

## SECTION XXI.

## PRIVATE FINANCE.

## § 1. Currency.

1. **The Three Australian Mints.**—Soon after the discovery of gold in Australia steps were taken for the establishment of a branch of the Royal Mint in Sydney. The formal opening took place on the 14th May, 1855, the mint being located in the southern part of the building once known as the "rum hospital," where it has remained up to the present. It is proposed, however, to erect more suitable buildings for its accommodation in some other part of the city. The Melbourne branch of the Royal Mint was opened on the 12th June, 1872, and the Perth branch on the 20th June, 1899. The States of New South Wales, Victoria, and Western Australia provide an annual endowment, in return for which the mint receipts are paid into the respective State Treasuries, and it may be said that, apart from expenditure on buildings, new machinery, etc., the amounts paid into the Treasuries fairly balance the mint subsidies.

2. **Receipts and Issues in 1914.**—(i.) *Assay of Deposits Received.* The number of deposits received during 1914 at the Sydney Mint was 951, of a gross weight of 521,356 ozs.; at the Melbourne Mint, 2548, of a gross weight of 523,841 ozs.; and at the Perth Mint, 4357, of a gross weight of 1,461,181 ozs. The average composition of these deposits in Sydney was, gold 880.1, silver 85.2, base 34.7 in every 1000 parts; Melbourne, gold 916.3, silver 43.7, base 40.0 in every 1000 parts; and Perth, gold 814.3, silver 118.6, base 67.1 in every 1000 parts. As many parcels have, however, undergone some sort of refining process before being received at the mint, the average assay for gold shews higher in these figures than for gold as it naturally occurs.

(ii.) *Receipts.* Practically all the gold coined at the Australian mints is the produce of either the Commonwealth or of the Dominion of New Zealand. The following table shews the origin of the gold received at the three mints during 1914:—

ORIGIN OF GOLD RECEIVED AT MINTS DURING 1914.

Origin of Gold.	Sydney Mint.	Melbourne Mint.	Perth Mint.
	ozs.	ozs.	ozs.
New South Wales ... ..	107,917.53	9,515.27	...
Victoria ... ..	...	433,680.61	...
Queensland... ..	259,358.48	2,801.10	...
South Australia ... ..	...	8,802.44	...
Western Australia ... ..	188.33	6,226.65	1,460,298
Tasmania ... ..	1,664.11	17,490.23	...
Northern Territory ... ..	123.83	...	13
New Zealand ... ..	151,828.58	36,463.78	...
Other countries, origin not stated, and light gold coin ... ..	275.34	8,861.78	870
Total ... ..	521,356.20	523,841.86	1,461,181

It will be seen that practically all gold produced in New South Wales and Queensland, and about four-fifths of that produced in New Zealand, found its way to the Sydney Mint, while the Melbourne Mint received all Victorian and South Australian gold, together with nearly all of the Tasmanian and about one-fifth of the New Zealand production, and the Perth Mint treated practically all Western Australian gold with the exception of a small portion sent to Sydney and Melbourne.

(iii.) *Issues.* The Australian mints, besides issuing gold coin in the shape of sovereigns and half-sovereigns, also issue gold bullion, partly for the use of local manufacturers (jewellers and dentists), and partly for export, India taking annually a considerable quantity of gold cast into 10-oz. bars. The issues during 1914 are shewn in the table below:—

#### ISSUES OF GOLD FROM MINTS DURING 1914.

Mint.	Coin.			Bullion.	Total.
	Sovereigns.	Half-sovereigns.	Total.		
	£	£	£	£	£
Sydney ...	1,774,000	161,000	1,935,000	32,806	1,967,806
Melbourne ...	2,012,029	...	2,012,029	27,458	2,039,487
Perth ...	4,815,996	...	4,815,996	235,802	5,051,798
Total ...	8,602,025	161,000	8,763,025	296,066	9,059,091

In addition to the issue of gold the Mints are also charged with the issue of silver and bronze coin struck in London. There was, however, no issue of either Imperial silver or bronze coin in 1914. (See page 771, par. 5 (iii).)

(iv.) *Withdrawals of Worn Coin.* The mints receive light and worn coin for recoinage, gold being coined locally, while silver is forwarded to London. The value of gold coin so received in 1914 amounted to £827, viz.:—Sydney, £713; Melbourne, £114; and Perth, *nil*. The value of worn silver coins received during 1914 was £177,730, viz.:—Sydney, £89,435; Melbourne, £70,149; and Perth, £18,146.

**3. Total Receipts and Issues.** (i.) *Receipts.* The total quantities of gold received at the three mints since their establishment are stated in the gross as follows:—Sydney, 36,867,542.82 ozs.; Melbourne, 36,151,029.69 ozs.; and Perth, 20,700,714 ozs. As the mints pay for standard gold (22 carats) at the rate of £3 17s. 10½d. per oz., which corresponds to a value of £4 4s. 11½d. per oz. fine (24 carats), it is possible to arrive at the number of fine ounces received from the amounts paid for the gold received. These amounts were:—Sydney, £136,011,570; Melbourne, £142,274,863; Perth, £72,775,272; corresponding to—Sydney, 32,019,845 ozs. fine; Melbourne, 33,494,350 ozs. fine; and Perth, 17,132,755 ozs. fine. Silver found in assaying is paid for if it exceeds 8 per cent.; in Sydney it has been paid for at the rate of one shilling and sixpence per oz. fine since 12th May, 1902; in Melbourne the price is fixed monthly by the Deputy-master of the Mint; and in the Perth accounts it has been taken at one shilling per oz.

(ii.) *Issues.* The total values of gold coin and bullion issued by the three mints were as shewn in the table on page 770. It may be said that rather more than one-half of the total gold production of Australasia has passed through the three Australian mints, the production of the Commonwealth States to the end of 1914 being valued at £564,183,431, and that of New Zealand at £82,953,910, or a total of £647,137,341.

## TOTAL ISSUES OF GOLD FROM MINTS TO END OF 1914.

Mint.	Coin.			Bullion.	Total.
	Sovereigns.	Half-sovereigns.	Total.		
	£	£	£	£	£
Sydney ...	125,380,500	4,111,000	129,491,500	6,540,219	136,031,719
Melbourne ...	130,967,549	883,948	131,851,497	10,427,705	142,279,202
Perth ...	65,808,449	189,235	65,997,684	6,758,483	72,756,167
Total ...	322,156,498	5,184,183	327,340,681	23,726,407	351,067,088

The total issues of silver coins to the end of 1914 were £2,415,200, viz.:—Crowns, £3500; double florins, £4585; half-crowns, £722,600; florins, £528,215; shillings, £606,200; sixpences, £253,220; and threepences, £296,880.

Bronze coins to the value of £180,150 have been issued, viz.:—Pence, £126,640; half-pence, £53,310; and farthings, £200.

(iii.) *Withdrawals of Worn Coin.* Complete figures as to the withdrawal of gold coin can be given for the Sydney Mint, where they amounted to £1,083,664; at the Melbourne Mint the coins withdrawn since 1890 were worth £514,825. In the case of Perth the withdrawal of worn gold coin since the opening of the Mint amounted to £422.

Withdrawals of worn silver coin amounted to £502,388 in Sydney, to £516,791 in Melbourne, and to £47,505 in Perth.

4. **Standard Weight and Fineness of Coinage.**—The coinage of the Commonwealth is the same as that of the United Kingdom, and the same provisions as to legal tender hold good, viz., while gold coins are legal tender to any amount, silver coins are only so for an amount not exceeding forty shillings, and bronze coins up to one shilling. As will be seen from the table below, the standard weights of the sovereign and half-sovereign are respectively 123.27447 grains and 61.63723 grains, but these coins will pass current if they do not fall below 122.5 grains and 61.125 grains respectively.

## STANDARD WEIGHT AND FINENESS OF COMMONWEALTH COINAGE.

Denomination.	Standard Weight.	Standard Fineness.
	Grains.	
<b>GOLD—</b>		
Sovereign ...	123.27447	} Eleven-twelfths fine gold, viz.:— Gold ... 0.91667 } 1.00000 Alloy ... 0.08333 }
Half-sovereign ...	61.63723	
<b>SILVER—</b>		
Crown ...	436.36363	} Thirty-seven-fortieths fine silver, viz.:— Silver ... 0.925 } 1.000 Alloy ... 0.075 }
Double florin ...	349.09090	
Half-crown ...	218.18181	
Florin ...	174.54545	
Shilling ...	87.27272	
Sixpence ...	43.63636	
Threepence ...	21.81818	
<b>BRONZE—</b>		
Penny ...	145.83333	} Mixed metal, viz.:— Copper ... 0.95 } 1.00 Tin ... 0.04 Zinc ... 0.01 }
Half-penny ...	87.50000	
Farthing ...	43.75000	

5. **Prices of Silver and Australian Coinage.**—(i.) *Prices of Silver.* The value of silver has greatly decreased since its demonetisation and restricted coinage in almost the whole of Europe. Its average price in the London market in recent years is shewn in the subjoined table:—

## AVERAGE PRICE OF SILVER IN LONDON MARKET, 1876 to 1914.

Year.	Price per Standard Oz.	Year.	Price per Standard Oz.	Year.	Price per Standard Oz.
	d.		d.		d.
1876 ...	53.0000	1889 ...	42.6875	1902 ...	24.1250
1877 ...	54.7500	1890 ...	47.7500	1903 ...	24.7500
1878 ...	52.5625	1891 ...	45.0625	1904 ...	26.3750
1879 ...	51.1875	1892 ...	39.8125	1905 ...	27.8125
1880 ...	52.2500	1893 ...	35.6250	1906 ...	30.8750
1881 ...	51.7500	1894 ...	29.0000	1907 ...	30.1875
1882 ...	51.8125	1895 ...	29.8750	1908 ...	24.3750
1883 ...	50.5625	1896 ...	30.7500	1909 ...	23.6875
1884 ...	50.6875	1897 ...	27.5625	1910 ...	24.6875
1885 ...	48.6250	1898 ...	26.9375	1911 ...	24.5625
1886 ...	45.3750	1899 ...	27.5000	1912 ...	28.0625
1887 ...	44.6250	1900 ...	28.3125	1913 ...	27.5625
1888 ...	42.8750	1901 ...	27.2500	1914 ...	25.3125

The monthly fluctuations during the year 1914 were as follows :—

## AVERAGE PRICE OF SILVER IN LONDON MARKET, 1914.

Month.	Price per Standard Oz.	Month.	Price per Standard Oz.	Month.	Price per Standard Oz.
	d.		d.		d.
January ...	26.5625	May ...	25.9375	September ...	24.2500
February ...	26.5625	June ...	25.9375	October ...	23.1875
March ...	26.8125	July ...	24.5625	November ...	22.6875
April ...	26.9375	August ...	26.0000	December ...	22.8750

(ii.) *Profits on Coinage of Silver.* As sixty-six shillings are coined out of one pound troy of standard silver, the silver required to produce £3 6s. of coin was only worth £1 5s. 4d. during 1914; the difference of £2 0s. 8d. represents, therefore, the gross profit or seignorage made on the coinage of every £3 6s. This represents a rate of seignorage of 162.03 per cent., but the expenses of coining (including interest on cost of machinery) and of withdrawals of worn coin must be deducted. Still, given a large annual demand for new silver coin, even the net profit amounts to a considerable sum. Negotiations, therefore, took place for a number of years between the Imperial authorities and the Governments of New South Wales and Victoria, which in 1898 resulted in permission being granted to the two Governments named to coin silver and bronze coin at the Sydney and Melbourne Mints for circulation in Australia. No steps were, however, taken in the matter, and as section 51 of the Commonwealth Constitution makes legislation concerning "currency, coinage, and legal tender" a federal matter, the question remained in abeyance until the latter part of 1908, when the Commonwealth Treasurer announced his intention of initiating the coinage of silver in the future.

(iii.) *Coinage Bill.* In 1909 a Coinage Bill was introduced in the Commonwealth Parliament, which provided that the future Australian coinage should consist of the following coins :—In gold, £5, £2, £1, and 10s.; in silver, 2s., 1s., 6d., and 3d.; and in bronze, 1d. and  $\frac{1}{2}$ d. Gold was to be legal tender up to any amount, silver up to 40s., and bronze up to 1s. Ultimately the coinage was to be undertaken in Australia, but for the time an agreement was made with the authorities of the Royal Mint in London, under the terms of which the coinage was to be done in London on account of the Commonwealth Government. Orders were given for the immediate coinage of £200,000 worth of silver, viz., one million florins, one million shillings, one million sixpences, and two million threepences. The coins were to bear on the obverse H.M. the King's head, with the Latin inscription which appears on the British coins, and on the reverse the Australian coat-of-arms, with the denomination and the date. The Imperial authorities undertook to withdraw £100,000 worth of the existing silver-coinage per annum at its face value. The first consignment of the new coinage arrived in Australia early in 1910,

and in a short time all the silver coins contracted for were supplied to the Royal Mints, Australia. Copper coins of the value of £10,000, viz., 1,560,000 pennies and 1,680,000 half-pennies, of a design similar to that of the silver coins, were ordered. It was not, however, intended to withdraw any of the existing copper coins, but merely to make good the "leakage," which was considerable.

