

## ACCUMULATION.

## PRIVATE WEALTH.

The returns of the Probate Office provide a means whereby an approximate estimate may be made of the private wealth of the people. Of course the estimate must only be taken as a rough approximation, but it will be shown how far the method can be relied on, and what are its defects. The property left by persons who died during the five years, 1898 to 1902, is the basis whereby the property owned by the people living, as shown by the census of 1901, is estimated. A period of five years is taken, because the returns for a single year may be unduly inflated by the falling in of one or several very large estates. The average amount left by each adult who died during the period named is assumed to be the average amount owned by each adult alive at the census of 1901. The accumulated wealth of an individual is believed to be greater at a more advanced than at a less advanced age, and is probably greatest at death. Whatever advantage there may be is probably counter-balanced by some items which cannot be brought into the computation. In Victoria, for instance, deposits in Savings Banks up to £100, and life insurance policies up to £200, may be divided amongst those entitled without taking out probate or administration. Notwithstanding the provisions of the Probate and Administration Act, making chargeable with probate duty settlements and deeds of gift intended to evade payment of the duty, it is probable that some of these escape detection, and would also be unaccounted for in the calculation. The following is a statement on the basis explained, of the private wealth in several Australian States and New Zealand:—

## PRIVATE WEALTH: AVERAGE DURING 1898 TO 1902 IN VICTORIA, NEW SOUTH WALES, SOUTH AUSTRALIA, AND NEW ZEALAND.

| State of—               | Estates of Deceased Persons.<br>Net Amount Sworn to. | Deaths of Adults. | Average Amount left by each Adult. | Adults at Census, 1901. † | Private Wealth. ‡ |           |
|-------------------------|--|-------------------|------------------------------------|---------------------------|-------------------|-----------|
|                         |  |                   |                                    |                           | Total.            | Per Head. |
|                         | £  |                   | £                                  |                           | £                 | £         |
| Victoria                | 25,633,200*  | 53,213            | 482                                | 651,143                   | 313,851,000       | 261       |
| New South Wales         | 24,027,400   | 46,710            | 514                                | 700,480                   | 360,047,000       | 266       |
| South Australia         | 6,383,000*   | 12,591            | 507                                | 186,327                   | 94,468,000        | 260       |
| Dominion of New Zealand | 11,329,700   | 24,645†           | 459                                | 437,208†                  | 200,678,000       | 246†      |

\* Estimated.

† Including Maoris.

‡ It is only at the time of a census that the adult population is accurately known in the different States, consequently it is only at such a period that the amount of private wealth can be reasonably estimated on the basis adopted.

It must be remembered that the wealth represented by this estimate is the private wealth "in" the State, and not that "of" the State. Probates, &c., of persons dying out of the State leaving property in the State are included in the figures quoted; but on the other hand, many Victorians have large interests, pastoral, mining, and other, in the other States. Taking the net incomes from property of absentees at the same date as the estimate, and capitalizing the same on a 4 per cent. basis, the income-returning property owned by outside investors in Victoria would appear to be about £26,340,000.

It has been found impossible to give a similar estimate of wealth for Queensland, Western Australia, and Tasmania, owing to the probate returns for those States being incomplete or apparently not accounting for anything like the whole of the property left by persons dying. In regard to New Zealand also it is probable that the wealth thereof has been somewhat under-estimated, as it is stated in the New Zealand Official Year-Book that certain estates upon which no duty is payable are not included in their returns. The Registrar-General of New Zealand estimates the average wealth during 1898-1902 on a somewhat similar basis to that above adopted, to be £227,326,000 or £279 per head, which is slightly higher than in the three Australian States for which estimates are given. At the 31st December, 1905, the estimate determined from the five years ended with that date was £258,710,000, or an average of £293 per head, excluding Maoris.

Diffusion of  
wealth.

The diffusion of wealth appears to be far wider in Victoria and South Australia than in New South Wales or New Zealand, according to the proportion of adults who die leaving property in respect of which probate or administration is taken out. For the reason previously mentioned, the comparison must be restricted to these three States and New Zealand. The following are the number of persons who died leaving property, as shown by the probate returns, the number of adult deaths, and the proportion of the former to the latter during the five years, 1898-1902:—

DIFFUSION OF WEALTH IN SEVERAL AUSTRALIAN STATES AND NEW ZEALAND, 1898-1902.

|                     | Deaths of<br>Adults. | Estates Proved. |  |
|---------------------|----------------------|-----------------|--|
|                     |                      | Number.         | Number per<br>1,000 Deaths<br>of Adults. |
| Victoria ...        | 53,213               | 19,014          | 357                                      |
| New South Wales     | 46,710               | 12,627          | 269                                      |
| South Australia ... | 12,591               | 4,422           | 351                                      |
| New Zealand ...     | 24,645               | 6,855           | 278                                      |

It is thus shown that more than one-third of the adults who died in Victoria and South Australia during the five years, 1898-1902, was possessed of accumulated property in respect of which it was found necessary to obtain probate or letters of administration. An allowance should be made for the number of probates sealed of persons dying out of the State; but it is estimated that 5 per cent. would cover this.

Estimates of private wealth in various countries have been published by Mulhall, from which the following table has been taken:— The figures relate to the year 1895, and no later information is available.

Private wealth in other countries

PRIVATE WEALTH OF PRINCIPAL COUNTRIES OF THE WORLD.

| Country.          | Wealth per Head. | Country.              | Wealth per Head. |
|-------------------|------------------|-----------------------|------------------|
|                   | £                |                       | £                |
| France ...        | 252              | Europe ...            | 139              |
| United States ... | 234              | Spain ...             | 135              |
| Denmark ...       | 230              | Sweden and Norway ... | 114              |
| Holland ...       | 183              | Austria ...           | 104              |
| Switzerland ...   | 164              | Greece ...            | 101              |
| Germany ...       | 156              | Danubian States ...   | 90               |
| Argentina ...     | 154              | Portugal ...          | 87               |
| Belgium ...       | 154              | Russia ...            | 61               |

With regard to the income of the people of Victoria, the late Mr. Hayter made an estimate for the year 1891, which gave the amount as £44 6s. per head of the total population. A further estimate has been made for the year 1907, with a result of £47 6s. per head.

Average income in Victoria, 1891 and 1907.

In a paper read before the British Association in 1903, Sir Robert Giffen put forward estimates of the aggregate income and wealth of the people of the British Empire as follow:—

Wealth of the British Empire.

AGGREGATE INCOME.

|                         | £                     |
|-------------------------|-----------------------|
| United Kingdom ...      | 1,750,000,000         |
| Canada ...              | 270,000,000           |
| Australasia ...         | 210,000,000           |
| India ...               | 600,000,000           |
| South Africa ...        | 100,000,000           |
| Remainder of Empire ... | 200,000,000           |
| <b>Total ...</b>        | <b>£3,130,000,000</b> |

## CAPITAL OR WEALTH.

|                     |     |     | £                      |
|---------------------|-----|-----|------------------------|
| United Kingdom      | ... | ... | 15,000,000,000         |
| Canada              | ... | ... | 1,350,000,000          |
| Australasia         | ... | ... | 1,100,000,000          |
| India               | ... | ... | 3,000,000,000          |
| South Africa        | ... | ... | 600,000,000            |
| Remainder of Empire | ... | ... | 1,200,000,000          |
| Total               |     |     | ...                    |
|                     |     |     | <u>£22,250,000,000</u> |

Taking the population of three of the several divisions of the Empire set forth in the above tables, as nearly as possible to the date mentioned, the average income and wealth have been found to be as shown in the following statement. The information has not been obtained for India and South Africa, owing to the heterogeneous character of the populations in those places:—

## INCOME PER HEAD OF POPULATION.

|                |     |     | £  | s. | d. |
|----------------|-----|-----|----|----|----|
| United Kingdom | ... | ... | 42 | 4  | 2  |
| Canada         | ... | ... | 50 | 5  | 4  |
| Australasia    | ... | ... | 46 | 3  | 10 |

## CAPITAL OR WEALTH PER HEAD OF POPULATION.

|                |     |     | £   | s. | d. |
|----------------|-----|-----|-----|----|----|
| United Kingdom | ... | ... | 361 | 16 | 1  |
| Canada         | ... | ... | 251 | 6  | 8  |
| Australasia    | ... | ... | 241 | 19 | 5  |

It will be seen from these figures that although the accumulated wealth per head is 44 per cent. more in the United Kingdom than in Canada, and 50 per cent. more than in Australasia, yet the average income is greater in the latter countries by 19 per cent. and 9½ per cent. respectively than in the United Kingdom. These results are perfectly consistent when comparing old and new communities—the older community showing a greater accumulated wealth, whilst the newer—for obvious reasons—show a greater income per head.

The following table shows for each of the last 30 years the number, value, and average value of estates of deceased persons leaving property in Victoria; the proportion of the number and value of estates left in the State to the total number of adults dying in the State in the same year; and also the percentage of properties of persons dying intestate:—

Property  
left by  
deceased  
persons.

## ESTATES OF DECEASED PERSONS, 1878 TO 1907.

| Year. | Estates of Deceased Persons. |  |                               | Per 100 Deaths of Persons over 21 Years. |                          | Percentage of Intestates. |
|-------|------------------------------|--|-------------------------------|--|--------------------------|---------------------------|
|       | Number.                      | Value Sworn under. (Debts not deducted.) | Average Value of each Estate. | Number of Estates.                       | Amount of Property Left. |                           |
|       |                              | £  | £                             |  | £                        |                           |
| 1878  | 1341                         | 2,919,215                                | 2,177                         | 24.4                                     | 46,581                   | 43.2                      |
| 1879  | 1385                         | 2,666,433                                | 1,925                         | 22.2                                     | 42,731                   | 43.2                      |
| 1880  | 1235                         | 1,890,100                                | 1,530                         | 20.4                                     | 31,267                   | 40.0                      |
| 1881  | 1548                         | 2,935,070                                | 1,961                         | 22.8                                     | 43,290                   | 39.3                      |
| 1882  | 1698                         | 3,482,938                                | 2,051                         | 23.2                                     | 47,607                   | 40.0                      |
| 1883  | 1794                         | 3,748,344                                | 2,089                         | 24.5                                     | 51,172                   | 42.1                      |
| 1884  | 1890                         | 5,113,687                                | 2,706                         | 25.7                                     | 69,536                   | 38.6                      |
| 1885  | 1938                         | 4,297,919                                | 2,218                         | 25.5                                     | 53,791                   | 36.1                      |
| 1886  | 2126                         | 4,532,271                                | 2,137                         | 25.6                                     | 54,619                   | 40.7                      |
| 1887  | 2348                         | 5,201,130                                | 2,215                         | 26.9                                     | 59,578                   | 38.2                      |
| 1888  | 2276                         | 7,026,984                                | 3,088                         | 25.6                                     | 79,026                   | 38.5                      |
| 1889  | 2908                         | 11,252,096                               | 3,869                         | 29.4                                     | 113,681                  | 39.7                      |
| 1890  | 3107                         | 8,667,127                                | 2,789                         | 31.3                                     | 87,291                   | 42.0                      |
| 1891  | 2714                         | 7,581,678                                | 2,797                         | 25.0                                     | 70,658                   | 31.6                      |
| 1892  | 3208                         | 9,669,784                                | 3,014                         | 34.9                                     | 105,152                  | 38.0                      |
| 1893  | 2801                         | 6,231,931                                | 2,225                         | 30.8                                     | 68,558                   | 34.6                      |
| 1894  | 2805                         | 5,419,225                                | 1,932                         | 33.5                                     | 58,077                   | 34.6                      |
| 1895  | 3153                         | 5,340,052                                | 1,694                         | 31.9                                     | 53,999                   | 36.5                      |
| 1896  | 3335                         | 6,091,421                                | 1,852                         | 34.0                                     | 61,993                   | 36.2                      |
| 1897  | 3291                         | 5,782,173                                | 1,757                         | 34.6                                     | 60,746                   | 36.1                      |
| 1898  | 3590                         | 6,269,345                                | 1,746                         | 32.4                                     | 56,649                   | 36.2                      |
| 1899  | 3641                         | 5,920,104                                | 1,626                         | 34.0                                     | 55,261                   | 35.3                      |
| 1900  | 3961                         | 6,918,533                                | 1,747                         | 38.9                                     | 67,882                   | 36.0                      |
| 1901  | 3846                         | 6,527,235                                | 1,697                         | 36.5                                     | 61,990                   | 34.8                      |
| 1902  | 3976                         | 7,571,482                                | 1,904                         | 37.0                                     | 70,470                   | 34.9                      |
| 1903  | 3884                         | 6,037,765                                | 1,567                         | 37.4                                     | 58,706                   | 34.9                      |
| 1904  | 3827                         | 5,782,998                                | 1,511                         | 37.3                                     | 56,364                   | 33.3                      |
| 1905  | 3853                         | 6,017,365                                | 1,562                         | 36.8                                     | 57,516                   | 31.8                      |
| 1906  | 3982                         | 6,433,851                                | 1,616                         | 37.4                                     | 60,406                   | 30.7                      |
| 1907  | 4156                         | 6,860,143                                | 1,651                         | 38.6                                     | 63,732                   | 31.2                      |

A glance at the above figures will show that the increase in the number of estates has been remarkable, as will also be evidenced by the following figures, which must be taken as proving that the economic conditions prevalent in Victoria during the period reviewed in the above table have led to a wide and growing diffusion of wealth amongst the people:—

| Period.   | Percentage of Adults who died leaving Estates which went through the Probate Office, &c. Yearly Average. |
|-----------|--|
| 1879-83   | 22.6   |
| 1884-88   | 25.9   |
| 1889-93   | 30.3   |
| 1894-98   | 33.3   |
| 1899-1903 | 36.7   |
| 1904      | 37.3   |
| 1905      | 36.8   |
| 1906      | 37.4   |
| 1907      | 38.6   |

The average value of each estate left has fallen off very considerably since 1893, as compared with the values during the previous decade, which is very natural, seeing that during that period values were much inflated, and were, as events afterwards proved, largely fictitious. The last column in the table shows that the precaution of making a will is gradually being adopted by a larger proportion of the people, the percentage who died intestate having decreased from an average of 40.5 per cent. during 1878-90, and 35.6 during 1891-1900, to an average of 33.1 during 1901 to 1907.

