

verdict in 471 cases was to the effect that the death had resulted from accident; in 12, from homicide; in 90, from suicide; 3 from execution; and in 66 that the cause of the violent death was doubtful. The practice of holding inquests in cases of other than violent deaths was more common in the last two years than in the previous ten years. In 1875, the proportion which verdicts of "death from disease or natural causes" bore to the total number of verdicts given was 52 per cent.; in 1876, 53 per cent.; in 1877, 54 per cent.; in 1878, 52 per cent.; in 1879, 50 per cent.; in 1880, 52 per cent.; in 1881, 51 per cent.; in 1882, 53 per cent.; in 1883, 49 per cent.; and in 1884 and 1885, 55 per cent. Inquests in cases of death occurring under suspicious circumstances are held at the discretion of the coroner of the district within which the death takes place, subject to instructions issued by the Governor in Council under the 3rd section of the Coroners Statute 1865 (28 Vict. No. 253).

Fire  
inquests.

1295. Nine fire inquests were held in both 1885 and 1884, 4 in 1883, 5 in 1882, 4 in 1881, 5 in 1880, and 10 in 1879. Under the Amending Coroners Statute (33 Vict. No. 338), which came into operation on the 19th August, 1869, fire inquests may be held at the request of any individual who lodges with his application a fee of £5 5s., or in pursuance of Ministerial authority, which is only given when circumstances appear sufficiently suspicious to warrant action being taken.

---

## PART VII.—ACCUMULATION.

Coins and  
accounts.

1296. 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.

1297. A branch of the Royal Mint was established in Melbourne in 1872, and was opened to the public on the 12th June of that year. The premises occupy 2 acres 1 rood and 26 perches of land, valued in October, 1880, at £8,500, but now probably worth four times that amount; the original cost of the buildings, machinery, fittings, and furniture was £68,350.\*

Gold  
received at  
Mint.

1298. From the time of the opening of the Mint to the end of 1885 nearly  $8\frac{1}{4}$  million ounces of gold were received thereat, valued at nearly 33 millions sterling. The following table shows the quantity and value of the gold received in each year:—

---

\* See Amended Return to an order of the Legislative Assembly, Parliamentary Paper C.—No. 4\*. Session 1880.

## GOLD RECEIVED AT THE MELBOURNE MINT, 1872 TO 1885.

Year.			Quantity.	Value, £3 17s. 10½d. per cz. Standard.
			Ounces.	£
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
1879	...	...	656,556	2,637,738
1880	...	...	758,721	3,061,820
1881	...	...	692,213	2,792,985
1882	...	...	818,905	3,310,971
1883	...	...	785,716	3,158,420
1884	...	...	945,429	3,802,229
1885	...	...	836,169	3,350,737
Total ...	...	...	8,222,808	32,972,490

1299. It will be observed that the gold received at the Mint was <sup>Gold received,</sup> less by 109,260 ounces in 1885 than in 1884. With this exception, <sup>1885.</sup> however, the quantity in 1885 exceeded that in any other year.

1300. Gold is issued from the Mint as coin or as bullion. The for- <sup>Gold issued from Mint.</sup> mer, with the exception of 452,000 half-sovereigns, 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 :—

## GOLD ISSUED AT MELBOURNE MINT, 1872 TO 1885.

Year.	Coin.		Bullion.		Total Value of Coin and Bullion.
	Sovereigns.	Half-sovereigns.	Quantity.	Value.	
	Number.	Number.	Ounces.	£	£
1872	748,000	...	1,205	3,611	751,611
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
1879	2,740,000	...	1,740	6,830	2,746,830
1880	3,052,800	...	1,861	7,219	3,060,019
1881	2,324,800	42,000	106,999	448,767	2,794,567
1882	2,466,000	106,000	189,837	789,687	3,308,687
1883	2,050,000	...	266,679	1,112,478	3,162,478
1884	2,942,000	48,000	200,766	835,728	3,801,728
1885	2,966,500	11,000	91,335	379,839	3,351,839
Total ...	29,085,100	452,000	880,635	3,661,257	32,972,357

Gold coin  
issued.

1301. The difference in value between the gold coin issued from the Mint in 1884 and 1885 was only £6,000, the excess being in favor of the latter, in which the gold coin issued exceeded that in any other year except 1880, when more was issued by £80,800 than in the year under review.

Gold bullion  
issued.

1302. The quantity of gold issued in the form of bullion in 1885 was less than half that so issued in the previous year. Its value amounted to 22 per cent. of the total value of coin and bullion issued in 1884, and only to 11 per cent. of that value in the year under review.

Difference  
of gold  
received  
and issued.

1303. Over a series of years, the amount of gold issued from the Mint very nearly balances that received thereat, so that the loss attendant upon the Mint operations must be but trifling. By comparing the figures in the total lines of the last two tables, it will be found that the value of the gold issued during the period the Mint has been in existence was less by only £133 than the value of the gold received.

Victorian  
and other  
gold minted.

1304. More than three-fourths of the gold received at the Mint since its first establishment was raised in Victoria, and over a seventh came from New Zealand. The bulk of the remainder was contributed by the other Australasian colonies—chiefly Tasmania—and a very small quantity by Natal. The following were the quantities received from these countries respectively prior to and during 1885 :—

VICTORIAN AND OTHER GOLD RECEIVED AT MELBOURNE MINT,  
1872 TO 1885.

Colony in which the Gold was raised.	Gold Received.		
	Prior to 1885.	During 1885.	Total.
	Ounces.	Ounces.	Ounces.
Victoria ... ..	5,727,951	737,661	6,465,612
New South Wales ... ..	6,555	383	6,938
Queensland ... ..	2,190	1,023	3,213
South Australia ... ..	131,752	7,869	139,621
Tasmania ... ..	293,989	32,819	326,808
New Zealand ... ..	1,180,018	51,486	1,231,504
Natal ... ..	1,731	...	1,731
Unknown ... ..	42,453	4,928	47,381
<b>Total ... ..</b>	<b>7,386,639</b>	<b>836,169</b>	<b>8,222,808</b>

Mint  
charges.

1305. 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.

1306. 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  $4\frac{1}{2}$  per cent. and base metal in less proportion than 2 per cent. of the weight of the deposit after melting. Mint allowances.

1307. The standard weight of the sovereign is .25682 of an ounce (equal to 7.988 grammes, or 123.27447 grains troy), and the standard weight of the half-sovereign is .12841 of an ounce. The standard fineness of those pieces is 916.666 parts (about  $\frac{11}{12}$ ) of pure gold in every 1,000 parts. The following was the actual weight and fineness of gold coins struck at the Melbourne Mint, as tested in London, at the periods named, for the information of the Lords Commissioners of Her Majesty's Treasury:— Weight and fineness of gold pieces coined.

WEIGHT AND FINENESS OF GOLD COINS STRUCK AT THE  
MELBOURNE MINT.

Date.	Average Weight.		Average Proportion of Gold in 1,000 Parts.	
	Sovereigns.	Half-sovereigns.	Sovereigns.	Half-sovereigns.
	oz.	oz.		
September, 1883 ...	.2567	...	916.570	...
December ,, ...	.2567	...	916.544	...
March, 1884 ...	.2568	...	916.553	...
June ,, ...	.2568	.1284	916.594	916.450

1308. It may be mentioned that, according to experiments made by the late Professor Stanley Jevons and Mr. J. B. Martin, of the Institute of Bankers, the sovereign, when in circulation, loses .043 grain per annum, equivalent to  $\frac{7}{20,000}$ , or about one-twelfth of a penny, and becomes light in 18 years from the date of its issue. Loss of weight by circulation.

1309. By the Victorian Mint Act (31 Vict. No. 307) it is provided that the sum of £20,000 shall be paid annually to the Mint from the Consolidated Revenue, but in the following table, which shows the Mint revenue and expenditure in each of the twelve financial years ended with 1884-5, and 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 the account:— Mint receipts and expenditure.

## MINT REVENUE AND EXPENDITURE,\* 1873-4 TO 1884-5.

Year.	Mint Receipts.	Mint Expenditure.	Excess of Expenditure over Receipts.	
			Amount.	Percentage.
	£	£	£	£
1873-4 ...	4,799	4,972	173	3·60
1874-5 ...	7,504	15,701	8,197	109·24
1875-6 ...	7,659	9,305	1,646	21·49
1876-7 ...	7,512	11,229	3,717	49·48
1877-8 ...	7,247	19,553	12,306	169·81
1878-9 ...	7,906	13,376	5,470	69·19
1879-80 ...	10,158	13,650	3,492	34·38
1880-81 ...	10,197	14,372	4,175	40·94
1881-2 ...	10,917	14,656	3,739	34·24
1882-3 ...	11,292	15,897	4,605	40·78
1883-4 ...	10,415	15,148	4,733	45·44
1884-5 ...	13,042	14,696	1,654	12·68
Total ...	108,648	162,555	53,907	49·62

Excess of expenditure over receipts.

