

## CHAPTER 17

### PRIVATE FINANCE

Current information on the subjects dealt with in this chapter is contained in the *Monthly Review of Business Statistics* (1.4), the *Digest of Current Economic Statistics* (1.5) (monthly), and the following mimeographed statements: monthly—*Banking Statistics* (5.2); *Major Trading Banks Statistics* (preliminary statement) (5.3); *Savings Bank Statistics* (preliminary statement) (5.28); *Housing Finance for Owner Occupation—Savings Banks and Trading Banks* (5.57); *Life Insurance Statistics* (5.17); *Finance Companies* (5.14); *Instalment Credit for Retail Sales* (5.46); *Housing Finance for Owner Occupation—Permanent Building Societies* (5.58); *Housing Finance for Owner Occupation* (5.56); quarterly—*New Capital Raisings by Companies in Australia* (bulletin (5.9) and preliminary statement (5.10)); *Capital Expenditure by Private Business in Australia* (5.8) (5.7); *Unit Trusts, Land Trusts and Mutual Funds* (5.31). Other relevant annual mimeographed bulletins are *Life Insurance* (5.32); *General Insurance, Australia* (5.16); *Government Pension and Superannuation Schemes* (5.23); *Survey of Selected Private Pension Funds* (5.25); *Finance Company Transactions* (5.13); and *Building Societies, Australia* (5.5).

### MONEY

#### Currency

Australia has a decimal system of currency, the unit being the dollar which is divided into 100 cents. Decimal coins and notes became legal tender on the 14 February 1966. Before that date the Australian currency unit was the pound divided into 20 shillings each of 12 pence. One dollar in the present currency is equal to 10 shillings in the old currency.

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

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

#### AUSTRALIAN NOTES IN CIRCULATION (\$'000)

	<i>Last Wednesday in June</i>				
	1972	1973	1974	1975	1976
\$1 and 10s . . . . .	43,552	48,487	53,196	52,657	53,561
\$2 and £1 . . . . .	118,451	123,670	130,195	129,098	127,834
\$5 . . . . .	85,283	94,378	103,525	110,239	116,407
\$10 and £5 . . . . .	560,268	639,899	701,083	675,172	655,151
\$20 and £10 . . . . .	691,476	851,381	960,629	1,186,745	1,334,591
\$50 . . . . .	..	..	197,462	403,158	633,848
£50 . . . . .	38	8	8	7	3
£100 . . . . .	31	19	18	17	12
<b>Total . . . . .</b>	<b>1,499,099</b>	<b>1,757,842</b>	<b>2,146,116</b>	<b>2,557,092</b>	<b>2,921,408</b>
<i>Held by Banks . . . . .</i>	<i>182,648</i>	<i>229,222</i>	<i>300,787</i>	<i>339,943</i>	<i>352,500</i>
<i>Held by Public . . . . .</i>	<i>1,316,451</i>	<i>1,528,620</i>	<i>1,845,329</i>	<i>2,217,149</i>	<i>2,568,908</i>

AUSTRALIAN DECIMAL COIN: COSTS OF COIN ISSUED  
(\$'000)

	<i>Cost of metal</i>	<i>Cost of minting</i>	<i>Freight and sundry charges</i>	<i>Total cost</i>	<i>Face value of coin issued</i>	<i>Surplus</i>
<b>Cupro-nickel—</b>						
1970-71 . . . . .	974	960	65	1,999	15,050	13,051
1971-72 . . . . .	721	698	77	1,496	10,758	9,262
1972-73 . . . . .	738	1,010	55	1,803	11,190	9,387
1973-74 . . . . .	1,298	1,333	67	2,699	16,600	13,901
1974-75 . . . . .	1,731	2,190	158	4,080	22,454	18,374
<b>Bronze—</b>						
1970-71 . . . . .	703	675	36	1,414	2,068	654
1971-72 . . . . .	594	738	24	1,356	2,185	829
1972-73 . . . . .	712	1,066	46	1,824	2,795	971
1973-74 . . . . .	1,343	1,708	97	3,148	4,179	1,031
1974-75 . . . . .	756	1,719	111	2,587	2,994	407
<b>Total—</b>						
1970-71 . . . . .	1,677	1,635	101	3,413	17,118	13,705
1971-72 . . . . .	1,315	1,436	101	2,852	12,943	10,091
1972-73 . . . . .	1,450	2,076	101	3,627	13,985	10,358
1973-74 . . . . .	2,641	3,041	165	5,847	20,779	14,932
1974-75 . . . . .	2,487	3,910	270	6,667	25,449	18,782

AUSTRALIAN DECIMAL COIN: VALUE OF COIN ISSUED  
(\$'000)

<i>Year ended 30 June—</i>	<i>50 cents</i>	<i>20 cents</i>	<i>10 cents</i>	<i>5 cents</i>	<i>2 cents</i>	<i>1 cent</i>	<i>Total</i>
1971 . . . . .	7,420	3,640	2,090	1,900	1,150	919	17,119
1972 . . . . .	4,418	3,360	1,740	1,240	1,370	815	12,943
1973 . . . . .	3,970	3,380	2,040	1,800	1,700	1,095	13,985
1974 . . . . .	5,406	4,990	3,039	3,165	2,689	1,490	20,779
1975 . . . . .	7,027	7,627	4,555	3,245	1,877	1,117	25,449

## Overseas exchange rates

In the following table the rates shown are mainly the averages of daily quotations by the Commonwealth Trading Bank of Australia, and in other cases are the rates used by the Bureau of Customs in converting import values to Australian dollars for purposes of calculating customs duty.

**OVERSEAS EXCHANGE RATES: AVERAGE TELEGRAPHIC TRANSFER SELLING RATES  
FOR SYDNEY ON OVERSEAS COUNTRIES, 1975-76**

Country	Basis of quotation	Australian decimal currency equivalents	Country	Basis of quotation	Australian decimal currency equivalents
		Selling rate 1975-76			Selling rate 1975-76
America, United States of	Dollars to \$A1	1.2588	Italy	Lire to \$A1	925
Austria	Schillings to \$A1	22.80	Japan	Yen to \$A1	376.06
Belgium(a)			Netherlands	Guilders to \$A1	3.336
(financial)	Francs to \$A1	50.11	New Zealand	Dollars to \$A1	1.191
(convertible)	Francs to \$A1	48.65	Norway	Kroner to \$A1	6.88
Canada	Dollars to \$A1	1.2598	Noumea	Francs to \$A1	102.24
China, People's Rep. of	New Yuan to \$A1	2.435	Philippines	Pesos to \$A1	9.214
Denmark	Kroner to \$A1	7.56	Singapore	Dollars to \$A1	3.090
Fiji	Dollars to \$A1	1.076	South Africa, Republic of	Rands to \$A1	1.0376
France	Francs to \$A1	5.622	Spain	Pesetas to \$A1	77.73
Germany, Fed. Rep. of	Deutsche Marks to \$A1	3.213	Sri Lanka	Rupees for \$A1	9.789
Greece	Drachmae to \$A1	43.11	Sweden	Kroner to \$A1	5.466
Hong Kong	Dollars to \$A1	6.250	Switzerland	Francs to \$A1	3.250
India	Rupees to \$A1	11.135	Taiwan	Dollars to \$A1	25.31
			United Kingdom	Pounds to \$A1	0.630

(a) Two rates quoted from 20 September 1971: 'convertible' rate for trade transactions accompanied by documentation and 'financial' rate for other transactions.

## Volume of money

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

**VOLUME OF MONEY: AUSTRALIA**

(Source: Reserve Bank of Australia)

(\$ million)

Average of weekly figures for June	Notes and coin in hands of public	Deposits of public with all trading banks(a)			Deposits with all savings banks(b)	Total volume of money
		Current	Fixed	Certificates of deposits		
1972(c)	1,467	4,328	3,260	113	8,339	17,508
1973(c)	1,702	5,615	4,108	447	10,129	22,001
1974	1,957	5,424	3,943	2,556	11,139	25,018
1975	2,356	5,971	6,740	1,144	(d)12,656	(d)28,867
1976	2,754	6,788	7,577	1,077	14,651	32,846

(a) Current and fixed deposits exclude the Commonwealth and State Government and inter-bank deposits but include deposits of the public with the Reserve Bank; certificates of deposit include any holdings by the Commonwealth and State Governments and banks. (b) Interpolated 'Weekly average' based on end-of-month figures. (c) Includes Papua New Guinea. (d) Data from June 1975 have been revised to reflect a change in accounting procedure by one bank.

## BANKING

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

### Development since federation

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

### Central bank

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

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

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

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

### Trading banks

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

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

The other trading banks are: Bank of Queensland Ltd, Bank of New Zealand, Banque Nationale de Paris, The Rural Bank of New South Wales, State Bank of South Australia, The Rural and Industries Bank of Western Australia (Rural Department), and the Bank of China up to 20 December 1972.

### Term Loan Fund

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

### *Farm Development Loan Fund*

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

### **Savings banks**

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

### **Development banks**

The Commonwealth Development Bank of Australia was established by the *Commonwealth Banks Act* 1959 and commenced operations on 14 January 1960. The Australian Resources Development Bank was established by the major trading banks with the support of the Reserve Bank of Australia and commenced operations in February 1968. For further information on these banks see pages 526-7.

### **Current legislation**

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

### *Commonwealth banking legislation*

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

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

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

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

### *State banking legislation*

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

## Reserve Bank of Australia

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

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

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

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

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

### Management

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

### Central banking business

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

### Note Issue Department

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

### Rural Credits Department

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

RESERVE BANK OF AUSTRALIA: LIABILITIES  
(\$ million)

30 June—	Capital and reserve funds	Development fund	Special reserve— I.M.F. special drawing rights	Australian notes on issue	Deposits of trading banks Statutory reserve deposit accounts	Other	Deposits of savings banks	Other deposits, bills payable and other liabilities	Total
<b>CENTRAL BANKING BUSINESS</b>									
1972	65.6	..	201.6	..	554.2	88.9	802.9	2,094.9	3,808.1
1973	45.6	..	192.4	..	784.1	39.4	1,323.0	2,346.7	4,731.2
1974	45.6	..	183.4	..	912.8	13.9	1,052.7	2,961.7	5,169.9
1975	45.6	..	207.0	..	417.9	37.8	908.0	2,897.9	4,514.1
1976	45.6	..	200.6	..	779.7	74.6	1,053.9	2,286.9	4,441.3
<b>NOTE ISSUE DEPARTMENT</b>									
1972	..	..	..	1,508.2	..	..	..	59.2	1,567.4
1973	..	..	..	1,767.4	..	..	..	24.0	1,791.4
1974	..	..	..	2,163.8	..	..	..	24.7	2,188.4
1975	..	..	..	2,545.1	..	..	..	25.3	2,570.4
1976	..	..	..	2,921.4	..	..	..	83.7	3,005.1
<b>RURAL CREDITS DEPARTMENT</b>									
1972	20.0	1.1	..	..	..	..	..	239.7	260.8
1973	20.7	0.7	..	..	..	..	..	184.5	206.0
1974	21.5	1.0	..	..	..	..	..	179.7	202.2
1975	22.6	1.1	..	..	..	..	..	179.6	203.4
1976	23.8	1.4	..	..	..	..	..	156.3	181.5
<b>TOTAL</b>									
1972	85.6	1.1	201.6	1,508.2	554.2	88.9	802.9	(a)1,361.6	(a)4,604.1
1973	66.3	0.7	192.4	1,767.4	784.1	39.4	1,323.0	(a)1,573.5	(a)5,746.9
1974	67.1	1.0	183.4	2,163.8	912.8	13.9	1,052.7	(a)2,100.0	(a)6,494.5
1975	68.2	1.1	207.0	2,545.1	417.9	37.8	908.0	(a)1,539.7	(a)5,724.8
1976	69.3	1.4	200.6	2,921.4	779.7	74.7	1,053.9	(a)1,269.7	(a)6,370.8

(a) Inter-departmental accounts have been offset.

RESERVE BANK OF AUSTRALIA: ASSETS  
(\$ million)

30 June—	Gold and balances held abroad (a)	Other overseas securities	Australian notes, coin	Australian Government securities (b)	Cheques and bills of other banks	Loans, advances, bills discounted, all other assets(c)	Bank premises (d)	Bills receivable and remittances in transit	Total
<b>CENTRAL BANKING BUSINESS</b>									
1972	2,680.5	376.2	12.3	299.2	4.7	297.2	41.6	96.3	3,808.1
1973	3,152.1	525.8	9.7	411.0	9.4	446.0	49.5	127.6	4,731.2
1974	2,862.4	280.7	8.2	880.0	16.9	916.3	49.4	156.0	5,169.9
1975	2,976.7	120.5	8.7	593.9	46.9	522.4	50.0	195.0	4,514.1
1976	n.a.	n.a.	n.a.	818.4	n.a.	n.a.	53.4	n.a.	4,441.3
<b>NOTE ISSUE DEPARTMENT</b>									
1972	296.6	234.7	..	199.5	..	(e)834.7	1.8	..	1,567.4
1973	199.8	226.7	..	197.4	..	(e)1,165.5	2.0	..	1,791.4
1974	141.1	126.5	..	516.6	..	1,401.7	2.4	..	2,188.4
1975	177.5	62.6	..	633.8	..	1,693.9	2.6	..	2,570.4
1976	n.a.	n.a.	..	1,038.3	..	n.a.	3.0	..	3,005.1
<b>RURAL CREDITS DEPARTMENT</b>									
1972	..	..	..	..	..	260.8	..	..	260.8
1973	..	..	..	..	..	206.0	..	..	206.0
1974	..	..	..	..	..	202.2	..	..	202.2
1975	..	..	..	..	..	203.4	..	..	203.4
1976	..	..	..	..	..	181.5	..	..	181.5
<b>TOTAL(f)</b>									
1972	2,977.1	610.9	12.3	498.8	4.7	360.5	43.5	96.3	4,604.1
1973	3,351.9	752.4	9.7	608.4	9.4	835.8	51.6	127.6	5,746.9
1974	3,003.5	407.2	8.2	1,396.6	16.9	1,454.2	51.8	156.0	6,494.5
1975	3,154.2	183.1	8.7	1,227.7	46.9	856.5	52.6	195.0	5,724.8
1976	n.a.	n.a.	n.a.	1,856.7	n.a.	658.6	56.5	n.a.	6,370.8

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

**RESERVE BANK OF AUSTRALIA: NET PROFITS**  
(\$ million)

	Central Banking Business	Note Issue Depart- ment	Rural Credits Depart- ment	Total	Distributed to—			
					Common- wealth of Australia	Reserve Bank Reserve fund	Rural Credits Department	
							Reserve fund	Develop- ment fund
1971-72 .	4.9	25.2	1.5	31.6	25.2	4.9	0.7	0.7
1972-73 .	..	..	1.3	1.3	..	..	0.6	0.6
1973-74 .	..	..	1.7	1.7	..	..	0.8	0.8
1974-75 .	..	..	2.2	2.2	..	..	1.1	1.1
1975-76 .	..	..	2.3	2.3	..	..	1.2	1.2

### Trading banks

Balance sheet information contained in the table on page 517 and profit and loss account information contained in the table at the top of page 518 for the years 1970 to 1974 does not relate to uniform accounting periods but rather to the financial years of the banks which ended in the years shown.

Figures shown for averages of liabilities and assets in the table on page 518 are the average of liabilities and assets within Australia (including External Territories and up to 1973, Papua-New Guinea) of the banks on the weekly balance days (Wednesdays) during the period concerned. In the table on page 519 figures shown for debits to customers' accounts are the average of debits for the weeks ending on the weekly balance days (Wednesdays) during the period concerned. In the table on page 520 figures shown for new and increased lending commitments are the averages of weekly commitments for the six months ending on the second Wednesday of the last month in the period under review.

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

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

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

Advances to resident borrowers are classified into.

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

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

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

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

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

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



## Interest rates

At 30 June 1976 the maximum rate of interest paid by trading banks for the following terms were: (i) on fixed deposits of less than \$50,000, 3 months and less than 6 months—8.25 per cent, 6 months and less than 2 years—8.75 per cent, 2 years and less than 4 years—9.50 per cent; (ii) on fixed deposits of \$50,000 and over, 30 days to 4 years—10.00 per cent (iii) on certificates of deposit (\$50,000 and over), 3 months to 4 years—not subject to maximum rate. The maximum rate of interest charged on overdrafts under \$100,000 was 10.50 per cent and the maximum flat rate on unsecured personal loans was 7.75 per cent.

