

PART VII.—ACCUMULATION.

Coins and
accounts.

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

Royal Mint.

603. A branch of the Royal Mint was established in Melbourne in 1872. From the time of its opening to the end of 1878, 2,729,099 ounces of gold were received thereat, valued at £10,857,590.

Gold
received at
Mint.

604. The following table shows the quantity and value of the gold received at the Mint in each year. It will be observed that more gold was received in 1878 than in any previous year. The quantity exceeded by 191,622 ounces that in 1877 and by 26,733 ounces that in 1876 :—

GOLD RECEIVED AT THE MELBOURNE MINT, 1872 TO 1878.

Year.			Quantity.	Value.
			oz.	£
1872	...	...	190,738	764,917
1873	...	...	221,870	887,127
1874	...	...	335,318	1,349,102
1875	...	...	489,732	1,947,713
1876	...	...	543,199	2,149,481
1877	...	...	378,310	1,491,819
1878	...	...	569,932	2,267,431
Total	...	...	2,729,099	10,857,590

Gold issued
from Mint.

605. Gold is issued from the Mint as coin or as bullion. The former, with the exception of 165,000 half-sovereigns in 1873, and 80,000 in 1877, has consisted entirely of sovereigns. The following is a statement of the gold issued in each year, whether in the shape of coin or bullion. It will be noticed that in both these forms more gold was issued in 1878 than in any previous year :—

GOLD ISSUED AT MELBOURNE MINT, 1872 TO 1878.

Year.	Coin.		Bullion.		Total Value of Coin and Bullion.
	Sovereigns.	Half-sovereigns.	Quantity.	Value.	
	number.	number.	oz.	£	£
1872	748,000	...	1,205	3,610	751,610
1873	752,000	165,000	3,106	11,035	845,535
1874	1,373,000	...	2,912	10,417	1,383,417
1875	1,888,000	...	3,553	13,857	1,901,857
1876	2,124,000	...	3,625	14,145	2,138,145
1877	1,487,000	80,000	3,326	13,004	1,540,004
1878	2,171,000	...	3,691	14,640	2,185,640
Total	10,543,000	245,000	21,418	80,708	10,746,208

606. The gold coin exported from Victoria in 1878 amounted to £2,399,741, or £228,741 more than the quantity issued from the Mint. The destination of such coin was as follows :—

United Kingdom	...	...	...	£25,000
Ceylon	...	...	...	2,019,761*
New South Wales	...	...	...	51,980
New Zealand	...	...	...	177,600
South Australia	...	...	...	105,000
Tasmania	...	...	...	20,000
Elsewhere	...	...	...	400
Total				£2,399,741

Exports of gold coin.

607. About three-fourths of the gold received at the Mint was raised in Victoria, and more than a fifth came from New Zealand. The bulk of the remainder was contributed by the other Australasian colonies, and a small quantity by Natal. The following were the quantities from these countries respectively prior to and during 1878 :—

Victorian and other gold minted.

VICTORIAN AND OTHER GOLD RECEIVED AT MELBOURNE MINT,
1872 TO 1878.

Country in which the Gold was raised.	Gold received.		
	Prior to 1878.	During 1878.	Total.
	oz.	oz.	oz.
Victoria	1,603,652	422,594	2,026,246
New South Wales	1,771	617	2,388
Queensland	1,391	83	1,474
South Australia	45,091	10,282	55,373
Tasmania	29,118	12,844	41,962
New Zealand	471,356	113,597	584,953
Natal	917	446	1,363
Unknown	5,871	9,469	15,340
Total	2,159,167	569,932	2,729,099

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

Mint charges.

609. Any silver in a deposit in excess of 4 per cent. of the weight of the deposit after melting is allowed for at a rate per ounce to be fixed from time to time by the Deputy-Master. A reduction of a sixth of the charges is made on deposits containing more than 24 ounces of *unrefinable* gold, or gold containing silver in less proportion than 4½ per cent. and base metal in less proportion than 2 per cent. of the weight of the deposit after melting.

Mint allowances.

* The coin exported to Ceylon is probably, for the most part, intended for England, as exports by the Peninsular and Oriental Company's steamers are entered for Ceylon and there transhipped.