1310. It will be observed that in the period to which the table relates the Mint expenditure exceeded the Mint receipts by 50 per cent., and the establishment was worked at an apparent loss of £53,907; but during 1884-5 the loss was only £1,654, or as little as 12 $\frac{2}{3}$  per cent. over the receipts.

Mint receipts, &c. Melbourne, Sydney, and London.

1311. In 1885, the expenditure exceeded the revenue in the Sydney Mint by a very much larger proportion than in the Melbourne Mint; but in the London Mint, on account of the large profit made on the purchase of silver bullion for coinage,† the receipts amounted to nearly half as much again as the expenditure. The following is a statement of the revenue and expenditure, and difference between those items, in the three Mints during the past year:—

## MELBOURNE, SYDNEY, AND LONDON MINTS.—REVENUE AND EXPENDITURE, 1885.

Locality of Mint.	Mint Receipts. †	Mint Expenditure.	Excess of Expenditure over Receipts.	
			Amount.	Percentage.
	£	£	£	£
Melbourne ...	13,042	14,696	1,654	12·68
Sydney ...	7,631	13,752	6,121	80·21
London ...	167,816	93,858	+73,958	+44·07

NOTE.—The plus sign (+) indicates that the receipts exceeded the expenditure.

\* Figures derived from those given in the Treasurer's Finance Statements. The fluctuations in the expenditure in the earlier years are probably due chiefly to the subsidy being returned at irregular periods.

† The average price at which silver bullion was purchased by the London Mint in 1885 was 4s. 0 $\frac{1}{2}$ d. per ounce, and as silver coin is issued at 5s. 6d. per ounce, the profit (seignorage) which accrued to the State was 1s. 5 $\frac{1}{2}$ d. per ounce, or at the rate of 36 per cent. The rate of seignorage averaged only 9 per cent. in the years 1870 to 1872, but rose rapidly—especially since 1877—to 36 per cent. in 1885.—(See Annual Report of London Mint for 1885, page 9.)

‡ The Melbourne Mint receives an annual subsidy of £20,000 from the Government of Victoria, and the Sydney Mint one of £15,000 from the Government of New South Wales. The unexpended portions of these amounts are left out of account in this table.

1312. The Sydney Branch of the Royal Mint was established in Sydney 1855, and from that date to the end of 1885, 14,530,718 ounces\* of gold Mint, 1855 to 1885. were received thereat, of which it is believed that 6,902,280 ounces, or nearly half, were raised in the colony of New South Wales; 3,692,133 ounces, or over a fourth, in Queensland; 2,025,883 ounces, or a seventh, in New Zealand; and 1,438,014 ounces, or about a tenth, in Victoria. In the same period, 50,179,500 sovereigns, 4,561,000 half-sovereigns, and 665,754 ounces of bullion, valued at £2,659,382, were issued from this branch, the whole being valued at £55,119,382. It should be mentioned that since the establishment of the Melbourne Mint only about 668 ounces of Victorian gold have been coined in Sydney.

1313. The quantity of gold received at the Sydney Mint during 1885 Sydney Mint, 1885. was 422,160 ounces, valued at £1,510,062, nearly three-fourths of which was produced in Queensland, between a fourth and a fifth in New South Wales, about a twentieth in South Australia, but only a very small quantity in New Zealand and the other colonies.† The total value of coin and bullion issued in that year amounted to £1,532,978, consisting of 1,486,000 sovereigns, and 12,049 ounces of gold bullion valued at £46,978. The value of coin and bullion issued from the Sydney Mint was less by over two millions sterling in 1884, and by over one and three-quarter millions sterling in 1885, than that issued from the Melbourne Mint in those years.

1314. No other metal than gold is coined at the Melbourne and Sydney Mints, the silver and bronze coinage required by the colonies London Mint, 1885. being obtained from England. Besides gold, silver, and bronze British money, silver, nickel, and bronze coins of various denominations are struck at the Royal Mint, London, for several of Her Majesty's possessions. The following table shows the number and value of coins of thirty-eight different denominations issued from that Mint in 1885:—

COINS STRUCK AT THE LONDON MINT, 1885.

Denomination.	Number of Coins.	Nominal Value.		
		£	s.	d.
Imperial, Gold—Sovereigns ... ..	717,723	717,723	0	0
"    "    Half-sovereigns ... ..	4,468,871	2,234,435	10	0
"    Silver—Half-crowns ... ..	1,628,438	203,554	15	0
"    "    Florins... ..	1,758,210	175,821	0	0
"    "    Shillings ... ..	3,336,527	166,826	7	0
"    "    Sixpences ... ..	4,652,771	116,319	5	6
"    "    Fourpences ... ..	5,791	96	10	4

\* Including 150,763 ounces of coin.

† Only 1,561 ounces came from New Zealand in 1885 as compared with 25,789 ounces in 1884 and 63,987 ounces in 1880.

COINS STRUCK AT THE LONDON MINT, 1885—*continued.*

Denomination.	Number of Coins.	Nominal Value.		
		£	s.	d.
Imperial, Silver—Threepences ... ..	5,188,141	64,851	15	3
"    "    Twopences ... ..	5,958	49	13	0
"    "    Pence ... ..	12,302	51	5	2
"    Bronze—Pence ... ..	7,145,862	29,774	8	6
"    "    Half-pence ... ..	8,600,574	17,917	17	3
"    "    Farthings ... ..	5,442,308	5,669	1	5
Colonial—				
Canada, Silver—Twenty-five cents ... ..	192,000	9,863	0	3
"    "    Ten cents ... ..	400,000	8,219	3	6
"    "    Five cents ... ..	1,000,000	10,273	19	5
Cyprus, Bronze—Piastres ... ..	54,000	300	0	0
"    "    Half-piastres ... ..	54,000	150	0	0
"    "    Quarter-piastres ... ..	36,000	50	0	0
British Honduras, Bronze—Cents ... ..	72,000	150	0	0
Hong Kong, Silver—Twenty cents ... ..	260,000	9,533	6	8
"    "    Ten cents ... ..	3,120,000	57,200	0	0
"    "    Five cents ... ..	3,120,000	28,600	0	0
Jamaica, Nickel—Pence ... ..	48,000	200	0	0
"    "    Half-pence ... ..	96,000	200	0	0
"    "    Farthings ... ..	96,000	100	0	0
Malta, Bronze—One-third farthings ... ..	288,000	100	0	0
Newfoundland, Gold—Double dollars ... ..	10,000	4,166	13	4
"    Silver—Fifty cents ... ..	40,000	4,166	13	4
"    "    Twenty cents ... ..	40,000	1,666	13	4
"    "    Ten cents ... ..	8,000	166	13	4
"    "    Five cents ... ..	16,000	166	13	4
"    Bronze—Cents ... ..	40,000	83	6	8
Straits Settlements, Silver—Twenty cents ... ..	100,000	3,666	13	4
"    "    Ten cents ... ..	400,000	7,333	6	8
"    "    Five cents ... ..	200,000	1,833	6	8
"    Bronze—Cents ... ..	2,840,000	5,206	13	4
"    "    Quarter-cents ... ..	8,000,000	3,666	13	4
Total ... ..	63,493,476	3,890,153	4	11

Silver  
coinage  
1885.

1315. According to the table, the silver coined at the London Mint in 1885 represented an aggregate nominal value of £870,260, which was greater by £145,065 than that coined in 1884, but less by £401,765 than that coined in 1883, when, however, the silver coinage was larger than in any other year since the introduction of the present coinage in 1817.

London Mint,  
1872 to 1885.

1316. In consequence, no doubt, of the gold coined at the Colonial Mints having been sufficient to meet all requirements, no sovereigns were struck at the London Mint in 1881, 1882, and 1883, and no half-sovereigns in the first two of those years. Gold coinage was resumed in 1883, and gold coins—chiefly half-sovereigns—have been struck to the value of two and one-third millions sterling in 1884 and nearly three millions sterling in 1885. The fluctuations in the gold coinage at this Mint have been very great for years past, as will be seen by the

following figures, which show the nominal value of the gold coins struck at the London Mint during the last 14 years\* :—

NOMINAL VALUE OF GOLD COINS STRUCK AT THE LONDON MINT, 1872 TO 1885.

£			£		
1872 ...	...	15,261,436	1881 ...	...	Nil
1873 ...	...	3,384,564	1882 ...	...	Nil
1874 ...	...	1,461,564	1883 ...	...	1,403,713
1875 ...	...	243,247	1884 ...	...	2,324,015
1876 ...	...	4,696,649	1885 ...	...	2,973,453
1877 ...	...	981,469			
1878 ...	...	2,265,069			
1879 ...	...	35,050			
1880 ...	...	4,150,053			
			Total ...	...	£39,180,282

1317. Besides supplying the silver and bronze coinage required for circulation in the Australasian colonies, as already stated, the London Mint also withdraws silver coin from the colonies after it has become worn or defaced, allowing for the same at its full nominal value. The following are the values of the coin supplied and withdrawn in the last seven years :—

COIN SUPPLIED TO AND WITHDRAWN FROM THE AUSTRALASIAN COLONIES BY THE LONDON MINT, 1879 TO 1885.