The issue of Australian coin in 1914 was as follows:—Sydney, £111,300 silver, and £6000 bronze; Melbourne, £164,950 silver, and £5360 bronze; and Perth, £39,000 silver, and £680 bronze. In Melbourne, the coin is distributed from the Federal Treasury.

**6. Gold in Circulation.**—This question has been touched upon in previous issues of the Year Book (see for example Year Book No. 6, page 844), and the difficulties attendant on making a satisfactory estimate have been pointed out. Recent publications by the Commonwealth Treasury, however, give some direct evidence on the subject. According to these, the amount of notes held by the public of Australia, immediately prior to the outbreak of war, was approximately £4,800,000, whilst the monthly averages held by the public during March, April, and May, 1916, were respectively £12,441,000, £13,289,000, and £12,998,000. The average of these three amounts is about £12,910,000, but owing to the season of the year, this may be regarded as a little in excess of the normal requirements of the public, which can be put down at about £12,600,000. If the original amount of £4,800,000 be deducted from this, there remains the sum of £7,800,000, which would represent the amount of gold withdrawn from circulation, provided nothing had happened in the meantime to affect the amount of currency required by the public. Unfortunately, in this connection, there is a very disturbing factor. If the first quarters of 1914 and 1916 are compared, it will be found that the index-number representing the cost of living rose no less than 20 per cent. in the interval. When it is remembered that most of the articles composing the ordinary household budget are bought and paid for in small amounts, it will be seen that this rise in the cost of living must, in all likelihood, have been accompanied by an increase in the currency requirements of the public, though not necessarily to the full extent of 20 per cent. If the currency had increased by the full amount of 20 per cent., then £12,600,000 now would only be doing the work of £10,500,000 before the war, and thus the amount of gold withdrawn would be £10,500,000 less £4,800,000, or £5,700,000. The question is still further complicated by the fact that increased currency requirements may to some extent be met, not by increased currency, but by increased velocity of circulation. While, therefore, it is impossible to be entirely confident as to the amount of gold in circulation before the war, it is probable that it lay somewhere between the limits of £5,700,000 and £7,800,000.

7. For information concerning the imports into the Commonwealth and exports from the Commonwealth of coin and bullion during the year 1914, the enquirer is referred to the tables on pages 569, 570.

## § 2. Banking.

**1. Banking Facilities.**—*Head Offices of Banks.* Of the twenty-four banks trading in the Commonwealth, four have their head offices in London, viz., the Bank of Australasia; the Union Bank of Australia Limited; the English, Scottish and Australian Bank Limited; and the London Bank of Australia Limited. The head offices of the following five banks are in Sydney—The Commonwealth Bank of Australia, The Bank of New South Wales, the Commercial Banking Company of Sydney Limited, the Australian Joint Stock Bank Limited (now the Australian Bank of Commerce Limited), and the City Bank of Sydney. Five banks have their head offices in Melbourne, viz., the National Bank of Australasia Limited, the Commercial Bank of Australia Limited, the Bank of Victoria Limited, the Colonial Bank of Australasia Limited, and the Royal Bank of Australia Limited. Brisbane is the headquarters of three banks, viz., the Queensland National Bank Limited, the Royal Bank of Queensland Limited, and the Bank of North Queensland Limited. Only one bank has at present its head office in Adelaide, viz., the Bank of Adelaide; and one in Perth, viz., the Western Australian Bank. Of the two

Tasmanian banks, the Commercial Bank of Tasmania Limited has its head office in Hobart, and the National Bank of Tasmania Limited in Launceston. The Bank of New Zealand has its headquarters in Wellington. Of the two remaining banks, the Comptoir National d'Escompte de Paris has its head office in Paris, and the Ballarat Banking Company in Ballarat. It is proposed, in the few instances where the banks are referred to by name, to arrange them in the order just given, with the exception of the Commonwealth Bank, which is placed first.

**2. Banking Legislation.**—Under Section 51 of the Commonwealth Constitution Act the Commonwealth Parliament has power to legislate with respect to "Banking, other than State banking, also State banking extending beyond the limits of the State concerned, the incorporation of banks, and the issue of paper money." Until recently the only Commonwealth banking legislation passed was Act No. 27 of 1909, "An Act relating to Bills of Exchange, Cheques, and Promissory Notes," which came into force on the 1st of February, 1910. In the session of 1910, however, two Acts relating to banking were passed by the Federal Parliament. The first was the Australian Notes Act No. 11 of 1910, assented to on the 16th September, 1910, and proclaimed 1st November, 1910; and the second the Bank Notes Tax Act No. 14 1910, assented to on 10th October, 1910, and proclaimed 1st July, 1911. Under the first of these Acts the Commonwealth Treasurer was empowered to issue notes which shall be legal tender throughout the Commonwealth, and redeemable at the seat of Federal Government. The notes are issued in denominations of 10s., £1, £5, £10, £20, £50, and £100. The Act directed the Treasurer to hold the following reserve of gold coin:—

- (a) An amount not less than one-fourth of the amount of Australian notes issued up to seven million pounds;
- b) An amount equal to the amount of Australian notes issued in excess of seven million pounds.

For the purpose of estimating the reserve, notes which have been redeemed are not included amongst those issued.

The portion of the Act relating to the reserve has been amended by Act No. 21 of 1911, which was assented to on 22nd December, 1911. According to this amending Act the clause relating to the reserve now reads as follows:—"The Treasurer shall hold in gold coin a reserve of not less than one-fourth of the amount of Australian notes issued." It was intended that this amendment should come into force on 1st July, 1912, but the Federal Treasurer afterwards announced that its operation would be deferred until after the Commonwealth elections of 1913. These elections resulted in the return to power of another administration, and the new Treasurer, Sir John Forrest, announced his intention of maintaining the reserve at the rate provided for in the original Act during his tenure of office. This only lasted until September, 1914, but there has not, as yet, been any great alteration in the proportionate gold reserve, which on 31st May, 1916, stood at about 36 per cent.

The Australian Notes Act prohibits the circulation of notes issued by a State six months after the commencement of the Act, and such notes will then cease to be legal tender. In addition the Bank Notes Act imposes a tax of 10 per cent. per annum in respect of all bank notes issued or re-issued by any bank in the Commonwealth after the commencement of this Act and not redeemed.

The Notes Act and the Bank Notes Act were supplemented in the following year by the passing of No. 18 of 1911, "An Act to provide for a Commonwealth Bank," which passed both Houses and was assented to on 22nd December, 1911. The bank thus authorised has no power to issue notes, but in every other respect it has the functions of an ordinary bank of issue. It is managed by a governor and a deputy-governor, who are appointed by the Governor-General and will hold office during good behaviour for a period of seven years, after which they will be eligible for reappointment. A novel feature is the establishment of a department dealing with savings bank business only. No further reference need be made here to this department, which is dealt with in detail in § 5. The framers of the Act have largely followed the lines laid down by the respective

State Savings Bank Acts, particularly the Western Australian Act No. 9 of 1906. The capital of the bank was originally one million pounds, to be raised by the issue and sale of debentures. During the session of 1914 authority was obtained from Parliament to increase the capital of the bank to ten million pounds, with the object, it was understood, of acquiring the entire business of another bank. No such acquisition has, as yet, taken place, and no capital has, so far, been actually advanced by the Commonwealth Government to the bank. The debentures previously referred to were to be for ten pounds or some multiple of ten pounds and redeemable at par, the Commonwealth guaranteeing interest and principal. All expenses incidental to the establishment of the bank were met by an advance from the Consolidated Revenue Fund, such advance to be ultimately repaid with interest at the rate of three-and-a-half per cent.

The first step in the organisation of the bank was the appointment as Governor, from 1st June, 1912, of Mr. Denison Miller, of the Bank of New South Wales. Mr. James Kell, of the Bank of Australasia, was subsequently appointed Deputy-Governor, and the bank was formally opened on 20th January, 1913, for the transaction of all general banking business. The result of the first day's operations was the deposit of £2,341,720, the bulk of which consisted of funds belonging to various departments of the Commonwealth Government. The opening of branches simultaneously at Sydney, Melbourne, Brisbane, Adelaide, Perth, Hobart, Townsville, Canberra, and London, marked the accomplishment of the provisions of the Commonwealth Bank Act of 1911. The Savings Bank Department, which came into existence six months previously, is dealt with in detail in the section on Savings Banks.

As the initial expenses of the bank were heavy, and as no capital was advanced, the early operations resulted in a small loss. This was debited to the profit and loss account of the bank, and the increasing prosperity of the institution can be seen by the way in which the original debit has been reduced, until on 30th June, 1915, it was entirely extinguished. The following table shews the results of the transactions of the bank as published for the several periods mentioned :—

**COMMONWEALTH BANK, 1912-15.**

Period.	General Bank.	Savings Bank.	Net Total.
	£	£	£
Period ended 31st Dec., 1912 ...	Dr. 7,261	Dr. 7,300	Dr. 14,561
Half-year ended 30th June, 1913	Dr. 17,068	Dr. 15,008	Dr. 32,076
Net result at 30th June, 1913 ...	Dr. 24,329	Dr. 22,308	Dr. 46,637
Half-year ended 31st Dec., 1913	Cr. 17,709	Dr. 16,161	Cr. 1,548
Half-year ended 30th June, 1914	Cr. 18,381	Dr. 10,288	Cr. 8,093
Net result at 30th June, 1914 ...	Cr. 11,761	Dr. 48,757	Dr. 36,996
Half-year ended 31st Dec., 1914	Cr. 21,023	Dr. 7,594	Cr. 13,429
Half-year ended 30th June, 1915	Cr. 24,121	Cr. 1,667	Cr. 25,788
Net result at 30th June, 1915 ...	Cr. 56,905	Dr. 54,684	Cr. 2,221

It will be seen from the above that the general bank became profitable at a much earlier stage than the savings bank. According to the provisions of section 30 of the Bank Act, the net profit of £2221 disclosed at 30th June, 1915, was divided equally between a bank reserve fund and a redemption fund.

Under the existing laws, banks are required to furnish quarterly statements of their average assets and liabilities, but these statements are not equally complete in all the States. Until the close of 1907 these quarterly statements, together with the periodical balance-sheets of the banks (generally half-yearly, but in a few cases yearly), were the only information available in regard to banking business. During the year 1908 the Commonwealth Statistician, under the provisions of the Census and Statistics Act, asked the banks for quarterly returns giving slightly more detailed information than had previously been obtained. As, however, a few of the banks have found it impossible up to the present to give all the particulars required, while promising to do so in future, the returns for the years subsequent to 1907 have been practically left in the same condition as those for 1907 and previous years.

The Acts under which the various banks are incorporated are not all of the same nature, but it may be stated that while most of the older banks were incorporated by special Acts, *e.g.*, the Bank of New South Wales, by Act of Council 1817; the Bank of Australasia, by Royal Charter; the Bank of Adelaide, by Act of the South Australian Parliament; and the Bank of New Zealand, by Act of the General Assembly of New Zealand, the newer banks are generally registered under a "Companies Act," or some equivalent Act. This is also the case with those banks which, after the crisis of 1893, were reconstructed.

**3. Capital Resources of Banks.**—The paid-up capital of the cheque-paying banks, together with their reserve funds, the rate per cent., and the amount of their last dividends, is shown in the table hereunder. The information relates to the balance-sheet last preceding the 30th June, 1915. In regard to the reserve funds it must be stated that in the case of some of the banks these are invested in Government securities, while in other cases they are used in the ordinary business of the banks, and in a few instances they are partly invested and partly used in business.

#### CAPITAL RESOURCES OF CHEQUE-PAYING BANKS, 1914-15.

Bank.	Paid-up Capital.	Rate per cent. per annum of last Dividend and Bonus.	Amount of last ½-yrly. Dividend & Bonus.	Amount of Reserved Profits.
	£	%	£	£
Commonwealth Bank of Australia ... ..	2,000,000	14 & 12/- bonus ps.	170,000	2,824,500
Bank of Australasia ... ..	2,000,000	14	140,000	2,081,460
Union Bank of Australia Limited ... ..	539,438	8	43,155 <sup>2</sup>	436,168
English, Scottish and Australian Bank Limited ... ..	669,785 <sup>1</sup>	7	23,170 <sup>2</sup>	328,318
London Bank of Australia Limited ... ..	3,500,000	10	87,500 <sup>2</sup>	2,655,135
Bank of New South Wales ... ..	2,000,000	10	100,000	1,852,734
Commercial Banking Company of Sydney Limited ... ..	1,195,592	3	17,934	61,492
Australian Bank of Commerce Limited ... ..	400,000	6	12,000	42,914
City Bank of Sydney ... ..	1,498,220 <sup>2</sup>	7	52,437	572,894
National Bank of Australasia Limited ... ..	2,213,009 <sup>3</sup>	4	42,347	15,299
Commercial Bank of Australia Limited ... ..	1,478,010 <sup>4</sup>	5	36,950	447,294
Bank of Victoria Limited ... ..	439,280	7	15,375	248,277
Colonial Bank of Australasia Limited ... ..	300,000	8	12,000	247,661
Royal Bank of Australia Limited ... ..	480,000	3	12,000	36,934
Queensland National Bank Limited ... ..	545,659	5½	15,004	82,723
Royal Bank of Queensland Limited ... ..	162,500	6	4,875	41,349
Bank of North Queensland Limited ... ..	500,000	8	20,000	543,191
Bank of Adelaide ... ..	250,000	20	25,000	723,756
Western Australian Bank ... ..	200,000	14	14,000	264,953
Commercial Bank of Tasmania Limited ... ..	195,250	7	6,802	10,270
National Bank of Tasmania Limited ... ..				
Bank of New Zealand ... ..	2,263,749	{ 12 & 3 bonus Ordinary 10 Preferen. 4 Guarant'd }	229,459	2,057,170
Comptoir National d'Escompte de Paris ... ..	8,000,000	5	400,000 <sup>2</sup>	1,636,108
Ballarat Banking Company Limited ... ..	85,000	8	3,400	87,570
<b>Total</b> ... ..	<b>30,915,492</b>	<b>...</b>	<b>...</b>	<b>17,250,391</b>

1. Including calls in arrear, £252. 2. £305,780 preferential, £1,192,440 ordinary. 3. Subject to estimated deficiency of £760,663 in connection with Special Assets Trust Co. Ltd. 4. £416,760 preferential, £1,061,250 ordinary. 5. For 12 months. 6. Dividend for quarter.