Mint
receipts and
expenditure

610. The following table shows the Mint revenue and expenditure in each of the five financial years ended with 1877-8, also the excess of the latter over the former. The net results alone are given, the amount of subsidy returned to the Treasury each year being omitted from both sides of the account. It will be observed that during the period to which the table relates the Mint has been worked at a loss to the country of £26,000:—

MINT REVENUE AND EXPENDITURE, 1873-4 TO 1877-8.

Year.	Mint Receipts.	Mint Expenditure.	Excess of Expenditure over Receipts.
	£	£	£
1873-4	4,799	4,972	173
1874-5	7,504	15,701	8,197
1875-6	7,659	9,305	1,646
1876-7	7,512	11,229	3,717
1877-8	7,247	19,553	12,306
Total ...	34,721	60,760	26,039

Sydney
Mint, 1855
to 1878.

611. The Sydney Branch of the Royal Mint was established in 1855, and from that date to the end of 1878, 11,591,320 ounces of gold were received thereat, of which it is believed that 6,083,390 ounces, or more than half, were raised in the colony of New South Wales. In the same period 40,507,500 sovereigns, 4,053,000 half-sovereigns, and 490,360 ounces of bullion were issued from this branch, the whole being valued at £44,490,307.

Sydney Mint,
1878.

612. The quantity of gold received at the Sydney Mint during 1878 was 365,174 ounces, valued at £1,308,898, nearly two-thirds of which came from Queensland, not quite a third from New South Wales, and small quantities from New Zealand, South Australia, and New Caledonia. The total value of coin and bullion issued amounted to £1,328,276, consisting of 1,259,000 sovereigns, 126,000 half-sovereigns, and 1,585 ounces of bullion valued at £6,276. The total revenue for the year amounted to £9,810. It will be noticed that the coin and bullion issued was less in value by nearly a million sterling than the coin and bullion issued from the Melbourne Mint in the same year.

London Mint

613. Only gold coins are issued from the Melbourne and Sydney Mints, the silver and bronze coinage required by the colonies being obtained from England. Besides gold, silver, and bronze British money, silver and bronze coins of various denominations are struck at the Royal Mint, London, for several of Her Majesty's possessions. The following is the number and value of coins of all descriptions issued from that Mint in 1878.

COINS STRUCK AT THE LONDON MINT, 1878.

Denomination.	Number of Coins.	Nominal Value.		
		£	s.	d.
Imperial, Gold—Sovereigns	1,091,275	1,091,275	0	0
” ” Half-sovereigns	2,081,941	1,040,970	10	0
” Silver—Half-crowns	1,466,323	183,290	7	6
” ” Florins	1,786,680	178,668	0	0
” ” Shillings	3,127,131	156,356	11	0
” ” Sixpences	2,624,525	65,613	2	6
” ” Fourpences*	5,735	95	11	8
” ” Threepences	2,424,463	30,305	15	9
” ” Twopences*	6,709	55	18	2
” ” Pence*	9,903	41	5	3
” Bronze—Pence	2,764,470	11,518	12	6
” ” Half-pence	1,425,535	2,969	17	3½
” ” Farthings	4,008,540	4,175	11	3
Mauritius, Silver—Twenty cents.	25,000	458	6	8
” ” Ten cents.	50,000	458	6	8
” Bronze—Five cents.	50,000	229	3	4
” ” Two cents.	125,000	229	3	4
” ” Cents.	250,000	229	3	4
Straits Settlements, Silver—Twenty cents.	150,000	6,250	0	0
” ” ” Ten cents.	470,000	9,791	13	4
” ” ” Five cents.	260,000	2,708	6	8
Malta, Bronze—One-third farthings	288,000	100	0	0
Total	24,491,230	2,785,790	6	2½

614. There were 13 banks of issue in Victoria during 1878, possessing therein 324 branches or agencies. In the first year of each of the two previous quinquennial periods there were 10 banks of issue in the colony. Number of banks.

615. Subjoined are the average rates of exchange for bank bills drawn on the following places in 1878, and in the first year of each of the two previous quinquenniads. Those upon London are drawn at sixty days' sight, and those upon the neighboring colonies at sight:— Rates of exchange.

RATES OF EXCHANGE, 1868, 1873, AND 1878.