Colony.	Year.	Value of Coin Supplied.			Value of Worn Silver Coin Withdrawn.
		Silver.	Bronze.	Total.	
		£	£	£	£
Victoria ...	1879	125,500	2,080	127,580	24,230
	1880	80,000	...	80,000	58,039
	1881	74,800	...	74,800	51,519
	1882	55,200	1,005	56,205	34,036
	1883	24,800	600	25,400	10,601
	1884	10,000	2,000	12,000	9,474
	1885	30,000	2,500	32,500	9,483
New South Wales ...	1879	85,000	1,000	86,000	890
	1880	25,000	...	25,000	16,574
	1881	24,000	500	24,500	9,950
	1882	44,000	2,000	46,000	7,590
	1883	49,000	2,000	51,000	9,207
	1884	40,000	1,000	41,000	4,531
	1885	56,000	3,000	59,000	4,075
Queensland ...	1882	50,000	...	50,000	...
	1885	51,200	520	51,720	...

\* It is estimated that 90,000,000 sovereigns, and 40,000,000 half-sovereigns, of a nominal value in all of £110,000,000, are circulating in the United Kingdom, and that about half these are light. The Mint authorities state that, exclusive of the expense of re-coinage, it would cost nearly £650,000 to make good the deficient weight, which amounts to 5½ tons.



COIN SUPPLIED TO AND WITHDRAWN FROM THE AUSTRALASIAN COLONIES BY THE LONDON MINT, 1879 TO 1885—*continued.*

Colony.	Year.	Value of Coin Supplied.			Value of Worn Silver Coin Withdrawn.
		Silver.	Bronze.	Total.	
		£	£	£	£
South Australia ...	1879	30,000	2,240	32,240	...
	1880	57,000	...	57,000	...
	1882	40,000	...	40,000	...
Western Australia ...	1879	5,000	400	5,400	...
	1880	...	...	...	1,200
	1881	...	...	...	1,200
Tasmania ...	1882	16,000	...	16,000	...
	1883	14,000	20	14,020	10,045
	1885	...	600	600	...
New Zealand ...	1879	500	2,500	3,000	...
	1882	73,800	...	73,800	...
	1884	500	1,500	2,000	...
Total ...	1879	246,000	8,220	254,220	25,120
	1880	162,000	...	162,000	75,813
	1881	98,800	500	99,300	62,669
	1882	279,000	3,005	282,005	41,626
	1883	87,800	2,620	90,420	29,853
	1884	50,500	4,500	55,000	14,005
	1885	137,200	6,620	143,820	13,558

Threepenny pieces supplied to colonies.

1318. The Deputy-Master of the London Mint\* draws attention to the increased demand for threepenny pieces in the Australian colonies; for while in 1884 such coins to the value of £3,200 were sufficient for Victoria and New South Wales, the requirements of these colonies had increased in 1885 to £4,400 and £7,600 respectively; and since the beginning of 1886† it had been found necessary to ship threepences of the nominal value of £4,800 to Melbourne and £11,000 to Sydney. The Government of Queensland also obtained £3,200 in threepences during 1885, and the Government of South Australia obtained those coins to the value of £3,000 in the current year.

Coinage of the world.

1319. The value of gold and silver coin issued from the mints of the different countries of the world in the three years ended with 1884 is stated to have been as follows‡:—

\* See Annual Report for 1885, page 6.

† The report is dated 3rd May, 1886.

‡ Taken, except the figures for Australia, from page 132 of the report for 1885 of Mr. James P. Kimball, director of the United States Mint. Mr. Kimball gives the amounts in dollars, which have been turned into pounds sterling upon the assumption that £1 is equal to 4½ dollars.

## GOLD AND SILVER COINAGE OF THE WORLD, 1882 TO 1884.\*

Countries.	1882.		1883.		1884.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
	£	£	£	£	£	£
Australia ... ..	3,843,000	...	3,268,000	...	4,561,000	...
United States ... ..	13,726,605	5,827,507	6,092,081	6,092,914	4,998,282	5,944,764
Mexico ... ..	94,289	5,238,804	84,917	5,017,483	68,479	5,286,954
Bolivia ... ..	...	351,014	...	† 333,333	...	...
Argentine Republic ... ..	...	...	943,794	357,384	...	...
Great Britain ... ..	...	212,788	1,423,160	1,291,983	2,356,212	667,672
India ... ..	35,530	6,122,150	13,968	5,193,208	...	2,884,928
Germany ... ..	659,809	1,334,824	4,375,602	123,866	2,859,061	23,816
Austria-Hungary ... ..	589,497	650,587	448,831	1,156,706	259,370	706,284
France ... ..	150,460	46,636	...	...	...	4,825
Belgium ... ..	420,024	...	...	...	...	...
Italy ... ..	...	...	163,548	...	12,951	442,076
Netherlands ... ..	...	126,732	...	16,899	...	38,106
Norway ... ..	...	14,517	40,148	7,817	...	...
Sweden ... ..	8,308	3,689	90,962	52,181	213,004	27,663
Spain ... ..	415,898	2,223,300	693,174	2,192,379	1,038,126	1,403,952
Portugal ... ..	33,750	...	45,225	...	38,925	...
Japan ... ..	117,840	909,874	113,394	650,186	118,628	643,484
Brazil ... ..	5,314	2,082	11,000	4,914	...	...
Russia ... ..	...	...	2,665,328	...	4,133,448	212,664
Turkey ... ..	616,678	...	280,133	9,167	...	...
Colombia ... ..	...	...	...	145,649	...	...
Switzerland ... ..	...	...	201,042	...	...	...
Honduras ... ..	...	15,899	...	...	...	...
Persia ... ..	...	...	9,816	126,162	...	...
Peru ... ..	...	...	...	...	...	291,864
Sandwich Islands ... ..	...	...	...	...	...	145,833
China ... ..	...	...	...	...	...	33,333
<b>Total ... ..</b>	<b>20,717,002</b>	<b>23,080,403</b>	<b>20,964,123</b>	<b>22,772,231</b>	<b>20,657,486</b>	<b>18,758,218</b>

1320. A comparison with former figures † will show that the value of the gold coin issued from the Melbourne Mint in 1885 far exceeded that issued in the years named from the Mints of any of the countries referred to except Russia and the United States. Gold coined in Victoria and other countries.

1321. Since the establishment of the Melbourne Mint in 1872, the value of gold coin exported from Victoria (£28,430,309), less the value of that imported (£1,909,650), has amounted to £26,520,659, or less by £2,790,441 than the total value of such coin issued from the Mint. Exports of gold coin.  
In 1885, the value of the gold coin exported amounted to £3,956,173—three times as much as in the previous year §; whilst the value of that

\* Calendar years, except for India, Mexico, Brazil, and Japan.

† Approximate.

‡ See table following paragraph 1300 ante.

§ See also paragraph 1323 post.

imported was only £3,313. The destination and value of the exports of gold coin in that year were as follow :—

EXPORTS OF GOLD COIN, 1885.

Destination.	£
Ceylon ... ..	444,835
United Kingdom ... ..	2,354,788
South Australia ... ..	310,000
New South Wales ... ..	390,650
Tasmania ... ..	45,000
France ... ..	402,170
Western Australia ... ..	8,730
<b>Total ... ..</b>	<b>£3,956,173</b>

Australian  
coinage at  
Bank of  
England.

1322. The returns of the Bank of England show that a considerable quantity of the Australian gold coinage finds its way there. The figures are complete for each year from 1875 to 1885, and in the following table are collated with those showing the amount of coinage struck in the same years at the two Australian Mints, the difference between the amount coined and the amount lodged in the Bank of England being also shown :—

AUSTRALIAN GOLD COINAGE.—AMOUNT STRUCK AND AMOUNT RECEIVED AT BANK OF ENGLAND.