## Branches and agencies

At 30 June 1975 the major trading banks operated 4,587 branches, and the other trading banks 319 branches. Of the total of 4,906 branches, 2,534 were located in 'metropolitan areas'. Trading bank facilities were also available at 1,303 agencies throughout Australia at 30 June 1975.

## Liabilities and assets

## TRADING BANKS(a): LIABILITIES AND ASSETS(b)

(\$ million)

## LIABILITIES

	Paid-up capital	Reserve funds (used in business of bank)	Final dividend proposed	Balance of profit and loss account	Total shareholders' funds or total capital and reserve funds	Balances due to other banks	Deposits, bills payable and other liabilities(c)	Total
1970 . . .	358.6	253.7	12.6	27.3	652.1	460.5	9,295.3	10,407.9
1971 . . .	326.7	273.4	13.3	30.4	643.7	690.8	10,009.0	11,343.6
1972 . . .	341.5	313.2	16.0	33.5	704.1	801.1	11,981.7	13,487.0
1973 . . .	376.9	388.1	19.3	35.6	819.9	798.3	15,659.9	17,278.1
1974 . . .	417.4	467.6	21.7	39.0	945.7	1,296.0	17,929.1	20,170.8

## ASSETS

	Coin, bullion, notes and cash at Reserve Bank	Money at short call overseas	Australian public securities				Other public securities	Other securities	Loans to authorised dealers in short-term money market
			Australian Government		Local and semi-government authorities	Other securities			
			Treasury bills and notes	Other securities					
1970 . . .	252.6	49.6	92.7	1,244.3	47.3	39.3	229.4	132.2	
1971 . . .	220.0	49.7	106.5	1,427.1	50.8	71.6	273.4	155.6	
1972 . . .	208.3	58.8	258.9	2,100.7	60.1	172.0	310.4	297.9	
1973 . . .	219.7	81.6	186.5	2,258.5	64.8	258.3	400.3	294.5	
1974 . . .	313.7	96.4	203.0	2,059.0	71.3	114.1	423.4	303.7	

	Statutory reserve deposit account with Reserve Bank	Cheques and bills of, and balances with and due from other banks	Loans(d), advances and bills discounted	Bank premises, furniture and sites	Bills receivable and remittances in transit	All other assets	Total
1970 . . .	632.0	400.4	5,707.6	199.2	1,181.7	199.7	10,407.9
1971 . . .	611.6	511.3	6,179.8	178.5	1,271.8	235.9	11,343.6
1972 . . .	566.4	753.2	6,866.8	199.7	1,378.8	255.0	13,487.0
1973 . . .	905.1	837.9	9,612.4	217.3	1,549.2	392.0	17,278.1
1974 . . .	626.4	962.8	11,611.7	248.3	2,139.8	997.2	20,170.8

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

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

	Profit and loss			Profits appropriated to—				
	Net earnings (c)	Expenses (d)	Income, land and other taxes and payments in lieu of taxes	Net profit	Reserve funds (e)	Writing-off bank premises	Other appropriations	Dividends paid and proposed
1970 . . .	478.9	378.9	43.8	56.3	15.8	1.0	3.1	31.1
1971 . . .	525.6	443.0	36.2	46.3	12.6	1.0	3.9	25.8
1972 . . .	586.8	489.8	42.7	54.3	17.0	1.1	3.9	28.8
1973 . . .	707.6	561.8	71.5	74.4	30.8	1.1	4.9	33.6
1974 . . .	875.2	721.7	74.8	78.7	29.7	0.8	4.0	41.4

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

**ALL TRADING BANKS: AVERAGE LIABILITIES AND ASSETS(a) WITHIN AUSTRALIA(b)**

(\$ million)

**LIABILITIES(c)**

June	Deposits repayable in Australia				Balances due to other banks	Bills payable and all other liabilities to the public	Total
	Fixed	Current		Total			
		Bearing interest	Not bearing interest				
1972 . . . . .	3,742.1	538.0	4,042.0	8,322.1	372.0	559.3	9,253.4
1973 . . . . .	5,152.2	648.6	5,271.7	11,072.5	351.0	726.3	12,149.7
1974 . . . . .	6,985.9	660.1	5,068.0	12,714.0	669.2	1,196.9	14,580.0
1975 . . . . .	8,635.0	842.6	5,458.0	14,935.7	588.0	1,695.2	17,218.9
1976 . . . . .	9,775.4	930.0	6,250.9	16,956.3	602.7	2,095.3	19,654.3

**ASSETS(d)**

June	Coin, bullion, notes and cash at Reserve Bank	Australian Government securities		Local and semi-government securities	Loans to authorised dealers in short-term money market	Statutory reserve deposit account with Reserve Bank	Loans(e), advances and bills discounted	All other assets	Total
		Treasury bills and notes	Other securities						
1972 . . . . .	190.1	116.7	1,702.9	29.2	249.8	558.2	5,875.7	921.2	9,643.7
1973 . . . . .	213.6	189.0	2,221.0	27.6	149.6	784.7	7,856.2	1,181.2	12,622.9
1974 . . . . .	273.0	79.8	2,084.3	27.6	65.4	1,032.6	10,120.3	1,678.3	15,361.3
1975 . . . . .	299.0	1,167.8	2,358.9	31.2	167.4	421.4	11,205.0	2,322.8	17,973.5
1976 . . . . .	345.6	191.0	3,410.9	32.8	182.3	840.5	12,559.5	2,791.0	20,353.5

(a) Figures shown for average of liabilities and assets are the average of liabilities and assets within Australia of the banks at the close of business on the weekly balance days (usually Wednesdays) during the period concerned. (b) Includes External Territories and up to 1973 Papua New Guinea. (c) Excludes shareholders' funds, inter-branch accounts and contingencies. (d) Excludes inter-branch accounts and contingencies. (e) Excludes loans to authorised dealers in the short-term money market.

**TRADING BANKS: AVERAGE WEEKLY DEBITS TO CUSTOMERS' ACCOUNTS<sup>(a)</sup>**  
(\$ million)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>N.T.</i>	<i>A.C.T.</i>	<i>Aust.</i>
1971-72	2,363.0	1,808.7	459.1	293.1	318.4	70.0	18.7	41.8	5,372.8
1972-73	3,058.0	2,306.7	597.5	336.4	355.9	85.3	17.8	64.6	6,822.2
1973-74	3,397.5	2,642.5	753.4	414.6	439.4	103.0	19.3	73.9	7,843.7
1974-75	3,805.9	2,898.8	817.9	456.6	515.9	119.4	22.7	78.6	8,715.6
1975-76	4,462.1	3,808.0	1,027.4	578.0	680.0	150.2	27.8	118.1	10,851.6

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

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

For an explanation of items in the following table see notes on page 516.

**CLASSIFICATION OF TOTAL ADVANCES WITHIN AUSTRALIA<sup>(a)</sup>**

	<i>At second Wednesday of—</i>							
	<i>July 1974</i>		<i>January 1975</i>		<i>July 1975</i>		<i>January 1976</i>	
	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>
<i>Resident borrowers—</i>								
<i>Business advances—</i>								
<i>Agriculture, grazing and dairying</i>	1,161.4	12.9	1,133.8	12.0	1,220.2	12.1	1,179.0	11.4
<i>Manufacturing</i>	1,460.1	16.2	1,559.3	16.5	1,527.9	15.1	1,459.3	14.2
<i>Transport, storage and communication</i>	165.2	1.8	182.1	1.9	199.3	2.0	198.1	1.9
<i>Finance—</i>								
<i>Building and housing societies</i>	78.4	0.9	68.6	0.7	51.5	0.5	51.7	0.5
<i>Other</i>	506.6	5.6	693.7	7.3	622.2	6.2	597.7	5.8
<i>Total finance</i>	585.1	6.5	762.4	8.1	673.6	6.7	649.5	6.3
<i>Commerce—</i>								
<i>Retail trade</i>	558.0	6.2	516.2	5.5	568.1	5.6	551.4	5.4
<i>Wholesale trade<sup>(b)</sup></i>	653.0	7.2	650.8	6.9	577.3	5.7	636.3	6.2
<i>Total commerce</i>	1,211.0	13.4	1,166.9	12.4	1,145.4	11.3	1,187.7	11.5
<i>Building and construction</i>	344.4	3.8	348.9	3.7	364.8	3.6	345.2	3.4
<i>Other businesses</i>	1,615.7	17.9	1,713.9	18.2	2,009.6	20.0	2,106.5	20.5
<i>Unclassified</i>	86.5	1.0	191.0	2.0	254.6	2.5	182.8	1.8
<i>Total business advances of which—</i>	6,629.3	73.5	7,058.2	74.9	7,395.4	73.3	7,308.1	70.9
<i>Companies</i>	4,533.5	50.3	4,765.0	50.5	4,675.4	46.3	4,617.3	44.8
<i>Other</i>	2,095.8	23.2	2,293.3	24.4	2,719.9	27.0	2,690.8	26.1
<i>Advances to public authorities<sup>(c)</sup></i>	96.2	1.0	144.6	1.5	116.7	1.2	204.4	2.0
<i>Personal advances classified according to main purpose of advance—</i>								
<i>Building or purchasing own home (individuals)</i>	629.8	7.0	620.8	6.6	614.2	6.1	629.5	6.1
<i>Other (including personal loans)</i>	1,554.1	17.2	1,481.3	15.7	1,834.2	18.2	2,028.9	19.7
<i>Total personal</i>	2,184.0	24.2	2,102.1	22.3	2,448.4	24.3	2,658.4	25.8
<i>Advances to non-profit organisations</i>	98.1	1.1	110.0	1.2	111.0	1.1	123.8	1.2
<i>Total advances to resident borrowers</i>	9,007.6	99.8	9,415.0	99.8	10,071.5	99.8	10,294.7	99.9
<i>Advances to non-resident borrowers</i>	16.6	0.2	15.0	0.2	19.6	0.2	12.7	0.1
<i>Total all advances</i>	9,024.2	100.0	9,430.0	100.0	10,091.0	100.0	10,307.4	100.0

(a) Includes External Territories. (b) Includes temporary advances to woolbuyers. (c) Includes local government and semi-government bodies.

**MAJOR TRADING BANKS: CLASSIFICATION OF DEPOSITS(a) WITHIN AUSTRALIA(b)**

*At second Wednesday of—*

	July 1974		January 1975		July 1975		January 1976	
	Amount (\$m)	Per cent	Amount (\$m)	Per cent	Amount (\$m)	Per cent	Amount (\$m)	Per cent
<b>Resident depositors—</b>								
<b>Business deposits—</b>								
Agriculture, grazing and dairying . . . . .	1,031.8	12.2	1,253.9	11.6	1,194.3	9.6	1,535.9	10.8
Manufacturing . . . . .	284.7	3.4	453.8	4.2	562.2	4.6	695.8	4.9
Transport, storage and communication . . . . .	110.6	1.3	139.7	1.3	153.9	1.3	178.8	1.3
Finance . . . . .	579.2	6.9	724.3	6.7	1,182.8	9.5	1,451.6	10.2
Commerce . . . . .	546.1	6.5	761.4	7.0	692.4	5.6	859.4	6.0
Building and construction . . . . .	220.9	2.4	321.5	3.0	317.2	2.6	407.8	2.9
Other businesses . . . . .	1,219.2	14.4	1,371.4	12.7	1,620.7	13.1	1,749.4	12.3
Unclassified . . . . .	122.3	1.5	146.8	1.4	164.9	1.3	170.9	1.2
<b>Total business deposits</b>	<b>4,114.8</b>	<b>48.7</b>	<b>5,172.8</b>	<b>47.8</b>	<b>5,888.3</b>	<b>47.6</b>	<b>7,049.7</b>	<b>49.4</b>
of which—								
Companies . . . . .	1,741.2	20.6	2,266.6	21.0	2,642.7	21.4	3,208.5	22.5
Other . . . . .	2,373.6	28.1	2,906.2	26.8	3,245.6	26.3	3,841.2	26.9
Deposits of public authorities . . . . .	482.3	5.7	766.9	7.1	1,144.0	9.3	1,333.7	9.4
Personal deposits . . . . .	3,305.5	39.2	4,244.8	39.3	4,539.4	36.7	5,047.0	35.4
Deposits of non-profit organisations . . . . .	408.2	4.8	497.8	4.6	646.7	5.2	690.5	4.8
<b>Total resident depositors</b>	<b>8,310.8</b>	<b>98.4</b>	<b>10,682.2</b>	<b>98.8</b>	<b>12,218.5</b>	<b>98.9</b>	<b>14,120.8</b>	<b>99.0</b>
<b>Total non-resident depositors</b>	<b>133.5</b>	<b>1.6</b>	<b>131.2</b>	<b>1.2</b>	<b>139.9</b>	<b>1.1</b>	<b>143.3</b>	<b>1.0</b>
<b>Total all depositors</b>	<b>8,444.3</b>	<b>100.0</b>	<b>10,813.4</b>	<b>100.0</b>	<b>12,358.4</b>	<b>100.0</b>	<b>14,264.1</b>	<b>100.0</b>

(a) Excludes deposits of the Australian and State Governments. (b) Includes External Territories.

**MAJOR TRADING BANKS: NEW AND INCREASED LENDING COMMITMENTS TO SELECTED INDUSTRIAL GROUPS(a)**

(Source: Reserve Bank of Australia)

(\$ million)

*Six months ended second Wednesday of—*

	July 1974		January 1975		July 1975		January 1976	
	Aggregate	Term loan component	Aggregate	Term loan component	Aggregate	Term loan component	Aggregate	Term loan component
<b>Business—</b>								
Agriculture, grazing and dairying . . . . .	(b)213.8	18.3	(b)117.4	7.3	(b)269.3	17.6	(b)219.2	13.3
Manufacturing . . . . .	323.8	71.9	354.4	70.4	503.7	71.6	338.4	58.9
Finance . . . . .	105.5	0.6	102.9	0.6	198.4	0.8	78.6	1.3
Commerce . . . . .	241.8	19.3	209.3	6.2	347.0	15.4	305.3	19.1
Building and construction . . . . .	92.1	2.5	60.9	3.5	140.3	8.4	109.2	2.9
<b>Persons—</b>								
Advances for building or purchase of own home (to individuals) . . . . .	253.5	..	116.3	..	257.7	..	272.8	..
Other (including personal loans) . . . . .	486.2	..	309.4	..	736.8	..	647.2	..
All other . . . . .	384.4	34.9	368.8	72.4	630.3	68.7	660.1	78.8
<b>Total</b>	<b>(b)2,101.0</b>	<b>147.5</b>	<b>(b)1,639.2</b>	<b>160.4</b>	<b>(b)3,083.5</b>	<b>182.4</b>	<b>(b)2,630.8</b>	<b>174.4</b>

(a) Excludes commitments in respect of temporary advances to woolbuyers. (b) Includes Farm Development Loan approvals: July 1974, \$24.1 million; January 1975, \$20.1 million; July 1975, \$47.3 million; January 1976, \$49.8 million.