Places on which Bills were drawn.	Average Rates of Exchange.		
	1868.	1873.	1878.
London	par to 1 per cent. prem.	½ to ¾ per cent. premium	13s. 9d. to 16s. 5½d. per cent. premium
British India	1s. 11d. to 2s. 1d. per rupee	4 per cent. premium to 2s. 1d. per rupee	5 per cent. premium to 2s. per rupee
New South Wales	¼ to ½ per cent. premium	2s. 3d. to 5s. per cent. premium	¼ per cent. premium
Queensland	1 per cent. premium	½ to 1 per cent. premium	½ to 1 per cent. premium
South Australia	¼ to ¾ per cent. premium	2s. 9d. to 10s. per cent. premium	¼ to ½ per cent. premium
Tasmania	¼ to 1 per cent. premium	¼ to ½ per cent. premium	¼ to ½ per cent. premium
New Zealand	½ to 1 per cent. premium	¼ to ½ per cent. premium	⅛ to ½ per cent. premium

* Maundy money only.

Rates of discount.

616. The average rates of discount on local bills were as follow during the same three years. It will be observed that the rates were higher at the last period than at either of the former ones, and that they were much higher at the first than at the middle period :—

RATES OF DISCOUNT ON LOCAL BILLS, 1868, 1873, AND 1878.

Currency of Bills.	Average Rates of Discount per Annum.		
	1868.	1873.	1878.
	per cent.	per cent.	per cent.
Under 65 days	6 to 7	5 to 6	7 to 8
65 to 95 „	6 to 8	5½ to 7	7 to 8
95 to 125 „	7 to 9	6½ to 8	8 to 9
Over 125 „	8 to 10	7 to 9	9 to 10

Liabilities, assets, &c., of banks.

617. The position of the banks as regards liabilities, assets, capital, and profits, according to the sworn returns for the last quarter of the same three years, was as follows. It will be observed that a large increase has taken place at each successive period in both liabilities and assets. Under the former head, however, the note circulation was much lower at the last than at the middle period, as also were deposits not bearing interest ; but interest-bearing deposits were much higher at the last than at either of the former periods. Under the head of assets, “debts due to the banks” have largely increased at each successive period, but every other item except “landed property” shows much smaller figures at the last period than at either of the former ones. The capital and reserve, however, were greater by nearly a million and a half sterling at the last than at the middle period :—

POSITION OF BANKS, 1868, 1873, AND 1878.

LIABILITIES.			
	1868.	1873.	1878.
	£	£	£
Notes in circulation	1,270,727	1,452,908	1,281,134
Bills in circulation	92,624	79,097	60,133*
Balances due to other banks ...	99,572	280,439	268,019
Deposits not bearing interest ...	3,703,860	5,461,737	4,602,578
Deposits bearing interest ...	6,512,380	6,818,814	11,504,003
Total	11,679,163	14,092,995	17,715,867

* Including bills bearing interest of the value of £2,566.

POSITION OF BANKS, 1868, 1873, AND 1878—continued.

ASSETS.			
	1868.	1873.	1878.
	£	£	£
Coined gold, silver, and other metals	2,287,284	2,435,239	2,094,739
Gold and silver in bullion and bars	522,782	480,763	293,233
Landed property	570,629	653,138	872,079
Notes and bills of other banks ...	154,279	171,925	137,812
Balances due from other banks	358,324	319,024	267,993
Debts due to the banks* ...	12,358,708	15,883,870	22,430,329
Total	16,252,006	19,943,959	26,096,185

CAPITAL AND PROFITS.

	£	£	£
Capital stock paid up	8,320,624	8,366,250	9,188,653
Average per annum of rates of last dividend declared by banks	10 $\frac{7}{20}$ per cent.	10 $\frac{1}{16}$ per cent.	10 $\frac{7}{26}$ per cent.
Average rate of interest per annum paid to shareholders	11·039 per cent.	10·746 per cent.	11·533 per cent.
Amount of last dividend declared	459,280	449,500	529,856
Amount of reserved profits after declaring dividend	2,145,006	2,311,065	2,950,743

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

Percentage of items of liabilities and assets.

LIABILITIES AND ASSETS OF BANKS.—PERCENTAGE OF ITEMS.

LIABILITIES.			
	1868.	1873.	1878.
	per cent.	per cent.	per cent.
Notes in circulation	10·88	10·31	7·23
Bills in circulation	·79	·56	·34
Balances due to other banks ...	·85	1·99	1·51
Deposits not bearing interest ...	31·71	38·76	25·98
Deposits bearing interest ...	55·77	48·38	64·94
Total	100·00	100·00	100·00

ASSETS.