#### RATEABLE PROPERTY: TOTAL AND GROUND VALUES.

Rateable  
property.

The whole of Victoria, with the exception of about 650 square miles—600 in the county of Wonnangatta and the whole of French Island—or  $\frac{3}{4}$  per cent. of the area of the State, being divided into municipalities for the purposes of local government, the value of real property, based on the municipal valuations, can be given with some degree of accuracy. Returns are obtained annually from each city, town, borough, and shire; and the following figures show the net annual rateable value and the capital value estimated by the municipalities over a series of years:—

#### RATEABLE PROPERTY: ANNUAL AND CAPITAL VALUES, 1880 TO 1908.

| Year ended<br>30th Sept. | Estimated Value of Rateable<br>Property. |             | Year ended<br>30th Sept. | Estimated Value of Rateable<br>Property. |             |
|--------------------------|--|-------------|--------------------------|--|-------------|
|                          | Annual.                                  | Capital.    |                          | Annual.                                  | Capital.    |
|                          | £  | £           |                          | £  | £           |
| 1880 ...                 | 7,117,946                                | 83,847,418  | 1895 ...                 | 10,641,200                               | 167,197,780 |
| 1881 ...                 | 7,175,289                                | 87,642,459  | 1896 ...                 | 10,393,000                               | 168,427,700 |
| 1882 ...                 | 7,433,812                                | 91,792,547  | 1897 ...                 | 10,345,535                               | 171,253,984 |
| 1883 ...                 | 7,692,706                                | 95,610,959  | 1898 ...                 | 10,152,500                               | 168,611,906 |
| 1884 ...                 | 8,098,814                                | 103,795,832 | 1899 ...                 | 10,134,108                               | 168,456,523 |
| 1885 ...                 | 8,793,490                                | 114,283,570 | 1900 ...                 | 10,233,500                               | 169,911,900 |
| 1886 ...                 | 9,621,135                                | 125,878,748 | 1901 ...                 | 10,537,497                               | 174,141,754 |
| 1887 ...                 | 10,153,771                               | 137,885,701 | 1902 ...                 | 10,885,087                               | 185,101,993 |
| 1888 ...                 | 11,913,473                               | 167,385,210 | 1903 ...                 | 11,188,932                               | 203,902,919 |
| 1889 ...                 | 12,931,526                               | 187,558,511 | 1904 ...                 | 11,437,830                               | 209,143,730 |
| 1890 ...                 | 13,265,543                               | 194,313,646 | 1905 ...                 | 11,743,270                               | 210,920,174 |
| 1891 ...                 | 13,733,770                               | 203,351,360 | 1906 ...                 | 11,795,143                               | 216,615,624 |
| 1892 ...                 | 13,605,990                               | 197,366,940 | 1907 ...                 | 12,174,325                               | 222,598,941 |
| 1893 ...                 | 12,779,600                               | 189,461,350 | 1908 ...                 | 12,638,960                               | 232,725,666 |
| 1894 ...                 | 11,676,079                               | 174,984,851 |                          |  |             |

It will be observed from the table that there has been a steady increase each year since 1899 in the annual value of rateable property, as estimated by the municipalities. The capital values given are not to be relied upon for purposes of accurate comparison. The great bulk of the municipalities capitalize the

net annual value on a 5 per cent. basis; but about one-quarter of them assume the capital value to be much less in proportion to the annual value, some estimating 19, 16, 15, 12, 10, down to as low as 8 years' purchase, whilst in one case 7 years' purchase is given as the capital value. Twenty years' purchase is adopted by thirteen of the metropolitan municipalities, one adopting 17 and one 13 years, two 15 years, and four 12 years; whilst of thirty-nine country towns, twenty-one adopt from 7 to 12 years' purchase as the basis, one returning figures showing 14 years', five 15 years', one 16 years', one 17 years', and ten 20 years' purchase as the capital value. Of the 146 shires, 122 adopt 20 years' purchase in estimating the capital value, the others ranging from 19 to 8 years.

The following is an estimate for the last five years of the capital value of land with and without improvements, the latter of which is commonly called the unimproved value, but should more correctly be termed the ground value:—

Landed property capital and ground values.

VALUE OF LAND WITH AND WITHOUT IMPROVEMENTS, 1903-4 TO 1907-8.

| Year.  | Annual Rateable Value. | Capital Value with Improvements. | Unimproved or Ground Value. |
|--------|------------------------|----------------------------------|-----------------------------|
| Urban. |                        |                                  |                             |
|        | £                      | £                                | £                           |
| 1903-4 | 5,366,477              | 93,376,880                       | 46,688,440                  |
| 1904-5 | 5,498,471              | 94,583,732                       | 47,291,866                  |
| 1905-6 | 5,664,425              | 99,354,665                       | 49,677,332                  |
| 1906-7 | 5,779,231              | 100,801,295                      | 50,400,647                  |
| 1907-8 | 5,944,691              | 103,666,178                      | 51,833,089                  |
| Rural. |                        |                                  |                             |
|        | £                      | £                                | £                           |
| 1903-4 | 6,071,353              | 115,766,850                      | 77,177,900                  |
| 1904-5 | 6,244,799              | 116,336,442                      | 77,557,628                  |
| 1905-6 | 6,130,718              | 117,260,959                      | 78,173,973                  |
| 1906-7 | 6,395,094              | 121,797,646                      | 81,198,431                  |
| 1907-8 | 6,694,209              | 129,059,488                      | 86,039,659                  |
| Total. |                        |                                  |                             |
|        | £                      | £                                | £                           |
| 1903-4 | 11,437,830             | 209,143,730                      | 123,866,340                 |
| 1904-5 | 11,743,270             | 210,920,174                      | 124,849,494                 |
| 1905-6 | 11,795,143             | 216,615,624                      | 127,851,305                 |
| 1906-7 | 12,174,325             | 222,598,941                      | 131,599,078                 |
| 1907-8 | 12,638,900             | 232,725,666                      | 137,872,748                 |

Improvements are estimated at one-half in the case of urban properties, and one-third in the case of rural, which are about the proportions which are found to prevail in New Zealand, according to the valuations of the Valuer-General, revised to 1907. If the

Victorian estimate were based upon the New Zealand proportion, without distinguishing the urban and rural, the ground value in 1907-8 would be about £147,000,000, which is approximate to the above estimate. These proportions have also been checked by an examination of the census returns, which give the number of rooms in each house, and the materials of which same were built. In Melbourne city an average of £100, and in suburbs and country towns £70, per room for brick, &c., houses was allowed; whilst in urban districts £45 per room, and in rural £40 per room, were allowed for wooden houses. On this system the above estimates were verified as being remarkably close, allowing for other improvements, besides houses, in rural districts.

## ROYAL MINT.

Royal Mint  
returns.

The Melbourne branch of the Royal Mint was established in 1872, the date of opening being the 12th June. In the following table particulars are given, for the period 1872 to 1903 and for each of the last four years, showing the quantity of gold received at the Mint, where the same was raised, and its coinage value; also gold coin and bullion issued during the same periods:—

## ROYAL MINT RETURNS, 1872 TO 1907.

| Gold Received.                      | 1872 to 1903. | 1904.     | 1905.     | 1906.     | 1907.     |
|-------------------------------------|---------------|-----------|-----------|-----------|-----------|
| <i>Gross Weight.</i>                |               |           |           |           |           |
| Raised in Victoria ... oz.          | 19,483,215    | 817,262   | 783,761   | 848,298   | 754,810   |
| " New Zealand ..                    | 2,639,047     | 161,488   | 127,174   | 132,529   | 103,764   |
| " Western Australia ..              | 2,727,351     | 28,801    | 21,453    | 18,700    | 20,772    |
| " elsewhere ..                      | 2,010,411     | 66,999    | 94,685    | 54,764    | 58,823    |
| Total ... ..                        | 26,860,024    | 1,074,550 | 1,027,073 | 1,054,291 | 938,169   |
| Coinage Value ... £                 | 106,055,368   | 4,212,792 | 3,984,132 | 4,100,195 | 3,645,704 |
| <i>Gold Issued.</i>                 |               |           |           |           |           |
| Coin—                               |               |           |           |           |           |
| Sovereigns ... No.                  | 97,779,120    | 3,743,897 | 3,633,838 | 3,657,874 | 3,332,691 |
| Half-Sovereigns ... ..              | 1,094,725     | ...       | ...       | 82,000    | ...       |
| Bullion—Quantity ... oz.            | 1,849,893     | 113,529   | 82,935    | 95,114    | 80,648    |
| " Value ... £                       | 7,716,023     | 479,132   | 349,768   | 400,820   | 314,022   |
| Total value Coin and Bullion ... .. | £ 106,042,506 | 4,223,029 | 3,983,606 | 4,099,694 | 3,646,713 |

Since the opening of the Mint 30,954,107 ounces of gold have been received thereat, the coinage value, at £3 17s. 10½d. per ounce standard, being £121,998,191, thus averaging £3 18s. 10d. per ounce gross. Of the total quantity of gold received at the Mint 22,687,346 ounces were raised in Victoria, 3,164,002 ounces in New Zealand, and 2,817,077 ounces in Western Australia. The average



value of Victorian gold received at the Mint during the year 1907 was £3 18s. 5½d. per ounce gross, £3 18s. 4d. being the value of the gold and 1½d. the value of the silver contained therein. The output of the Mint since its establishment comprises 112,147,420 sovereigns, 1,176,725 half-sovereigns, and 2,222,119 ounces of gold bullion; the total value of coin and bullion being £121,995,548.

Since the establishment of the Melbourne Mint, the gold coin exported from Victoria, less that imported, has amounted to £94,428,470, or less by £18,307,312 than the total gold coin issued from the Mint. The following particulars are given of the value of gold and silver coin and bullion imported and exported during each of the last five years:—

Interchange  
of coin and  
bullion.

INTERCHANGE OF COIN AND BULLION, 1903 TO 1907.

| Imports of—     | 1903.       | 1904.       | 1905.       | 1906.        | 1907.        |
|-----------------|-------------|-------------|-------------|--------------|--------------|
| Gold Coin ...   | £<br>10,000 | £<br>79,100 | £<br>26,500 | £<br>100,900 | £<br>124,600 |
| „ Bullion ...   | 1,057,803   | 896,528     | 894,237     | 818,007      | 714,985      |
| Silver Coin ... | 17,346      | 5,427       | 17,998      | 36,403       | 123,925      |
| „ Bullion ...   | 1,656       | 1,356       | 676         | 968          | 113,756      |
| Exports of—     |             |             |             |              |              |
| Gold Coin ...   | 4,704,740   | 3,949,911   | 1,620,520   | 4,416,808    | 2,306,240    |
| „ Bullion ...   | 716,234     | 494,100     | 378,777     | 493,369      | 354,304      |
| Silver Coin ... | 7,660       | 7,228       | 9,550       | 17,089       | 9,960        |
| „ Bullion ...   | 319         | 1,167       | 2,687       | 8,592        | 112,971      |

The imports and exports of gold and silver display considerable fluctuations. The net exports of gold coin and bullion in 1903 amounted to £4,353,171, exceeding the total production of gold in Victoria during the same year by more than one million pounds sterling; but in 1904 and 1905 there were heavy reductions, the net exports in 1904 being less than in 1903 by £884,788, and in 1905 less than in 1904 by £2,389,823. In 1906 there was a great increase, the net exports amounting to £3,991,270, but again in 1907 a considerable decrease, the net exports of that year (£1,820,959) being £2,170,311 less than those of 1906. The Victorian production of gold for 1907 was valued at £2,954,617.

BANKING.