Year.	Nominal Value of Australian Gold Coinage.			Nominal Value of Australian Gold Coinage received at Bank of England.	Excess of Australian Gold Coinage over and above that received at the Bank of England. *
	Struck at Melbourne Mint.	Struck at Sydney Mint.	Total.		
	£	£	£	£	£
1875 ...	1,888,000	2,122,000	4,010,000	2,726,000	1,284,000
1876 ...	2,124,000	1,643,000	3,767,000	2,075,000	1,692,000
1877 ...	1,527,000	1,590,000	3,117,000	3,748,000	- 631,000
1878 ...	2,171,000	1,322,000	3,493,000	2,773,000	720,000
1879 ...	2,740,000	1,413,000	4,153,000	1,617,000	2,536,000
1880 ...	3,052,800	1,499,000	4,551,800	2,377,000	2,174,800
1881 ...	2,345,800	1,391,000	3,736,800	3,306,000	430,800
1882 ...	2,519,000	1,324,000	3,843,000	2,203,000	1,640,000
1883 ...	2,050,000	1,218,000	3,268,000	1,518,000	1,750,000
1884 ...	2,966,000	1,595,000	4,561,000	284,040	4,276,960
1885 ...	2,972,000	1,486,000	4,458,000	3,012,000	1,446,000
<b>Total ...</b>	<b>26,355,600</b>	<b>16,603,000</b>	<b>42,958,600</b>	<b>25,639,040</b>	<b>17,319,560†</b>

Proportion  
of Australia  
coinage sent to  
Bank of  
England.

1323. It will be noticed that in the eleven years named in the table nearly three-fifths of the gold coin issued from the Australian Mints found its way to the Bank of England; also, that the value of Australian coinage received at the Bank of England exceeded that struck in 1877, but in no other year. It will, moreover, be observed that the unusually

\* The minus sign (-) indicates that the value of Australian gold coinage received at the Bank of England exceeded that struck in the year by the amount against which it is placed.  
† Net figures.

small quantity of Australian gold coin received at the Bank of England in 1884, as compared with every one of the previous years shown, was to some extent counterbalanced by the large quantity received in 1885, which was larger than in any previous year except 1877 and 1881. In 1884, so great was the demand for gold in Australia, that in the early part of that year over a million sterling was actually shipped from London to Australia.\* This circumstance, at the time, created much surprise, and has received various explanations, but there is very little doubt that the chief cause was the extensive borrowings of the Australasian colonies during the last two years; for whilst at the end of 1882, the aggregate debt of the Australasian colonies was about 99¼ millions, nearly 10 millions was added thereto in 1883, and a further sum of 17¼ millions in 1884, thus swelling the debt by the end of 1884 to 126 millions. The public debt of Australasia was further increased in 1885 by over 14½ millions, but a large proportion of this remained in London at the close of the year.

1324. Herr Soetbeer, a distinguished German economist, has estimated as follows the total value and the value per head of the gold and silver employed as circulating medium in the various countries named during 1880†:—

Value of coinage in various countries.

VALUE‡ OF GOLD AND SILVER COIN IN VARIOUS COUNTRIES, 1880.

Country.	Gold Coin.			Silver Coin.			Total Gold and Silver Coin per Head.
	Total (000's omitted).	Amount per Head.		Total (000's omitted).	Amount per Head.		
	£	£	s. d.	£	£	s. d.	£ s. d.
England ...	125,165,	3	12 7	19,435	0	11 3	4 3 10
United States ...	78,820,	1	11 10	31,980	0	12 11	2 4 9
France ...	194,670,	7	10 6	125,725	3	8 1	10 18 7
Belgium ...	9,030,	1	13 9	13,440	2	10 4	4 4 1
Switzerland ...	4,200,	1	10 6	3,085	1	2 5	2 12 11
Italy ...	5,040,	0	3 8	7,120	0	5 1	0 8 9
Germany ...	72,500,	1	13 3	44,350	0	19 9	2 13 0
Sweden and Norway	4,140,	0	10 0	2,335	0	5 10	0 15 10
Holland ...	4,200,	1	1 0	12,150	3	0 11	4 1 11

1325. There is no doubt that in every country a considerable quantity of gold and silver coins, especially the former, are withdrawn from circulation for use in manufactures. From inquiries made by Mr. Burchard, late Director of the United States Mint,§ it appears that, in 1883-4, 34 per cent. of the gold and 3 per cent. of the silver objects

Gold and silver coins used in manufactures.

\* It is believed that none of this gold was intended for, or rested in, Victoria.

† See *Transactions of the Manchester Statistical Society*, 1884-85, page 48.

‡ Value given in marks, which have been converted into English money on the assumption that a mark is equal to one shilling.

§ Report for 1884, page 62.

made in the United States were manufactured from coins of that country, and that  $1\frac{1}{3}$  per cent. of the gold and nearly 3 per cent. of the silver objects were manufactured from coins of other countries.

Number of  
banks.

1326. During 1885 there were 11\* banks of issue in Victoria, possessing therein 393 branches or agencies. There were also 11 banks of issue in the colony in 1880, but 12 in 1875.

Liabilities,  
assets, &c.,  
of banks.

1327. 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:—

#### FINANCIAL POSITION OF BANKS, 1875, 1880, AND 1885.

	1875.	1880.	1885.
LIABILITIES.			
Notes in circulation ... ..	£ 1,382,612	£ 1,236,046	£ 1,474,809
Bills in circulation ... ..	74,262	50,987	67,968
Balances due to other banks ...	291,330	228,776	381,304
Deposits† not bearing interest ...	4,733,003	5,735,029	7,765,496
„ „ bearing interest ...	9,001,965	12,237,674	22,828,068
Total ... ..	15,483,172	19,488,512	32,517,645
ASSETS.			
Coined gold, silver, and other metals	2,660,087	3,408,961	3,798,154
Gold and silver in bullion and bars	461,538	445,674	432,464
Landed property ... ..	744,866	865,488	1,125,477
Notes and bills of other banks ...	196,015	120,989	164,906
Balances due from other banks	364,628	404,690	440,432
Debts due to the banks ‡ ...	17,852,348	18,039,020	33,212,694
Total ... ..	22,279,482	23,284,822	39,174,127
CAPITAL AND PROFITS.			
Capital stock paid up ... ..	8,572,120	9,126,250	8,901,250
Average rate per annum of last dividend declared	12·115 per cent.	10·391 per cent.	12·595 per cent.
Amount of last dividend declared	519,250	474,140	560,663
Amount of reserved profits after declaring dividend	2,592,808	2,714,730	3,908,245

Liabilities,  
assets, &c.  
compared  
at three  
periods.

1328. Both liabilities and assets show a large increase at each successive period, and more especially in the interval between the second and last periods, during which the liabilities increased by over 13 millions sterling—or by two-thirds, and the assets by nearly 16 millions—or by

\* At the beginning of 1884 there were 12 banks, but one of these—the Oriental Bank Corporation—stopped payment on the 3rd May of that year. In February, 1885, the first dividend to creditors—of 10s. in the £1—was declared by the liquidators, and at the same time it was notified that creditors who would accept 17s. in the £1 would be paid the balance by September, 1885, an offer which, it is believed, was largely availed of; and in August, 1885, a second dividend of 2s. 6d. in the £1 was sanctioned. The amounts due to the Governments of Victoria and New South Wales at the time of the failure were £434,151 (see paragraph 221 *ante*) and about £60,000 respectively, which amounts will be recovered in full with interest at  $1\frac{1}{2}$  per cent. The Victorian business of the bank had, up to the last, been large and profitable.

† Including Government deposits, the amount of which was not returned in 1875 and 1880, but in 1885 consisted of £160,284 not bearing interest, and £2,108,151 bearing interest.

‡ Including notes, bills of exchange, and all stock and funded debts of every description, except notes, bills, and balances due to the banks from other banks.

more than two-thirds. It will be observed that the expansion under the head of liabilities was chiefly due to the increase of deposits, although the note circulation\* was also larger at the last than at either of the former periods. Under the head of assets it will be noticed that in 1885 the banks had nearly  $4\frac{1}{4}$  millions sterling in coin and bullion—which, however, was less by over three-quarters of a million than in 1884†—and the landed property represented over 1 million sterling, the former showing an increase of not quite £400,000 since 1880, or of over a million since 1875, and the latter of about £260,000 and £380,000 since those periods respectively; but the most important item of all, the advances (debts due to the banks), stood, in 1885, as high as 33 millions, having increased by nearly 4 millions during the last twelve months, and by over 15 millions since 1880 or 1875. It will be observed that, in 1885, the advances exceeded the deposits by over  $2\frac{1}{2}$  millions as compared with only a slight excess in 1880, but an excess of 4 millions in 1875. The capital was slightly smaller in 1885 than in 1880, but was larger than in 1875; and the reserve was higher at the last than at either of the former periods by over a million sterling. The rate of dividend in 1885 ( $12\frac{3}{5}$  per cent.) was considerably higher than at either of the other periods. This, it may be remarked, varied in different banks from 6 to  $17\frac{1}{2}$  per cent.

1329. 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.