4. **Liabilities and Assets of Banks.**—(i.) *Liabilities of Banks for Quarter ended 30th June, 1915.* As already stated, the banks transacting business in any State are obliged, under the existing State laws, to furnish a quarterly statement of their assets and liabilities, which contains the averages of the weekly statements prepared by the bank for that purpose, and they have, during the years 1908-15; furnished quarterly statements to the Commonwealth Statistician. As all other financial returns in this work embrace, so far as possible, a period ended 30th June, 1915, it seems advisable to give the banking figures for the quarter ended on that date, and, where they are shewn for a series of years, similarly to use the figures for the June quarter of each year. The liabilities are those to the general public, and are exclusive of the banks' liabilities to their shareholders, which are shewn in the preceding table:—

**AVERAGE LIABILITIES OF BANKS IN EACH STATE OF THE COMMONWEALTH AND THE NORTHERN TERRITORY FOR THE QUARTER ENDED 30th JUNE, 1915.**

State.	Notes in Circulation, not bearing interest.	Bills in Circulation, not bearing interest.	Balances Due to other Banks.	Deposits.			Total Liabilities.
				Not Bearing Interest.	Bearing Interest.	Total.	
	£	£	£	£	£	£	£
New South Wales	95,505	419,229	1,236,574	33,139,219	35,031,169	68,170,388	69,921,696
Victoria	106,458	117,143	872,938	20,280,710	33,878,997	54,159,707	55,256,246
Queensland	(a)	504,467	437,232	11,539,535	15,330,190	27,369,725	28,311,424
South Australia	32,677	14,137	394,359	4,086,076	7,770,927	11,857,003	12,298,176
West. Australia	28,294	66,847	295,215	3,847,127	3,692,341	7,539,468	7,923,824
Tasmania	12,655	18,612	107,123	2,401,638	3,308,468	5,710,106	5,848,496
North. Territory	...	157	4,235	86,611	86,328	172,939	177,301
Total	275,589	1,140,592	3,347,646	75,380,916	99,598,420	174,979,336	179,743,163

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

(ii.) *Assets of Banks for Quarter ended 30th June, 1915.* The average assets of the banks are shewn in the following table:—

**AVERAGE ASSETS OF BANKS IN EACH STATE OF THE COMMONWEALTH AND THE NORTHERN TERRITORY FOR THE QUARTER ENDED 30th JUNE, 1915.**

State.	Coined Gold and Silver and other Metals.	Gold and Silver in Bullion or Bars.	Government and Municipal Securities.	Landed and House Property.	Notes and Bills of other Banks.	Balances Due from other Banks.	Discounts Over-drafts, and all other Assets.	Australian Notes.	Total Assets.
	£	£	£	£	£	£	£	£	£
N.S.W.	14,710,678	117,900	5,985,956	2,108,635	484,435	1,315,925	45,305,098	7,273,322	77,301,949
Victoria	8,409,651	236,295	2,365,749	1,510,237	437,648	718,445	35,233,268	5,447,553	54,358,846
Q'land	3,400,741	119,435	523,902	758,032	411,860	670,895	17,304,016	3,844,713	27,033,594
S. Aust.	2,950,134	687	283,420	327,889	167,136	378,491	8,078,242	1,789,071	13,975,070
W. Aust.	3,560,145	536,737	549,519	218,561	108,560	516,225	8,503,033	1,297,943	15,290,723
Tas. ...	852,998	404	1,108,761	140,021	35,703	466,039	2,880,489	809,930	6,294,345
Nor.Ter.	3,759	3,559	...	1,200	25,763	4,209	8,332	10,697	57,519
Total	33,888,106	1,015,017	10,817,307	5,064,575	1,671,105	4,070,229	117,312,478	20,473,229	194,312,046

(iii.) *Liabilities of Banks for June Quarter, 1906 to 1915.* In the subjoined table, which shews the average liabilities of the banks for the quarters ended 30th June, 1906 to 1915, for the Commonwealth as a whole, it will be seen that the growth in total liabilities is almost entirely due to an increase in the deposits, and that deposits not bearing interest and deposits bearing interest have shared in that increase very equally:—

**AVERAGE LIABILITIES OF BANKS IN THE COMMONWEALTH FOR THE QUARTER  
ENDED 30th JUNE IN THE YEARS 1906 to 1915.**

Year.	Notes in Circulation not Bearing Interest.	Bills in Circulation not Bearing Interest.	Balances due to other Banks.	Deposits.			Total Liabilities.
				Not Bearing Interest.	Bearing Interest.	Total.	
	£	£	£	£	£	£	£
1906 ... ..	3,244,256	563,670	577,094	41,036,116	65,479,150	106,515,266	110,905,286
1907 ... ..	3,563,181	801,878	444,460	46,781,234	65,916,735	112,697,969	117,507,488
1908 ... ..	3,536,227	707,903	796,447	46,015,448	67,678,940	113,694,388	118,734,965
1909 ... ..	3,510,629	720,853	555,806	46,812,632	70,945,623	117,758,255	122,545,543
1910 ... ..	3,748,482	921,758	570,115	55,293,862	74,657,274	129,951,136	135,031,491
1911 ... ..	3,718,458	928,663	741,188	62,236,597	81,220,013	143,446,610	148,835,219
1912 ... ..	536,984	1,003,062	872,946	55,406,841	84,397,756	149,806,597	152,218,569
1913 ... ..	368,975	894,095	2,492,229	62,012,773	87,814,795	149,827,568	153,562,667
1914 ... ..	306,809	1,089,548	2,750,788	70,195,462	93,659,093	163,854,555	166,001,700
1915 ... ..	275,539	1,140,592	3,347,646	75,380,916	99,598,420	174,979,336	179,743,163

(iv.) *Assets of Banks for June Quarter, 1906 to 1915.* A similar table shewing the average assets of the banks for the June quarters of each of the years 1906 to 1915 is shewn below. Bullion, in the case of the Tasmanian banks, is included with coin in the years 1906 and 1907.

**AVERAGE ASSETS OF BANKS IN THE COMMONWEALTH FOR THE QUARTER  
ENDED 30th JUNE IN THE YEARS 1906 to 1915.**

Year.	Coined Gold and Silver and other Metals.	Gold and Silver in Bullion or Bars.	Landed and other Property.	Notes and Bills of other Banks.	Balances Due from other Banks.	All other Debts Due to the Banks.(a)	Total Assets.
	£	£	£	£	£	£	£
1906	21,268,679	1,412,763	5,160,875	802,225	1,234,921	87,889,121	117,768,584
1907	22,420,395	1,291,033	5,028,379	840,217	1,170,276	94,990,435	125,740,735
1908	23,578,293	1,353,267	4,938,212	889,377	1,131,612	101,647,044	133,537,805
1909	24,943,910	1,353,933	4,852,471	932,354	1,153,611	98,481,421	131,717,700
1910	28,826,729	1,322,899	4,919,991	973,161	1,343,669	101,371,817	138,758,266
1911	32,330,705	1,140,065	4,937,437	1,279,714	1,698,097	118,179,425	159,565,443
1912	27,581,368	1,104,644	4,956,593	1,168,958	1,761,701	129,197,992	165,771,256
1913	30,133,187	1,118,879	4,983,882	1,334,182	3,211,812	123,772,972	164,554,914
1914	35,385,924	1,024,100	4,592,951	1,785,498	4,737,862	127,922,971	175,449,806
1915	33,888,106	1,015,017	5,064,575	1,671,105	4,070,229	148,603,014	194,312,046

(a) Including Government and Municipal securities, and Australian notes.

As the table shews, the increase in the total amount of assets is partly due to an increase in the amount of specie held by the banks against liabilities at call, partly to advances, and, to a lesser extent, to an increase in the "balances due." The marked advance in the item "all other debts" in the year 1915 was due to the large expansion of the Australian note issue, owing to the war. The banks have materially assisted the Federal Government in its war finance by advancing £10,000,000 in gold, receiving in return an equivalent amount in Australian notes, which they undertook not to present for payment until the termination of the war.

**5. Percentage of Coin, Bullion, and Australian Notes to Liabilities at Call.—**

(i.) *Commonwealth.* Although it is not strictly correct to assume that the division of deposits into those bearing interest and not bearing interest would in every case coincide with a division into fixed deposits and current accounts, the division, in default of a better one, must be adopted, and in the following table "liabilities at call" are therefore understood to include the note circulation of the banks and the deposits not bearing interest. From 1912 onwards, however, the former item will tend to become negligible.

**PERCENTAGE OF COIN, BULLION, AND AUSTRALIAN NOTES TO LIABILITIES AT CALL, COMMONWEALTH BANKS, 1906 to 1915.**

Year.				Liabilities at Call.	Coin, Bullion, and Australian Notes.	Percentage to Liabilities at Call.
				£	£	%
1906	...	...	...	44,280,372	22,681,442	51.22
1907	...	...	...	50,344,415	23,711,428	47.10
1908	...	...	...	49,551,675	24,931,560	50.31
1909	...	...	...	50,323,261	26,297,843	52.26
1910	...	...	...	58,982,344	30,149,628	51.12
1911	...	...	...	65,945,355	33,470,770	50.76
1912	...	...	...	65,945,825	34,120,831	51.74
1913	...	...	...	62,381,748	36,105,775	57.88
1914	...	...	...	70,502,271	41,446,540	58.79
1915	...	...	...	75,656,505	55,376,352	73.19

It would appear from the figures just given that the banks generally consider it advisable to hold about half the amount of liabilities at call in coin and bullion. In the two years 1913 and 1914 the ratio rose to more than four-sevenths, and in 1915 to nearly three-fourths. The drop to 47.10 per cent. in 1907 was due to the very large increase in the amount of deposits during the year, and to the fact that the increase in the coin and bullion held, considerable though it was, did not keep pace therewith. The large rise in 1913 was due to a decrease in the deposits, coupled with a simultaneous advance in coin, bullion, and Australian notes. The result of over 73 per cent. for 1915 is abnormal, and is due to the rise in the holdings of Australian notes, which are being held in excess of requirements.

(ii.) *Queensland Treasury Notes.* No bank notes are issued by any of the banks in Queensland, where a Treasury note took the place of bank notes from 1893. These Treasury notes are disregarded in the quarterly statements of the banks; according to Treasury returns the amount outstanding on 30th June, 1915, was £30,549, partly in circulation, and the balance held by the banks. Under the Australian Notes Act, previously referred to, the issue of notes by a State is now prohibited.

(iii.) *States.* The proportion of coin, bullion and Australian notes to liabilities at call varies considerably in the different States, and is generally highest in Western Australia, and lowest in Queensland and Tasmania. A table is appended shewing the percentage for each State for the quarter ended 30th June in each of the years 1906 to 1915:—

**PERCENTAGE OF COIN, BULLION, AND AUSTRALIAN NOTES TO LIABILITIES AT CALL, COMMONWEALTH BANKS, 1906 to 1915.**

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Ter.	All States.
	%	%	%	%	%	%	%	%
1906	48.49	53.55	40.43	51.25	73.98	42.39	...	51.22
1907	44.81	49.17	37.20	46.73	71.14	39.84	...	47.10
1908	47.70	54.68	41.09	45.63	76.09	40.06	...	50.31
1909	50.38	56.57	39.68	46.90	83.29	41.48	...	52.26
1910	51.33	51.66	39.78	48.27	81.09	37.77	...	51.12
1911	52.28	45.05	43.60	51.64	86.55	35.13	16.27	50.76
1912	50.79	50.42	47.53	56.98	72.82	44.63	32.95	51.74
1913	51.93	59.87	54.18	70.75	94.23	47.23	20.98	57.88
1914	57.06	55.16	47.85	74.93	102.60	50.04	19.53	58.79
1915	66.50	69.13	63.82	115.07	139.21	68.90	20.80	73.19

6. *Deposits and Advances.*—(i.) *Total Deposits.* The total amount of deposits held by the banks shows a steady advance during the period under review, although there was a slight check in the advance during 1913.

