

CHAPTER XVI.

PRIVATE FINANCE.

NOTE.—This chapter, for convenience, has been sub-divided into six sections as follows :—

Currency ; Banking, including Savings Banks ; Companies ; Insurance ;
Friendly Societies ; and Probates and Letters of Administration.

A. CURRENCY.

§ 1. General.

The Australian monetary system is based on the British system of which the unit is the pound (£) divided into 20 shillings (s.) each of 12 pence (d.). When the Australian currency was introduced in 1909 the Australian sovereign was identical in weight and fineness with the English sovereign. As the currency was then based on a gold standard the Australian pound was equivalent to the sovereign (i.e. 123.27447 grains of gold $11\frac{1}{12}$ ths fine or 113.002 grains of fine gold) and, until the depression in 1930, was generally regarded as identical with the pound sterling. There was a gradual depreciation of the Australian pound in terms of sterling from the beginning of 1930 until 3rd December, 1931, when it was stabilized at the rate of £125 Australian = £100 sterling. This relationship has been maintained until the present time. Following the depreciation, no action was taken to define the value of the Australian pound in terms of gold until 5th August, 1947, when the Australian Government advised the International Monetary Fund, in terms of the agreement, that the par value of the Australian pound was 2.86507 grammes (44.2148 grains) of fine gold. From 19th September, 1949 this was reduced to 1.99062 grammes (30.720 grains) of fine gold.

When the Commonwealth was established in 1901, the currency in Australia consisted of United Kingdom gold, silver and bronze coins, bank notes issued by the trading banks, and Queensland Treasury notes. Queensland Treasury notes were in circulation in Queensland only, having superseded bank notes in that State after the 1893 crisis. Under the Commonwealth Constitution the control of currency, coinage and legal tender and the issue of paper money were vested in the Commonwealth. The Commonwealth assumed these powers by enacting the Coinage Act 1909 and the Australian Notes Act 1910.

§ 2. Coinage.

1. **Coins in Circulation.**—Brief historical notes relating to the Australian Coinage are given in *Official Year Book No. 37*, pages 557 and 558. Coins at present in circulation are :—

Silver—Crown (5s.), florin (2s.), shilling (1s.), sixpence (6d.) and threepence (3d).
Bronze—Penny and half-penny.

The silver coins issued prior to July, 1947 have a millesimal fineness of 925 (thirty-seven fortieths silver and three fortieths alloy) and those issued after 1st July, 1947 have a millesimal fineness of 500 (one half silver and one half alloy). Details of the standard weight and fineness of Australian coins are given in earlier issues of the *Official Year Book* (see No. 37, page 558).

From 1910 to 1916 Australian coins were minted in England by the Royal Mint, London. From 1916 they were minted at the Melbourne Branch of the Royal Mint. During and since the 1939-45 War the Melbourne Mint has been unable to meet the

demand for Australian coins and some coins have been minted at the Perth Mint and at mints in the United States of America and India. Details of Australian coins obtained from mints outside Australia from 1910 onward are given in the following table:—

AUSTRALIAN COINS OBTAINED FROM MINTS OUTSIDE AUSTRALIA.
(£.)

Locality.	Florin. 2s.	Shilling. 1s.	Six- pence. 6d.	Three- pence. 3d.	Penny. 1d.	Half- penny. ½d.	Total.
United Kingdom—							
London	869,900	575,100	210,000	185,000	53,700	22,400	1,916,100
India—							
Calcutta .. ..	..	..	..	..	46,500	22,500	69,000
Bombay .. ..	..	..	..	..	75,000	25,000	100,000
United States of America—							
San Francisco ..	2,800,000	1,400,000	325,000	600,000	..	..	5,125,000
Denver .. ..	..	..	475,000	400,000	..	..	875,000
Total	3,669,900	1,975,100	1,010,000	1,185,000	175,200	69,900	8,085,100

2. Issues of Australian Coins.—The total issues and withdrawals of Australian silver and bronze coinage on account of the Commonwealth since 1910 are set out in the following table:—

AUSTRALIAN COINS : SILVER AND BRONZE COIN ISSUED AND WITHDRAWN.
(£.)

Year.	Silver.						Bronze.		
	Crown. 5s.	Florin. 2s.	Shilling. 1s.	Sixpence. 6d.	Three- pence. 3d.	Total.	Penny. 1d.	Half- penny. ½d.	Total.
Issued—									
1910 to									
1939 ..	275,000	4,968,300	2,070,900	1,115,800	1,076,000	9,506,900	484,443	172,905	657,348
1939–40 ..	600	176,800	36,800	41,600	50,600	306,400	20,770	5,280	26,050
1940–41 ..	..	1,161,000	83,400	66,800	83,200	1,394,400	45,820	7,600	53,420
1941–42 ..	..	1,505,800	69,000	53,000	64,400	1,692,200	57,230	20,270	77,500
1942–43 ..	..	3,090,600	781,000	724,200	439,400	5,035,200	126,380	25,100	151,480
1943–44 ..	..	2,615,000	650,000	200,000	759,400	4,224,400	206,210	77,800	284,010
1944–45 ..	..	1,343,000	978,800	352,400	150,000	2,824,200	96,340	1,500	97,840
1945–46 ..	..	1,473,400	..	..	..	1,473,400	30,170	25,310	55,480
1946–47 ..	..	..	..	..	..	..	7,470	22,710	30,180
1947–48 ..	..	5,120,200	557,000	250,600	216,400	6,144,200	72,330	31,290	103,620
1948–49 ..	..	820,000	219,000	195,600	239,200	1,473,800	113,350	52,610	165,960
Total ..	275,600	22,274,100	5,445,900	3,000,000	3,079,500	34,075,100	1,260,513	442,375	1,702,888
Withdrawn—									
1910 to									
1947 (a) ..	..	2,200	1,800	..	..	53,106 (b)	3,368	(c)	3,368
1947–48 (d) ..	..	2,830,000	509,800	35,200	..	3,377,640 (b)	157	(c)	157
1948–49 (e) ..	..	817,620	410	140	133	818,397	126	19	145
Total ..	..	3,649,820	512,010	35,340	133	4,249,143	3,651	19	3,670
Net Issues to 30th June, 1949	275,600	18,624,280	4,933,890	2,964,660	3,079,367	29,825,957	1,256,862	442,356	1,699,218

(a) Total Silver Coin includes £49,106 for which denominations are not available. (b) Includes half-pence. (c) Included with pence. (d) Total Silver Coin includes £2,640 for which denominations are not available. (e) Total Silver Coin includes £94 for which denominations are not available.

Coin withdrawn during 1947–48 and 1948–49 includes a considerable quantity of silver coin withdrawn for recoinage.

3. **Legal Tender.**—Imperial gold coins of the specified weight and fineness are legal tender in Australia for any amount. Australian silver coins are legal tender for any amount not exceeding forty shillings and Australian bronze coins are legal tender for any amount not exceeding one shilling.

4. **Profits on Coinage of Silver and Bronze.**—Australian silver and bronze coins are token coins and, as the face value of the coins is greater than the value of the bullion they contain, a profit is made from their issue. This profit forms part of the Commonwealth Consolidated Revenue. In the following table details are given of the value of coins issued, the cost of bullion, the cost of minting and sundry expenses connected with the issue, and the profits made on the issue of coins during the years 1938-39 and 1944-45 to 1948-49.

AUSTRALIAN SILVER AND BRONZE COINS : PROFITS FROM ISSUE.

(£.)

Year.	Coin Issued.	Cost of Bullion.	Loss on Coin Withdrawn. (a)	Gross Profit.	Cost of Minting and Sundry Charges.	Net Profit.
SILVER COIN.						
1938-39 ..	219,600	81,314	(b)	138,286	18,459	119,827
1944-45 ..	2,824,200	1,301,228	(b)	1,522,972	224,617	1,298,355
1945-46 ..	1,473,400	776,810	(b)	696,590	100,906	595,684
1946-47(c) ..	..	..	(b)	..	245,051	-245,051
1947-48 ..	6,144,200	2,681,284	961,679	2,501,237	114,638	2,386,599
1948-49 ..	1,473,800	545,868	183,941	743,991	78,856	665,135
BRONZE COIN.						
1938-39 ..	41,800	7,838	(b)	33,962	26,025	7,937
1944-45 ..	97,840	23,362	(b)	74,478	65,796	8,682
1945-46 ..	55,480	14,393	(b)	41,087	32,172	8,915
1946-47 ..	30,180	7,714	(b)	22,466	27,332	-4,866
1947-48 ..	103,620	35,868	107	67,645	67,518	127
1948-49 ..	165,060	58,404	90	107,466	132,766	-25,300
TOTAL.						
1938-39 ..	261,400	89,152	(b)	172,248	44,484	127,764
1944-45 ..	2,922,040	1,324,590	(b)	1,597,450	290,413	1,307,037
1945-46 ..	1,528,880	791,203	(b)	737,677	133,078	604,599
1946-47(c) ..	30,180	7,714	(b)	22,466	272,383	-249,917
1947-48 ..	6,247,820	2,717,152	961,786	2,568,882	182,156	2,386,726
1948-49 ..	1,639,760	604,272	184,031	851,457	211,622	639,835

(a) Face value of coin less value of bullion recovered.

(b) Included with cost of minting and sundry charges.

(c) During 1946-47 a considerable quantity of new silver coin was minted but not issued until 1947-48. The cost of minting this coin is included and consequently a loss resulted.

NOTE.—Minus sign (-) denotes loss.

5. **Australian Mints.**—(i) *General.* Soon after the discovery of gold in Australia a branch of the Royal Mint was established in Sydney. The formal opening took place on 14th May, 1855. The Melbourne branch was opened on 12th June, 1872, and the Perth branch on 20th June, 1899. The States of New South Wales, Victoria and Western Australia provided an annual endowment in return for which the mint receipts were paid into the respective State Treasuries. Owing to losses incurred in its operations, the Sydney branch was closed at the end of 1926.

Since their establishment, the Australian branches of the Royal Mint have been primarily concerned with the refining of gold, minting of Imperial gold coins and the production of bars and ingots of gold bullion for export. The minting of Imperial gold coins was discontinued in September, 1931. In 1916 the Melbourne branch took over from the Royal Mint, London, the minting of Australian silver and bronze coins, and during the 1939-45 War the Perth branch commenced minting Australian coins. The Melbourne branch has also minted token coins for the Territory of New Guinea and for New Zealand.

(ii) *Gold Receipts and Issues.* (a) *Receipts.* The receipts of gold during 1947, 1948 and 1949 and the aggregate at each mint to the end of 1949 were as follows :—

AUSTRALIAN MINTS : RECEIPTS OF GOLD.

Mint.	Deposits during year (Oz.)—			Total to end of 1949.		
				Quantity (Oz)		Value(£).(b)
	1947.	1948.	1949.	Gross.	Fine.	
Sydney(a)	..	..	..	42,082,928	36,907,045	156,771,141
Melbourne..	265,625	231,228	284,422	47,511,740	42,322,931	179,776,270
Perth ..	1,032,388	920,418	899,269	52,057,351	41,278,133	175,338,249
Total	1,298,013	1,151,646	1,183,691	141,652,019	120,508,109	511,885,660

(a) To end of 1926, when the mint was closed.

(b) At £3 17s. 10½d. per standard ounce.

(b) *Issues.* The Australian mints issue gold bullion for the use of local manufacturers (jewellers, dentists, etc), and for export. Since September, 1931, when the United Kingdom departed from the gold standard, the minting of gold coins by Australian mints has ceased. Australian exports of gold are mainly in the form of 400-oz. ingots, but in earlier years a considerable amount of gold was shipped in 10-oz. bars to India. Since early in the 1939-45 War all gold has been acquired by the Commonwealth Bank and the export and use of gold has been subject to regulation by the Commonwealth Government. The issues during the years 1947 to 1949, and the total to the end of 1949, are shown in the table below :—

AUSTRALIAN MINTS : ISSUES OF GOLD. (£.)

Mint.	Coin.			Bullion.(a)	Total.
	Sovereigns.	Half-sovereigns.	Total.		
1947—					
Melbourne ..	..	..	..	644,667	644,667
Perth ..	..	..	..	3,120,154	3,120,154
Total, 1947	..	..	..	3,764,821	3,764,821
1948—					
Melbourne ..	..	..	..	603,085	603,085
Perth ..	..	..	..	2,799,680	2,799,680
Total, 1948	..	..	..	3,402,765	3,402,765
1949—					
Melbourne ..	..	..	..	603,929	603,929
Perth ..	..	..	..	2,770,360	2,770,360
Total, 1949	..	..	..	3,374,289	3,374,289
Aggregate—					
Sydney ..	144,435,550	4,781,000	149,216,550	7,574,408	156,790,958
Melbourne ..	147,283,131	946,780	148,229,911	31,539,186	179,769,097
Perth ..	106,384,197	367,338	106,751,535	68,618,155	175,369,690
Total to end of 1949 ..	398,102,878	6,095,118	404,197,996	107,731,749	511,929,745

(a) Value expressed at £3 17s. 10½d. per standard ounce.

6. **Price of Gold.**—The following table shows the average prices of gold and the average value of the sovereign in London and Australia for the years 1938–39 to 1948–49. The average price of gold in Australia is based on the Commonwealth Bank's buying price for gold lodged with the mints.

PRICE OF GOLD : LONDON AND AUSTRALIA.

Period.	London.			Australia.		
	Average price per fine oz.	Average value of Sovereign.	Average price per fine oz.	Sovereign.		
				Average value.	Equivalent to a premium of—	
	£stg. s. d.	£stg. s. d.	£A. s. d.	£A. s. d.	%	
1938-39 ..	7 6 9	1 14 7	9 2 9	2 3 0	115.0	
1939-40 ..	8 4 10	1 18 8	10 8 4	2 9 1	145.4	
1940-41 ..	8 8 0	1 19 7	10 13 5	2 9 2	145.8	
1941-42 ..	8 8 0	1 19 7	10 11 4	2 8 7	142.9	
1942-43 ..	8 8 0	1 19 7	10 9 0	2 8 0	140.0	
1943-44 ..	8 8 0	1 19 7	10 9 0	2 8 0	140.0	
1944-45 ..	8 8 3	1 19 7	10 11 10	2 8 9	143.8	
1945-46 ..	8 12 3	2 0 7	10 15 3	2 10 0	150.0	
1946-47 ..	8 12 3	2 0 7	10 15 3	2 10 0	150.0	
1947-48 ..	8 12 3	2 0 7	10 15 3	2 10 0	150.0	
1948-49 ..	8 12 3	2 0 7	10 15 3	2 10 0	150.0	

From 19th September, 1949, when sterling was devalued, the price of gold in London was increased from £8 12s. 3d. per fine ounce to £12 8s. per fine ounce. The price of gold in Australia was increased from £10 15s. 3d. per fine ounce to £15 9s. 10d. per fine ounce. The value of the sovereign increased from £2 os. 7d. to £2 18s. 5d. in London and from £2 10s. to £3 12s. in Australia.

§ 3. Notes.

1. **General.**—Brief historical notes relating to the circulation and issue of notes in Australia are given in Official Year Book No. 37, pages 561 and 562. The issue of notes, intended for circulation as money, by any person, bank or State other than by the Commonwealth Bank is prohibited.

2. **The Australian Note Issue.**—(i) *General.* Notes in circulation in Australia are issued by the Commonwealth Bank through the Note Issue Department. The Bank is authorized to issue Australian notes in denominations of 5s. 10s., £1, £5, £10 and any multiple of £10. The Commonwealth Bank is not required to hold a specific reserve in gold against the note issue, but the assets of the Note Issue Department must be held or invested in gold, on deposit with any bank or in securities of the Government of the United Kingdom, the Commonwealth or a State. All profits of the Note Issue Department, with the exception of £150,000 per annum paid to the Mortgage Bank Department of the Commonwealth Bank, are paid to the Commonwealth Consolidated Revenue Fund. The payment of the amount of £150,000 per annum to the Mortgage Bank Department will cease when the capital of that Department is £4,000,000.

Australian notes are legal tender to any amount within Australia and have been issued in denominations of 10s., £1, £5, £10, £20, £50, £100 and £1,000.

(ii) *Australian Notes in Circulation.* Particulars of the average values of notes in circulation for the years 1938-39 and 1944-45 to 1948-49 are given in the following table :—

AUSTRALIAN NOTE ISSUE.
(£'000.)

Denomination.	Average of monthly statements for year—					
	1938-39.	1944-45.	1945-46.	1946-47.	1947-48.	1948-49.
10s.	4,141	8,177	8,187	7,912	8,268	8,309
£1	21,124	65,207	74,170	68,161	65,356	64,710
£5	11,718	71,745	77,327	78,814	77,663	81,170
£10	5,126	39,280	32,250	44,004	46,216	49,438
£20	111	43	11	9	8	8
£50	1,259	3,616	176	103	85	76
£100	2,238	4,761	273	183	163	139
£1,000	2,855	894	424	453	547	505
Held by Banks	15,454	16,669	17,077	18,895	22,296	24,831
Held by Public	33,118	177,054	175,741	180,744	176,010	179,524
Total	48,572	193,723	192,818	199,639	198,306	204,355

(iii) *Commonwealth Bank—Note Issue Department.* The following statement shows particulars of liabilities and assets of the Note Issue Department of the Commonwealth Bank as at 30th June, 1948 and 1949.

NOTE ISSUE DEPARTMENT.
(£'000.)

Liabilities.	30th June—		Assets.	30th June—	
	1948.	1949.		1948.	1949.
Notes on Issue(a) . .	196,605	212,813	Gold and Balances held abroad (including money at short call) . .	50,880	50,880
Special Reserve—			Government Securities (including Commonwealth Treasury Bills)	152,595	168,878
Premium on gold sold . .	4,755	4,755	Other Assets . .	62	92
Other Liabilities(a) . .	2,177	2,282			
Total Liabilities . .	203,537	219,850	Total Assets . .	203,537	219,850

(a) Notes of a denomination not exceeding one pound which have been on issue for more than twenty years, and notes of a denomination exceeding one pound which have been on issue for more than 40 years are not included in the item "Notes on Issue" but are included in the item "Other Liabilities".

Until the end of 1943 all the net profits of the Note Issue Department, except £2,000,000 paid between 1926 and 1933 to the capital account of the Rural Credits Department, were paid to the Commonwealth Treasury. The Commonwealth Bank Act amendment of 1943 which established a Mortgage Bank Department provided for the transfer of £1,000,000 from the Special Reserve and for an annual payment of £150,000 from the Note Issue profits towards the capital of the new department, the latter payments to cease when the capital amounts to £4,000,000. In 1947-48 the net profits of the Note Issue Department amounted to £4,237,000, of which £4,087,000 was paid to the Commonwealth Treasury and £150,000 to the capital account of the Mortgage Bank Department. In 1948-49 the net profits amounted to £4,610,000 of which £4,460,000 was paid to the Commonwealth Treasury and £150,000 to the capital account of the Mortgage Bank Department.

§ 4. Legal Tender Extant.

Accurate information regarding the amount of legal tender in circulation is not available, but the following table provides an estimate of the amount of legal tender extant about the middle of the years 1939 and 1945 to 1949.

ESTIMATED LEGAL TENDER EXTANT : AUSTRALIA.
(£'000.)

Particulars.	1939. (a)	1945. (a)	1946. (a)	1947.	1948.	1949.
Australian Notes(b)—						
Held by Banks ..	14,829	15,934	17,291	19,037	22,766	23,744
Held by Public ..	32,701	169,810	181,673	183,643	173,839	189,111
Coin(c)—						
Gold(d)—Held by Banks(e)	79	59	78	81	82	86
Held by Public	..	..	..	..	..	..
Silver—Held by Banks(e)	2,508	4,340	6,077	5,168	6,720	6,803
Held by Public ..	6,830	20,496	20,235	21,058	22,236	22,712
Bronze—Held by Banks(e)	132	225	189	169	162	143
Held by Public	521	1,123	1,214	1,260	1,371	1,556
Total	57,600	211,987	226,757	230,416	227,176	244,155

(a) Prior to 1947 withdrawals of coin were negligible and no allowance has been made for coin withdrawn in the estimates for the years 1939, 1945 and 1946. (b) Last Monday in June to 1946. Last Wednesday in June thereafter. (c) See paragraph below. No allowance has been made for coin lost or destroyed, which, during the war years, may have been considerable. (d) Value—one sovereign equals £1. (e) At 30th June.

The figures given above for silver coin represent the total issues of Australian silver coin less the excess of exports of Australian coins over the reimports of Australian coins. The amount of English coin in circulation in Australia is negligible, and, as it is not possible to ascertain accurately its volume, no allowance has been made for it. The figures given for bronze coins refer to the total issues of Australian coin, the small amount of United Kingdom coin in circulation being disregarded.

B. BANKING.

§ 1. Cheque-Paying Banks.

1. Banking Legislation.—(i) *Commonwealth Legislation.* (a) *General.* Under Section 51 of the Commonwealth Constitution 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”. The principal Commonwealth Acts at present in force relating to Banking are—

- (a) The Commonwealth Bank Act 1945 which replaced the Commonwealth Bank Act 1911–1943, and provides for the constitution and management of the Commonwealth Bank and Commonwealth Savings Bank and the management of the Australian note issue;
- (b) The Banking Act 1945, which provides for the regulation of banking and for the protection of the currency and the public credit of the Commonwealth; and
- (c) The Banking Act 1947, which provides for the expansion of the banking business of the Commonwealth Bank; the taking over, by the Commonwealth Bank, of the banking business in Australia of the private banks, and the acquisition of property used in that business; and the prohibition of private banks carrying on banking business in Australia.