**MAJOR TRADING BANKS: CLASSIFICATION OF OVERDRAFT LIMITS  
OUTSTANDING(a)**

(Source: Reserve Bank of Australia)

(\$ million)

	Second Wednesday of—			
	July 1974	January 1975	July 1975	January 1976
<i>Resident borrowers—</i>				
Business overdraft limits—				
Agriculture, grazing and dairying—				
Mainly sheep grazing . . . . .	301.2	294.2	315.9	319.2
Mainly wheat growing . . . . .	109.3	105.4	104.5	107.5
Mainly dairying and pig raising . . . . .	104.6	100.7	112.0	108.1
Other . . . . .	449.9	441.9	493.7	506.7
Total agriculture, etc. . . . .	965.0	942.2	1,026.0	1,041.7
Manufacturing . . . . .	1,895.9	2,037.0	2,323.4	2,413.3
Transport, storage and communication . . . . .	185.5	209.6	234.3	221.3
Finance—				
Building and housing societies . . . . .	121.0	151.1	127.4	131.6
Pastoral finance companies . . . . .	111.5	105.9	108.4	103.8
Hire purchase and other finance companies . . . . .	273.5	277.2	272.2	272.6
Other . . . . .	273.9	262.4	358.4	359.1
Total finance . . . . .	779.9	796.5	866.4	867.2
Commerce—				
Retail trade . . . . .	726.3	736.5	824.9	859.3
Wholesale trade . . . . .	663.7	725.5	816.4	833.7
Total commerce . . . . .	1,390.0	1,462.0	1,641.2	1,693.0
Building and construction . . . . .	456.3	452.1	507.4	515.5
Other business—				
Mining . . . . .	261.8	292.5	293.5	323.5
Other . . . . .	1,400.8	1,412.8	1,596.2	1,728.8
Total other business . . . . .	1,662.6	1,705.3	1,889.7	2,052.3
Unclassified . . . . .	116.7	111.6	137.4	154.9
Total business overdraft limits . . . . .	7,451.8	7,716.3	8,625.8	8,959.1
Overdraft limits of public authorities . . . . .	295.0	319.7	336.2	472.1
Personal overdraft limits—				
Building or purchasing own home . . . . .	762.3	715.6	724.3	746.7
Other . . . . .	1,747.8	1,675.2	2,071.2	2,254.4
Total personal overdraft limits . . . . .	2,510.1	2,390.8	2,795.5	3,001.1
Overdraft limits of non-profit organisations . . . . .	166.2	178.4	191.8	201.0
Total overdraft limits of resident borrowers . . . . .	10,423.1	10,605.2	11,949.4	12,633.3
Overdraft limits of non-resident borrowers . . . . .	16.3	17.9	19.0	13.0
Total all overdraft limits . . . . .	10,439.4	10,623.1	11,968.4	12,646.2

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

**MAJOR TRADING BANKS: ADVANCES(a), BY RATE OF INTEREST**  
(Source: Reserve Bank of Australia)  
(Proportion at each rate to total—per cent)

Interest rate per annum	At about end of—			
	June 1974	December 1974	June 1975	December 1975
6.5 per cent and less	3.2	3.7	3.9	4.1
More than 6.5 per cent, but less than 7.0 per cent	0.3	0.1	0.3	0.3
7.0 per cent	0.2	0.1	0.2	0.2
More than 7.0 per cent, but less than 7.5 per cent	0.8	0.3	0.3	0.5
7.5 per cent	0.8	0.5	0.6	3.1
More than 7.5 per cent, but less than 8.0 per cent	0.5	0.4	0.7	2.2
8.0 per cent	1.3	0.4	0.7	2.4
More than 8.0 per cent, but less than 8.5 per cent	0.7	0.3	0.6	1.2
8.5 per cent	0.9	0.6	0.6	0.6
More than 8.5 per cent, but less than 9.0 per cent	1.3	0.4	3.4	0.5
9.0 per cent	4.6	1.1	1.6	0.3
More than 9.0 per cent, but less than 9.5 per cent	2.1	1.1	3.2	0.4
9.5 per cent	28.5	1.0	1.2	0.6
More than 9.5 per cent, but less than 10.0 per cent	0.7	2.1	0.9	1.4
10.0 per cent	0.9	1.6	0.8	1.2
More than 10.0 per cent, but less than 10.5 per cent	0.7	2.4	1.2	1.4
10.5 per cent	0.7	0.9	1.0	0.8
More than 10.5 per cent, but less than 11.0 per cent	0.6	2.1	2.2	1.1
11.0 per cent	8.7	3.3	17.6	10.7
More than 11.0 per cent, but less than 11.5 per cent	1.9	1.7	4.7	9.7
11.5 per cent	11.1	37.0	19.6	22.1
More than 11.5 per cent, but less than 12.0 per cent	0.9	0.7	0.5	0.5
12.0 per cent	11.2	11.4	8.7	8.8
More than 12.0 per cent, but less than 12.5 per cent	2.9	2.4	2.1	1.6
12.5 per cent	4.0	5.7	6.3	6.9
More than 12.5 per cent, but less than 13.0 per cent	0.7	0.8	0.8	0.9
13.0 per cent	2.1	5.0	4.5	5.2
More than 13.0 per cent, but less than 13.5 per cent	1.1	0.9	1.0	0.9
13.5 per cent	1.0	3.6	5.1	5.4
More than 13.5 per cent, but less than 14.0 per cent	1.0	1.3	1.5	1.4
14.0 per cent	1.1	2.0	1.0	0.8
More than 14.0 per cent, but less than 14.5 per cent	0.2	0.4	0.2	0.1
14.5 per cent	0.6	1.0	1.0	0.6
More than 14.5 per cent, but less than 15.0 per cent	0.1	0.2	0.1	0.3
15.0 per cent	2.1	3.9	0.8	0.6
More than 15.0 per cent	..	..	..	1.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

(a) Excludes term loans, farm development loans and personal instalment loans. Comprises categories of loans specifically exempted from the prescribed maximum overdraft requirement such as, short-term mortgage and bridging loans and post-shipment wool advances subject to a disincentive rate of interest.

**MAJOR TRADING BANKS: FIXED DEPOSITS(a), BY RATE OF INTEREST**  
(Source: Reserve Bank of Australia)  
(Proportion at each rate to total—per cent)

Interest rate per annum	At about end of—			
	June 1974	December 1974	June 1975	December 1975
Less than 5.5 per cent	10.8	2.7	0.5	0.1
5.5 per cent and less than 6.0 per cent	9.0	5.3	3.4	2.6
6.0 per cent and less than 6.5 per cent	4.9	2.1	1.4	1.2
6.5 per cent and less than 7.0 per cent	25.4	10.1	4.9	1.8
7.0 per cent and less than 7.5 per cent	7.6	2.4	1.3	9.8
7.5 per cent and less than 8.0 per cent	20.0	13.0	4.8	10.4
8.0 per cent and less than 8.5 per cent	22.4	2.3	9.8	18.3
8.5 per cent and less than 9.0 per cent	..	0.9	19.0	18.5
9.0 per cent and less than 9.5 per cent	..	15.2	21.8	16.1
9.5 per cent and less than 10.0 per cent	..	28.1	30.7	19.8
10.0 per cent	..	18.0	2.4	1.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

(a) Excludes Government fixed deposits and certificates of deposit.

## Savings banks

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

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

In the tables on pages 523-4 balance sheet and profit and loss account information does not relate to a uniform accounting period but rather to the financial years of the banks which ended in the years shown.

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

At 30 June 1975 all savings banks were paying interest on deposits at rates of up to 6.25 per cent. For accounts other than friendly and other societies the maximum interest bearing amount in any one account was \$20,000. There is no limit on the maximum interest bearing amount for society cheque accounts. Interest rates charged on loans made by the savings banks were: housing loans—up to 10.00 per cent; other loans (under \$50,000)—11.50 per cent.

At 30 June 1975 savings banks operated 5,537 branches, 2,971 of these being in the 'metropolitan' areas. Savings bank facilities were also available at 14,224 agencies throughout Australia.

## SAVINGS BANKS(a): LIABILITIES AND ASSETS(b)

(\$ million)

## LIABILITIES

	Paid-up capital	Reserve funds (used in the business of the bank)	Balance of profit and loss account	Total share-holders' funds	Depositors' balances	Balances due to other banks	Bills payable and all other liabilities (c)	Total
1970 . . .	31.0	137.4	7.3	175.7	7,161.2	14.2	236.6	7,587.7
1971 . . .	31.0	149.8	8.4	189.2	7,722.0	16.8	258.9	8,186.9
1972 . . .	31.5	171.0	8.9	211.4	8,547.1	19.2	293.9	9,071.7
1973 . . .	36.5	191.1	9.4	237.1	10,398.4	25.3	343.6	11,004.4
1974 . . .	40.5	207.3	9.7	257.5	11,101.0	35.9	395.6	11,789.9

## ASSETS

	Coin, bullion, notes and deposits with Reserve Bank	Deposits in Australia with trading banks	Australian public securities		Local and semi-government authorities	Other securities	Total
			Australian Government and States				
			Treasury bills and notes	Other securities			
1970 . . .	585.1	150.8	74.7	2,232.6	1,791.9	16.5	28.7
1971 . . .	659.8	123.1	58.6	2,287.5	1,963.0	28.7	36.9
1972 . . .	906.1	188.6	39.3	2,352.5	2,171.4	40.2	24.8
1973 . . .	1,356.8	233.5	104.1	2,744.4	2,511.2	24.8	
1974 . . .	1,059.0	281.3	47.8	2,850.4	2,791.6		

	Loans to authorised dealers in short-term money market	Cheques and bills of, and balances with and due from other banks(d)	Loans(e), advances and bills discounted	Bank premises, furniture and sites	Bills receivable and remittances in transit	All other assets	Total
1970 . . .	54.1	167.8	2,337.3	98.2	0.4	78.3	7,587.7
1971 . . .	78.6	195.0	2,602.9	102.6	0.3	86.9	8,186.9
1972 . . .	55.9	212.7	2,897.7	111.5	0.1	99.0	9,071.7
1973 . . .	103.6	228.4	3,433.1	119.7	..	129.4	11,004.4
1974 . . .	69.7	245.4	4,138.1	135.5	..	146.2	11,789.9

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

**SAVINGS BANKS(a): PROFIT AND LOSS, APPROPRIATION OF PROFITS AND DIVIDENDS**  
(\$ million)

	<i>Profit and loss</i>			<i>Profits appropriated to—</i>				
	<i>Net earnings (b)</i>	<i>Ex-penses (c)</i>	<i>Income, land and other taxes and payments in lieu of taxes</i>	<i>Net profit</i>	<i>Reserve funds</i>	<i>Writing-off bank premises</i>	<i>Other appropriations</i>	<i>Dividends paid and proposed</i>
1970 . . .	149.6	121.4	9.6	18.6	9.9	1.9	3.0	3.2
1971 . . .	179.4	141.2	11.4	26.7	13.4	1.9	6.3	4.1
1972 . . .	213.9	165.4	14.2	34.4	19.9	2.8	7.5	5.7
1973 . . .	268.5	209.3	17.9	41.4	23.3	2.9	8.4	6.2
1974 . . .	321.5	268.4	19.5	33.7	17.7	2.1	6.9	6.7

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

**SAVINGS BANKS: BUSINESS TRANSACTED IN AUSTRALIA**

	<i>Number of operative accounts</i>	<i>Deposits (a)</i>		<i>Withdrawals (a)</i>		<i>Depositors' Interest added balances at end of year</i>	
		<i>'000</i>	<i>\$m</i>	<i>'000</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1971-72 . . .	16,726	14,304.3	13,823.0	275.6	8,391.4		
1972-73 . . .	17,468	18,092.3	16,561.6	315.8	10,237.9		
1973-74 . . .	18,369	23,202.4	22,648.7	404.0	11,195.6		
1974-75 . . .	19,390	30,455.9	29,374.9	513.9	(b)12,868.5		
1975-76 . . .	21,807	36,361.6	35,021.0	613.4	14,822.5		

(a) Includes inter-branch transfers. (b) Data from June 1975 have been revised to reflect a change in accounting procedures by one bank.

**SCHOOLS SAVINGS BANKS: AUSTRALIA**

<i>End of June—</i>	<i>Number of school agencies</i>	<i>Number of operative accounts</i>	<i>Depositors' balances</i>
		<i>'000</i>	<i>\$'000</i>
1971 . . . . .	10,923	1,598	28,808
1972 . . . . .	10,874	1,615	26,700
1973 . . . . .	10,838	1,617	28,419
1974 . . . . .	11,131	1,602	32,765
1975 . . . . .	10,698	1,622	31,383



## SAVINGS BANKS: HOUSING FINANCE TRANSACTIONS WITHIN AUSTRALIA

## Housing loans approved to—

## Individuals

	Dwellings not previously occupied		Dwellings previously occupied		Alterations and additions	Total	Building societies
	Number(a) '000	\$m(b)	Number(a) '000	\$m(b)			
1970-71	27.7	237.9	40.5	320.3	9.0	567.2	16.6
1971-72	28.5	262.7	45.1	394.0	13.9	670.5	17.1
1972-73	36.4	400.4	63.4	676.2	27.7	1,104.3	24.7
1973-74	32.7	420.2	57.3	717.6	29.5	1,167.2	20.7
1974-75	31.9	512.9	78.3	1,210.5	44.6	1,768.1	24.4

## Housing loans approved to individuals—

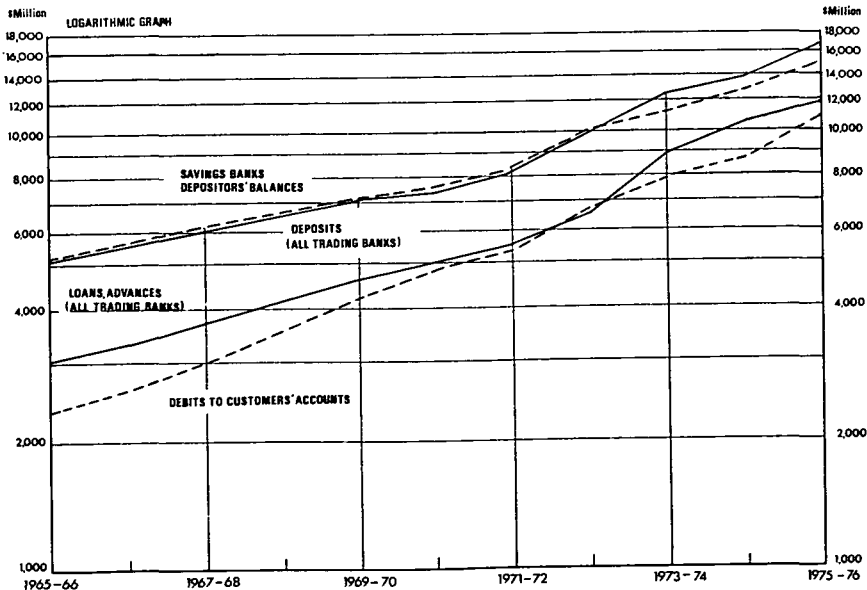
## Balances outstanding on housing loans to—

## Interest debited to loan accounts of individuals

	Cancellation of loans previously approved(c)		Undrawn commitments at end of year	Balances outstanding on housing loans to—		Interest debited to loan accounts of individuals
	Number(a) '000	\$m(b)		Individuals	Building societies	
1970-71	4.1	32.2	129.0	2,124.9	238.6	130.1
1971-72	4.2	35.3	161.0	2,392.0	227.6	144.0
1972-73	5.6	57.3	348.9	2,825.3	215.9	174.1
1973-74	6.4	75.2	306.9	3,460.8	212.1	227.2
1974-75	8.8	126.7	467.6	4,502.3	215.1	352.7

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

## BANKING: AUSTRALIA



## Development banks

### Commonwealth Development Bank of Australia

The Commonwealth Development Bank of Australia was established by the *Commonwealth Banks Act* 1959 and commenced operations on 14 January 1960. It was formed basically from an amalgamation of the Mortgage Bank and Industrial Finance Departments of the Commonwealth Bank. Under the Act the Bank is authorised to provide assistance for the development of worthwhile enterprises in the fields of primary and secondary industries, which would otherwise be unable to obtain the necessary finance on reasonable and suitable terms and conditions. The Commonwealth Development Bank is managed by a General Manager under the Managing Director of the Commonwealth Banking Corporation and its policy is determined by the Board of that Corporation. The capital of the Development Bank consists of the capital of the Mortgage Bank and Industrial Finance Departments of the Commonwealth Bank immediately prior to 14 January 1960, \$10 million provided by the Reserve Bank, \$20 million appropriated from the Consolidated Revenue Fund in 1961-62 by the *Commonwealth Banks Act* 1961 and the *Commonwealth Banks Act* 1962, \$10 million appropriated in 1963-64 by the *Commonwealth Banks Act* 1963, and such other sums as are provided from the Commonwealth Development Bank Reserve Fund. The net profits of the Bank are paid to the Commonwealth Development Bank Reserve Fund, which at 30 June 1975 stood at \$38.1 million. Net profits in 1973-74 and 1974-75 amounted to \$1.6 million and \$2.5 million respectively.