	1868.	1873.	1878.
Coined gold, silver, and other metals	14·07	12·21	8·03
Gold and silver in bullion or bars	3·22	2·41	1·12
Landed property	3·51	3·28	3·34
Notes and bills of other banks ...	·95	·86	·53
Balances due from other banks...	2·21	1·60	1·03
Debts due to the banks ...	76·04	79·64	85·95
Total	100·00	100·00	100·00

* Including notes, bills of exchange, and all other stock and funded debts of every description, except notes, bills, and balances due from one bank to another.

Analysis of
bank re-
turns.

619. The following results are arrived at by analysing the bank returns at the three periods :—

The liabilities amounted to	...	{	71·86 per cent. of the assets in 1868	
			70·66 " " 1873	
			67·89 " " 1878	
Coin and bullion formed	...	{	17·29 per cent. of the assets in 1868	
			14·62 " " 1873	
			9·15 " " 1878	
The paid-up capital was equal to		{	51·20 per cent. of the assets in 1868	
			41·95 " " 1873	
			35·21 " " 1878	
			71·24 per cent. of the liabilities in 1868	
			59·36 " " 1873	
			51·87 " " 1878	
Of the moneys deposited	...	{	63·74 per cent. bore interest in 1868	
			55·53 " " 1873	
			71·42 " " 1878	

Former
periods and
1878 com-
pared.

620. It will be observed that the liabilities bore a smaller proportion to the assets, but the latter embraced a much smaller proportion of coin and bullion, and the paid-up capital bore a much smaller proportion both to the assets and the liabilities, in 1878 than at either of the former periods ; also at the last period a much larger proportion of the moneys deposited bore interest than at either of the former periods.

Government
funds with
the banks.

621. The Government moneys in the hands of the various banks standing to the credit of the public account, and the proportion they bore to the whole amounts on deposit, were as follow at the end of each of the last five years. It will be observed that they were much lower in 1878 than in any other year shown :—

GOVERNMENT FUNDS IN THE HANDS OF THE BANKS, 1874 TO 1878.

On the 31st December.	Government Moneys.	
	Total Amount held by the Banks.	Percentage of all Moneys on Deposit.
1874	£ 1,348,048	10·84
1875	677,445	4·93
1876	1,956,619	13·18
1877	1,148,176	6·96
1878	422,211	2·62

Banks in
Austral-
asian
colonies,
1877.

622. The liabilities and assets of the banks during the last quarter of 1877 in all the Australasian colonies except Western Australia, from which colony no returns for that year have been received, will be found in the following table.

BANKS IN AUSTRALASIAN COLONIES, 1877.

Colony.	Number of Banks.	Liabilities.					Total.
		Notes in Circulation.	Bills in Circulation.	Balances due to other Banks.	Deposits.		
		£	£	£	£	£	
Victoria ...	13	1,350,114	70,254	259,223	16,503,528	18,183,119	
New South Wales	10	1,154,258	42,161	240,227	16,325,044	17,761,690	
Queensland ...	6	371,759	12,740	42,076	3,912,258	4,338,833	
South Australia...	6	458,080	15,253	89,243	3,481,465	4,044,041	
Tasmania ...	5	129,655	2,568	4,157	1,726,630	1,863,010	
New Zealand ...	6	874,828	75,155	17,140	7,185,107	8,152,230	
Total ...	46	4,338,694	218,131	652,066	49,134,032	54,342,923	

Colony.	Assets.					Total.
	Coin and Bullion.	Landed Property.	Balances due from, and Notes and Bills of, other Banks.	Other Securities chiefly Government.	Debts due to Banks.	
	£	£	£	£	£	£
Victoria ...	2,438,657	796,605	143,425	...	22,879,752	26,258,439
New South Wales	2,526,988	390,273	3,146,213*	...	16,069,167	22,132,641
Queensland ...	997,669	130,230	138,210	...	4,017,554	5,283,663
South Australia...	605,370	171,456	100,294	25,000	5,444,007	6,346,127
Tasmania ...	305,904	33,250	41,365	...	1,516,175	1,896,694
New Zealand ...	1,864,063	227,323	73,321	633,141	10,194,256	12,992,104
Total ...	8,738,651	1,749,137	3,642,828	658,141	60,120,911	74,909,668

623. The liabilities bore a smaller proportion to the assets in the New Zealand and South Australian banks, and a larger one in those of Tasmania, than in the banks of any of the other colonies. The liabilities of the banks in Victoria were smaller in proportion to their assets than those in New South Wales, Queensland, or Tasmania. In the following statement the colony of which the liabilities were smallest in proportion to the assets is placed first, and that in which they were highest last:—

PROPORTION OF LIABILITIES TO ASSETS OF BANKS IN AUSTRALASIAN COLONIES, 1877.