(b) *The Banking Act 1945.* The Banking Act 1945 was assented to on 3rd August, 1945, and came into operation on 21st August, 1945. It applies to all banks except State banks operating in Australia or Territories of the Commonwealth. The objects of the Act are :—(a) To provide a legal framework, uniform throughout Australia, for regulating the banking system ; (b) to safeguard depositors of the banks from loss ; (c) to provide for the co-ordination of banking policy under the direction of the Commonwealth Bank ; (d) to control the volume of credit in circulation and bank interest rates ; (e) to mobilize and to provide machinery for the control of the foreign exchange and gold resources of the Australian economy. A summary of the main provisions of the Act is given in Official Year Book No. 37, page 565.

(c) *The Banking Act 1947.* This Act, which was assented to on 27th November, 1947, provided for the acquisition by the Commonwealth Bank of the Australian business and assets of the private banks operating in Australia, and for the prohibition of private banks from carrying on banking business in Australia. The Act did not apply to State banks or savings banks. For a summary of the main provisions of the Act see Official Year Book No. 37, pages 566 and 567.

The validity of this Act was challenged in the High Court by the private banks and the States of Victoria, South Australia and Western Australia, and, in a majority judgment delivered on 11th August, 1948, the Court held that certain vital sections were invalid. An appeal to the Privy Council against part of this judgment was dismissed.

(ii) *State Legislation.* State banking legislation relates to the incorporation of banks and the constitution and management of State banks. The Acts under which the various banks are incorporated differ. While some of the older banks were incorporated by special Act or Charter, e.g., the Bank of New South Wales by Act of Council 1817, the Bank of 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, most of the banks are incorporated under a Companies Act of the States or the United Kingdom. This is also the case with those banks which were reconstructed after the crisis of 1893. State banks constituted under State Acts transacting general banking business are the Rural Bank of New South Wales, the State Bank of South Australia and the Rural and Industries Bank of Western Australia.

2. *Royal Commission on Monetary and Banking Systems.*—A Royal Commission was appointed by the Commonwealth Government in November, 1935 to inquire into the monetary and banking systems in operation in Australia and to report whether any, and if so what, alterations were desirable in the interests of the people of Australia as a whole, and the manner in which any such alterations should be effected. The Commission presented its report on 15th July, 1937, and a summary of the recommendations appears in Official Year Book No. 31, p. 1010.

3. *Presentation of Banking Statistics.*—Because of the different purposes they serve in the Australian financial system Australian cheque-paying banks have for statistical purposes been divided into three groups and a separate series is presented for each of these groups. These groups are :—

(a) *The Commonwealth Bank.* This is the Central Bank. It also transacts general banking business through a General Banking Division and provides special banking facilities through the Rural Credits, Mortgage Bank and Industrial Finance Departments. Statistics of the Central Banking Business (including the Note Issue Department) and the General Banking Division and Rural Credits, Mortgage Bank and Industrial Finance Departments are presented in separate series.

(b) *Nine Trading Banks.* With the General Banking Division of the Commonwealth Bank these banks provide the major part of the general banking facilities in Australia. The banks included in this group are—The Bank of New South Wales, The Commercial Banking Company of Sydney Ltd., The National Bank of Australasia Ltd., The Commercial Bank of Australia Ltd., The Queensland National Bank Ltd. (in voluntary liquidation), The Bank of Adelaide, The Bank of Australasia, The Union Bank of Australia Ltd., and The English, Scottish and Australian Bank Ltd.

- (c) *Other Banks.* This group consists of (i) three State Government Banks—The Rural Bank of New South Wales, The State Bank of South Australia and the Rural and Industries Bank of Western Australia which, in their general banking business, specialize mainly in financing rural industries, (ii) two joint stock banks—The Ballarat Banking Co. Ltd. and The Brisbane Permanent Building and Banking Co. Ltd. which have specialized business in two districts only, and (iii) branches of three overseas banks—The Bank of New Zealand, Comptoir National D'Escompte de Paris and the Bank of China which transact limited business in Australia and are mainly concerned with financing trade, etc., between Australia and overseas countries.

In addition to the series mentioned above, a series for all cheque-paying banks is presented. This series covers the General Banking Division and Rural Credits, Mortgage Bank and Industrial Finance Departments of the Commonwealth Bank, the Nine Trading Banks and the other cheque-paying banks included in the third group.

Unless otherwise stated, the statistics presented are averages of weekly returns. Averages of liabilities and assets are the averages of the liabilities and assets of the banks on the several weekly balance days during the period concerned. Averages of bank clearings and debits to customers' accounts are the averages of transactions for weeks ended on the balance days during the period.

Until December, 1946 these balance days were the Mondays of each week. From January, 1947 Wednesday became the weekly balance day.

Under the Banking Act 1945 the returns furnished by cheque-paying banks were slightly modified and the figures quoted in the following pages may not in all cases be strictly comparable with those quoted in earlier issues of the Official Year Book. The main changes relate to the classification of assets and liabilities. Under the Commonwealth Bank Act 1945 the Commonwealth Bank was reorganized and figures quoted for this Bank are not comparable with those published in issues of the Official Year Book prior to No. 37.

4. *Banks Transacting Business in Australia.*—(i) *Number of Branches.* At 30th June, 1949 the 18 banks operating in Australia transacted all classes of banking business at 2,871 branches and 978 agencies. The Commonwealth Bank of Australia and the Nine Trading Banks have branches throughout the Commonwealth. The Rural Bank of New South Wales, State Bank of South Australia and Rural and Industries Bank of Western Australia, being State Government banks specializing mainly in financing rural industries, have branches only in those States. Two banks, the Ballarat Banking Company Ltd. and the Brisbane Permanent Building and Banking Co. Ltd., transact business only in Ballarat and Brisbane respectively. The remaining three banks are branches of overseas banks.

CHEQUE-PAYING BANKS : NUMBER OF BRANCHES(a) AT 30th JUNE, 1949.

Banks.	New South Wales.	Vic-toria.	Q'land.	South Aust.	West. Aust.	Tas-man-ia.	Nor. Terr.	Aust. Cap. Terr.	Total.
Commonwealth Bank of Australia ..	242	45	59	15	42	5	2	1	411
Nine Trading Banks ..	806	682	383	214	174	55	5	5	2,324
Other Cheque-paying Banks ..	85	4	1	19	27	..	..	..	136
All Cheque-paying Banks—									
Metropolitan areas ..	415	311	74	68	76	10	..	..	954
Elsewhere ..	718	420	369	180	167	50	7	6	1,917
Total ..	1,133	731	443	248	243	60	7	6	2,871

(a) Includes Head Offices. Excludes agencies, 978.

(ii) *Capital Resources, etc.* The paid-up capital of cheque-paying banks (excluding the three oversea banks, the Bank of New Zealand, the Bank of China and the Comptoir National D'Escompte de Paris), together with their reserve funds, their profits and the amount of their last dividends are shown in the following table. The information relates to the balance-sheet last preceding 31st October, 1949.

CHEQUE-PAYING BANKS: CAPITAL RESOURCES, 1948-49.

(£.)

Bank.	Paid-up Capital.	Reserves.	Balance on Profit and Loss Account. (a)	Total Shareholders' Funds.	Reserve Liability of Shareholders. (b)	Profits for year.	Net Dividends. (c)
Australian Joint Stock Banks—							
Bank of New South Wales ..	8,780,000	6,150,000	671,873	15,601,873	8,780,000	760,740	702,400
Commercial Banking Co. of Sydney Ltd.	4,739,012	4,300,000	354,515	9,393,527	4,739,013	411,797	379,121
National Bank of Australasia Ltd. (d) ..	6,726,025	5,000,000	431,913	12,157,938	1,800,000	540,134	470,821
Commercial Bank of Australia Ltd. ..	4,117,350	2,250,000	268,189	6,635,539	..	320,635	284,694
Ballarat Banking Co. Ltd. ..	159,000	149,000	11,296	319,296	141,000	15,596	10,335
Queensland National Bank Ltd. (in vol. liq.) (d) ..	..	(e) 812	78,750	79,562	..	39	..
Brisbane Permanent Building and Banking Co. Ltd. ..	750,000	250,000	38,466	1,038,466	..	54,887	52,500
Bank of Adelaide ..	1,250,000	1,250,000	113,944	2,613,944	1,250,000	101,675	100,000
Bank of Australasia ..	4,500,000	4,500,000	653,036	9,653,036	4,500,000	349,254	279,551
Union Bank of Australia Ltd. ..	4,000,000	7,106,751	528,415	11,635,166	8,000,000	320,108	248,490
English, Scottish and Australian Bank Ltd. ..	3,765,000	2,277,825	636,584	6,679,409	2,510,000	298,647	207,075
Total Australian Joint Stock Banks ..	38,786,387	33,234,388	3,786,981	75,807,756	31,720,013	3,173,512	2,734,987
Other Cheque-paying Banks—							
Commonwealth Bank of Australia—							
Central Business ..	4,000,000	1,180,766	..	5,180,766	..	975,156	..
Note Issue Department ..	..	94,754,954	..	4,754,954	..	4,609,903	..
General Banking Division ..	4,000,000	739,834	..	4,739,834	..	418,587	..
Rural Credits Department ..	2,000,000	516,886	..	2,516,886	..	38,792	..
Mortgage Bank Department ..	3,161,176	129,678	..	3,290,854	..	36,307	..
Industrial Finance Department ..	4,000,000	252,135	..	4,252,135	..	165,453	..
Total ..	17,161,176	7,574,253	..	24,735,429	..	6,244,198	..
Rural Bank of New South Wales, General Bank Department ..	19,933,022	16,145,975	..	26,078,997	..	79,684	..
State Bank of South Australia ..	1,259,078	660,381	..	1,919,459	..	52,307	..
Rural and Industries Bank of Western Australia (Rural Department) ..	5,479,261	65,635	..	5,544,896	..	19,116	..

(a) Includes dividends declared but not paid at date of balance-sheet. (b) Includes uncalled capital. (c) Dividends paid and payable out of profits earned during 1948-49. (d) The business of the Queensland National Bank Ltd. was taken over by the National Bank of Australasia Ltd. in January, 1948.

(e) Surplus of assets due to valuation of liabilities and assets in Australian currency. (f) Includes £2,256,751 surplus of assets due to valuation of liabilities and assets in Australian currency.

(g) Special Reserve—Premium on gold sold. (h) Total stocks and debentures issued including liability in respect of deposits taken over by the Commonwealth Bank in December, 1931.

(i) Includes £3,754,665 Special Reserve Account established under Section 12 (2) of Rural Bank of New South Wales Act 1932.

NOTE.—In the table all items other than paid-up capital and reserve funds of the Bank of Australasia and the Union Bank of Australia Ltd. are in Australian currency.

5. *Commonwealth Bank.*—(i) *General.* An account of the progress and development of the Commonwealth Bank is given in earlier issues of the Official Year Book (*see* No. 37, pages 570 to 573). The general functions of the Bank are set out in section 8 of the Commonwealth Bank Act 1945 which states—

“8. It shall be the duty of the Commonwealth Bank, within the limits of its powers, to pursue a monetary and banking policy directed to the greatest advantage of the people of Australia, and to exercise its powers under this Act and the Banking Act 1945 in such a manner as, in the opinion of the Bank, will best contribute to:—

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

In addition to its functions as a Central Bank, the Bank controls the Australian note issue through a Note Issue Department and provides general banking facilities through a General Banking Division and special services through the Rural Credits Department, Mortgage Bank Department and Industrial Finance Department. The Commonwealth Savings Bank, a separate institution providing for small depositors, is controlled by the Governor of the Commonwealth Bank and is operated in conjunction with the Commonwealth Bank.

(ii) *Management.* The Bank is managed by a Governor who is assisted by an Advisory Council consisting of the Secretary to the Department of the Treasury, the Deputy Governor of the Bank, an additional representative of the Department of the Treasury and two officers of the Bank. The Advisory Council advises the Governor with respect to the monetary and banking policy of the Bank and such other matters as the Governor refers to it.

(iii) *Central Banking Business.* Under the powers it possessed under the Commonwealth Bank Act 1911–1943 and under its war-time powers under the National Security Regulations, the Commonwealth Bank had gradually assumed the functions of a Central Bank. Part III. of the Commonwealth Bank Act 1945 formally constituted the Commonwealth Bank as a Central Bank and granted the Bank the necessary powers to carry on the business of a Central Bank. The capital for the Central Banking Business is £4,000,000 and such other sums as are transferred from the Reserve Fund. The profits of the Central Banking Business are distributed as follows:—(a) One quarter to be placed to the credit of the Commonwealth Bank Reserve Fund; (b) one-quarter to be paid to the Mortgage Bank Department Capital Account; (c) one-half to be paid to the National Debt Sinking Fund. When the capital of the Mortgage Bank Department has reached £4,000,000 the share of profits payable to that department will be credited to the Commonwealth Bank Reserve Fund.

(iv) *Note Issue Department.* This department was established in 1920 when the control of the Australian note issue was transferred from the Commonwealth Treasury to the Commonwealth Bank. The Bank may, through this department, issue, re-issue and cancel Australian notes. All profits of this department, with the exception of £150,000 per annum paid to the Mortgage Bank Department, are paid to Commonwealth Consolidated Revenue.

(v) *General Banking Division.* Under the Commonwealth Bank Act 1911–1943, no provision was made for the separation of the general banking business of the bank from its central banking business. Under the Commonwealth Bank Act 1945 the General Banking Division was set up to carry on the general banking business of the Bank. The

accounts and transactions of this division are kept separate and distinct from the other accounts of the Bank. The capital of the General Banking Division is £4,000,000, and such other sums as are transferred from the General Banking Division Reserve Fund. The profits of the General Banking Division are distributed as follows :—(a) one half to be placed to the credit of the General Banking Division Reserve Fund, and (b) one half to be paid to the National Debt Sinking Fund.

(vi) *Rural Credits Department.* The Rural Credits Department was established in 1925 for the purpose of making short-term credit available for the orderly marketing of primary produce. The Bank may, through this department, make advances, upon the security of primary produce placed under the legal control of the Bank or other security associated with the production or marketing of primary produce, to co-operative associations or marketing boards formed under the laws of the Commonwealth or of a State or Territory of the Commonwealth or other bodies specified by proclamation. The period of the advance shall not be more than one year. The capital of the Rural Credits Department is £2,000,000. Profits are distributed as follows :—(a) one half to be placed to the credit of the Rural Credits Department Reserve Fund; and (b) one half to be placed to the credit of the Rural Credits Department Development Fund for the promotion of Primary Production.

(vii) *Mortgage Bank Department.* The Mortgage Bank Department was established in 1943 for the purpose of making long-term loans to primary producers. Through this department the Bank may make a loan to any person engaged in farming, agricultural, horticultural, pastoral or grazing operations or other form of primary production, upon the security of a mortgage to the Bank of an estate or interest in land in the Commonwealth owned by the borrower. The term of the loan shall not be less than five years nor more than forty-one years. The capital of the department is limited to £4,000,000 and profits are to be credited to the Mortgage Bank Department Reserve Fund.

(viii) *Industrial Finance Department.* The functions of the Industrial Finance Department established in January, 1946 are :—(a) to provide finance for the establishment and development of industrial undertakings; (b) to assist in the establishment and development of industrial undertakings; and (c) to provide advice on the operations of industrial undertakings with a view to promoting the efficient organization and conduct thereof. To exercise these functions the Bank may, through the Industrial Finance Department, lend money and purchase and sell shares or securities in an industrial undertaking. The capital of this department is £4,000,000. The Treasurer, the Bank and the Savings Bank may advance money to the Industrial Finance Department. The amount that may be advanced by the Bank is limited to £1,000,000. The profits of the department are to be placed to the credit of the Industrial Finance Department Reserve Fund.

(ix) *Housing Loans.* Provision is made for the Bank, through the General Banking Division, to make loans to individuals or building societies for the erection or purchase of homes or for the discharge of mortgages on homes. These loans must be made at the lowest possible rate of interest. Loans to individuals are to be on *crédit foncier terms*, to be secured by first mortgage on an estate or interest in land owned by the borrower and to be repaid in periods of not less than five years nor more than 35 years. Loans to building societies are to be made on such security and on such terms and conditions as the Bank determines.

(x) *Liabilities and Assets—All Departments.* Liabilities and assets of each department of the Commonwealth Bank at 30th June, 1949 are shown in the following table. The Commonwealth Savings Bank, which is operated as a separate institution, is not included (*see* § 2, para. 7 (iv) following):—

COMMONWEALTH BANK : LIABILITIES AND ASSETS, 30th JUNE, 1949.

(£'000.)

Item.	Central Banking Busi- ness.	General Banking Divi- sion.	Note Issue Depart- ment.	Rural Credits Depart- ment.	Mort- gage Bank Depart- ment.	Indus- trial Finance Depart- ment.	Total. (a)
LIABILITIES.							
Capital	4,000	4,000	..	2,000	3,161	4,000	17,161
Reserve Funds	1,181	740	..	517	129	252	2,819
Special Reserve—Premium on gold sold .. .. .	..	..	4,755	..	..	..	4,755
Development Fund .. .. .	..	..	..	21	..	..	21
Notes on Issue .. .. .	..	..	212,813	..	..	..	212,813
Deposits, bills payable and other liabilities—							
Special accounts of Trading Banks	367,520	..	..	..	..	..	367,520
Other deposits of Trading Banks	20,717	..	..	..	..	..	20,717
Other (including provision for contingencies)	188,793	90,053	2,282	1,372	369	11,588	286,372
Total Liabilities	582,211	94,793	219,850	3,910	3,659	15,840	912,178
ASSETS.							
Gold and balances held abroad (in- cluding money at short call)	339,974	2,881	50,880	..	..	..	393,735
Australian notes and coin	4,224	3,587	..	..	..	..	7,811
Cheques and bills of other banks	7,941	862	..	..	..	..	8,803
Commonwealth Government securi- ties (including Commonwealth Treasury Bills)	134,467	29,574	168,878	..	..	..	332,919
Securities of other Governments, and of local and semi-governmental authorities	35,927	..	..	..	..	..	35,927
Bills receivable and remittances in transit	964	17,402	..	..	..	..	18,366
Bank premises at cost less amounts written off	229	789	..	..	..	..	1,018
Loans, advances, bills discounted, and other assets (after deducting debts considered bad or doubtful)	58,485	39,698	92	(b) 3,910	3,659	15,840	113,599
Total Assets	582,211	94,793	219,850	3,910	3,659	15,840	912,178

(a) Inter-departmental accounts totalling £8,085,000 have been offset in the combined figures.
(b) Includes Cash Balances £1,055,000.

(xi) *Profits.* Net profits of the various departments of the Commonwealth Bank for each year from 1938–39 to 1948–49 were as follows:—

COMMONWEALTH BANK : NET PROFITS.

(£'000.)

Year ended 30th June—	General Bank Depart- ment.	Central Banking Business. (a)	General Banking Division. (a)	Note Issue Depart- ment.	Rural Credits Depart- ment.	Mortgage Bank Depart- ment. (b)	Indus- trial Finance Depart- ment. (c)	Total.
1939	356	..	..	767	32	..	..	1,155
1940	457	..	..	986	38	..	..	1,481
1941	386	..	..	1,462	48	..	..	1,896
1942	527	..	..	1,658	47	..	..	2,232
1943	873	..	..	2,248	44	..	..	3,165
1944	985	..	..	2,743	38	-13	..	3,753
1945	957	..	..	3,098	37	16	..	4,108
1946 .. .. .	..	670	334	3,090	33	25	6	4,158
1947 .. .. .	..	700	350	3,942	37	30	24	5,083
1948 .. .. .	..	901	377	4,237	34	34	57	5,640
1949 .. .. .	..	975	419	4,610	39	36	165	6,244

(a) Created 21st August, 1945. Previously combined under General Bank Department.
(b) Commenced business 27th September, 1943. (c) Commenced business 2nd January, 1946.

NOTE.—Minus sign (–) indicates a loss.

(xii) *Central Banking Business—Average Liabilities and Assets.* The average liabilities and assets of the Central Banking Business and Note Issue Department of the Commonwealth Bank for the years ended June 1946 to 1949 and the quarters ended December, 1947 to December, 1949 are shown in the two tables which follow :—

COMMONWEALTH BANK : CENTRAL BANKING BUSINESS (INCLUDING NOTE ISSUE DEPARTMENT)—AVERAGE LIABILITIES.

(£'000.)

Period.	Capital and Reserve Funds.	Notes on Issue.	Special Accounts of Trading Banks.	Other Deposits of Trading Banks.	Other Liabilities.	Total Liabilities.
Year ended June—						
1946 (a)	10,537	193,813	241,842	26,864	144,385	617,441
1947	9,782	199,402	266,951	24,063	122,101	622,299
1948	9,437	198,090	263,688	28,018	142,014	641,247
1949	9,653	203,501	323,930	29,764	174,647	741,555
Quarter ended—						
December, 1947	9,467	197,893	250,706	26,964	136,672	621,702
March, 1948	9,467	194,602	271,432	30,126	149,885	655,572
June, 1948	9,467	195,967	288,317	30,053	158,769	682,573
September, 1948	9,536	196,643	275,124	30,327	172,440	684,070
December, 1948	9,692	202,182	289,607	32,129	184,971	718,581
March, 1949	9,692	204,855	346,420	32,974	164,921	758,862
June, 1949	9,692	210,567	384,570	23,625	176,255	804,709
September, 1949	9,786	213,352	326,997	26,566	183,988	760,689
December, 1949	9,936	222,006	323,170	33,524	213,003	801,639

(a) Ten months ended June, 1946.

COMMONWEALTH BANK : CENTRAL BANKING BUSINESS (INCLUDING NOTE ISSUE DEPARTMENT)—AVERAGE ASSETS.

(£'000.)