#### COMMONWEALTH DEVELOPMENT BANK OF AUSTRALIA: LIABILITIES (\$ million)

30 June—	Capital	Reserve fund	Balances due to other banks	Deposits, bills payable, all other liabilities	Total
1971 . . .	61.7	31.0	157.7	32.3	282.7
1972 . . .	61.7	32.5	159.8	42.0	296.0
1973 . . .	61.7	34.0	159.1	44.2	299.1
1974 . . .	61.7	35.6	158.4	62.2	317.9
1975 . . .	61.7	38.1	163.5	84.0	347.3

#### COMMONWEALTH DEVELOPMENT BANK OF AUSTRALIA: ASSETS (\$ million)

30 June—	Coin, bullion, notes and cash at bankers	Australian public securities (incl. Treasury bills)	Other securities	Loans to authorised dealers in short-term money market	Cheques and bills of other banks	Loans, advances, and bills discounted	All other assets	Total
1971 . . .	0.8	0.7	0.2	..	1.9	277.8	1.2	282.7
1972 . . .	0.9	0.5	..	0.8	2.3	290.4	1.0	296.0
1973 . . .	0.6	2.0	..	1.2	2.7	291.5	1.1	299.1
1974 . . .	1.9	2.0	..	3.0	9.3	300.1	1.6	317.9
1975 . . .	2.8	3.0	..	1.0	4.1	334.0	2.4	347.3

### Australian Resources Development Bank Limited

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

**AUSTRALIAN RESOURCES DEVELOPMENT BANK LIMITED: LIABILITIES**  
(\$ million)

30 September—	Capital	Reserve fund	Balances due to other banks	Deposits, bills payable, all other liabilities	Total
1972 . . .	3.0	2.8	53.8	304.4	364.0
1973 . . .	3.0	4.0	49.5	283.8	340.3
1974 . . .	3.0	5.0	86.8	310.3	405.1
1975 . . .	7.0	2.3	57.8	443.3	510.4

**AUSTRALIAN RESOURCES DEVELOPMENT BANK LIMITED: ASSETS**  
(\$ million)

30 September—	Coin, bullion, notes and cash at bankers	Australian public securities (incl. Treasury bills)	Other securities	Loans to authorised dealers in short-term money market	Cheques and bills of other banks	Loans, advances, and bills discounted	All other assets	Total
1972 . . .	..	0.2	0.3	10.0	326.5	15.5	11.5	364.0
1973 . . .	..	0.1	0.3	12.2	305.2	12.1	10.3	340.3
1974 . . .	0.2	0.2	0.3	13.1	357.0	31.8	2.6	405.1
1975 . . .	..	6.7	0.3	27.8	380.5	90.6	4.6	510.4

## INSURANCE

### Legislation

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

### Insurance (Deposits) Act 1932

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

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

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

### Life Insurance Act 1945

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

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

### Life insurance

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

Summary information on foreign ownership and control of life insurance business is shown in Chapter 11. More detailed statistics are available in *Foreign Ownership and Control of Life Insurance Business (Advance Release)*, 1973 (5.49) and *Foreign Ownership and Control of Life Insurance Business 1973* (5.53).

#### Offices transacting business

The number of companies which transacted life insurance business in Australia during 1974 was 51. Of these, 37 were companies incorporated outside Australia or were subsidiaries of such companies. Nine companies, including 4 incorporated outside Australia, were mutual companies. All companies conducted ordinary business and 46 conducted superannuation business. Industrial business was conducted by 10 companies, all of which also conducted superannuation business. In addition two State Government institutions conduct life insurance business only in their own State.

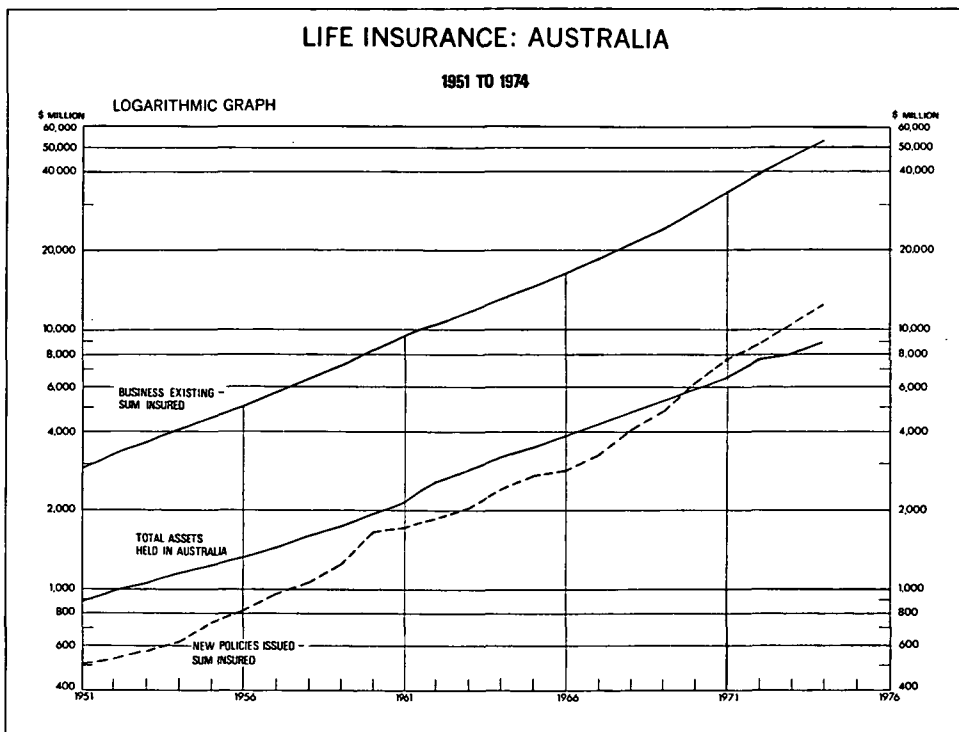


PLATE 41

## LIFE INSURANCE: SUMMARY, AUSTRALIA

	<i>Insurance and endowment policies</i>			<i>Annuity policies</i>	
	<i>Number of policies</i>	<i>Sum insured (\$ million)</i>	<i>Annual premiums (\$ million)</i>	<i>Number of policies</i>	<i>Annuities per annum (\$ million)</i>
<b>ORDINARY BUSINESS</b>					
<b>New policies issued—</b>					
1970 . . . . .	504,613	3,777.9	75.3	55	0.1
1971 . . . . .	569,370	4,882.6	91.5	66	0.1
1972 . . . . .	575,650	5,545.2	100.4	74	0.1
1973 . . . . .	552,422	6,504.8	96.6	78	0.1
1974 . . . . .	508,904	6,899.9	94.4	26	0.1
<b>Policies discontinued or reduced(a)—</b>					
1970 . . . . .	273,765	1,153.2	24.5	204	0.1
1971 . . . . .	293,710	1,398.9	28.3	109	..
1972 . . . . .	324,374	1,777.0	34.0	91	0.1
1973 . . . . .	197,401	2,016.9	34.0	157	0.1
1974 . . . . .	424,767	2,613.7	50.0	173	0.1
<b>Policies existing at end of—</b>					
1970 . . . . .	4,907,012	19,430.8	462.6	1,951	1.1
1971 . . . . .	5,182,672	22,914.5	525.7	1,906	1.1
1972 . . . . .	5,433,950	26,682.7	592.2	1,889	1.2
1973 . . . . .	5,788,971	31,170.6	654.7	1,811	1.2
1974 . . . . .	5,873,108	35,456.8	699.2	1,664	1.2
<b>INDUSTRIAL BUSINESS</b>					
<b>New policies issued</b>					
1970 . . . . .	138,647	198.5	7.3	..	..
1971 . . . . .	135,384	231.4	8.0	..	..
1972 . . . . .	133,700	255.3	8.7	..	..
1973 . . . . .	123,239	263.0	8.9	..	..
1974 . . . . .	85,675	216.4	7.1	..	..
<b>Policies discontinued or reduced(a)—</b>					
1970 . . . . .	168,600	100.6	4.1	..	..
1971 . . . . .	165,067	115.0	4.5	..	..
1972 . . . . .	215,164	142.4	5.3	..	..
1973 . . . . .	193,159	153.7	5.2	..	..
1974 . . . . .	230,794	187.1	7.2	..	..
<b>Policies existing at end of—</b>					
1970 . . . . .	2,500,433	1,212.3	48.3	..	..
1971 . . . . .	2,470,750	1,328.7	51.8	..	..
1972 . . . . .	2,389,286	1,441.5	55.2	..	..
1973 . . . . .	2,319,366	1,550.9	58.9	..	..
1974 . . . . .	2,174,247	1,580.1	58.9	..	..
<b>SUPERANNUATION BUSINESS</b>					
<b>New policies issued—</b>					
1970 . . . . .	74,334	2,298.6	58.8	60	10.6
1971 . . . . .	78,005	2,785.3	72.4	45	12.9
1972 . . . . .	86,394	3,015.2	78.8	59	14.6
1973 . . . . .	72,424	3,768.6	94.1	42	14.3
1974 . . . . .	89,778	5,534.7	139.2	38	17.4
<b>Policies discontinued or reduced(a)—</b>					
1970 . . . . .	126,552	940.0	26.5	33	4.5
1971 . . . . .	87,206	1,077.6	29.4	28	4.7
1972 . . . . .	67,696	1,324.0	32.9	43	7.1
1973 . . . . .	113,043	1,759.4	42.4	3	9.1
1974 . . . . .	94,932	1,948.8	48.8	60	14.0
<b>Policies existing at end of—</b>					
1970 . . . . .	699,652	7,797.8	211.5	977	31.4
1971 . . . . .	690,451	9,505.6	254.5	980	39.6
1972 . . . . .	709,151	11,196.7	300.5	996	47.0
1973 . . . . .	668,540	13,205.9	352.1	1,035	52.3
1974 . . . . .	663,386	16,791.8	442.4	1,013	55.7

(a) Includes policies matured, surrendered, forfeited, transferred to overseas registers, converted to other classes of business, etc.

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

		<i>Events provided for in policy</i>							
		<i>Death</i>	<i>Maturity</i>	<i>Other (including expiry)</i>	<i>Sur- render</i>	<i>For- feiture</i>	<i>Transfer</i>	<i>Other causes</i>	<i>Total</i>
<b>ORDINARY BUSINESS</b>									
<b>Number of policies—</b>									
1970	.	23,047	73,132	4,241	121,917	65,380	-1,786	-12,166	273,765
1971	.	23,138	75,516	4,654	128,879	68,741	-1,442	-5,776	293,710
1972	.	23,630	79,430	4,947	145,473	73,395	-1,826	-677	324,372
1973	.	23,826	59,754	7,532	110,141	70,929	-3,061	-71,720	197,401
1974	.	25,000	88,654	27,062	209,689	85,023	-3,551	-7,110	424,767
<b>Sum insured (\$'000)—</b>									
1970	.	54,235	63,201	158,407	506,645	394,872	-8,346	-15,845	1,153,169
1971	.	56,558	63,027	203,058	689,277	428,750	-14,094	-27,666	1,398,911
1972	.	61,660	72,536	245,464	892,028	540,624	-19,946	-15,377	1,776,989
1973	.	74,182	53,605	316,347	1,048,190	623,713	-30,199	-68,897	2,016,941
1974	.	81,646	101,798	371,087	1,332,588	769,181	-28,506	-14,076	2,613,718
<b>INDUSTRIAL BUSINESS</b>									
<b>Number of policies—</b>									
1970	.	12,554	69,069	-1	52,432	34,610	40	-104	168,600
1971	.	13,745	65,575	..	50,901	34,879	-26	-7	165,067
1972	.	12,267	112,636	..	51,941	38,281	51	-12	215,164
1973	.	11,941	126,992	..	46,770	35,448	135	-28,127	193,159
1974	.	12,501	120,791	..	55,561	41,901	79	-39	230,794
<b>Sum insured (\$'000)—</b>									
1970	.	3,152	11,236	..	34,841	51,316	54	18	100,617
1971	.	3,673	12,194	60	37,199	61,751	141	21	115,042
1972	.	3,360	19,611	113	42,777	76,231	302	..	142,393
1973	.	3,793	23,344	156	44,157	82,114	177	-41	153,699
1974	.	4,173	23,012	206	66,488	93,660	182	-590	187,130
<b>SUPERANNUATION BUSINESS</b>									
<b>Number of policies—</b>									
1970	.	3,661	9,193	181	53,065	1,655	5	58,792	126,552
1971	.	3,712	8,938	632	44,651	1,535	-9	27,749	87,208
1972	.	3,854	8,992	188	33,144	1,596	5	19,915	67,696
1973	.	3,166	9,442	587	58,705	1,802	-1,378	40,719	113,043
1974	.	3,182	9,276	671	40,836	2,709	-114	38,372	94,932
<b>Sum insured (\$'000)—</b>									
1970	.	23,053	23,573	72,008	605,648	21,848	-1,063	194,976	940,043
1971	.	24,467	28,825	143,413	679,481	23,869	-266	177,774	1,077,563
1972	.	29,182	36,821	152,457	813,044	22,424	248	269,850	1,324,025
1973	.	34,226	42,261	333,072	1,115,828	27,426	661	205,901	1,759,376
1974	.	38,735	57,470	278,476	1,362,110	56,989	-2,942	157,932	1,948,770

(a) Excludes annuities. (b) See footnote (a) on page 529.

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

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

	Ordinary business		Industrial business	Superannuation business		Total, all business combined
	Insurance and endowment premiums	Consideration for annuities	Insurance and endowment premiums	Insurance and endowment premiums	Consideration for annuities	
1970 . . . .	472,120	675	45,987	222,995	11,967	753,745
1971 . . . .	545,217	620	49,200	259,208	13,259	867,503
1972 . . . .	613,910	1,005	52,518	307,797	26,359	1,001,589
1973 . . . .	675,765	931	56,483	354,223	18,892	1,106,293
1974 . . . .	712,387	236	58,776	436,023	20,165	1,227,588

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

	Claims	Surrenders	Annuities	Cash bonuses	Total
<b>ORDINARY BUSINESS</b>					
1970 . . . .	159,357	67,028	994	1,487	228,867
1971 . . . .	180,923	81,511	995	1,607	265,035
1972 . . . .	197,653	97,720	1,110	1,720	298,204
1973 . . . .	222,646	110,169	1,141	2,136	336,092
1974 . . . .	248,421	176,669	1,244	2,941	429,275
<b>INDUSTRIAL BUSINESS</b>					
1970 . . . .	17,499	6,953	..	..	24,453
1971 . . . .	19,102	7,561	..	..	26,662
1972 . . . .	30,901	8,304	..	..	39,205
1973 . . . .	35,537	8,301	..	..	43,839
1974 . . . .	36,610	11,469	..	..	48,079
<b>SUPERANNUATION BUSINESS</b>					
1970 . . . .	57,665	55,199	3,077	998	116,941
1971 . . . .	66,589	62,848	4,012	1,109	134,557
1972 . . . .	80,336	68,656	5,196	1,589	155,775
1973 . . . .	93,408	83,655	2,127	1,680	180,870
1974 . . . .	122,403	109,242	2,302	1,906	235,853

## PRIVATE FINANCE

LIFE INSURANCE: TOTAL REVENUE  
(\$'000)

<i>Australia and overseas</i>							
	<i>Insurance and endowment premiums</i>	<i>Con- sideration for annuities granted</i>	<i>Net interest dividends and rents</i>	<i>All other revenue</i>	<i>Total revenue</i>		
					<i>Australia</i>	<i>Overseas</i>	
<b>ORDINARY BUSINESS</b>							
1970 . . . . .	610,678	10,299	279,643	50,724	719,140	232,204	
1971 . . . . .	695,185	11,860	315,409	58,467	828,437	252,485	
1972 . . . . .	771,364	12,596	347,559	88,294	940,024	279,789	
1973 . . . . .	844,561	11,471	355,295	74,916	999,401	286,842	
1974 . . . . .	917,604	5,261	395,928	103,901	1,094,367	328,327	
<b>INDUSTRIAL BUSINESS</b>							
1970 . . . . .	50,377	..	26,701	1,335	71,325	7,087	
1971 . . . . .	53,770	..	27,904	2,739	77,024	7,390	
1972 . . . . .	57,142	..	29,955	3,921	83,428	7,589	
1973 . . . . .	61,298	..	28,566	3,940	85,848	7,956	
1974 . . . . .	63,615	..	29,488	4,179	89,204	8,078	
<b>SUPERANNUATION BUSINESS</b>							
1970 . . . . .	233,518	13,825	83,331	28,026	339,175	19,525	
1971 . . . . .	271,748	16,389	94,313	38,179	399,178	21,449	
1972 . . . . .	322,831	30,945	109,191	95,283	531,934	26,315	
1973 . . . . .	369,764	25,674	128,452	67,053	560,829	30,112	
1974 . . . . .	453,104	28,455	153,652	64,088	665,167	34,132	

LIFE INSURANCE: TOTAL EXPENDITURE  
(\$'000)

