000	...	4,628,500	...	4,956,800	...
Europe—						
Austria-Hungary ...	581,658	864,096	559,196	913,424	556,198	1,157,582
Belgium ...	...	...	...	192,035	...	121,590
Denmark ...	...	...	...	2,838	...	...
France ...	11,636	...	928,278	6,207	991,867	358,280
Germany ...	404,051	120,347	1,772,127	240,409	5,861,515	149,030
Great Britain ...	2,993,058	737,650	...	423,165	2,026,770	862,945
Italy ...	132,474	48,090	47,452	374,034	...	1,302,750
Monaco ...	34,302	...	60,313	...	...	...
Netherlands ...	58,333	16,750	45,343	...	34,131	15,913
Norway ...	...	11,167	112,392	...	...	16,750
Sweden ...	6,979	16,309	204,623	...	65,590	11,684
Portugal ...	51,300	...	37,422	62,451	56,250	200,025

* Taken, except the figures for Australia, from the report for 1888 of Mr. James P. Kimball, director of the United States Mint. Mr. Kimball gives the amounts in dollars, which have been turned into pounds sterling upon the assumption that £1 is equal to 4½ dollars.

† Calendar years, except for India and Mexico.

GOLD AND SILVER COINAGE OF THE WORLD,
1885 TO 1887*—*continued*.

Countries.	1885.		1886.		1887.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
Europe—	£	£	£	£	£	£
Russia ...	4,309,553	200,994	3,075,358	271,688	4,189,432	323,273
Spain ...	507,314	766,316	493,701	1,053,647	...	2,372,795
Switzerland ...	...	...	201,042	104,542	...	56,292
Turkey ...	...	...	760,833	183,333	...	...
Asia—						
Cochin China ...	...	266,565	...	669,952	...	651,335
Hong Kong ...	...	...	...	...	...	83,333
India ...	12,794	5,718,183	...	5,650,295	885	9,196,253
Japan ...	209,168	1,316,860	187,534	1,892,933	186,962	2,141,574
Siam ...	...	...	...	...	...	461,680
Straits Settlements ...	...	...	...	...	...	36,875
Africa—						
Congo ...	...	...	...	...	...	4,021
Egypt ...	...	...	...	667,531†	51,324	449,935
America—						
Argentine Republic	205,000	...	414,306	...	1,911,119	...
Brazil ...	12,237	2,519	4,303	6,328	...	...
Canada ...	...	...	...	46,875	...	17,708
Chile ...	16,162	117,517	7,752	201,267	5,283	69,375
Colombia ...	...	...	5,618	282,255	...	...
Costa Rica ...	...	23,528	...	30,841	...	...
Hayti ...	...	...	...	30,156	...	104,167
Honduras ...	...	22,190	...	...	...	14,995
Mexico ...	88,177	5,383,485	76,560	5,623,293	83,051	5,592,506
Nicaragua ...	...	83,333	...	...	...	83,333
Peru ...	...	276,305	...	123,347	...	351,042
United States ...	5,786,044	6,033,787	6,030,321	6,684,731	4,994,246	7,331,475
Venezuela ...	...	...	...	267,989	...	...
Total ...	19,878,240	22,025,991	19,652,974	26,005,566	25,971,423	33,538,516

673. The figures in the table show that the value of the gold coin issued from the Australian Mints in 1887 was less by £900,000 than that issued from the Mint of Germany, slightly less than that issued from the Mint of the United States, but more by £767,000 than that issued from the Mint of Russia, and considerably more than that issued from the mints of any of the other countries named.

Gold coined
in Australia
and other
countries.

674. Since the establishment of the Melbourne Mint in 1872, the value of gold coin exported from Victoria (£34,575,901), less the value of that imported (£2,491,663), has amounted to £32,084,238, or less by £5,865,162 than the total value of such coin issued from the Mint. In 1888, the value of the gold coin exported amounted to £3,523,642, or nearly three and a half times as much as in the previous year; whilst

Exports of
gold coin.

* Calendar years, except for India and Mexico.

† Recoinage.

the value of that imported was only £497,493. The destination and value of the exports of gold coin in that year were as follow :—

EXPORTS OF GOLD COIN, 1888.

Destination.	£	Destination.	£
United Kingdom ...	2,859,359	Hong Kong ...	34,851
South Australia ..	270,000	Ceylon ...	27,432
New South Wales...	122,000		
New Zealand ...	95,000		
India ...	65,000	Total ...	£3,523,642
Western Australia...	50,000		

Australian
coinage at
Bank of
England.

675. The returns of the Bank of England show that a considerable quantity of the Australian gold coinage finds its way there. The figures are complete for each year from 1875 to 1888, and in the following table are collated with those showing the amount of coinage struck in the same years at the two Australian Mints, the difference between the amount coined and the amount lodged in the Bank of England being also shown :—

AUSTRALIAN GOLD COINAGE.—AMOUNT STRUCK AND AMOUNT RECEIVED AT BANK OF ENGLAND.

Year.	Nominal Value of Australian Gold Coinage.			Nominal Value of Australian Gold Coinage received at Bank of England.	Excess of Australian Gold Coinage over and above that received at the Bank of England.
	Struck at Melbourne Mint.	Struck at Sydney Mint.	Total.		
	£	£	£	£	£
1875 ...	1,888,000	2,122,000	4,010,000	2,726,000	1,284,000
1876 ...	2,124,000	1,643,000	3,767,000	2,075,000	1,692,000
1877 ...	1,527,000	1,590,000	3,117,000	3,748,000	— 631,000*
1878 ...	2,171,000	1,322,000	3,493,000	2,773,000	720,000
1879 ...	2,740,000	1,413,000	4,153,000	1,617,000	2,536,000
1880 ...	3,052,800	1,499,000	4,551,800	2,377,000	2,174,800
1881 ...	2,345,800	1,391,000	3,736,800	3,306,000	430,800
1882 ...	2,519,000	1,324,000	3,843,000	2,203,000	1,640,000
1883 ...	2,050,000	1,218,000	3,268,000	1,518,000	1,750,000
1884 ...	2,966,000	1,595,000	4,561,000	284,040	4,276,960
1885 ...	2,972,000	1,486,000	4,458,000	3,012,000	1,446,000
1886 ...	2,920,500	1,708,000	4,628,500	2,187,000	2,441,500
1887 ...	2,887,800	2,069,000	4,956,800	202,000	4,754,800
1888 ...	2,830,000	2,187,000	5,017,000	3,535,000	1,482,000
Total ...	34,993,900	22,567,000	57,560,900	31,563,040	25,997,860†

Proportion
of Aus-
tralian
coinage
sent to
Bank of
England.

676. It will be noticed that in the fourteen years named in the table more than half the gold coin issued from the Australian Mints found its way to the Bank of England; also, that the value of Australian coinage received at the Bank of England exceeded that struck

* The minus sign (—) indicates that the value of Australian gold coinage received at the Bank of England exceeded that struck in the year by the amount against which it is placed.
† Net figures.

in 1877, but in no other year. The smallest quantity was received in 1887, in which year in consequence of the large amount of English money which for some time previously had been in course of remittance to Australia for investment, the coined gold was necessarily retained in the colonies for purposes of exchange. The next smallest amount received at the Bank of England was in 1884; indeed so great was the demand for gold in Australia at that time, that in the early part of the year over a million sterling was actually shipped from London to Australia.* This circumstance, at the time, created much surprise, and has received various explanations, but there is very little doubt that the chief cause was the extensive borrowings of the Australasian colonies during the two years 1883 and 1884; for whilst at the end of 1882, the aggregate public debt of the Australasian colonies was about 99¼ millions, nearly 10 millions was added thereto in 1883, and a further sum of 17¼ millions in 1884, thus swelling the debt by the end of 1884 to 126 millions.

677. Herr Soetbeer, a distinguished German economist, has estimated as follows the total value—to which has been added the value per head—of the gold and silver employed as circulating medium in the various countries named at the end of 1885†:—

Value of
coinage in
various
countries.

APPROXIMATE VALUE ‡ OF GOLD AND SILVER COIN IN THE
CIVILIZED COUNTRIES OF THE WORLD, 1885.

Country.	Gold.				Silver.				Total Gold and Silver per Head.		
	Total Millions.	Amount per Head.			Total Millions.	Amount per Head.					
	£	£	s.	d.	£	£	s.	d.	£	s.	d.
England § ...	111,	3	1	8	22,	0	12	3	3	13	11
British Colonies (without India)	34,	2	8	7	3,	0	4	3	2	12	10
Holland ...	4,	1	0	0	13,	3	5	0	4	5	0
France, Italy, Belgium, Switzerland	210,	2	14	7	160,	2	1	7	4	16	2
Austria-Hungary ...	8,	0	3	11	19,	0	9	3	0	13	2
Germany ...	87,	1	15	6	45,	0	18	4	2	13	10
Sweden and Norway ...	6,	0	17	2	2,	0	5	9	1	2	11
Russia || ...	39,	0	8	10	14,	0	3	2	0	12	0
United States ...	123,	2	3	11	65,	1	3	3	3	7	2
Other countries in Europe and America	47,	...			50,	...			...
Total ...	669,	...			393,	...			...

* Of this amount £400,000 was for the Union Bank, Melbourne. It is believed the remainder went to the other colonies.

† See *L'Almanach de Gotha*, 1887, page 1068.

‡ Value given in marks, which have been converted into English money on the assumption that a mark is equal to one shilling.

§ It is presumed that Wales, Scotland, and Ireland are included.

|| The calculations have been based on the population of Russia in Europe.

Gold and silver circulating in United Kingdom. 678. The total value of gold and silver money circulating in the civilized countries of the world is thus estimated to be 1,062 millions sterling, of which about 12½ per cent., viz., 16⅔ per cent. of the gold and 5½ per cent. of the silver circulates in the United Kingdom.

Gold and silver coins used in manufactures. 679. There is no doubt that in every country a considerable quantity of gold and some silver coins are withdrawn from circulation for use in manufactures. From inquiries made by Mr. Kimball, Director of the United States Mint,* it appears that in 1885, 25 per cent. of the gold and nearly 3 per cent. of the silver objects made in the United States were manufactured from coins of that country, and that 1½ per cent. of the gold and 1⅓ per cent. of the silver objects were manufactured from coins of other countries.