Period.	Gold and Balances held abroad.	Australian Coin.	Cheques and Bills of Other Banks.	Government and Other Securities (including Commonwealth Treasury Bills.)	Bills Receivable and Remittances in Transit.	Other Assets.	Total Assets.
Year ended June—							
1946 (a)	181,594	3,266	2,294	418,266	1,833	10,188	617,441
1947	217,642	3,365	2,603	392,217	320	6,152	622,299
1948	196,694	5,186	3,099	419,857	80	16,331	641,247
1949	336,175	4,040	3,732	356,260	47	41,301	741,555
Quarter ended—							
December, 1947	175,980	5,730	2,874	426,492	64	10,562	621,702
March, 1948	190,773	4,614	2,706	436,404	49	21,035	655,572
June, 1948	244,412	4,157	4,464	403,358	46	26,136	682,573
September, 1948	270,299	3,804	3,481	367,807	56	38,623	684,070
December, 1948	324,631	3,728	3,300	359,490	115	27,317	718,581
March, 1949	357,468	4,345	3,357	350,994	11	42,687	758,862
June, 1949	392,300	4,282	4,791	346,752	7	56,577	804,709
September, 1949	381,672	4,137	3,199	327,118	90	44,473	760,689
December, 1949	395,562	3,691	3,551	371,706	81	27,048	801,639

(a) Ten months ended June, 1946.

(xiii) *General Banking Division and Rural Credits, Mortgage Bank and Industrial Finance Departments—Average Liabilities and Assets within Australia.* The average liabilities and assets within Australia of the General Banking Division, Rural Credits,

Mortgage Bank and Industrial Finance Departments of the Commonwealth Bank for the years ended June, 1946 to 1949 and the quarters ended December, 1947 to December, 1949 are shown in the following tables:—

COMMONWEALTH BANK : GENERAL BANKING DIVISION AND RURAL CREDITS, MORTGAGE BANK AND INDUSTRIAL FINANCE DEPARTMENTS—AVERAGE LIABILITIES WITHIN AUSTRALIA.(a)
(£'000.)

Period.	Inter-minable Deposits or Deposit Stock.	Deposits.			Notes in Circulation.	Balances due to Other Banks.	Bills payable and all other liabilities to the Public.	Total Liabilities.
		Not Bearing Interest.	Bearing Interest.	Total.				
Year ended June—								
1946 (b)	35,775	21,101	56,876	..	341	2,112	59,329
1947	41,372	17,574	58,946	..	352	2,279	61,577
1948	44,549	13,873	58,422	..	335	3,097	62,454
1949	52,346	13,214	65,560	..	5,263	7,972	78,795
Quarter ended—								
December, 1947	43,335	14,092	57,427	..	347	2,859	60,633
March, 1948	44,953	13,558	58,511	..	310	4,471	63,292
June, 1948	48,402	12,903	61,305	..	313	5,080	66,758
September, 1948	47,776	12,792	60,568	..	295	7,156	68,019
December, 1948	51,200	13,741	64,941	..	1,018	8,469	74,428
March, 1949	53,521	13,608	67,129	..	9,295	8,354	84,778
June, 1949	56,888	12,714	69,602	..	10,444	7,909	87,955
September, 1949	66,483	12,755	79,238	..	12,360	7,610	99,208
December, 1949	78,407	14,200	92,607	..	13,921	8,043	114,571

(a) Includes Territories of Papua and New Guinea.

(b) Ten months ended June, 1946.

COMMONWEALTH BANK : GENERAL BANKING DIVISION AND RURAL CREDITS, MORTGAGE BANK AND INDUSTRIAL FINANCE DEPARTMENTS—AVERAGE ASSETS WITHIN AUSTRALIA.(a)
(£'000.)

Period.	Cash and Cash Balances.	Special Account with Commonwealth Bank.	Balances with Other Banks. (b)	Australian Public Securities.		Other Securities.	Loans, Advances, and Bills Discounted.	All Other Assets.	Total Assets.
				Treasury Bills.	Other.				
Year ended June—									
1946 (c) ..	7,366	..	195	5,379	35,249	6	20,533	1,459	70,187
1947 ..	7,176	..	230	3,131	36,488	30	25,698	1,690	74,443
1948 ..	7,432	..	280	1,189	32,651	35	33,338	1,793	76,728
1949 ..	6,871	..	399	461	34,461	66	49,230	1,675	93,163
Quarter ended—									
December, 1947 ..	7,676	..	295	1,429	32,663	30	30,990	1,773	74,856
March, 1948 ..	7,800	..	287	1,000	32,020	30	34,240	1,838	77,215
June, 1948 ..	7,601	..	315	769	32,635	49	38,138	1,881	81,388
September, 1948 ..	6,677	..	300	750	31,897	51	41,340	1,844	82,859
December, 1948 ..	7,955	..	386	750	31,987	62	46,074	1,787	89,001
March, 1949 ..	7,221	..	372	346	37,577	75	52,700	1,565	99,856
June, 1949 ..	5,630	..	538	..	36,381	78	56,807	1,504	100,938
September, 1949 ..	18,331	..	422	..	31,266	76	63,183	1,512	114,790
December, 1949 ..	22,863	..	562	..	35,535	73	69,559	1,573	130,165

(a) Includes Territories of Papua and New Guinea.
(c) Ten months ended June, 1946.

(b) Includes notes, cheques and bills of other Banks.

6. Nine Trading Banks.—(i) Average Liabilities and Assets in Australia. The average liabilities and assets within Australia of the Nine Trading Banks for the years ended June, 1939 and 1941 to 1949 and the quarters ended December, 1947 to December, 1949 are shown in the following tables. A list of these banks is given in para. 3, page 709.

NINE TRADING BANKS: AVERAGE LIABILITIES WITHIN AUSTRALIA.
(£'000.)

Period.	Inter- mable Deposits or Deposit Stock.	Deposits.			Notes in Cir- culation.	Balances due to other Banks.	Bills payable and all other Liabilities to the Public.	Total Li- abilities.
		Not Bearing Interest.	Bearing Interest.	Total.				
Year ended June—								
1939	2,644	118,868	198,793	317,661	167	921	(b) 3,005	324,398
1941	2,619	152,377	256,124	358,501	167	1,002	(b) 3,398	365,687
1942	2,611	178,438	199,817	378,265	167	1,112	(b) 3,642	385,797
1943	2,597	233,799	193,357	426,656	167	1,069	(b) 4,125	434,614
1944	2,511	290,988	211,703	502,691	166	1,016	(b) 4,485	510,869
1945	1,850	343,773	224,023	567,796	166	1,083	(b) 4,843	575,738
1946(c) ..	1,664	305,953	220,415	606,368	166	1,194	6,338	615,730
1947	889	429,749	206,862	636,611	159	1,748	7,792	647,199
1948	733	471,604	201,892	673,496	158	1,933	8,423	694,743
1949	729	565,140	211,262	776,402	158	32,522	10,576	820,387
Quarter ended—								
December, 1947	730	456,587	203,369	659,956	158	7,166	8,448	676,458
March, 1948 ..	729	489,040	200,756	689,796	158	15,839	8,443	714,065
June, 1948 ..	729	511,394	200,572	711,966	158	21,814	9,281	743,048
September, 1948	729	502,810	200,448	703,258	158	32,203	9,108	745,546
December, 1948	729	554,106	212,609	766,805	158	23,983	10,786	802,461
March, 1949(d) ..	729	596,731	214,642	811,373	158	30,461	10,448	853,169
June, 1949 ..	729	606,914	217,258	824,172	158	43,440	11,875	880,374
September, 1949(d)	729	582,431	212,567	794,998	158	36,678	10,610	843,173
December, 1949	729	648,494	218,425	866,919	158	19,737	13,410	900,953

(a) Includes Other Liabilities. (b) Excludes Other Liabilities. (c) Includes Territories of Papua and New Guinea for this and following periods. (d) Technical adjustments in the method of compiling figures for advances and deposits were made by two banks from January, 1949 and by another from July, 1949. The effect of this was to reduce both deposits and advances by £9,000,000 in January, 1949 and £2,600,000 in July, 1949.

NINE TRADING BANKS: AVERAGE ASSETS WITHIN AUSTRALIA.
(£'000.)

Period.	Cash and Cash Bal- ances.	Special Account with Com- mon- wealth Bank.	Bal- ances with Other Banks. (a)	Australian Public Securities.		Other Securi- ties.	Loans, Ad- vances and Bills Dis- counted.	All Other Assets.	Total Assets.
				Trea- sury Bills.	Other.				
Year ended June—									
1939	33,597	..	3,938	21,533	b 20,477	(c)	d 288,109	(e) 9,421	377,075
1941	41,163	..	4,993	39,937	b 52,903	(c)	d 252,426	e 10,239	431,661
1942	41,415	16,848	5,899	42,267	b 59,640	(c)	d 273,729	e 10,105	449,903
1943	43,322	68,420	6,765	59,443	b 62,907	(c)	d 248,719	(e) 9,925	499,501
1944	40,908	139,965	7,334	63,826	b 79,961	(c)	d 232,421	(e) 9,787	574,202
1945	38,038	207,092	7,744	60,283	b 105,842	(c)	d 208,719	(e) 9,776	638,394
1946(f) ..	38,462	238,698	8,748	59,782	b 115,272	(c)	d 214,401	(e) 9,802	684,565
1947	37,927	264,991	10,302	25,831	95,027	164	261,140	14,280	709,662
1948	44,390	262,258	12,254	18,089	65,606	g 1,874	329,850	17,154	751,475
1949	48,016	322,670	14,267	22,110	61,455	742	368,582	20,213	858,055
Quarter ended—									
December, 1947	43,979	249,103	13,473	13,947	67,141	g 1,923	330,991	16,455	737,012
March, 1948 ..	46,377	269,976	11,824	21,946	59,301	g 1,857	335,720	17,306	704,367
June, 1948 ..	46,418	287,199	12,913	24,596	59,200	g 1,909	344,074	19,490	796,099
September, 1948	47,448	274,045	12,493	15,173	59,452	g 1,789	362,322	20,539	793,171
December, 1948	50,778	288,457	14,960	28,585	60,109	287	372,505	20,543	830,230
March, 1949(h) ..	50,689	345,114	14,301	30,623	62,912	364	361,957	20,483	886,443
June, 1949 ..	43,147	383,065	15,398	14,062	63,344	528	377,544	19,287	916,375
September, 1949	40,513	325,357	13,968	13,793	72,854	490	391,929	18,507	883,141
December, 1949	55,441	321,453	18,998	33,177	76,398	334	403,222	18,865	927,888

(a) Includes Notes, Cheques and Bills of Other Banks. (b) Government and Municipal Securities.
(c) Included with Loans, Advances and Bills Discounted. (d) Includes Other Assets—see footnotes.
(e) and (f). (g) Landed and House Property only. Other assets included with Loans, Advances and Bills Discounted. (f) Includes Territories of Papua and New Guinea for this and following periods. (g) Includes shares held by National Bank of Australasia Ltd. in Queensland National Bank Ltd. (in voluntary liquidation). (h) See footnote (d) to table above.

(ii) *Ratios of Assets and Liabilities to Total Deposits.* The following table shows, for the Nine Trading Banks, the ratios of certain assets and liabilities to total deposits for the years ended June, 1939 and 1941 to 1949. The ratios are based on the average liabilities and assets for the years shown.

NINE TRADING BANKS : RATIOS OF AVERAGE ASSETS AND LIABILITIES TO AVERAGE TOTAL DEPOSITS.

(Per cent.)

Year ended June—	Percentage of Total Deposits.						
	Cash and Cash Balances.	Treasury Bills.	Government and Municipal Securities. (a)	Special Account with Commonwealth Bank.	Advances.	Deposits.	
						Not Bearing Interest.	Bearing Interest.
1939	10.6	6.8	6.5	..	90.7	37.4	62.6
1941	11.5	11.1	14.8	..	78.8	42.5	57.5
1942	11.0	11.2	15.8	4.4	72.4	47.2	52.8
1943	10.2	13.9	14.7	16.0	58.3	54.7	45.3
1944	8.1	12.7	15.9	27.8	46.2	57.9	42.1
1945	6.7	10.6	18.6	36.6	36.8	60.6	39.4
1946	6.3	9.9	19.0	39.3	35.0	63.7	36.3
1947	6.0	4.1	14.9	41.6	11.0	67.5	32.5
1948	6.6	2.7	9.7	38.9	49.0	70.0	30.0
1949	6.2	2.9	7.9	41.6	47.5	72.8	27.2

(a) Excludes Treasury Bills.

(iii) *Proportion of Non-Interest bearing to Total Deposits.* The following table shows, for each State, the proportion of non-interest bearing deposits to total deposits with the Nine Trading Banks for each of the ten years ended June, 1939 and 1941 to 1949. The ratios are based on the average deposits for the years shown.

NINE TRADING BANKS : PROPORTION OF NON-INTEREST BEARING DEPOSITS TO TOTAL DEPOSITS.

(Per cent.)

Year ended June—	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Nor. Terr.	Aust. Cap. Terr.	Total. (a)
1939	43.5	30.3	45.4	26.1	45.7	36.5	61.1	23.2	37.4
1941	49.8	35.3	48.5	30.1	46.1	40.4	68.1	26.9	42.5
1942	53.8	40.8	51.7	35.3	51.5	45.6	71.3	28.2	47.2
1943	59.4	49.9	60.3	42.3	59.4	52.6	72.3	31.6	54.7
1944	61.6	53.0	64.9	46.0	61.8	55.4	76.6	34.0	57.9
1945	63.8	55.9	67.6	49.2	63.2	57.7	100.0	37.2	60.6
1946	66.1	60.5	69.4	51.4	66.2	62.6	77.2	42.4	63.7
1947	69.7	65.6	71.4	55.7	69.8	65.2	77.8	47.6	67.5
1948	72.3	68.5	73.3	58.8	73.0	66.3	81.0	53.3	70.0
1949	75.2	71.0	75.7	63.0	75.9	67.5	81.3	58.4	72.8

(a) Includes Papua and New Guinea for 1946 and following periods.

(iv) *Ratio of Advances to Total Deposits.* The ratio of advances to total deposits, for each State for the years ended June, 1939 and 1941 to 1949, is shown in the following table. The ratios are based on the averages of deposits and advances for the years shown.

NINE TRADING BANKS : RATIO OF ADVANCES TO TOTAL DEPOSITS.

(Per cent.)

Year ended June—	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Nor. Terr.	Aust. Cap. Terr.	Total. (a)
1939	104.5	71.6	99.2	77.6	155.5	57.0	24.5	37.7	90.7
1941	84.3	68.5	89.1	62.7	130.6	53.0	20.7	30.3	78.8
1942	76.9	62.2	88.4	56.3	116.8	45.9	14.0	30.4	72.4
1943	62.4	54.8	58.5	43.9	87.7	32.5	7.9	22.2	58.3
1944	46.7	50.3	36.5	38.8	64.9	24.4	45.1	19.0	46.2
1945	38.6	36.9	30.3	33.7	54.6	21.0	92.0	18.2	36.8
1946	37.6	32.6	31.0	33.6	53.7	20.7	11.5	18.1	35.0
1947	43.1	39.4	37.8	38.4	55.5	29.2	16.2	21.1	11.0
1948	53.3	48.2	46.3	37.2	52.1	41.0	31.9	23.6	49.0
1949	50.8	50.3	44.9	29.1	42.0	50.9	55.1	25.5	47.5

(a) Includes Papua and New Guinea for 1946 and following periods.

7. **Other Cheque-paying Banks.**—*Average Liabilities and Assets within Australia.* The average liabilities and assets within Australia of "other cheque-paying banks" for the years ended June, 1946 to 1949 and the quarters ended December, 1947 to December, 1949 are shown in the following tables. A list of these banks is given in para. 3, page 710.

OTHER CHEQUE-PAYING BANKS : AVERAGE LIABILITIES WITHIN AUSTRALIA.
(£'000.)

Period.	Inter-minable Deposits or Deposit Stock. (a)	Deposits.			Notes in Circulation.	Bal-ances due to Other Banks.	Bills payable and all other Liabilities to the Public.	Total Li-abilities.
		Not Bearing Interest.	Bearing Interest.	Total.				
Year ended June—								
1946 (b) ..	12,583	7,741	5,013	12,754	..	74	504	25,915
1947 ..	12,322	9,975	5,079	15,054	..	93	295	27,764
1948 ..	16,476	12,522	5,434	17,956	..	411	456	35,299
1949 ..	20,559	18,385	7,336	25,721	..	357	776	47,413
Quarter ended—								
December, 1947	11,936	11,205	5,117	16,322	..	656	467	29,381
March, 1948 (c) ..	21,210	13,297	5,609	18,906	..	271	468	40,855
June, 1948 ..	21,065	14,864	6,053	20,917	..	445	490	42,917
September, 1948	20,795	14,942	6,656	21,598	..	700	628	43,721
December, 1948	20,591	16,916	7,194	24,110	..	363	706	45,770
March, 1949 ..	20,358	21,101	7,773	28,874	..	160	770	50,162
June, 1949 ..	20,491	20,578	7,724	28,302	..	204	999	49,996
September, 1949	20,498	18,842	7,684	26,526	..	128	1,196	48,348
December, 1949	20,341	19,849	8,707	28,556	..	173	1,155	50,225

(a) Inscribed stock and debentures, Rural Bank of New South Wales and State Bank of South Australia. (b) Ten months ended June, 1946. (c) From March, 1948 the General Bank Department of the Rural Bank of New South Wales has been included. Previously only the Rural Bank Department was included.

OTHER CHEQUE-PAYING BANKS : AVERAGE ASSETS WITHIN AUSTRALIA.
(£'000.)

Period.	Cash and Cash Bal-ances.	Special Account with Commonwealth Bank.	Bal-ances with other Banks. (a)	Australian Public Securities.		Other Securities.	Loans, Ad-vances and Bills Dis-counted.	All Other Assets. (b)	Total Assets.
				Trea-sury Bills.	Other.				
Year ended June—									
1946 (c) ..	1,848	1,919	2,388	965	7,772	218	16,795	1,259	33,164
1947 ..	2,518	1,960	1,638	730	8,478	265	22,868	2,341	40,798
1948 ..	3,128	1,430	1,150	869	10,546	179	31,470	2,614	51,386
1949 ..	4,172	1,260	1,437	1,872	13,676	167	39,783	2,793	65,160
Quarter ended—									
December, 1947	2,681	1,603	1,078	636	8,616	197	26,469	2,897	44,177
March, 1948 (d)	3,470	1,456	1,337	864	12,007	145	36,748	2,379	58,406
June, 1948 ..	3,870	1,118	1,163	1,289	13,286	147	37,741	2,090	60,704
September, 1948	3,859	1,079	1,620	1,162	13,039	154	38,450	2,152	61,515
December, 1948	4,011	1,149	1,778	2,323	12,376	163	39,066	2,539	63,405
March, 1949 ..	5,241	1,306	1,389	2,392	14,073	175	39,985	3,171	67,732
June, 1949 ..	3,578	1,505	959	1,611	15,220	175	41,630	3,312	67,990
September, 1949	3,022	1,640	1,010	107	13,260	181	43,510	3,044	65,774
December, 1949	3,763	1,717	1,231	346	11,878	230	45,329	3,718	68,212

(a) Includes Notes, Cheques and Bills of Other Banks. (b) Includes Rural and Industries Bank of Western Australia's account with State Treasury. (c) Ten months ended June, 1946. (d) See footnote (c) to table above.

8. **All Cheque-paying Banks.**—(i) *General.* Particulars of the average liabilities and assets within Australia of all cheque-paying banks in Australia, including the General Banking Division and Rural Credits, Mortgage Bank and Industrial Finance Departments of the Commonwealth Bank of Australia, are given in the following paragraph. The Central Banking Business of the Commonwealth Bank of Australia is excluded.

(ii) *Average Liabilities and Assets within Australia.* The following tables show the average liabilities and assets within Australia of all cheque-paying banks for the years ended June, 1946 to 1949 and the quarters ended December, 1947 to December, 1949.

ALL CHEQUE-PAYING BANKS : AVERAGE LIABILITIES WITHIN AUSTRALIA.(a)
(£'000.)

Period.	Inter- minable Deposits or Deposit Stock.	Deposits.			Notes in Cir- culation.	Bal- ances due to Other Banks.	Bills payable and all other Liabilities to the Public.	Total Li- abilities.
		Not Bearing Interest.	Bearing Interest.	Total.				
Year ended June—								
1946 (b) ..	14,239	437,037	245,824	682,861	166	1,649	9,306	708,221
1947 ..	13,211	481,096	229,515	710,611	159	2,193	10,366	736,540
1948 ..	17,208	528,675	221,199	749,874	158	12,680	12,576	792,496
1949 ..	21,288	635,871	231,812	867,683	158	38,142	19,324	946,595
Quarter ended—								
December, 1947	12,666	511,127	222,578	733,705	158	8,169	11,774	766,472
March, 1948 ..	21,939	547,290	219,923	767,213	158	16,420	13,382	819,112
June, 1948 ..	21,794	574,660	219,588	794,248	158	22,572	14,851	853,623
September, 1948	21,524	565,528	219,896	785,424	158	33,198	16,982	857,286
December, 1948	21,320	622,222	233,634	855,856	158	25,364	19,961	922,659
March, 1949 ..	21,087	671,353	236,023	907,376	158	39,916	19,572	988,109
June, 1949 ..	21,220	684,380	237,696	922,076	158	54,088	20,783	1,018,325
September, 1949	21,227	667,756	233,006	900,762	158	49,166	19,416	990,729
December, 1949	21,070	746,750	241,332	988,082	158	33,831	22,608	1,065,749

(a) Includes Territories of Papua and New Guinea.

(b) Ten months ended June, 1946.

ALL CHEQUE-PAYING BANKS : AVERAGE ASSETS WITHIN AUSTRALIA.(a)
(£'000.)