<i>Australia and overseas</i>								
	<i>Claims and annuities paid</i>	<i>Surrenders</i>	<i>Cash bonuses paid to policy-holders</i>	<i>Com- mission</i>	<i>Other expenses of manage- ment</i>	<i>All other expendi- ture</i>	<i>Total expenditure</i>	
							<i>Australia</i>	<i>Overseas</i>
<b>ORDINARY BUSINESS</b>								
1970 . . . . .	228,462	88,708	2,464	68,885	81,526	19,671	360,745	128,971
1971 . . . . .	252,679	105,049	2,616	84,356	97,670	26,016	428,482	139,902
1972 . . . . .	268,354	123,128	2,647	94,221	111,051	36,767	484,573	151,596
1973 . . . . .	296,831	137,539	3,263	102,101	128,158	51,154	565,414	153,632
1974 . . . . .	331,487	210,255	6,421	111,142	160,196	165,645	787,605	197,540
<b>INDUSTRIAL BUSINESS</b>								
1970 . . . . .	20,104	7,620	..	7,557	9,268	1,474	41,099	4,926
1971 . . . . .	21,635	8,224	..	8,620	10,967	2,038	46,262	5,222
1972 . . . . .	35,136	9,037	..	9,295	11,799	2,614	60,083	7,800
1973 . . . . .	40,355	8,965	..	9,561	12,833	3,469	67,530	7,652
1974 . . . . .	40,910	12,419	..	8,474	14,279	18,738	87,394	7,426
<b>SUPERANNUATION BUSINESS</b>								
1970 . . . . .	64,936	58,608	1,069	8,019	18,710	53,733	192,669	12,406
1971 . . . . .	75,329	66,839	1,187	9,329	21,875	60,158	222,771	11,947
1972 . . . . .	90,539	72,850	1,651	10,250	24,438	64,997	252,413	12,310
1973 . . . . .	101,782	89,643	1,709	11,904	28,840	155,579	374,066	15,391
1974 . . . . .	132,349	115,034	2,321	16,769	40,725	172,900	461,577	18,520



**LIFE INSURANCE: LIABILITIES, AUSTRALIA AND OVERSEAS, 1974**  
(\$ million)

	<i>Life insurance business</i>	<i>Other classes of business</i>	<i>Total liabilities</i>
<b>Shareholders' capital—</b>			
Authorized . . . . .	..	95.8	95.8
Less un-issued . . . . .	..	58.3	58.3
<b>Subscribed capital . . . . .</b>	<b>..</b>	<b>37.5</b>	<b>37.5</b>
<b>Paid-up—</b>			
In money . . . . .	..	27.2	27.2
Otherwise than in money . . . . .	..	9.5	9.5
<b>Total paid-up capital . . . . .</b>	<b>..</b>	<b>36.7</b>	<b>36.7</b>
<b>Life insurance statutory funds—</b>			
Ordinary business . . . . .	7,052.9	..	7,052.9
Industrial business . . . . .	547.9	..	547.9
Superannuation business . . . . .	2,292.7	..	2,292.7
<b>Total statutory funds . . . . .</b>	<b>9,893.4</b>	<b>..</b>	<b>9,893.4</b>
<b>Funds in respect of other classes of business . . . . .</b>	<b>..</b>	<b>51.5</b>	<b>51.5</b>
General reserves . . . . .	131.7	46.0	177.7
Profit and loss account balance . . . . .	..	12.8	12.8
<b>Total shareholders' capital, insurance funds and reserves . . . . .</b>	<b>10,025.1</b>	<b>147.1</b>	<b>10,172.2</b>
<b>Other liabilities—</b>			
Deposits . . . . .	56.6	11.3	67.9
Staff provident and superannuation funds . . . . .	0.9	3.1	4.0
Claims admitted or intimated but not paid . . . . .	110.3	63.2	173.5
Premiums paid in advance and in suspense . . . . .	7.9	..	7.9
Sundry creditors . . . . .	59.8	5.6	65.4
Bank overdraft . . . . .	46.3	1.8	48.1
Reserves and provisions for taxation . . . . .	139.4	3.7	143.1
All other liabilities . . . . .	55.7	30.4	86.1
<b>Grand total . . . . .</b>	<b>10,502.0</b>	<b>266.3</b>	<b>10,768.3</b>

**LIFE INSURANCE<sup>(a)</sup>: ASSETS HELD IN AUSTRALIA**  
(\$ million)

	1970	1971	1972	1973	1974
Freehold and leasehold property . . . . .	761.6	948.3	1,164.7	1,384.7	1,663.2
Government and municipal securities . . . . .	1,819.3	2,052.5	2,329.5	2,478.5	2,666.6
Other investments . . . . .	1,578.4	1,727.8	1,961.7	2,199.4	2,285.1
Loans on mortgage . . . . .	1,235.4	1,252.9	1,271.5	1,258.4	1,338.8
Loans on companies' policies . . . . .	223.0	251.8	267.8	266.5	283.2
Other loans . . . . .	57.1	60.3	62.3	74.6	90.5
All other assets . . . . .	236.3	270.3	311.4	354.4	450.2
<b>Total . . . . .</b>	<b>5,911.1</b>	<b>6,563.8</b>	<b>7,369.0</b>	<b>8,016.7</b>	<b>8,778.0</b>

(a) Includes other classes of business.

**LIFE INSURANCE: ASSETS, AUSTRALIA AND OVERSEAS, 1974**  
(\$'000)

	<i>Australia</i>			<i>Australia and overseas</i>		
	<i>Life insurance business</i>	<i>Other classes of business</i>	<i>Total</i>	<i>Life insurance business</i>	<i>Other classes of business</i>	<i>Total</i>
<b>Fixed assets—</b>						
Freehold and leasehold property, office premises . . . . .	1,655.8	7.3	1,663.2	1,968.7	7.3	1,976.0
Furniture, etc. . . . .	15.4	1.8	17.1	18.5	1.8	20.2
<i>Total fixed assets</i> . . . . .	<i>1,671.2</i>	<i>9.1</i>	<i>1,680.3</i>	<i>1,987.1</i>	<i>9.1</i>	<i>1,996.2</i>
<b>Loans—</b>						
On mortgage . . . . .	1,316.1	22.6	1,338.8	1,776.8	22.6	1,799.5
On policies of the company . . . . .	283.2	..	283.2	363.3	..	363.3
Other loans . . . . .	79.5	10.9	90.5	98.2	10.9	109.2
<i>Total loans</i> . . . . .	<i>1,678.8</i>	<i>33.7</i>	<i>1,712.5</i>	<i>2,238.4</i>	<i>33.7</i>	<i>2,272.1</i>
<b>Investments—</b>						
<b>Government securities—</b>						
Australia . . . . .	1,876.9	11.8	1,888.7	1,883.3	11.8	1,895.1
Other . . . . .	14.6	..	14.6	454.3	0.7	455.0
<b>Securities of local and semi-government bodies . . . . .</b>						
Other investments . . . . .	2,158.1	127.2	2,285.1	2,612.4	128.0	2,740.4
<i>Total investments</i> . . . . .	<i>4,806.2</i>	<i>145.5</i>	<i>4,951.8</i>	<i>5,847.8</i>	<i>147.2</i>	<i>5,995.0</i>
Cash on deposit, current account and in hand . . . . .	74.8	20.1	94.9	87.1	22.6	109.7
Other assets(a) . . . . .	285.4	52.7	338.2	341.6	53.4	394.9
<b>Grand total</b> . . . . .	<b>8,516.6</b>	<b>261.5</b>	<b>8,778.0</b>	<b>10,502.0</b>	<b>266.3</b>	<b>10,768.3</b>

(n) Includes advances of premiums.

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

	1971	1972	1973	1974	1975
<b>Class of security—</b>					
Mortgage of real estate . . . . .	157,459	132,958	176,645	198,986	120,308
Companies' policies . . . . .	65,571	58,448	50,839	75,114	56,669
Other . . . . .	10,380	19,497	33,983	42,854	25,963
<b>State or Territory(b)—</b>					
New South Wales . . . . .	104,057	90,048	109,253	161,653	77,179
Victoria . . . . .	61,711	59,671	83,239	99,513	63,958
Queensland . . . . .	21,633	24,065	23,868	26,002	18,243
South Australia(c) . . . . .	18,307	13,526	18,973	21,717	17,607
Western Australia . . . . .	19,588	13,189	13,193	22,389	14,716
Tasmania . . . . .	4,688	4,425	4,560	6,307	5,027
Australian Capital Territory . . . . .	3,425	5,977	8,382	9,374	6,220
<b>Total</b> . . . . .	<b>233,410</b>	<b>210,904</b>	<b>261,468</b>	<b>316,956</b>	<b>202,945</b>

(a) Excludes advances of premiums. (b) State or Territory of location of mortgage, registration of policy or residence of borrower. (c) Includes Northern Territory.

### General Insurance

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

- (a) *Accounting Period*—The data does not relate to uniform accounting periods but to the financial years of the organisations which ended during the years shown.
- (b) *Premiums* represent the full amount receivable in respect of policies issued or renewed during the year, less stamp duty, 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.
- (c) *Claims* comprise payments made during the year, plus the estimated amount of outstanding claims at the end of the year, less the estimated amount of outstanding claims at the beginning of the year. Salvage and other amounts recoverable have been deducted.
- (d) *Contributions to fire brigades, commission, agents' charges and expenses of management* are mainly charges paid during the year.
- (e) *Expenses of management*—expenses of the Australian Control Office of each organisation are allocated as management expenses proportionally between the States on the basis of premiums receivable in each State.
- (f) *Taxation* is mainly payments made during the year and includes pay-roll tax, licence fees, etc. Stamp duty and income tax are excluded.

During 1974-75 revenue from premiums amounted to \$2,023.4 million, and that from net interest on investments, etc., to \$124.7 million. Expenditure on claims amounted to \$1,766.0 million, contributions to fire brigades \$53.0 million, commission and agents' charges \$131.9 million, expenses of management \$301.6 million, and taxation \$25.6 million. Income tax paid amounted to \$8.9 million.

#### GENERAL INSURANCE: PREMIUMS AND CLAIMS BY PRINCIPAL CLASS OF RISK, AUSTRALIA (\$'000)

Class of risk	1970-71	1971-72	1972-73	1973-74	1974-75
<b>PREMIUMS (LESS RETURNS, REBATES AND BONUSSES)</b>					
Fire (a)	149,737	170,904	181,633	208,829	241,493
House Owners' and House-holders'	73,469	86,381	104,164	127,316	163,756
Contractors' All Risks	8,248	10,036	10,043	11,448	12,132
Marine and Aviation	58,625	67,331	64,509	69,087	80,733
Motor Vehicle Comprehensive	252,225	300,343	329,932	366,126	473,449
Compulsory Third Party (Motor Vehicle)	158,486	172,505	183,877	206,423	306,781
Employers Liability (b)	181,792	236,546	291,248	380,201	580,666
Public Liability (c)	27,934	33,254	36,544	41,505	45,337
All other	92,564	108,528	123,479	139,819	155,212
<b>Total</b>	<b>1,003,078</b>	<b>1,185,826</b>	<b>1,325,427</b>	<b>1,550,754</b>	<b>2,059,558</b>
<b>CLAIMS (LESS AMOUNTS RECOVERABLE)</b>					
Fire (a)	67,420	77,503	83,728	113,643	(d)196,834
Houseowners' and House-holders'	24,580	34,951	41,069	52,647	175,293
Contractors' All Risks	4,142	5,197	5,436	6,944	16,661
Marine and Aviation	29,597	28,374	28,477	44,963	61,282
Motor Vehicle Comprehensive	186,673	217,933	223,364	268,856	349,631
Compulsory Third Party (Motor Vehicle)	151,431	181,920	211,249	284,712	366,713
Employers Liability (b)	126,850	165,021	245,008	353,838	494,143
Public Liability (c)	14,313	13,530	17,296	23,196	31,655
All other	40,940	49,896	50,509	59,419	76,843
<b>Total</b>	<b>645,947</b>	<b>774,323</b>	<b>906,136</b>	<b>1,208,221</b>	<b>1,769,055</b>

(a) Includes Sprinkler Leakage, Crop, Hailstone and Loss of Profits insurance. (b) Excludes workers' compensation in coal-mining industry. (c) Includes Product Liability and Professional Indemnity insurance. (d) Excludes crop insurance in Northern Territory, which is included in 'All other'.

Summary information on foreign ownership and control of general insurance business is shown in Chapter 11. More detailed statistics are available in *Foreign Ownership and Control of General Insurance Business, (Advance Release) 1972-73 (5.48)* and *Foreign Ownership and Control of General Insurance Business, 1972-73 (5.52)*.

## PENSION AND SUPERANNUATION SCHEMES

### Public authority pension and superannuation schemes

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

#### Schemes operated through separately constituted funds

#### PUBLIC AUTHORITY PENSION AND SUPERANNUATION SCHEMES OPERATED THROUGH SEPARATELY CONSTITUTED FUNDS

	1970-71	1971-72	1972-73	1973-74	1974-75
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income—</b>					
<b>Contributions—</b>					
Employees . . . . .	157,973	193,643	214,773	247,518	320,343
Employing authorities . . . . .	171,918	219,658	238,036	270,708	345,283
Interest, dividends and rent . . . . .	104,889	125,872	145,573	154,881	194,411
Transfers . . . . .	..	29	1,149	10,245	8,349
Other income . . . . .	12,734	9,000	13,238	10,941	14,387
<b>Total income . . . . .</b>	<b>447,513</b>	<b>548,202</b>	<b>612,769</b>	<b>694,292</b>	<b>882,774</b>
<b>Expenditure—</b>					
Pensions . . . . .	161,177	193,999	216,060	231,296	286,441
<b>Lump sum payments—</b>					
On retirement, death, resignation or dismissal(a) . . . . .	69,334	88,725	95,785	119,139	127,047
Gratuities . . . . .	4,459	4,124	3,900	2,327	3,737
Other expenditure . . . . .	15,877	14,182	16,610	33,342	121,469
<b>Total expenditure . . . . .</b>	<b>250,847</b>	<b>301,029</b>	<b>332,355</b>	<b>386,105</b>	<b>538,694</b>
<b>Assets at end of year—</b>					
<b>Cash—</b>					
Deposits with Treasury . . . . .	60,270	65,649	80,360	112,698	132,861
Other deposits and cash . . . . .	31,676	29,271	28,994	90,235	88,171
Australian and semi-government securities . . . . .	166,125	188,465	208,969	176,572	204,058
Local and semi-government securities . . . . .	1,077,769	1,192,368	1,284,863	1,259,622	1,336,265
<b>Mortgages—</b>					
Housing . . . . .	39,619	44,159	48,561	62,428	70,476
Other . . . . .	220,878	286,690	383,284	442,786	526,128
Loans to building societies . . . . .	34,893	52,775	48,220	48,614	55,921
Company shares, debentures and notes . . . . .	121,518	158,406	218,081	247,226	308,451
Other assets . . . . .	129,961	152,154	168,968	153,352	222,157
<b>Total assets(b) . . . . .</b>	<b>1,882,708</b>	<b>2,169,936</b>	<b>2,470,300</b>	<b>2,595,533</b>	<b>2,944,488</b>
<b>Less Sundry creditors, etc. . . . .</b>	<b>22,335</b>	<b>32,162</b>	<b>52,111</b>	<b>64,484</b>	<b>62,771</b>
<b>Accumulated funds(b) . . . . .</b>	<b>1,860,373</b>	<b>2,137,775</b>	<b>2,418,189</b>	<b>2,531,049</b>	<b>2,881,717</b>
	No.	No.	No.	No.	No.
<b>Contributors at end of year . . . . .</b>	<b>598,804</b>	<b>689,113</b>	<b>705,016</b>	<b>662,406</b>	<b>719,334</b>
<b>Pensioners at end of year—</b>					
Ex-employees . . . . .	70,620	74,861	78,360	61,621	n.a.
Widows . . . . .	30,606	39,960	44,168	45,828	n.a.
Children . . . . .	6,906	7,559	7,680	5,366	n.a.