During 1907 there were eleven banks of issue in Victoria, possessing 608 branches or agencies, being a decrease of 4 on the

Finances of  
banks.

previous year. The financial position of these banks, on 31st December in each of the last five years, is shown by the following return:—

VICTORIAN BANK RETURNS, 1903 TO 1907.

| In Victoria.                     | 1903.             | 1904.             | 1905.             | 1906.             | 1907.             |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>LIABILITIES.</b>              |                   |                   |                   |                   |                   |
| Deposits bearing interest*       | £ 19,148,880      | £ 20,896,017      | £ 23,055,743      | £ 24,232,979      | £ 24,615,431      |
| Deposits not bearing interest    | 11,280,423        | 10,778,780        | 12,068,153        | 13,390,841        | 13,631,858        |
| Notes in circulation ...         | 913,590           | 858,345           | 835,499           | 886,922           | 889,357           |
| Other ...                        | 210,441           | 220,201           | 463,449           | 366,950           | 480,046           |
| <b>Total ...</b>                 | <b>31,553,334</b> | <b>32,753,343</b> | <b>36,422,844</b> | <b>38,877,692</b> | <b>39,616,692</b> |
| <b>ASSETS.</b>                   |                   |                   |                   |                   |                   |
| Coin and Bullion ...             | 6,452,687         | 6,351,576         | 8,056,666         | 6,918,743         | 8,043,780         |
| Debts due ...                    | 30,401,807        | 29,293,210        | 29,918,226        | 31,495,558        | 33,238,732        |
| Property ...                     | 1,957,544         | 1,951,171         | 1,919,230         | 1,901,999         | 1,844,237         |
| Other ...                        | 479,087           | 531,635           | 617,213           | 633,184           | 605,331           |
| <b>Total ...</b>                 | <b>39,291,125</b> | <b>38,127,592</b> | <b>40,511,335</b> | <b>40,949,484</b> | <b>43,732,080</b> |
| <b>CAPITAL AND PROFITS.</b>      |                   |                   |                   |                   |                   |
| Capital stock paid up            | 14,392,320        | 14,412,175        | 13,961,695        | 12,965,593†       | 13,441,231†       |
| Reserved Profits (ex Dividend)   | 4,045,092         | 4,263,499         | 4,414,059         | 4,672,901         | 5,234,983         |
| Last Dividend—                   |                   |                   |                   |                   |                   |
| Amount ...                       | 396,488           | 437,251           | 469,218           | 482,883‡          | 549,604‡          |
| Average rate per cent. per annum | 6·45              | 6·55              | 7·07              | 7·12              | 7·84              |

\* Including perpetual inscribed stocks which, in 1907, amounted to £984,827.—† Excluding £1,000,000 guaranteed by the Government of New Zealand, and which was hitherto included.—‡ Half-yearly dividend in the case of nine banks.

During the five years 1903-7, there have been considerable fluctuations in the excess of assets over liabilities—being as high as £7,737,791 in 1903, and as low as £2,071,792 in 1906. In 1907 this excess was £4,115,388.

It appears from the above table that the principal item of increase in the liabilities is the deposits—those bearing interest having increased by £5,466,551, and those not bearing interest by £2,351,435—between 1903 and 1907, whilst there has been a decrease of £24,233 in note circulation. On the other hand, the total assets have increased by £4,440,955 only, and the conclusion therefore seems irresistible that much of the increased deposits has been invested in other than Victorian securities, for which higher remuneration could be obtained. It must be borne in mind that the figures represent only the assets and liabilities *within* the State, of which sworn returns are rendered to the Government quarterly as required by law.

An indication of the recovery in banking business is revealed by the annual increase in dividends paid and reserved profits. Compared with 1903, the average rate of dividend had increased in 1907 by 22 per cent., and the amount of reserved profits by 29 per cent.

The amount of Government deposits with banks in Victoria during each of the last fourteen years was as follows:—

| £           |           |             | £         |  |  |
|-------------|-----------|-------------|-----------|--|--|
| 1894 ... .. | 2,303,450 | 1901 ... .. | 2,557,811 |  |  |
| 1895 ... .. | 2,405,285 | 1902 ... .. | 2,455,773 |  |  |
| 1896 ... .. | 2,338,970 | 1903 ... .. | 2,201,989 |  |  |
| 1897 ... .. | 2,260,566 | 1904 ... .. | 3,117,683 |  |  |
| 1898 ... .. | 1,796,075 | 1905 ... .. | 3,576,895 |  |  |
| 1899 ... .. | 2,705,243 | 1906 ... .. | 3,903,702 |  |  |
| 1900 ... .. | 2,840,102 | 1907 ... .. | 2,665,655 |  |  |

Government deposits in banks.

There are twenty-two banks in Australasia, many of which do business in several States. Eleven do business in Victoria and Queensland, thirteen in New South Wales, seven in South Australia, six in Western Australia, four in Tasmania, and five in New Zealand. The amounts of deposits, advances, notes in circulation, and coin and bullion for the quarter ended 31st December, 1907, are as follow:—

Banks in Australia and New Zealand.

#### AUSTRALASIAN BANKING BUSINESS, 31ST DECEMBER, 1907.

| State, &c.               | Deposits.*  | Advances, &c. | Notes in Circulation. | Coin and Bullion. |
|--------------------------|-------------|---------------|-----------------------|-------------------|
|                          | £           | £             | £                     | £                 |
| Victoria ... ..          | 37,262,462  | 33,238,732    | 889,357               | 8,043,780         |
| New South Wales ... ..   | 41,997,340  | 37,190,950    | 1,756,697             | 9,551,116         |
| Queensland ... ..        | 15,429,699  | 15,561,901    | ...                   | 2,257,713         |
| South Australia ... ..   | 8,163,965   | 5,622,917     | 496,327               | 1,975,287         |
| Western Australia ... .. | 5,193,464   | 5,337,213     | 346,801               | 2,443,817         |
| Tasmania ... ..          | 3,649,568   | 2,915,043     | 161,016               | 744,731           |
| Australia ... ..         | 111,696,498 | 99,866,756    | 3,650,198             | 25,016,444        |
| New Zealand ... ..       | 22,739,730  | 22,452,852    | 1,641,858             | 4,984,566         |
| Australasia ... ..       | 134,436,228 | 122,319,608   | 5,292,056             | 30,001,010        |

\* Excluding perpetual inscribed stocks, which amount to £984,827 in Victoria, £668,965 in New South Wales, £79,206 in Queensland, and £313,563 in South Australia.

These figures have been taken from the *Australasian Insurance and Banking Record*. In Queensland Treasury notes have taken the place of bank notes. In each State, except Queensland and Western Australia, and in New Zealand the deposits exceed the advances outstanding.

As compared with the previous year, deposits have increased by £5,974,836 in the whole of Australasia, and by £5,437,746 in the Commonwealth of Australia, the greatest increases being £3,259,778 in New South Wales, and £1,199,082 in Queensland. In Western Australia and Tasmania, there were decreases of £280,311 and £21,470 respectively. Advances, compared with the previous year, show an increase in Australia of £6,174,255, each State showing an increase. Notes in circulation have increased by £269,122 in Australia: in New Zealand there has been also an increase of £30,638. Coin and bullion increased by £3,567,443 in Australia, and by £287,808 in New Zealand.

Melbourne  
Clearing  
House.

The following table shows the particulars respecting the clearances through the Melbourne Clearing House for the eleven years, 1897-1907:—

MELBOURNE CLEARING HOUSE—TRANSACTIONS, 1897-1907.

| Year. | Clearances. |                     |             | Payments in Coin. | Average Weekly Clearances. |
|-------|-------------|---------------------|-------------|-------------------|----------------------------|
|       | Notes.      | Cheques, Bills, &c. | Total.      |                   |                            |
|       | £           | £                   | £           | £                 | £                          |
| 1897  | 10,827,000  | 133,016,000         | 143,843,000 | 18,145,000        | 2,766,211                  |
| 1898  | 10,292,000  | 132,383,000         | 142,675,000 | 18,605,000        | 2,743,750                  |
| 1899  | 11,011,661  | 147,901,947         | 158,913,608 | 20,447,663        | 3,056,030                  |
| 1900  | 10,577,293  | 149,371,785         | 159,949,078 | 19,953,585        | 3,075,944                  |
| 1901  | 11,059,519  | 159,367,162         | 170,426,681 | 21,505,100        | 3,277,436                  |
| 1902  | 10,967,723  | 159,057,401         | 170,025,124 | 21,869,162        | 3,269,714                  |
| 1903  | 10,322,250  | 156,371,148         | 166,693,398 | 21,505,741        | 3,205,642                  |
| 1904  | 9,813,956   | 164,352,306         | 174,166,262 | 21,606,342        | 3,349,351                  |
| 1905  | 9,979,716   | 177,652,709         | 187,632,425 | 24,562,534        | 3,608,316                  |
| 1906  | 11,007,506  | 209,034,550         | 220,042,056 | 27,839,446        | 4,231,578                  |
| 1907  | 11,557,939  | 225,035,841         | 236,593,780 | 29,281,793        | 4,549,880                  |

From this table it is seen that there has been a large increase in the transactions of the Clearing House since 1897. Compared with that year, the weekly average for 1907 shows an increase of 64½ per cent.

Savings  
Banks.

The two classes of Savings Banks which formerly existed in Victoria, viz., the Post Office and the Trustees, were, in 1897, merged into one institution controlled by the Savings Banks Commissioners, and guaranteed by the Government. The interest allowed to depositors is at the rate of 3 per cent. on sums up to £100; and 2½ per cent. on sums over £100 up to £250; but no interest is allowed

on any excess over £250. The following are the particulars of depositors and deposits for a number of years:—

## SAVINGS BANKS: DEPOSITORS AND DEPOSITS, 1875 TO 1907.

| On the 30th June. | Number of Depositors. |                          | Amount remaining on Deposit. |                            |
|-------------------|-----------------------|--------------------------|------------------------------|----------------------------|
|                   | Total.                | Per 1,000 of Population. | Total.                       | Average to each Depositor. |
|                   |                       |                          | £                            | £ s. d.                    |
| 1875 ... ..       | 65,837                | 81                       | 1,469,849                    | 22 6 6                     |
| 1880 ... ..       | 92,115                | 108                      | 1,661,409                    | 18 0 9                     |
| 1885 ... ..       | 170,014               | 174                      | 3,337,018                    | 19 12 7                    |
| 1890 ... ..       | 281,509               | 252                      | 5,262,105                    | 18 13 10                   |
| 1895 ... ..       | 338,480               | 286                      | 7,316,129                    | 21 12 3                    |
| 1899 ... ..       | 356,074               | 300                      | 8,517,006                    | 23 18 5                    |
| 1900 ... ..       | 375,070               | 314                      | 9,110,793                    | 24 5 9                     |
| 1901 ... ..       | 393,026               | 327                      | 9,662,006                    | 24 11 8                    |
| 1902 ... ..       | 410,126               | 340                      | 10,131,604                   | 24 14 1                    |
| 1903 ... ..       | 418,511               | 317                      | 10,341,857                   | 24 14 3                    |
| 1904 ... ..       | 432,867               | 358                      | 10,582,808                   | 24 9 0                     |
| 1905 ... ..       | 447,382               | 369                      | 10,896,741                   | 24 7 2                     |
| 1906 ... ..       | 466,752               | 380                      | 11,764,179                   | 25 4 1                     |
| 1907 ... ..       | 491,318               | 394                      | 12,792,590                   | 26 0 9                     |

The best evidence of the growing habit of thrift, as well as the wide diffusion of wealth amongst the middle and poorer classes in Victoria, is contained in the Savings Banks returns, the number of depositors in proportion to population, having increased by 31 per cent. since 1899. On the 30th June, 1907, more than one person out of every three in the State (including children and infants, who themselves number more than one-third of the population) was a depositor with a credit balance, on the average, of over £26. Of the amount on deposit in 1907, 36 per cent. belonged to depositors with accounts up to £100 each, 40 per cent. with accounts over £100 and up to £250, and 24 per cent. with accounts over £250. The aggregate of the excess over £250—the money on deposit for which interest is not allowed—was, on 30th June, 1907, £652,361.

It should, however, be pointed out that about 134,000 of the accounts remaining open were small sums under £1 left by depositors who had ceased to operate their accounts, and the total amount at their credit was about £19,300. If these figures be withdrawn from those in the preceding table it would appear that there were 357,318 active accounts with £12,773,290 at credit—an average of £35 14s. 11d. per depositor; and the number of depositors per thousand of the population becomes reduced to 287.