Quantity of gold and silver used in arts, etc. 680. The following is Dr. Soetbeer's estimate of the annual consumption of the precious metals in arts and manufactures by the various civilized nations of the world†:—

GOLD AND SILVER USED IN ARTS, ETC., IN VARIOUS COUNTRIES.

Countries.				Average Annual Consumption for Art purposes of—	
				Gold.	Silver.
				Oz.	Oz.
United Kingdom	...	...	...	643,000	2,893,500
France	...	...	...	675,150	3,215,000
Germany	...	...	...	472,605	3,215,000
Austria-Hungary	...	...	...	93,235	1,286,000
Switzerland	...	...	...	482,250	1,028,000
Italy	...	...	...	192,900	803,750
Russia	...	...	...	96,450	1,286,000
United States	...	...	...	482,250	3,858,000
Other civilized countries	...	...	...	160,750	1,703,950
Total	...	...	...	3,298,590	19,289,200

Value of gold and silver used in arts, etc. 681. If Dr. Soetbeer's estimate be correct, the gold used in arts and manufactures by the civilized nations of the world would amount in value, at £4 per oz., to £13,194,360, or at £3 15s. per oz., to £12,369,712 annually; and the silver so used, at 4s. per oz., would amount in value to £3,857,840, or at 3s. 6d. per oz., to £3,375,610 annually.

Silver sold from Melbourne Mint. 682. The silver sold by the Melbourne Mint in 1888 to silversmiths and others was 35,951 oz., as against 27,813 oz. in 1887.‡ Owing to the depreciation of silver, it is probable that but little silver coin is now melted for use in the arts and manufactures.

* Report for 1886, page 58.
† *Verwendung des Goldes und Silbers.* Jena, 1881.
‡ See Mint Report, 1888, page 83.

683. During 1888 there were 13 banks of issue in Victoria, possessing therein 492 branches or agencies. There were 12 banks of issue in the colony in 1883, but 13 in 1878. Number of banks.

684. The position of the banks as regards liabilities, assets, capital, and profits, according to the sworn returns for the last quarter of the same three years, was as follows:— Liabilities, assets, etc., of banks.

FINANCIAL POSITION OF BANKS, 1878, 1883, AND 1888.

	1878.	1883.	1888.
LIABILITIES.	£	£	£
Notes in circulation ...	1,281,134	1,426,686	1,728,032
Bills in circulation ...	60,133	50,205	121,637
Balances due to other banks ...	268,019	320,649	329,083
Deposits* not bearing interest ...	4,602,578	5,995,543	11,177,705
„ bearing interest ...	11,504,003	18,063,626	26,393,133
Total ...	17,715,867	25,856,709	39,749,590
ASSETS.			
Coined gold, silver, and other metals	2,094,739	2,984,857	5,260,915
Gold and silver in bullion and bars ...	293,233	260,615	343,182
Landed property ...	872,079	988,215	1,581,854
Notes and bills of other banks ...	137,812	134,282	270,648
Balances due from other banks ...	267,993	380,401	329,229
Debts due to the banks † ...	22,430,329	26,994,137	45,325,559
Total ...	26,096,185	31,742,507	53,111,387
CAPITAL AND PROFITS.			
Capital stock paid up ...	9,188,653	9,597,750	10,461,850
Average rate per annum of last dividend declared	11·533 per cent.	11·273 per cent.	12·171 per cent.
Amount of last dividend declared ...	529,856	540,982	636,665
Amount of reserved profits after declaring dividend	2,950,743	3,233,073	5,507,689

685. It will be observed that the shareholders' capital (including reserves) amounted in 1888 to close upon 16 millions, having increased by £3,800,000, or something less than a third since 1878. The total liabilities show an increase of 22 millions—or 124 per cent.—since 1878, or of nearly 14 millions—or 54 per cent.—since 1883; whilst the total assets increased by 27 millions—or 103 per cent.—since 1878, and by 21½ millions—or 67 per cent.—since 1883. This expansion in banking business has been greater than that of the population, which, during the ten years ended with 1888, increased by Liabilities, assets, etc., compared at three periods.

* Including Government deposits, the amount of which was not returned in 1878, but in 1883 consisted of £513,736 not bearing interest, and £61,322 bearing interest; and in 1888 of £113,718 not bearing interest, and £2,445,984 bearing interest.

† Including notes, bills of exchange, and all stock and funded debts of every description, except notes, bills, and balances due to the banks from other banks.

only 24 per cent. Of the liabilities, the notes and bills in circulation have increased 38 per cent. since 1878, and 25 per cent. since 1883, and this, notwithstanding the former have been restricted by a Government tax and other charges, which are said to average as much as $3\frac{1}{2}$ per cent.,* whilst the deposits, which compose 94 per cent. of the total liabilities, have increased by 22 millions in the last ten, and by nearly 14 millions in the last five years, and now amount to $37\frac{1}{2}$ millions. Under the head of assets it will be noticed that in 1888 the banks had $5\frac{3}{5}$ millions sterling in coin and bullion—which, although less by nearly $1\frac{1}{4}$ million than in 1887,† was greater by over $2\frac{1}{3}$ millions than in 1883, and by nearly $3\frac{1}{4}$ millions than in 1878; the landed property also represented over $1\frac{1}{2}$ million sterling, showing an increase of nearly £600,000 since 1883, or of £710,000 since 1878; but the most important item of all, the advances (debts due to the banks), which embrace 85 per cent. of the total assets, shows a marked and rapid advance of recent years; since 1878 the advances have increased by nearly 23 millions, and since 1883 by $18\frac{1}{3}$ millions; and in 1888 they amounted to no less than $45\frac{1}{3}$ millions sterling.‡ It will be observed that, in 1888, the advances exceeded the deposits by about $7\frac{3}{4}$ millions as against an excess of 3 millions in 1883 and $6\frac{1}{2}$ millions in 1878. The average rate of last dividend in 1888 (£12 3s. 5d. per £100) was considerably higher than at either of the former periods. This dividend, it may be remarked, varied in different banks in 1888 from 7 to $17\frac{1}{2}$ per cent.

Percentage
of items of
liabilities
and assets.

686. The following table shows the proportion of each item of the liabilities to the total liabilities, and of each item of the assets to the total assets, of the banks at the same periods :—

LIABILITIES AND ASSETS OF BANKS.—PERCENTAGE OF ITEMS.

—	1878.	1883.	1888.
LIABILITIES.			
Notes in circulation	7·23	5·52	4·35
Bills in circulation	·34	·19	·30
Balance due to other banks ...	1·51	1·24	·83
Deposits not bearing interest § ...	25·98	23·19	28·12
„ bearing interest § ...	64·94	69·86	66·40
Total	100·00	100·00	100·00

* Including a tax on bank notes of 2 per cent. per annum payable to the general revenue. See *Australasian Insurance and Banking Record* for May, 1884, p. 191 : McCarron, Bird, and Co., 37 Flinders-lane west.

† See paragraph 689 *post*.

‡ See also paragraph 690 *post*.

§ In 1888, the proportion of Government deposits not bearing interest to the total liabilities was only one-quarter per cent., and the proportion of those bearing interest was only about 2 per cent.

LIABILITIES AND ASSETS OF BANKS.—PERCENTAGE OF
ITEMS—*continued*.

	1878.	1883.	1888.
ASSETS.			
Coined gold, silver and other metals	8·03	9·40	9·90
Gold and silver in bullion or bars	1·12	·82	·65
Landed property ...	3·34	3·09	2·98
Notes and bills of other banks ...	·53	·42	·51
Balance due from other banks ...	1·03	1·20	·62
Debts due to the banks ...	85·95	85·07	85·34
Total ...	100·00	100·00	100·00

687. The following results are arrived at by analyzing the bank returns at the three periods:—

Analysis of
bank
returns.

The liabilities amounted to ...	{	67·89 per cent of the assets in 1878	
		81·46 " " 1883	
		74·84 " " 1888	
Coin and bullion formed ...	{	9·15 per cent. of the assets in 1878	
		10·22 " " 1883	
		10·55 " " 1888	
The paid-up capital was equal to	{	35·21 per cent. of the assets in 1878	
		30·24 " " 1883	
		19·70 " " 1888	
		51·87 per cent. of the liabilities in 1878	
		37·12 " " 1883	
		26·32 " " 1888	
Of the moneys deposited ...	{	71·42 per cent. bore interest in 1878	
		75·08 " " 1883	
		70·25 " " 1888	

688. It will be observed that in 1888, the liabilities bore a lower proportion to the assets than in 1883, but a much higher proportion than in 1878; that coin and bullion bore a slightly larger proportion to the assets than in 1883, and a much larger one than in 1878; that the paid-up capital, which was formerly equal to over one-third of the assets, and rather more than half of the liabilities, was, in 1888, equal to only one-fifth of the assets and little more than one-fourth of the liabilities; and that of the moneys deposited a smaller proportion bore interest at the last period than at the two previous periods.

Former
periods
and 1888
compared.

689. In 1888, as compared with the previous year, the coin and bullion held by the banks fell off by nearly $1\frac{1}{4}$ million sterling; the quantity in 1887, however, was the largest ever held, and the quantity in 1888 was only exceeded in that year. The following figures show the value of coin and bullion held by the Victorian banks in the last quarter of 1888, and of each of the previous twelve years:—

Coin and
bullion in
banks.

COIN AND BULLION HELD BY BANKS, 1876 TO 1888.

(Average of the last quarter of each year.)

£			£				
1876	3,519,377	1883	...	...	3,245,472
1877	2,438,657	1884	...	...	5,014,749
1878	2,387,972	1885	...	...	4,230,618
1879	3,475,345	1886	...	...	4,932,940
1880	3,854,635	1887	...	...	6,838,719
1881	3,008,491	1888	...	...	5,604,097
1882	3,201,733				

Deposits and
advances of
banks.

690. In all the years the bank advances exceeded the moneys on deposit. The maximum of excess, viz., over 7½ millions, was reached in 1888; the next largest excess being in 1878, or just a year or two before the great commercial depression of 1879-80, when advances were restricted to such an extent that their excess over the deposits fell in two years from over 6 millions to only £66,000. Since 1880, except in the year under review, the excess was never so great as it was prior to that year. This is shown by the figures in the following table:—

DEPOSITS IN AND ADVANCES BY BANKS, 1876 TO 1888.