1. New Zealand ...	Per cent. 62·75	4. New South Wales ...	Per cent. 80·25
2. South Australia ...	63·72	5. Queensland ...	82·12
3. Victoria ...	69·25	6. Tasmania ...	98·22

624. Coin and bullion bore a higher proportion to the total assets of the Queensland banks, and a lower one to those of the South Australian and Victorian banks, than to those of any of the other colonies. The Victorian banks are last on the list, but in the previous year they held a position inferior only to those of Queensland and Tasmania. The following figures show the order of the colonies in this respect.

* It is probable that this includes that portion of the capital of the New South Wales banks lent to their own branches outside that colony. See the *Australasian Insurance and Banking Record* for September 1879, page 266. Melbourne: McCarron, Bird, and Co.

Proportion of liabilities to assets in Australasian banks, 1877.

Proportion of specie to assets in Australasian banks, 1877.

PROPORTION OF COIN AND BULLION TO ASSETS OF BANKS IN AUSTRALASIAN COLONIES, 1877.

	Per cent.		Per cent.
1. Queensland ...	18·88	4. New South Wales ...	11·42
2. Tasmania ...	16·13	5. South Australia ...	9·54
3. New Zealand ...	14·35	6. Victoria ...	9·29

Banks in Australasian colonies, 1879.

625. The foregoing information respecting the banks in the Australasian colonies is for the latest date given in the Official Statistics of the respective colonies which, up to the time of going to press, had reached Victoria. Later particulars are, however, published in the *Australasian Insurance and Banking Record*,* from which I extract the following statement, which relates not only to the banks of the colonies just named, but also to those of Western Australia, and is brought down to as late a period as the 30th June 1879. The care habitually exercised by the proprietors and writers of this publication to procure accurate information, and state it correctly, leaves no reason for doubt as to the substantial reliability of the figures:—

BANKS IN AUSTRALASIAN COLONIES, 1879.

(Compiled from the Averages of the Quarter ended 30th June 1879.)

Colony.	Number of Banks.	Liabilities.				
		Notes in Circulation.	Bills in Circulation.	Balances due to other Banks.	Deposits.	Total.
		£	£	£	£	£
Victoria ...	12	1,155,344	56,971	145,468	16,667,189	18,024,972
New South Wales	11	1,107,457	41,203	154,185	16,811,828	18,114,673
Queensland ...	6	325,245	12,247	53,829	3,449,606	3,840,927
South Australia	6	460,017	13,202	84,436	3,301,440	3,859,095
Western Australia	3	18,501	555	45,003	288,033	352,092
Tasmania ...	5	130,924	3,427	722	1,892,813	2,027,886
New Zealand ...	6	1,007,929	44,353	17,166	7,904,749	8,974,197
Total ...	49	4,205,417	171,958	500,809	50,315,658	55,193,842

Colony.	Assets.				
	Coin and Bullion.	Landed Property.	Balances due from, and Notes and Bills of, other Banks.	All Debts due to the Banks.	Total.
	£	£	£	£	£
Victoria ...	2,700,831	869,177	385,554	21,738,263	25,693,825
New South Wales	2,520,183	484,085	3,237,353†	17,056,968	23,298,589
Queensland ...	896,465	168,275	99,277	4,208,772	5,372,789
South Australia	643,866	233,551	101,083	6,057,555	7,036,055
Western Australia	79,684	7,301	6,967	424,537	518,489
Tasmania ...	293,797	34,030	94,006	1,650,107	2,071,940
New Zealand ...	1,769,370	328,813	66,586	14,017,708	16,182,477
Total ...	8,904,196	2,125,232	3,990,826	65,153,910	80,174,164

* See *Insurance and Banking Record* for September 1879, pages 278 to 280. Melbourne: McCarron, Bird, and Co., 37 Flinders lane west.