The next statement shows the assets and liabilities of savings banks in Victoria, the former indicating the manner in which deposits are invested or held:—

SAVINGS BANKS, ASSETS AND LIABILITIES, 30TH JUNE, 1907.

| <i>Assets.</i>  |         | £                  |
|---|---------|--------------------|
| With Treasurer of Victoria—Certificate representing Post Office Savings Bank Deposits, taken over 30th September, 1897 ... .. |         | 2,050,059          |
| Government Debentures ... ..  |         | 5,133,312          |
| Bank Fixed Deposits Receipts (in name of Treasurer of Victoria) ... ..  |         | 2,287,707          |
| Savings Bank Mortgage Bonds and Debentures (Advance Dept.) ... ..   |         | 838,139            |
| City of Melbourne Debentures ... ..   |         | 33,704             |
| Melbourne and Metropolitan Board of Works Debentures ...  |         | 745,194            |
| Mortgage Securities ... ..  |         | 1,315,417          |
| Mortgage Properties foreclosed or in possession ... ..  |         | 140,132            |
| Melbourne Trust Ltd. Debentures and Shares ... ..   |         | 6,639              |
| Accrued Interest on Investments ... ..  |         | 161,005            |
| Bank premises ... ..  |         | 140,000            |
| Advances Department ... ..  |         | 575                |
| Inter-State Transfer Account ... ..   |         | 1,961              |
| Commercial Bank—  |         |                    |
| Current Accounts at call ... ..   |         | 65,906             |
| Deposit at short notice ... ..  |         | 30,000             |
| Cash at various Savings Banks, Agencies, and Trustees' Bankers ... ..   |         | 156,622            |
| Total ... ..  |         | <u>£13,106,372</u> |
| <i>Liabilities.</i>   |         | £                  |
| Depositors' balances, with Interest to date   |         | 12,792,591         |
| Other liabilities ... ..  |         | 1,791              |
| Surplus Funds allotted as follow:—  |         |                    |
| Reserve Fund ... ..   | 250,000 |                    |
| Depreciation Fund ... ..  | 44,781  |                    |
| Profit and Loss Account ... ..  | 10,765  |                    |
| Fidelity Guarantee Fund ... ..  | 6,444   |                    |
| Total Surplus Funds ... ..  |         | 311,990            |
| Total ... ..  |         | <u>£13,106,372</u> |

Savings  
Banks  
loans to  
farmers.

For the purpose of making advances to farmers an advance department was established in 1896 by the Act amalgamating the Post Office and Commissioners' Savings Banks. Funds for this purpose are raised by sale of mortgage bonds for £25 each, and by debentures in denominations of £100 and over, redeemable at fixed dates not more than ten years from date of issue. The total issues up to 30th June, 1907, amounted to £2,183,600, of which mortgage bonds for £694,250 have been redeemed or repurchased, leaving £1,489,350 outstanding; of this amount £637,800 are held by the public, and the balance by the Commissioners themselves out of Savings Bank funds. The amount advanced during the year 1906-7 was £89,975, making, with the amounts previously advanced, a total of £2,111,308, of which £860,257 have been repaid, leaving the amount outstanding on 30th June, 1907, at £1,251,051, representing 3,056 loans, which thus averaged £409. As a measure of the

safety with which the advance department has been conducted, it may be mentioned that the instalments of principal in arrear amounted on 30th June, 1907, to only £46, and of interest to £65.

## TRANSACTIONS UNDER CRÉDIT FONCIER SYSTEM TO 30TH JUNE, 1907.

|   | At 30th June,<br>1906. | During 1906-7. | At 30th<br>June, 1907. |
|---|------------------------|----------------|------------------------|
| Loans raised ... ..                               | £ 2,083,600            | 100,000        | 2,183,600              |
| „ repaid ... ..                                   | £ 489,575              | 204,675        | 694,250                |
| „ outstanding ... ..                              | £ 1,594,025            | ...            | 1,489,350              |
| Applications received ... ..                      | No. 9,755              | 550            | 10,305                 |
| „ „ amount ... ..                                 | £ 4,673,615            | 217,572        | 4,891,187              |
| Applications granted ... ..                       | No. 6,130              | 325            | 6,455*                 |
| „ „ amount ... ..                                 | £ 2,708,000            | 116,500        | 2,824,500*             |
| Amounts advanced—                                 |                        |                |                        |
| To pay liabilities ... ..                         | £ 1,797,553            | 75,239         | 1,872,792              |
| „ Crown rents ... ..                              | £ 77,596               | 2,842          | 80,438                 |
| For improvement and development<br>of land ... .. | £ 146,184              | 11,894         | 158,078                |
| Total advanced ... ..                             | £ 2,021,333            | 89,975         | 2,111,308              |
| Amounts repaid ... ..                             | £ 670,710              | 189,547        | 860,257                |
| „ outstanding ... ..                              | £ 1,350,623            | ...            | 1,251,051              |

\* Including £509,260 offered to, but not accepted by, 993 applicants.

There are both Government and Trustee Banks in New South Wales, Tasmania, and New Zealand; Government Savings Banks only in Queensland and Western Australia; and Trustee Banks only in South Australia and Victoria—those in the latter State being guaranteed by, and under the supervision of, the Government.

The following were the number of depositors, the amount on deposit including interest, in each of the Australian States and New Zealand; on 30th June, 1907, in the case of Victoria and Western Australia; 30th June, 1906, in the case of Queensland and South Australia; 31st December, 1906, in the case of Tasmania and New Zealand; and 31st December, 1907, in the case of New South Wales:—

## SAVINGS BANKS IN AUSTRALIA AND NEW ZEALAND.

| State.                   | Number of Depositors. |                                    | Amount remaining on Deposit. |                               |
|--------------------------|-----------------------|------------------------------------|------------------------------|-------------------------------|
|                          | Total.                | Per 1,000<br>of the<br>Population. | Total.                       | Average to<br>each Depositor. |
| Victoria ... ..          | 491,318               | 394                                | £ 12,792,590                 | £ s. d.<br>26 0 9             |
| New South Wales ... ..   | 421,928               | 269                                | 17,530,157                   | 41 10 11                      |
| Queensland ... ..        | 88,024                | 165                                | 4,105,169                    | 46 12 9                       |
| South Australia ... ..   | 131,649               | 347                                | 4,750,192                    | 36 1 7                        |
| Western Australia ... .. | 66,737                | 252                                | 2,633,136                    | 39 9 1                        |
| Tasmania ... ..          | 53,824                | 299                                | 1,483,057                    | 27 12 6                       |
| Australia ... ..         | 1,253,480             | 300                                | 43,299,301                   | 34 10 10                      |
| New Zealand ... ..       | 341,114               | 357                                | 11,170,025                   | 32 14 11                      |
| Australasia ... ..       | 1,594,594             | 311                                | 54,469,326                   | 34 3 2                        |

Savings  
Banks in  
Australasia

The number of depositors in Victoria is greater than in the other States and New Zealand in proportion to population, although the average amount standing to the credit of each depositor is not so large. It has already been shown that the diffusion of wealth, as evidenced by the proportion of persons dying and leaving property, is wider in Victoria, and this is corroborated by the above figures. More than one-third of the population of Victoria, South Australia, and New Zealand are depositors, more than one-fourth in New South Wales, Western Australia, and Tasmania, and nearly one-sixth in Queensland.

Savings  
Banks  
in various  
countries.

The following table shows the number of depositors, amount of deposits, and average to each depositor in Savings Banks in Great Britain, other European countries, and the United States:—

SAVINGS BANKS IN GREAT BRITAIN AND FOREIGN COUNTRIES.

| Country.              | Year. | Number of Depositors. | Amount remaining on Deposit |                            |
|-----------------------|-------|-----------------------|-----------------------------|----------------------------|
|                       |       |                       | Total.                      | Average to each Depositor. |
|                       |       |                       | £                           | £ s. d.                    |
| England and Wales ... | 1906  | 10,505,268            | 171,065,117                 | 16 5 8                     |
| Scotland ...          | 1906  | 1,027,457             | 24,826,278                  | 24 3 3                     |
| Ireland ...           | 1906  | 561,058               | 13,114,350                  | 23 7 5                     |
| United Kingdom ...    | 1906  | 12,093,783            | 209,005,745                 | 17 5 8                     |
| Austria ...           | 1904  | 5,406,919             | 210,214,697                 | 38 17 7                    |
| France ...            | 1904  | 11,845,250            | 181,566,077                 | 15 6 7                     |
| Italy ...             | 1905  | 7,434,100             | 114,171,271                 | 15 7 2                     |
| Holland ...           | 1904  | 1,501,678             | 17,394,417                  | 11 11 8                    |
| Russia ...            | 1905  | 4,989,999             | 193,988,575                 | 38 17 6                    |
| Sweden ...            | 1904  | 2,314,693             | 44,760,318                  | 19 6 9                     |
| Norway ...            | 1905  | 790,307               | 20,781,634                  | 26 5 11                    |
| Denmark ...           | 1905  | 1,323,044             | 44,152,236                  | 33 7 5                     |
| United States ...     | 1906  | 8,027,192             | 715,532,148                 | 89 2 9                     |

World's  
stocks of  
money.

The following statements give the approximate stocks of gold, silver, and paper money in the principal countries of the world for 1905, and the world's coinage of gold and silver for 1906. The information has been extracted principally from reports issued by the Directors of the Mints of the United States and Great Britain:—



APPROXIMATE STOCKS OF MONEY IN THE PRINCIPAL COUNTRIES OF  
THE WORLD AT THE CLOSE OF 1905.

| Country.               | Value of—     |             |                  |
|------------------------|---------------|-------------|------------------|
|                        | Gold.         | Silver.     | Uncovered Paper. |
|                        | £             | £           | £                |
| Argentine ... ..       | 20,549,000    | *           | 60,269,000       |
| Austria-Hungary ... .. | 63,146,000    | 21,597,000  | 20,097,000       |
| Belgium ... ..         | 6,267,000     | 5,076,000   | 22,994,000       |
| British Empire—        |               |             |                  |
| Australasia ... ..     | 29,672,000    | 1,253,000   | *                |
| Canada ... ..          | 10,911,000    | 1,377,000   | 13,377,000       |
| India ... ..           | 56,920,000    | 124,073,000 | 6,658,000        |
| South Africa ... ..    | 10,583,000    | 4,110,000   | *                |
| United Kingdom ... ..  | 114,888,000   | 22,994,000  | 23,960,000       |
| Egypt ... ..           | 17,877,000    | 3,082,000   | *                |
| France ... ..          | 212,185,000   | 84,475,000  | 24,288,000       |
| Germany ... ..         | 188,513,000   | 43,090,000  | 43,953,000       |
| Italy ... ..           | 38,940,000    | 5,754,000   | 32,220,000       |
| Japan ... ..           | 14,364,000    | 8,898,000   | 20,199,000       |
| Mexico ... ..          | 1,767,000     | 11,672,000  | *                |
| Netherlands ... ..     | 8,425,000     | 11,117,000  | 11,117,000       |
| Russia ... ..          | 175,670,000   | 16,829,000  | *                |
| Spain ... ..           | 15,227,000    | 35,693,000  | 23,939,000       |
| Turkey ... ..          | 10,274,000    | 8,219,000   | *                |
| United States ... ..   | 291,955,000   | 141,128,000 | 119,614,000      |
| Other Countries ... .. | 44,139,000    | 102,188,000 | 308,004,000      |
| Total ... ..           | 1,332,272,000 | 652,625,000 | 730,689,000      |

\* No information.

WORLD'S COINAGE OF GOLD AND SILVER DURING THE YEAR 1906.

| Country.                                     | World's coinage. |            |
|--|------------------|------------|
|  | Gold.            | Silver.    |
|  | £                | £          |
| United Kingdom ... ..                        | 12,589,700       | 1,822,400  |
| Australasia ... ..                           | 11,474,700       | ...        |
| India (a) ... ..                             | ...              | 13,334,300 |
| British Colonies and Dependencies (b) ... .. | ...              | 214,100    |
| Austria-Hungary ... ..                       | 1,519,600        | 170,700    |
| France and Tunis ... ..                      | 13,277,600       | 130,000    |
| Germany and German East Africa ... ..        | 8,612,400        | 3,211,700  |
| Japan ... ..                                 | 1,538,500        | 1,511,800  |
| Mexico ... ..                                | 4,890,300        | 902,200    |
| Russia ... ..                                | ...              | 904,300    |
| Turkey ... ..                                | 3,329,300        | 151,400    |
| United States and Philippines (a) ... ..     | 11,042,100       | 999,000    |
| Other Countries ... ..                       | 436,100          | 4,224,400  |
| Total ... ..                                 | 68,710,300       | 27,576,300 |

(a) Financial Year, 1905-6.

(b) Inclusive of coins struck at Calcutta and Bombay (during the Financial Year, 1905-6) and at the "Mint," Birmingham.

## PRICES, ETC., OF GOVERNMENT STOCKS.

Compara-  
tive prices  
of Victorian  
stocks.

Selecting one of the leading 4 per cent. and one of the leading 3½ per cent. Victorian stocks, and finding the highest prices quoted in 1885 and each subsequent year, an adequate idea may be formed of the general course of prices in London during the last twenty-three years. These are shown in the following table, together with the equivalent returns to the investor.