(Average of the last quarter of each year.)

Year.	Deposits.			Advances.	Excess of Advances over Deposits.
	Government.*	Other.	Total.		
	£	£	£	£	£
1876
1877
1878
1879
1880
1881
1882
1883
1884
1885
1886
1887
1888

Rates of
exchange.

691. Subjoined are the average rates of exchange for bank bills drawn on the following places in 1888, and in the first year of each of

* The figures in this column, for years prior to 1883, represent the amounts at the end of the year. The figures of 1883 and subsequent years represent, like the other figures in the table, the average amounts during the last quarter of the year.

† Excluding an advance of £2,000,000 obtained from the contracting banks on account of a new loan of £4,000,000, floated in 1883 under the *Railway Loan Act 1881* (45 Vict. No. 717).

the two previous quinquennia. Those upon London are drawn at sixty days' sight, and those upon the neighbouring colonies at sight:—

RATES OF EXCHANGE, 1878, 1883, AND 1888.

Places on which Bills were drawn.	Average Rates of Exchange.		
	1878.	1883.	1888.
London	13s. 9d. to 16s. 5½d. per cent. premium	¼ to ¾ per cent. premium	⅔ to ⅞ per cent. premium
British India ..	5 per cent. premium, 2s. per rupee	..	..
New South Wales..	¼ per cent. premium	¼ per cent. premium	¼ per cent. premium
Queensland ..	½ to 1 per cent. premium	½ to 1 per cent. premium	½ to 1 per cent. premium
South Australia ..	¼ to ½ per cent. premium	¼ to ½ per cent. premium	¼ per cent. premium
Tasmania ..	¼ to ½ per cent. premium	¼ to ½ per cent. premium	¼ to ½ per cent. premium
New Zealand ..	⅓ to ½ per cent. premium	¼ to ½ per cent. premium	¼ to ½ per cent. premium

692. The average rates of discount on local bills were decidedly lower at the last than at either of the former periods, as will be seen by the following figures:—

Rates of discount.

RATES OF DISCOUNT ON LOCAL BILLS, 1878, 1883, AND 1888.

Currency of Bills.	Average Rates of Discount per Annum.		
	1878.	1883.	1888.
	Per Cent.	Per Cent.	Per Cent.
Under 65 days	7 to 8	7 to 7½	5½ to 7
65 to 95 „	7 to 8	7 to 8	5½ to 8
95 to 125 „	8 to 9	8 to 9	6 to 8
Over 125 „	9 to 10	8 to 10	7 to 9

693. For overdrafts, the bank rate was 8 per cent. during 1888 until the last month of that year when it was raised to 9 per cent. The rates prevailing during the first nine months of 1889 ranged from 8 to 9 per cent. In the five years ended with 1887 the average rate was 9 per cent.

Interest on overdrafts.

694. According to the *Bankers' Magazine*,* the average Bank of England rate of discount—by which all financial operations are ruled—was as follows, during the first and second half of each of the ten years ended with 1888:—

Bank of England rate of discount.

* Waterlow and Sons, London.

AVERAGE BANK OF ENGLAND RATE OF DISCOUNT, 1879-1888.

Year.	January to June.	July to December.	Average for the Year.
	£ s. d.	£ s. d.	£ s. d.
1879	2 14 6	2 6 1	2 10 3
1880	2 19 2	2 11 2	2 15 2
1881	2 18 5	4 0 5	3 9 6
1882	3 19 0	4 6 3	4 2 8
1883	3 14 3	3 8 10	3 11 6
1884	2 16 4	3 2 4	2 19 4
1885	3 9 7	2 7 1	2 18 2
1886	2 12 6	3 9 7	3 1 2
1887	3 4 1	3 9 7	3 6 11
1888	2 12 0	3 19 6	3 6 4
Average ...	3 2 0	3 6 1	3 4 1

Rates of interest on bank deposits.

695. The rates of interest allowed on moneys deposited with the principal Victorian banks for a period of 12 months ranged from 5½ to 6½ per cent. in 1878, remained at 6 per cent. in 1883, and stood at 4 per cent. during the first 9 months and at 5 per cent. during the remaining 3 months of 1888. It may be mentioned that the rate on deposits for 6 months is usually 1 per cent. lower than that for 12 months, and the rate for 3 months 1 per cent. lower than that for 6 months. As a rule, no interest is allowed on deposits at call.*

Fluctuation in rate or interest on deposits.

696. In 1887 and the first nine months of 1888 extensive speculations took place in land, mining, and other securities, but these, which had no doubt been partly induced by the cheapness of money—only 4 per cent. being allowed by the banks on deposits for 12 months—were suddenly checked in October of the latter year by the rate being raised to 5 per cent. The 4 per cent. rate lasted for 14 months, that being the only period since 1882 in which the rate had been below 5 per cent. From the time of the rate being raised to that of going to press (September, 1889) the rate has stood at 5 per cent. According to the *Australasian Insurance and Banking Record*, the following are the periods at which the changes in the rate of interest allowed by the banks on deposits are reported to have taken place since August, 1880 :—

* One or two of the smaller banks allow from ½ to 1 per cent. above the rates quoted, and allow also interest on current accounts and deposits at call.

**BANK RATE OF INTEREST ON DEPOSITS* FOR TWELVE MONTHS,
1880 TO 1889.**

Date of Alteration.	Duration of Rate. (Months.)	Rate.
From August, 1880 †	6	4 per cent.
„ February, 1881	9	3 „
„ November, 1881	9	4 „
„ August, 1882 ...	3	5 „
„ November, 1882	1	5½ „
„ December, 1882	19	6 „
„ July 8th, 1884	½	5½ „
„ July 25th, 1884	23	5 „
„ June 22nd, 1886	7	6 „
„ January 17th, 1887	7	5 „
„ August 12th, 1887	14	4 „
„ October 22nd, 1888	...	5 „ ‡

697. The average annual rates of interest for “deposits at notice” given by the London joint stock banks are thus quoted for the seven years ended with 1888 :—

Rates of interest on bank deposits in London.

INTEREST PER £100 DEPOSITED IN LONDON BANKS.

	£	s.	d.		£	s.	d.
1882 ...	2	14	0	1886 ...	1	12	11
1883 ...	2	10	10	1887 ...	1	19	6
1884 ...	1	17	10	1888 ...	1	18	0
1885 ...	1	17	2				

698. The following are the proportions which the Government deposits bore to the total amounts on deposit with the Victorian banks during each of the twelve years ended with 1888. Until 1883, the proportions are based upon the amount of Government deposits at the end of the year, but, on and after 1883, upon the average amount during the last quarter of the year :—

Proportion of Government moneys with the banks.

**PROPORTIONS OF GOVERNMENT MONEYS TO ALL BANK DEPOSITS,
1877 TO 1888.§**

	Per Cent.		Per Cent.
1877 ...	6·96	1883 ...	2·39
1878 ...	2·62	1884 ...	7·56
1879 ...	6·82	1885 ...	7·41
1880 ...	10·87	1886 ...	6·48
1881 ...	11·68	1887 ...	8·24
1882 ...	4·03	1888 ...	6·81

699. The particulars contained in the following table respecting the assets and liabilities of the banks in each of the Australasian

Banks in Australasian colonies, 1889.

* One or two of the smaller banks allow from ½ to 1 per cent. above the rates quoted.

† Immediately prior to this date, 5 per cent.

‡ Prevailing up to end of September, 1889.

§ For figures on which these proportions were based see table following paragraph 690 ante.

colonies at the end of the first quarter of the present year have, in the absence of official information, been taken from the *Australasian Insurance and Banking Record*.* The care habitually exercised by the proprietors and writers of this publication to procure accurate information, and state it correctly, leaves no reason for doubt as to the substantial reliability of the figures:—

BANKS IN AUSTRALASIAN COLONIES, 1889.

(Compiled from the Averages of the Quarter ended 31st March, 1889.)

Colony.	Number of Banks.	Liabilities.				
		Notes in Circulation.	Bills in Circulation	Balances due to other Banks.	Deposits. †	Total.
		£	£	£	£	£
Victoria ...	16	1,678,401	125,213	256,996	38,053,020	40,113,630
New South Wales	17	1,547,623	91,780	212,616	32,320,439	34,172,458
Queensland ...	11	674,718	27,889	113,293	11,299,232	12,115,132
South Australia ...	10	440,573	13,319	80,969	6,295,398	6,830,259
Western Australia	4	52,681	3,461	4,851	816,697	877,690
Tasmania ...	5	153,634	90,609	13,939	3,457,231	3,715,413
New Zealand ...	6	872,673	47,579	29,907	11,310,326	12,260,485
Total ...	69	5,420,303	399,850	712,571	103,552,343	110,085,067

Colony.	Assets.				
	Coin and Bullion.	Landed Property.	Notes and Bills of other Banks.	Balances due from other Banks.	All Debts due to Banks. ‡
	£	£	£	£	£
Victoria ...	6,122,188	1,610,222	252,586	417,347	46,839,046
New South Wales	5,092,264	1,450,445	272,012	2,283,658§	38,513,125
Queensland ...	2,206,014	654,266	19,947	142,935	17,561,819
South Australia ...	1,514,926	428,975	37,152	292,453	8,528,281
Western Australia	289,574	82,246	3,692	5,267	1,313,919
Tasmania ...	608,456	110,980	...	124,966	3,108,118
New Zealand ...	2,225,666	544,381	36,444	111,560	14,709,149
Total ...	18,059,088	4,881,515	621,833	3,378,186	130,573,457

* Record for May, 1889, page 336.

† Including Government deposits, which in Victoria amounted to £2,896,990, in Queensland to £387,908, in South Australia to £429,521, and in New Zealand to £387,908.

‡ Including Government securities, which in New South Wales amounted to £857,816, in Queensland to £19,075, in South Australia to £20,400, in Western Australia to £7,500, in Tasmania to £199,734, and in New Zealand to £401,467. If any Government securities were held by the Victorian banks they were not distinguished in the returns.

§ This amount probably includes capital lent by the New South Wales banks to their own branches outside the colony.