—	1875.	1880.	1885.
<b>LIABILITIES.</b>			
	Per Cent.	Per Cent.	Per Cent.
Notes in circulation ... ..	8·93	6·34	4·54
Bills in circulation ... ..	·48	·26	·21
Balances due to other banks ...	1·88	1·17	1·17
Deposits not bearing interest ‡ ...	30·57	29·43	23·88
„ bearing interest ‡ ...	58·14	62·80	70·20
Total ... ..	100·00	100·00	100·00
<b>ASSETS.</b>			
Coined gold, silver, and other metals	11·94	14·64	9·70
Gold and silver in bullion or bars	2·07	1·91	1·10
Landed property ... ..	3·35	3·72	2·87
Notes and bills of other banks ...	·88	·52	·42
Balances due from other banks...	1·63	1·74	1·13
Debts due to the banks ... ..	80·13	77·47	84·78
Total ... ..	100·00	100·00	100·00

\* It is stated that the cost of the note circulation to the banks, including a tax to the general revenue of 2 per cent., is about  $3\frac{1}{2}$  per cent. per annum. See *Australasian Insurance and Banking Record* for May, 1884, p. 191: McCarron, Bird, and Co., 37 Flinders lane west.

† See paragraph 1332 *post*.

‡ In 1885, the proportion of Government deposits not bearing interest to the total liabilities was only one-half per cent., and the proportion of those bearing interest was about 7 per cent.

Analysis of  
bank re-  
turns.

1330. The following results are arrived at by analyzing the bank returns at the three periods :—

The liabilities amounted to	...	{	69·49 per cent. of the assets in 1875	
			83·70           "           "           1880	
			83·01           "           "           1885	
Coin and bullion formed	...	{	14·01 per cent. of the assets in 1875	
			16·55           "           "           1880	
			10·80           "           "           1885	
The paid-up capital was equal to		{	38·47 per cent. of the assets in 1875	
			39·19           "           "           1880	
			22·72           "           "           1885	
			55·36 per cent. of the liabilities in 1875	
			46·83           "           "           1880	
			27·37           "           "           1885	
Of the moneys deposited	...	{	65·54 per cent. bore interest in 1875	
			68·09           "           "           1880	
			74·62           "           "           1885	

Former  
periods and  
1885 com-  
pared.

1331. It will be observed that in 1885, although the liabilities bore nearly as high a proportion to the assets as in 1880, and a much higher proportion than in 1875, coin and bullion bore a much smaller proportion to the assets than at either of the former periods; that the paid-up capital, which was formerly equal to nearly two-fifths of the assets, and about half of the liabilities, was, in 1885, equal to little more than one-fourth of the liabilities and one-fifth of the assets; and that the proportion of the moneys deposited which bore interest gradually increased from 65 per cent. at the first period to 75 per cent. at the last period of the total amount on deposit.

Coin and  
bullion in  
banks.

1332. The value of coin and bullion held by the Victorian banks in the last quarter of each of the 11 years ended with 1885 was as follows :—

#### COIN AND BULLION HELD BY BANKS, 1875 TO 1885.

(Average of the last quarter of each year.)

					£
1875	...	...	...	...	3,121,625
1876	...	...	...	...	3,519,377
1877	...	...	...	...	2,438,657
1878	...	...	...	...	2,387,972
1879	...	...	...	...	3,475,345
1880	...	...	...	...	3,854,635
1881	...	...	...	...	3,008,491
1882	...	...	...	...	3,201,733
1883	...	..	...	...	3,245,472
1884	...	...	...	...	5,014,749
1885	...	...	...	...	4,230,618

Deposits and  
advances of  
banks.

1333. In all the years the bank advances exceeded the moneys on deposit. The maximum of excess was reached in 1878, when it amounted to over 6 millions sterling, but in the succeeding two years, 1879 and 1880, being years of commercial depression, the advances

were much more restricted, and in the latter they only exceeded the deposits by £66,000. Since 1880 the excess has never been so great as it was prior to that year. This is shown by the figures in the following table:—

DEPOSITS IN AND ADVANCES BY BANKS, 1875 TO 1885.

(Average of the last quarter of each year.)

Year.	Deposits.			Advances.	Excess of Advances over Deposits.
	Government.*	Other.	Total.		
	£	£	£	£	£
1875 ...	677,445	13,057,523	13,734,968	17,852,348	4,117,380
1876 ...	1,956,619	12,893,529	14,850,148	19,138,461	4,288,313
1877 ...	1,148,176	15,355,352	16,503,528	22,493,261	5,989,733
1878 ...	422,211	15,684,370	16,106,581	22,430,329	6,323,748
1879 ...	1,120,809	15,305,356	16,426,165	20,717,750	4,291,585
1880 ...	1,953,241	16,019,462	17,972,703	18,039,020	66,317
1881 ...	2,470,880	18,681,030	21,151,910	22,783,420	1,631,510
1882 ...	951,809†	22,673,284	23,625,093	26,562,427	2,937,334
1883 ...	575,058	23,484,111	24,059,169	26,994,137	2,934,968
1884 ...	2,147,035	26,270,009	28,417,044	29,487,969	1,070,925
1885 ...	2,268,435	28,325,129	30,593,564	33,212,694	2,619,130

1334. Subjoined are the average rates of exchange for bank bills drawn on the following places in 1884, and in the first year of each of the two previous quinquennia. Those upon London are drawn at sixty days' sight, and those upon the neighbouring colonies at sight:—

Rates of exchange.

RATES OF EXCHANGE, 1875, 1880, AND 1885.

Places on which Bills were drawn.	Average Rates of Exchange.		
	1875.	1880.	1885.
London .. ..	$\frac{1}{2}$ to $\frac{7}{8}$ per cent. premium	$\frac{1}{4}$ to $\frac{3}{4}$ per cent. premium	$\frac{1}{4}$ to 1 per cent. premium
British India ..	5 per cent. premium, 2s. per rupee	4 per cent. premium and nominal	..
New South Wales	2s. 9d. to $\frac{1}{4}$ per cent. prem.	$\frac{1}{4}$ per cent. premium ..	$\frac{1}{8}$ to $\frac{1}{2}$ per cent. premium
Queensland ..	$\frac{1}{2}$ to 1 per cent. premium	$\frac{1}{2}$ to 1 per cent. premium	$\frac{1}{2}$ to $1\frac{1}{2}$ per cent. premium
South Australia ..	4s. 9d. to $\frac{1}{2}$ per cent. prem.	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium.
Tasmania ..	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium
New Zealand ..	$\frac{1}{2}$ to 1 per cent. premium	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium

1335. The average rates of discount on local bills were slightly lower at the last than at the middle period, and much lower than at the first period, as will be seen by the following figures:—

Rates of discount

\* The figures in this column, for years prior to 1883, represent the amounts at the end of the year. The figures for 1883 and subsequent years represent, like the other figures in the table, the average amounts during the last quarter of the year.

† Excluding an advance of £2,000,000 obtained from the contracting banks on account of a new loan of £4,000,000, floated in 1883 under the *Railway Loan Act 1881* (45 Vict. No. 717).



## RATES OF DISCOUNT ON LOCAL BILLS, 1875, 1880, AND 1885.

Currency of Bills.	Average Rates of Discount per Annum.		
	1875.	1880.	1885.
	Per Cent.	Per Cent.	Per Cent.
Under 65 days ... ..	7 to 8	6 to 8	6 to 7
65 to 95 „ ... ..	8 to 9	6 to 8	6 to 7½
95 to 125 „ ... ..	9 to 10	7 to 9	7 to 8
Over 125 „ ... ..	9 to 10	7 to 9½	7 to 10

Interest on overdrafts.

1336. For overdrafts, the average bank rate was 10 per cent. in 1874 and 1879, and 9 per cent. in 1883, 1884, and 1885.

Rates of interest on bank deposits.

1337. The rates of interest allowed on moneys deposited with the Victorian banks for a period of 12 months ranged from 5 to 6 per cent. in 1875, from 4 to 5 per cent. in 1880, and stood at 5 per cent. throughout 1885. It may be mentioned that the rate on deposits for 6 months is usually 1 per cent. lower than that for 12 months, and the rate for 3 months 1 per cent. lower than that for 6 months. As a rule, no interest is allowed on deposits at call.

Fluctuation in rate of interest on deposits

1338. According to the *Australasian Insurance and Banking Record*,\* immediately prior to August, 1880, the rate of interest allowed by the principal Melbourne banks† on moneys left with them on deposit for periods of 12 months was 5 per cent. This fell in August to 4 per cent., and in February, 1881, to the exceptionally low rate of 3 per cent., which prevailed during the greater portion of that year. Ever since August, 1882, however, the rate has never been lower than 5 per cent., reaching a maximum of 6 per cent. in 1883-4 (18 months), and in the latter half of 1886. Indeed, so keen has been the demand for money during the last 8 months, that it is believed that, at times, some of the banks have given as much as 6½ and even 7 per cent. rather than lose a deposit. The following are the periods at which the changes are reported to have taken place:—

## BANK RATE OF INTEREST ON DEPOSITS FOR TWELVE MONTHS, 1880 TO 1886.

August, 1880,‡ to February, 1881 ... ..	4 per cent.
February, 1881, to November, 1881 ... ..	3 „
November, 1881, to August, 1882 ... ..	4 „
August, 1882, to November, 1882 ... ..	5 „
November, 1882, to December, 1882 ... ..	5½ „
December, 1882, to July, 1884 ... ..	6 „
July 8th to July 24th, 1884 ... ..	5½ „
July, 1884, to June, 1886 ... ..	5 „
June, 1886 ... ..	6§ „

\* "Record" for July, 1884, page 305.