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

626. The most striking feature appearing in this table is that, although the liabilities of the New South Wales banks are greater than those of the Victorian banks, the assets of the latter exceed those of the former by upwards of two millions sterling, and this notwithstanding the assets in New South Wales include the enormous amount of £3,237,000 as due from other banks, which no doubt embraces capital lent to their own branches outside the colony, an item which is not considered as forming part of the assets of the banks in the other colonies. According to the return, Victoria holds the same position in regard to the proportion of liabilities to assets in her banks that she did in the one already given for 1877,* three colonies being below and the remainder above her. New South Wales has, however, fallen a place, and now stands only above Tasmania. The following is the order:—

Proportion of liabilities to assets in Australasian banks, 1879.

PROPORTION OF LIABILITIES TO ASSETS OF BANKS OF AUSTRALASIAN COLONIES, 30TH JUNE 1879.

	Per cent.		Per cent.
1. South Australia ...	54·85	5. Queensland ...	71·49
2. New Zealand ...	55·46	6. New South Wales ...	77·75
3. Western Australia ...	67·91	7. Tasmania ...	97·87
4. Victoria ...	70·15		

627. It may be observed that, if the assets of the banks of New South Wales were to be estimated upon the same principle as those of the other colonies, namely, exclusive of the sums lent to branches outside her borders, those assets would probably be reduced by no less than £3,000,000, in which case the liabilities would amount to nearly 90 per cent. of the assets.

Assets of New South Wales banks.

628. In regard to the proportion of coin and bullion to the total assets of the banks, all the colonies except Victoria are in a worse position now than they were in 1877.† The proportion of gold and silver to the bank assets in Victoria is now above that in South Australia, and is within a fraction of that in New South Wales and New Zealand. The following are the figures for all the colonies of the group:—

Proportion of specie to assets of Australasian banks, 1879.

PROPORTION OF COIN AND BULLION TO ASSETS OF BANKS IN AUSTRALASIAN COLONIES, 30TH JUNE 1879.

	Per cent.		Per cent.
1. Queensland ...	16·69	5. New South Wales ...	10·82
2. Western Australia ...	15·37	6. Victoria ...	10·51
3. Tasmania ...	14·18	7. South Australia ...	9·15
4. New Zealand ...	10·94		

* See paragraph 623 ante.

† See paragraph 624 ante.

Australasian banks deposits not bearing and bearing interest.

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

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

(Average during the Quarter ended 30th June 1879.)

Colony.	Amount of Deposits.		Proportion of Deposits.	
	Not Bearing Interest.	Bearing Interest.	Not Bearing Interest.	Bearing Interest.
	£	£	per cent.	per cent.
Victoria ...	4,370,745	12,296,444	26·22	73·78
New South Wales ...	4,705,868	12,105,960	27·99	72·01
Queensland ...	1,055,154	2,394,452	30·59	69·41
South Australia ...	1,283,268	2,018,172	38·87	61·13
Western Australia ...	108,362	126,125	37·64	62·36
New Zealand ...	3,015,047	4,889,702	38·14	61·86

Proportion of interest-bearing deposits in Australasian banks.

630. It will be seen that in the banks of all the colonies more than three-fifths of the deposits were interest-bearing. Those not bearing interest were probably for the most part at call, and Victoria had of these the smallest proportion.

Rates of interest on bank deposits.

631. The rates of interest allowed on moneys deposited with the Victorian banks were not returned for 1868 and 1873. The rates on deposits left for a period of twelve months ranged from 5 to 6½ per cent. in 1878, 5 to 6 per cent. in 1877, 1876, and 1875, and from 4 to 6 per cent. in 1874.

Savings Banks.

632. Two kinds of Savings Banks exist in Victoria, the ordinary Savings Banks, which were first established in 1842, and the Post Office Savings Banks, which were established in 1865. The following figures show the number of institutions, the number of depositors having accounts at the last dates of balancing in 1878, and the total and average amount of depositors' balances at such dates†:—

SAVINGS BANKS, 1878.

Description of Institution.	Number of Savings Banks.	Number of Depositors.	Depositors' Balances.	
			Total Amount.	Average per Depositor.
			£	£ s. d.
Post Office Savings Banks ...	173	46,268	623,051	13 9 4
Ordinary Savings Banks ...	11	30,429	887,222	29 3 2
Total ...	184	76,697	1,510,273	19 13 10

* Exclusive of Tasmania.