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

(b) Includes assets of the Voluntary Savings

## Schemes operated through life insurance offices

PUBLIC AUTHORITY PENSION AND SUPERANNUATION SCHEMES  
OPERATED THROUGH LIFE INSURANCE OFFICES

	1970-71	1971-72	1972-73	1973-74	1974-75
Income—					
Contributions—					
Employees . . . \$'000	12,985	11,187	11,259	12,210	18,363
Employing authorities . \$'000	17,782	15,042	15,929	16,425	23,705
Contributors at end of year . No.	91,429	62,322	62,332	60,871	63,404

## Parliamentary pension and superannuation schemes

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

PARLIAMENTARY PENSION AND SUPERANNUATION SCHEMES<sup>(a)</sup>

	1970-71	1971-72	1972-73	1973-74	1974-75
	\$'000	\$'000	\$'000	\$'000	\$'000
Income—					
Contributions—					
Members . . . . .	657	767	855	766	988
Government . . . . .	1,322	1,386	1,820	2,273	2,949
Interest and other income . . . . .	400	456	482	374	481
<b>Total income . . . . .</b>	<b>2,379</b>	<b>2,608</b>	<b>3,158</b>	<b>3,413</b>	<b>4,417</b>
Expenditure—					
Pension payments . . . . .	1,395	1,599	1,778	1,477	1,805
Other . . . . .	294	259	1,102	789	1,893
<b>Total expenditure . . . . .</b>	<b>1,690</b>	<b>1,858</b>	<b>2,880</b>	<b>2,266</b>	<b>3,697</b>
Assets at end of year—					
Cash—					
Deposits with Treasury . . . . .	86	188	368	708	693
Other deposits and cash . . . . .	34	192	113	266	15
Australian Government securities . . . . .	1,005	1,064	1,034	352	352
Local government and semi-government securities . . . . .	4,344	4,511	4,655	3,166	4,267
Other assets . . . . .	1,522	1,778	1,853	2,249	2,861
<b>Total assets . . . . .</b>	<b>6,991</b>	<b>7,734</b>	<b>8,024</b>	<b>6,741</b>	<b>8,189</b>
<b>Less Sundry creditors, etc. . . . .</b>	<b>21</b>	<b>13</b>	<b>25</b>	<b>28</b>	<b>756</b>
<b>Accumulated funds . . . . .</b>	<b>6,970</b>	<b>7,720</b>	<b>7,999</b>	<b>6,713</b>	<b>7,433</b>
	No.	No.	No.	No.	No.
Contributors at end of year—					
Males . . . . .	656	717	718	535	531
Females . . . . .	9	15	15	15	19
Pensioners at end of year—					
Ex-members . . . . .	304	280	312	230	230
Widows <sup>(b)</sup> . . . . .	213	215	215	166	167

<sup>(a)</sup> Includes the Ministerial Retiring Allowances Fund.

<sup>(b)</sup> Includes children in receipt of Australian Parliamentary pensions.

### Coal and oil-shale mine workers' superannuation schemes

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

COAL AND OIL-SHALE MINE WORKERS' SUPERANNUATION SCHEMES(a)					
	1970-71	1971-72	1972-73	1973-74	1974-75
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income—</b>					
Contributions . . . . .	6,664	7,473	7,668	7,739	9,547
Interest, dividends, rent and other income	1,447	1,530	1,597	1,726	1,935
<b>Total income . . . . .</b>	<b>8,111</b>	<b>9,003</b>	<b>9,265</b>	<b>9,465</b>	<b>11,482</b>
<b>Expenditure—</b>					
Pensions and lump sum payments . . . . .	7,360	7,987	7,749	7,827	9,391
Other . . . . .	210	330	282	320	377
<b>Total expenditure . . . . .</b>	<b>7,570</b>	<b>8,317</b>	<b>8,031</b>	<b>8,147</b>	<b>9,769</b>
<b>Assets at end of year—</b>					
Local government and semi-government securities . . . . .	24,227	25,074	25,961	26,768	29,102
Other assets . . . . .	1,884	1,688	2,080	2,644	2,077
<b>Total assets . . . . .</b>	<b>26,111</b>	<b>26,761</b>	<b>28,041</b>	<b>29,412</b>	<b>31,180</b>
<i>Less</i> Sundry creditors, statutory reserve funds, etc. . . . .	144	109	154	67	276
<b>Accumulated funds . . . . .</b>	<b>25,967</b>	<b>26,652</b>	<b>27,887</b>	<b>29,345</b>	<b>30,904</b>
Number of contributions at end of year . . . . .	No. 18,697	No. 18,970	No. 18,742	No. 19,102	No. 21,542
Number of pensioners at end of year . . . . .	11,770	11,657	11,976	12,044	12,090

(a) Operating in all States except South Australia.

### Private superannuation, pension and retiring allowance schemes

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

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

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

Information for these selected funds for the years 1955-56, 1960-61, 1961-62 and 1962-63 was extracted from the returns obtained in the sample surveys conducted for those years and results of the survey for 1964-65, together with comparative figures for previous years, were published in April 1966 in a mimeographed bulletin (S.B. 383).

In order to improve the coverage of the published statistics of private pension funds, returns were collected from some additional funds for 1964-65 and tabulated with the returns from the survey for 1964-65 referred to above. The separately constituted private pension funds included in the enlarged 1964-65 survey together accounted, in 1962-63, for about 72 per cent of the total contributions, 71 per cent of the income, 68 per cent of the expenditure and 77 per cent of the assets of the separately constituted funds covered by the more comprehensive sample survey conducted for 1962-63. The results of the enlarged 1964-65 survey were published in September 1966 in a mimeographed bulletin (S.B. 493).

Further surveys, relating to the same funds that were included in the enlarged 1964-65 survey of selected private pension funds, have been made in respect of each year from 1965-66 to 1974-75 inclusive. Since the *Survey of Selected Private Pension Funds* for 1974-75 is not a representative sample it is not known to what extent their share of the whole field has changed since the 1962-63 survey; nor is the pattern of income, expenditure and asset distribution of the large funds included in this survey necessarily representative of the whole field.

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

#### SELECTED SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS: INCOME AND EXPENDITURE

(\$ million)

INCOME									
	Employees' contributions	Employers' contributions	Interest on Aust. Govt local and semi-government securities	Other interest, dividends and rent	Profit from sale or revaluation of assets	Other income(a)	Total income		
1970-71	43.9	84.0	28.0	50.9	4.1	4.0	214.8		
1971-72	48.0	91.7	30.6	56.0	16.2	9.0	251.5		
1972-73	59.0	106.8	35.8	65.0	18.5	6.7	291.9		
1973-74	68.0	146.4	33.6	79.9	8.8	5.1	341.8		
1974-75	87.1	194.8	40.8	98.3	3.5	12.4	436.9		

EXPENDITURE										
	Pensions paid		Lump sum payments				Loss on sale or revaluation of assets	Other expenditure (b)	Total expenditure	
	Ex-employees	Widows or children	To former employees		To widows or children	Total				
			On retirement	On resignation or dismissal						
1970-71	23.3	4.2	27.5	25.7	17.4	4.4	47.5	7.3	6.2	88.5
1971-72	28.6	4.4	33.0	31.3	20.0	4.6	55.9	3.4	5.3	97.3
1972-73	31.7	4.9	36.6	43.1	23.0	5.9	72.0	2.0	10.1	120.7
1973-74	36.8	5.6	42.4	45.3	27.3	5.9	78.5	19.3	10.5	150.7
1974-75	42.9	6.5	49.4	52.1	30.7	6.5	89.3	21.1	38.5	198.3

(a) Includes receipts from life insurance offices, sub-underwriting commissions, etc. expenses payable from funds, payments to life insurance offices, etc.

(b) Includes administrative

## SELECTED SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS: ASSETS(a)

	Cash in hand or in bank	Aust. Govt securities	Local and semi-government securities	Loans on mortgage		Company debentures, notes, etc(b)	Shares in companies	Land and buildings	All other assets (c)	Total assets	Less sundry creditors, etc.	Amount of funds in Australia
				To companies	Other							
AMOUNT (\$ million)												
1970-71	24.4	242.3	221.4	106.4	41.3	320.6	400.9	26.1	35.2	1,418.6	10.0	1,408.5
1971-72	35.0	280.9	227.8	102.2	51.5	345.3	449.5	34.2	46.5	1,572.8	10.1	1,562.7
1972-73	36.2	311.3	235.8	137.9	35.7	371.1	506.7	43.7	70.1	1,748.4	12.8	1,735.7
1973-74	32.2	353.3	242.8	148.8	46.8	392.9	568.5	53.2	100.9	1,939.5	14.4	1,925.0
1974-75	41.6	400.4	254.4	173.7	39.8	431.4	613.3	73.0	135.7	2,163.3	13.5	2,149.8
PERCENTAGE DISTRIBUTION												
1970-71	1.7	17.1	15.6	7.5	2.9	22.6	28.3	1.8	2.5	100.0	0.7	99.3
1971-72	2.2	17.9	14.5	6.5	3.3	22.0	28.6	2.2	3.0	100.0	0.6	99.4
1972-73	2.1	17.8	13.5	7.9	2.0	21.2	29.0	2.5	4.0	100.0	0.7	99.3
1973-74	1.7	18.2	12.5	7.7	2.4	20.3	29.3	2.7	5.2	100.0	0.7	99.3
1974-75	1.9	18.5	11.7	8.0	1.8	20.0	28.4	3.4	6.3	100.0	0.6	99.4

(a) Book values at balance dates. (b) Includes other loans to companies. (c) Includes loans to authorised dealers in the short-term money market and loans to building societies.

## FINANCE COMPANIES

Information relating to the lending operations of finance companies in Australia is given in the following tables. A comprehensive account of the scope of these statistics and fuller details of the transactions of finance companies, together with definitions of the various categories of finance agreements and of the items of data given in the tables, are provided in the bulletin *Finance Companies Transactions 1973-74* (5.13) and in the monthly statements *Finance Companies* (5.14). For the purposes of these statistics, finance companies are defined as companies which are engaged mainly in providing to the general public (businesses as well as persons in their private capacity) credit facilities of the following types: instalment credit for retail sales, personal loans, wholesale finance, factoring, other consumer and commercial loans, financial leasing of business plant and equipment, and bills of exchange. The finance companies covered in these statistics, insofar as they provide instalment credit for retail sales, are also included in the statistics of Instalment Credit for Retail Sales (see pages 542-3.).

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

Breaks in series: The scope of the monthly collection has been altered on a number of occasions since July 1970. The major changes are as follows: (i) from July 1971, the definition of a finance company was altered to raise the exclusion level on balances outstanding from \$100,000 to \$500,000; (ii) from July 1973, the definition of a finance company was altered to include financial leasing of business plant and equipment and bill of exchange transactions as qualifying assets; and (iii) from July 1973, the item 'Instalment Credit for Retail Sales' has been redefined to exclude details of financing 'producer' type goods such as plant and machinery, tractors, earthmoving equipment, business machines and commercial motor vehicles. Details of the financing of such goods are now included in 'Other Commercial Loans'.

Summary information on foreign ownership and control of finance companies is shown in Chapter 11. More detailed statistics are available in *Foreign Ownership and Control of Finance Companies (Advance Release) 1973* (5.47) and *Foreign Ownership and Control of Finance Companies, 1973* (5.50).



## FINANCE COMPANIES: SUMMARY, AUSTRALIA

(\$ million)

	<i>Amount financed</i>	<i>Collections and other liquidations</i>			<i>Balances outstanding at end of year</i>		
		<i>Contracts including charges</i>	<i>Contracts excluding charges</i>	<i>All contracts</i>	<i>Contracts including charges</i>	<i>Contracts excluding charges</i>	<i>All contracts (a)</i>
1971-72 . . .	5,512.6	2,020.2	3,449.6	5,469.8	3,077.0	1,821.8	4,898.7
1972-73 . . .	5,704.5	2,414.7	3,301.2	5,715.8	3,435.2	2,228.3	5,663.5
1973-74 . . .	7,256.9	2,671.3	3,966.4	6,637.5	4,409.2	3,446.3	7,855.5
1974-75 . . .	5,721.3	2,780.9	4,006.5	6,787.4	4,432.5	3,672.2	8,104.8
1975-76 . . .	7,618.2	3,232.9	5,021.0	8,254.0	5,369.8	3,857.2	9,227.0

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

## FINANCE COMPANIES: AMOUNT FINANCED, COLLECTIONS AND OTHER LIQUIDATIONS OF BALANCES, AND BALANCES OUTSTANDING BY TYPE OF AGREEMENT

(\$ million)

	<i>Instalment credit for retail sales</i>	<i>Personal loans</i>	<i>Wholesale finance</i>	<i>Factoring</i>	<i>Other consumer and commercial loans(a)</i>		<i>Total</i>
					<i>Contracts including charges</i>	<i>Contracts excluding charges</i>	
<b>AMOUNT FINANCED DURING YEAR</b>							
1971-72 . . .	1,121.8	206.4	1,294.0	98.5	2,791.9		5,512.6
1972-73 . . .	1,193.8	272.7	1,439.5	109.1	2,689.3		5,704.5
1973-74 . . .	1,146.2	341.5	1,845.6	152.0	3,771.4		7,256.9
1974-75 . . .	1,154.5	335.5	2,143.5	183.2	1,904.7		5,721.3
1975-76 . . .	1,389.2	505.3	2,873.9	237.4	2,612.5		7,618.2
<b>COLLECTIONS AND OTHER LIQUIDATIONS OF BALANCES DURING YEAR</b>							
1971-72 . . .	1,405.6	199.0	1,268.7	115.4	444.4	2,036.8	5,469.8
1972-73 . . .	1,491.0	280.5	1,473.4	126.4	678.3	1,666.3	5,715.8
1973-74 . . .	1,352.4	349.3	1,817.0	159.8	1,004.8	1,954.3	6,637.5
1974-75 . . .	1,432.8	390.1	2,130.0	212.5	999.2	1,622.8	6,787.4
1975-76 . . .	1,613.9	521.9	2,721.0	264.9	1,073.8	2,058.3	8,254.0
<b>BALANCES OUTSTANDING AT END OF YEAR</b>							
1971-72 . . .	1,791.2	278.4	237.0	25.7	1,028.1	1,538.4	4,898.7
1972-73 . . .	1,866.8	373.6	224.4	27.2	1,220.2	1,951.3	5,663.5
1973-74 . . .	1,762.4	524.0	284.4	41.0	2,158.6	3,085.0	7,855.5
1974-75 . . .	1,922.0	579.7	357.7	45.1	1,976.0	3,224.2	8,104.8
1975-76 . . .	2,248.3	774.3	589.6	51.3	2,310.0	3,253.5	9,227.0

(a) Prior to July 1972, included liquidity placements.

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

	<i>Leasing of business equipment and plant</i>		<i>Bills of exchange</i>		<i>Balances outstanding at end of period</i>	<i>Loans to non-finance companies in group</i>
	<i>Value of goods newly leased during period</i>	<i>Value of all leasing agreements at end of period</i>	<i>Amounts paid for bills acquired during period</i>	<i>Amounts re- ceived for bills disposed of during period</i>		
1971-72 . . .	304.1	648.0(a)	346.6	318.5	83.7	30.2
1972-73 . . .	400.9	803.8	493.8	453.4	124.1	52.4
1973-74 . . .	668.2	1,234.9	2,105.5	2,013.7	410.5	142.1
1974-75 . . .	586.2	1,430.0	3,578.8	3,516.0	547.8	197.9
1975-76 . . .	1,007.8	1,915.5	4,177.4	4,055.1	658.6	262.9

(a) As from July 1971 the valuation is 'gross receivables' and figures have been partly estimated. For more details see explanatory notes to the bulletin *Finance Companies Transactions 1973-74* (Reference No. 5.13).

**INSTALMENT CREDIT FOR RETAIL SALES**

Information relating to instalment credit for retail sales in Australia is given in the following tables. More detailed information may be found in the July, August and September 1973 issue of the monthly bulletin *Instalment Credit for Retail Sales* (5.46).

The statistics cover the operations of instalment credit schemes which relate primarily to the financing of retail sales of consumer commodities. In general, the term instalment credit is defined as relating to schemes in which repayment is made by regular predetermined instalments (predetermined by amount or by percentage of amount financed or balance outstanding). Types of instalment credit schemes covered include hire purchase, time payment, budget account and personal loans where these schemes relate primarily to the financing of retail sales of consumer commodities.

Figures for amounts financed *exclude* interest, hiring charges, insurance, etc. Figures for balances outstanding and collections *include* interest, hiring charges, insurance, etc.

**INSTALMENT CREDIT FOR RETAIL SALES, BY TYPE OF BUSINESS: AMOUNT  
FINANCED, BY COMMODITY GROUP, COLLECTIONS, AND BALANCES  
OUTSTANDING, AUSTRALIA**  
(\$ million)

	<i>Amount financed during year</i>					<i>Collections and other liquidations of balances during year</i>	<i>Balances outstanding at end of year</i>
	<i>Motor cars and station waggons</i>		<i>Other motor vehicles (a)</i>	<i>Household and personal goods</i>	<i>Total</i>		
	<i>New</i>	<i>Used</i>					
<b>Finance companies—</b>							
1973-74 . . .	371.7	468.5	78.9	227.1	1,146.2	1,352.4	1,761.9
1974-75 . . .	428.5	413.3	75.4	237.4	1,154.5	1,432.8	1,922.0
1975-76 . . .	433.6	536.6	124.4	294.5	1,389.2	1,613.9	2,248.3
<b>Other businesses(b)—</b>							
1973-74 . . .	1.0	0.8	5.6	219.1	226.4	233.8	174.1
1974-75 . . .	0.4	0.4	5.6	239.0	245.4	263.0	174.8
1975-76 . . .	0.3	0.1	5.9	237.9	244.1	267.8	172.4
<b>Total—all businesses—</b>							
1973-74 . . .	372.7	469.2	84.4	446.2	1,372.5	1,586.3	1,935.9
1974-75 . . .	428.9	413.7	81.0	476.4	1,400.0	1,695.8	2,096.8
1975-76 . . .	433.9	536.7	130.3	532.4	1,633.3	1,882.0	2,420.8

(a) Includes new and used motor cycles, boats, caravans, trailers and motor parts and accessories but excludes panel vans, utilities, trucks, tractors and other vehicles normally used for commercial purposes.