700. It will be noticed that both the bank liabilities and the bank assets are smaller in New South Wales than in Victoria, notwithstanding the fact that in New South Wales the bank assets include the large amount of £2,283,000 as due from other banks, which, in addition to sums due from independent institutions, is said to embrace capital lent to their own branches outside the colony, the latter being an item which is not considered as forming part of the assets of the banks in the other colonies.

701. In Tasmania the assets of the banks only slightly exceed the liabilities, but in all the other colonies they are considerably in excess. In Victoria the liabilities amount to 73 per cent. of the assets, which is a higher proportion than obtains in any of the other colonies except Tasmania. The following are the positions of the colonies in respect to the proportion the bank liabilities bear to the bank assets, the colony in which the former are least in proportion to the latter being placed first and the rest in succession, the figures showing the percentage of liabilities to assets being placed against each colony:—

PROPORTION OF LIABILITIES TO ASSETS OF BANKS OF AUSTRALASIAN COLONIES, 31ST MARCH, 1889.

	Per Cent.		Per Cent.
1. Western Australia ...	51·79	5. New South Wales ...	71·77
2. Queensland ...	58·85	6. Victoria ...	72·62
3. South Australia ...	63·23	7. Tasmania ...	94·00
4. New Zealand ...	69·55		

702. Coin and bullion in 1889 bore a higher proportion to the total assets of the banks in Victoria than they did to those in Queensland or New South Wales, but a lower proportion than that borne in the other four colonies. In 1888, Victoria stood also higher than New Zealand in this respect. The following is the order of the colonies in reference to this matter about the middle of 1889:—

PROPORTION OF COIN AND BULLION TO ASSETS OF BANKS IN AUSTRALASIAN COLONIES, 31ST MARCH, 1889.

	Per Cent.		Per Cent.
1. Western Australia ...	17·09	5. Victoria ...	11·08
2. Tasmania ...	15·39	6. Queensland ...	10·72
3. South Australia ...	14·02	7. New South Wales ...	10·70
4. New Zealand ...	12·63		

703. In his evidence before a Royal Commission on banking laws appointed in February, 1887,* Mr. J. F. McMullen, a Victorian banker of great experience, and at the time general manager of the Union Bank of Australasia, gave it as his opinion that every bank

* See *Victorian Year-Book*, 1886-7, page 500; also Parliamentary Paper No. 65, Session 1887.

ought to possess a metallic reserve equal to three shillings in the pound (15 per cent.) of its liabilities. By the following figures it is shown that on the 31st March, 1889, this proportion was exceeded in all the Australasian colonies, except New South Wales, where it was a fraction lower; also that the average for the whole of Australasia was 16½ per cent., or about 3s. 3¼d. in the pound :—

PROPORTION OF COIN AND BULLION TO LIABILITIES OF BANKS
IN AUSTRALASIAN COLONIES, 31ST MARCH, 1889.

	Per Cent.		Per Cent.
1. Western Australia ...	32·99	6. Victoria ...	15·26
2. South Australia ...	22·18	7. New South Wales ...	14·90
3. Queensland ...	18·21		
4. New Zealand ...	18·15	Australasia ...	16·40
5. Tasmania ...	16·38		

Austral-
asian
banks' de-
posits not
bearing and
bearing
interest.

704. The deposits quoted in the last table may be divided into those bearing and those not bearing interest, except in the case of Tasmania, respecting which colony the necessary information is not given. The following is a statement of the division referred to :—

DEPOSITS IN BANKS IN AUSTRALASIAN COLONIES * NOT BEARING AND
BEARING INTEREST.

(Average during the Quarter ended 31st March, 1889.)

Colony.	Amount of Deposits. †		Proportion of Deposits.	
	Not Bearing Interest.	Bearing Interest.	Not Bearing Interest.	Bearing Interest.
	£	£	Per Cent.	Per Cent.
Victoria ...	10,612,909	27,440,111	27·89	72·11
New South Wales ...	10,225,821	22,094,618	31·64	68·36
Queensland ...	3,252,292	8,046,940	28·78	71·22
South Australia ...	1,771,344	4,524,054	28·14	71·86
Western Australia ...	348,240	468,457	42·64	57·36
New Zealand ...	3,374,435	7,935,891	29·84	70·16

Proportion
of interest
bearing de-
posits in
Austral-
asian banks.

705. It will be seen that between two-thirds and three-fourths of the bank deposits are interest-bearing in all the colonies except Western Australia, in which between a half and two-thirds of the deposits bear interest.

Capital and
profits of
Austral-
asian banks.

706. The following statement, taken from the *Australasian Insurance and Banking Record*,‡ shows the capital and profits of the

* Exclusive of Tasmania.
† Including Government deposits, amounting in Victoria to £2,896,990, of which £194,825 did not bear, and £2,702,165 bore interest; in Queensland to £387,908, all bearing interest; in South Australia to £429,521, of which £108,604 did not bear, and £320,917 bore interest; and in New Zealand to £387,908, all of which bore interest.
‡ *Record* for April, 1887, page 218; March, 1888, page 139; and March, 1889, page 150.

banks of issue carrying on business in the Australasian colonies, according to the sworn averages of the quarter ended 31st December of the last three years :—

CAPITAL AND PROFITS OF BANKS IN AUSTRALASIAN COLONIES,
1886 to 1888.

	1886.	1887.	1888.
	£	£	£
Capital paid up ...	15,235,831	15,866,162	16,609,852
Amount of reserved profits at declaration of dividend	7,692,175	7,974,382	8,003,679
Capital and reserved profits ...	22,928,006	23,840,544	24,613,531
Amount of last dividend declared (half-year)	910,050	880,350	934,323
Average per cent. per annum of dividend on paid-up capital	11·94	11·10	11·25

707. In the quarter ended June, 1888, the circulation of bank notes ranged from £1 18s. 3d. per head in Queensland to £1 0s. 10d. per head in Tasmania; the proportion in Victoria being £1 11s. 8d., and in the whole of Australasia £1 10s. 6d. The following are the figures for the different colonies :—

Note circulation in Australasian colonies.

BANK NOTE CIRCULATION IN AUSTRALASIAN COLONIES, 1888.

Colony.	Estimated Population on 31st December.	Quarter ended 31st December, 1888.	
		Bank Note Circulation.	
		Total.	Per Head of Population.
		£	£ s. d.
1. Queensland ...	387,463	740,919	1 18 3
2. Victoria ...	1,090,869	1,728,033	1 11 8
3. New South Wales ...	1,085,356	1,634,255	1 10 1
4. New Zealand ...	607,380	865,512	1 8 6
5. South Australia ...	313,065	431,448	1 7 7
6. Western Australia ...	42,137	54,804	1 6 0
7. Tasmania ...	146,149	152,321	1 0 10
Australasia ...	3,672,419	5,607,292	1 10 6

708. At the end of 1888 the average note circulation was only 18s. 5d. per head in England and Wales, whereas it was as high as £1 9s. 7d. in Scotland and £1 9s. 5d. in Ireland. In the United Kingdom, as a whole, the paper currency exceeded 39 millions sterling, the proportion per head being £1 1s. It will be remembered that whilst the lowest denomination of bank notes in England and Wales is five pounds, in Scotland and Ireland, as in the Australasian colonies, it is one pound :—

Note circulation in the United Kingdom.

BANK NOTE CIRCULATION IN THE UNITED KINGDOM, 1888.

Division.	Estimated Population, (000's omitted.)	Bank Note Circulation, 31st December.	
		Total. (000's omitted.)	Per Head of Population.
England and Wales ...	28,629,	£ 26,332,	£ s. d. 0 18 5
Scotland ...	4,034,	5,971,	1 9 7
Ireland ...	4,791,	7,048,	1 9 5
United Kingdom ...	37,454,	39,351,	1 1 0

Savings
banks.

709. Two kinds of savings banks exist in Victoria, the General Savings Banks, which were first established in 1842, and the Post Office Savings Banks, which were established in 1865. The following figures show the number of institutions, the number of depositors having accounts at the last dates of balancing in 1888, and the total and average amount of depositors' balances at such dates* :—

SAVINGS BANKS, 1888.

Description of Institution.	Number of Savings Banks.	Number of Depositors.	Amount remaining on Deposit.	
			Total.	Average to each Depositor.
Post Office Savings Banks ...	300	93,168	£ 1,763,262	£ s. d. 18 18 6
General Savings Banks ...	16	144,265	2,906,279	20 2 11
Total ...	316	237,433	4,669,541	19 13 4

Savings
banks, 1872
to 1888.

710. In the seventeen years, 1872 to 1888, the number of depositors in savings banks has increased nearly fourfold. For several years prior to 1880 the amount standing to the credit of the depositors had been tolerably uniform, but since then a steady increase has taken place, and by 1888 it had risen to over 4½ millions sterling, or £973,000 more than in the previous year, and nearly three times the amount in 1880. The average amount to each depositor was highest in 1872 and lowest in 1887, the proportion of the latter being £1 15s. 6d. less than in the year under review. The following is a statement of the number of depositors and the amount remaining on deposit during the period referred to :—

* The financial year of the Post Office Savings Banks terminates on the 31st December, that of the Ordinary Savings Banks on the 30th June.

SAVINGS BANKS, 1872 TO 1888.

Year.			Number of Depositors.	Amount remaining on Deposit.	
				Total.	Average to each Depositor.
				£	£ s. d.
1872	...	...	52,749	1,405,738	26 13 0
1873	...	...	58,547	1,498,618	25 11 11
1874	...	...	64,014	1,617,301	25 5 3
1875	...	...	65,837	1,469,849	22 6 6
1876	...	...	69,027	1,507,235	21 16 9
1877	...	...	73,245	1,575,305	21 10 2
1878	...	...	76,696	1,510,273	19 13 7
1879	...	...	82,941	1,520,296	18 6 7
1880	...	...	92,115	1,661,409	18 0 9
1881	...	...	107,282	2,569,438	23 19 0
1882	...	...	122,584	3,121,246	25 9 3
1883	...	...	136,087	2,818,122	20 14 2
1884	...	...	152,342	2,981,083	19 11 4
1885	...	...	170,014	3,337,018	19 12 7
1886	...	...	189,359	3,589,916	18 19 2
1887	...	...	206,596	3,696,699	17 17 10
1888	...	...	237,433	4,669,541	19 13 4

711. The highest rate of interest savings banks are permitted to give on moneys left on deposit is 4 per cent., which rate was paid in all the years. Interest is allowed on the minimum monthly balance, but not on any amounts which do not remain in the savings banks for a full month. Rate of interest in savings banks.