† One or two of the smaller banks allow from ½ to 1 per cent. above the rates quoted.

‡ Immediately prior to this date, 5 per cent.

§ Unchanged on the 31st December, 1886.

1339. The average annual rates of interest for "deposits at notice" given by the London joint stock banks are thus quoted for the periods of six months ended with the 30th June of each of the following years:—

Rates of interest on bank deposits in London.

INTEREST PER £100 DEPOSITED IN LONDON BANKS.

			£	s.	d.				£	s.	d.
1882	...	...	2	14	0	1884	...	...	1	16	5
1883	...	...	2	12	11	1885	...	...	2	8	3

1340. The following are the proportions which the Government deposits bore to the total amounts on deposit with the Victorian banks during each of the eleven years ended with 1885. Until 1883, the proportions are based upon the amount of Government deposits at the end of the year, but, on and after 1883, upon the average amount during the last quarter of the year:—

Proportion of Government moneys with the banks.

PROPORTIONS OF GOVERNMENT MONEYS TO ALL BANK DEPOSITS, 1875 TO 1885.\*

			Per cent.				Per cent.
1875	...	...	4.93	1881	...	...	11.68
1876	...	...	13.18	1882	...	...	4.03
1877	...	...	6.96	1883	...	...	2.39
1878	...	...	2.62	1884	...	...	7.56
1879	...	...	6.82	1885	...	...	7.41
1880	...	...	10.87				

1341. The particulars contained in the following table respecting the assets and liabilities of the banks in each of the Australasian colonies at the end of the second quarter of the present year have, in the absence of official information, been taken from the *Australasian Insurance and Banking Record*.† 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, 1885.

BANKS IN AUSTRALASIAN COLONIES, 1886.

(Compiled from the Averages of the Quarter ended 30th June, 1886.)

Colony.	Number of Banks.	Liabilities.				
		Notes in Circulation.	Bills in Circulation.	Balances due to other Banks.	Deposits.‡	Total.
		£	£	£	£	£
Victoria	11	1,442,840	105,460	262,510	31,625,640	33,436,450
New South Wales	14	1,633,240	64,660	1,424,890	26,584,240	29,707,030
Queensland	11	607,730	516,730	931,100	7,203,410	9,258,970
South Australia	11	437,520	12,900	107,220	5,466,660	6,024,300
Western Australia	4	43,960	2,040	22,610	981,080	1,049,690
Tasmania	5	156,860	14,490	6,470	3,607,030	3,784,850
New Zealand	6	984,460	49,870	28,620	10,828,800	11,891,750
Total	62	5,306,610	766,150	2,783,420	86,296,860	95,153,040

\* For figures on which these proportions were based see table following paragraph 1333 ante.

† "Record" for September, 1886, page 531.

‡ Including Government deposits, which in Victoria amounted to £2,879,858, in Queensland to £824,424, in South Australia to £305,808, and in New Zealand to £631,853.

BANKS IN AUSTRALASIAN COLONIES, 1886—*continued.*

(Compiled from the Averages of the Quarter ended 30th June, 1886.)

Colony.	Assets.					Total.
	Coin and Bullion.	Landed Property.	Notes and Bills of other Banks.	Balances due from other Banks.	All Debts due to the Banks.	
	£	£	£	£	£	£
Victoria ...	4,453,350	1,172,190	160,890	451,830	34,672,950	40,911,210
New South Wales	4,019,160	1,111,970	125,760	1,719,200*	32,186,740	39,162,830
Queensland ...	1,578,750	432,970	15,620	300,390	11,950,040	14,277,770
South Australia	1,240,540	381,930	97,600	232,670	10,151,800	12,104,540
Western Australia	221,040	55,280	2,560	8,990	1,222,730	1,510,600
Tasmania ...	575,630	83,490	...	171,920	2,913,230	3,744,270
New Zealand ...	2,069,530	482,910	35,400	53,150	16,324,870	18,965,860
Total ...	14,158,000	3,720,740	437,830	2,938,150	109,422,360	130,677,080

Liabilities and assets in Victoria and New South Wales compared.

1342. It will be noticed that both the bank liabilities and the bank assets are smaller in New South Wales than in Victoria, notwithstanding the fact that in New South Wales the bank assets include the large amount of £1,700,000 as due from other banks, which, in addition to sums due from independent institutions, is said to embrace capital lent to their own branches outside the colony, the latter being an item which is not considered as forming part of the assets of the banks in the other colonies.

Proportion of liabilities to assets in Australasian banks.

1343. In Tasmania the liabilities of the banks exceed the assets, but in all the other colonies the latter are considerably in excess of the former. In Victoria the liabilities amount to 82 per cent. of the assets, which is a higher proportion than obtains in any of the other colonies except Tasmania. The following are the positions of the colonies in respect to the proportion the bank liabilities bear to the bank assets, the colony in which the former are least in proportion to the latter being placed first and the rest in succession, while the figures showing the percentage of liabilities to assets being placed against each colony:—

PROPORTION OF LIABILITIES TO ASSETS OF BANKS OF AUSTRALASIAN COLONIES, 30TH JUNE, 1886.

1. South Australia ...	Per Cent. 49·77	5. New South Wales ...	Per Cent. 75·86
2. New Zealand ...	62·70	6. Victoria ...	81·73
3. Queensland ...	64·85	7. Tasmania ...	101·08
4. Western Australia ...	69·49		

Proportion of specie to assets of Australasian banks.

1344. Coin and bullion in 1886 bore a smaller proportion to the total assets of the banks of Victoria than they did to those of any of the

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

other colonies except New South Wales and South Australia; whilst in Tasmania and Western Australia they bore to the assets a far higher proportion than in any of the other colonies. In June, 1885, Victoria was third on the list in this respect, but the proportion fell in twelve months from 13 to 11 per cent. The following is the order of the colonies in reference to this matter:—

PROPORTION OF COIN AND BULLION TO ASSETS OF BANKS IN AUSTRALASIAN COLONIES, 30TH JUNE, 1886.

	Per Cent.
1. Tasmania ... ..	15·37
2. Western Australia ... ..	14·63
3. Queensland ... ..	11·06
4. New Zealand ... ..	10·91
5. Victoria ... ..	10·89
6. New South Wales ... ..	10·26
7. South Australia ... ..	10·25

1345. The deposits quoted 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 a statement of the division referred to:—

Australasian banks' deposits not bearing and bearing interest.

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

(Average during the Quarter ended 30th June, 1886.)

Colony.	Amount of Deposits.†		Proportion of Deposits.	
	Not Bearing Interest.	Bearing Interest.	Not Bearing Interest.	Bearing Interest.
	£	£	Per Cent.	Per Cent.
Victoria ... ..	7,520,670	24,104,970	23·78	76·22
New South Wales ... ..	8,230,660	18,353,580	30·96	69·04
Queensland ... ..	2,234,670	4,968,740	31·02	68·98
South Australia ... ..	1,579,300	3,887,360	28·89	71·11
Western Australia ... ..	284,450	696,630	28·99	71·01
New Zealand ... ..	3,450,770	7,378,030	31·87	68·13

1346. It will be seen that over three-fourths of the bank deposits are interest-bearing in Victoria, as against only 71 per cent. in South Australia and Western Australia, and little more than two-thirds in the other colonies, the proportion being lowest in New Zealand.

Proportion of interest-bearing deposits in Australasian banks.

1347. The following statement, taken from the *Australasian Insurance and Banking Record*,‡ shows the capital and profits of the twenty-six

Capital and profits of Australasian banks.

\* Exclusive of Tasmania.

† Including Government deposits, amounting in Victoria to £2,879,858, of which £232,763 did not bear, and £2,460,085 bore, interest; in Queensland to £824,424, all bearing interest; in South Australia to £805,808, of which £77,853 did not bear, and £727,954 bore, interest; and in New Zealand to £691,853, all of which bore interest.

‡ "Record" for April, 1886, page 181; also for June, 1886, page 305.

banks of issue carrying on business in the Australasian colonies, according to the sworn averages of the quarter ended 31st December of the last two years:—

CAPITAL AND PROFITS OF BANKS IN AUSTRALASIAN COLONIES,  
1884 AND 1885.

	1884. £	1885. £
Capital paid up ... ..	14,829,262	15,078,924*
Amount of reserved profits at declaration of dividend... ..	6,551,638	6,989,751
Capital and reserved profits ... ..	21,380,900	22,068,675
Amount of last dividend declared (half-year) ... ..	911,461	948,936
Average per cent. per annum of dividend on paid-up capital ... ..	12.29	12.59

Investment  
of British  
capital in  
Australasia.