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

633. The number of depositors in Savings Banks has been increasing from year to year. There was a smaller amount remaining on deposit in 1878 than in 1877, but a larger amount than in any other year except 1874. The following are the figures during the last seven years :—

	Number of Depositors.		Amount remaining on Deposit.	
1872	...	52,749	...	£1,405,738
1873	...	58,547	...	1,498,618
1874	...	64,014	...	1,617,301
1875	...	65,837	...	1,469,849
1876	...	69,027	...	1,507,235
1877	...	73,245	...	1,575,305
1878	...	76,697	...	1,510,273

Depositors in Savings Banks.

634. The highest rate of interest Savings Banks are permitted to give on moneys left on deposit is 4 per cent. This rate was allowed in all the years.

Rate of interest in Savings Banks.

635. According to *Westgarth's Circular*, the following are the London prices at the beginning, middle, and end of 1878, and in June and September of 1879, of debentures payable in London :—

Price of debentures in London.

PRICE OF VICTORIAN DEBENTURES IN LONDON, 1878-9.

Interest.		Amount of outstanding Debentures.	Price per £100 Bond.				
Rate per annum.	When Payable.		1878.			1879.	
			January.	June.	December.	June.	Sept.
6	April and October	£ 7,000,000	£ 108-109	£ 107-110	£ 105-108	£ 105-109	£ 106-110
5	January and July	2,107,000	108-109	109-110	102-104	108-110	106½-107½
6	" "	850,000	114-116	118-120	113-115	117-119	114-116
4	" "	4,500,000	96½-97	98½-99	90-92	98-98½	97-97½
4½	" "	3,000,000	..	..	..	103½-103¾	101¾-102

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

Price of debentures and stock Melbourne.

PRICE OF VICTORIAN DEBENTURES AND STOCK IN MELBOURNE, 1878-9.

Interest.		Amount of outstanding Debt.	Closing Price.							
Rate per annum.	When Payable.		1878.				1879.			
			January.	March.	June.	Sept.	Jan.	Mar.	June.	Sept.
6	April and Oct...	£ 236,600	£ ..	£ 104½	£ 103	£ 100-102	£ 100	£ 101	£ 100½-101½	£ 102-102½
6	" " ..	580,620	106-106½	106-106½	106	101-103	100	102	102-103	103¾
6	" " ..	130,000	..	..	..	..	..	103	..	..
6	" " ..	276,100	..	108	108	..	100-101	103	104	105½-106
5	Jan. and July..	312,900	99-101½	100-101½	101	101	98	98	96-97½	98
4	April and Oct...	1,003,602*	98	96	94	94	93	92½-95	93-94	95

* Government stock. The others are debentures.

Mortgages,
liens, and
releases.

637. The following table contains a statement of the number and amount of mortgages on land and live stock, and of preferable liens on wool, effected during 1878, also the number and amount of releases registered in the same year. The number of releases of live stock and wool is always small as compared with the number of mortgages and liens; the reason being, in regard to this description of property, that, although the mortgage may be paid off, the mortgagor seldom takes the trouble to protect himself by a registered release:—

MORTGAGES AND LIENS AND RELEASES, 1878.

Security.	Mortgages and Liens.		Releases.	
	Number.	Amount.	Number.	Amount.
		£		£
Land	8,512	5,550,379	3,222	2,166,108
Live stock	757	414,608	66	354,250
Wool	386	268,765	1	2,500
Total	9,655	6,233,752	3,289	2,522,858

Small pro-
portion of
releases of
mortgages
on land.

638. The number of releases of mortgages on land and the amounts paid off were equal to only about 40 per cent. of the number of mortgages effected and the amounts lent thereon. In only two years of the previous decenniad, viz., 1870 and 1871, did the releases of real property bear so small a proportion to the advances on that kind of security.

Live stock
and wool
mortgaged.

639. The live stock mortgaged in 1878 consisted of 844,703 sheep, 46,159 head of cattle, 3,289 horses, and 379 pigs. The fleeces on which preferable liens were granted numbered 1,324,365.

Mortgages
and liens,
1868 to 1878.

640. The following figures show the number of registered mortgages and liens of all descriptions, and the amounts advanced in respect thereof, during each of the last eleven years. It will be observed that a sudden increase took place in 1878, the number of transactions having exceeded by over 3,000, and the amount advanced having exceeded by upwards of a million and a half sterling, the number of transactions and amount advanced in 1877:—

MORTGAGES AND LIENS, 1868 TO 1878.