712. In the General Savings Banks, the male depositors in 1888 numbered 82,166, and the female depositors 62,099, or about 76 of the latter to 100 of the former. In the general population the proportion of females per 100 males is between 88 and 89, so that relatively to their respective numbers females do not appear to use the savings banks as much as males. Male and female depositors.

713. Nearly four-fifths of the depositors in savings banks have less than £20 to their credit, and over a tenth have between £20 and £50. Small Depositors.

714. The depositors and deposits in the savings banks of Melbourne and suburbs amount to rather over three-fifths of the whole. Savings banks in Melbourne.

715. The following is a statement of the number of depositors and their proportion to population, also the total and average amount standing to their credit, in the savings banks of the various Australasian colonies at the end of 1888:— Savings banks in Australasian colonies.

SAVINGS BANKS IN AUSTRALASIAN COLONIES, 1888.

(Including both General and Post Office Savings Banks.)

Colony.	Number of Depositors.		Amount remaining on Deposit.		
	Total.	Per 100 of Population.	Total.	Average to each Depositor.	
			£	£	s. d.
Victoria* ...	247,425	22·68	4,881,198	19	14 7
New South Wales ...	128,297	11·82	4,037,675	31	9 5
Queensland ...	43,003	11·10	1,611,876	37	9 8
South Australia ...	62,365	19·59	1,759,592	28	4 3
Western Australia ...	3,096	7·35	30,808	9	19 0
Tasmania ...	23,090	15·80	469,928	20	7 0
New Zealand ...	103,046	16·96	2,691,693	26	2 5
Total ...	610,322	16·60	15,482,770	25	7 4

Rate of interest in Australasian saving banks.

716. In Victoria the rate of interest paid in both descriptions of savings banks is 4 per cent., as already stated, but the rate paid in the other Australasian colonies is often higher than in Victoria. Thus, in New South Wales, whilst the rate in the Post Office Savings Banks is 4 per cent. as in Victoria, that in the General Savings Banks is 5 per cent.; in Queensland, the rate is 5 per cent. on deposits below £100; in South Australia it is also 5 per cent.; in Tasmania the rates are from 4½ to 5 per cent. in the General and 4½ per cent. in the Post Office Savings Banks; and in New Zealand they are 5 and 4½ per cent. respectively. On the other hand, the rate is only 3¾ per cent. in Western Australia.

Order of colonies in respect to proportion of depositors to population.

717. In proportion to population, the number of depositors is greatest in Victoria, and next in South Australia. The following is the order of the colonies in this respect:—

ORDER OF COLONIES IN REFERENCE TO PROPORTION OF DEPOSITORS IN SAVINGS BANKS TO POPULATION.

- | | |
|---------------------|-----------------------|
| 1. Victoria. | 5. New South Wales. |
| 2. South Australia. | 6. Queensland. |
| 3. New Zealand. | 7. Western Australia. |
| 4. Tasmania. | |

Order of colonies in respect to average amount of deposits.

718. Judged by the average amounts to the credit of depositors, the savings banks of Queensland, New South Wales, and South Australia appear to attract the larger capitalists in a greater degree

* These figures relate to the 31st December, both for General, and Post Office Savings Banks, and, therefore, differ slightly from the figures given in paragraphs 709 and 710 ante.

than any of the other colonies ; but those of Victoria, more than any other colony except Western Australia, appear rather to attract persons of small means, for whom savings banks are specially established. The following is the order of the colonies in reference to the average balance lying to the credit of each depositor :—

ORDER OF COLONIES IN REFERENCE TO AVERAGE BALANCE OF
DEPOSITORS IN SAVINGS BANKS.

1. Queensland.	5. Tasmania.
2. New South Wales.	6. Victoria.
3. South Australia.	7. Western Australia.
4. New Zealand.	

719. The amount lying to the credit of depositors in the savings banks of the United Kingdom at the end of 1887 was £101,236,287, of which £47,262,222 was in ordinary savings banks, and £53,974,065 in Post Office Savings Banks. The increase in the amount on deposit during the five years then ended was 21 per cent. The Chancellor of the Exchequer, the Right Honorable G. J. Goschen, in an address delivered by him at a meeting of the Royal Statistical Society of London, stated that the number of depositors in the savings banks at the end of 1886 was 5,322,225, and the amount on deposit £97,660,000, or an average of £18 7s. 0d. per depositor, or £2 12s. 9d. per head of population. Savings
banks of
United
Kingdom.

720. A return issued by the French Minister of Commerce shows that, at the end of 1884, there were 4,704,452 depositors in French savings banks, who had at their credit £81,011,200. In the previous twelve months the depositors had increased by 169,021, and the amount to the credit of depositors by £8,367,700 ; and in the last five years the former increased by 25 per cent., and the latter more than doubled. Savings
banks of
France.

721. The substance of the following table, which embodies the returns for 1887 and 1888 of the Life Assurance Companies whose head offices are in the Australasian colonies, has been taken from the *Australasian Insurance and Banking Record*.* It contains a summary of the results of twelve offices, one of which is the Government Life Insurance Department of New Zealand, the remainder being proprietary or mutual companies :— Life
assurance.

* "Record" for January, 1889, page 46.

LIFE ASSURANCE RETURNS OF AUSTRALASIAN COLONIES,
1887 AND 1888.

Particulars.	1887.	1888.	Increase (+) or Decrease (—)	
			Numerical.	Centesimal.
New Policies during the Year*—				
Assurances and endowments No.	34,537	30,427	—4,110	—11·90
„ amount assured £	9,668,764	8,588,948	—1,079,816	—11·17
Annuities† ... No.	45	49	+4	+8·89
„ amount per annum‡ £	1,893	2,205	+312	+16·48
Premiums, single ... £	19,924	30,755	+10,831	+54·36
„ annual ... £	315,964	282,986	—32,978	—10·44
Funds at beginning of the year £	9,921,038	11,153,022	+1,231,984	+12·42
Receipts—				
New premiums ... £	274,499	262,369	—12,130	—4·42
Renewal „ ... £	1,659,377	1,724,015	+64,638	+3·90
Consideration for annuities £	15,813	19,861	+4,048	+25·60
Interest ... £	630,228	700,447	+70,219	+11·14
Other ... £	1,987	74,435	+72,448	+3,646·10
Disbursements—				
Claims (with bonus additions) and endowments matured £	619,045	654,444	+35,399	+5·72
Surrenders‡ ... £	172,471	203,656	+31,185	+18·08
Annuities ... £	17,592	19,207	+1,615	+9·18
Bonuses and dividends ... £	63,875	79,382	+15,507	+24·28
Expenses ... £	476,959	446,960	—29,999	—6·29
Funds at the end of the year £	11,152,999	12,530,501	+1,377,502	+12·35

Receipts and
disburse-
ments.

722. The total receipts of these offices amounted to £2,581,904 in 1887, and to £2,781,127 in 1888, and the total disbursements to £1,350,443 and £1,403,649 respectively. The balance in favour of receipts thus amounted to £1,231,461 in the former and £1,377,478 in the latter year.

Working
expenses.

723. The working expenses of the same offices amounted to 17 $\frac{9}{10}$ per cent. in 1887 and to 16 per cent. in 1888 of the total receipts. In the former year they amounted to 23 $\frac{9}{10}$ per cent. and in the latter to 22 $\frac{1}{4}$ per cent. of the premium income.

Rate of
of interest
realized.

724. The average rate of interest realized in 1888 on the total funds standing to the credit of these institutions was 5·91 per cent., or slightly below the average of the previous seven years, which was a fraction over 6 per cent. The rates in those years were as follow:—

* One of the companies did not furnish this information. Mr. T. S. Robertson estimated the whole number of policies in force in Australian offices in 1884 at 150,000, assuring £12,000,000.—See his paper read before the Insurance Institute of Victoria, 10th September, 1884.

† Information incomplete.

‡ Information incomplete, but including surrenders, advances reduced by surrender, and endowment premiums returned.

RATES OF INTEREST REALIZED ON FUNDS OF AUSTRALASIAN LIFE ASSURANCE OFFICES.

	Per Cent.		Per Cent.
1881 ...	6.29	1885 ...	6.00
1882 ...	6.07	1886 ...	6.06
1883 ..	5.61	1887 ...	5.98
1884 ...	6.10	1888 ...	5.91

725. The following statement of the assets and liabilities of the life assurance offices in the last two years has been taken from the same authority* :—

Liabilities and assets of life offices.

LIABILITIES AND ASSETS OF AUSTRALASIAN LIFE ASSURANCE OFFICES, 1887 AND 1888.

	1887.	1888.	Increase. †
LIABILITIES.	£	£	£
Life, endowment, and annuity funds ...	11,129,731	12,435,583	+1,305,852
Investment fluctuation funds ...	25,445	100,562	+75,117
Paid-up capital ...	90,000	90,000	...
Reserve funds ...	139,000	141,000	+2,000
Deposits and interest ...	89,730	44,642	-45,088
Profit and loss balances ...	175,294	208,096	+32,802
Outstanding claims, annuities, and surrenders	153,914	174,325	+20,411
Outstanding accounts ...	58,137	104,075	+45,938
Total ...	11,861,251	13,298,283	+1,437,032
ASSETS.			
Mortgages ...	6,375,918	6,927,792	+551,874
Loans on policies and on personal security ...	1,795,625	2,126,956	+331,331
Government securities ...	1,018,671	1,262,731	+61,087
Debentures ...	182,973		
Shares ...	119,645	124,846	+5,201
Cash on deposit ...	665,611	850,622	+185,011
Cash on hand and on current account ...			
Freehold and leasehold property ...	1,294,542	1,546,393	+251,851
Agents' balances ...	26,427	25,364	-1,063
Outstanding premiums ...	211,746	223,793	+12,047
Outstanding and accrued interest ...	109,325	118,811	+9,486
Sundries ...	60,768	90,975	+30,207
Total ...	11,861,251	13,298,283	+1,437,032

726. The following is a statement of the capital and reserves of 33 fire and marine insurance companies doing business in Australasia in 1888 ‡:—

Capital of fire and marine insurance companies.