PRICES OF VICTORIAN REPRESENTATIVE STOCKS IN LONDON,  
1885 TO 1907.

| Year. | Highest Prices quoted on<br>Stock Exchange. |                              | Minimum Return to<br>Investor. |               |
|-------|---|------------------------------|--------------------------------|---------------|
|       | 4 per cents.<br>(due 1920).                 | 3½ per cents.<br>(due 1923). | 4 per cents.                   | 3½ per cents. |
|       |   |                              | £ s. d.                        | £ s. d.       |
| 1885  | 104½  | ...                          | 3 15 10                        | ...           |
| 1886  | 107½  | ...                          | 3 13 2                         | ...           |
| 1887  | 108½  | ...                          | 3 13 1                         | ...           |
| 1888  | 114½  | ...                          | 3 6 5                          | ...           |
| 1889  | 114½  | 105                          | 3 5 8                          | 3 5 5         |
| 1890  | 111½  | 103½                         | 3 8 0                          | 3 7 0         |
| 1891  | 109½  | 100½                         | 3 10 3                         | 3 9 9         |
| 1892  | 106½  | 98                           | 3 13 9                         | 3 13 5        |
| 1893  | 103½  | 93½                          | 3 18 6                         | 4 3 4         |
| 1894  | 106½  | 99½                          | 3 15 2                         | 3 10 2        |
| 1895  | 111½  | 105½                         | 3 9 0                          | 3 6 1         |
| 1896  | 116½  | 109½                         | 3 2 7                          | 3 1 6         |
| 1897  | 115   | 108½                         | 3 4 0                          | 3 2 7         |
| 1898  | 113½  | 107½                         | 3 5 1                          | 3 3 6         |
| 1899  | 114   | 107½                         | 3 4 5                          | 3 2 10        |
| 1900  | 111½  | 105½                         | 3 6 8                          | 3 5 0         |
| 1901  | 112½  | 106½                         | 3 5 3                          | 3 4 1         |
| 1902  | 112½  | 104½                         | 3 5 3                          | 3 6 0         |
| 1903  | 107½  | 101½                         | 3 11 2                         | 3 10 0        |
| 1904  | 107   | 98½                          | 3 11 10                        | 3 14 5        |
| 1905  | 107   | 100                          | 3 11 6                         | 3 11 6        |
| 1906  | 105½  | 101½                         | 3 13 4                         | 3 10 7        |
| 1907  | 105   | 100½                         | 3 14 2                         | 3 11 8        |

The minimum return to the investor is calculated after allowing for accrued interest and redemption at par on maturity.

The following are the means between the highest and lowest prices of Australasian stocks in London during each of the last fourteen years. The stocks selected are the representative issues of 4 and 3½ per cents. :—

Prices of Australasian stocks.

MEAN PRICES OF AUSTRALASIAN STOCKS IN LONDON, 1894 TO 1907.

| Year.   | Victoria.                      | New South Wales. | Queensland. | South Australia. | Western Australia. | Tasmania. | New Zealand. |
|---------|--------------------------------|------------------|-------------|------------------|--------------------|-----------|--------------|
|         | FOUR PER CENTS. REDEEMABLE IN— |                  |             |                  |                    |           |              |
|         | 1920.                          | 1933.            | 1915.       | 1917-36.         | 1934.              | 1920-40.  | 1929.        |
| 1894 .. | 103½                           | 107¾             | 105¾        | 105¾             | 108½               | ..        | 107¾         |
| 1895 .. | 104½                           | 113¾             | 109¾        | 109¾             | 117½               | ..        | 109¾         |
| 1896 .. | 111¾                           | 118¾             | 111¾        | 111              | 124½               | ..        | 112¾         |
| 1897 .. | 113                            | 120¾             | 113½        | 112¾             | 121¾               | ..        | 114¾         |
| 1898 .. | 111½                           | 117½             | 109¾        | 110              | 118                | ..        | 112¾         |
| 1899 .. | 110                            | 115½             | 109         | 108½             | 116½               | ..        | 111          |
| 1900 .. | 109½                           | 114¾             | 108½        | 108¾             | 115½               | 110½      | 111½         |
| 1901 .. | 110                            | 114¾             | 107½        | 107              | 113                | 109       | 113          |
| 1902 .. | 108¾                           | 112¾             | 105½        | 105              | 112¾               | 110       | 111½         |
| 1903 .. | 104¾                           | 107¾             | 102½        | 102¾             | 109¾               | 107       | 107¾         |
| 1904 .. | 104¾                           | 107              | 102¾        | 101              | 107                | 105       | 106          |
| 1905 .. | 105½                           | 107              | 103¾        | 103½             | 107½               | 106½      | 107¾         |
| 1906 .. | 103¾                           | 108¾             | 102¾        | 102¾             | 108                | 105       | 107¾         |
| 1907 .. | 102½                           | 106¾             | 101         | 101              | 107½               | 104       | 106          |

|         | THREE AND A HALF PER CENTS. REDEEMABLE IN— |       |       |       |          |          |       |
|---------|--|-------|-------|-------|----------|----------|-------|
|         | 1923.                                      | 1924. | 1924. | 1939. | 1915-35. | 1920-40. | 1940. |
| 1894 .. | 95¾  | 99½   | 95½   | 97¾   | ..       | 96¾      | 99¾   |
| 1895 .. | 98¾  | 104½  | 102½  | 104¾  | ..       | 102¾     | 103¾  |
| 1896 .. | 104½                                       | 108   | 106½  | 108¾  | ..       | 107¾     | 106   |
| 1897 .. | 106½                                       | 109¾  | 106¾  | 111   | ..       | 108½     | 107¾  |
| 1898 .. | 104¾                                       | 106½  | 104½  | 108   | ..       | 107¾     | 106½  |
| 1899 .. | 103¾                                       | 105½  | 103¾  | 106¾  | ..       | 103¾     | 105½  |
| 1900 .. | 103¾                                       | 105   | 103½  | 105¾  | 102½     | 102      | 105   |
| 1901 .. | 104  | 104¾  | 102¾  | 104¾  | 101¾     | 102      | 106¾  |
| 1902 .. | 102½                                       | 103½  | 101¾  | 103½  | 100¾     | 103      | 105½  |
| 1903 .. | 98   | 99½   | 97½   | 101½  | 98       | 100      | 102½  |
| 1904 .. | 96¾  | 97½   | 96½   | 98¾   | 95¾      | 98       | 99½   |
| 1905 .. | 98½  | 99¾   | 98½   | 99    | 97½      | 99¾      | 98¾   |
| 1906 .. | 100  | 100¾  | 99¾   | 100¾  | 99       | 98¾      | 100½  |
| 1907 .. | 98¾  | 99½   | 97½   | 99    | 96¾      | 97½      | 99½   |

It will be noticed from these figures that immediately after 1894 there was a remarkable and rapid rise in the prices of all the above stocks; but in 1898 there was a sudden drop, which continued gradually until 1902. The decline was accentuated in 1903 and 1904, when there was another heavy fall, which reduced prices to something like the level ruling in 1894, but prices hardened again in 1905, and were generally sustained in 1906, again falling slightly in 1907.

These figures, however, as they stand, do not afford an indication of the real values of the stocks concerned; the table simply shows the mean between the highest and lowest prices for the year.

Investors' return from Australasian stocks.

The best method of comparing the value of stocks over a series of years, or of comparing the different values placed upon the stocks of different States by investors, is to show the actual or effective rate of interest the investor is satisfied with, as evidenced by the mean between the highest and lowest quotations during the year. This is done in the following table, allowance being made for an average of three months' accrued interest, which is deducted from the market price before the computation is made. In computing the yield to the investor, the gain or loss incurred by redemption at par at maturity is taken into account:—

INVESTORS' INTEREST RETURN FROM AUSTRALASIAN STOCKS,  
1894, 1897, 1900, 1902, 1904, 1905, 1906, AND 1907.

| Year.                       | Victoria.            | New South Wales.     | Queensland.          | South Australia.     | Western Australia.   | Tasmania.            | New Zealand.         |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| FOUR PER CENTS.             |                      |                      |                      |                      |                      |                      |                      |
|                             | Per cent.<br>£ s. d. | Per cent.<br>£ s. d. | Per cent.<br>£ s. d. | Per cent.<br>£ s. d. | Per cent.<br>£ s. d. | Per cent.<br>£ s. d. | Per cent.<br>£ s. d. |
| 1894                        | 3 17 2               | 3 13 7               | 3 13 10              | 3 13 9               | 3 13 0               | ..                   | 3 13 4               |
| 1897                        | 3 5 1                | 3 2 2                | 3 2 2                | 3 4 1                | 3 1 3                | ..                   | 3 6 2                |
| 1900                        | 3 8 8                | 3 6 4                | 3 7 6                | 3 7 10               | 3 6 2                | 3 7 0                | 3 9 0                |
| 1902                        | 3 8 4                | 3 8 2                | 3 11 10              | 3 11 8               | 3 8 0                | 3 6 9                | 3 8 5                |
| 1904                        | 3 14 0               | 3 13 0               | 3 16 2               | 3 19 9               | 3 13 0               | 3 13 2               | 3 13 9               |
| 1905                        | 3 12 11              | 3 12 5               | 3 13 5               | 3 15 4               | 3 12 8               | 3 11 1               | 3 11 6               |
| 1906                        | 3 14 11              | 3 11 5               | 3 15 1               | 3 16 5               | 3 11 8               | 3 11 8               | 3 11 3               |
| 1907                        | 3 17 0               | 3 13 6               | 3 18 2               | 3 18 2               | 3 12 10              | 3 13 0               | 3 13 3               |
| THREE AND A HALF PER CENTS. |                      |                      |                      |                      |                      |                      |                      |
|                             | Per cent.<br>£ s. d. | Per cent.<br>£ s. d. | Per cent.<br>£ s. d. | Per cent.<br>£ s. d. | Per cent.<br>£ s. d. | Per cent.<br>£ s. d. | Per cent.<br>£ s. d. |
| 1894                        | 3 15 11              | 3 11 11              | 3 16 4               | 3 12 10              | ..                   | 3 15 2               | 3 11 0               |
| 1897                        | 3 3 11               | 3 0 6                | 3 3 7                | 3 1 0                | ..                   | 3 1 1                | 3 3 11               |
| 1900                        | 3 6 10               | 3 5 0                | 3 6 10               | 3 5 9                | 3 7 7                | 3 7 3                | 3 6 4                |
| 1902                        | 3 7 10               | 3 6 8                | 3 9 0                | 3 7 6                | 3 10 3               | 3 6 9                | 3 5 6                |
| 1904                        | 3 16 0               | 3 14 10              | 3 16 10              | 3 12 7               | 4 2 2                | 3 14 11              | 3 11 9               |
| 1905                        | 3 14 0               | 3 11 8               | 3 13 10              | 3 11 10              | 3 19 0               | 3 12 8               | 3 12 0               |
| 1906                        | 3 11 5               | 3 10 5               | 3 12 3               | 3 10 0               | 3 15 0               | 3 13 8               | 3 10 4               |
| 1907                        | 3 14 4               | 3 12 2               | 3 15 6               | 3 11 11              | 4 2 9                | 3 16 8               | 3 11 5               |

NOTE.—Where the date of redemption is optional, the earliest date has been adopted for the calculation.

Taking the  $3\frac{1}{2}$  per cents. as being the representative stocks, it appears that, judging from the quotations in 1906 and 1907, those of South Australia, New Zealand, and New South Wales yield least to the investor, being practically alike, and returning little

more than the nominal rate of interest, and that those of Western Australia yield most, the net return to the investor being  $3\frac{3}{4}$  per cent. in 1906 and  $4\frac{1}{8}$  per cent. in 1907.

The following is a statement of the interest return to the investor in the principal issues of Colonial stocks and in British Consols, as indicated by the mean between the highest and lowest market prices quoted during the years 1900 and 1907:—

Representative British and Colonial stocks in London.

INTEREST ON MEAN PRICES OF BRITISH CONSOLS AND COLONIAL STOCKS, 1900 AND 1907.