1868-1873				1874-1878			
	Number of Transactions.	Amount.		Number of Transactions.	Amount.		
1868	3,509	£3,485,315	1874	5,929	£6,019,904		
1869	4,036	4,701,485	1875	6,035	4,542,569		
1870	4,410	4,203,743	1876	6,417	5,081,387		
1871	4,849	4,278,197	1877	6,510	4,706,138		
1872	5,151	4,076,229	1878	9,655	6,233,752		
1873	5,155	5,248,365					

641. During the eighteen years ended with 1878, the sums advanced on mortgage of landed property have amounted in the aggregate to £53,413,543, and the sums paid off have amounted in all to £26,191,778. The balance is £27,221,765, or rather more than half the amount originally advanced. Part of this balance represents the amount of mortgages still outstanding, and part the amount in default of payment of which properties have passed from the mortgagor either by foreclosure or sale. Difference between mortgages and releases, 1861 to 1878.

642. The bills of sale filed and satisfied in the last five years were as follow. It will be observed that those filed in 1877 and 1878, and the amount included therein, were much less than in the first three years, which is chiefly owing to the law relating to bills of sale having been made much more stringent under Act 40 Vict. No. 557, which came into force during 1877 :— Bills of sale.

BILLS OF SALE, 1874 TO 1878.

Year.	Bills of Sale Filed.		Bills of Sale Satisfied.	
	Number.	Amount.	Number.	Amount.
		£		£
1874	3,207	727,370	251	98,492
1875	3,182	788,339	189	85,477
1876	3,330	747,717	194	56,318
1877	1,063	288,015	131	79,746
1878	1,117	348,319	76	28,710

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

CONTRACTS FOR SALE AND LETTING, 1877 AND 1878.

Year.	Contracts for Sale Filed.		Contracts for Letting Filed.	
	Number.	Amount.	Number.	Rents.
		£		Per week.
1877	605	47,720	668	2/6 to £5
1878	1,074	83,608	1,074	2/6 to £5

644. Sixty-two building societies sent in returns of their operations during 1878, as against 61 in 1877, and 58 in 1876. The following are the principal items furnished for the two years. It should be observed that the returns of some of the societies were not perfect. Building societies.

BUILDING SOCIETIES, 1876 TO 1878.

	1876.	1877.	1878.
Number of societies	58	61	62
Number of members	21,750	21,824	21,404
Amount advanced during the year ...	£870,203	£815,860	£703,932
Income during the year	£1,011,397	£1,182,718	£1,097,475
Working expenses during the year ...	£28,571	£31,193	£32,229
Assets at date of balancing	£2,750,660	£2,878,167	£2,970,101
Liabilities " " " " " " " "	£2,352,282	£2,492,890	£2,594,786
Moneys on deposit at date of balancing	£611,598	£748,253	£703,463

Falling-off
in business
of building
societies.

645. The business done by building societies was, according to the figures, not so great in 1878 as in 1877, and not so great in 1877 as in 1876, the falling-off in advances being £54,343 in the second year quoted as compared with the first, and £111,928 in the third year as compared with the second. The aggregate income of building societies increased by upwards of £170,000 between the first and second periods, but fell off by over £85,000 between the second and third.

Rates of
interest in
building
societies.

646. The rates of interest allowed by building societies on moneys left with them for a period of twelve months generally ranged in the two first years from 6 to 7 per cent. In the last year the rates were somewhat higher, and in some societies reached 8, and in one society 10 per cent.

Deposits
with
building
societies.

647. The amount deposited with building societies was highest at the middle period and lowest at the first period. The sum of the deposits at the last period exceeded by £91,865 that at the first period, but was less by £44,790 than that at the second period.

Total
moneys on
deposit.

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

MONEYS ON DEPOSIT AT END OF YEARS 1876 TO 1878.

	1876.	1877.	1878.
	£	£	£
Amount deposited with banks	14,850,148	16,503,528	16,106,581
" " savings banks	1,507,235	1,575,305	1,510,273
" " building societies	611,598	748,253	703,463
Total	16,968,981	18,827,086	18,320,317

Increase or
decrease of
deposits.

649. It will be observed that the moneys on deposit about the close of 1877 exceeded those at the same period of 1876 by nearly two millions sterling, but the amounts in 1878 were less by over half a million than those in the previous year.