* *Australasian Insurance and Banking Record* for January, 1889, page 46.

† When the minus sign (—) occurs a decrease has taken place.

‡ The figures relating to these companies have been rearranged from figure statements contained in tables at page 435 of the *Insurance and Banking Record* for June, 1889.

**AUSTRALASIAN FIRE AND MARINE INSURANCE COMPANIES.—CAPITAL
AND RESERVES, 1888.**

Colony in which Head Office is situated.	Number of Companies.	Paid-up Capital.	Reserve Funds and Unappropriated Profits.	Total Paid-up Capital and Reserves.
		£	£	£
Victoria	9	287,216	513,030	800,246
New South Wales	11	224,351	289,887	514,238
South Australia	4	185,000	251,690	436,690
Tasmania	2	86,387	4,425	90,812
New Zealand	7	681,795	568,728	1,250,523
Total	33	1,464,749	1,627,760	3,092,509

Large proportion of capital in New Zealand companies.

727. It will be noticed that the amount of capital and reserves of the seven New Zealand companies is nearly equal to that of the 20 companies having their head offices in Victoria and New South Wales.

Profits of fire and marine insurance companies.

728. The profits, losses, dividends, etc., of the same companies in 1888 and 1887, and of 28 companies in 1886, were as follow:—

**PROFITS, ETC., OF AUSTRALASIAN FIRE AND MARINE INSURANCE
COMPANIES, 1886 TO 1888.**

Profits, Losses, Dividends, etc.	1886. (28 Companies.)	1887. (33 Companies.)	1888. (33 Companies.)
	£	£	£
Premiums, less reassurances and returns	1,433,527	1,421,017	1,474,821
Interest, rents, and fees	157,192	167,973	160,928
Total	1,590,719	1,588,990	1,635,749
Losses	1,032,477	958,492	966,895
Expenses and commission	413,471	405,447	415,150
Total	1,445,948	1,363,939	1,382,045
Net profits	144,771	225,051	253,704
Dividends paid	181,418	177,104	213,706
Proportion of losses and expenses to premium income	Per cent. 100·85	Per cent. 95·98	Per cent. 93·71

Dividends compared with profits of fire and marine companies.

729. The dividends paid exceeded the net profits by £36,647 in 1886; but the net profits exceeded the dividends paid by £47,947 in 1887, and by £39,998 in 1888. The losses and expenses exceeded the premium income by 85 per cent. in 1886; but they were less

than the premium income by 4·02 per cent. in 1887, and by 6·29 per cent. in 1888.

730. In the returns of 17 of these companies in 1886, and of 22 in 1887 and 1888, the premiums and losses on fire business were distinguished from those on marine business, with the following result:—

PREMIUMS, LOSSES, ETC., OF CERTAIN AUSTRALASIAN FIRE AND MARINE INSURANCE COMPANIES, 1886 TO 1888.

(Fire Business distinguished from Marine Business.)

Premiums, Losses, etc.	1886. (17 companies.)	1887. (22 companies.)	1888. (22 companies.)
FIRE ASSURANCE.	£	£	£
Premiums, less reassurances and returns	313,080	317,648	301,737
Losses	226,917	190,517	148,098
Premiums in excess of losses...	86,163	127,131	153,639
MARINE ASSURANCE.			
Premiums, less reassurances and returns	239,800	275,525	301,531
Losses	158,207	170,248	227,068
Premiums in excess of losses ...	81,593	105,277	74,463
FIRE AND MARINE ASSURANCE.			
Premiums in excess of losses (as above)	167,756	232,408	228,102
Interest, rents, and fees	75,111	109,135	106,586
Expenses and commission	242,867 165,298	341,543 177,171	334,688 169,894
Net profits	77,569	164,372	164,794

731. An Imperial Blue Book for 1884 contains the balance-sheets of 104 life assurance companies doing business in the United Kingdom, from which it is ascertained that during the year the receipts of these companies amounted to £21,857,000, of which £5,857,000 was from investments, £15,364,000 from premiums, and £636,000 from sales of annuities; and that their working expenses amounted to £3,000,000, or 13 per cent. of the receipts. Of the working expenses, £1,400,000 is set down to commissions, and £1,600,000 to management.

732. The following, according to the *Australasian Insurance and Banking Record*, were the prices in Melbourne of Victorian debentures payable thereat, and of Victorian stock, at the dates named * :—

* See also table following paragraph 350 ante.

PRICE OF VICTORIAN DEBENTURES AND STOCK IN MELBOURNE,
1888 AND 1889.

Interest.		Outstanding Debt.		Closing Price per £100.			
Rate per annum.	When payable.	Amount.	When due.	January.	April.	July.	October.
1888.							
6	April 1 and Oct. 1	130,000	1888	...	...	...	104
6	" "	276,100	1889	...	...	...	...
5	Jan. 1 and July 1	312,900	1894	105½	...	...	103-103½
4	April 1 and Oct. 1	802,264*	1897†	100-101½	100-101	100-102	101½-102½
Total ...		1,521,264					
1889.							
6	April 1 and Oct. 1	276,100	1889	103	103	103	...
5	Jan. 1 and July 1	312,900	1894	102-103	102-103	102-103	...
4	April 1 and Oct. 1	940,482*	1897†	100	100	100	...
Total ...		1,529,482					

NOTE.—See note to next table. The debentures of the late Melbourne and Hobson's Bay Railway Company are not included.

Price of
debentures
in London.

733. According to *Westgarth's Circular*, the following are the prices at four periods of 1888 and three periods of 1889 of debentures payable in London ‡; the lower price indicates that at or about which sales might be effected, and the higher that at which purchases might be made :—

PRICE OF VICTORIAN DEBENTURES IN LONDON, 1888 AND 1889.

Interest.		Outstanding Debentures and Stock.		Price per £100 Bond.			
Rate per annum.	When Payable.	Amount. §	When due.	January.	April.	July.	October.
1888.							
6	Jan. 1 & July 1	850,000	1891	105-107	107-109	105-107	105-107
5	" "	2,107,000	1894	106½-107½	109-111	107-109	107-109
4	" "	4,500,000	1899-1901	103½-104½	103-107	104-106	103-105
4½	" "	5,000,000	1904	109-111	113-115	109-111	110-112
4	" "	4,000,000	1907	108-109	112-113	110-112	110-112
4	April 1 & Oct. 1	2,000,000	1908	109-110	111-112	109-111	109½-110
4	" "	4,000,000	1913	109-110	111-112	110-112	109½-110
4	" "	4,000,000	1919	109-110	111-112	111½-111½	109½-110
4	Jan. 1 & July 1	6,000,000	1920	108-109	112-113	110½-110½	110½-110½
Total ...		32,457,000					

NOTE.—When the figures appear in a column and line wherein the month of the quotation and one of the months in which the interest is payable correspond, the price is exclusive of interest; in other cases the deduction of about a quarter's interest will give the net price.

* Government stock. The figures in the other lines represent debentures.

† Or at any time thereafter at option of Government.

‡ See also tables following paragraphs 350 and 366 *ante*.

§ The first four amounts in this column are debentures, and the subsequent amounts are stock, or debentures inscribable as stock.

PRICE OF VICTORIAN DEBENTURES IN LONDON,
1888 AND 1889—continued.

Interest.		Outstanding Debentures and Stock.		Price per £100 Bond.			
Rate per annum	When payable.	Amount.*	When Due.	January.	April.	July.	October.
	1889.						
6	Jan. 1 & July 1	850,000	1891	104-106	105-107	103 $\frac{3}{4}$	...
5	" "	2,107,000	1894	105-107	107-109	106 $\frac{1}{2}$ -106 $\frac{3}{4}$	...
4	" "	4,500,000	1899-1901	103-105	105-107	105 $\frac{1}{4}$ -105 $\frac{1}{2}$	...
4 $\frac{1}{2}$	" "	5,000,000	1904	110-112	113-115	111 $\frac{3}{4}$	...
4	" "	4,000,000	1907	110-112	111-113	110 $\frac{1}{2}$ -110 $\frac{3}{4}$	...
4	April 1 & Oct. 1	2,000,000	1908	111-113	112-113	111 $\frac{1}{4}$ -111 $\frac{3}{8}$	...
4	" "	4,000,000	1913	112 $\frac{1}{4}$ -112 $\frac{3}{4}$	112-113	111 $\frac{1}{4}$ -111 $\frac{3}{8}$	...
4	" "	4,000,000	1919	112 $\frac{1}{4}$ -112 $\frac{3}{4}$	112-112 $\frac{1}{2}$	111 $\frac{1}{4}$ -111 $\frac{3}{8}$	...
4	Jan. 1 & July 1	6,000,000	1920	111 $\frac{1}{4}$ -111 $\frac{3}{4}$	113-113 $\frac{1}{2}$	111 $\frac{1}{4}$ -111 $\frac{3}{8}$	...
3 $\frac{1}{2}$	" "	3,000,000†	1923	...	104-104 $\frac{1}{8}$	102 $\frac{1}{2}$ -103	...
	Total ...	35,457,000					

NOTE.—When the figures appear in a column and line wherein the month of the quotation and one of the months in which the interest is payable correspond, the price is exclusive of interest; in other cases the deduction of about a quarter's interest will give the net price.

734. Evidence of the improved credit of the Australasian colonies is to be found in the circumstance, not only that their stocks have risen in price in the London market, but that several of them have been able to float loans at as low a rate as 3 $\frac{1}{2}$ per cent. There is no doubt that the fear of conversion of British 3 per cent. Consols to a lower rate of interest, had for some time before the actual announcement of that policy directed attention to colonial and other high-class securities. This impression, however, was not very marked until towards the end of January, 1888, when it appears a large amount of Consols were sold with a view to investment of the proceeds in English Corporation Bonds and Indian and Colonial Stocks;‡ and then, for the first time, Australian (New South Wales) 3 $\frac{1}{2}$ per cent. stock passed beyond par, and reached 102 $\frac{1}{4}$; but immediately after Mr. Goschen's announcement (on the 9th March, 1888), the prices of all colonial stocks went up with a bound. Thus Victorian 4 per cent. inscribed stock (January and July), due in 1920, which was quoted on the official list in 1887 as ranging from 102 $\frac{3}{4}$ to 109 $\frac{3}{8}$, ran up to 113 $\frac{7}{8}$; the New South Wales 4 per cent. inscribed stock (January and July), due in 1933, which fluctuated between 106 $\frac{3}{4}$ and 112 $\frac{1}{4}$ in 1887, similarly rose to 118 $\frac{1}{2}$; whilst the 3 $\frac{1}{2}$ per cent. inscribed stocks of the same colony (April and October), which brought scarcely 92 two

Prices of
Austral-
asian stock
in London.