## TOTAL DEPOSITS IN COMMONWEALTH BANKS, 1906 to 1915.

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	N. Ter.	All States.
	£	£	£	£	£	£	£	£
1906 ...	39,099,630	36,764,392	13,665,110	7,513,802	5,645,701	3,826,631	...	106,515,266
1907 ...	41,967,265	38,393,179	14,852,584	8,247,366	5,500,112	3,737,463	...	112,697,969
1908 ...	43,616,984	37,538,722	15,328,056	8,644,346	4,894,639	3,671,641	...	113,694,388
1909 ...	44,626,194	38,611,731	16,138,931	9,727,879	4,987,894	3,665,626	...	117,758,255
1910 ...	50,018,885	41,809,708	17,420,034	10,782,890	6,129,668	3,729,951	...	129,891,136
1911 ...	55,222,458	46,363,615	19,633,309	11,128,300	7,280,392	3,759,488	59,350	143,446,910
1912 ...	58,229,571	48,453,808	20,311,907	11,600,180	6,900,753	4,286,207	74,166	149,806,597
1913 ...	57,282,179	47,690,128	21,504,588	11,714,785	6,350,055	5,188,274	97,559	149,827,568
1914 ...	62,927,433	52,027,824	24,244,483	12,243,015	6,868,956	5,415,462	132,382	163,854,555
1915 ...	68,170,388	54,159,707	27,369,725	11,857,033	7,539,468	5,710,106	172,939	174,979,336

(ii.) *Deposits per Head of Population.* To shew the extent to which the population makes use of the banking facilities afforded to it, a table is given hereunder shewing the amount of total deposits per head of mean population for each of the years 1906 to 1915. The figures must not be taken as representative of the savings of the people, as a large proportion of the deposits is non-interest-bearing and therefore presumably used in the business of the banks' customers, together with a small part of the interest-bearing deposits.

## DEPOSITS PER HEAD OF POPULATION IN COMMONWEALTH BANKS, 1906 to 1915.

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	Northern Territory.	All States.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1906	26 1 4	30 6 8	25 10 10	20 10 1	22 5 0	20 15 8	...	26 5 10
1907	27 5 8	31 7 2	27 9 1	22 5 0	21 10 8	20 6 6	...	27 7 11
1908	27 15 6	30 6 8	27 15 0	22 14 11	19 0 8	19 12 10	...	27 3 5
1909	28 0 4	30 14 0	28 8 6	24 17 5	19 0 4	19 6 1	...	27 12 8
1910	30 13 5	32 14 9	29 11 6	27 1 2	22 14 10	19 11 0	...	29 16 5
1911	33 9 1	35 1 10	32 2 2	27 3 7	25 11 0	19 7 7	17 17 0	32 1 8
1912	34 15 5	35 11 1	32 13 0	27 14 10	23 9 2	21 17 11	22 16 8	32 15 10
1913	31 14 9	34 6 10	33 1 3	27 1 8	20 6 11	26 15 0	26 17 10	31 6 1
1914	34 18 10	37 5 4	36 14 11	28 17 2	22 12 6	28 0 0	36 7 8	34 4 7
1915	36 8 10	37 18 6	39 16 2	26 19 0	23 7 2	28 12 5	41 9 1	35 6 8

(iii.) *Total Advances.* In the quarterly statements furnished by the banks the column headed "all other debts due to the banks," which usually average about 75 per cent. of the total assets, is made up of such miscellaneous items as bills discounted, promissory notes discounted, overdrafts on personal security, overdrafts secured by deposit of deeds or by mortgage, etc. The quarterly returns furnished to the Commonwealth Statistician in 1908 and 1909 provided for a division of the amounts contained under this heading into a number of sub-headings, but all the banks were not in a position to make the necessary division, so that under present circumstances it is impossible to separate these items, and the total amounts contained in the column must, therefore, be treated as advances. The following table shews the totals for each State during the years 1906 to 1915. It will be noted that between the consecutive years 1908-9 and 1912-13 there was a marked decrease in the advances. In each case this was roughly concurrent with a slackening in the increase of deposits, and was due partly to this slackening, and partly to international causes.

## ADVANCES BY COMMONWEALTH BANKS, 1906 to 1915.

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	Northern Territory.	All States.
	£	£	£	£	£	£	£	£
1906 ...	32,057,192	29,699,683	13,850,921	5,053,184	4,635,624	2,592,517	...	87,889,121
1907 ...	34,460,963	31,894,070	15,076,455	5,545,346	5,140,911	2,872,660	...	94,990,435
1908 ...	37,948,889	33,254,780	15,245,537	5,805,575	5,581,001	3,008,237	...	100,844,019
1909 ...	34,853,220	31,455,141	14,499,669	5,699,546	5,384,518	2,715,648	...	94,607,743
1910 ...	34,809,345	33,064,881	14,167,480	6,426,809	5,889,061	2,732,645	...	97,080,231
1911 ...	39,001,933	35,792,928	15,639,657	8,018,597	7,327,529	2,796,045	2,085	108,578,774
1912 ...	43,575,784	37,843,369	17,765,880	8,565,340	8,360,993	2,857,565	3,755	118,972,677
1913 ...	41,740,849	35,914,898	16,748,341	7,893,585	8,124,242	3,056,852	2,279	113,481,046
1914 ...	43,423,580	35,667,449	17,114,230	8,142,197	8,024,452	3,132,968	4,314	115,509,210
1915 ...	45,305,098	35,233,268	17,304,016	8,078,242	8,503,033	2,880,489	8,332	117,312,478

(iv.) *Proportion of Advances to Deposits.* The percentage borne by advances to total deposits shews to what extent the needs of one State have to be supplied by the resources of another State, and where the percentage for the Commonwealth as a whole exceeds 100, as it did in 1901, 1902, and 1903, the banks must have supplied the deficiency from their own resources, or from deposits obtained outside the Commonwealth. The following figures shew, however, that the banking business of the Commonwealth has been practically self-contained during the period under review :—

**PERCENTAGE OF ADVANCES TO TOTAL DEPOSITS, COMMONWEALTH BANKS,  
1906 TO 1915.**

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Ter.	All States.
	%	%	%	%	%	%	%	%
1906	81.99	80.78	101.36	67.25	82.11	67.75	...	82.51
1907	82.11	83.07	101.51	67.24	93.47	76.86	...	84.29
1908	87.00	88.59	99.46	67.16	114.00	81.93	...	88.70
1909	78.10	81.47	89.84	58.59	107.95	74.08	...	80.34
1910	69.59	79.08	81.33	59.60	96.07	72.99	...	74.74
1911	70.63	77.20	79.66	72.06	100.65	74.37	3.51	75.69
1912	74.83	78.10	87.47	73.84	121.16	67.46	5.06	79.42
1913	72.87	75.31	77.88	67.38	127.94	58.92	2.34	75.74
1914	69.01	68.55	70.59	66.48	116.99	57.85	3.26	70.49
1915	66.46	65.05	63.22	68.13	112.78	50.45	7.82	67.04

**7. Clearing Houses.**—The Sydney Banks' Exchange Settlement and the Melbourne Clearing House, at which two institutions settlements are effected daily between the banks doing business in New South Wales and Victoria respectively, publish figures of the weekly clearances effected. From these figures it appears that in 1915 the total clearances in Sydney amounted to £357,803,000, and in Melbourne to £299,295,000. These figures represent an increase for Sydney of £4,735,000 on those for 1914, and a decrease for Melbourne of £373,000. Owing to the different distribution of the banking business in the two cities these figures do not, however, afford a fair comparison of the volume of banking business transacted in Sydney and Melbourne. For Adelaide the clearances in 1915 totalled £60,950,000, a decrease for the year of £9,081,000.

### § 3. Companies.

**1. General.**—Returns in regard to registered companies are defective, and, with few exceptions, are not available for Tasmania. They embrace (a) Returns relating to Trustees, Executors and Agency Companies; (b) Returns relating to Registered Building and Investment Societies; and (c) Returns relating to Registered Co-operative Societies.

**2. Trustees, Executors and Agency Companies.**—Returns are available of eight Victorian, two New South Wales, one Queensland, three South Australian, one Western Australian, two Tasmanian companies, and two with head offices in New Zealand. The paid-up capital of these nineteen companies amounted to £528,702; reserve funds and undivided profits to £476,802; other liabilities, £157,178; total liabilities, £1,162,682. Among the assets are included :—Deposits with Governments, £218,214; other investments in public securities, fixed deposits, etc., £190,353; loans on mortgage, £138,465; property owned, £411,923; other assets, £203,727. The net profits for the year were £82,325, and the amount of dividends and bonuses £49,391. Returns as to the amount at credit of estates represented by assets are available for only twelve companies, the total shewn being £42,456,927.

Probably about £20,000,000 would have to be added to this amount for the remaining seven companies, so that the total amount would not be far short of £63,000,000. None of these companies receives deposits, and advances are only made under exceptional circumstances, and to a very limited extent, the total so shewn in the last balance-sheets being but £81,119.

3. **Registered Building and Investment Societies.**—Returns have been received of a total of 203 societies, viz., 116 in New South Wales, 32 in Victoria, 13 in Queensland, 26 in South Australia, 12 in Western Australia, and 4 in Tasmania. The balance-sheets cover various periods ended during the second half of 1914 and the first half of 1915, so that the returns may be assumed to correspond roughly to the financial year 1914-15. The liabilities of the societies are stated as follows:—

**LIABILITIES OF REGISTERED BUILDING AND INVESTMENT SOCIETIES, 1914-15.**

State.	Paid-up Capital or Subscriptions.	Reserve Funds.	Deposits.	Bank Over-drafts and other Liabilities.	Total Liabilities.
	£	£	£	£	£
New South Wales	1,286,866	(a)	480,592	152,197	1,919,655
Victoria ...	1,315,620	295,111	931,756	157,855	2,700,342
Queensland ...	480,779	36,583	116,759	32,753	666,874
South Australia ...	459,766	10,356	2,126	15,341	487,589
Western Australia ...	129,199	...	28,983	12,213	170,395
Tasmania ...	111,180	48,607	162,923	8,212	330,922
Total ...	3,783,410	390,657	1,723,139	378,571	6,275,777

(a) Included in paid-up capital or subscriptions.

The assets of the companies for the same period were as follows:—

**ASSETS OF REGISTERED BUILDING AND INVESTMENT SOCIETIES, 1914-5.**

State.	Advances on Mortgage.	Landed and House Property, Furniture, etc.	Cash in Hand and on Deposit and other Assets.	Total Assets.
	£	£	£	£
New South Wales ...	1,621,150	(a)	298,505	1,919,655
Victoria ...	2,228,449	477,661	56,553	2,762,663
Queensland ...	634,685	14,457	28,113	677,255
South Australia ...	480,704	3,362	17,384	501,450
Western Australia ...	167,793	63	6,996	174,852
Tasmania ...	296,249	7,990	26,683	330,922
Total ...	5,429,030	503,533	434,234	6,366,797

(a) Included with other assets.

Statistical information, so far as is available, is furnished in the following table:—

**REGISTERED BUILDING AND INVESTMENT SOCIETIES, 1914-15.**

Particulars.	N.S.W.	Vic.	Q'land.	S.A.	W.A.	Tas.	C'wlth.
Number of societies ...	116	32	13	26	12	4	203
Number of shareholders ...	(a)	8,187	4,722	11,597	3,451	1,755	(b)29,712
Number of shares ...	(a)	(a)	800,724	28,190	10,009	11,704	(c)850,627
Number of borrowers ...	(a)	10,498	4,510	2,547	1,132	1,517	(b)20,204
Income for year from interest ...	100,354	168,541	43,364	24,522	(d)	18,672	355,453
Working expenses for year ...	87,004	69,553	10,375	7,802	3,281	3,542	181,557
Amount of deposits during year ...	(a)	826,784	14,692	3,449	57,448	36,308	938,681
Repayment of loans during year ...	(a)	585,570	105,193	81,405	(e)43,038	66,643	881,849
Loans granted during year ...	(a)	653,877	139,508	100,977	43,053	47,940	985,355

(a) Not available. (b) Exclusive of New South Wales. (c) Exclusive of New South Wales and Victoria. (d) Included in repayment of loans. (e) Including income from interest.

4. **Registered Co-operative Societies.**—Returns are available of 109 societies, of which 45 were in New South Wales, 43 in Victoria, 5 in Queensland, 7 in South Australia, and 9 in Western Australia. As in the case of Building and Investment Societies, so in the case of Co-operative Societies do the balance-sheets cover various periods ended during the financial year 1914-15. The liabilities of the 109 societies are shewn in the following table:—

**LIABILITIES OF REGISTERED CO-OPERATIVE SOCIETIES, 1914-15.**

State.	Paid-up Capital.	Reserve Funds.	Bank Over-drafts and Sundry Creditors.	Other Liabilities, Profit and Loss Account, &c	Total Liabilities.
	£	£	£	£	£
New South Wales ...	389,751	(a)	101,972	...	491,723
Victoria ...	136,894	28,062	140,932	70,087	375,975
Queensland ...	(c)	(c)	(c)	(c)	8,459
South Australia ...	137,833	14,102	16,903	24,977	193,865
Western Australia ...	10,979	1,519	22,614	6,296	41,408
Total(b) ...	(c)	(c)	(c)	(c)	1,111,430

(a) Included in paid-up capital. (b) Exclusive of Tasmania. (c) Not available.