Period.	Cash and Cash Bal- ances.	Special Account with Com- mon- wealth Bank.	Bal- ances with Other Banks.	Australian Public Securities.		Other Securi- ties.	Loans, Ad- vances and Bills Dis- counted.	All Other Assets.	Total Assets.
				Trea- sury Bills.	Other.				
Year ended June—									
1946 (b) ..	48,354	241,843	11,507	68,351	160,294	390	249,436	15,328	795,593
1947 ..	47,621	266,951	12,170	29,692	139,993	459	309,706	18,311	824,903
1948 ..	54,950	263,688	13,684	20,147	108,813	2,088	394,658	21,561	879,589
1949 ..	59,059	323,930	16,103	24,444	109,592	975	457,595	24,681	1,016,379
Quarter ended—									
December, 1947	54,336	250,706	14,846	16,012	108,420	2,150	388,450	21,125	856,045
March, 1948 ..	57,647	271,432	13,448	23,810	103,328	2,032	406,708	21,583	899,988
June, 1948 ..	57,889	288,317	14,391	26,954	105,121	2,105	419,953	23,401	938,191
September, 1948	57,984	275,124	14,323	17,085	104,388	1,994	442,112	24,535	937,545
December, 1948	62,744	289,606	17,130	31,658	104,472	512	457,645	24,869	988,636
March, 1949 ..	63,151	346,420	16,062	33,361	114,562	614	454,642	25,219	1,054,031
June, 1949 ..	52,355	384,570	16,895	13,673	114,945	781	475,981	24,103	1,085,303
September, 1949	67,866	326,997	15,130	13,900	117,380	747	498,622	23,063	1,063,705
December, 1949	82,067	323,170	20,791	33,523	123,811	637	518,110	24,156	1,126,265

(a) Includes Territories of Papua and New Guinea.

(b) Ten months ended June, 1946.

9. **Classification of Advances within Australia—Commonwealth Bank and Nine Trading Banks.**—A dissection of advances made by the Commonwealth Bank (General Banking Division, and the Rural Credits, Mortgage Bank and Industrial Finance Departments) and the Nine Trading Banks at the end of December, 1949 is given in the following table. Business advances, which have been classified according to the main industry of the borrower, are those made mainly for business purposes and include all loans to corporate bodies other than public authorities. Advances made to public authorities are those made to Commonwealth, State and Local Governments, Government Agencies and Semi-Governmental Authorities irrespective of the purpose of the advance or the industry in which the authority is engaged. Personal advances, which have been classified according to purpose, include advances to persons in their private capacity for such purposes as the purchase of a house or of household equipment, repayment of personal debts, etc.

COMMONWEALTH BANK(a) AND NINE TRADING BANKS: CLASSIFICATION OF
ADVANCES WITHIN AUSTRALIA(b), END OF DECEMBER, 1949.
(£'000.)

Classification.	N.S.W. (c)	Vic.	Q'land. (b)	S. Aust. (d)	W. Aust.	Tas.	Total Aust. (b)	Per- centage of Total.
A. BUSINESS ADVANCES CLASSIFIED ACCORDING TO MAIN INDUSTRY OF BORROWER.								
1. Agriculture, Dairying and Grazing—								%
Mainly Sheep								
Grazing ..	22,446	8,868	3,487	1,881	1,853	592	39,127	8.19
Mainly Cattle								
Grazing ..	2,758	1,596	4,598	143	249	169	9,513	1.99
Mainly Wheat								
Growing ..	6,249	3,272	1,015	1,678	2,815	7	15,036	3.15
Mainly Sugar								
Growing ..	276	..	4,368	..	..	..	4,644	0.97
Mainly Fruit								
Growing ..	1,182	1,916	813	748	605	473	5,737	1.20
Mainly Dairying and Pig Rais- ing ..	7,707	9,615	9,824	1,217	1,280	579	30,222	6.32
Other Rural ..	2,468	2,153	1,968	448	371	675	8,083	1.69
Total Class 1 ..	43,086	27,420	26,073	6,115	7,173	2,405	112,362	23.51
2. Manufacturing ..	34,239	44,874	7,816	5,403	3,372	1,555	97,259	20.35
3. Transport, Storage and Communication ..	3,482	3,405	1,552	516	615	365	9,935	2.08
4. Finance and Property— Builders and Contractors ..	4,317	3,476	1,351	314	288	389	10,135	2.12
Building Invest- ment Com- panies and Building Socie- ties, etc. ..	13,155	4,020	276	784	135	56	18,426	3.86
Other (Banking, Insurance, etc.) (e) ..	13,035	13,683	4,459	1,310	2,214	1,194	35,895	7.51
Total Class 4 ..	30,507	21,179	6,086	2,408	2,637	1,630	64,456	13.49
5. Commerce—								
Retail Trade ..	11,200	10,244	4,431	2,225	1,934	1,371	31,405	6.57
Wholesale Trade ..	17,010	14,677	2,757	2,020	1,441	818	38,723	8.11
Total Class 5 ..	28,210	24,921	7,188	4,245	3,375	2,189	70,128	14.68
6. Miscellaneous (f) ..	9,955	9,678	4,613	1,206	1,038	1,184	28,274	5.92
7. Not elsewhere specified	1,175	1,245	374	324	134	245	3,497	0.73
Total ..	150,654	132,722	53,702	20,217	18,944	9,672	305,911	80.76
B. ADVANCES TO PUBLIC AUTHORITIES.								
Public Authority Advances (including Government, Semi-Governmental and Municipal Bodies) ..	4,245	3,995	1,835	405	162	191	10,833	2.27
C. PERSONAL ADVANCES CLASSIFIED ACCORDING TO MAIN PURPOSE OF ADVANCE.								
1. Advances for building or purchasing own home (Individuals) ..	21,108	18,426	8,855	2,085	3,454	1,508	55,436	11.60
2. All Other (including Per- sonal Loans) ..	11,391	8,714	2,626	1,145	1,193	596	25,665	5.37
Total ..	32,499	27,140	11,481	3,230	4,647	2,104	81,101	16.97
TOTAL ADVANCES.								
Grand Total ..	187,398	163,857	67,018	23,852	23,753	11,967	477,845	100.00

(a) General Banking Division and the Rural Credits, Mortgage Bank and Industrial Finance Departments. (b) Includes Papua and New Guinea. (c) Includes Australian Capital Territory. (d) Includes Northern Territory. (e) Includes trustee, pastoral finance and cash order companies, friendly societies, stockbrokers, real estate agents, etc. (f) Includes (i) fishing, hunting, trapping and forestry; (ii) mining and quarrying; (iii) legal and other profession, religious, charitable and benevolent institutions, hospitals, schools and industrial and trade associations; (iv) amusements, wireless broadcasting, sporting associations and promoters; and (v) hotels, boarding houses and restaurants, laundries, social clubs, etc.

10. **Deposit Rates—Cheque-paying Banks.**—Particulars of interest rates for fixed deposits since 1932 are shown hereunder. The rates paid by the Commonwealth Bank have not always been the same as those paid by the other trading banks.

BANK FIXED DEPOSIT RATES.
(Per cent. per annum).

Dates from which rates operated.	Deposits for—			
	Three Months.	Six Months.	Twelve Months.	Two Years.
8th March, 1932	2½	3	3½	4
May–June, 1932 (a)	2½	3	3½	3½
1st November, 1932 (b)	2½	2½	3	3½
7th February, 1933	2	2½	2½	3
12th April, 1934	2	2½	2½	2½
9th August, 1934	1½	2½	2½	2½
11th October, 1934	1½	2	2½	2½
17th December, 1934	1	1½	2½	2½
24th March, 1936 (c)	2	2½	2½	3
24th January, 1940	1¾	2½	2½	2½
28th May, 1940	1½	2	2½	2½
22nd September, 1941	1½	1¾	2	2½
14th March, 1942	1¾	1½	1¾	2
17th January, 1944	1	1½	1½	2
11th August, 1944	½	¾	1¼	1¾
1st December, 1945	½	¾	1	(d) 1½

(a) All Banks did not take simultaneous action. (b) Bank of New South Wales reduced the rates for 6, 12 and 24 months terms by one-quarter of 1 per cent. from 23rd August, 1932. (c) Commonwealth Bank only. Bank of New South Wales from 2nd March and Bank of Adelaide from 3rd March, 1936. (d) On first £10,000; rate on amount in excess of £10,000 is 1 per cent.

11. **Clearing House Returns.**—(i) *Annual Clearings.* Particulars of the aggregate bank clearings for each capital city, compiled from information supplied by the Commonwealth Bank, Sydney, are given in the following table. Since October, 1920, transactions connected with the issue and redemption of Treasury Bills have resulted in largely inflated clearings. These transactions are of an abnormal character, and have been excluded from the table.

CLEARING HOUSE RETURNS : VALUE OF BILLS, CHEQUES, ETC.(a)
(£'000.)

Year.	Sydney.	Melbourne.	Brisbane.	Adelaide.	Perth.	Hobart.	Total.
1939	932,367	812,563	222,988	152,334	107,089	33,898	2,261,239
1941	1,139,353	1,096,037	243,937	195,757	116,565	36,469	2,828,118
1942	1,248,500	1,263,869	275,639	220,475	125,116	40,385	3,173,984
1943	1,442,344	1,411,724	335,137	248,295	137,599	45,853	3,620,952
1944	1,499,603	1,446,607	369,016	266,123	144,699	52,136	3,778,184
1945	1,512,418	1,483,450	366,210	268,255	151,652	57,409	3,839,394
1946	1,854,271	1,825,987	389,642	321,043	189,747	65,671	4,646,361
1947	2,123,697	1,964,027	450,912	370,084	226,467	73,131	5,208,318
1948	2,599,995	2,365,782	528,003	468,582	288,812	86,300	6,337,474
1949	2,998,359	2,778,183	623,228	543,879	344,684	98,636	7,386,969

(a) Excludes Treasury Bill transactions.

(ii) *Index of Annual Clearings.* The following index of bank clearings in each capital city for the years 1939 and 1941 to 1949 has been computed from the figures in the previous paragraph. The base used is the average of the years 1936 to 1938. Clearings connected with the issue and redemption of Treasury Bills have been excluded, but no adjustment has been made on account of alterations in the banking system.

INDEX OF BANK CLEARINGS.

Base : Average of Years 1936 to 1938 = 1,000.

Year.	Sydney.	Melbourne.	Brisbane.	Adelaide.	Perth.	Hobart.	Total.
1936-38 ..	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1939	1,027	1,000	1,096	1,001	1,017	1,151	1,023
1941	1,256	1,349	1,198	1,286	1,107	1,239	1,279
1942	1,376	1,555	1,354	1,449	1,188	1,372	1,436
1943	1,589	1,737	1,647	1,631	1,307	1,557	1,638
1944	1,653	1,780	1,813	1,749	1,374	1,771	1,709
1945	1,667	1,825	1,799	1,763	1,440	1,950	1,737
1946	2,043	2,247	1,914	2,109	1,802	2,231	2,102
1947	2,340	2,416	2,215	2,432	2,151	2,484	2,356
1948	2,865	2,911	2,594	3,079	2,743	2,931	2,867
1949	3,304	3,418	3,062	3,574	3,274	3,350	3,341

(iii) *Average Weekly Clearings.* The average weekly clearings in each capital city for the years ended on the last Monday in June, 1939 and 1941 to 1949 and for the quarters ended December, 1947 to 1949 are shown in the following table. Transactions connected with the issue and redemption of Treasury Bills are excluded.

BANK CLEARINGS(a) : AVERAGE WEEKLY CLEARINGS.
(£'000.)

Period.	Sydney.	Melbourne.	Brisbane.	Adelaide.	Perth.	Hobart.	Total.
Year ended June—							
1939 ..	17,832	15,415	4,212	2,953	2,055	623	43,090
1941 ..	21,194	19,784	4,726	3,499	2,229	672	52,104
1942 ..	22,747	22,823	4,815	3,970	2,336	731	57,422
1943 ..	26,084	25,830	5,904	4,532	2,489	813	65,652
1944 ..	28,071	27,051	6,816	4,924	2,719	943	70,524
1945 ..	28,556	27,839	6,895	5,127	2,777	1,032	72,226
1946 ..	30,968	31,398	7,154	5,593	3,257	1,185	79,555
1947 (b) ..	38,580	35,631	7,978	6,469	3,926	1,310	93,894
1948 (b) ..	44,786	41,237	9,288	8,038	4,892	1,543	100,784
1949 (b) ..	53,519	48,870	11,131	9,663	6,039	1,778	131,000
Quarter ended b—							
December, 1947	44,988	41,806	9,787	7,895	4,987	1,477	110,940
March, 1948 ..	42,284	38,648	8,299	8,163	5,252	1,550	104,196
June, 1948 ..	51,467	46,713	10,162	9,182	5,264	1,682	124,470
September, 1948	49,955	46,425	10,993	8,569	5,184	1,671	122,797
December, 1948	54,886	48,942	10,883	9,877	6,254	1,692	132,634
March, 1949 ..	49,775	47,142	10,458	10,153	6,750	1,866	126,144
June, 1949 ..	59,331	52,025	12,179	10,058	5,879	1,888	142,260
September, 1949	55,110	50,021	11,286	9,430	6,023	1,844	133,714
December, 1949	65,196	62,426	13,756	11,995	7,737	1,962	163,072

(a) Excludes transactions connected with the issue and redemption of Treasury Bills.

(b) Periods ended on last Wednesday.

12. **Debits to Customers' Accounts—All Cheque-paying Banks.**—Statistics of debits to customers' accounts have been collected since September, 1945. Generally they represent the total of all cheques drawn by the customers of the banks. In the following table are shown the average weekly debits to customers' accounts of all cheque-paying banks for each State for the years ended June, 1946 to 1949 and the quarters ended December, 1947 to December, 1949.

AVERAGE WEEKLY DEBITS TO CUSTOMERS' ACCOUNTS: ALL CHEQUE-PAYING BANKS.
(£'000.)

Period.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	A.C.T.	Total.
Year ended June—								
1946 (a) ..	52,887	45,791	14,879	8,661	5,855	2,880	95	131,057
1947 ..	65,690	55,433	16,972	10,457	7,189	3,374	119	159,234
1948 (b) ..	78,383	64,285	20,019	12,722	8,746	3,947	142	188,244
1949 ..	91,990	77,699	24,546	15,493	10,770	4,699	205	225,402
Quarter ended—								
December, 1947 ..	80,552	65,757	21,085	12,753	8,884	3,903	134	193,068
March, 1948 ..	74,754	59,240	18,481	12,302	8,061	3,771	131	177,640
June, 1948 ..	86,244	72,684	21,978	14,591	9,620	4,450	167	209,734
September, 1948 ..	83,631	71,531	23,215	13,710	9,493	4,271	175	206,026
December, 1948 ..	92,467	76,703	24,220	15,516	11,071	4,578	176	224,731
March, 1949 ..	89,418	78,859	24,024	16,112	11,665	4,762	213	225,053
June, 1949 ..	102,441	83,704	26,724	16,632	10,852	5,185	257	245,795
September, 1949 ..	96,442	84,149	25,981	15,977	11,237	5,701	253	239,140
December, 1949 ..	115,833	103,055	30,261	19,523	14,018	5,179	232	288,151

(a) Ten months ended June, 1946. (b) From January, 1948 debits to Customers' Accounts relating to the transfer of accounts from the Queensland National Bank Ltd. (in voluntary liquidation) to the National Bank of Australasia Ltd., have been excluded.

13. **Rates of Exchange.**—(i) *Oversea Exchange Rates.* In the following table the average telegraphic transfer rates of exchange for Sydney on a number of overseas countries are given. For the years 1938-39, 1944-45 and 1945-46 the rates quoted are the averages of quotations at the end of each month. For the years 1946-47 to 1948-49 the rates are averages of daily quotations. Generally the averages are based on rates quoted by the Commonwealth Bank of Australia, but where these were not available rates quoted by other Australian Banks have been used.

OVERSEA EXCHANGE RATES: AVERAGE TELEGRAPHIC TRANSFER RATES FOR SYDNEY ON OVERSEA COUNTRIES.(a)

Country.	Basis of Quotation.	Rate.	1938-39.	1944-45.	1945-46.	1946-47.	1947-48.	1948-49.
United Kingdom	£A. to £Stg.100	{ Buying Selling	125.000 125.500	125.000 125.500	125.000 125.500	125.000 125.500	125.000 125.500	125.000 125.500
New Zealand ..	£A. to £N.Z.100	{ Buying Selling	100.063 100.594	100.000 100.500	100.000 100.500	100.000 100.500	100.000 100.500	120.638 121.171
South Africa ..	£A. to £S.A.100	{ Buying Selling	123.848 125.546	123.500 125.350	124.073 125.602	124.125 125.625	124.125 125.625	124.125 125.625
Fiji ..	£A. to £F.100	{ Buying Selling	111.125 113.000	111.125 113.000	111.125 113.000	111.125 113.000	111.125 113.000	111.125 113.000
New York ..	Dollars to £A.1	{ Buying Selling	3.7945 3.7581	3.2370 3.1982	3.2370 3.1982	3.2361 3.1991	3.2350 3.2002	3.2298 3.2041
Montreal ..	Dollars to £A.1	{ Buying Selling	3.8063 3.7797	3.5860 3.5198	3.5740 3.5198	3.2453 3.2020	3.2360 3.1992	3.2301 3.2039
France ..	Francs to £A.1	{ Buying Selling	142.29 141.21	(b) (b)	6386.74 4379.73	386.58 379.89	4470.23 508.98	811.29 798.67
Switzerland ..	Francs to £A.1	{ Buying Selling	16.778 16.590	13.970 13.685	13.959 13.700	13.938 13.766	13.938 13.766	13.938 13.766

(a) Years ended 30th June. (b) No quotations. (c) Three months. (d) Seven months.
(e) No quotations, 27th January to 13th April.

OVERSEA EXCHANGE RATES: AVERAGE TELEGRAPHIC TRANSFER RATES
FOR SYDNEY ON OVERSEA COUNTRIES.(a)—continued.

Country.	Basis of Quotation.	Rate.	1938-39.	1944-45.	1945-46.	1946-47.	1947-48.	1948-49.
Belgium ..	Francs to £A.1	{ Buying Selling	112.217 110.935	(b) (b)	£142.400 d139.630	142.368 139.662	142.350 139.680	142.350 139.680
Holland ..	Florins to £A.1	{ Buying Selling	7.046 6.943	(b) (b)	(b) (b)	8.610 8.460	8.605 8.465	8.605 8.465
Denmark ..	Kroner to £A.1	{ Buying Selling	18.017 17.781	(b) (b)	(b) (b)	15.590 15.290	15.590 15.290	15.590 15.290
Norway ..	Kroner to £A.1	{ Buying Selling	16.007 15.803	(b) (b)	(b) (b)	16.120 15.820	16.120 15.820	16.120 15.820
Sweden ..	Kronor to £A.1	{ Buying Selling	15.623 15.406	(b) (b)	(b) (b)	11.683 11.473	11.665 11.465	11.665 11.465
Java ..	Guilders to £A.1	{ Buying Selling	7.030 6.939	(b) (b)	(b) (b)	(b) (e) 8.461	(b) 8.465	(b) 8.465
Manila ..	Pesos to £A.1	{ Buying Selling	7.659 7.528	(b) (b)	(b) (b)	6.540 6.424	6.533 6.417	6.529 6.413
Hong Kong ..	Pence (Aust.) to 1 Dollar	{ Buying Selling	18.526 18.883	(b) (b)	f 18.292 f 19.083	18.570 18.994	18.609 18.969	18.587 18.952
India and Ceylon	Pence (Aust.) to 1 Rupee	{ Buying Selling	22.287 22.604	22.313 22.781	22.294 22.800	22.319 22.775	22.328 22.766	22.328 22.766
Pakistan ..	Pence (Aust.) to 1 Rupee	{ Buying Selling	(g) (g)	(g) (g)	(g) (g)	(g) (g)	f 22.328 f 22.766	22.328 22.766
Noumea ..	Francs to £A.1	{ Buying Selling	(b) (b)	(b) (b)	(b) (b)	(b) (b)	(b) h159.000	(b) 159.000
Singapore ..	Pence (Aust.) to 1 Dollar	{ Buying Selling	34.706 35.224	(b) (b)	£ 34.766 £ 35.711	34.904 35.594	35.019 35.539	34.930 35.484

(a) Years ended 30th June. (b) No quotations. (c) Three months. (d) Eight months.
(e) Eleven months. (f) Six months. (g) Part of India. (h) Five months. (i) Four months.

(ii) Interstate. Exchange rates between the several capital cities of the States at 30th June, 1949 were as follows:—

INTERSTATE EXCHANGE RATES, 30th JUNE, 1949.
(Per cent.—s. d.)

Between—	And—					
	New South Wales	Victoria.	Brisbane and adjacent towns.	South Australia.	Perth and all but distant towns.	Tasmania.
Sydney and New South Wales towns ..	..	2 6	2 6	5 0	7 6	5 0
Melbourne and Victorian towns ..	2 6	..	5 0	2 6	5 0	2 6
Brisbane and adjacent towns ..	2 6	5 0	..	7 6	10 0	7 6
Adelaide and South Australian towns ..	5 0	2 6	7 6	..	2 6	5 0
Perth and all but distant towns ..	7 6	5 0	10 0	2 6	..	7 6
Hobart and Tasmanian towns ..	5 0	2 6	7 6	5 0	7 6	..

§ 2. Savings Banks.

1. General.—The inauguration of Savings Banks in Australia dates from 1819, when a private Savings Bank was opened in Sydney. In 1832 the legislature created "the Savings Bank of New South Wales" under the control of trustees, and shortly

after its establishment the funds of the private Savings Bank were transferred to the new institution. In the other States provision for placing deposits with Savings Banks dates from 1841 in Victoria; 1854 in Queensland; 1840 in South Australia; 1863 in Western Australia (a Savings Bank was opened in 1856 but was closed a year later); 1835 in Launceston; and 1845 in Hobart. These early banks functioned as Trustee Savings Banks, but, with the exception of the Hobart and Launceston institutions, were later absorbed by, or amalgamated with, Government Savings Banks.