1348. Australasian industries have been largely built up by British capital, and it is gratifying to notice that so high an authority as the London *Statist* testifies to the fact that the confidence which has been placed by the British capitalist in the integrity of the commercial public of these colonies has not been misplaced. The *Statist* writes as follows †:—

“We have been liberal in our lending to the Australians. They have got from us whatever they wanted, whether goods, or money, or credit. They have been trusted implicitly beyond any other borrowing community, and they have always shown that our partiality for them was not ill-bestowed. The Australians are almost the only people in the world of whom the British investor can say that they have not made a regular art of swindling him. They may have occasionally planted on him a bad investment, but they have never, like the Americans or Canadians, deliberately laid traps for him. They never got up a ‘boom’ in cattle, or copper, or railway shares, on purpose to draw him in and fleece him. At least 90 per cent. of the money invested in the Australian colonies has from the beginning paid a good return, and is to-day as practically as secure as if it had been kept at home. It would be unreasonable to expect that it should always escape from the risks and fluctuations attaching to the most carefully conducted business. The Australians in themselves are a very solid people; their trade as a whole is conducted on a solid basis, and every law in their Statute-books favours honest dealing.”

Amount of  
British  
capital in  
Australasia.

1349. The following statement of British capital invested in the Australasian colonies has been carefully prepared from various sources. ‡ The total, it will be observed, amounts to close upon 237 millions sterling; upon which the annual interest (assuming an average rate of 5 per cent.) would amount to £11,850,000; which sum must of course be remitted abroad annually, and, finding its way into the exports, will account for a large proportion of the adverse balance of trade which exists in the Australasian colonies §:—

\* On the 30th September, 1885, the market value of the paid-up capital was equal to £29,394,530. See “*Record*” for June, 1886, page 305.

† See that journal of the 21st November, 1885, page 568.

‡ Chiefly from elaborate lists of debentures and stocks published in the *British Australasian*; also from an interesting article on “*Australian Finance*,” published in the *Statist* of the 21st November, 1885.

§ See paragraph 802 *et seq. ante*.

## BRITISH CAPITAL INVESTED IN AUSTRALASIA, 1884-5.

Nature of Security.				Amount of British Capital.
				£
Government debentures and stock	...	...	outstanding	143,595,441
Municipal	"	"	"	3,385,450
Harbour loans	...	...	"	3,272,200
Gas Companies—Share and loan capital	...	...	"	1,836,954
<b>BANKS.</b>				
Head offices being in London	...	..	paid-up	5,970,000
"	"	Australasia	"	7,646,224
<b>LAND COMPANIES, ETC.</b>				
Land, Live Stock, and Investment Companies...			paid-up	7,827,583
" debentures	...	...	say	3,000,000*
Land Mortgage Agency and Trust Companies...			paid-up	8,487,478
" debentures	...	...	say	25,000,000*
<b>INSURANCE COMPANIES.</b>				
Australasian offices	...	...	paid-up	1,378,066
British offices with agencies in Australasia, say				
¼ of total capital, viz., £3,723,499	...	...	...	930,900
<b>OTHER COMPANIES.</b>				
Railways	...	...	...	1,768,900
Mining	...	...	...	2,815,847
Private investments	...	...	say	20,000,000*
Total	...	...	...	£236,915,043

1350. Two kinds of savings banks exist in Victoria, the General 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 1885, and the total and average amount of depositors' balances at such dates † :—

## SAVINGS BANKS, 1885.

Description of Institution.	Number of Savings Banks.	Number of Depositors.	Amount remaining on Deposit.			
			Total.	Average to each Depositor.		
			£	£	s.	d.
Post Office Savings Banks	255	74,846	1,261,728	16	17	2
Ordinary Savings Banks	14	95,170	2,075,290	21	16	1
Total	269	170,016	3,337,018	19	12	7

1351. By the following figures it is ascertained that the depositors in the savings banks in Melbourne and suburbs amounted to  $61\frac{1}{2}$  per cent. Savings banks in and outside metropolis.

\* Estimate of the writer of the article in the *Statist* just referred to; the amount must be very much a matter of conjecture.

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

of the whole, and the depositors' balances in such savings banks amounted to 61 per cent. of the whole :—

SAVINGS BANKS IN METROPOLITAN AND EXTRA-METROPOLITAN DISTRICTS, 1885.

Locality.				Number of Depositors.	Amount remaining on Deposit.
					£
Melbourne and Suburbs	...	...	...	104,595	2,038,500
Remainder of the Colony	...	...	...	65,421	1,298,518
Total	...	...	...	170,016	3,337,018

Savings banks, 1872 to 1885.

1352. In the fourteen years, 1872 to 1885, the number of depositors in savings banks increased steadily from year to year. For several years prior to 1880 the amount standing to the credit of the depositors had been tolerably uniform, but since then a steady increase has taken place, and by 1885 it had risen to  $3\frac{1}{3}$  millions sterling, or more than twice the amount in 1880. In only one previous year did the amount exceed 3 millions, viz., in 1882; but this exceptionally large balance was evidently due to money having been temporarily withdrawn from the ordinary banks, in consequence of the bank rate of interest on deposits having fallen to 3 per cent., or 1 per cent. below the rate allowed by the savings banks. The average amount to each depositor was highest in 1872 and lowest in 1880; the proportion in 1885 (£19 12s. 7d.) was slightly higher than in 1884, but was exceeded in all the other years of the period except 1879 and 1880. The following is a statement of the number of depositors and the amount remaining on deposit during the period referred to :—

SAVINGS BANKS, 1872 TO 1885.

Year.	Number of Depositors.	Amount remaining on Deposit.	
		Total.	Average to each Depositor.
		£	£ s. d.
1872	52,749	1,405,738	26 13 0
1873	58,547	1,498,618	25 11 11
1874	64,014	1,617,301	25 5 3
1875	65,837	1,469,849	22 6 6
1876	69,027	1,507,235	21 16 9
1877	73,245	1,575,305	21 10 2
1878	76,697	1,510,273	19 13 7
1879	82,941	1,520,296	18 6 7
1880	92,114	1,661,409	18 0 9
1881	107,282	2,569,438	23 19 0
1882	122,584	3,121,246	25 9 3
1883	136,089	2,818,122	20 14 2
1884	152,344	2,981,083	19 11 4
1885	170,016	3,337,018	19 12 7

1353. More than three-fourths of the depositors in 1884 and 1885 had less than £20 to their credit, and about a ninth had from £20 to £50. In 1885, as compared with 1884, an increase of 16,400 appears in the number of depositors of amounts under £100, whilst an increase of only 1,272 occurred in the depositors of amounts of £100 and upwards. This large increase of depositors of small amounts must be regarded as satisfactory, as showing that the savings banks are extensively used by the class for which they are specially intended. In the following table the depositors are classified according to their balances during each of those years:—

CLASSIFICATION OF DEPOSITORS IN SAVINGS BANKS ACCORDING TO BALANCES, 1884 AND 1885.

Classification.	1884.		1885.	
	Number of Depositors in each Class.	Proportions per Cent.	Number of Depositors in each Class.	Proportions per Cent.
Under £20 ... ..	117,132	76·89	131,513	77·35
£20 to £50 ... ..	17,397	11·41	18,596	10·94
£50 to £100... ..	9,537	6·26	10,357	6·09
£100 to £150 ... ..	4,139	2·72	4,726	2·78
£150 to £200 ... ..	1,760	1·16	2,037	1·20
£200 and upwards ... ..	2,379	1·56	2,787	1·64
Total... ..	152,344	100·00	170,016	100·00

Classification of depositors according to balances.

1354. The highest rate of interest savings banks are permitted to give on moneys left on deposit is 4 per cent., which rate was paid in all the years. Interest is allowed on the minimum monthly balance, but not on any amounts which do not remain in the savings banks for a full month.

Rate of interest in savings banks.

1355. In the General Savings Banks, the male depositors in 1885 numbered 52,861, and the female depositors 42,309, or about 80 of the latter to 100 of the former. In the general population the proportion of females per 100 males is about 87, so that relatively to their respective numbers females do not appear to use the savings banks as much as males.

Male and female depositors.

1356. The moneys deposited with the Post Office Savings Banks are placed to the credit of a trust fund, part of which is invested in Government debentures and stock, and part is deposited with the banks. The General Savings Banks' deposits are invested in loans on mortgage or in Government debentures and stock, or are deposited with the banks. In connexion with the disposal of moneys deposited in

Investment of savings bank deposits.