| Country.               | Date of Maturity. | Rate of Interest on Stock. | Return to Investor Per Cent. |           |           |
|------------------------|-------------------|----------------------------|------------------------------|-----------|-----------|
|                        |                   |                            | 1900.                        | 1907.     | Increase. |
| United Kingdom Consols | Inter-minable.    | per cent. $2\frac{1}{2}$ * | £ 2 10 0                     | £ 2 19 11 | £ 0 9 11  |
| Canada .. ..           | 1938              | 3                          | 3 0 0                        | 3 4 3     | 0 4 3     |
| " .. ..                | 1947              | $2\frac{1}{2}$             | 2 17 2                       | 3 8 3     | 0 11 2    |
| Ceylon .. ..           | 1934              | 4                          | 3 6 11                       | 3 11 2    | 0 4 3     |
| New Zealand ..         | 1940              | $3\frac{1}{2}$             | 3 6 4                        | 3 11 5    | 0 5 1     |
| South Australia ..     | 1939              | $3\frac{1}{2}$             | 3 5 9                        | 3 11 11   | 0 6 2     |
| New South Wales ..     | 1924              | $3\frac{1}{2}$             | 3 5 0                        | 3 12 2    | 0 7 2     |
| Western Australia ..   | 1934              | 4                          | 3 6 2                        | 3 12 10   | 0 6 8     |
| Tasmania .. ..         | 1920-40           | 4                          | 3 7 0                        | 3 13 0    | 0 6 0     |
| New Zealand ..         | 1929              | 4                          | 3 9 0                        | 3 13 3    | 0 4 3     |
| New South Wales ..     | 1933              | 4                          | 3 6 4                        | 3 13 6    | 0 7 2     |
| Natal .. ..            | 1937              | 4                          | 3 10 1                       | 3 13 8    | 0 3 7     |
| New Zealand ..         | 1945              | 3                          | 3 3 2                        | 3 13 9    | 0 10 7    |
| Hong Kong .. ..        | 1918-43           | $3\frac{1}{2}$             | 3 7 5                        | 3 14 3    | 0 6 10    |
| Victoria .. ..         | 1923              | $3\frac{1}{2}$             | 3 6 10                       | 3 14 4    | 0 7 6     |
| Jamaica .. ..          | 1934              | 4                          | 3 10 11                      | 3 14 5    | 0 3 6     |
| Queensland .. ..       | 1924              | $3\frac{1}{2}$             | 3 6 10                       | 3 15 6    | 0 8 8     |
| Cape Colony .. ..      | 1923              | 4                          | 3 10 4                       | 3 15 10   | 0 5 6     |
| Newfoundland ..        | 1935              | 4                          | 3 11 1                       | 3 16 2    | 0 5 1     |
| British Guiana ..      | 1935              | 4                          | 3 12 3                       | 3 16 5    | 0 4 2     |
| Tasmania .. ..         | 1920-40           | $3\frac{1}{2}$             | 3 7 3                        | 3 16 8    | 0 9 5     |
| Victoria .. ..         | 1920              | 4                          | 3 8 8                        | 3 17 0    | 0 8 4     |
| Trinidad .. ..         | 1917-42           | 4                          | 3 7 8                        | 3 17 0    | 0 9 4     |
| New South Wales ..     | 1935              | 3                          | 3 0 11                       | 3 17 4    | 0 16 5    |
| Cape Colony .. ..      | 1929-49           | $3\frac{1}{2}$             | 3 5 3                        | 3 17 6    | 0 12 3    |
| Queensland .. ..       | 1915              | 4                          | 3 7 6                        | 3 18 2    | 0 10 8    |
| South Australia ..     | 1917-36           | 4                          | 3 7 10                       | 3 18 2    | 0 10 4    |
| Victoria .. ..         | 1929-49           | 3                          | 3 4 10                       | 3 19 6    | 0 14 8    |
| Quebec .. ..           | 1937              | 3                          | 3 10 7                       | 4 0 6     | 0 9 11    |
| Western Australia ..   | 1915-35           | $3\frac{1}{2}$             | 3 7 7                        | 4 2 9     | 0 15 2    |
| Natal .. ..            | 1914-39           | $3\frac{1}{2}$             | 3 7 11                       | 4 7 0     | 0 19 1    |
| Natal .. ..            | 1929-49           | 3                          | 3 4 9                        | 4 7 5     | 1 2 8     |
| British Guiana ..      | 1923-45           | 3                          | 3 7 2                        | 4 8 8     | 1 1 6     |
| Queensland .. ..       | 1922-47           | 3                          | 3 6 1                        | 4 9 11    | 1 3 10    |
| Trinidad .. ..         | 1922-44           | 3                          | 3 6 11                       | 4 10 2    | 1 3 3     |
| Western Australia ..   | 1916-36           | 3                          | 3 12 0                       | 5 3 7     | 1 11 7    |
| South Australia ..     | 1916 or later     | 3                          | 3 10 2                       | 5 6 2     | 1 16 0    |

\* Consols carried  $2\frac{3}{4}$  per cent. interest until 1903; but the rate of interest to a permanent investor in 1900 is only reckoned at  $2\frac{1}{2}$ , which is now the permanent rate.

It would appear from this table as if the Australian and other Colonial 3 per cent. stocks were not viewed with approbation by the British investor; but as most of these stocks are payable at the option of the Governments between extremes of 20 or 25 years, and the computation of returns to investors has been made on the assumption of redemption of the loans at the earliest dates, such returns are higher than the probabilities warrant. Since the market rate of interest is about  $3\frac{1}{2}$  per cent., it is not at all likely that the Governments will endeavour to redeem at the earliest date, unless under the unlikely condition of a fall in interest below 3 per cent. Therefore, in the case of these stocks, it would be a fairer comparison to calculate the return to the investor on the assumption of redemption at the latest optional date. Under these circumstances, the interest realized by the purchasers of the various 3 per cent. Australian and other Colonial stocks in 1907 would be as follows:—

| Stocks.                        | Return to Investor.<br>Per cent. |    |       |
|--------------------------------|----------------------------------|----|-------|
|                                | £                                | s. | d.    |
| South Australia, 1916 or later | ...                              | 3  | 11 0  |
| Victoria, 1929-49              | ...                              | 3  | 13 1  |
| Queensland, 1922-47            | ...                              | 3  | 15 5  |
| British Guiana, 1923-45        | ...                              | 3  | 15 10 |
| Trinidad, 1922-44              | ...                              | 3  | 16 0  |
| Western Australia, 1916-36     | ...                              | 3  | 17 6  |
| Natal, 1929-49                 | ...                              | 3  | 18 4  |

It is thus seen, on comparison with the yields of the  $3\frac{1}{2}$  and 4 per cents. shown in the previous tables, that there is no real preference exhibited in favour of any particular stock.

Prices of  
stock and  
debentures  
in Mel-  
bourne.

The amount of Victorian Government stock and debentures, under three loans payable in Melbourne, outstanding on 30th June, the price in January, and the return to the investor per cent. for recent years, are as follow. The market prices are taken from the *Australasian Insurance and Banking Record*:—

PRICES OF STOCK AND DEBENTURES IN MELBOURNE: 1899 TO 1908.

| Year.   | Amount Out-<br>standing<br>on 30th June. | Price in<br>January.               | Return to<br>Investor per<br>cent. |         |
|---|--|------------------------------------|------------------------------------|---------|
|   |  |                                    | £                                  | £ s. d. |
| 3% Stock, due 1917 or at any time thereafter. |  |                                    |                                    |         |
| 1899  | 2,790,482                                | 100 $\frac{1}{2}$                  | 2                                  | 19 8    |
| 1900  | 3,059,511                                | 100-100 $\frac{1}{4}$              | 2                                  | 19 11   |
| 1901  | 3,146,000                                | 98 $\frac{1}{2}$ -99 $\frac{1}{2}$ | 3                                  | 0 7     |
| 1902  | 3,195,619                                | 99 $\frac{3}{4}$                   | 3                                  | 0 4     |
| 1903  | 3,196,933                                | 97                                 | 3                                  | 1 10    |
| 1904  | 3,120,492                                | 92 $\frac{1}{2}$                   | 3                                  | 4 10    |
| 1905  | 3,155,773                                | 88 $\frac{1}{2}$                   | 3                                  | 7 7     |
| 1906  | 3,153,067                                | 93                                 | 3                                  | 4 6     |
| 1907  | 3,197,732                                | 91 $\frac{1}{2}$                   | 3                                  | 5 7     |
| 1908  | ...                                      | 89                                 | 3                                  | 7 5     |

PRICES OF STOCK AND DEBENTURES IN MELBOURNE: 1899 TO 1908—  
*continued.*

| Year.                        | Amount Out-<br>standing<br>on 30th June. | Price in<br>January.               | Return to<br>Investor per<br>cent. |
|------------------------------|--|------------------------------------|------------------------------------|
|                              | £  |                                    | £ s. d.                            |
| 3 % Debentures, due 1921-30. |  |                                    |                                    |
| 1901                         | 532,000                                  | 97 $\frac{1}{4}$ -97 $\frac{1}{2}$ | 3 2 9                              |
| 1902                         | 1,000,000                                | 95-95 $\frac{3}{4}$                | 3 4 10                             |
| 1903                         | 1,000,000                                | 93 $\frac{1}{2}$ -93 $\frac{3}{4}$ | 3 7 1                              |
| 1904                         | 1,000,000                                | 88-90                              | 3 13 2                             |
| 1905                         | 1,000,000                                | 87 $\frac{1}{2}$ -88               | 3 15 3                             |
| 1906                         | 997,400                                  | 93                                 | 3 8 7                              |
| 1907                         | 993,150                                  | 90                                 | 3 12 10                            |
| 1908                         | ...                                      | 89                                 | 3 14 8                             |
| 4 % Debentures, due 1913-23. |  |                                    |                                    |
| 1899                         | 746,795                                  | 111-112                            | 3 1 2                              |
| 1900                         | 746,795                                  | 112                                | 2 19 6                             |
| 1901                         | 746,795                                  | 105-107 $\frac{1}{2}$              | 3 8 2                              |
| 1902                         | 746,795                                  | 106                                | 3 8 0                              |
| 1903                         | 746,795                                  | 104 $\frac{1}{4}$                  | 3 10 9                             |
| 1904                         | 746,795                                  | 103                                | 3 12 10                            |
| 1905                         | 746,795                                  | 103 $\frac{3}{4}$                  | 3 10 3                             |
| 1906                         | 746,795                                  | 104 $\frac{1}{2}$ -105             | 3 6 5                              |
| 1907                         | 746,795                                  | 104                                | 3 7 3                              |
| 1908                         | ...                                      | 102 $\frac{1}{2}$                  | 3 10 8                             |

The prices quoted in this table do not include any allowance for accrued interest, the practice on the Melbourne Stock Exchange differing from that on the London Exchange, where accrued interest is included in prices quoted.

In computing the returns to investors, the 3 per cent. stock has been regarded as interminable, since it is at the option of the Government whether it be redeemed in 1917, or at any time thereafter; and, as before explained, with reference to other Colonial stock, it is extremely unlikely that redemption will take place at the earliest date. For the 3 per cent. debentures it has been assumed that redemption will be made at the latest optional date, viz., 1930. For the 4 per cent. debentures the earliest date has been assumed, since the nominal interest is in excess of the market rate. For the earlier years shown above, the yield per cent. was about the same from the 3 and 4 per cents., in the middle period the 4 per cents. gave a better return than the 3 per cents., and in the latter years occupied an intermediate position between the 3 per cent. stock and debentures. It appears that the yields realized by the investor in Victoria from 3 per cent. stock and 4 per cent. debentures in January, 1908, were considerably lower than those generally realized by the investor in Colonial stocks on the British market during 1907.

## INSURANCE.

Life assurance.

There are nineteen companies transacting life assurance business in Victoria. The head offices of six of these companies are in Victoria, five in New South Wales, four in America, and four in the United Kingdom. The returns are not required to be lodged with the Registrar-General before the end of September, consequently returns for 1907 have been obtained direct from all the companies except two, for which the figures of the preceding year have been given. This does not affect the comparison of 1907 with previous years, as the number of policies of these offices was inconsiderable in comparison with the total. The following are the number and amount of policies in force in Victoria in companies whose head offices are inside, and those whose head offices are outside Victoria during the years 1900 to 1907:—

## LIFE POLICIES IN FORCE IN VICTORIA, 1900 TO 1907.

| Year.   | Companies with Head Offices in— |                  |                 |           | Total.     |
|---------|---------------------------------|------------------|-----------------|-----------|------------|
|         | Victoria.                       | New South Wales. | United Kingdom. | America.  |            |
| NUMBER. |                                 |                  |                 |           |            |
| 1900 .. | 59,997                          | 105,851          | 1,203           | 5,662     | 172,713    |
| 1901 .. | 70,115                          | 117,958          | 1,130           | 6,833     | 196,036    |
| 1902 .. | 76,958                          | 125,075          | 1,052           | 7,837     | 210,922    |
| 1903 .. | 77,938                          | 127,364          | 1,004           | 8,555     | 214,861    |
| 1904 .. | 84,006                          | 130,366          | 950             | 8,890     | 224,212    |
| 1905 .. | 84,108                          | 133,117          | 914             | 9,029     | 227,168    |
| 1906 .. | 87,894                          | 138,546          | 841             | 7,810     | 235,091    |
| 1907 .. | 89,359                          | 145,203          | 805             | 7,018     | 242,385    |
| AMOUNT. |                                 |                  |                 |           |            |
|         | £                               | £                | £               | £         | £          |
| 1900 .. | 8,268,635                       | 14,917,162       | 554,124         | 2,575,941 | 26,315,862 |
| 1901 .. | 9,267,205                       | 15,952,982       | 523,560         | 2,821,142 | 28,564,889 |
| 1902 .. | 9,610,224                       | 16,798,243       | 477,934         | 2,991,761 | 29,878,162 |
| 1903 .. | 9,458,538                       | 17,175,972       | 458,820         | 3,137,237 | 30,230,567 |
| 1904 .. | 9,692,186                       | 17,646,043       | 434,030         | 3,208,084 | 30,980,343 |
| 1905 .. | 9,702,730                       | 18,242,212       | 426,840         | 3,214,742 | 31,586,524 |
| 1906 .. | 10,010,359                      | 18,973,956       | 393,765         | 2,868,727 | 32,246,807 |
| 1907 .. | 10,375,502                      | 19,814,689       | 377,906         | 2,544,255 | 33,112,352 |

The policies dealt with in the preceding table include ordinary life assurance, endowment assurance, and pure endowment. The companies are required to distinguish between assurance and endowment in their returns to the Registrar-General; but it would appear that some have included only pure endowment under the latter head,



and others have included endowment assurance as well, thus rendering the distinction between the two impossible for comparative purposes.