Post Office Savings Banks were established in all States from 1864 onwards. These were separate Government institutions except in South Australia, where the Post Office acted as agent for the Savings Bank. Since the federation of the Australian States in 1900, post offices have been controlled by the Commonwealth Government, but they continued to act as savings bank agencies for the State institutions until the establishment of the Commonwealth Bank in 1912. They now act as agents for the Commonwealth Savings Bank.

Savings banks at present operating are the Commonwealth Savings Bank (all States and Territories); State Savings Bank of Victoria; Savings Bank of South Australia; and the two Trustee Banks—Hobart and Launceston.

2. **Extension of Facilities.**—The prime object of the foundation of savings banks in Australia was the encouragement of thrift, deposits of one shilling and upwards being accepted; nevertheless the facilities offered, while preserving the original object, have led to developments in another direction. Although depositors may not operate on their accounts by means of cheques, they have practically all the other advantages of a current account and in addition receive interest on their minimum monthly balances. No charge is made by the banks for keeping the accounts.

3. **Statistical Returns.**—Commencing with July, 1931, monthly returns have been furnished by savings bank authorities. The information given in the following paragraphs relates to the deposits at 30th June in each year. For convenience of reference the information has been grouped under the following headings:—

(i) All Savings Banks; (ii) Commonwealth Savings Bank; and (iii) State Savings Banks (including Trustee Banks in Tasmania).

4. **Number of Accounts.**—The following table shows the number of savings bank accounts in existence at 30th June, 1948 and 1949. It should be noted that these figures relate to the number of accounts and not necessarily to the number of depositors.

ALL SAVINGS BANKS : NUMBER OF ACCOUNTS.(a)

Bank.	30th June, 1948.		30th June, 1949.	
	Operative.	Inoperative. (b)	Operative.	Inoperative. (b)
Commonwealth Savings Bank ..	3,753,034	1,706,425	3,871,224	1,759,461
State Savings Bank of Victoria ..	1,364,082	520,325	1,388,957	529,513
Savings Bank of South Australia ..	473,613	140,020	486,043	143,208
Hobart Savings Bank ..	77,668	(c) 28,587	80,472	(c) 29,618
Launceston Bank for Savings ..	59,603	21,874	63,656	21,471
Total	5,728,020	2,417,231	5,890,352	2,483,271

(a) Excludes special purpose and school bank accounts.

(b) Inoperative accounts are those accounts with balances of less than £1 which have not been operated on for a period of over two years.

(c) Estimated.

5. All Savings Banks.—(i) *Particulars for Years 1947-48 and 1948-49.* The following statement gives details of the business transacted by all savings banks for the years 1947-48 and 1948-49 :—

ALL SAVINGS BANKS : PARTICULARS.

(£'000.)

State or Territory.	Amount on Deposit at 30th June, 1947.	1947-48.			1948-49.		
		Excess of Deposits over Withdrawals during year.	Interest added during year.	Amount on Deposit at end of year.	Excess of Deposits over Withdrawals during year.	Interest added during year.	Amount on Deposit at end of year.
New South Wales ..	231,368	1,788	3,808	236,964	3,637	3,882	244,483
Victoria ..	216,107	6,559	3,735	226,401	8,956	3,889	239,246
Queensland ..	85,602	-2,143	1,377	84,836	1,226	1,380	87,442
South Australia ..	67,900	4,357	1,356	73,613	6,086	1,464	81,163
Western Australia ..	36,625	-1,037	595	36,183	755	597	37,535
Tasmania ..	20,856	318	398	21,572	428	413	22,413
Northern Territory ..	537	104	8	649	68	9	726
Australian Capital Territory ..	1,020	63	17	1,100	92	19	1,211
Total ..	660,015	10,009	11,294	681,318	21,248	11,653	714,219

NOTE.—Minus sign (—) indicates excess of withdrawals over deposits.

(ii) *Deposits.* (a) *30th June, 1939 and 1945 to 1949.* The following table shows for all savings banks the amount at credit of depositors and the average deposits per head of population at 30th June, 1939 and 1945 to 1949 :—

ALL SAVINGS BANKS : DEPOSITS.

30th June.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Terr.	A.C.T.	Total.
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TOTAL.

(£'000.)

1939	87,474	80,461	29,045	27,397	12,396	8,396	99	319	245,587
1945	198,203	182,149	80,094	(a) 56,995	31,763	16,914	(b)	846	566,964
1946	236,242	211,326	90,063	65,865	38,289	20,447	349	973	663,554
1947	231,368	216,107	85,602	67,900	36,625	20,856	537	1,020	660,015
1948	236,964	226,401	84,836	73,613	36,183	21,572	649	1,100	681,318
1949	244,483	239,246	87,442	81,163	37,535	22,413	726	1,211	714,219

PER HEAD OF POPULATION.

(£ s. d.)

1939	31 16 7	42 16 8	28 10 7	45 18 6	26 7 5	35 1 5	15 14 8	25 7 4	35 4 11
1945	67 18 4	90 15 2	74 7 2	189 7 2	65 2 7	68 0 6	(b)	56 6 6	76 14 1
1946	80 4 6	104 7 0	82 13 3	103 15 0	77 14 10	81 2 10	33 1 2	61 6 1	88 17 9
1947	77 10 3	105 3 6	77 7 5	105 1 11	72 17 9	81 2 7	49 7 11	60 7 6	87 1 7
1948	78 6 6	108 5 10	75 5 1	111 17 5	70 4 4	82 4 5	52 1 2	58 12 1	88 7 4
1949	78 10 5	111 16 10	75 19 9	120 11 9	70 9 4	83 4 0	52 12 7	62 13 2	90 5 5

(a) Includes deposits transferred from Northern Territory.

(b) Included with South Australia.

(b) *Deposits per head and Purchasing Power.* Particulars of the deposits per head of population, actual and adjusted to purchasing power by the application of retail price index-numbers, at 30th June in each year from 1939 to 1949, are given in the following table. In calculating the index-numbers in this table the average of deposits per head of population at 30th June, 1937, 1938 and 1939 has been used as a base and made equal to 1,000.

ALL SAVINGS BANKS : DEPOSITS PER HEAD OF POPULATION.

At 30th June—				Actual.		Adjusted to Purchasing Power.(a)	
				Deposits per head of population.	Index-Number.	Deposits per head of population.	Index-Number.
				£	1937-1939 = 1000	£	1937-1939 = 1000
1939	..	..	..	35.25	1018	34.32	991
1940	..	..	..	33.67	972	31.51	910
1941	..	..	..	35.48	1025	31.68	915
1942	..	..	..	38.20	1103	31.55	911
1943	..	..	..	49.48	1429	38.66	1117
1944	..	..	..	64.51	1863	51.20	1479
1945	..	..	..	76.70	2215	60.89	1758
1946	..	..	..	88.89	2567	69.32	2002
1947	..	..	..	87.08	2515	66.24	1913
1948	..	..	..	88.37	2552	61.75	1783
1949	..	..	..	90.27	2607	57.46	1659

(a) On the basis of the All Items ("C") Series of Retail Price Index-numbers (6 capitals) for June quarter in each year. (Base: average of June quarters, 1937, 1938 and 1939 = 1,000.)

In interpreting the figures above it should be remembered that savings bank accounts are used to some extent by institutions and business people, as well as by individuals for the investment of personal savings. The relative extent to which savings bank accounts are used for business purposes, etc., may, and probably does fluctuate considerably from time to time.

6. *War Savings and Savings Certificates.*—Sales of savings certificates and stamps under the War Savings and Savings Certificate schemes, particulars of which were given in earlier issues of the Official Year Book (see No. 37, page 586), were discontinued after 31st January, 1949, except for some sales made to wind up savings groups, etc. This method of saving was replaced by special savings schemes to operate through the savings banks. Employers were asked to co-operate by forming employee savings groups and by making regular deductions from wages and salaries for payment into group savings bank accounts, and thence, at the end of each quarter to individual accounts. The total value of certificates outstanding at 30th June in each of the last five years was:—1945, £52,534,000; 1946, £54,677,000; 1947, £59,526,000; 1948, £64,483,000 and 1949, £62,198,000.

7. *Commonwealth Savings Bank.*—(i) *General.* The Savings Bank Department of the Commonwealth Bank opened for business in Victoria on 15th July, 1912; in Queensland on 16th September, 1912; in the Northern Territory on 21st October, 1912; and in New South Wales, South Australia and Western Australia on 13th January, 1913. The Tasmanian State Savings Bank was absorbed by the Commonwealth Bank in January, 1913, the Queensland State Savings Bank was taken over in 1920 and the New South Wales and Western Australian State Savings Banks in 1931. The Savings Bank Department was separated from the General Bank on 9th June, 1928, and established as a

separate institution known as the "Commonwealth Savings Bank". It has since then operated independently, publishing its own balance-sheets and profit and loss accounts. The Commonwealth Bank Act 1927, which provided for the establishment of the Commonwealth Savings Bank as a separate institution, provided for a Commission of three members to manage the Savings Bank. This Commission was never appointed and the Commonwealth Bank Act 1945 placed the control of the Commonwealth Savings Bank under the Governor of the Commonwealth Bank.

(ii) *Particulars for Years 1947-48 and 1948-49.* Particulars for the States and Territories for the years 1947-48 and 1948-49 are shown in the table below :—

COMMONWEALTH SAVINGS BANK : PARTICULARS.
(£'000.)

State or Territory.	Amount on Deposit at 30th June, 1947.	1947-48.			1948-49.		
		Excess of Deposits over Withdrawals during year.	Interest added during year.	Amount on Deposit at end of year.	Excess of Deposits over Withdrawals during year.	Interest added during year.	Amount on Deposit at end of year.
New South Wales	231,368	1,788	3,808	236,964	3,637	3,882	244,483
Victoria ..	47,959	-112	773	48,620	2,464	803	51,887
Queensland ..	85,602	-2,143	1,377	84,836	1,226	1,380	87,442
South Australia ..	12,892	-111	212	12,993	1,370	224	14,587
Western Australia	36,625	-1,037	595	36,183	755	597	37,535
Tasmania ..	7,947	-53	134	8,028	196	138	8,362
Northern Territory	537	104	8	649	68	9	726
Australian Capital Territory	1,020	63	17	1,100	92	19	1,211
Total ..	423,950	-1,501	6,924	429,373	9,808	7,052	446,233

NOTE.—Minus sign (—) indicates excess of withdrawals over deposits.

(iii) *Deposits—30th June, 1939 and 1945 to 1949.* The amount on deposit with the Commonwealth Savings Bank in each State, in the Territories of Papua and New Guinea, and in London at 30th June in each of the years 1939 and 1945 to 1949 was as follows :—

COMMONWEALTH SAVINGS BANK : DEPOSITS, 30th JUNE.
(£'000.)

Place of Deposit.	1939.	1945.	1946.	1947.	1948.	1949.
New South Wales ..	87,474	198,203	236,242	231,368	236,964	244,483
Victoria ..	11,242	38,933	47,003	47,959	48,620	51,887
Queensland ..	29,045	80,094	90,063	85,602	84,836	87,442
South Australia ..	3,167	10,505	12,665	12,892	12,993	14,587
Western Australia ..	12,396	31,763	38,289	36,625	36,183	37,535
Tasmania ..	2,358	6,000	7,851	7,947	8,028	8,362
Northern Territory ..	99	(a)	349	537	649	726
Australian Capital Territory ..	319	846	973	1,020	1,100	1,211
Total ..	146,100	366,350	434,035	423,950	429,373	446,233
Papua and New Guinea (b) ..	209	86	303	750	1,047	1,356
London (b) ..	571	573	661	750	797	768
Grand Total ..	146,880	367,009	434,999	425,450	431,217	448,357

(a) Included with South Australia.

(b) Not included in the figures given in paras. 5 (i) and (ii) and 7 (ii).

(iv) *Balance-sheet, 30th June, 1948 and 1949.* Particulars of the liabilities and assets of the Commonwealth Savings Bank as at 30th June, 1948 and 1949 were as follows :—

COMMONWEALTH SAVINGS BANK(a) : BALANCE-SHEET, 30th JUNE.

(£'000.)

Liabilities.	1948.	1949.	Assets.	1948.	1949.
Reserve Fund ..	5,443	5,863	Cash Balances and Money at Short Call	42,684	45,576
Depositors' Balances and Accrued Interest	431,833	448,995	Australian Notes and Coin ..	493	501
Contingency Account and other Liabilities	13,249	13,839	Government Securities	369,614	375,765
			Securities of Municipal and Other Public Authorities ..	30,875	31,269
			Bank Premises ..	611	784
			Other Assets ..	6,248	14,802
Total ..	450,525	468,697	Total ..	450,525	468,697

(a) Includes London and Territories of Papua and New Guinea branches.

(v) *Profits.* Under the terms of the Savings Bank Amalgamation Agreements the profits of the Commonwealth Savings Bank in New South Wales, Queensland, Western Australia and Tasmania are equally divided between the Bank and the former controlling authorities in those States. Net profits for the years ended 30th June, 1939 to 1949 and the distribution of those profits are shown in the following table :—

COMMONWEALTH SAVINGS BANK : DISTRIBUTION OF PROFITS.

(£.)

Year ended 30th June—	Total Profit.	Payments to State Authorities under Savings Bank Amalgamation Agreements.					Published Profit.	Distribution of Published Profit.	
		New South Wales. (a)	Queensland. (b)	Western Australia. (b)	Tasmania. (b)	Total.		National Debt Sinking Fund.	Savings Bank Reserve Fund.
1939 ..	532,736	168,878	30,464	13,251	3,861	216,454	316,282	158,141	158,141
1940 ..	632,531	195,549	41,466	18,495	4,079	259,589	372,942	186,471	186,471
1941 ..	644,812	192,110	43,579	17,060	4,611	257,360	387,452	193,726	193,726
1942 ..	609,286	178,978	41,215	16,351	3,988	240,532	368,754	184,377	184,377
1943 ..	653,341	189,091	48,198	19,479	3,973	260,741	392,600	196,300	196,300
1944 ..	848,934	226,020	86,226	32,498	5,408	350,152	498,782	249,391	249,391
1945 ..	1,403,029	383,675	152,373	54,486	10,321	600,855	802,174	401,087	401,087
1946 ..	1,511,858	395,379	174,485	59,997	11,089	640,950	870,908	435,454	435,454
1947 ..	1,526,565	397,385	175,229	61,215	12,043	645,872	880,694	440,347	440,347
1948 ..	1,536,398	421,221	176,453	40,410	12,471	650,555	885,843	442,922	442,921
1949 ..	1,438,579	420,096	152,302	19,261	9,001	600,660	837,919	418,959	418,960

(a) Paid to Rural Bank of New South Wales.

(b) Paid to State Consolidated Revenue Funds.

8. *State Savings Banks.*—(i) *Particulars for Years 1947–48 and 1948–49.* Particulars of the transactions of all State savings banks for the years 1947–48 and 1948–49 are given hereunder. Throughout the following tables the figures for Tasmania refer to the Trustee Savings Banks in Hobart and Launceston. Although the accounts of these institutions are made up for half-yearly periods ending 28th February and 31st August, the managements have furnished particulars of deposits as at 30th June.

STATE SAVINGS BANKS : PARTICULARS.
(£'000.)

State.	Amount on Deposit at 30th June, 1947.	1947-48.			1948-49.		
		Excess of Deposits over Withdrawals during year.	Interest added during year.	Amount on Deposit at end of year.	Excess of Deposits over Withdrawals during year.	Interest added during year.	Amount on Deposit at end of year.
Victoria ..	168,148	6,671	2,962	177,781	6,492	3,086	187,359
South Australia ..	55,008	4,468	1,144	60,620	4,716	1,240	66,576
Tasmania ..	12,909	371	264	13,544	232	275	14,051
Total ..	236,065	11,510	4,370	251,945	11,440	4,601	267,986

NOTE.—The State savings banks in New South Wales, Queensland, Western Australia and Tasmania were absorbed by the Commonwealth Savings Bank.

(ii) *Deposits—30th June, 1939 and 1945 to 1949.* The following statement shows the amount on deposit with State savings banks at 30th June in each of the years 1939 and 1945 to 1949 :—

STATE SAVINGS BANKS : DEPOSITS AT 30th JUNE.
(£'000.)

State.	1939.	1945.	1946.	1947.	1948.	1949.
Victoria ..	69,219	143,216	163,723	168,148	177,781	187,359
South Australia ..	24,230	46,490	53,200	55,008	60,620	66,576
Tasmania ..	6,038	10,908	12,596	12,909	13,544	14,051
Total ..	99,487	200,614	229,519	236,065	251,945	267,986

(iii) *Assets, 30th June, 1949.* At 30th June, 1949 the assets of all State savings banks amounted to £285,042,347, distributed as shown hereunder :—

STATE SAVINGS BANKS : ASSETS, 30th JUNE, 1949.
(£.)

Particulars.	Victoria.	South Australia.	Tasmania. (a)	Total.
Cash in hand, in transit and on Current Account	9,273,821	1,479,018	627,579	11,380,418
Fixed Deposits	34,307,000	12,426,000	1,575,000	48,308,000
Outstanding Interest, Dividends and Rents	1,275,471	435,109	145,822	1,856,402
Government Securities	122,107,124	47,390,560	8,261,248	177,758,932
Municipal and Other Public Securities	29,337,348	3,050,419	2,879,378	35,267,145
Mortgages	1,454,524	5,885,575	1,927,222	9,267,321
Landed and House Property	752,364	380,303	39,185	1,171,852
All other Assets	23,555	..	8,722	32,277
Total Assets	198,531,207	71,046,984	15,464,156	285,042,347

(a) At 31st August, 1949. See par. 8 (i).

At 30th June, 1948 the assets of the State savings banks amounted to £268,070,000. of which £171,694,000 was in Government securities, £25,020,000 in municipal and other public securities and £48,058,000 in fixed deposits. State totals were Victoria, £188,537,000; South Australia, £64,833,000; and Tasmania, £14,700,000.

(iv) *Profit and Loss Accounts, 1948-49.* Details of the profit and loss accounts of the several State savings banks for the year 1948-49 are given below :—

STATE SAVINGS BANKS : PROFIT AND LOSS ACCOUNTS, 1948-49.
(£.)

Particulars.	Victoria.	South Australia.	Tasmania. (a)	Total.
Receipts—				
Total—Interest, Dividends, Rents, and all other ..	4,717,508	1,868,923	452,088	7,038,519
Expenditure—				
Interest allotted to Depositors ..	2,837,785	1,159,703	283,712	4,281,200
Provision for accrued interest on Depositors' Balances ..	272,597	85,000	..	357,597
Expenses of Management ..	1,108,252	376,313	80,746	1,565,311
All other Expenditure ..	194,265	43,893	20,992	259,150
Total	4,412,899	1,664,909	385,450	6,463,258
Profit for year	304,609	204,014	66,638	575,261
Balance of profit and loss account brought forward	156,674	137,240	105,261	399,175
Total	461,283	341,254	171,899	974,436
Distribution of Profits—				
Amount written off Bank Premises	24,000	6,934	4,454	35,388
Amount carried to Reserves and Depreciation Funds ..	288,427	200,000	62,000	550,427
Balance of Profit and Loss Account carried forward ..	148,856	134,320	105,445	388,621

(a) Year ended 31st August, 1949. See par. 8 (i).

In 1947-48 total receipts were £6,501,000 and expenditure, £6,022,000. Net profits amounted to £479,000.

9. *Classification of Depositors' Balances.*—The classification of deposits published by savings banks does not permit a fully detailed analysis with respect to Australia as a whole, but information supplied to the Royal Commission on Monetary and Banking Systems for all savings banks except the Hobart Trustee Savings Bank shows that at 30th June, 1936 the amount on deposit in accounts with balances of less than £100 represented 21 per cent. of the total deposits; balances of over £100 but under £250, 21 per cent.; over £250 but under £500, 23 per cent.; over £500 but under £1,000, 25 per cent.; while those of over £1,000 accounted for 10 per cent. School, penny bank and small inoperative accounts were excluded in determining these percentages.

A similar classification as at 30th June, 1936, 1939 and 1945 to 1949, but relating only to the combined State Savings Banks of Victoria and South Australia, is shown below.

STATE SAVINGS BANKS : CLASSIFICATION OF DEPOSITS.
(Per cent.)

At 30th June—	£100 and Under.	£101-£300.	£301-£500.	Total under £501.	£501-£1,000.	Over £1,000.
1936.. ..	19.54	26.13	17.84	63.51	27.42	9.07
1939.. ..	20.27	27.15	17.90	65.32	26.14	8.54
1945.. ..	13.61	28.78	21.22	63.61	27.80	8.59
1946.. ..	11.77	25.84	21.46	59.07	30.71	10.22
1947.. ..	11.51	23.40	20.53	55.44	32.45	12.11
1948.. ..	52.72			52.72	32.74	14.54
1949.. ..	50.11			50.11	33.14	16.75

10. Rates of Interest on Deposits.—The following tables show the rates of interest allowed at 30th June, 1939 to 1949 by State and trustee savings banks and by the Commonwealth Savings Bank.

STATE AND TRUSTEE SAVINGS BANKS : INTEREST RATES(a) ON DEPOSITS, 30th JUNE.

(Per cent.)