(b) Businesses operating retail establishments, unincorporated finance businesses and businesses other than wholesalers and manufacturers.

INSTALMENT CREDIT FOR RETAIL SALES, BY TYPE OF CREDIT  
 AMOUNT FINANCED, BY COMMODITY GROUP, AUSTRALIA  
 (\$ million)

	<i>Motor cars and station waggons</i>		<i>Other motor vehicles (a)</i>	<i>Household and personal goods</i>	<i>Total</i>
	<i>New</i>	<i>Used</i>			
<b>Hire purchase—</b>					
1973-74 . . . . .	273.6	354.0	64.7	150.4	842.7
1974-75 . . . . .	310.8	283.5	60.3	132.9	787.5
1975-76 . . . . .	318.4	379.8	100.6	143.4	942.3
<b>Other instalment credit—</b>					
1973-74 . . . . .	99.0	115.2	19.8	295.8	529.8
1974-75 . . . . .	118.1	130.2	20.7	343.5	612.4
1975-76 . . . . .	115.5	156.8	29.6	389.0	691.0
<b>Total instalment credit—</b>					
1973-74 . . . . .	372.7	469.2	84.4	446.2	1,372.5
1974-75 . . . . .	428.9	413.7	81.0	476.4	1,400.0
1975-76 . . . . .	433.9	536.7	130.3	532.5	1,633.3

(a) Includes new and used motor cycles, boats, caravans, trailers and motor parts and accessories but excludes panel vans, utilities, trucks, tractors and other vehicles normally used for commercial purposes.

## PASTORAL FINANCE COMPANIES

PASTORAL FINANCE COMPANIES: RURAL ADVANCES  
AMOUNTS OUTSTANDING<sup>(a)</sup>

(Source: Reserve Bank of Australia)

(\$ million)

End of June—	N.S.W.	Vic.	Qld	S.A.	W.A. and Tas.	Total
1971 . . .	70.8	57.2	69.6	73.7	61.7	333.0
1972 . . .	60.6	57.2	57.0	63.3	54.4	292.5
1973 . . .	65.3	68.0	53.3	57.3	59.2	303.1
1974 . . .	78.0	86.1	59.1	72.0	76.0	371.1
1975 . . .	51.6	55.8	44.8	68.0	59.1	279.4

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

PASTORAL FINANCE COMPANIES: LIABILITIES AND ASSETS<sup>(a)</sup>

(Source: Reserve Bank of Australia)

(\$ million)

## LIABILITIES

End of June—	Balances due to banks	Clients' credit balances	Debentures, notes and deposits		Other outside liabilities	Shareholders' funds	Overseas liabilities	Total liabilities/assets
			Maturing within twelve months	Other				
1971 . . .	96.2	31.9	85.3	78.4	122.1	179.6	128.6	722.0
1972 . . .	57.1	35.1	137.6	86.4	150.2	183.3	124.0	773.6
1973 . . .	54.7	57.6	207.5	94.3	196.6	199.1	129.3	939.1
1974 . . .	121.8	48.9	176.9	94.4	194.1	210.7	137.9	984.7
1975 . . .	74.7	37.5	209.0	105.7	192.8	259.7	86.7	966.1

## ASSETS

End of June—	Cash and deposits with banks	Loans to authorised money market dealers	Other short-term assets (b)	Aust. Govt securities	Advances and sundry debtors		Stocks	Fixed assets	Other assets
					Rural	Other			
1971 . . .	10.7	3.3	28.8	35.7	333.0	33.9	42.3	190.9	43.3
1972 . . .	10.0	15.0	60.8	65.7	292.5	32.1	48.9	185.3	63.4
1973 . . .	14.9	19.1	171.7	58.3	303.1	45.7	67.2	190.0	69.2
1974 . . .	14.5	10.5	127.0	21.4	371.1	61.8	95.8	205.3	77.4
1975 . . .	11.2	5.7	149.1	27.8	279.4	61.5	114.8	236.4	80.4

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

## RURAL DEBT

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

## ESTIMATED RURAL DEBT TO SPECIFIED LENDERS

(Source: Reserve Bank of Australia)

(\$ million)

Lender	30 June—				
	1971	1972	1973	1974	1975
Major trading banks . . . . .	994	963	1,051	1,161	1,220
Ex-service settlement . . . . .	83	79	71	61	58
Other government, including State banks and State savings banks . . . . .	374	432	481	500	552
Pastoral finance companies . . . . .	333	293	303	371	279
Commonwealth Development Bank . . . . .	192	202	198	203	232
Life insurance companies . . . . .	129	125	117	107	104
<b>Total . . . . .</b>	<b>2,104</b>	<b>2,094</b>	<b>2,221</b>	<b>2,403</b>	<b>2,445</b>

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

## NEW CAPITAL RAISINGS BY COMPANIES IN AUSTRALIA

Information relating to capital raised by companies in Australia is given in the following tables. More detailed information may be found in the quarterly bulletin *New Capital Raisings by Companies in Australia* (5.9).

In general, in the case of listed companies, these statistics cover capital raised through share and debenture subscriptions and by way of deposits, unsecured notes and loans secured over the entire assets of the company; in the case of unlisted companies, they cover capital raised through share subscriptions and by way of loans secured over the entire assets of the company. The following funds are excluded:

- (a) All capital raised from Australian banks (other than direct equity investment) i.e., overdrafts, mortgage loans, term loans or debentures,
- (b) Temporary advances or short-term deposits from any source, and
- (c) Complete or partial issues by Australian companies on overseas markets taken up through overseas brokers.

## Classification of companies and securities

*Listed* companies are companies incorporated in Australia whose shares, debentures, or other securities are listed on one or more of the Australian Stock Exchanges. For such companies new capital includes:

- (a) all issues of ordinary shares if any ordinary shares are listed,
- (b) all issues of preference shares if any preference shares are listed, and
- (c) all issues of debentures, unsecured notes, secured and unsecured loans, and deposits if any shares or other securities are listed.

*Unlisted* companies are all other companies (including subsidiaries of listed companies and of overseas companies) incorporated in Australia (excluding overseas territories). Statistics of capital raisings for such companies include raisings not covered by (i) and debentures, notes, etc., raised by overseas public companies through their Australian offices.

The following notes relate to specific items in the tables.

## New Money

This is the net amount of cash transferred from the 'investing public' to the 'company sector'. For this purpose the 'investing public' is defined to include all non-company subscribers, Australian life insurance companies, Australian government and private superannuation funds and banks. In practice, it is necessary to include in 'new money' most subscriptions by companies holding less than 5 per cent of the ordinary shares of an issuing company as it is not practicable to separately identify all such subscriptions. However, where large subscriptions by companies holding less than 5 per cent of the ordinary shares in the issuing company are identified they are not included in 'new money'. Subscriptions by Australian life insurance companies and Australian government and private superannuation funds are included in 'new money' irrespective of their holdings of ordinary shares in the issuing company. Subscriptions by overseas banks, life insurance companies and superannuation funds are excluded from 'new money' whether they hold more or less than 5 per cent of the ordinary shares of the issuing company.

## Amount not involving new money

This amount includes cash subscriptions received by issuing companies from associated companies. Also included are amounts which, although subscribed by the 'investing public' (i.e. subscribers other than 'associated companies') are not retained by the issuing company or its associates, but are used to redeem shares, debentures or unsecured notes, etc., or are used to purchase, from individuals, existing shares, debentures, etc., in other companies, including existing shares, etc., in associated and subsidiary companies, and therefore do not represent a net transfer of cash from the 'investing public' to the companies. In the tables which follow, the 'amount not involving new money' is obtained by deducting from the total cash raised the amount of 'new money'.

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

	Share capital					Debentures, registered notes and deposits			
	Value of issues commenced	Non-cash issues commenced (c)	Cash issues commenced	Cash raised during period (d)	Amount not involving new money	New money	Total amount raised (e)	Amount not involving new money (e)	New money
1971-72 . . .	655.4	398.8	256.5	342.2	87.3	255.0	3,650.3	2,925.5	724.9
1972-73 . . .	712.5	405.0	307.5	362.5	159.3	203.2	3,629.6	3,026.0	603.6
1973-74(f) . . .	973.8	610.3	363.4	382.0	116.5	265.6	6,794.5	5,505.6	1,288.9
1974-75 . . .	399.4	122.3	277.1	296.7	125.6	171.1	6,310.6	5,362.0	948.6
1975-76 . . .	500.4	125.8	374.6	378.8	55.2	323.6	5,046.7	3,952.0	1,094.7

(a) Includes convertible notes. (b) Deposits accepted by banks, life insurance companies, pastoral companies and building societies, and loans to authorised dealers in the short-term money market are excluded. (c) Includes bonus issues, conversion issues, issues in exchange for existing shares, etc. (d) Amounts paid up on issues commenced during the year plus calls on issues commenced in earlier years. (e) Includes conversions, renewals, etc. (f) Prior to July 1973 includes details of companies incorporated in Papua New Guinea.

**UNLISTED COMPANIES: NEW CAPITAL RAISED THROUGH ISSUE OF  
SHARES AND LOANS SECURED BY CHARGES OVER THE COMPANIES'  
ENTIRE ASSETS**  
(\$ million)

	Share capital					Loans secured by charges over the companies' entire assets			
	Value of issues commenced(a)	Non-cash issues commenced (b)	Cash issues commenced	Cash raised during period (c)	Amount not involving new money	New money	Total amount raised (d)	Amount not involving new money (d)	New money
1971-72 . . .	783.7	353.1	430.6	469.5	403.8	65.6	127.1	95.2	31.9
1972-73 . . .	655.1	287.7	367.4	381.8	319.0	62.8	123.0	79.6	43.4
1973-74 . . .	948.6	397.8	550.8	500.3	428.3	71.9	140.8	100.0	40.8
1974-75 . . .	567.6	181.9	385.7	418.0	374.0	44.0	110.6	70.8	39.8
1975-76 . . .	701.1	303.2	398.0	403.9	360.5	43.5	74.0	60.1	13.9

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

**LISTED AND UNLISTED COMPANIES: NEW MONEY RAISED, BY INDUSTRY GROUP**  
(\$ million)

	<i>Companies listed on stock exchanges</i>			<i>Companies not listed on stock exchanges</i>			<i>Grand total</i>
	<i>Share capital(a)</i>	<i>Debentures registered notes and deposits(b)</i>	<i>Total</i>	<i>Share capital(a)</i>	<i>Secured loans(c)</i>	<i>Total</i>	
<b>Manufacturing—</b>							
1971-72 . . . . .	31.1	122.6	153.7	11.5	5.7	17.2	170.9
1972-73 . . . . .	66.6	23.9	90.6	9.5	4.6	14.1	104.7
1973-74 . . . . .	82.9	29.5	(d)112.4	12.8	3.9	16.7	(d)129.1
1974-75 . . . . .	84.3	368.1	452.4	6.8	8.1	14.9	467.3
1975-76 . . . . .	115.0	143.0	258.0	4.9	0.5	5.4	263.4
<b>Finance and property(b)—</b>							
1971-72 . . . . .	42.3	563.1	605.4	13.1	19.4	32.5	637.9
1972-73 . . . . .	26.7	532.2	558.9	19.3	27.6	46.9	605.8
1973-74 . . . . .	119.9	1,224.8	(d)1 344.7	25.0	21.0	46.0	(d)1,390.7
1974-75 . . . . .	18.1	421.6	439.7	7.2	22.3	29.5	469.2
1975-76 . . . . .	77.8	853.3	931.1	7.7	11.4	19.1	950.2
<b>Commerce—</b>							
1971-72 . . . . .	12.3	36.3	48.6	5.6	0.3	5.9	54.5
1972-73 . . . . .	10.5	16.6	27.0	9.0	3.1	12.1	39.2
1973-74 . . . . .	20.6	15.0	(d)35.6	5.6	6.0	11.6	47.2
1974-75 . . . . .	36.0	89.2	125.2	2.7	2.3	5.0	130.2
1975-76 . . . . .	39.8	21.0	60.8	2.9	1.0	3.9	64.7
<b>Other industries—</b>							
1971-72 . . . . .	169.3	2.9	172.2	35.3	6.4	41.7	213.9
1972-73 . . . . .	99.5	30.7	130.2	24.8	8.1	33.0	163.1
1973-74 . . . . .	42.4	19.5	(d)62.0	28.7	9.9	38.6	(d)100.6
1974-75 . . . . .	32.7	69.8	102.5	27.5	7.0	34.5	137.0
1975-76 . . . . .	91.0	77.4	168.4	28.0	1.0	29.0	197.4
<b>All industries—</b>							
1971-72 . . . . .	255.0	724.9	979.9	65.6	31.9	97.5	1,077.2
1972-73 . . . . .	203.2	603.7	806.9	62.8	43.4	106.2	913.1
1973-74 . . . . .	265.6	1,288.9	(d)1,554.5	71.9	40.8	112.7	(d)1,667.2
1974-75 . . . . .	171.1	948.6	1,119.7	44.0	39.8	83.8	1,203.5
1975-76 . . . . .	323.6	1,094.7	1,418.3	43.5	13.9	57.4	1,475.7

(a) Includes preference shares. (b) Excludes deposits accepted by banks, insurance companies, pastoral companies and building societies, and loans to authorised dealers in the short-term money market. (c) Includes only loans which are secured by charges over the companies' entire assets. (d) Prior to July 1973 includes details of companies incorporated in Papua New Guinea.

### SHORT-TERM MONEY MARKET

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

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

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

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

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

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

### SHORT-TERM MONEY MARKET: SELECTED LIABILITIES AND ASSETS AND INTEREST RATES OF AUTHORISED DEALERS

(Source: Reserve Bank of Australia)

Month	Liabilities to clients			Holdings of Aust. Govt securities (at face value)	Com-mercial bills	Bank's certifi-cates of deposit	Interest rates on loans accepted during month				Weighted average interest rate on loans out-standing (a)
	All trading banks	Other clients	Total				At call		For fixed periods		
							Mini-mum per cent per annum	Maxi-mum per cent per annum	Mini-mum per cent per annum	Maxi-mum per cent per annum	
Average of weekly figures—(\$ million)											
June—											
1972 .	249.8	741.5	991.3	975.0	39.8	20.8	2.00	8.25	4.25	6.60	5.18
1973 .	149.6	670.2	819.8	732.2	40.8	79.7	2.00	8.75	2.00	7.00	4.70
1974 .	65.4	322.0	387.4	285.9	79.2	42.2	0.50	13.00	1.00	13.00	6.82
1975 .	167.4	558.7	726.1	613.3	83.7	47.9	1.50	14.10	3.00	11.50	6.72
1976 .	n.a.	n.a.	818.4	749.7	129.2	61.3	2.00	14.00	4.50	9.50	8.03

(a) To June 1975, weighted average of rates on clients' loans outstanding on each Wednesday of the month. Thereafter weighted average of rates paid on all days of the four or five weeks ending on the last Wednesday of the month.

### SHORT-TERM MONEY MARKET: AUTHORISED DEALERS' LIABILITIES BY TYPE OF CLIENT(a)

(Source: Reserve Bank of Australia)

(\$ million)

Client	30 June—				
	1971	1972	1973	1974	1975
All trading banks . . . . .	189.2	369.3	212.9	130.4	243.5
Savings banks . . . . .	77.7	69.0	125.5	51.6	80.5
Insurance offices . . . . .	26.8	44.8	48.9	12.1	50.2
Superannuation, pension and provident funds . . . . .	22.4	19.3	16.1	11.8	26.8
Hire purchase and other instalment credit companies . . . . .	6.1	11.7	7.7	1.5	14.9
Companies, n.e.i. . . . .	155.3	253.3	209.4	63.7	180.5
Australian and State Governments . . . . .	91.9	100.3	75.6	57.6	110.6
Local government and semi-government authorities, n.e.i. . . . .	70.0	99.8	91.2	72.0	115.5
All other lenders(b). . . . .	41.5	71.1	51.0	38.9	27.6
<b>Total . . . . .</b>	<b>680.8</b>	<b>1,038.7</b>	<b>838.2</b>	<b>439.5</b>	<b>850.0</b>

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



## UNIT TRUSTS, LAND TRUSTS AND MUTUAL FUNDS

Statistics of operations of unit trusts, land trusts and mutual funds are shown below. Details of superannuation funds conducted by unit trust management companies are not included in these tables.