The increase in the number and amount of policies since 1900 has been most satisfactory—an increase of 40.3 per cent. in the number of policies, and 25.8 per cent. in the amount. It will be seen that 96.8 per cent. of the policies, and 91.2 per cent. of the amount of insurance, are in Australian offices, of which there are eleven doing business in Victoria; 27.5 per cent. of the policies and 46.8 per cent. of the amount insured being in the Australian Mutual Provident Society, the head office of which is in Sydney.

The percentage of policies held in Australian and foreign offices in Victoria in 1907, and the percentage increase or decrease since 1900, are as follow:—

Life policies.  
Growth of  
business,  
Australian  
and foreign  
companies.

LIFE ASSURANCE POLICIES: PERCENTAGE AND GROWTH OF VICTORIAN BUSINESS IN AUSTRALIAN AND FOREIGN OFFICES.

| Companies with Head Offices in— | Percentage in 1907 of— |                       | Increase per cent. in 1907 as compared with 1900. |         |
|---------------------------------|------------------------|-----------------------|---|---------|
|                                 | Total Policies.        | Total Amount Assured. | Number.   | Amount. |
| Victoria .. .. .                | 36.9                   | 31.3                  | 48.9  | 25.5    |
| New South Wales .. .. .         | 59.9                   | 59.9                  | 37.2  | 32.8    |
| United Kingdom .. .. .          | .3                     | 1.1                   | -33.1*  | -31.8*  |
| America .. .. .                 | 2.9                    | 7.7                   | 24.0  | -1.2*   |
| Total .. .. .                   | 100.0                  | 100.0                 | 40.3  | 25.8    |

\* The minus sign denotes a decrease.

Thus, while there has been a very large increase in the business of the Australian offices, there has been a large falling off in the business of the British companies, which, however, have for many years ceased to accept new business. The latter statement may also be made of the American companies, only one of which, it is understood, is now competing for new business. Compared with 1905, when American companies attained their maximum business, there has been a falling off of 22.3 per cent. in the number of policies, and of 20.9 in the amount, whilst the Australian offices exhibit increases of 8.0 per cent. in both the number of policies and the amount.

An endeavour has been made to obtain direct from each office the business under each class of assurance. In the cases of two of the offices—one American and one New South Wales—the separation between ordinary assurance and endowment assurance could not be effected. The following table shows the available information on the subject—distinguishing between ordinary and industrial business,

Classifica-  
tion of  
Assurance  
Policies.

and also between those offices whose headquarters are situated respectively as shown in previous tables:—

LIFE ASSURANCE POLICIES IN FORCE IN VICTORIA, 1907.

| Assurance Companies<br>with Head Offices in— | Ordinary<br>Assurance.      |           | Endowment<br>Assurance. |           | Pure<br>Endowment. |           | Total.  |            |
|--|-----------------------------|-----------|-------------------------|-----------|--------------------|-----------|---------|------------|
|  | No.                         | Amount.   | No.                     | Amount.   | No.                | Amount.   | No.     | Amount.    |
|  |                             | £         |                         | £         |                    | £         |         | £          |
|  | <b>Ordinary Business.</b>   |           |                         |           |                    |           |         |            |
| Victoria .. .. .                             | 16,004                      | 4,561,660 | 28,686                  | 4,614,601 | 4,898              | 491,657   | 49,588  | 9,667,918  |
| United Kingdom ..                            | 699                         | 358,838   | 105                     | 18,918    | 1                  | 150       | 805     | 377,906    |
| New South Wales ..                           |                             | 78,756    | 18,203,808              |           | 3,097              | 301,582   | 81,853  | 18,505,390 |
| America .. .. .                              |                             | 6,345     | 2,441,769               |           | 53                 | 7,296     | 6,398   | 2,449,055  |
| Total, Ordinary Business                     |                             | 180,595   | 30,199,584              |           | 8,049              | 800,685   | 138,644 | 31,000,269 |
|  | <b>Industrial Business.</b> |           |                         |           |                    |           |         |            |
| Victoria .. .. .                             | 17,904                      | 332,538   | 7,338                   | 145,465   | 14,529             | 229,581   | 39,771  | 707,584    |
| New South Wales ..                           | 20,851                      | 380,680   | 37,555                  | 803,475   | 4,944              | 125,144   | 63,350  | 1,309,299  |
| America .. .. .                              | 620                         | 95,200    | ..                      | ..        | ..                 | ..        | 620     | 95,200     |
| Total, Industrial Business                   | 39,375                      | 808,418   | 44,893                  | 948,940   | 19,473             | 354,725   | 103,741 | 2,112,083  |
|  | <b>Total Business.</b>      |           |                         |           |                    |           |         |            |
| Victoria .. .. .                             | 33,908                      | 4,894,198 | 36,024                  | 4,760,066 | 19,427             | 721,238   | 89,359  | 10,375,502 |
| United Kingdom ..                            | 699                         | 358,838   | 105                     | 18,918    | 1                  | 150       | 805     | 377,906    |
| New South Wales ..                           |                             | 137,162   | 19,387,963              |           | 8,041              | 426,726   | 145,203 | 19,814,689 |
| America .. .. .                              |                             | 6,965     | 2,536,959               |           | 53                 | 7,296     | 7,018   | 2,544,255  |
| Grand Total                                  |                             | 214,863   | 31,956,942              |           | 27,522             | 1,155,410 | 242,385 | 33,112,352 |

An analysis of this table shows that 57.2 per cent. of the policies and 93.6 per cent. of the amount of the total assurance of Victoria belong to the "ordinary" business, and 42.8 per cent. of the policies and 6.4 per cent. of the amount belong to the "industrial" business. The average value of the policy in the former category is £223, whilst—calculated from the returns of those societies which distinguish between simple assurance and endowment assurance—the average simple assurance policy is £329, endowment assurance £172, and pure endowment £99. In these companies the total amounts of the policies in the two forms of assurance were very similar, viz., £14,813,575 for simple assurance, and £13,917,724 for endowment assurance, the figures for pure endowment being £724,139. In the industrial branch of the business the average policy is a little over £20, and there is not much variation in the average policies of the three classes of assurance, viz., simple assurance, £20.5, endowment assurance £21.1, and pure endowment £18.2; the total amounts of the several policies being £808,418, £948,940, and £354,725 respectively. Taking these figures in

conjunction with those of the ordinary insurance (with the restriction before mentioned) it would seem that there is a preference slightly in favour of simple assurance. But a better test, perhaps, of popularity would be furnished by the number of policies in the respective classes. In the ordinary business there are 44,996 simple assurance policies, and 80,775 endowment assurance, and in the industrial 39,375 and 44,893 respectively. Judged by these figures, endowment assurance must be regarded as the popular form.

The following are the number and amount of annuity policies in force in Victoria at the end of each of the last eight years, distinguishing between those in force in companies whose head offices are inside, and those whose head offices are outside, Victoria:—

ANNUITY POLICIES IN FORCE IN VICTORIA, 1900 TO 1907.

| Year.   | Head Offices in Victoria. |                   | Head Offices outside Victoria. |                   | Total.  |                   |
|---------|---------------------------|-------------------|--------------------------------|-------------------|---------|-------------------|
|         | Number.                   | Amount per Annum. | Number.                        | Amount per Annum. | Number. | Amount per Annum. |
|         |                           | £                 |                                | £                 |         | £                 |
| 1900 .. | 65                        | 3,877             | 189                            | 12,307            | 254     | 16,184            |
| 1901 .. | 81                        | 4,221             | 229                            | 15,150            | 310     | 19,371            |
| 1902 .. | 85                        | 4,958             | 269                            | 15,990            | 354     | 20,948            |
| 1903 .. | 91                        | 4,850             | 294                            | 13,971            | 385     | 18,821            |
| 1904 .. | 101                       | 7,275             | 308                            | 14,108            | 409     | 21,383            |
| 1905 .. | 117                       | 7,253             | 308                            | 14,179            | 425     | 21,432            |
| 1906 .. | 137                       | 8,146             | 320                            | 14,270            | 457     | 22,416            |
| 1907 .. | 144                       | 8,181             | 336                            | 15,007            | 480     | 23,188            |

There was an increase in both the number and amount of annuities at the end of each year except 1903. The annuities at the close of 1907 exceed those at the close of 1900 by 89 per cent. in the number and 43 per cent. in the amount.

Of the 336 annuities held in 1907 in companies whose head offices were outside Victoria, 240 for £10,316 per annum were in New South Wales offices, 3 for £375 in English offices, and 93

for £4,316 in American offices. It is noteworthy that there was only one annuity in the industrial branch, and that for only £6 per annum.

Insurance—  
other than  
Life.

The following table shows the transactions of insurance companies—other than life—operating in Victoria in 1904, 1905, and 1906:—

INSURANCE—OTHER THAN LIFE: 1904 TO 1906.

|  | Year. | Nature of Insurance. |                         |         |           |
|--|-------|----------------------|-------------------------|---------|-----------|
|  |       | Fire and Marine.     | Accident and Guarantee. | Other.  | Total.    |
| <b>RECEIPTS.</b>                           |       |                      |                         |         |           |
| Premiums, less Re-assurance and Returns    | 1904  | £ 559,518            | £ 47,110                | £ 7,655 | £ 614,283 |
|  | 1905  | 550,138              | 53,539                  | 9,853   | 613,530   |
|  | 1906  | 587,502              | 60,799                  | 10,672  | 658,973   |
| Other Receipts (Interest, Rent, Fees, &c.) | 1904  | 33,614               | 2,756                   | 593     | 36,963    |
|  | 1905  | 36,874               | 4,072                   | 658     | 41,604    |
|  | 1906  | 36,245               | 3,872                   | 737     | 40,854    |
| Total Receipts ...                         | 1904  | 593,132              | 49,866                  | 8,248   | 651,246   |
|  | 1905  | 587,012              | 57,611                  | 10,511  | 655,134   |
|  | 1906  | 623,747              | 64,671                  | 11,409  | 699,827   |
| <b>EXPENDITURE.</b>                        |       |                      |                         |         |           |
| Losses ...                                 | 1904  | 230,626              | 19,085                  | 4,348   | 254,059   |
|  | 1905  | 248,947              | 23,508                  | 4,477   | 276,962   |
|  | 1906  | 240,357              | 18,585                  | 6,093   | 265,035   |
| Other Expenditure ...                      | 1904  | 220,029              | 21,649                  | 2,175   | 243,853   |
|  | 1905  | 225,972              | 19,990                  | 2,448   | 248,410   |
|  | 1906  | 235,910              | 26,701                  | 3,330   | 265,941   |
| Total Expenditure ...                      | 1904  | 450,655              | 40,734                  | 6,523   | 497,912   |
|  | 1905  | 474,919              | 43,498                  | 6,925   | 525,342   |
|  | 1906  | 476,267              | 45,286                  | 9,423   | 530,976   |

The total amount at risk is not available, but it is obvious, from the extent of the premiums, that the amount covered must be very considerable. In 1906 in the fire and marine business the premiums received amounted to £587,502, and the losses to £240,357; in the accident and guarantee, £60,799 and £18,585 respectively; in the "other" insurance business, which includes plate glass and live stock insurance, the figures were £10,672 and £6,093 respectively. The total amount of premiums on all these classes of insurance for the three years 1904 to 1906 was £1,886,786, and the losses £796,026, or 42 per cent. of the premiums.

BUILDING SOCIETIES.

Building  
Societies.

Building societies in Victoria date from an early period in the history of the State, and up to 1892 their business was extensive. Since then it has been comparatively small, although the figures of recent years, and particularly those of 1906 and 1907 show that an

improvement has taken place in building society business. The following table gives particulars of the principal items of business during the last five years:—

## BUILDING SOCIETIES: 1903 TO 1907.

| —                       | 1903.   | 1904.   | 1905.   | 1906.   | 1907.   |
|-------------------------|---------|---------|---------|---------|---------|
| Number of societies ... | 32      | 32      | 28      | 31      | 30      |
| "  shareholders         | 6,365   | 6,970   | 5,881   | 6,920   | 6,949   |
| "  borrowers            | 6,105   | 6,275   | 6,351   | 7,418   | 7,638   |
| During the year—        | £       | £       | £       | £       | £       |
| Advances ...            | 145,186 | 131,307 | 154,507 | 253,029 | 316,516 |
| Repayments ...          | 267,193 | 243,492 | 237,898 | 316,005 | 344,051 |
| Working expenses ...    | 22,025  | 20,959  | 20,084  | 24,060  | 24,264  |
| At end of year—         |         |         |         |         |         |
| Deposits ...            | 735,017 | 721,548 | 716,601 | 712,186 | 694,095 |

A glance at the above figures will show the substantial improvement in building society business in the period 1903-7, and more particularly between 1904 and 1907. Although, compared with 1904, there were two societies less in 1907, yet there has been an advance of 141 per cent. in the advances made and 41 per cent. in the repayments, whilst the liabilities to depositors have been reduced by about 4 per cent. It will also be noticed that this form of liability has been continuously reduced since 1903. Under ordinary circumstances a reduction of deposits might be taken as an indication of want of confidence in the societies, but in the present instance means the release of temporarily locked-up deposits. The total assets of the building societies on the 31st December, 1907, amounted to £2,639,413, of which £1,296,772 consisted of loans on mortgage, and £1,266,681 of properties in possession or surrendered. Of the total liabilities, viz., £2,469,597, £1,311,813 were due to shareholders, £301,268 to debenture holders, and £694,095 to depositors. The total reserved funds at the same date amounted to £195,186.