Savings Bank—			State Savings Bank of Victoria.			Savings Bank of South Australia.				The Hobart Savings Bank.		The Launceston Bank for Savings.	
Interest-bearing Limit—			£1,000.			£1,000.				£300.		£300.	
Part of balance—			£1 to £500.	£501 to £1,000.	Deposit Stock.	£1 to £200.	£201 to £500.	£501 to £1,000.	Deposit Stock.	£1 to £300.	Deposits fixed for twelve months.	£1 to £300.	Deposits fixed for twelve months.
1939	..	..	2	2	2½	3	2½	2½	..	3	3½	3	3½
1940	..	..	2	2	2½	2½	2½	2½	..	3	3½	3	3½
1941	..	..	2	2	2½	2½	2½	2½	..	2½	3½	2½	3½
1942	..	..	2	1½	1½	2½	2½	1½	..	2½	2½	2½	2½
1943	..	..	2	1½	1½	2½	2½	1½	..	2½	2½	2½	2½
1944	..	..	2	1½	1½	2½	2½	1½	..	2½	2½	2½	2½
1945	..	..	2	1½	1½	2½	2½	1½	..	2½	2½	2½	2½
1946	..	..	2	1	1	2½	2½	1½	..	2½	2½	2½	2½
1947	..	..	2	1	1	2½	2½	1½	..	2½	2½	2½	2½
1948	..	..	2	1	1	2½	2½	1½	..	2½	2½	2½	2½
1949	..	..	2	1	1	2½	2½	1½	1	2½	2½	2½	2½

(a) Rates on ordinary accounts. On Friendly and other Society Accounts the rates at 30th June, 1949 were—State Savings Bank of Victoria, 2 per cent. on first £2,000, 1 per cent. on balance; Savings Bank of South Australia, 2½ per cent. on first £500, 2 per cent. on next £1,500 and 1 per cent. on the balance.

COMMONWEALTH SAVINGS BANK : INTEREST RATES(a) ON DEPOSITS, 30th JUNE.

(Per cent.)

Part of balance—			£1 to £500.	£501 to £1,000.(b)	Part of balance—			£1 to £500.	£501 to £1,000.(b)
1939	..	..	2	1½	1944	..	..	2	1½
1940	..	..	2	1½	1945	..	..	2	1½
1941	..	..	2	1½	1946	..	..	2	1
1942	..	..	2	1½	1947	..	..	2	1
1943	..	..	2	1½	1948	..	..	2	1
					1949	..	..	2	1

(a) Rates on ordinary accounts. On Friendly and other Society Accounts the rates at 30th June, 1949 were 2 per cent. on first £2,000 and 1 per cent. on the balance. (b) Up to 1941 the interest-bearing limit in all States except Queensland was £1,300. In Queensland it was £2,000. The limit since 1942 has been £1,000 in all States.

C. COMPANIES.

NOTE.—Statistics available in regard to registered companies relate to (a) Trustees, Executors and Agency Companies; (b) Registered Building and Investment Societies; and (c) Registered Co-operative Societies.

§ 1. Trustees, Executors and Agency Companies.

The following table shows, for the years 1939 and 1944 to 1948, particulars of the assets and liabilities of certain trustee companies transacting business in Australia and New Zealand. Figures for the year 1939 were obtained from returns supplied to the Commonwealth Bureau of Census and Statistics, while those for the years 1944 to 1948 have been extracted from a summary of the last published balance-sheets as shown in the *Australasian Insurance and Banking Record*. Individual items are therefore not entirely comparable. Details of assets of trust funds administered are shown for the year 1939, but for the years 1944 to 1948 totals for nine only of the 23 offices are available.

TRUSTEES, EXECUTORS AND AGENCY COMPANIES, AUSTRALIA.

Particulars.	1939.	1944.	1945.	1946.	1947.	1948.
Number of Companies ..	20	23	23	23	23	23
Liabilities—	£	£	£	£	£	£
Capital paid-up ..	1,312,202	1,408,452	1,408,452	1,408,452	1,408,452	1,408,452
Reserves and undistributed Profits ..	1,235,750	1,327,604	1,331,200	1,344,572	1,381,156	1,415,774
Other Liabilities ..	150,960	618,991	714,707	825,455	891,026	954,475
Total Liabilities ..	2,698,912	3,355,047	3,454,359	3,578,479	3,680,634	3,778,701
Assets—						
Government and Municipal Securities ..	730,935	1,060,194	1,092,487	1,060,516	1,173,982	1,236,679
Loans on Mortgage ..	397,944	493,838	488,576	513,044	493,918	618,962
Other Loans and Advances ..	75,141	(b)	(b)	(b)	(b)	(b)
Real Property ..	1,148,566	1,080,768	1,080,556	1,075,552	1,079,443	929,664
Deposits in Banks ..	147,717	(c)155,957	(c)238,395	(c)326,148	(c)249,189	(c)241,464
Other Assets ..	198,609	564,290	554,345	603,219	684,102	751,932
Total Assets ..	2,698,912	3,355,047	3,454,359	3,578,479	3,680,634	3,778,701
Assets of Trust Funds Administered—(d)	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.
Australian Government and Municipal Securities ..	68,515	} Not available				
British and Foreign Government and Municipal Securities ..	1,342					
Loans on Mortgage ..	30,977					
Other Loans and Advances ..	2,713					
Shares in Companies ..	59,351					
Real Property ..	51,732					
Deposits in Banks ..	8,958					
Other Assets ..	13,409					
Total Trust Fund Assets ..	236,997	(e)171,683	(e)175,216	(e)179,035	(e)183,138	(e)187,044

(a) Includes fixed deposits and deposits with Government. (b) Included with other assets.
 (c) Cash. (d) Includes particulars of trust funds administered by Public Trustees in 1939 only.
 (e) Nine offices only.

§ 2. Registered Building and Investment Societies.

1. Summary.—During 1948 returns were received from 635 societies, but the information is not exhaustive, as particulars regarding unimportant organizations are not included. In the following table general information is given relating to the societies for the year 1948.

REGISTERED BUILDING AND INVESTMENT SOCIETIES : SUMMARY, 1948.

Particulars.	N.S.W.	Vic. (a)	Q'land.	S. Aust. (a)	W. Aust.	Tas.	Total.
Societies making returns—							
Permanent .. No.	23	22	6	5	7	5	68
Terminating .. No.	542	2	4	17	2	..	567
Total	565	24	10	22	9	5	635
Number of shareholders ..	85,296	11,825	21,249	20,815	20,519	6,749	166,453
.. shares ..	61,124,703	890,473	4,543,200	87,030	(c)	55,129	6,700,535
.. borrowers ..	(d) 8,255	14,360	8,538	3,343	3,497	2,068	40,061
Income for year from interest, etc. .. £	384,989	403,853	120,430	50,961	97,551	49,697	1,107,481
Working expenses for year £	266,652	252,242	169,114	21,372	18,572	9,907	737,859
Amounts of deposits during year .. £	783,259	1,223,021	64,432	281,233	242,963	6,950	2,601,858
Repayments of loans during year .. £	787,678	1,396,018	821,702	216,778	326,475	197,673	3,746,324
Loans granted during year £	1,961,222	2,350,105	1,085,777	350,463	385,662	371,300	6,504,529

(a) Calendar year—others financial year. (b) Terminating societies only—Starr-Bowkett Societies, 428,665, and other terminating societies, 696,038. (c) Not available. (d) Permanent societies only. (e) Incomplete—other terminating societies not available.

2. Liabilities and Assets.—Particulars of liabilities and assets in 1948 of the 635 societies mentioned in the previous paragraph are shown below.

REGISTERED BUILDING AND INVESTMENT SOCIETIES : LIABILITIES, 1948.

(£.)

State.	Paid-up Capital and Subscriptions.	Reserve Funds.	Deposits.	Bank Overdrafts and other Liabilities.	Total Liabilities
New South Wales ..	8,387,804	1,190,295	761,516	15,312,277	25,651,892
Victoria ..	2,890,027	1,153,880	3,472,310	431,042	7,947,259
Queensland ..	2,450,336	82,283	18,827	113,046	2,664,492
South Australia ..	1,142,231	176,633	148,857	12,604	1,480,325
Western Australia ..	1,145,637	55,008	77,034	(a) 120,733	1,398,412
Tasmania ..	613,369	133,739	202,577	32,924	982,609
Total ..	16,629,404	2,791,838	4,681,121	16,022,626	40,124,989

(a) Includes net accumulated profits, £51,071.

REGISTERED BUILDING AND INVESTMENT SOCIETIES : ASSETS, 1948.

(£.)

State.	Advances on Mortgage.	Landed and House Property, Furniture, etc.	Cash in Hand and on Deposit.	Other Assets.	Total Assets.
New South Wales ..	24,151,016	(a)	498,426	1,002,450	25,651,892
Victoria ..	7,383,724	216,422	16,983	330,130	7,947,259
Queensland ..	2,576,502	17,710	24,548	45,732	2,664,492
South Australia ..	1,211,807	48,590	119,426	100,502	1,480,325
Western Australia ..	1,202,347	13,285	103,870	78,910	1,398,412
Tasmania ..	861,573	9,507	5,898	105,631	982,609
Total ..	37,386,969	305,514	769,151	1,663,355	40,124,989

(a) Not available.

§ 3. Co-operative Societies.

1. General.—Returns relating to co-operative societies are divided into three classes—(i) those engaged in the manufacture and marketing of primary products and trade requirements; (ii) those engaged in retailing general household requirements; and (iii) those engaged in activities covered by both classes (i) and (ii). The first class may be described briefly as Producers' Co-operative Societies and the second as Consumers' Co-operative Societies. The particulars given for New South Wales relate to societies registered under the Co-operation Act 1923–1945. A summary of the business of co-operative societies for the year 1948 for all States except Western Australia is given in the following table. For Western Australia details of the business during 1940–41 (the latest year available) are given.

CO-OPERATIVE SOCIETIES : SUMMARY.

Particulars.	N.S.W. 1947–48. (a)	Vic. 1947–48.	Q'land. 1947–48.	S. Aust. 1948.	W. Aust. 1940–41.	Tas. 1947–48.
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PRODUCERS' SOCIETIES.

Number of Societies ..	190	54	124	44	37	12
„ Branches ..	(b)	30	68	13	24	16
„ Members ..	79,591	38,885	78,215	9,880	13,073	10,312
Gross Turnover (Sales) ..	£ 32,056,483	6,380,340	18,966,859	2,954,651	1,752,805	1,275,439
Other Income ..	£ 637,433	432,017	558,705	115,700	664,919	30,594
Total Income ..	£ 32,693,916	6,812,357	19,525,564	3,070,351	2,417,724	1,306,033
Total Purchases during Year ..	£ 28,133,254	5,274,519	16,034,046	2,209,097	1,570,626	978,225
Other Expenditure ..	£ 4,659,851	1,364,106	3,147,127	732,508	720,602	367,709
Total Expenditure ..	£ 32,793,105	6,638,625	19,181,173	2,941,605	2,291,228	1,345,934
Rebates and Bonuses ..	£ ..	12,573	148,503	(c) 275,952	2,363	9,646
Dividends on Share Capital ..	£ 48,669	22,317	65,881	11,552	13,114	12,694

CONSUMERS' SOCIETIES.

Number of Societies ..	73	28	37	16	5	1
„ Branches ..	(b)	16	14	191	(b)	2
„ Members ..	67,795	15,369	13,410	72,917	2,715	425
Gross Turnover (Sales) ..	£ 5,341,965	1,495,094	1,430,120	2,615,000	171,758	77,331
Other Income ..	£ 101,679	83,484	29,100	46,848	3,587	196
Total Income ..	£ 5,443,644	1,488,578	1,459,220	2,661,848	175,345	77,527
Total Purchases during Year ..	£ 4,377,461	1,236,791	1,322,872	2,171,019	140,944	64,707
Other Expenditure ..	£ 836,967	253,492	213,250	448,194	32,307	11,389
Total Expenditure ..	£ 5,214,428	1,490,283	1,536,122	2,619,213	173,251	76,096
Rebates and Bonuses ..	£ 331,760	42,617	40,818	173,559	862	1,760
Dividends on Share Capital ..	£ 31,962	7,038	2,623	26,235	1,583	..

SOCIETIES WHICH ARE BOTH PRODUCERS' AND CONSUMERS'.

Number of Societies ..	..	10	3	10	43	..
„ Branches ..	..	6	10	2	12	..
„ Members ..	..	4,160	4,778	1,673	5,875	..
Gross Turnover (Sales) ..	£ ..	1,963,554	1,554,588	395,928	624,213	..
Other Income ..	£ ..	12,395	5,006	229,437	29,943	..
Total Income ..	£ ..	1,975,949	1,559,594	625,365	654,156	..
Total Purchases during Year ..	£ ..	1,690,643	1,352,840	445,390	542,849	..
Other Expenditure ..	£ ..	260,748	183,654	154,792	97,832	..
Total Expenditure ..	£ ..	1,951,391	1,536,494	600,182	640,681	..
Rebates and Bonuses ..	£ ..	11,023	4,276	45,063	12,247	..
Dividends on Share Capital ..	£ ..	3,442	2,288	3,292	4,400	..

(a) Particulars relate to societies registered under the Co-operation Act 1923–1945. Particulars shown under Producers' Societies refer to Rural Societies, and under Consumers' to Trading Societies. (b) Not available. (c) Increase is due to change in method of calculating bonuses of co-operative wineries. Purchases have been calculated by applying average price paid by non-co-operative wineries to tonnage of fruit delivered. Surplus of sales (less other expenditure) over this has been treated as bonuses and rebates.

2. Liabilities and Assets.—The next table shows the liabilities and assets for the same years for which information is available :—

CO-OPERATIVE SOCIETIES : LIABILITIES AND ASSETS.

(£.)

Particulars.	N.S.W. 1947-48. (a)	Vic. 1947-48.	Q'land. 1947-48.	S. Aust. 1948.	W. Aust. 1940-41.	Tas. 1947-48.
PRODUCERS' SOCIETIES.						
Liabilities—						
Paid-up Capital	1,734,998	964,398	2,198,357	265,579	272,932	191,374
Loan Capital	(b)	61,494	572,322	369,419	210,260	28,079
Bank Overdrafts	2,408,035	613,670	1,541,601	125,972	24,777	195,648
Accumulated Profits	(b)	219,122	502,415	98,467	6,906	55,540
Reserve Funds	1,988,680	534,571	2,087,881	262,391	208,812	73,131
Sundry Creditors		765,492	2,692,006	322,996	392,753	204,559
Other Liabilities	3,246,210	147,664	202,830	995,705	455,490	9,338
Total Liabilities	9,377,923	3,306,411	9,797,412	2,340,529	1,481,930	757,669
Assets—						
Land and Buildings			1,791,390	306,832	420,964	206,329
Machinery, Plant and other fixed Assets	3,792,555	1,338,053	3,220,912	347,654	216,520	111,703
Stocks	2,138,201	638,359	1,490,613	848,482	162,952	229,003
Sundry Debtors	2,104,444	983,580	2,381,184	326,372	369,605	160,771
Cash in hand and on deposit		91,977	520,150	176,356	165,945	11,223
Profit and Loss Account		1,029	29,507	15,632	44,723	1,895
Other Assets	1,322,723	253,413	363,656	319,201	101,221	36,798
Total Assets	9,377,923	3,306,411	9,797,412	2,340,529	1,481,930	757,669
CONSUMERS' SOCIETIES.						
Liabilities—						
Paid-up Capital	1,296,869	349,479	141,134	754,672	37,425	16,121
Loan Capital	(b)	41,808	30,364	130,614	..	900
Bank Overdrafts	122,462	139,123	139,465	24,103	4,008	2,417
Accumulated Profits	(b)	77,246	14,087	121,625	4,019	3,686
Reserve Funds	636,997	114,050	52,134	228,375	5,035	7,103
Sundry Creditors		93,834	197,988	81,847	15,996	3,453
Other Liabilities	559,792	55,535	31,489	11,277	471	2,948
Total Liabilities	2,616,120	871,075	606,661	1,352,513	66,054	36,628
Assets—						
Land and Buildings			70,687	292,109	10,002	11,819
Machinery, Plant and other fixed Assets	634,683	394,619	43,569	86,317	6,795	1,307
Stocks	870,691	240,956	308,853	673,352	27,555	17,417
Sundry Debtors	335,323	97,229	98,203	66,734	10,231	6,012
Cash in hand and on deposit		32,756	20,234	46,059	7,487	73
Profit and Loss Account		34,600	4,732	1,229	1,244	..
Other Assets	775,423	70,915	60,383	186,713	2,740	..
Total Assets	2,616,120	871,075	606,661	1,352,513	66,054	36,628
SOCIETIES WHICH ARE BOTH PRODUCERS' AND CONSUMERS'.						
Liabilities—						
Paid-up Capital .. ..	..	77,507	99,607	74,970	158,787	..
Loan Capital .. ..	..	17,146	..	116,996	14,749	..
Bank Overdrafts .. ..	..	71,972	110,898	132,865	32,603	..
Accumulated Profits .. ..	..	56,282	10,684	810	11,889	..
Reserve Funds .. ..	..	86,366	57,876	112,358	108,408	..
Sundry Creditors .. ..	..	110,832	126,429	45,275	56,684	..
Other Liabilities .. ..	..	29,783	4,105	202,839	1,410	..
Total Liabilities .. ..	..	449,888	409,599	686,113	384,530	..
Assets—						
Land and Buildings .. ..	..		100,443	115,300	79,313	..
Machinery, Plant and other fixed Assets .. ..	..	210,436	100,157	73,465	23,828	..
Stocks .. ..	..	109,906	115,403	209,424	160,930	..
Sundry Debtors .. ..	..	81,289	78,344	74,860	88,772	..
Cash in hand and on deposit .. ..	..	4,112	1,296	8,788	17,951	..
Profit and Loss Account .. ..	..	14	..	..	4,058	..
Other Assets .. ..	..	44,131	13,956	204,276	9,678	..
Total Assets .. ..	..	449,888	409,599	686,113	384,530	..

(a) Particulars relate to societies registered under the Co-operation Act 1923-1945. Particulars shown under Producers' Societies refer to Rural Societies and under Consumers' to Trading Societies.
(b) Not available.

D. INSURANCE.

§ 1. Insurance—General.

1. **Legislation.**—Section 51 of the Commonwealth Constitution confers the necessary powers on the Commonwealth Parliament to legislate in regard to “insurance other than State insurance; also State insurance extending beyond the limits of the State concerned”. Legislation by the Commonwealth Parliament includes the Life Assurance Companies Act 1905 limiting the amount of assurance payable on the death of children, the Marine Insurance Act 1909 defining the limits of marine insurance and regulating the terms of contracts, etc., the Insurance Act 1932–1937, requiring the lodgment of deposits by insurance companies, and the Life Insurance Act 1945, generally regulating life insurance business in Australia. The Life Assurance Companies Act 1905 was repealed by the Life Insurance Act 1945 which incorporated the provisions of that Act. These laws have limited application, and, except for life insurance business which is regulated by the Life Insurance Act 1945, insurance business is conducted under State laws.

2. **Insurance Act 1932–1937.**—Companies, persons or associations of persons carrying on insurance business in Australia or in any Territory of Australia are required to deposit money or approved securities with the Commonwealth Treasurer to the extent specified in the schedule.

Money deposited is invested by the Treasurer in prescribed securities according to the selection of the depositor, and all interest accruing on deposits or securities is paid to depositors. Deposits remain as security against liability to policy holders, and are available to satisfy judgments obtained in respect of policies.

After this Act became law, State laws governing insurance deposits ceased to operate. Deposits held by States on 1st February, 1932, could, however, remain with the States subject to the conditions embodied in the laws of the States. Whilst deposits so remained with the State, the depositors, to the extent of the value of their deposits, were exempt from liability to make deposits under the Commonwealth Act, and the conditions of State laws continued to apply to the deposits until the Commonwealth Treasurer required their return to depositors who immediately had to make deposits of the prescribed amount with the Commonwealth Government.

The following are not regarded as insurance businesses under the Act :—

Staff superannuation schemes; schemes of religious organizations solely for insurance of their property; and Friendly Society, Union and Association schemes involving superannuation or insurance benefits to employees.

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

The following statement shows particulars of deposits under the Insurance Act 1932–1937 and Life Insurance Act 1945 at 30th June, 1949 :—

DEPOSITS UNDER INSURANCE ACTS, 30th JUNE, 1949.

(£.)

Class of Insurance.	Deposited with Government of—		Total.
	Commonwealth.	States.	
Life	1,105,561	..	1,105,561
Other	1,728,416	1,459,970	3,188,386
Total	2,833,977	1,459,970	4,293,947

The deposits comprise cash £496,750, government, municipal and other securities £3,241,547, fixed deposits £4,000, bank guarantees and undertakings £237,000, titles and mortgages £314,650.

3. **Life Insurance Act 1945.**—In his speech on the introduction of the Bill for the Life Insurance Act 1945 the Treasurer stated that the objects of the legislation were as follows :—(a) To replace all State legislation on the subject of life insurance and to provide a uniform basis for applying the requirements of those Acts to the whole of Australia ; (b) to incorporate existing Commonwealth Acts with minor amendments ; (c) to appoint an Insurance Commissioner who shall exercise active supervision of the activities of life insurance companies, with a view to securing the greatest possible protection for policy owners ; (d) to set up adequate machinery for dealing with any company that fails to maintain a required minimum standard of solvency.

In addition, it was proposed to provide for the establishment of a Commonwealth Government Insurance Office, if and when the establishment of such an office was thought to be in the public interest.

The Act was assented to on 16th August, 1945, and came into operation on 20th June, 1946. A summary of the provisions of the Act is given in Official Year Book No. 37 (pages 595 to 597).

§ 2. Life Assurance.