The assets of the societies are shewn hereunder:—

**ASSETS OF REGISTERED CO-OPERATIVE SOCIETIES, 1914-15.**

State.	Stock and Fittings.	Cash in Hand and Sundry Debtors.	Freehold and other Property and other Assets.	Total Assets.
	£	£	£	£
New South Wales ...	352,388	125,160	12,584	490,132
Victoria ...	156,866	128,930	99,493	385,289
Queensland ...	7,352	5,666	4,203	17,221
South Australia ...	150,540	36,514	15,656	202,710
Western Australia ...	75,574	18,129	301	94,004
Total(a) ...	742,720	314,399	132,237	1,189,356

(a) Exclusive of Tasmania.

The following table gives statistical information, so far as available:—

**REGISTERED CO-OPERATIVE SOCIETIES, 1914.**

Details.	N.S.W.	Vic.	Q'land.	S.A.	W.A.	C'wth. (a)
Number of societies on 31st December, 1914 ...	45	43	5	7	9	109
Total No. of members on 31st December, 1914 ...	33,854	19,876	17,159	13,001	1,874	85,764
Total income for year 1914 ...	£ 1,621,509	843,536	18,298	396,659	263,451	3,143,453
Working expenses for year ended 31st December, 1914 ...	£ 1,462,617	146,020	10,679	68,758	233,741	1,921,815

(a) Exclusive of Tasmania.

### § 4. Savings Banks.

1. **General.**—The total number of savings banks, with their branches and agencies, in the Commonwealth, nearly approximates to that of ordinary banks, and at the middle of 1915 numbered 2209, distributed as follows:—New South Wales, 628; Victoria, 462; Queensland, 482; South Australia, 296 (exclusive of school penny savings banks); Western Australia, 192 (exclusive of school penny savings banks); and Tasmania, 149. These figures are exclusive of the recently-established Commonwealth Savings Bank, except in the State of Tasmania, in which the Commonwealth Savings Bank absorbed the State Savings Bank.

In the following tables the figures for all the States except Tasmania refer to financial years ended 30th June. In the case of Tasmania figures for the two joint-stock savings banks are made up to the last day of February in each year. In the case of the Commonwealth Bank, figures are made up to the 30th June, 1915.

2. **Depositors.**—The total number of depositors, *i.e.*, of persons having accounts open, not of those making deposits, in each of the last ten years is shewn in the following table:—

NUMBER OF DEPOSITORS IN SAVINGS BANKS, 1905-6 to 1914-15.

Year.	N.S.W.	Victoria. (a)	Q'land.	S. Aust. (a)	W. Aust. (a)	Tasmania.	All States.
1905-6	364,039	466,752	88,026	152,487	63,573	50,731	1,185,608
1906-7	392,050	491,318	92,912	161,855	66,737	53,817	1,258,689
1907-8	421,928	511,581	100,324	174,289	72,178	55,620	1,335,920
1908-9	436,029	532,425	106,627	187,482	77,748	58,145	1,398,456
1909-10	460,251	560,515	114,720	201,275	86,166	60,646	1,483,573
1910-11	498,658	595,424	127,219	216,480	99,017	63,314	1,600,112
1911-12	544,023	641,736	139,091	232,971	111,078	67,105	1,736,004
1912-13(b)	619,224	703,084	163,438	251,963	121,201	70,402	1,934,312
1913-14(b)	693,618	735,400	201,163	267,805	134,510	76,000	2,108,496
1914-15(b)	755,835	781,490	229,023	282,169	144,777	80,446	2,273,740

(a) Inclusive of depositors in penny savings banks.  
Commonwealth Savings Bank.

(b) Inclusive of

The subjoined table shews the above figures in relation to the population of the States; it must, of course, be borne in mind that savings bank accounts are not restricted to the adult population, but that it is, on the contrary, a very usual practice to open accounts in the names of children. Even so, the proportion is a large one, amounting in the case of the Commonwealth to about six-thirteenths, and rising in Victoria to six-elevenths, and in South Australia to more than seven-elevenths.

DEPOSITORS IN SAVINGS BANKS PER 1000 OF POPULATION, 1905-6 to 1914-15.

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	All States.
1905-6	245	386	166	416	254	272	294
1906-7	258	403	172	437	262	290	308
1907-8	270	415	184	462	284	293	321
1908-9	275	426	191	481	299	303	330
1909-10	285	439	199	508	324	314	343
1910-11	303	458	212	528	358	327	362
1911-12	325	471	224	553	378	347	380
1912-13(a)	342	506	257	581	386	362	403
1913-14(a)	373	517	296	607	415	386	428
1914-15(a)	404	548	332	637	449	405	459

(a) Inclusive of Commonwealth Savings Bank.

3. **Deposits.**—The total amount of deposits in the savings banks of the six States reaches the large sum of ninety-one million pounds, and would no doubt be even larger if the banks did not restrict interest-bearing deposits to certain limits. It must be remembered that though not granting him facilities to draw cheques, the Australian savings banks practically afford the small tradesman all the advantages of a current account, in addition to which they also allow him interest on his minimum monthly balance, instead of charging him a small fee for keeping his account, as the ordinary banks do. The rates of interest allowed, and the limits of interest-bearing deposits, are as follows:—New South Wales, Government Savings Bank,  $3\frac{1}{2}$  per cent. up to £300, and 3 per cent. on the excess to £500; Victoria,  $3\frac{1}{2}$  per cent. on first £350, and on deposit stock up to £1000; Queensland,  $3\frac{1}{2}$  per cent. up to £500; South Australia,  $2\frac{1}{2}$  per cent. on accounts closed during the year, and  $3\frac{1}{2}$  per cent. up to £350 on accounts remaining open; Western Australia, 3 per cent. up to £1000; Hobart Trustees' Savings Bank, 4 per cent. up to £50,  $3\frac{1}{2}$  per cent. on the excess from £50 to £150; Launceston Trustees' Savings Bank,  $3\frac{1}{2}$  per cent. up to £150, and Commonwealth Savings Bank, 3 per cent. up to £300. The savings banks of five of the States—New South Wales, Victoria, Queensland, South Australia, and Western Australia—have, for the further benefit of depositors, entered into a reciprocity arrangement, under which money deposited in one State may be drawn out in another State, and even by telegraph. The two Savings Banks in New South Wales amalgamated on 1st May, 1914. The Act of amalgamation provided for interest at the rate of  $3\frac{1}{2}$  per cent. on the accounts carried to the combined institution. If the rate of interest to Government Savings Bank depositors should fall subsequently below 3 per cent., the transferred accounts of the old Barrack Street Bank are to receive a preferential rate of interest of  $\frac{1}{2}$  per cent. Otherwise their accounts will never receive less than  $3\frac{1}{2}$  per cent.

The table below shews the total amounts at credit of depositors in each of the last ten years:—

#### DEPOSITS IN SAVINGS BANKS, 1905-6 to 1914-15.

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
	£	£	£	£	£	£	£
1905-6 ...	13,963,635	11,764,179	4,142,791	4,766,907	2,316,161	1,332,546	38,286,219
1906-7 ...	15,320,532	12,792,590	4,543,104	5,320,872	2,633,135	1,488,056	42,098,269
1907-8 ...	17,530,157	13,428,676	4,921,881	5,820,344	2,885,463	1,560,951	46,147,472
1908-9 ...	18,805,082	14,101,710	5,158,219	6,347,271	3,059,738	1,605,919	49,077,939
1909-10 ...	20,150,574	15,417,888	5,622,986	6,791,320	3,481,764	1,652,966	53,117,498
1910-11 ...	22,453,924	17,274,423	6,376,969	7,435,772	4,092,504	1,760,090	59,393,682
1911-12 ...	25,361,338	19,662,465	7,342,811	8,248,396	4,408,320	1,933,448	66,956,778
1912-13(a) ...	28,862,592	22,232,196	8,668,284	8,766,182	4,682,738	2,062,211	75,248,203
1913-14(a) ...	32,363,069	24,533,519	10,166,946	9,366,490	4,932,895	2,178,305	83,541,224
1914-15(a) ...	35,562,649	26,996,025	11,972,965	9,595,156	5,149,536	2,301,336	91,577,667

(a) Inclusive of Commonwealth Savings Bank.

A comparison between the tables shewing the number of depositors and the amount of deposits reveals the fact that the average amounts to the credit of each depositor are considerably larger in some States than in others; in other words, that in one State a comparatively larger proportion of the population makes use of the savings banks, and that the natural result is a smaller amount to the credit of the individual depositor. Within the same State there is little variation in the figures from year to year.

#### AVERAGE AMOUNT PER DEPOSITOR IN SAVINGS BANKS, 1905-6 to 1914-15.

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1905-6 ...	38 7 2	25 4 1	47 1 3	31 5 3	36 8 8	26 5 4	32 5 10
1906-7 ...	39 1 7	26 0 9	48 17 11	32 17 6	39 9 1	27 13 0	33 8 11
1907-8 ...	41 10 11	26 5 0	49 1 2	33 7 11	39 19 6	28 1 4	34 10 10
1908-9 ...	43 11 2	26 9 9	48 7 6	33 17 1	39 7 1	27 12 5	35 4 1
1909-10 ...	43 15 8	27 10 1	49 0 4	33 14 10	40 8 2	27 5 1	35 16 1
1910-11 ...	45 0 7	29 0 3	50 2 6	34 7 0	41 6 7	27 16 0	37 2 4
1911-12 ...	46 12 4	30 12 9	52 15 10	35 8 1	39 13 9	28 16 3	38 11 4
1912-13(a) ...	46 12 2	31 12 5	51 9 3	34 15 10	38 12 9	28 18 4	38 18 0
1913-14(a) ...	46 13 2	33 7 2	50 10 10	34 18 10	36 13 6	28 13 3	39 12 4
1914-15(a) ...	47 1 0	34 10 11	52 5 7	34 0 1	35 11 5	28 12 2	40 5 7

(a) Inclusive of Commonwealth Savings Bank.

The average amount deposited per head of population shows a satisfactory increase during the period under review. In 1905-6 it ranged from £13 in South Australia to £7 3s. in Tasmania, while in 1914-15 the amount in South Australia had risen to £21 13s. 6d., and in Tasmania to £11 12s. The following table gives the figures for each year:—

**SAVINGS BANKS DEPOSITS PER HEAD OF POPULATION, 1905-6 to 1914-15.**

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1905-6 ...	9 7 8	9 14 5	7 15 11	13 0 0	9 5 2	7 3 0	9 9 10
1906-7 ...	10 1 4	10 9 9	8 8 7	14 7 3	10 6 5	8 0 6	10 5 9
1907-8 ...	11 4 6	10 17 10	9 0 4	15 8 5	11 6 9	8 4 8	11 1 9
1908-9 ...	11 17 5	11 5 6	9 5 2	16 6 0	11 15 8	8 7 6	11 11 11
1909-10 ...	12 9 8	12 1 6	9 14 7	17 2 8	13 2 1	8 11 2	12 5 8
1910-11 ...	13 13 2	13 5 6	10 12 11	18 2 7	14 15 8	9 1 9	13 8 5
1911-12 ...	14 11 7	14 10 5	11 11 8	19 8 11	14 11 7	10 3 6	14 8 4
1912-13 ...	15 19 0	15 19 10	13 4 2	20 4 3	14 17 8	10 9 4	15 13 4
1913-14 ...	17 8 7	17 5 1	14 19 6	21 4 0	15 4 6	11 1 5	16 19 6
1914-15 ...	19 0 1	18 18 6	17 7 2	21 13 6	15 19 4	11 12 0	18 10 0

**4. Annual Business.**—The annual volume of business transacted by the Australian savings banks is very large when compared with the total amount of deposits. This is mainly due to the fact already pointed out that many accounts are used as convenient current accounts. Thus, during the last year of the period under review, the total amount deposited and withdrawn (exclusive of interest added) amounted to about 155 per cent. of the total amount of deposits at the end of the previous year, while the amount at credit of depositors (inclusive of interest added) increased by only about 10 per cent. during the same year. The following table shows the business transacted during the year 1914-15:—

**SAVINGS BANKS TRANSACTIONS DURING THE YEAR 1914-15.**

State.	Total Deposits at End of Year 1913-14.	Amounts Deposited during Year 1914-15.	Interest Added during Year 1914-15.	Total.	Amounts Withdrawn during Year 1914-15.	Total Deposits at End of Year 1914-15.
	£	£	£	£	£	£
N.S. Wales ...	32,368,069	27,118,340	1,064,944	61,350,747	25,788,098	35,562,649
Victoria ...	24,533,519	20,566,252	765,827	45,865,598	18,869,573	26,996,025
Queensland ...	10,166,946	8,195,192	310,042	18,672,180	6,699,215	11,972,965
South Australia ...	9,366,490	5,494,453	324,848	15,185,791	5,590,635	9,595,156
West. Australia ...	4,932,895	4,326,302	140,161	9,399,358	4,249,822	5,149,536
Tasmania ...	2,178,305	1,449,629	70,165	3,698,099	1,396,763	2,301,336
Total ...	83,541,224	67,150,168	2,675,987	154,171,773	62,594,106	91,577,667

(a) Including £804,394, the amount by which the deposits increased between 1st January and 30th June, 1914.

**5. Commonwealth Savings Bank.**—A most important recent event has been the opening of the Savings Bank department of the Commonwealth Bank. This started operations in Victoria on 15th July, 1912, in Queensland on 16th September, 1912, in the Northern Territory on 21st October, 1912, and in the States of New South Wales, South Australia, and Western Australia on 13th January, 1913. Business is being carried on

on the usual Savings Bank lines, interest at the rate of 3 per cent. per annum being allowed on deposits up to £300. Extensive use is being made of the country post-offices as local agencies, the several States having received notice that their Savings Banks would have to be removed from the post-offices by the end of 1912. Victoria and Queensland withdrew at a very early stage.