## MORTGAGES, LIENS, ETC.

A statement of the number and amount of registered mortgages and releases of land in each of the last five years is hereunder. Generally, in about 13 per cent. of the mortgages the amount of the loan is not stated, so that the amounts stated in the following table may be taken as understating the total by about that proportion. No account is taken of unregistered or equitable mortgages to banks

Land mortgages and releases.

and individuals, as there is no public record of these dealings; nor are building society mortgages over land held under the *Transfer of Land Act* included, they being registered as absolute transfers. Besides releases registered as such, some mortgages are released or lapse in other ways, e.g., by a transfer from mortgagor to mortgagee, by sale by mortgagee, or by foreclosure.

## LAND MORTGAGES AND RELEASES: 1903 TO 1907.

| Registered During Year. | 1903.     | 1904.     | 1905.     | 1906.     | 1907.     |
|-------------------------|-----------|-----------|-----------|-----------|-----------|
| Mortgages—              |           |           |           |           |           |
| Number ..               | 9,199     | 8,562     | 8,665     | 8,964     | 10,523    |
| Amount £                | 6,452,908 | 7,982,671 | 5,957,242 | 7,139,501 | 8,937,305 |
| Releases—               |           |           |           |           |           |
| Number ..               | 4,241     | 7,081     | 7,175     | 8,318     | 8,034     |
| Amount £                | 5,324,527 | 4,884,665 | 5,143,295 | 6,896,972 | 7,222,827 |

Stock mortgages, liens on wool and crops.

The number and amount of stock mortgages, liens on wool, and liens on crops registered during each of the last five years were as follow. Releases are not shown, as releases of liens are not required to be registered, being removed from the register after the expiration of twelve months; and very few of the mortgagors of stock trouble to secure themselves by a registered release.

## STOCK MORTGAGES, LIENS ON WOOL AND CROPS: 1903 TO 1907.

| Security.        | 1903.   | 1904.   | 1905.   | 1906.   | 1907.   |
|------------------|---------|---------|---------|---------|---------|
| Stock Mortgages— |         |         |         |         |         |
| Number ..        | 742     | 821     | 900     | 747     | 799     |
| Amount £         | 99,517  | 135,295 | 161,841 | 141,154 | 171,145 |
| Liens on Wool—   |         |         |         |         |         |
| Number ..        | 229     | 156     | 154     | 152     | 150     |
| Amount £         | 48,029  | 63,463  | 58,061  | 56,396  | 65,898  |
| Liens on Crops—  |         |         |         |         |         |
| Number ..        | 3,835   | 1,867   | 1,673   | 1,086   | 503     |
| Amount £         | 206,737 | 111,730 | 91,050  | 80,580  | 52,280  |
| Total—           |         |         |         |         |         |
| Number ..        | 4,806   | 2,844   | 2,727   | 1,985   | 1,452   |
| Amount £         | 354,283 | 310,488 | 310,952 | 278,130 | 289,323 |

The large number of liens on crops in 1903, is due to the fact that 2,955 were liens to the Board of Land and Works, under the *Seed Advances Act* 1903. There were 1,286 such liens in 1904, 1,095 in 1905, 624 in 1906, and 174 in 1907.

Two forms of security are taken by lenders over personal chattels, viz., a bill of sale, and a contract of sale for letting and hiring. The former is a simple mortgage of the chattels, whilst the latter purports to be an absolute sale of the chattels to the lender, with an agreement by the lender to hire the goods back to the borrower at a certain rental, which takes the place of interest. The number and amounts of those filed in each of the last five years are as follow:—

Bills and contracts of sale.

BILLS AND CONTRACTS OF SALE: 1903 TO 1907.

| Security.          | 1903.   | 1904.   | 1905.   | 1906.   | 1907.   |
|--------------------|---------|---------|---------|---------|---------|
| Bills of Sale—     |         |         |         |         |         |
| Number ..          | 1,967   | 2,725   | 2,200   | 1,998   | 1,407   |
| Amount   £         | 221,114 | 189,433 | 181,375 | 184,911 | 167,292 |
| Contracts of Sale— |         |         |         |         |         |
| Number ..          | 425     | 364     | 265     | 161     | 152     |
| Amount   £         | 12,505  | 11,715  | 7,860   | 5,184   | 5,376   |

Before filing a bill of sale, 14 days' notice of intention to file must be lodged with the Registrar-General, within which period any creditor may lodge a "caveat" to prevent the filing of the bill without the payment by the borrower of his claim. To circumvent this, the practice arose, in 1877, whereby the borrower purported to sell the chattels to the lender, who hired them back to the borrower, and this became the form of security more generally adopted until 1887, when a decision was given that if there were any tacit understanding that the transaction should be considered as a loan, the security would be void unless registered as a bill of sale. In consequence of this, the number of contracts of sale has gradually decreased, until in 1906 the bills of sale were more than twelve times their number, and the amount secured thirty-six times as great. In 1907, the number of bills was nine times the number of contracts, and the amount secured thereby thirty-one times as great.

Trading  
companies  
registered.

A statement of the number and nature of trading companies floated and registered in Victoria during the eight years' period 1894-1901, and during each of the last six years, is appended:—

TRADING COMPANIES REGISTERED IN VICTORIA, 1894 TO 1907.

| Nature of Company.           | 1894 to<br>1901. | 1902.     | 1903.     | 1904.     | 1905.     | 1906.     | 1907.      |
|------------------------------|------------------|-----------|-----------|-----------|-----------|-----------|------------|
| <b>FINANCE—</b>              |                  |           |           |           |           |           |            |
| Land, property, investment   | 14               | 5         | 5         | ...       | 5         | ...       | 7          |
| Finance, agency, &c. ...     | 9                | 1         | 2         | ...       | 3         | 2         | 6          |
| Insurance ...                | 2                | 1         | ...       | 2         | 1         | ...       | ...        |
| <b>TRADE—</b>                |                  |           |           |           |           |           |            |
| Cycling ...                  | 13               | ...       | ...       | 2         | 2         | ...       | ...        |
| Export ...                   | 2                | 3         | ...       | 1         | ...       | ...       | 1          |
| Produce ...                  | 14               | 1         | 1         | 4         | 3         | ...       | 2          |
| Supply and trading ...       | 10               | 2         | 5         | 5         | 6         | 10        | 12         |
| Merchants' imports ...       | 20               | 6         | 2         | 1         | 5         | 5         | 2          |
| <b>TRANSPORT—</b>            |                  |           |           |           |           |           |            |
| Carrying ...                 | 8                | 1         | 1         | ...       | ...       | 1         | 1          |
| Railways and rolling-stock   | 5                | ...       | ...       | ...       | ...       | 1         | ...        |
| Tramways ...                 | 4                | ...       | ...       | ...       | ...       | ...       | 1          |
| Steamship ...                | 3                | 2         | 2         | 1         | ...       | 1         | 1          |
| Others ...                   | 9                | ...       | ...       | 2         | 1         | 2         | ...        |
| <b>INDUSTRIAL—</b>           |                  |           |           |           |           |           |            |
| Bacon curing ...             | 6                | ...       | ...       | 1         | ...       | ...       | 1          |
| Brewing ...                  | 4                | 1         | ...       | 2         | 1         | ...       | 6          |
| Bricks, tiles ...            | 5                | 1         | ...       | ...       | ...       | ...       | 1          |
| Electric ...                 | 5                | ...       | ...       | 2         | 3         | ...       | 3          |
| Engineering, machinery ...   | 9                | ...       | ...       | 1         | 11        | 10        | 8          |
| Explosives, &c. ...          | 5                | ...       | ...       | ...       | ...       | ...       | 3          |
| Freezing ...                 | 5                | ...       | ...       | ...       | 1         | 1         | 2          |
| Manufacturing (undefined)    | 9                | 2         | 2         | ...       | 9         | 7         | 5          |
| Tobacco ...                  | 4                | 1         | 1         | 1         | ...       | ...       | 1          |
| Preserving ...               | 10               | ...       | ...       | 2         | ...       | ...       | 1          |
| Printing ...                 | 5                | 1         | 1         | ...       | 3         | 1         | 2          |
| Wine-making ...              | 4                | ...       | 2         | ...       | ...       | ...       | ...        |
| Others ...                   | 118              | 26        | 17        | 10        | 5         | 6         | 14         |
| <b>PRIMARY PRODUCTION—</b>   |                  |           |           |           |           |           |            |
| Cultivation ...              | 2                | ...       | ...       | 2         | ...       | 2         | 4          |
| Dairying, &c. ...            | 76               | 2         | 5         | 16        | 8         | 4         | 6          |
| Mining, prospecting, &c. ... | 32               | 3         | 1         | 1         | 2         | 9         | 6          |
| Gold saving, extracting, &c. | 5                | 4         | ...       | 1         | 3         | ...       | 1          |
| Pastoral ...                 | 4                | 1         | ...       | ...       | 1         | 1         | 2          |
| <b>MISCELLANEOUS—</b>        |                  |           |           |           |           |           |            |
| Newspaper, magazine ...      | 19               | 3         | 1         | 5         | 1         | 2         | 2          |
| Public halls ...             | 15               | 1         | ...       | ...       | 1         | 2         | ...        |
| Other ...                    | 63               | 1         | 8         | 14        | 10        | 8         | 8          |
| <b>Total ...</b>             | <b>518</b>       | <b>69</b> | <b>56</b> | <b>76</b> | <b>85</b> | <b>75</b> | <b>109</b> |

The figures in the above table refer only to companies registered under Part I. of the *Companies Act* 1890, and are, therefore, exclusive of ordinary mining companies, of which 167 were registered during 1907 under Part II. of the Act. Insurance companies doing



life business only, as well as building societies, are also excluded. From the above figures, it may be ascertained that of the 988 new companies registered during the last fourteen years, 368, or 37 per cent., were industrial; 204, or 21 per cent., were connected with primary production; 140, or 14 per cent., with trade; 65, or 6 per cent., with finance; 47, or 5 per cent., with transport; whilst 164, or 17 per cent., were of a miscellaneous character, including newspapers, magazines, public halls, and various societies and associations. Those industrial companies, included under the term "others," are principally companies registered for the manufacture of a particular patented article, but include a number of companies formed for the manufacture of various commodities and for the treatment of natural products.

According to records in the Registrar-General's office, there were 1,337 trading companies in 1907 actively engaged in the operations for which they were formed, as against 1,305 in 1906, 1,131 in 1905, 1,115 in 1904, 1,143 in 1903, 1,073 in 1902, 1,074 in 1901, 989 in 1900, 953 in 1899, 924 in 1898, 781 in 1897, and 799 in 1896, prior to which year this information was not obtainable. In addition to the above there were 14 insurance companies doing life business only in 1907, and a large number of mining companies, but how many is not known.

The following table shows the particulars of the Registered Co-operative Societies for 1907:—

REGISTERED CO-OPERATIVE SOCIETIES, 1907.

|                             |     |     |     |         |          |
|-----------------------------|-----|-----|-----|---------|----------|
| Number of Societies         | ... | ... | ... | ...     | 27       |
| Number of Shareholders      | ... | ... | ... | ...     | 20,998   |
| Total Sales during Year     | ... | ... | ... | ...     | £322,454 |
| Other Receipts              | ... | ... | ... | ...     | £6,137   |
| Wages and Salaries for Year | ... | ... | ... | ...     | £39,155  |
| Other Working Expenses      | ... | ... | ... | ...     | £29,245  |
| Net Profit                  | ... | ... | ... | ...     | £12,318  |
| Liabilities at end of Year— |     |     |     | £       |          |
| Paid-up Capital             | ... | ... | ... | 97,173  |          |
| Reserves                    | ... | ... | ... | 6,274   |          |
| Bank Overdraft              | ... | ... | ... | 41,889  |          |
| Sundry Creditors            | ... | ... | ... | 73,906  |          |
| Other Liabilities           | ... | ... | ... | 5,032   |          |
| Total Liabilities           | ... | ... | ... |         | £224,274 |
| Assets at end of Year—      |     |     |     | £       |          |
| Stock and Fittings          | ... | ... | ... | 175,165 |          |
| Sundry Debtors              | ... | ... | ... | 41,905  |          |
| Cash in Hand and on Deposit | ... | ... | ... | 15,199  |          |
| Other Assets                | ... | ... | ... | 1,524   |          |
| Total Assets                | ... | ... | ... |         | £233,793 |

As compared with 1906 there has been an increase of 3 in the number of societies, and 4,415 in the number of shareholders. The total liabilities have increased by £91,557—£35,655 of which is due to increased capital. The total assets have also increased by £93,122.

Of the twenty-seven co-operative societies, nine were engaged as general distributors, eight in the purchase of farmers' materials, two in selling the produce of fruit-growers and market-gardeners, and one each, importing coachbuilders' materials, co-operative credit banking, fish selling, fruit preserving, meat supplying, butter manufacturing, fruit drying, and newspaper with job printing.

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