* See footnote (§) on page 440.
† Floated on the 22nd January, 1889.—See paragraph 362 ante.
‡ See Westgarth's Circular, No. 293, of 3rd February, 1888.

years previously, and fluctuated between $92\frac{1}{4}$ and $99\frac{1}{2}$ in 1887, rose as high as $107\frac{3}{4}$. Subsequently, however, about June, 1888, the prices of the Victorian 4 per cents. eased to about 112; the New South Wales 4 per cents. to 113; and its $3\frac{1}{2}$ per cents. to 104. Taking the mean of the highest and lowest rates quoted in the official list, the price of Victorian 4 per cents. rose from 106 in 1887 to $110\frac{1}{4}$ in 1888; that of New South Wales 4 per cents. from $109\frac{1}{2}$ to $114\frac{1}{4}$; and the $3\frac{1}{2}$ per cents. of the same colony from nearly 96 to $103\frac{1}{2}$. It is satisfactory to find not only that the advanced prices of 1888 have been maintained in 1889, but that a still further improvement has taken place at the latest date. A similar improvement has also taken place in the stocks of the other colonies, as will be observed from a comparison of the prices quoted for this year and the previous one in the following table:—

PRICES OF STOCK OF THE AUSTRALASIAN COLONIES IN LONDON,
1888 AND 1889.

Colony.	Stock.*			Prices.†				
	Rate of Interest per cent.	Year when principal is due.	Interest payable on the first day of—	1888		1889. (To 23rd August.)		Latest. (Week ended 23rd Aug. 1889.)
				Highest.	Lowest.	Highest.	Lowest.	
Victoria ...	(4	1920	Jan. & July	$113\frac{7}{8}$	$106\frac{3}{4}$	$113\frac{3}{4}$	$110\frac{1}{2}$	112
	($3\frac{1}{2}$	1923	" "	...	...	105	$102\frac{1}{2}$	$103\frac{1}{4}$
New South Wales ...	(4	1933	" "	$118\frac{1}{2}$	110	$118\frac{3}{4}$	$115\frac{1}{4}$	$116\frac{1}{4}$ †
	($3\frac{1}{2}$	1924	April & Oct.	$107\frac{3}{4}$	$99\frac{1}{8}$	106	$102\frac{5}{8}$	$104\frac{1}{8}$
Queensland ...	(4	1924	Jan. & July	$110\frac{3}{4}$	103	$113\frac{3}{4}$	$109\frac{1}{4}$	113
	($3\frac{1}{2}$	1924	" "	$100\frac{3}{8}$	$95\frac{3}{4}$	$103\frac{1}{2}$	100	$101\frac{1}{8}$
South Australia ...	(4	1917-18	April & Oct.	$111\frac{3}{4}$	$104\frac{1}{4}$	111	$108\frac{1}{8}$	$110\frac{3}{4}$
	($3\frac{1}{2}$	1939	Jan. & July	...	...	$102\frac{1}{8}$	$99\frac{3}{4}$	$100\frac{1}{2}$
Western Australia ...	4	1934	" "	113	$107\frac{3}{8}$	$112\frac{1}{8}$	109	112
Tasmania ...	4	1913	" "	$107\frac{3}{8}$	$103\frac{1}{4}$	108	$102\frac{3}{4}$	$107\frac{1}{2}$
New Zealand	4	1929	May & Nov.	$104\frac{1}{2}$	$96\frac{1}{4}$	$109\frac{1}{4}$	$99\frac{5}{8}$	109

Prices of
New South
Wales and
New Zealand
stocks.

735. The following figures, showing the highest and lowest prices quoted in London, of New South Wales and New Zealand Government stocks during 1888 and previous years, which have been taken from *Burdett's Official Intelligence* for 1889§ will give some idea of the increased value of colonial Government securities over a series of years. Strange to say the prices of Victorian stocks were not given:—

* Debentures in the case of Tasmania.

† Taken from *Burdett's Official Intelligence*, and the *Weekly Official Intelligence*.

‡ The higher price of this stock as compared with the similar one for Victoria, is due chiefly to the difference in the currency of the two issues.

§ Page 1355.

PRICES IN LONDON OF 4 PER CENT. GOVERNMENT STOCKS OF NEW SOUTH WALES AND NEW ZEALAND.

Year.	New South Wales. (Prices per £100.)		New Zealand. (Prices per £100.)	
	Highest.	Lowest.	Highest.	Lowest.
1877	102½	98¼	...	...
1878	103¼	95¾	...	...
1879	101¾	95½	...	...
1880	105½	95¾	...	...
1881	105¾	99¾	99	88½
1882	105¼	99½	101¾	94
1883	104	99¼	102½	98½
1884	105¾	99½	104½	99
1885	106¾	99	101	93½
1886	107	102	103¾	95¼
1887	108	101½	100¾	93¾
1888	111¼	105¼	104½	96¼

736. According to the same valuable work the par value of all British Colonial and Provincial Government securities dealt with on the London Stock Exchange at the end of 1888 was £90,596,692; and it was calculated* that about the end of April, 1889, the market value of £70,791,000 of these securities was £75,835,000, or an average of 7½ per cent. in excess of the par value. In connexion with this it should be borne in mind that most of the securities were disposed of in the first instance at a discount.

Value of Colonial Government securities in London.

737. The following table contains a statement of the number and amount of mortgages on land and live stock, and of preferable liens on wool and growing crops, effected during 1888, also the number and amount of releases registered in that year:—

Mortgages, liens, and releases.

MORTGAGES AND LIENS, AND RELEASES, 1888.

Security.	Mortgages and Liens.		Releases.	
	Number.	Amount.	Number.	Amount.
Land under <i>Transfer of Land Statute</i>	9,391	£ 12,787,364	8,725	£ 8,784,131
„ under old system ...	1,848	3,505,047	1,553	1,171,493
Live stock	1,042	243,317	37	2,079†
Wool	239	120,794	...	...
Crops	1,165	115,975	...	...
Total	13,685	16,772,497	10,315	9,957,703

* See *Bankers' Magazine*, 1889, page 571.
 † Amount of 7 releases only; in the case of 30 no particulars were given.

Mortgages
and liens,
1870 to 1888.

738. The number of registered mortgages and liens of all descriptions, and the amounts advanced in respect thereof, during each of the nineteen years ended with 1888 were as follow :—

MORTGAGES AND LIENS, 1870 TO 1888.

Year.	Number of Transactions.	Amount.	Year.	Number of Transactions.	Amount.
		£			£
1870 ...	4,410	4,203,743	1880 ...	10,722	5,615,401
1871 ...	4,849	4,278,197	1881 ...	10,636	6,672,733
1872 ...	5,151	4,076,229	1882 ...	9,416	6,985,689
1873 ...	5,155	5,248,365	1883 ...	9,023	6,021,120
1874 ...	5,929	6,019,904	1884 ...	9,236	7,139,774
1875 ...	6,035	4,542,569	1885 ...	10,738	9,476,724
1876 ...	6,417	5,081,387	1886 ...	13,547	12,224,992
1877 ...	6,510	4,706,138	1887 ...	12,981	11,427,243
1878 ...	9,655	6,233,752	1888 ...	13,685	16,772,497
1879 ..	12,063	7,358,952			

Mortgages
and liens,
1888 and
former
years.

739. It will be observed that the number of mortgages and the amount secured thereby fell to the lowest point in 1883, and reached the highest point in 1888, the number of mortgages in the latter year having been larger by 704, and the amount advanced larger by as much as 5½ millions sterling than in the previous year. The increase shown in returns of the last four years was almost entirely confined to transactions in land, and is doubtless the result of the large amount of land sold on credit consequent upon the growth of the metropolis combined with the extensive land speculations which have accompanied it. It should be mentioned, however, as a favourable sign, that the increase in the amount advanced on mortgages of land in the same period has been accompanied by a large increase in the paying-off and release of such mortgages, the amount for which releases were granted in those four years having exceeded by as much as two-thirds the similar amount in the previous four years.

Proportion
of releases
to mort-
gages.

740. In 1888 the number of releases of mortgages on land and the amounts paid off were equal to about 91 and 61 per cent. respectively of the number of mortgages effected and the amounts lent thereon, as compared with 75 and 57 per cent. respectively in the previous year. The number of releases of live stock is small as compared with the number of mortgages, and of liens on wool and crops not one release was registered; the reason being, in regard to these descriptions of property, that, although the mortgage or lien may be paid off, the mortgagor seldom takes the trouble to protect himself by a registered release.

741. The live stock mortgaged in 1888 consisted of 319,975 sheep, 21,108 head of cattle, 3,312 horses, and 272 pigs. The live stock released consisted of 91,646 sheep, 1,809 cattle, 247 horses, and 1 pig.

Live stock
mortgaged.

742. During the twenty-eight years ended with 1888, the sums advanced on mortgage of landed property amounted in the aggregate to £133,431,337, and the sums paid off amounted in all to £72,052,729. The balance is £61,378,608, or nearly half the amount originally advanced. Part of this balance represents the amount of mortgages still outstanding, and part the amount in default of payment of which properties have passed from the mortgagor either by foreclosure or sale.

Difference
between
mortgages
and re-
leases, 1861
to 1888.

743. In 1888, the number of bills of sale filed was more numerous than in any year since 1876, and the amount secured under such instruments was three times as high as in 1887, and was also higher than in any other year since 1873. The following are the numbers and amounts of those filed and satisfied in each of the last fifteen years:—

BILLS OF SALE, 1874 TO 1888.