At the conference of State Premiers, held at Melbourne on 19th January, 1912, and following days, the Commonwealth Prime Minister submitted certain proposals as the basis upon which the States might become partners in the Commonwealth Bank. One of the proposals was that the Commonwealth should take over the Savings Banks of each State, whether Government or trustee. After this had happened the State Government was to have first call on any loan which the Commonwealth Bank should repay to the State Bank in redemption of loans existing when it was taken over; and also first call on three-fourths of the amount of deposits in the State available for investment. The Premiers, feeling unwilling to agree to this, submitted a counter proposal [the Victorian Treasurer dissenting], that the Commonwealth Bank should refrain from embarking on Savings Bank business, and that the States, in consideration thereof, should lend to the Bank an amount equal to one-fourth of the excess of deposits over withdrawals. This arrangement was to come into force on 1st June, 1913, and last for five years. The Prime Minister, in reply, intimated that his original proposals were still open for acceptance. On 23rd January the Premiers' Conference passed the following resolution [the representatives from Victoria and Queensland dissenting]: "That this conference expresses its readiness to accept the proposals submitted by the Prime Minister, subject to a satisfactory arrangement being arrived at for giving the States an equitable share in the management of the Commonwealth Bank." The matter then remained for some months in abeyance.

Almost from the time of the opening of the Savings Banks department the Governor of the Bank made proposals to the various State Governments which might form a basis for the transfer of the various State Savings Banks to the Commonwealth. The Government of Tasmania ultimately accepted the offer, and the State Savings Bank of Tasmania was formally transferred to the Commonwealth as from the 1st January, 1913, and opened for business under the new régime on 3rd January. The remaining States' Governments announced their intention of retaining their Savings Banks as separate institutions, and their example was followed by the Savings Bank of New South Wales, and the two trustee Savings Banks of Tasmania. The Savings Bank of New South Wales, however, amalgamated with the Government Savings Bank of that State as from 1st May, 1914. It will be of interest to give a summary of the agreement between the Commonwealth Bank and the State Savings Bank of Tasmania. The following is condensed from a statement by the Governor of the Commonwealth Bank :—

"The Commonwealth Bank is to take over all the liabilities to depositors, etc., amounting to £788,031, leaving the profit and loss balance, amounting to £5659, in the hands of the State. The assets, amounting to £793,690, are dealt with as follows: the securities to be retained by the State Government, and debentures to be issued to the Commonwealth Bank, Savings Bank Department, in lieu of same. Three per cent. stock totalling £19,000, and 3½ per cent. stock totalling £420,961, to be exchanged for 3½ per cent. debentures at 95, and 3½ per cent. stock amounting to £204,000, and 4 per cent. stock amounting to £146,700 to be exchanged for 4 per cent. debentures. The total debentures, amounting to £784,133, will mature in 20 yearly instalments of £39,207 per annum (except the last one, which will be £39,200), the first payment to be made on 30th June, 1932. The Government will provide a sinking fund of 1 per cent., to be a charge on the consolidated revenue of the State, and to be deposited in the Commonwealth Bank in reduction of debentures in even thousands, in the proportion of 3½ per cent. and 4 per cent. debentures issued. The remaining items on the balance sheet, amounting to £31,229, will be handed over to the Commonwealth Bank as cash.

"The State is to have first call for State requirements on 75 per cent. of the increased deposits at current rates, and should the State at any time not require the amount, the Governor of the Commonwealth Bank will be at liberty to invest the same, either in the business of the Bank, or in the Commonwealth or in municipal securities. The whole of the staff at present exclusively engaged in savings bank business will be retained."

The following table shews for each State the number of depositors, and the amount at credit on 30th June, 1915, of the Commonwealth Savings Bank :—

COMMONWEALTH SAVINGS BANK AS AT 30th JUNE, 1915

Locality.				Number of Depositors.	Amount at Credit.
					£
New South Wales	...	...	...	61,023	2,026,392
Victoria	...	...	...	45,583	1,951,996
Queensland	...	...	...	36,621	1,309,109
South Australia	...	...	...	12,773	544,342
Western Australia	...	...	...	16,889	497,714
Tasmania	...	...	...	35,959	990,720
Northern Territory	...	...	...	716	42,643
Papua	...	...	...	151	9,041
London	...	...	...	646	48,690
Total	...	...	...	210,361	7,420,647

### § 5. Life Assurance.

1. **General.**—Under section 51 of the Commonwealth Constitution Act, the Commonwealth Parliament is empowered to legislate in regard to "insurance, other than State insurance; also State insurance extending beyond the limits of the State concerned." With the exception of Act No. 12 of 1905, "an Act relating to assurance on the lives of children by life assurance companies or societies," no legislation relating to life assurance has been passed by the Commonwealth Parliament, and life assurance companies carry on their business under State laws where such laws are in existence, or otherwise under the provisions of various companies' or special Acts. A Royal Commission consisting of the Honourable J. H. Hood, one of the judges of the Supreme Court of Victoria, and G. H. Knibbs, Esquire, Commonwealth Statistician, was, however, appointed in 1908, "to inquire into and report upon the law relating to and the methods of operating, Fire, Life, Industrial, and other Insurance in Australia." The Commission was originally required to report the result of its inquiry before the 30th June, 1909. A progress report was issued before that date, and the time for the final report extended to the 30th June, 1910. The report relating to Life Assurance was published on 15th March, 1910, and that relating to Fire Insurance on 15th October, 1910. On the conclusions contained in these reports future Commonwealth legislation will probably be based. In fact, a bill embodying some of the conclusions was introduced into the Federal Parliament on December 20th, 1912, but, owing to lack of time, did not reach its second reading. An additional report on Social Insurance was prepared by the Commonwealth Statistician and issued on 9th September, 1910.

Returns for the year 1913 have been directly collected from life assurance societies by the Commonwealth Statistician, with results which are in the main satisfactory. Figures for 1913 refer to business in the Commonwealth only, and do not include New Zealand business.

**2. Companies Transacting Business in the Commonwealth.**—The total number of companies at present established in the Commonwealth is nineteen, of which the following nine have their head offices in New South Wales:—The Australian Mutual Provident Society, the Mutual Life and Citizens' Assurance Company Limited, the City Mutual Life Assurance Society Limited, the Australian Metropolitan Life Assurance Company Limited, the People's Prudential Assurance Company Limited, the Life Insurance Company, the Assurance and Thrift Association Limited, the Co-operative Assurance Company Limited, and the Australian Provincial Assurance Association Limited. The Standard Life Association Limited is now omitted, since a controlling interest in it has been purchased by the Colonial Mutual Life Assurance Society, and almost all its policyholders have transferred themselves to the latter corporation. The Mutual Life and Citizens' Assurance Company Limited was formed in 1908 by the amalgamation of the Mutual Life Association of Australasia and the Citizens' Life Assurance Company Limited. During 1910 it increased in size by amalgamating with the Australian Widows' Fund Life Assurance Society Limited, which is therefore no longer included in the list of independent corporations. Five companies have their head offices in Victoria, viz.:—The Australian Alliance Assurance Company, the National Mutual Life Association of Australasia Limited, the Victoria Life and General Insurance Company, the Colonial Mutual Life Assurance Society Limited, and the Australasian Temperance and General Mutual Life Assurance Society Limited. The head office of the Provident Life Assurance Company is in New Zealand, and that of the Liverpool and London and Globe Insurance Company in England. The remaining three societies belong to the United States, viz.:—The Equitable Life Insurance Society of the United States, the Mutual Life Insurance Society of New York, and the New York Life Insurance Society.

Most of the Australian companies are purely mutual; the following, however, are partly proprietary, the figures in brackets representing the shareholders' capital paid up:—The Victoria Life and General (£40,000), Mutual Life and Citizens' (£88,864), Metropolitan (£11,740), Prudential (£10,000), Life Insurance Company (£44,000), Assurance and Thrift (£17,678), Co-operative Assurance (£51,897), and Australian Provincial Association (£7,777). Of foreign companies transacting business in the Commonwealth, the Liverpool and London and Globe, the Provident, and the Equitable are partly proprietary, the shareholders' capital amounting to £265,525, £15,000, and £20,550 respectively.

**3. Ordinary and Industrial Business.**—Of the societies enumerated in the preceding paragraph, the following seven in 1913 transacted both ordinary and industrial business:—The Australian Mutual Provident Society, the Mutual Life and Citizens' Assurance Company Limited, the Australasian Temperance and General Mutual Life Assurance Society Limited, the Australian Metropolitan Life Assurance Company Limited, the Colonial Mutual Life Assurance Society, the Life Insurance Company, and the Co-operative Assurance Company.

The People's Prudential Assurance Company Limited and the Provident Life Assurance Company formerly restricted their operations to industrial business, but have now established an ordinary department.

The remaining nine societies transacted ordinary life assurance business only, with the exception of those companies which have fire and accident branches, etc.

It has been attempted in this section to keep returns relating to ordinary and to industrial business apart, so far as it is possible to do so, and figures relating to companies whose head offices are in New Zealand or in Europe or America refer to the Australian business only of those companies.

4. **Ordinary Business: Australian Business in Force, 1914.**—The subjoined table shews the ordinary life business in force at the latest dates available in the nineteen societies conducting operations in the Commonwealth:—

**ORDINARY LIFE ASSURANCE.—AUSTRALIAN BUSINESS IN FORCE, 1914.**

Society.	Policies in force, exclusive of Annuities.	Amount Assured, exclusive of Bonus Addition, etc.	Annual Premium Income, exclusive of Annuities.
	No.	£	£
Australian Mutual Provident Society ... ..	246,509	67,178,145	2,124,542
Mutual Life and Citizens' Assurance Company Limited ...	99,250	17,715,148	611,215
City Mutual Life Assurance Society ... ..	23,387	3,491,006	134,687
Australian Metropolitan Life Assurance Company ... ..	3,489	367,894	15,542
Australian Alliance Assurance Company ... ..	366	125,613	3,047
National Mutual Life Association of Australasia ... ..	78,621	17,555,183	631,660
Victoria Life and General Insurance Company ... ..	80	52,043	986
Colonial Mutual Life Assurance Society ... ..	30,041	5,486,617	174,073
People's Prudential Assurance Company ... ..	3,393	230,319	(a) 23,390
Australasian Temperance & General Mutual Life Assurance Society ... ..	41,485	4,391,405	170,737
Liverpool and London and Globe Insurance Company (Life Branch) ... ..	288	117,491	3,490
Provident Life Assurance Company ... ..	371	41,678	1,509
Life Insurance Company ... ..	1,904	403,420	(a) 30,271
Assurance and Thrift Association Limited ... ..	745	146,278	6,009
Co-operative Assurance Company ... ..	639	176,741	(a) 7,233
Australian Provincial Assurance Association Limited ...	1,895	394,175	15,708
Equitable Life Assurance Society of United States ...	5,194	1,725,310	67,619
Mutual Life Insurance Society of New York ... ..	3,689	1,417,462	43,763
New York Life Insurance Society ... ..	5,309	2,092,375	77,686

(a) Including industrial.

5. **Industrial Business: Australian Business in Force, 1914.**—Similar information in regard to the industrial business of the nine societies transacting that kind of business is given in the following table:—

**INDUSTRIAL ASSURANCE.—AUSTRALIAN BUSINESS IN FORCE, 1914.**

Society.	Policies in Force.	Amount Assured.	Annual Premium Income.
	No.	£	£
Australian Mutual Provident Society ... ..	98,317	3,373,999	200,235
Mutual Life and Citizens' Assurance Company ... ..	237,934	4,347,376	235,184
Australian Metropolitan Life Assurance Company ... ..	26,255	655,932	34,972
Colonial Mutual Life Assurance Society ... ..	55,552	1,335,128	78,761
People's Prudential Assurance Company ... ..	5,110	105,868	(a)
Aust. Temperance and General Mutual Life Ass. Society	161,018	3,353,456	220,917
Provident Life Assurance Company ... ..	7,652	208,419	9,555
Life Insurance Company ... ..	2,947	75,336	(a)
Co-operative Assurance Company ... ..	3,283	107,235	(a)

(a) Included in ordinary.

6. **Receipts and Expenditure of Insurance Societies, 1914.**—(i.) *Ordinary Business.* The following returns refer to the Australian business of all societies doing business in the Commonwealth. The People's Prudential Assurance Company, whose accounts do not distinguish between revenue and expenditure on account of ordinary and industrial business, has been included among the companies doing industrial business.