TRUSTS AND FUNDS: TOTAL MARKET VALUE AND TRANSACTIONS  
(\$ million)

	Total market value at end of period(a)	Cash transactions— trust units and fund shares		Purchases and sales of investments(b)	
		Total amount received(c)	Total amount paid(d)	Purchases (e)	Sales (f)
1970-71 . . .	278.6	56.5	39.3	74.5	51.5
1971-72 . . .	326.9	57.9	33.6	78.3	47.0
1972-73 . . .	380.3	79.1	32.7	111.5	71.5
1973-74 . . .	368.6	68.8	38.6	96.1	50.6
1974-75 . . .	356.0	36.9	47.8	38.7	49.4

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

TRUSTS AND FUNDS: ANALYSIS OF PURCHASES AND SALES OF INVESTMENTS  
(\$ million)

	Shares (incl. preference shares)	Debentures, unsecured notes, deposits (a)	Land, buildings, mortgages	Other(b)	Total
Purchases—					
1970-71 . . .	39.2	10.6	24.6	..	74.5
1971-72 . . .	17.2	14.3	42.9	3.9	78.3
1972-73 . . .	22.1	18.2	71.0	0.1	111.5
1973-74 . . .	12.3	9.8	73.7	0.3	96.1
1974-75 . . .	14.8	8.6	15.2	0.1	38.7
Sales—					
1970-71 . . .	35.8	8.3	5.1	2.3	51.5
1971-72 . . .	30.9	7.9	7.6	0.5	47.0
1972-73 . . .	45.3	9.4	15.7	1.1	71.5
1973-74 . . .	22.4	10.9	17.0	0.3	50.6
1974-75 . . .	14.2	10.6	24.4	0.1	49.3

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

## REGISTERED BUILDING SOCIETIES

## Permanent and terminating building societies

REGISTERED BUILDING SOCIETIES: SELECTED ITEMS(a)  
AUSTRALIA

	<i>Societies making returns</i>			<i>Shareholders</i>	<i>Loans paid over</i>	<i>Administrative expenses</i>
	<i>Permanent</i>	<i>Terminating (b)</i>	<i>Total</i>			
	No.	No.	No.	No.	\$'000	\$'000
1969-70 . . . . .	182	4,883	5,065	669,371	444,263	21,500
1970-71 . . . . .	189	5,240	5,429	862,617	453,038	27,139
1971-72 . . . . .	199	5,461	5,660		666,049	37,750
1972-73 . . . . .	192	5,718	5,910		1,139,127	52,985
1973-74 . . . . .	192	6,037	6,229		990,964	82,701

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

REGISTERED BUILDING SOCIETIES: LIABILITIES AND ASSETS(a), AUSTRALIA  
(\$'000)

	<i>Liabilities</i>					<i>Assets</i>			
	<i>Investing members' funds</i>	<i>Borrowing members' funds</i>	<i>Deposits</i>	<i>Loans due to governments</i>	<i>Other liabilities</i>	<i>Total liabilities</i>	<i>Advances on mortgages(b)</i>	<i>Other assets</i>	<i>Total assets</i>
1969-70 . . . . .	812,688	174,676	156,849	312,909	475,198	1,932,322	1,776,761	155,561	1,932,322
1970-71 . . . . .	1,132,556	165,747	195,776	348,959	457,272	2,300,311	2,038,305	262,005	2,300,311
1971-72 . . . . .	1,632,953	161,225	259,305	400,626	465,537	2,919,647	2,501,118	418,529	2,919,647
1972-73 . . . . .	2,283,167	159,936	393,882	435,546	552,150	3,824,679	3,274,450	550,229	3,824,679
1973-74 . . . . .	2,833,831	152,604	504,130	471,192	559,273	4,521,032	3,777,948	743,085	4,521,032

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

## Permanent building societies

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

PERMANENT BUILDING SOCIETIES: AUSTRALIA  
SELECTED TRANSACTIONS AND BALANCES  
(\$'000)

	<i>Loans approved during year(a)</i>	<i>Loans advanced during year(b)</i>	<i>Loans approved but not advanced at end of year(c)</i>	<i>Principal owing on mortgages at end of year</i>	<i>Paid-up share-capital at end of year</i>	<i>Borrowings by</i>
						<i>societies— amount owing at end of year(d)</i>
1970-71 . . . . .	428,674	368,524	100,285	1,246,167	1,120,187	322,767
1971-72 . . . . .	689,387	616,435	150,421	1,702,617	1,624,755	414,190
1972-73 . . . . .	1,181,062	1,086,974	189,483	2,510,342	2,254,312	638,147
1973-74 . . . . .	782,305	788,089	138,142	2,920,549	2,690,318	767,988
1974-75 . . . . .	736,997	599,170	223,308	3,141,379	3,190,604	912,282

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

## FRIENDLY SOCIETIES AND CO-OPERATIVE SOCIETIES

## Friendly societies

In 1974 the total membership of friendly societies in Australia was about 436,000, but as certain benefits such as medical attendance and free medicines, and in many cases funeral expenses, are granted to members' families as well as to members themselves, this figure must be more than doubled to arrive at an estimate of the number of persons who receive some direct benefit from these societies, even when due allowances are made for young and unmarried members. Legislation has conferred certain privileges on friendly societies, but, on the other hand, it insists on their registration, and it is the duty of the Registrars in the various States, prior to registering a new society, to see that its proposed rules conform to the law, and that the scale of contribution is sufficient to provide the promised benefits. Societies are obliged to forward to the Registrar annual returns about their membership and their finances, and reports dealing with the returns received are published in most of the States.

## FRIENDLY SOCIETIES(a): SUMMARY, 1973-74

	<i>N.S.W.(b)</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.(c)</i>	<i>Total</i>
Registered societies . . . . .	37	104	17	12	11	9	190
Branches . . . . .	1,300	1,023	360	426	237	59	3,405
Benefit members at end of year	158,629	145,623	63,605	50,779	13,424	3,740	435,800
Average benefit members during year . . . . .	155,670	n.a.	63,895	50,722	n.a.	n.a.	n.a.
Members who received sick pay . . . . .	n.a.	n.a.	4,174	5,644	1,622	543	n.a.
Total weeks sick pay granted . . . . .	n.a.	312,887	85,167	125,460	44,868	15,574	n.a.
Average sick weeks per member . . . . .	n.a.	n.a.	20.4	22.2	27.6	28.7	n.a.
Deaths of benefit members . . . . .	n.a.	2,208	1,327	925	324	194	n.a.
Proportion of deaths per 1,000 members (average) . . . . .	n.a.	n.a.	20.7	18.2	n.a.	n.a.	n.a.
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue—</b>							
Entrance fees, levies and members' contributions . . . . .	31,272	37,337	7,402	15,023	5,004	56	96,094
Interest, dividends and rents . . . . .	2,136	4,137	2,911	1,496	204	98	15,535
All other revenue . . . . .	513	528		3,120	373	19	
<b>Total revenue . . . . .</b>	<b>33,921</b>	<b>42,003</b>	<b>10,313</b>	<b>19,638</b>	<b>5,581</b>	<b>172</b>	<b>111,629</b>
<b>Expenditure—</b>							
Sick pay . . . . .	862	558	109	158	34	24	1,744
Medical attendance and medicine	24,594	30,577	7,875	4,981	4,463	1	72,491
Sums payable at death . . . . .	552	278	243	142	50	42	1,308
Administration . . . . .	4,593	5,038	1,481	2,149	354	45	29,939
All other expenditure . . . . .	1,516	3,791		10,616	328	26	
<b>Total expenditure . . . . .</b>	<b>32,117</b>	<b>40,243</b>	<b>9,708</b>	<b>18,047</b>	<b>5,229</b>	<b>138</b>	<b>105,482</b>
<b>Total funds . . . . .</b>	<b>40,328</b>	<b>58,745</b>	<b>12,921</b>	<b>24,456</b>	<b>5,002</b>	<b>1,482</b>	<b>142,933</b>

(a) Excludes juvenile branches, dispensaries, medical institutes, and certain miscellaneous societies. Receipts and payments of subsidy under the Commonwealth medical and hospital benefit schemes are excluded. (b) Includes the Australian Capital Territory. (c) Year ended 31 December 1973.

## Co-operative societies

Co-operative societies are divided into three classes: (i) those engaged in the manufacture and marketing of primary products and trade requirements; (ii) those engaged in retailing general household requirements; and (iii) those engaged in activities covered by both classes (i) and (ii). The first class may be described briefly as producers' co-operative societies and the second as consumers' co-operative societies. The particulars given for New South Wales relate to societies registered under the Co-operation Act, 1923-1969. A summary of the business of all co-operative societies for the year 1973-74 for all States is given in the following table.

## CO-OPERATIVE SOCIETIES: 1973-74

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
Societies . . . No.	306	149	222	68	65	15	825
Members . . . No.	454,527	169,505	160,946	122,562	68,604	7,186	983,330
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income—</b>							
Gross turnover (sales) .	520,915	261,439	257,637	95,480	133,714	10,638	1,279,823
Other income . . .	5,917	5,699	18,947	7,029	43,651	488	81,731
<b>Total income . . .</b>	<b>526,832</b>	<b>267,138</b>	<b>276,584</b>	<b>102,509</b>	<b>177,365</b>	<b>11,126</b>	<b>1,361,554</b>
<b>Expenditure—</b>							
Other purchases . . .	516,678	194,651	205,881	63,716	118,090	9,229	1,325,933
Other expenditure . . .		64,215	62,186	39,394	50,252	1,641	
<b>Total expenditure . . .</b>	<b>516,678</b>	<b>258,866</b>	<b>268,067</b>	<b>103,110</b>	<b>168,342</b>	<b>10,870</b>	<b>1,325,933</b>
Rebates and bonuses . .	5,339	2,091	4,807	2,764	3,580	64	18,645
Dividends on share capital	2,306	2,794	2,075	605	1,883	71	9,734
<b>Liabilities—</b>							
Paid-up capital . . .	47,277	34,912	32,637	9,636	15,814	1,425	141,701
Bank overdrafts . . .	65,378	30,983	18,393	12,336	11,487	544	139,121
Accumulated profits . . .	29,149	4,281	15,805	760	-363	512	156,479
Reserve funds . . .		32,596	43,209	11,206	18,358	966	
Loan capital . . .	104,536	23,959	20,382	21,195	110,914	956	439,233
Sundry creditors . . .		42,011	34,869	8,063	17,586	1,467	
Other liabilities . . .		12,585	17,323	16,265	6,790	333	
<b>Total liabilities . . .</b>	<b>246,340</b>	<b>181,326</b>	<b>182,618</b>	<b>79,461</b>	<b>180,586</b>	<b>6,203</b>	<b>876,534</b>
<b>Assets—</b>							
Land and buildings . . .	82,172	44,416	90,554	15,151	10,217	1,476	377,377
Machinery, plant and other fixed assets . . .		36,932		13,455	82,253	751	
Stocks . . .	93,714	27,367	16,675	27,544	9,433	922	175,655
Sundry debtors . . .	50,899	58,141	56,004	14,090	44,491	1,559	225,184
Cash in hand and on deposit . . .	19,555	4,704	3,254	697	22,734	24	98,320
Profit and loss account . . .		1,449	875	459	11,458	1,471	
Other assets . . .		8,318	15,256	8,066			
<b>Total assets . . .</b>	<b>246,340</b>	<b>181,327</b>	<b>182,618</b>	<b>79,462</b>	<b>180,586</b>	<b>6,203</b>	<b>876,536</b>

**LOTTERIES AND BETTING**

**Lotteries**

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

**LOTTERIES: VALUE OF TICKET SALES, PRIZES ALLOTTED, TAXES PAID AND OTHER NET CONTRIBUTIONS TO STATE GOVERNMENT REVENUES (\$'000)**

<i>Year</i>	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Total</i>
<b>TICKET SALES</b>						
1970-71 . . .	58,057	21,360	18,560	6,000	6,250	110,227
1971-72 . . .	62,389	21,388	20,510	6,200	7,400	117,887
1972-73 . . .	64,563	30,145	20,420	6,746	8,149	130,023
1973-74 . . .	69,395	50,824	21,590	8,023	9,899	159,731
1974-75 . . .	82,680	92,128	30,720	11,975	14,100	231,603
<b>PRIZES ALLOTTED</b>						
1970-71 . . .	35,815	12,816	11,851	3,648	3,803	67,932
1971-72 . . .	38,284	12,833	13,122	3,775	4,506	72,519
1972-73 . . .	39,485	18,087	13,070	4,125	4,958	79,725
1973-74 . . .	42,318	31,310	13,828	4,906	6,008	98,370
1974-75 . . .	53,193	54,150	19,539	7,280	8,672	142,834
<b>TAXES PAID AND OTHER NET CONTRIBUTIONS TO STATE GOVERNMENT REVENUES(a)</b>						
1970-71 . . .	13,127	6,622	4,492	1,833	1,594	27,667
1971-72 . . .	13,655	6,630	4,910	1,979	1,935	29,109
1972-73 . . .	13,923	9,345	4,826	1,894	2,137	32,125
1973-74 . . .	14,506	16,177	5,027	2,351	2,648	40,709
1974-75 . . .	18,729	16,787	7,222	3,648	3,710	50,096

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

**Betting****TOTALISATOR INVESTMENTS AND INVESTMENTS WITH LICENSED BOOKMAKERS  
STATES AND AUSTRALIAN CAPITAL TERRITORY**

(\$'000)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>A.C.T.</i>	<i>Total</i>
<b>TOTALISATOR INVESTMENTS</b>								
1970-71	334,814	273,638	94,534	38,403	67,652	1,322	8,808	819,172
1971-72	394,620	329,142	115,312	47,281	82,543	1,453	10,723	981,074
1972-73	450,268	377,825	140,184	57,768	92,375	1,493	13,699	1,133,612
1973-74	529,021	424,951	165,189	70,019	115,351	1,651	18,113	1,324,295
1974-75	678,820	534,393	201,275	91,820	140,046	11,378	24,419	1,682,151
<b>INVESTMENTS WITH LICENSED BOOKMAKERS(a)</b>								
1970-71	314,658	196,166	147,931	60,728	39,778	48,825	5,232	813,318
1971-72	345,770	217,898	158,652	73,544	41,840	52,871	6,805	897,381
1972-73	377,222	228,756	181,858	82,746	44,282	58,220	8,093	981,177
1973-74	440,247	263,170	215,077	98,405	54,008	62,008	11,171	1,144,086
1974-75	549,941	338,977	229,795	124,384	60,082	60,650	15,873	1,379,703

(a) Estimated from taxes on betting with licensed bookmakers in all States except Australian Capital Territory.

**PROBATES AND LETTERS OF ADMINISTRATION**

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

**PROBATES AND LETTERS OF ADMINISTRATION: STATES**

	<i>N.S.W.</i> 1974-75(a)	<i>Vic.</i> 1974	<i>Qld</i> 1974-75	<i>S.A.</i> 1974	<i>W.A.</i> 1974-75	<i>Tas.</i> 1974(b)
Estates . . . . . No.	34,032	22,362	10,764	5,306	5,633	2,010
Gross value . . . . . \$'000	n.a.	534,811	274,793	113,364	124,660	44,384
Net value . . . . . \$'000	839,150	465,812	260,859	106,164	115,320	37,257

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

(b) Estates dealt with by the Taxation Department.

## AUSTRALIAN INDUSTRY DEVELOPMENT CORPORATION

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

The Corporation has a capital of \$100 million, to be subscribed by the Commonwealth Government in instalments but the whole being available if required to meet obligations. The paid-up capital at 30 June 1975 was \$50 million.

The central objectives of the Corporation are to promote the development of industries in Australia and support local participation in the ownership and control of industries and resources. Consistent with these objectives and the principle that A.I.D.C. must operate on a commercial basis and assist only in ventures which can demonstrate sound prospects, the Corporation provides finance, obtained by borrowing both in Australia and overseas, for Australian firms (including local firms with foreign partners) engaged in industries concerned with the manufacture, processing, treatment, transportation or distribution of goods, or the development or use of natural resources (including the recovery of minerals) or technology and activities that are connected with or incidental to those industries.

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

A.I.D.C. provides development capital both for start-up situations and for going concerns. Although the greater part of its financings are loans, it also makes equity investments in industry. Where a company's capital needs can best be met by loan finance, A.I.D.C. does not seek an equity position. It aims to avoid involvement in the management of companies to which it provides financing.

Project investments approved since operations commenced totalled \$265 million at 30 June 1975, and financings outstanding in 44 projects was \$148 million.