Year.	Bills of Sale Filed.		Bills of Sale Satisfied.	
	Number.	Amount.	Number.	Amount.
		£		£
1874	3,207	727,370	251	98,492
1875	3,182	788,339	189	85,477
1876	3,330	747,717	194	56,318
1877	1,063	288,015	131	79,746
1878	1,117	348,319	76	28,710
1879	849	239,793	59	42,459
1880	752	593,857	47	25,628
1881	842	432,251	65	56,739
1882	812	461,710	68	51,804
1883	839	253,863	40	24,385
1884	866	248,768	36	30,761
1885	954	379,864	51	38,882
1886	980	436,900	48	32,724
1887	1,395	420,400	25	19,164
1888	1,547	1,317,122	25	21,443

744. The decrease in the number and amount of bills of sale filed in 1877 and subsequent years was chiefly owing to the law relating to such securities having been made more stringent under Act 40 Vict. No. 557, which came into force during 1877, which rendered it necessary to give 15 days' notice to the Registrar-General previous to any

Decrease in
bills of sale
since 1876.

bill of sale being filed, during which period any creditor may lodge a caveat against its registration.

Contracts
for sale and
letting.

745. The contracts for sale and amount secured thereby, also the contracts for letting, and extremes within which the rent named therein ranged, filed with the Registrar-General under Act 40 Vict. No. 557, during the last twelve years, were as follow :—

CONTRACTS FOR SALE AND LETTING, 1877 TO 1888.

Year.			Contracts for Sale Filed.		Contracts for Letting Filed.	
			Number.	Amount.	Number.	Average Rents.
				£		Per Week.
1877	605	47,720	668	} 2/6 to £5
1878	...	...	1,074	83,608	1,074
1879	...	...	1,803	142,809	1,802
1880	...	...	1,828	137,959	1,829
1881	...	...	1,730	90,699	1,730
1882	...	...	1,612	73,892	1,611
1883	...	...	1,472	63,434	1,472
1884	...	...	1,495	57,061	1,495
1885	...	...	1,617	49,221	1,617
1886	...	...	1,703	50,769	1,703
1887	...	...	924	37,418	924
1888	...	...	429	24,702	430

Increase in
contracts
for sale and
letting.

746. It would seem that contracts for sale and letting appeared at first to be more convenient for the security of the creditor without injuring the credit of the person giving the security than bills of sale, as they increased very rapidly from 1877, that being the year in which the Act legalizing their registration came into operation, until 1880, whilst the bills of sale largely decreased. In the last two years there has been a great falling-off in the number and amount of these contracts, whilst there has been more than a corresponding increase in the number and amount of bills of sale.

Building
societies.

747. Building societies in Victoria date from an early period in the colony's history, and much success both to borrowers and investors has attended their operations. Seventy-four such institutions sent in returns during 1888, as against 66 in 1887, 60 in 1886, 62 in 1885, 54 in 1884, 48 in 1882 and 1883, and 49 in 1881. The following are the principal items furnished for the years 1887 and 1888. It should be mentioned that the returns of some of the societies were not perfect :—

BUILDING SOCIETIES, 1887 AND 1888.

	1887.	1888.
Number of societies	66	74
Number of shareholders	...	26,312
Number of borrowers	17,465	19,288
Paid-up-capital	£2,925,938	£3,310,774
Value of landed property	£903,808	£1,512,439
Advances under periodical repayments during the year	£2,544,688	£4,381,330
Repayments by instalments during the year	£1,919,100	£2,968,887
Working expenses during the year	£73,687	£82,081
Bank overdraft at end of the year	£124,127	£224,418
Deposits at end of the year	£4,216,758	£5,292,364

748. In 1888, the business done by building societies, as measured by the advances made, exceeded by £1,836,642, or 72 per cent., that in 1887. Moreover, in 1888 the amount advanced was four times as large as in 1883. The advances made by these institutions during the last thirteen years have been as follow :—

ADVANCES BY BUILDING SOCIETIES, 1876 TO 1888.

£				£			
1876	...	...	870,203	1883	...	...	1,089,480
1877	...	...	815,860	1884	...	...	1,469,542
1878	...	...	703,932	1885	...	...	2,073,189
1879	...	...	489,312	1886	...	...	2,358,729
1880	...	...	564,411	1887	...	...	2,544,688
1881	...	...	805,551	1888	...	...	4,381,330
1882	...	...	1,040,965				

749. The rates of interest allowed by building societies on moneys left with them for a period of twelve months generally ranged, in 1881 and 1882 from 3 to 6½ per cent.; in 1883 from 5 to 7 per cent.; in 1884 from 5½ to 7 per cent.; in 1885 and 1886 from 6 to 7 per cent.; in 1887 from 5½ to 7½ per cent.; and in 1888 from 5¼ to 7 per cent. In the last few years, some societies have allowed as much as 5 per cent. on the daily balance on deposit in current account.

750. The sums deposited with building societies at the end of 1888 amounted in the aggregate to £5,292,364, or £1,075,606 more than was on deposit at the end of 1887. These deposits exceeded the advances during the year by £911,034.

751. The following is a statement of the total amount of moneys on deposit at or about the end of each of the last five years with banks of issue, savings banks, and building societies. Other institutions, such as deposit banks, and some of the insurance companies, also receive deposits; but of these no returns are furnished :—

MONEYS ON DEPOSIT AT END OF YEARS 1884 TO 1888.

Amount deposited with—	1884.	1885.	1886.	1887.	1888.
	£	£	£	£	£
Banks	28,417,044	30,593,564	31,239,472	35,215,547	37,570,838
Savings banks ...	2,981,083	3,409,266	3,589,916	3,696,699	4,669,541
Building societies	1,793,992	2,466,256	2,910,792	4,216,758	5,292,364
Total ...	33,192,119	36,469,086	37,740,180	43,129,004	47,532,743

Moneys on deposit, 1888.

752. According to the table, the moneys on deposit about the close of the last year amounted in the aggregate to 47½ millions sterling, or 4⅔ millions more than in the previous year, and 14⅓ millions more than in 1884, four years previously. There is no doubt, however, that in all the years some of the savings banks' money, and a small portion of that deposited with building societies, is re-deposited with the banks, and thus counted twice over; but considering there are many institutions for the receipt of deposits from which no returns are obtained, it is not at all likely that the whole amount at deposit is less than that stated in the table.

Wealth of the population.

753. The property left by deceased persons affords an indirect means of ascertaining approximately the wealth of the population, for it may be supposed that the average amount left by each person dying is equivalent to the average amount possessed by each person living. The result of such a calculation for three periods of years is as follows:—

WEALTH OF THE POPULATION, 1872 TO 1888.

Years.	Property of Deceased Persons sworn under.	Total Number of Deaths.	Average Amount left by each Person dying.	Average Number of Persons living.	Total Wealth of the Population.
	£		£		£
1872-1876	11,699,757	63,402	185	776,052	143,569,620
1877-1881	13,732,848	61,552	223	836,677	186,578,971
1882-1888	33,403,253	101,753	328	966,076	316,872,928

Total wealth and wealth per head.

754. The national wealth is shown in the last column. It will be noticed that this amounted to nearly 144 millions sterling, or £185 per head, in the five years 1872 to 1876; to nearly 187 millions sterling, or £223 per head, in the five years 1877 to 1881; and to nearly 317 millions sterling, or £328 per head, in the seven years 1882 to 1888. In 1887 and 1888 several large estates were entered for probate, with the result that if the average of those two years be taken

the national wealth would appear to amount to as much as 403 millions sterling, or £379 per head. It would, however, obviously be misleading to make the calculation upon an average based upon so short a term as two years.

755. It should be explained that the figures given represent only the property possessed by private individuals, no estimate being made of the value of Crown lands, Government or municipal buildings, churches, hospitals, libraries, museums, mechanics' institutes, State schools, forts, artillery, lighthouses, war vessels, railways, telegraphs, etc.; also that the figures no doubt understate the truth, as a considerable amount of property is taken over by relatives without any declaration of value, or issue of probate or letters of administration, and that, in order to reduce as much as possible the amount to be paid as succession duty, the properties are frequently declared at less than their full value.

Public
wealth not
estimated.

756. In the middle of 1888 the national debt amounted to £34,627,382, equal to rather less than 11 per cent. of the value of property as above estimated; but it must not be forgotten that, as a set-off to the debt, there is public property of immense value which is not included in the above estimate, and that the amount which could be realized by the sale of the State railways alone—the original cost of which was about 30 millions—would probably be amply sufficient to extinguish the whole debt.

Wealth as
compared
with in-
debtedness.

757. The private wealth of New South Wales, calculated in the same manner by the Government Statistician* for the five years ended with 1886, is £293,000,000, or about equal to that of Victoria during the same term. The average population of New South Wales, however, during that period being slightly less than that of Victoria (906,483), the wealth per head is set down as £323 in the former, as against £305 in the latter. Both of these amounts are smaller than that resulting from the latest calculations respecting Victoria, extending over the seven years 1882 to 1888, which, as has just been stated, gave the average wealth in this colony as £328 per head.

Wealth of
New South
Wales.

758. For the whole of Australasia, the same authority† estimates the private wealth to amount to £1,015,000,000, or £286 per head, and the value of public works and property to amount to £175,000,000, or £49 per head, the estimated total value of private and public wealth combined being thus £1,190,000,000, or £335 per head. This is exclusive of the value of lands not yet alienated from the Crown.

Wealth of
Australasia

* *Wealth and Progress of New South Wales*, by T. A. Coghlan, page 551. Potter, Sydney, 1888.

† Page 579 *et seq.*

Wealth of
the United
Kingdom.

759. The following is an estimate, in millions sterling, of the wealth of the United Kingdom at three periods, extending over 47 years :—

WEALTH OF THE UNITED KINGDOM, 1840 to 1887.*
(000,000 omitted.)

	1840.	1860.	1887.
	£	£	£
Railways	21,	348,	831,
Houses	770,	1,164,	2,640,
Furniture (half value of houses) ...	385,	582,	1,320,
Lands	1,680,	1,840,	1,542,
Cattle	380,	460,	414,
Shipping	23,	44,	130,
Merchandise	70,	190,	321,
Bullion	61,	105,	143,
Sundries (chiefly foreign loans) ...	710,	827,	1,869,
Total	4,100,	5,560,	9,210,

Wealth of
the United
Kingdom
per head.

760. Estimating the population of the United Kingdom at 26 millions at the first period, 29 millions at the second, and 37 millions at the third, the total wealth, as stated—which appears to include much public as well as all private property—would average at the respective periods £158, £192, and £249 per individual.

* From Mulhall's *Fifty Years of National Progress*, page 17.