1. **General.**—Statistical returns have been collected from life assurance institutions since 1907. Until 1946 these returns were collected under the Census and Statistics Act. From 1947 returns lodged under the Life Insurance Act 1945 have been used to compile life assurance statistics. This change in method of collection has resulted in some slight changes in definition and, as a result, the statistics for 1947 and 1948 are not in all cases strictly comparable with those for earlier years. In earlier years statistics of revenue and expenditure and of assets and liabilities, although generally related only to the life assurance business of the offices making the returns, also included, in some cases, a small amount of other classes of business. Under the Life Insurance Act 1945 companies transacting life assurance business were required to set up separate statutory funds for their life assurance business. As a result of this, it has been possible to separate life assurance business from other classes of business. Except where otherwise indicated, the figures in the succeeding paragraphs refer to Australian business only.

2. **Offices Transacting Business.**—The number of offices transacting life assurance business in Australia during 1948 was 23, including two oversea companies. Of the twenty-one Australian offices, six are purely mutual, including one which transacts general business in respect of which share capital is used, thirteen are public companies, and two are State Government institutions. Of the total offices, thirteen transacted both ordinary and industrial business, one industrial business only. Ordinary and industrial business has, where possible, been kept separate.

3. **Australian Business—Policies in Existence.**—(i) *Ordinary.* In the following table details of ordinary policies on the registers in each State and the Australian Capital Territory are given for the year 1948 :—

ORDINARY LIFE ASSURANCE : AUSTRALIAN BUSINESS—POLICIES IN EXISTENCE, 1948.

State or Territory.(a)	Assurance and Endowment Policies.				Annuity Policies.		
	No. of Policies.	Sum Assured.	Bonus Additions.	Annual Premiums.	No. of Policies.	Amount Per Annum.	Annual Premiums.
		£'000.	£'000.	£'000.		£	£
New South Wales	756,782	304,734	34,228	10,602	4,276	483,500	110,000
Victoria	580,559	246,528	27,931	8,680	5,864	1,800,049	432,284
Queensland(b)	351,770	133,450	12,863	4,354	598	49,782	7,284
South Australia	190,613	72,324	8,368	2,510	681	53,130	5,732
Western Australia	122,407	49,446	6,205	1,723	474	37,687	4,761
Tasmania	63,624	24,967	2,869	811	613	40,776	7,786
Australian Capital Territory	5,184	3,018	240	87	138	46,941	8,682
Total	2,070,939	834,467	92,704	28,767	12,644	2,511,865	576,529

(a) Location of register of policies.

(b) Includes Territories of Papua and New Guinea.

The following table shows particulars of policies in existence at the end of the years 1939 and 1944 to 1948 inclusive :—

ORDINARY LIFE ASSURANCE : AUSTRALIAN BUSINESS—POLICIES IN EXISTENCE.

At End of Year—	Assurance and Endowment Policies.				Annuity Policies.	
	No. of Policies.	Sum Assured.	Average per Policy.	Annual Premiums.	No. of Policies.	Amount per Annum.
		£'000.	£	£'000.		£
1939.. ..	1,243,378	427,291	344	(a) 13,954	3,826	384,584
1944.. ..	1,506,264	535,324	355	17,926	(b)	(b)
1945.. ..	1,586,662	578,435	365	19,583	(b)	(b)
1946.. ..	1,730,153	655,000	379	22,322	(b)	(b)
1947.. ..	1,901,639	740,496	389	25,463	11,461	2,179,160
1948.. ..	2,070,939	834,467	403	28,767	12,644	2,511,865

(a) Annual premium income.

(b) Not available.

(ii) *Industrial.* In the following table, details of industrial policies on the registers in each State and the Australian Capital Territory are given for the year 1948 :—

INDUSTRIAL LIFE ASSURANCE : AUSTRALIAN BUSINESS—POLICIES IN EXISTENCE, 1948.

State or Territory.(a)	Assurance and Endowment Policies.				Annuity Policies.	
	No. of Policies.	Sum Assured.	Bonus Additions.	Annual Premiums.	No. of Policies.	Amount per Annum.
		£'000.	£'000.	£'000.		£
New South Wales	1,375,788	78,947	2,132	4,320	1	26
Victoria	1,182,404	67,880	2,017	3,757	1	13
Queensland(b)	409,171	24,640	644	1,329	1	36
South Australia	368,929	19,552	574	1,077	..	..
Western Australia	216,890	12,569	335	680	..	..
Tasmania	86,162	5,176	160	276	..	..
Australian Capital Territory ..	3,543	248	10	13	..	..
Total	3,642,887	209,012	5,872	11,452	3	75

(a) Location of register of policies.

(b) Includes Territories of Papua and New Guinea.

Particulars of policies in existence at the end of the years 1939 and 1944 to 1948 are shown in the following table :—

INDUSTRIAL LIFE ASSURANCE : AUSTRALIAN BUSINESS—POLICIES IN EXISTENCE.

At End of Year—	Assurance and Endowment Policies.				Annuity Policies.	
	No. of Policies.	Sum Assured.	Average per Policy.	Annual Premiums.	No. of Policies.	Amount per Annum.
		£'000.	£	£'000.		£
1939.. ..	2,491,742	111,862	45	(a) 6,490	2	58
1944.. ..	3,157,977	152,841	48	8,982	(b)	(b)
1945.. ..	3,279,086	163,459	50	9,537	(b)	(b)
1946.. ..	3,428,669	178,284	52	10,279	(b)	(b)
1947.. ..	3,540,816	193,107	55	10,859	2	62
1948.. ..	3,642,887	209,012	57	11,452	3	75

(a) Annual premium income.

(b) Not available.

4. New Policies issued in Australia.—(i) *Ordinary Business.* During 1948 261,596 new policies were issued for £131,903,000. The average amount per policy was £504 as compared with an average of £389 per policy for all ordinary policies which were in existence at the end of 1947.

In the following table details are given of new policies issued in each State and the Australian Capital Territory during 1948.

ORDINARY LIFE ASSURANCE : NEW POLICIES ISSUED IN AUSTRALIA, 1948.

State or Territory. (a)	Assurance and Endowment Policies.				Annuity Policies.			
	No. of Policies.	Sum Assured.	Premiums.		No. of Policies.	Amount per Annum.	Premiums.	
			Single.	Annual.			Single.	Annual.
		£'000.	£'000.	£'000.		£'000.	£'000.	£'000.
New South Wales ..	99,282	47,956	115	1,743	540	79	94	23
Victoria ..	73,851	40,586	65	1,484	1,061	439	187	134
Queensland(b) ..	43,531	20,580	24	697	91	7	19	2
South Australia ..	21,024	10,778	26	397	44	4	16	1
Western Australia ..	16,427	7,730	28	289	58	6	22	1
Tasmania ..	6,861	3,709	7	124	77	5	14	2
Aust. Capital Territory ..	620	564	95	15	128	27	..	8
Total ..	261,596	131,903	360	4,749	1,999	567	352	171

(a) Location of register of policies.

(b) Includes Territories of Papua and New Guinea.

New policies issued in Australia during each of the years 1939 and 1944 to 1948 were as follows :—

ORDINARY LIFE ASSURANCE : NEW POLICIES ISSUED IN AUSTRALIA.

Year.	Assurance and Endowment Policies.				Annuity Policies.			
	No. of Policies.	Sum Assured.	Premiums.		No. of Policies.	Amount per Annum.	Premiums.	
			Single.	Annual.			Single.	Annual.
		£'000.	£'000.	£'000.		£'000.	£'000.	£'000.
1939 ..	142,157	48,263	(a)	(a)	420	87	(a)	(a)
1944 ..	122,937	52,753	(a)	2,088	(a)	(a)	(a)	(a)
1945 ..	138,113	63,973	(a)	2,447	(a)	(a)	(a)	(a)
1946 ..	214,921	104,351	(a)	3,766	(a)	(a)	(a)	(a)
1947 ..	250,022	119,169	304	4,356	3,376	651	452	207
1948 ..	261,596	131,903	360	4,749	1,999	567	352	171

(a) Not available.

(ii) *Industrial Business.* New policies to the number of 312,402 were issued during the year 1948 for a total of £29,655,000. The average amount per policy was £95, as compared with the average of £55 for all industrial policies current at the end of 1947.

Details of new industrial policies issued in each State and the Australian Capital Territory during 1948 are given in the following table.

INDUSTRIAL LIFE ASSURANCE : NEW POLICIES ISSUED IN AUSTRALIA, 1948.

State or Territory.(a)	Assurance and Endowment Policies.			
	No. of Policies.	Sum Assured.	Premiums.	
			Single.	Annual.
		£'000.	£'000.	£'000.
New South Wales	115,336	11,076	5	507
Victoria	96,441	9,067	4	417
Queensland(b)	42,630	4,203	2	190
South Australia	39,072	2,500	1	117
Western Australia	19,340	1,989	1	90
Tasmania	8,325	793	..	35
Australian Capital Territory	258	27	..	1
Total	312,402	29,655	13	1,357

(a) Location of register of policies.

(b) Includes Territories of Papua and New Guinea.

Details of new industrial policies issued in Australia during the years 1939 and 1944 to 1948 are given in the following table :—

INDUSTRIAL LIFE ASSURANCE : NEW POLICIES ISSUED IN AUSTRALIA.

Year.	Assurance and Endowment Policies.			
	No. of Policies.	Sum Assured.	Premiums.	
			Single.	Annual.
		£'000.	£'000.	£'000.
1939	385,498	18,542	(a)	(a)
1944	285,628	18,945	(a)	1,038
1945	290,622	19,648	(a)	1,102
1946	358,695	26,620	(a)	1,447
1947	315,948	27,228	6	1,293
1948	312,402	29,655	13	1,357

(a) Not available.

5. Policies Matured or Otherwise Discontinued in Australia.—(i) *Ordinary Business.* The volume of business which from various causes becomes void in each year is always large. In the following table details are given of ordinary life assurance policies matured or otherwise discontinued in each State and the Australian Capital Territory during the year 1948.

ORDINARY LIFE ASSURANCE : POLICIES MATURED OR OTHERWISE DISCONTINUED IN AUSTRALIA, 1948.

State or Territory.(a)	Assurance and Endowment Policies.			Annuity Policies.		
	No. of Policies.	Sum Assured.	Annual Premiums.	No. of Policies.	Amount per Annum.	Annual Premiums.
		£'000.	£'000.		£'000.	£'000.
New South Wales	37,238	15,004	577	292	15	2
Victoria	23,547	10,552	408	420	209	219
Queensland (b)	15,695	5,978	219	43	4	1
South Australia	6,888	2,854	109	15	2	..
Western Australia	5,555	2,293	88	19	..	1
Tasmania	3,378	1,260	46	5	2	..
Australian Capital Territory	—5	—9	—2	22	2	..
Total	92,296	37,932	1,445	816	234	223

(a) Location of register of policies.

(b) Includes Territories of Papua and New Guinea.

NOTE.—Minus sign (—) indicates excess of transfers to Australian registers or other adjustments to number or value of policies.

Ordinary life assurance policies matured or otherwise discontinued during each of the years 1939 and 1944 to 1948 were as follows :—

ORDINARY LIFE ASSURANCE : POLICIES MATURED OR OTHERWISE DISCONTINUED IN AUSTRALIA.

Year.	Assurance and Endowment Policies.			Annuity Policies.		
	No. of Policies.	Sum Assured.	Annual Premiums.	No. of Policies.	Amount per Annum.	Annual Premiums.
		£'000.	£'000.		£'000.	£'000.
1939	80,192	24,786	(a)	275	17	(a)
1944	49,437	16,669	(a)	(a)	(a)	(a)
1945	57,727	20,873	(a)	(a)	(a)	(a)
1946	70,804	27,714	(a)	(a)	(a)	(a)
1947	85,478	33,070	1,294	716	169	21
1948	92,296	37,932	1,445	816	234	223

(a) Not available.

The number and amount of policies, excluding annuities, discontinued in the three years 1939, 1947 and 1948 and the reasons for discontinuance are given in the following table :—

ORDINARY LIFE ASSURANCE : POLICIES(a) MATURED OR OTHERWISE DISCONTINUED IN AUSTRALIA.

Cause of Discontinuance.	1939.		1947.		1948.	
	No. of Policies.	Sum Assured.	No. of Policies.	Sum Assured.	No. of Policies.	Sum Assured.
		£'000.		£'000.		£'000.
Death or maturity ..	22,529	5,612	28,717	8,117	30,468	8,512
Surrender	18,409	5,863	28,469	12,180	30,690	14,290
Forfeiture	39,382	13,414	29,844	11,191	33,306	13,762
Other	—128	—103	—1,552	1,582	—2,168	1,368
Total	80,192	24,786	85,478	33,070	92,296	37,932

(a) Excludes annuities.

NOTE :—Minus sign (—) indicates excess of transfers to Australian registers or other adjustments to number or value of policies.

(ii) *Industrial Business.* The number of policies discontinued each year in this branch also is very large. In the following table details are given of industrial policies matured or otherwise discontinued in each State and the Australian Capital Territory during 1948 :—

**INDUSTRIAL LIFE ASSURANCE : POLICIES MATURED OR OTHERWISE
DISCONTINUED IN AUSTRALIA, 1948.**

State or Territory. (a)	Assurance and Endowment Policies.		
	No. of Policies.	Sum Assured.	Annual Premiums.
		£'000.	£'000.
New South Wales	81,578	5,400	301
Victoria	66,741	4,080	231
Queensland (b)	26,981	1,884	103
South Australia	17,811	1,059	60
Western Australia	13,366	946	51
Tasmania	4,778	370	19
Australian Capital Territory	131	11	1
Total	211,386	13,750	766

(a) Location of register of policies.

(b) Includes Territories of Papua and New Guinea.

Details of industrial life assurance policies matured or otherwise discontinued during each of the years 1939 and 1944 to 1948 were as follows :—

**INDUSTRIAL LIFE ASSURANCE : POLICIES MATURED OR OTHERWISE
DISCONTINUED IN AUSTRALIA.**

Year.	Assurance and Endowment Policies.		
	No. of Policies.	Sum Assured.	Annual Premiums.
		£'000.	£'000.
1939	262,096	12,132	(a)
1944	153,538	7,753	(a)
1945	170,837	9,056	(a)
1946	208,564	11,777	(a)
1947	204,626	12,406	720
1948	211,386	13,750	766

(a) Not available.

The number and amount of policies, excluding annuities, discontinued during the three years 1939, 1947 and 1948 and the reasons for discontinuance are given in the following table.

**INDUSTRIAL LIFE ASSURANCE : POLICIES (a) MATURED OR OTHERWISE
DISCONTINUED IN AUSTRALIA.**

Cause of Discontinuance.	1939.		1947.		1948.	
	No. of Policies.	Sum Assured.	No. of Policies.	Sum Assured.	No. of Policies.	Sum Assured.
		£'000.		£'000.		£'000.
Death or maturity ..	73,585	2,759	100,323	4,406	107,492	4,714
Surrender ..	33,766	1,372	36,927	1,936	37,651	2,415
Forfeiture ..	154,328	7,976	67,039	6,029	66,272	6,609
Other ..	417	25	337	35	—29	12
Total ..	262,096	12,132	204,626	12,406	211,386	13,750

(a) Excludes annuities.

6. Premiums and Claims, Australia.—(i) *Ordinary Business.* Details of revenue from premiums in respect of the ordinary business of all offices doing business in Australia are shown in the following table for each State and the Australian Capital Territory for the year 1948:—

ORDINARY LIFE ASSURANCE : AUSTRALIAN REVENUE FROM PREMIUMS, 1948.
(£'000.)

State or Territory.(a)	Assurance and Endowment Premiums.		Consideration for Annuities.		Total.
	Single Premiums.	Other Premiums.	Single Premiums.	Other Premiums.	
New South Wales ..	116	10,478	94	123	10,811
Victoria	68	8,527	179	436	9,210
Queensland	26	4,203	23	4	4,256
South Australia ..	25	2,470	16	3	2,515
Western Australia ..	28	1,695	28	3	1,754
Tasmania	9	795	14	7	824
Australian Capital Territory	95	76	..	79	250
Total	367	28,244	354	655	29,620

(a) Location of register of policies.

The next table shows for the six years 1939 and 1944 to 1948 the aggregate Australian income from premiums in respect of ordinary business of all offices doing business in Australia.

ORDINARY LIFE ASSURANCE : AUSTRALIAN REVENUE FROM PREMIUMS.
(£'000.)

Year.	Assurance and Endowment Premiums.	Consideration for Annuities.	Total.
1939	13,954	184	14,138
1944	18,073	249	18,322
1945	19,964	275	20,239
1946	22,320	459	22,779
1947	25,140	970	26,110
1948	28,611	1,009	29,620

Details of the claims, etc., paid on ordinary assurance policies in each State and the Australian Capital Territory during the year 1948 are shown in the following table:—

ORDINARY LIFE ASSURANCE : PAYMENTS TO POLICY-HOLDERS IN AUSTRALIA, 1948.
(£'000.)

State or Territory.(a)	Claims.			Annuities.	Cash Bonuses.	Total.
	By Death or Disability.	By Maturity.	Sur-renders.			
New South Wales ..	2,393	1,597	700	110	35	4,835
Victoria	1,864	1,782	518	90	30	4,284
Queensland	947	788	257	21	13	2,026
South Australia ..	503	482	112	29	7	1,193
Western Australia ..	361	241	119	14	9	744
Tasmania	217	162	50	15	2	446
Australian Capital Territory	4	7	10	2	..	23
Total	6,349	5,059	1,766	281	96	13,551

(a) Location of register of policies.

In the following table details are given of claims, etc., paid on ordinary policies in Australia for the six years 1939 and 1944 to 1948 :—

ORDINARY LIFE ASSURANCE : PAYMENTS TO POLICY-HOLDERS IN AUSTRALIA.
(£'000.)

Year.	Claims.	Surrenders.	Annuities.	Cash Bonuses.	Total.
1939	7,935	1,843	220	260	10,258
1944	9,881	930	247	85	11,143
1945	11,197	1,094	234	103	12,628
1946	11,673	1,499	247	112	13,531
1947	10,858	1,608	261	105	12,832
1948	11,408	1,766	281	96	13,551

(ii) *Industrial Business.* Details of premiums on industrial policies received in each State and the Australian Capital Territory during the year 1948 are given in the following table :—

INDUSTRIAL LIFE ASSURANCE : AUSTRALIAN REVENUE FROM PREMIUMS, 1948.
(£'000.)

State or Territory.(a)	Assurance and Endowment Policies.		
	Single Premiums.	Other Premiums.	Total.
New South Wales	4	4,240	4,244
Victoria	4	3,661	3,665
Queensland	3	1,279	1,282
South Australia	1	1,051	1,052
Western Australia	1	657	658
Tasmania .. .. .	..	268	268
Australian Capital Territory .. .. .	..	13	13
Total	13	11,169	11,182

(a) Location of register of policies.

The Australian receipts from premiums on industrial policies for the years 1939 and 1944 to 1948 were as follows :—

INDUSTRIAL LIFE ASSURANCE : AUSTRALIAN REVENUE FROM PREMIUMS.
(£'000.)

Particulars.	1939.	1944.	1945.	1946.	1947.	1948.
Assurance and Endowment Premiums	6,490	8,716	9,370	9,879	10,510	11,182

Details of payments of claims, etc., on industrial policies in each State and the Australian Capital Territory during the year 1948 are given in the following table :—

**INDUSTRIAL LIFE ASSURANCE : PAYMENTS TO POLICY-HOLDERS
IN AUSTRALIA, 1948.**
(£'000.)

State or Territory.(a)	Claims.		Surrenders.	Cash Bonuses.	Total.
	By Death or Disability.	By Maturity.			
New South Wales ..	308	1,790	186	I	2,285
Victoria	251	1,557	160	..	1,968
Queensland	89	484	71	..	644
South Australia ..	73	360	38	..	471
Western Australia ..	41	259	37	..	337
Tasmania	16	84	10	..	110
Aust. Capital Territory ..	..	8	I	..	9
Total	778	4,542	503	I	5,824

(a) Location of register of policies.

Claims, etc., paid on industrial policies in Australia for the six years 1939 and 1944 to 1948 were as follows :—

INDUSTRIAL LIFE ASSURANCE : PAYMENTS TO POLICY-HOLDERS IN AUSTRALIA.
(£'000.)

Year.	Claims.	Surrenders.	Cash Bonuses.	Total.
1939	3,132	499	..	3,631
1944	4,395	153	I	4,549
1945	4,700	211	..	4,911
1946	4,834	368	..	5,202
1947	4,983	478	..	5,461
1948	5,320	503	I	5,824

7. **Total Revenue and Expenditure.**—(i) *Total Revenue.* The following table shows particulars of the total revenue derived by life assurance offices from sources within and beyond Australia during the years 1939 and 1944 to 1948 :—

ORDINARY AND INDUSTRIAL LIFE ASSURANCE : TOTAL REVENUE.
(£'000.)

Year.	Assurance and Endowment Premiums.	Con-sideration for Annuities Granted.	Interest, Dividends and Rents.	All other Revenue.	Total Revenue.
ORDINARY BUSINESS.					
1939	21,568	303	9,901	17	31,789
1944	27,273	302	11,900	31	39,506
1945	29,879	384	12,236	19	42,518
1946	33,197	642	12,801	42	46,682
1947	37,103	1,179	13,600	305	52,187
1948	41,614	1,232	14,371	68	57,285

ORDINARY AND INDUSTRIAL LIFE ASSURANCE : TOTAL REVENUE
—continued.
(£'000.)

Year.	Assurance and Endowment Premiums.	Con-sideration for Annuities Granted.	Interest, Dividends and Rents.	All other Revenue.	Total Revenue.
INDUSTRIAL BUSINESS.					
1939	7,863	..	2,127	61	10,051
1944	10,320	..	2,633	61	13,014
1945	11,050	..	2,756	19	13,825
1946	11,616	..	2,851	7	14,474
1947	12,359	..	3,021	80	15,460
1948	13,075	..	3,170	10	16,255

(ii) *Total Expenditure.* The next table supplies details of the total expenditure both within and beyond Australia, of life assurance offices during the years 1939 and 1944 to 1948 :—

ORDINARY AND INDUSTRIAL LIFE ASSURANCE : TOTAL EXPENDITURE.
(£'000.)