**ORDINARY LIFE ASSURANCE.—AUSTRALIAN RECEIPTS AND EXPENDITURE, 1914.**

Society.	Receipts.	Expenditure.	Excess Receipts (Addition to Funds).
	£	£	£
Australian Mutual Provident Society ...	3,379,463	2,154,033	1,225,430
Mutual Life and Citizens' Assurance Company ...	874,540	664,507	210,033
City Mutual Life Assurance Society ...	209,578	128,363	81,215
Australian Metropolitan Life Assurance Company ...	17,964	9,558	8,406
Australian Alliance Assurance Company ...	7,730	10,790	(a)3,060
National Mutual Life Association of Australasia ...	963,590	513,035	450,555
Victoria Life and General Insurance Company ...	6,040	24,049	(a)18,009
Colonial Mutual Life Assurance Society ...	290,092	184,583	105,509
Aust. Temperance & General Mutual Life Ass. Socy.	214,751	98,001	116,750
Liverpool and London and Globe (Life Branch) ...	3,480	11,827	(a)8,347
Provident Life Assurance Company ...	1,510	421	1,089
Life Insurance Company(b) ...	33,412	31,607	1,805
Assurance and Thrift Association Limited ...	9,943	5,642	4,301
Co-operative Assurance Company(b) ...	14,368	18,953	(a)4,585
Australian Provincial Assurance ...	17,189	30,852	(a)13,663
Equitable Life Assurance Society ...	94,937	126,855	(a)31,918
Mutual Life Insurance Society of New York ...	56,756	86,949	(a)30,193
New York Life Insurance Society ...	84,274	77,430	6,844

(a) Decrease. (b) Including Industrial.

(ii.) *Industrial Business.* A similar return for those societies which transact industrial business is given below. The figures for the Prudential, as stated above, are included therein.

**INDUSTRIAL LIFE ASSURANCE.—AUSTRALIAN RECEIPTS AND EXPENDITURE, 1914.**

Society.	Receipts.	Expenditure.	Excess Receipts (Addition to Funds)
	£	£	£
Australian Mutual Provident Society ...	225,769	81,289	144,480
Mutual Life and Citizens' Assurance Company ...	291,815	170,288	121,527
Australian Metropolitan Life Assurance Company ...	35,914	35,081	833
Colonial Mutual Life Assurance Society ...	79,231	60,439	18,792
People's Prudential Assurance Company ...	25,252	20,593	4,659
Aust. Temperance & General Mutual Life Ass. Soc.	244,190	190,200	53,990
Provident Life Assurance Company ...	10,052	8,776	1,276

**7. Liabilities and Assets of Assurance Societies, 1914.**—The liabilities of the Australasian societies consist mainly of their assurance funds; as already mentioned, only nine of the societies are partly proprietary, viz., the Mutual Life and Citizens', with a paid-up capital of £108,225; the Metropolitan, with a paid-up capital of £11,740; the Prudential, with a paid-up capital of £10,000; the Victoria Life and General, with a paid-up capital of £40,000; the Provident, with a paid-up capital of £21,000; the Life Insurance Company, with £44,000; the Assurance and Thrift, with £17,684; Co-operative Assurance Company, with £56,267; and the Australian Provincial with £57,777. With the exception of the Victoria, the Life Insurance, Assurance and Thrift, and Australian Provincial, this paid-up capital belongs in every case to the industrial branch of the respective societies. The capital of the Provident (£21,000) is held in New Zealand, that of the Liverpool and London and Globe (£265,525) in England, and that of the Equitable Life (£20,550) in the United States. None of these three amounts appears, therefore, in the two subjoined tables, where the capital of the Australian societies is included with the assurance funds. The assets consist mainly of loans on mortgage and policies, Government, municipal, and similar securities, shares, freehold property, etc. As in

some cases the Australian liabilities exceed the Australian assets, it may be pointed out that this table should be read in connection with the table on page 792, which sets out the total assets. Loans on personal security are granted by only very few of the Australian societies.

(i.) *Ordinary Business.* The following table shews the liabilities and assets of the societies transacting ordinary life business:—

**ORDINARY LIFE ASSURANCE.—AUSTRALIAN LIABILITIES AND ASSETS, 1914.**

Society.	Liabilities.			Assets (c)		
	Total Funds including Paid-up Capital.	Other Liabilities.	Total.	Loans on Mortgages and Policies.	Securities, Freehold Property, etc.	Total.
	£	£	£	£	£	£
Australian Mutual Provident Society(a) ...	27,856,916	335,221	28,192,137	13,481,450	11,162,261	24,643,711
Mutual Life and Citizens' Assurance Co. ...	(b)	(b)	(b)	3,011,450	3,162,921	6,174,371
City Mutual Life Assurance Society ...	739,214	32,137	771,351	463,645	307,706	771,351
Australian Metropolitan Life Assurance Co. ...	58,017	18,196	76,213	13,249	62,964	76,213
National Alliance Assurance Company ...	119,931	7,377	127,308	94,389	32,919	127,308
National Mut. Life Assoc. of Australasia ...	6,951,208	106,343	7,057,551	4,774,557	2,282,994	7,057,551
Victoria Life and General Insurance Co. ...	127,083	8,453	135,536	13,498	122,033	135,531
Colonial Mutual Life Assurance Society ...	2,749,186	28,267	2,777,453	1,175,231	1,526,038	2,701,269
Aust. Temp. & Gen. Mut. Life Assur. Soc.(a)	1,541,283	35,616	1,576,899	612,615	964,284	1,576,899
Liverpool & London & Globe (Life Branch)	(b)	4,423	4,423	(b)	(b)	(b)
Provident Life Assurance Company ...	2,890	69	2,959	10	315	325
Commonwealth Life Insurance Co. ...	44,000	674	44,674	3,206	28,322	31,528
Assurance and Thrift Association Limited	29,788	2,874	32,662	26,131	9,057	35,188
Co-operative Assurance Co. (a) ...	56,267	1,490	57,757	19,645	13,036	32,681
Australian Provincial Assur. Assocn. Ltd.	57,777	1,105	58,882	...	30,469	30,469
Equitable Life Assurance Society ...	218,701	739	219,440	180,808	394,628	575,636
Mutual Life Insurance Society of New York	(b)	(b)	(b)	169,149	81,772	250,921
New York Life Insurance Society ...	773,000	8,759	781,759	117,551	29,418	146,969

(a) Including industrial business. As the business of these three societies is mainly ordinary life business they have been included in this table. (b) Not available. (c) Several life offices have a considerable portion of their assets invested outside the Commonwealth (see table on page 792).

(ii.) *Industrial Business.* As stated in the footnote to the preceding table, the Australian Mutual Provident Society, the Australasian Temperance and General Mutual Life Assurance Society, and the Co-operative Assurance Company, which transact a certain amount of industrial business, but whose business is mainly ordinary life business, have been included with those societies doing only ordinary life business. On the other hand, the People's Prudential Assurance Company, in whose case industrial business greatly predominates over ordinary life business, has been included in the following table. Incomplete as the table is, it shews that the funds appropriated to industrial business are very insignificant in comparison with those pertaining to ordinary life business. Taking the table in conjunction with the statements of revenue and expenditure, the question may well be asked whether in the case of some of the societies, industrial business is worth catering for at all.

**INDUSTRIAL LIFE ASSURANCE.—AUSTRALIAN LIABILITIES AND ASSETS, 1914.**

Society.	Liabilities.			Assets.		
	Total Funds, including Paid-up Capital.	Other Liabilities.	Total.	Loans on Mortgages and Policies.	Securities, Freehold Property, etc.	Total.
	£	£	£	£	£	£
Mutual Life & Citizens' Assurance Company	(b)	(b)	(b)	904,435	341,691	1,246,326
Australian Metropolitan Life Assurance Co.	45,463	15,191	60,654	1,442	59,212	60,654
Colonial Mutual Life Assurance Society ...	108,776	334	109,110	1,965	104,958	106,923
People's Prudential Assurance Company (a)	47,169	399	47,568	24,713	22,855	47,568
Provident Life Assurance Company ...	3,150	2,676	5,826	...	5,826	5,826

(a) Including ordinary business. (b) Particulars not available.

(iii.) *Total Assets.* It has been thought advisable to confine the figures relating to life assurance to business in the Commonwealth. Several of the companies whose head offices are in Australia transact, however, a large amount of business elsewhere, viz., in New Zealand, in South Africa, and in the United Kingdom, while in the case of the foreign companies, the Australian business is insignificant compared with that done elsewhere. Particulars as to this foreign business of both Australian and foreign companies will be found in "Finance Bulletin, No. 9," and a short table only is inserted here, shewing the total assets of the various companies, so that the deficiencies in the Australian assets shewn in the previous tables for those companies doing business elsewhere may not be misunderstood :—

#### TOTAL ASSETS OF ASSURANCE COMPANIES, 1914.

Society.	Assets.	Society.	Assets.
<b>ORDINARY BUSINESS.</b>			
	£		£
(a) Australian Mutual Provident Soc.	33,736,908	Assurance & Thrift Association Ltd.	36,638
Mutual Life and Citizens' Assur. Co.	8,081,231	(a) Co-operative Assurance Co. ...	32,681
City Mutual Life Assurance Society...	771,351	Australian Provincial Ass. Assoc. ...	30,489
Aust. Metropolitan Life Assur. Co. ...	76,213	Equitable Life Assurance Society ...	110,404,389
Australian Alliance Assurance Co. ...	127,308	Mutual Life Ins. Society of New York	125,468,952
National Mutual Life Association ...	8,913,968	New York Life Insurance Society ...	162,533,240
Victoria Life and General Insur. Co.	135,531	<b>INDUSTRIAL BUSINESS.</b>	
Colonial Mutual Life Assurance Soc.	3,857,835	Mutual Life and Citizens' Assur. Co.	1,295,139
(c) Aust. Temp. & Gen. Mut. Life A. Soc.	1,781,423	Aust. Metropolitan Life Assur. Co. ...	60,654
Liverpool & London & Globe (Life) ...	14,146,852	Colonial Mutual Life Assurance Soc.	106,923
Provident Life Assurance Company	32,657	(b) People's Prudential Assurance Co.	47,568
Commonwealth Life Insurance Co.	31,528	Provident Life Assurance Company	83,825

(a) Including industrial business.

(b) Including ordinary business.

### § 6. Fire Insurance.\*

1. **General.**—Returns as to fire insurance are very defective, and only for Sydney and Melbourne and the country districts of Victoria have some figures been given which are worth reproducing. The Royal Commission mentioned above under "Life Assurance" has reported upon fire insurance matters, and Commonwealth legislation may, therefore, be expected at an early date. Legislation concerning fire insurance was, in fact, contained in the bill to which reference has already been made. [§ 6, paragraph 1.]

2. **Sydney.**—Under the Fire Brigades Act 1902 the cost of the Metropolitan Fire Brigade is defrayed by equal payments on the part of the Colonial Treasurer, the municipal councils within the area under the jurisdiction of the Fire Brigades Board, and the insurance companies represented in Sydney. The companies divide their share proportionately to the amount held at risk. Under this arrangement the amount payable by the companies for the year 1909 was £19,100, divided amongst sixty-five companies, of which not more than six had their head office in Sydney. The amounts thus held at risk at the close of the last four years for which returns are available were, in 1905, £78,108,749; in 1906, £81,364,129; in 1907, £86,563,304; and in 1908, £89,071,992. A new Act, which came into force on the 1st January, 1910, was passed in 1909. This Act substituted a Board of Fire Commissioners for New South Wales for the original Metropolitan Fire Brigades Board, and divides the whole State into eight fire districts for the greater facilitation of working.

3. **Melbourne.**—In Melbourne the Metropolitan Fire Brigades Board assesses the amount payable by the insurance companies on the amount of premiums returned. These premiums for the last four years averaged about £415,000 per annum, while

\* See also Section XXVI., § 5, Fire Brigades.

the contributions paid by the companies averaged about £21,000, or about £5 for every £100 of premiums. It may be said, therefore, that the companies have to devote about 5 per cent. of their premium income from metropolitan insurances to the maintenance of the fire brigade.

The value of ratable property is about £6,954,000, and the amounts contributed by the municipalities—as in the case of the insurance companies, one-third of the amount required by the Fire Brigades Board, the remaining one-third being contributed by the State Treasurer—are equal to about  $\frac{1}{3}$ d. per £1 of ratable value. In addition to this contribution, insurance companies doing business in Victoria have to take out an annual license at a cost of  $1\frac{1}{2}$  per cent. of the gross premium income, which is probably equal to about  $1\frac{1}{3}$  per cent. on net income.

**4. Country Districts of Victoria.**—The country districts are divided into nine areas for fire insurance purposes, and the contributions to be paid vary in these areas according to the actual requirements of the Country Fire Brigades Board. The value of ratable property for the last year was slightly over £1,765,000. The premium income of the insurance companies from country business in protected areas during the year 1914 was about £197,000, and the contributions of the companies £5750, equal to rather more than  $2\frac{3}{4}$  per cent. of the premium income.

**5. Brisbane.**—A similar arrangement holds good in Brisbane, under which the cost of the Fire Brigade Board, amounting to about £18,000 per annum, is paid in equal shares by the Government, the Brisbane City Council, and the insurance companies.

**6. Adelaide.**—The Fire Brigades Board of South Australia is incorporated under "The Fire Brigades Act 1904"; "The Fire Brigades Act Amendment Act 1905"; and "The Fire Brigades Act Further Amendment Act 1910." The cost is distributed as follows:—Three-ninths to the Government; four-ninths to the insurance companies; and two-ninths to the municipalities and districts which come under the operations of the board. The insurance companies are assessed in proportion to that portion of their premium incomes derived from the insurance of property (re-insurance within the State excepted) situated within the limits of the municipalities and districts coming under the operations of the board. The respective contributions for 1914 were as follows:—The Government, £7663; the companies, £10,217; the municipalities, £5109.