Year.	Claims and Annuities Paid.	Surrenders.	Cash Bonuses Paid to Policy-holders.	Com-mission.	Share-holders' Dividends.	All Other Expendi-ture.(a)	Total Expendi-ture.
ORDINARY BUSINESS.							
1939 ..	12,320	2,668	380	1,483	125	3,867	20,843
1944 ..	15,868	1,351	125	1,646	84	3,690	22,764
1945 ..	17,493	1,553	147	1,890	86	3,435	24,604
1946 ..	17,929	2,105	176	2,655	89	4,081	27,035
1947 ..	17,318	2,234	143	3,250	94	5,066	28,105
1948 ..	18,674	2,545	138	3,471	97	5,094	30,019
INDUSTRIAL BUSINESS.							
1939 ..	3,763	576	..	1,619	72	1,278	7,308
1944 ..	5,318	189	I	1,746	45	1,425	8,724
1945 ..	5,695	254	..	1,837	46	1,561	9,393
1946 ..	5,860	419	..	2,010	49	1,654	9,992
1947 ..	6,052	543	..	2,075	46	1,763	10,479
1948 ..	6,409	587	I	2,058	41	1,859	10,955

(a) Includes other expenses of management, licence fees and taxes, etc.

8. *Liabilities and Assets.*—(i) *General.* The liabilities of the Australian offices consist mainly of their assurance funds, but in the case of public companies there is a further liability on account of the shareholders' capital. The assets consist chiefly of government and municipal securities, mortgages, loans on policies, landed and house property, etc. Loans on personal security are granted by very few of the Australian offices. A number of the larger Australian offices have extensive business overseas and separate details of liabilities and assets in respect of Australian business are not available for years after 1941. For 1941 and earlier years see Official Year Book No. 37 and previous issues.

(ii) *Total Liabilities and Assets.* In the two tables which follow the details of liabilities and assets relate to all business (Australian and overseas) of Australian companies, the life assurance business of the two State Government offices, all business of the Provident Life Assurance Co. Ltd. (incorporated in New Zealand) and the Australian business only of the Prudential Assurance Co. Ltd. (incorporated in England). For various reasons several offices do not attempt the dissection of liabilities and assets between the industrial and ordinary branches, and, therefore, the figures in the following tables relate to the ordinary and industrial branches combined. Details of the total liabilities of life assurance offices for the year 1948 are given in the following table :—

ORDINARY AND INDUSTRIAL LIFE ASSURANCE : TOTAL LIABILITIES, 1948.
(£'000.)

Item.	Life Assurance Business.	Other Classes of Business.	Total Liabilities.
Shareholders' Capital—			
Authorized .. .. .	..	4,723	4,723
Less Unissued .. .. .	..	1,979	1,979
Subscribed Capital .. .. .	..	2,744	2,744
Paid-up—			
In Money .. .. .	..	2,252	2,252
Otherwise than in Money .. .. .	..	112	112
Total .. .. .	..	2,364	2,364
Life Assurance Statutory Funds—			
Ordinary Department	380,953	..	380,953
Industrial Department	85,033	..	85,033
Total	465,986	..	465,986
Funds in respect of Other Classes of Business .. .. .	..	560	560
General Reserves	10,487	923	11,410
Profit and Loss Account Balance .. .. .	..	50	50
Total, Shareholders' Capital, Assurance Funds and Reserves	476,473	3,897	480,370
Other Liabilities—			
Deposits	465	789	1,254
Staff Provident and Superannuation Funds	177	609	786
Claims admitted or intimated but not paid	6,149	38	6,187
Annuities due but not paid	7	..	7
Premiums Paid in Advance and in Suspense	569	8	577
Sundry Creditors	1,446	73	1,519
Bank Overdraft	163	2	165
Reserves and Provisions for Taxation	1,790	133	1,923
Other Liabilities	541	10	551
Total Liabilities	487,780	5,559	493,339

The following table furnishes details of the total assets of life assurance offices for the year 1948 :—

ORDINARY AND INDUSTRIAL LIFE ASSURANCE : TOTAL ASSETS, 1948.
(£'000.)

Item.	Life Assurance Business.	Other Classes of Business.	Total.	Amount of Total Assets held in Australia.
Fixed Assets—				
Office Premises	10,594	214	10,808	8,049
Other Freehold and Leasehold Property ..	6,899	105	7,004	4,894
Office Furniture, Fittings and Equipment and Motor Vehicles	233	20	253	181
Total Fixed Assets	17,726	339	18,065	13,124
Loans—				
On Mortgage	66,292	50	66,342	51,954
On Debentures and Shares	46	2	48	48
On Policies of the company including Advances of Premiums	21,963	..	21,963	16,141
On Life Interests and Reversions	199	..	199	192
On Personal Security	56	5	61	60
Other Loans	3,714	99	3,813	3,808
Total Loans	92,270	156	92,426	72,203
Investments—				
Government Securities—				
Australia	226,729	3,318	230,047	216,340
New Zealand	30,428	142	30,570	554
Great Britain	5,571	..	5,571	..
Other British Dominions	6,013	5	6,018	10
Securities of Local and Semi-Governmental Bodies	76,962	344	77,306	54,084
Debentures	5,844	3	5,847	4,935
Preference Shares	4,130	22	4,152	3,706
Ordinary Shares	7,422	271	7,693	6,530
Holdings in Controlled Companies	1,255	275	1,530	1,370
Life Interests and Reversions purchased ..	37	1	38	37
Other Investments	914	..	914	635
Total Investments	365,305	4,381	369,686	288,201
Cash on Deposit, Current Account and in hand	4,479	68	4,547	3,295
Other Assets—				
Outstanding Premiums	2,109	7	2,116	1,542
Interests, Dividends and Rents accrued and outstanding	3,951	37	3,988	3,025
Sundry Debtors	300	28	328	196
Establishment Account (a)	152	542	694	674
Other Assets	1,488	1	1,489	867
Total Assets	487,780	5,559	493,339	383,127

(a) Includes goodwill and other intangible assets.

(iii) *Australian Assets.* Details of Australian assets for the years 1939 and 1944 to 1948 are set out in detail in the following table :—

ORDINARY AND INDUSTRIAL LIFE ASSURANCE(a) : AUSTRALIAN ASSETS.
(£'000.)

Particulars.	1939.	1944.	1945.	1946.	1947. (b)	1948. (b)
Landed and house property..	12,823	(c)	(c)	(c)	12,845	12,943
Government and municipal securities ..	115,712	194,539	217,921	238,335	256,777	270,988
Life interests and reversions..	234	(c)	(c)	(c)	75	37
Other investments ..	6,466	(c)	(c)	(c)	11,747	17,176
Loans on mortgages ..	61,720	57,216	51,065	48,349	47,077	51,954
Loans on companies' policies	22,445	17,514	16,471	15,965	15,843	16,141
Other loans ..	(d)	(c)	(c)	(c)	3,598	4,108
Outstanding premiums ..	1,087	(c)	(c)	(c)	1,401	1,542
Outstanding interest, dividends and rents ..	1,811	(c)	(c)	(c)	2,863	3,025
Cash ..	2,399	(c)	(c)	(c)	2,882	3,295
Establishment and organization accounts(e) ..	1,101	1,141	1,127	975	942	674
All other assets ..	1,718	26,374	28,966	29,841	1,065	1,244
Total Australian Assets	227,516	296,784	315,550	333,465	357,115	383,127

(a) Life assurance and other classes of business, available separately; included with other assets.
(c) Includes goodwill and other intangible assets.

(b) Assets held in Australia. (c) Not included with other investments.

§ 3. Fire, Marine and General Insurance.

1. *Australasian Companies.*—The statistical information in this paragraph has been extracted from the *Australasian Insurance and Banking Record*. The following table shows, for the years 1938-39 and 1943-44 to 1947-48, particulars of the revenue and expenditure of a group of insurance companies having their head offices either in Australia, New Zealand or Fiji.

FIRE, MARINE AND GENERAL INSURANCE COMPANIES : SUMMARY OF REVENUE AND EXPENDITURE.

Particulars.	1938-39.	1943-44.	1944-45.	1945-46.	1946-47.	1947-48.
No. of companies ..	40	42	42	43	43	43
	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.
Premiums, less reinsurances	9,708	12,576	12,337	13,246	15,472	19,363
Losses ..	5,417	6,283	6,153	7,031	8,056	10,437
Expenses, commission and taxes ..	2,994	4,500	4,526	4,633	4,928	5,720
Trade surplus ..	1,297	1,793	1,658	1,582	2,488	3,206
Interest, rent, etc. ..	1,011	914	996	1,108	1,141	1,181
Total surplus ..	2,308	2,707	2,654	2,690	3,629	4,387
Dividends and bonuses paid	709	799	1,287	1,036	1,102	1,248

2. *Aggregate Australian Business.*—(i) *General.* While the foregoing statements relate only to those companies whose head offices are located in Australia, New Zealand or Fiji, the following particulars, which are somewhat restricted in the range of information, are in respect of all companies operating in Australia. The statistics in this paragraph conform substantially to the following definitions and should be interpreted in accordance therewith.

(a) Premiums represent the full amount receivable in respect of policies issued and renewed in the year, less returns, rebates and bonuses paid or credited to policy-holders during the year. They are not adjusted to provide for premiums unearned at the end of the year and consequently the amounts differ from "earned premium income" appropriate to the year. When business is increasing, as in recent years, premiums receivable (as shown in the statistics) are greater than "earned premium income" appropriate to the year. The converse applies when business is declining.

(b) Claims or losses include provision for outstanding claims and represent claims or losses incurred in the year. Salvage and other amounts recoverable have been deducted.

(c) Contributions to Fire Brigades, Commission and Agents' Charges, and Expenses of Management represent mainly charges paid during the year.

(d) Taxation represents mainly payments made during the year, and includes income tax, pay-roll tax, licence fees, stamp duty (where paid by the company), etc. Income tax paid during the year is based on the income of earlier years.

The tables contain selected items of statistics and the information shown is not suitable for the construction of a "profit and loss" statement or "revenue" account.

In cases where the business is underwritten in one State and the risk is situated in another the business is included in the State in which the policy was issued.

During 1948-49 (1947-48 in brackets) revenue from premiums amounted to £38,882,000 (£31,270,000) and from the net interest on investments, etc., to £1,469,000 (£1,281,000), totalling £40,351,000 (£32,551,000). Expenditure on losses amounted to £18,898,000 (£16,353,000), contributions to Fire Brigades £820,000 (£755,000), commission and agents' charges £4,048,000 (£3,319,000), expenses of management £6,597,000 (£5,643,000) and taxation £1,601,000 (£1,471,000), a total of £31,964,000 (£27,541,000).

(ii) *States.* The following table shows, for each State, the aggregate premium income less reinsurances and returns, and claims paid less reinsurances, for all classes of insurance other than life for the years 1938-39 and 1944-45 to 1948-49.

FIRE, MARINE AND GENERAL INSURANCE : PREMIUMS AND LOSSES.
(£'000.)

State.	1938-39.	1944-45.	1945-46.	1946-47.	1947-48.	1948-49.
GROSS PREMIUMS, LESS REINSURANCES AND RETURNS.						
New South Wales	6,943	8,272	8,736	10,434	13,356	15,935
Victoria	4,505	5,623	5,785	7,115	9,406	11,994
Queensland	2,327	2,484	2,513	2,787	3,406	4,557
South Australia	1,245	1,279	1,332	1,666	2,170	2,861
Western Australia	1,373	1,282	1,445	1,751	2,094	2,536
Tasmania	457	523	546	653	838	999
Total	16,850	19,463	20,357	24,406	31,270	38,882
GROSS CLAIMS OR LOSSES, LESS AMOUNTS RECOVERABLE.						
New South Wales	3,842	3,718	3,987	5,182	7,441	8,278
Victoria	2,194	2,801	2,225	3,010	4,470	5,494
Queensland	1,071	1,180	1,291	1,807	2,032	2,367
South Australia	487	352	513	675	1,063	1,357
Western Australia	731	577	611	869	1,044	1,027
Tasmania	204	178	168	219	303	375
Total	8,529	8,806	8,795	11,762	16,353	18,898

NOTE.—See footnotes to table on page 753.

(iii) *Classes of Insurance.* The following statement shows premiums and losses in respect of the principal classes of risks, for the years 1938-39 and 1944-45 to 1948-49 :—

**FIRE, MARINE AND GENERAL INSURANCE : PREMIUMS AND LOSSES—
PRINCIPAL CLASSES OF RISK.**

(£'000.)

Class of Risk.	1938-39.	1944-45.	1945-46.	1946-47.	1947-48.	1948-49.
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GROSS PREMIUMS, LESS REINSURANCES AND RETURNS.

Fire	5,597	6,756	7,008	7,775	9,074	10,743
Workers' Compensation(a) ..	4,361	5,158	5,203	6,283	8,060	10,066
Motor Vehicle—						
Compulsory Third Party ..	3,848	1,005	1,075	1,143	1,436	1,832
Other		1,866	2,090	2,865	4,234	6,252
Marine(b)	1,018	1,811	1,637	2,367	3,026	3,635
Personal Accident	554	(c)	(c)	(c)	(c)	1,012
All Other	1,472	2,867	3,344	3,973	5,440	5,342
Total	16,850	19,463	20,357	24,406	31,270	38,882

GROSS CLAIMS OR LOSSES, LESS AMOUNTS RECOVERABLE.

Fire	2,223	2,385	1,730	2,101	2,414	2,951
Workers' Compensation(a) ..	2,972	3,400	3,695	4,799	5,751	5,920
Motor Vehicle—						
Compulsory Third Party ..	2,324	450	693	1,060	1,493	2,014
Other		887	1,196	1,954	2,619	3,528
Marine(b)	243	804	407	638	1,145	1,248
Personal Accident	264	(c)	(c)	(c)	(c)	349
All Other	503	880	1,074	1,210	2,931	2,888
Total	8,529	8,806	8,795	11,762	16,353	18,898

(a) From 1944-45 excludes Workmen's Compensation Insurance in coal-mining industry in New South Wales. (b) Excludes business of Commonwealth Marine War Risks Insurance Board. (c) Included with All Other.

The volume of business measured by the amount of premium income shows that fire insurance represented about 29.0 per cent. of the total business during 1947-48 and 27.6 per cent. during 1948-49, while next in importance were workers' compensation 25.8 per cent. during 1947-48 and 25.9 per cent. during 1948-49, and motor vehicles (including compulsory third party insurance) 18.1 per cent. in 1947-48 and 20.8 per cent. in 1948-49. Marine insurance constituted 9.7 per cent. in 1947-48 and 9.3 per cent. in 1948-49.

3. **Commonwealth Marine War Risks Insurance Board.**—The statistics given in the two preceding paragraphs exclude the transactions of the Commonwealth Marine War Risks Insurance Board. For information relating to the operations of the Board see Official Year Book No. 37, page 604. Transactions of the Board for the years 1940-41 to 1948-49 are shown in the following table.

COMMONWEALTH MARINE WAR RISKS INSURANCE BOARD : SUMMARY OF TRANSACTIONS.

(£.)

Year.	Net Premiums Received.	Expenditure.		
		Claims Paid.	Other Expenses.	Total.
1940-41	154,853	..	15	15
1941-42	443,820	80,103	632	80,735
1942-43	2,086,824	1,333,687	48,654	1,382,341
1943-44	2,685,780	855,172	48,670	903,842
1944-45	1,634,770	281,385	23,684	305,069
1945-46	428,393	30,321	6,901	37,222
1946-47	92,984	50,232	2,757	52,989
1947-48	15	88,375	575	88,950
1948-49	75	5,207	255	5,462

E. FRIENDLY SOCIETIES.

1. **General.**—Friendly societies are an important factor in the social life of the community, as probably more than one-third of the total population of Australia comes either directly or indirectly under their influence. Their total membership is over 630,000, but, as certain benefits, such as medical attendance and free medicines, and in many cases funeral expenses, are granted to members' families as well as to members themselves, this figure must, even when due allowance is made for young and unmarried members, be more than doubled to arrive at an estimate of the number of persons who receive some direct benefit from these societies. Legislation has conferred certain privileges on friendly societies, but, on the other hand, it insists on their registration, and it is the duty of the Registrars in the various States, prior to registering a new society, to see that its proposed rules conform to the law, and that the scale of contribution is sufficient to provide the promised benefits. Societies are obliged to forward to the Registrar annual returns as to their membership and their finances, and reports are published in most of the States dealing with the returns received.

2. **Number of Societies, Lodges and Members.**—The number of different societies and lodges, the total number of benefit members at the end of the year 1947-48 and their average number during the year are shown in the following table :—

FRIENDLY SOCIETIES : SOCIETIES, LODGES AND MEMBERS, 1947-48.

State.	Registered Friendly Societies.	Branches.	Benefit Members at End of Year.	Average Benefit Members during the Year.
New South Wales (a) ..	32	2,313	228,961	230,403
Victoria (b)	112	1,403	205,433	205,694
Queensland	25	558	70,459	71,175
South Australia (c) ..	17	(d) 867	78,246	79,037
Western Australia (c) ..	13	324	30,527	30,912
Tasmania (d)	20	174	22,657	(f) 22,924
Total .. .. .	..	5,699	636,283	640,145

(a) Includes branches in the Australian Capital Territory ; excludes twenty-two miscellaneous societies consisting of Medical Institutes, Dispensaries and Burial Societies. (b) Excludes Dispensaries, Juvenile branches and members contributing to medical benefits only. (c) Excludes Juvenile branches. (d) Societies containing male and female branches counted as two branches. (e) Year 1948. (f) Estimated.

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

FRIENDLY SOCIETIES : SICKNESS AND DEATH RETURNS. 1947-48.

State.	Members who received Sick Pay.	Total Weeks Sick Pay Granted.	Average Weeks per Member Sick.	Benefit Members (a)	
				Deaths.	Proportion of deaths per 1,000 (Average).
New South Wales ..	(b)	(b)	(b)	2,776	12.05
Victoria	47,723	503,159	10.54	2,342	11.39
Queensland	14,409	150,946	10.48	913	12.83
South Australia ..	18,217	200,084	10.98	1,047	13.25
Western Australia ..	7,110	70,068	9.85	264	8.54
Tasmania (c)	3,965	42,256	10.66	350	15.27
Total	(b)	(b)	(b)	7,692	12.02

(a) Excludes registered wives.

(b) Not available.

(c) Year 1948.

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

FRIENDLY SOCIETIES : REVENUE, 1947-48.

(£.)

State.	Entrance Fees. Members' Contributions and Levies.	Interest, Dividends and Rents.	All other Revenue.	Total Revenue.
New South Wales ..	1,007,252	219,491	41,923	1,268,666
Victoria	893,689	289,060	83,332	1,271,081
Queensland	273,351	90,724	(a)	364,075
South Australia ..	290,084	144,847	31,087	466,018
Western Australia ..	150,201	31,100	20,549	201,850
Tasmania (b)	88,388	21,540	19,763	129,691
Total	2,707,965	796,762	196,654	3,701,381

(a) Included in Interest, Dividends and Rents.

(b) Year 1948.

(ii) *Expenditure.* The returns relating to expenditure are in greater detail than those for revenue and particulars of the major items are shown below.

FRIENDLY SOCIETIES : EXPENDITURE, 1947-48.

(£.)

State.	Sick Pay.	Medical Attendance and Medicine.	Sum ^s Payable at Death of Members and Members' Wives.	Adminis- tration.	All other Expendi- ture.	Total Expendi- ture.
New South Wales ..	311,485	418,721	112,228	210,274	48,957	1,101,665
Victoria	300,153	409,120	63,063	196,585	155,838	1,124,759
Queensland	91,421	120,633	44,209	57,309	(a)	313,572
South Australia ..	104,223	120,336	51,605	56,534	64,117	396,815
Western Australia ..	39,289	68,619	15,372	31,372	4,572	159,224
Tasmania (b)	25,894	36,577	25,117	21,817	12,038	121,443
Total	872,465	1,174,006	311,594	573,891	285,522	3,217,478

(a) Included in administration.

(b) Year 1948.

5. Funds.—The funds of friendly societies in each State at the end of the year 1947-48 were:—New South Wales, £6,337,000; Victoria, £7,870,000; Queensland, £2,471,000; South Australia, £3,716,000; Western Australia, £901,000; Tasmania, £607,000; total, £21,902,000.

F. PROBATES AND LETTERS OF ADMINISTRATION.

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

PROBATES AND LETTERS OF ADMINISTRATION.

Particulars.	New South Wales. 1947-48. (a)	Victoria. 1948.	Queens- land. 1947-48.	South Australia. 1948.	Western Australia. 1948.	Tasmania. 1948. (b)
Probates—						
Estates No.	14,912	9,208	1,644	2,370	1,828	826
Gross value £	(c)	(d)	10,260,451	9,776,750	5,703,254	2,898,067
Net Value £	40,895,855	(d)	(c)	9,054,120	5,201,335	2,654,237
Letters of Administration—						
Estates No.	(d)	2,464	272	836	380	170
Gross value £	(d)	(d)	464,899	842,526	455,270	211,613
Net Value £	(d)	(d)	(c)	686,877	377,213	180,908
Total—						
Estates No.	14,912	11,672	1,916	3,206	2,208	996
Gross value £	(c)	36,614,856	10,725,350	10,619,276	6,158,524	3,109,680
Net Value £	40,895,855	34,158,673	(c)	9,740,997	5,578,548	2,835,145

(a) Total estates of deceased persons assessed for death duty. (b) Estates dealt with by Taxation Department.
(c) Not available. (d) Not available separately.