**7. Perth.**—A District Fire Brigades Bill was reported on by a committee of the Legislative Assembly during 1909, and it was recommended that all brigades should in future be controlled by one board, and that the expense should be met by contributions at the following rate:—By Government, two-eighths; by the municipalities, three-eighths; and by the insurance companies, three-eighths. These provisions were incorporated in an Act, "The District Fire Brigades Act 1909," which was assented to on 21st December, 1909, and came into force on the 1st day of January, 1910. This Act, however, did not apply to Perth or the other districts in which the Fire Brigades Act 1898 was still operative. According to the provisions of the latter Act the expenditure was allocated as follows:—One-ninth to the Government; four-ninths to the insurance companies; and four-ninths to the municipalities. It was provided that the Governor might, at any time, on the petition of the council of any municipality, declare by proclamation that the provisions of the Act of 1898 should cease to be in force in that municipal district. The whole of the State, however, has now come under the operation of the Act of 1909.

**8. Australian Fire Insurance Business.**—Returns are available shewing the revenue and expenditure, assets and liabilities, and investments of twenty-two insurance companies having their head offices either in the Commonwealth or in New Zealand. These companies are:—(a) with head office in Sydney—the Australian Mutual Fire Insurance Company, the City Mutual Fire Insurance Company, the Mercantile Mutual Fire Insurance Company, the Queensland Insurance Company Limited, the United Insurance

Company, the Insurance Office of Australia Limited, and the Federal Mutual Insurance Company of Australia; (b) with head office in Melbourne—the Australian Alliance Assurance Company, the Colonial Mutual Fire Insurance Company, the Victoria Insurance Company, the Victoria General Insurance and Guarantee Company Limited, the Australasian Mutual Insurance Society, and the Commonwealth Insurance Company; (c) with head office in Hobart—the Derwent and Tamar Fire and Marine Assurance Company Limited; (d) with head office in Launceston—the Mutual Fire Insurance Company of Tasmania; (e) with head office in Auckland—the New Zealand Insurance Company, and the South British Fire and Marine Insurance Company of New Zealand; (f) with head office in Dunedin—the National Fire and Marine Insurance Company of New Zealand, and the Standard Fire and Marine Insurance Company of New Zealand; (g) with head office in Wellington—the New Zealand State Fire Insurance Office; (h) with head office in Christchurch—the Farmers' Co-operative Insurance Association of New Zealand; and (i) with head office in Perth—the Western Australian Insurance Company. As their names imply, the majority of these companies transact marine insurance, and in some cases guarantee and other business, in addition to the fire insurance business, and the returns relating to the latter cannot be separated from the former.

The accounts given hereunder cover two consecutive years, the second year ending at various dates from 31st December, 1913, to 31st March, 1915. The figures for the first year are in brackets.

The premiums, less reinsurances and returns, amounted to £2,623,462 (£2,500,903); losses were £1,409,329 (£1,281,900). Expenses and commission came to £911,507 (£856,345), and there was, therefore, a profit on trade operations of £302,626 (£362,658). As, however, interest, rent, fees, etc., amounted to £214,466 (£203,795), the total profit was £517,092 (£566,453). Dividends and bonuses came to £257,570 (£274,799). The ratio to premium income of losses was, therefore, 53.72 per cent. (51.26 per cent.), and of expenses and commissions, 34.74 per cent. (34.24 per cent.). The resulting ratio of trade surplus to premium income was 11.54 per cent. (14.50 per cent.).

The paid-up capital of the twenty-two companies was £2,142,393 (£2,112,894); reserve and reinsurance funds, £2,678,711 (£2,478,085); undivided profits, £239,149 (£187,963). The total paid-up capital and reserves were, therefore, £5,060,253 (£4,778,942). In addition to these liabilities there were others, viz.:—Unsettled losses, £313,461 (£265,541); sundry creditors, £308,021 (£261,867); dividend to pay, £181,170 (£178,286); and, in the case of one company, a life assurance fund, £117,278 (£120,339); thus bringing the total liabilities to shareholders and to the general public up to £5,980,183 (£5,604,975).

The corresponding amount of assets is made up of investments, £5,158,022 (£4,917,445), viz.:—Loans on mortgage, £1,498,900 (£1,402,400); Government securities, debentures, shares, etc., £1,437,222 (£1,290,026); landed and other property, including furniture, £995,874 (£974,006); fixed deposits, £1,089,973 (£1,215,796); in the case of one company doing a mixed business—loans on its own life policies, etc., £7760 (£9054); other investments, £128,293 (£26,163). The balance of assets consisted of cash in bank, on hand, and bills receivable, £239,782 (£229,460); and sundry debtors, etc., £532,379 (£458,070).

The financial position of the companies is undoubtedly a strong one, owing to the steady accumulation of reserves, and the high ratio borne by capital and reserves to premium income must be a cause of satisfaction to policy holders.

## § 7. Marine Insurance.

No returns are available in regard to Marine Insurance. It may, however, be stated, that the Commonwealth Parliament in 1909 passed an Act (No. 11 of 1909, "An Act relating to Marine Insurance") which was assented to on the 11th November, 1909. This

Act materially alters some of the conditions under which marine policies have heretofore been issued.

### § 8. Friendly Societies.

1. **General.**—Friendly societies are an important factor in the social life of the community, as probably nearly one-third of the total population of the Commonwealth comes either directly or indirectly under their influence. Their total membership is about 450,000, but as certain benefits, such as medical attendance and free medicine, and in many cases funeral expenses, are granted to members' families as well as to members themselves, this figure must, even when due allowance is made for young and unmarried members, be multiplied by four at the least to arrive at the total number of persons more or less connected with these societies. Legislation has conferred certain privileges on friendly societies, but, on the other hand, it insists on their registration, and it is the duty of the Registrars in the various States, prior to registering a new society, to see that its rules are conformable to the law, and that the scale of contribution is sufficiently high to enable the promised benefits to be conferred on members. Societies are obliged to forward annual returns as to their membership and their finances to the Registrar, and elaborate reports are published in most of the States dealing with the returns thus received.

In the following tables the figures refer to the year 1914, except those for South Australia, which refer to the year 1909, the latest for which particulars are available.

2. **Number of Societies, Lodges, and Members.**—The total number of societies registered in New South Wales is 68; in Victoria, 46; in Queensland, 20; in South Australia, 16; in Western Australia, 15; and in Tasmania, 12. No total is given of these figures for the Commonwealth, as the societies shewn in one State are in most cases represented in all the other States. The number of different lodges, the total number of benefit members at the end of the year, and their average number during the year are shewn in the following table:—

FRIENDLY SOCIETIES.—LODGES AND MEMBERS, 31st DECEMBER, 1914. (a)

State.				Number of Lodges.	Benefit Members at End of Year.	Average No. of Benefit Mem- bers during Year.
New South Wales	...	...	...	1,927	161,475	165,456
Victoria	...	...	...	1,524	159,741	158,511
Queensland	...	...	...	550	52,247	51,350
South Australia	...	...	...	529	58,292	(b)
Western Australia	...	...	...	302	19,900	19,746
Tasmania	...	...	...	209	23,399	(b)
Commonwealth	...	...	...	5,041	475,054	(b)

(a) See paragraph 1, above. (b) Not available.

3. **Sickness and Death.**—Sick pay is generally granted for a number of months at full rates, then for a period at half rates, and in some societies is finally reduced to quarter rates. The following table shews the total number of members who received sick pay during the year, the number of weeks for which they received pay in the

aggregate, and the average per member sick, and further the number of benefit members who died during the year, together with the proportion of deaths per thousand average members :—

#### FRIENDLY SOCIETIES.—SICKNESS AND DEATH, 1914. (a)

State.	Number of Members who received Sick Pay.	Total Number of weeks Sick Pay granted.	Average No. of weeks per Member sick.	Deaths of Benefit Members and Wives.	Proportion of Deaths to 1000 average Benefit Members.
New South Wales	(b)	(b)	(b)	(b)	(b)
Victoria ...	29,014	230,979	7.96	1,843	11.63
Queensland ...	8,219	50,627	6.16	339	6.60
South Australia ...	8,971	86,768	9.67	497	(b)
Western Australia	3,074	17,157	5.58	94	4.76
Tasmania ...	3,852	25,147	6.53	161	(b)
Commonwealth	(b)	(b)	(b)	(b)	(b)

(a) See paragraph 1. (b) Not available.

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

#### FRIENDLY SOCIETIES.—REVENUES, 1914. (a)

State.	Entrance Fees, Members' Contributions, and Levies.	Interest, Dividends, and Rents.	All other Income.	Total Revenue.
	£	£	£	£
New South Wales ...	496,961	80,707	34,915	612,583
Victoria ...	464,008	108,224	48,533	620,765
Queensland ...	170,002	30,861	...	200,863
South Australia ...	(b) 130,096	31,167	(c) 65,293	226,556
Western Australia ...	57,416	13,280	19,598	90,294
Tasmania ...	64,360	8,692	11,901	84,953
Commonwealth ...	1,382,843	272,931	180,240	1,836,014

(a) See paragraph 1. (b) Excluding levies. (c) Including levies.

The returns relating to expenditure are more complete than those relating to revenue, and can be shewn in full for every State. The figures shew that the excess of revenue, amounting in the aggregate to £363,363, was divided amongst the six States as follows :— New South Wales, £79,016; Victoria, £153,259; Queensland, £60,767; South Australia, £37,588; Western Australia, £17,730; and Tasmania, £15,003. The revenue exceeded the expenditure by about fifteen shillings per average benefit member, a margin which cannot be called very large.

FRIENDLY SOCIETIES.—EXPENDITURE, 1914. (a)

State.	Sick Pay.	Medical Attendance and Medicine.	Sums Paid at Death of Members & Members' Wives.	Administration.	All other Expenditure.	Total Expenditure.
	£	£	£	£	£	£
New South Wales	172,796	182,308	44,446	87,358	46,659	533,567
Victoria ...	155,015	162,211	31,160	78,773	40,347	467,506
Queensland ...	37,800	59,014	15,206	28,076	(b)	140,096
South Australia ...	50,979	28,305	22,998	24,526	62,160	188,968
Western Australia	14,374	20,241	2,600	14,709	20,640	72,564
Tasmania ...	18,787	19,732	10,850	11,880	8,701	69,950
Commonwealth	449,751	471,811	127,260	245,322	178,507	1,472,651

(a) See paragraph 1. (b) Included in "Administration."

It appears from the above figures that sick pay averaged about fourteen shillings and sixpence per week, but, as the returns include pay at half and quarter rates, and as the proportion of these to full rates is not stated, the average given must be taken for what it is worth. Medical attendance and medicine came to about one pound per average benefit member, or to about £5 per member who received sick pay during the year.

5. **Funds.**—The two foregoing tables shew that the surplus of revenue over expenditure amounted to £363,363 for the year, and a small surplus must, of course, result annually in every society which levies adequate contributions to enable it to meet all possible claims. These accumulations of profits are generally invested, and the subjoined table shews for all of the six States the division into invested and uninvested funds :—

FRIENDLY SOCIETIES.—FUNDS, 31st DECEMBER, 1914. (a)

State.	Invested Funds.	Uninvested Funds.	Total Funds.
	£	£	£
New South Wales ...	1,713,697	71,234	1,784,931
Victoria ...	2,552,713	91,503	2,644,216
Queensland ...	728,629	19,215	747,844
South Australia ...	887,318	35,287	922,605
Western Australia ...	217,341	12,538	229,879
Tasmania ...	228,395	12,992	241,387
Commonwealth ...	6,328,093	242,769	6,570,862

(a) See paragraph 1.

The total funds amounted, therefore, to about £13 16s. Od. per member at the close of the year under review.

## § 9. Probates.

1. **Number of Probates and Letters of Administration and Value of Estates.**—The value of the estates left by deceased persons gives a fair view of the distribution of property among the general population. There occurred in 1914 the deaths of 35,710 adult persons, while the total number of probates and letters of administration granted

during the same period was 12,035. It would therefore appear that about one in every three adults who died during the year was possessed of sufficient property to necessitate the taking out of probate. The details for each State are shown in the table hereunder:—

### PROBATES AND LETTERS OF ADMINISTRATION, 1914.

State.	Number of Estates.			Net Value of Estates.		
	Probates.	Letters of Administration.	Total.	Probates.	Letters of Administration.	Total.
				£	£	£
New South Wales	4,438	(a)	4,438	9,997,615	(a)	9,997,615
Victoria ...	4,451	(a)	4,451	8,481,720	(a)	8,481,720
Queensland ...	536	229	765	2,101,558	229,666	2,331,224
South Australia ...	992	426	1,418	2,907,561	117,919	3,025,480
Western Australia	359	218	577	739,956	164,894	904,850
Tasmania ...	312	74	386	620,108	107,018	727,126
Commonwealth	11,088	947	12,035	24,848,518	619,497	25,468,015

(a) Included with Probates.

Intestate estates were placed under the control of the Curator during the year, and unclaimed money paid into Consolidated Revenue. The details for each State are shewn hereunder:—

### INTESTATE ESTATES, 1914.

Particulars.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	C'wth.
Intestate estates placed under control of Curator during 1914							
Number ...	(a)	408	646	181	333	103	(a)
Value ... £	(a)	28,499	49,749	24,595	(a)	15,255	(a)
Unclaimed money paid into Consolidated Revenue by Curator during 1914	£ 15,627	4,691	4,811	1,052	807	...	26,988

(a) Not available.