Government institutions, *Bradstreet's Journal* of the 21st March, 1885, has the following remarks:—

“It is not yet universally considered that a savings bank controlled by the Government is a wise institution. There are certainly two advantages accruing to the depositor—the safety guaranteed to him, and the accommodation the Government can thereby afford to travellers. But in England and France the deposits are turned into the public treasury, and thus large sums in the aggregate may depart from fruitful circulation. In France this has been felt to be the case, and in a recent number of *L'Économiste Français*, M. Leroy-Beaulieu severely attacks what he terms the sterilization of capital by the French Government. The countless number of small sums deposited by individuals are massed together and used by the Government in buying up a new loan, which would otherwise be offered to the public for general subscription, or it is used in swelling the floating debt. In other words, the savings banks of France are simply intermediaries between the depositor and the treasury. A large sum of money thus convenient to the Finance Department is a constant source of temptation to extravagance. When it is not used to meet current expenses, it may be invested in a new loan. Only recently a law was obtained converting the deposits to this end, and a large loan was thus placed without the public being called in to subscribe. Under such circumstances the public debt swells unconsciously. It has already caused uneasiness, so that the Government, in 1883, authorized a separate fund to be constituted, to be used as a guarantee fund. In other countries a different plan is followed. The money is used in agriculture, manufactures, or commerce, and it is then loaned generally in those districts which contributed to the deposits. An analysis of the savings bank statement of Austria for 1881 shows that five-eighths of the whole amount was loaned on mortgages, and other sums were invested in real estate, in current accounts with institutions of credit, and in loans on securities, so that not more than one-fifth was tied up in Government funds. In Italy the same practice is followed. Loans are made on real estate and to local governments. This is also done by 1,300 savings banks of Germany. But it is another and distinct problem for the Government to assume entire control and disposal of deposits, and in the discussion of this question in the United States the nature of the employment of deposits should be clearly determined.”

Savings  
banks in  
Australasian  
colonies.

1357. The following is a statement of the number of depositors and their proportion to population, also the total and average amount standing to their credit, in the savings banks of the various Australasian colonies at the end of 1885:—

SAVINGS BANKS IN AUSTRALASIAN COLONIES, 31ST DECEMBER, 1885.\*  
(Including both General and Post Office Savings Banks.)

Colony.	Number of Depositors.		Amount remaining on Deposit.			
	Total.	Per 100 of Population.	Total.	Average to each Depositor.		
			£	£	s.	d.
Victoria ... ..	176,537	17·80	3,409,266	19	6	3
New South Wales ... ..	107,515	11·22	3,484,461	32	8	2
Queensland ... ..	36,175	11·47	1,340,255	37	0	11
South Australia ... ..	54,474	17·38	1,598,901	29	7	7
Western Australia ... ..	2,082	5·92	27,026	12	19	7
Tasmania ... ..	19,952	14·91	424,621	21	5	7
New Zealand ... ..	83,497	14·52	2,091,897	25	1	0
Total ... ..	480,232	14·45	12,376,427	25	7	0

\* Most of the information in this table is taken from *The Australasian Insurance and Banking Record* for April, 1886, page 210.

1358. In Victoria the rate of interest paid in both descriptions of savings banks is 4 per cent., as already stated, but the rate paid in the other Australasian colonies is often higher than in Victoria. Thus, in New South Wales, whilst the rate in the Post Office Savings Banks is 4 per cent., as in Victoria, that in the General Savings Banks is from 5 to 6 per cent.; in Queensland, the rate is 4 or 5 per cent., according to the amount deposited; in South Australia, 5 per cent.; in Tasmania the rates are 4 and 5 per cent. in the General and 3½ per cent. in the Post Office Savings Banks; and in New Zealand they are 5 and 4 per cent. respectively. On the other hand, the rate is only 3¾ per cent. in Western Australia.

Rate of interest in Australasian savings banks.

1359. In proportion to population, the number of depositors is greatest in Victoria, and next in South Australia. New South Wales stands sixth on the list, and Western Australia last. The following is the order of the colonies in this respect:—

Order of colonies in respect to proportion of depositors to population

ORDER OF COLONIES IN REFERENCE TO PROPORTION OF DEPOSITORS IN SAVINGS BANKS TO POPULATION.

- |                     |                       |
|---------------------|-----------------------|
| 1. Victoria.        | 5. Queensland.        |
| 2. South Australia. | 6. New South Wales.   |
| 3. Tasmania.        | 7. Western Australia. |
| 4. New Zealand.     |                       |

1360. Judged by the average amounts to the credit of depositors, the savings banks of Queensland, New South Wales, and South Australia appear to attract the larger capitalists in a greater degree than any of the other colonies; but those of Victoria, more than any other colony except Western Australia, appear rather to attract persons of small means, for whom savings banks are specially established. The following is the order of the colonies in reference to the average balance lying to the credit of each depositor:—

Order of colonies in respect to average amount of deposits.

ORDER OF COLONIES IN REFERENCE TO AVERAGE BALANCE OF DEPOSITORS IN SAVINGS BANKS.

- |                     |                       |
|---------------------|-----------------------|
| 1. Queensland.      | 5. Tasmania.          |
| 2. New South Wales. | 6. Victoria.          |
| 3. South Australia. | 7. Western Australia. |
| 4. New Zealand.     |                       |

1361. According to a return published in the *Statist*, the amount lying to the credit of depositors in the savings banks of the United Kingdom at the end of 1885 was £93,828,036, of which £46,133,869 was in ordinary savings banks, and £47,694,167 in Post Office Savings Banks. The increase in the amount on deposit during the five years then ended was about 20 per cent.

Savings banks of United Kingdom;

Savings  
banks of  
France.

1362. A return issued by the French Minister of Commerce shows that, at the end of 1884, there were 4,704,452 depositors in French savings banks, who had at their credit £81,011,200. In the previous twelve months the depositors had increased by 169,021, and the amount to the credit of depositors by £8,367,700; and in the last five years the former increased by 25 per cent., and the latter more than doubled.

Life assur-  
ance.

1363. The substance of the following table, which embodies the returns for 1884 and 1885 of the Life Assurance Companies whose head offices are in the Australasian colonies, has been taken from the *Australasian Insurance and Banking Record*.\* It contains a summary of the results of twelve offices, one of which is the Government Life Insurance Department of New Zealand, the remainder being proprietary or mutual companies:—

LIFE ASSURANCE RETURNS OF AUSTRALASIAN COLONIES,  
1884 AND 1885.

Particulars.	1884.	1885.	Increase.†	
			Numerical.	Centesimal.
New Policies during the Year ‡—				
Assurances & endowments	31,390	31,714	324	1·03
„ „ amount assured £	8,100,017	8,749,256	649,239	8·02
Annuities ... ..	16	24	8	50·00
„ amount per annum £	1,350	1,081	—269	—19·93
Premiums, single ... ..	15,879	7,333	—8,546	—53·82
„ annual ... ..	271,454	292,444	20,990	7·73
Funds at beginning of the year ... ..	£ 6,742,970	7,808,888	1,065,918	15·81
Receipts—				
New premiums ... ..	£ 225,331	254,543	29,212	12·96
Renewal „ ... ..	£ 1,236,825	1,366,091	129,266	10·45
Consideration for annuities	£ 11,806	7,506	—4,300	—36·42
Interest... ..	£ 443,608	497,716	54,108	12·20
Other ... ..	£ 1,951	14,186	12,235	627·11
Disbursements—				
Claims and surrenders ... ..	£ 487,361	688,792	201,431	41·33
Annuities ... ..	£ 12,182	13,241	1,059	8·69
Bonuses and dividends ... ..	£ 25,709	88,924	63,215	245·89
Expenses ... ..	£ 328,351	394,557	66,206	20·16
Funds at end of the year ... ..	£ 7,808,888	8,763,416	954,528	12·22

Receipts and  
disburse-  
ments.

1364. The total receipts of these offices amounted to £1,919,521 in 1884, and to £2,140,042 in 1885, and the total disbursements to

\* "Record" for January, 1886, page 39.

† Where the minus sign (—) occurs a decrease has taken place.

‡ One of the companies did not furnish this information. Mr. T. S. Robertson estimates the whole number of policies in force in Australian offices at 150,000, assuring £42,000,000.—See his paper read before the Insurance Institute of Victoria, 10th September, 1884.

£853,603 and £1,185,514. The balance in favour of receipts thus amounted to £1,065,908 in the former and £954,528 in the latter year.

1365. In 1884, the working expenses of the same offices amounted to 17 per cent., and in 1885 to 18½ per cent., of the total receipts. Working expenses.

1366. The average rate of interest realized on the total funds standing to the credit of these institutions was 6·10 per cent. in 1884, and 6·00 per cent. in 1885. Rate of interest realized.

1367. The following statement of the assets and liabilities of the life assurance offices in the last two years has been taken from the same authority\* :— Liabilities and assets of life offices.

**LIABILITIES AND ASSETS OF AUSTRALASIAN LIFE ASSURANCE  
OFFICES, 1884 AND 1885.**

	1884.	1885.	Increase. †
<b>LIABILITIES.</b>			
Life, endowment, and annuity funds ...	£ 7,774,500	£ 8,716,203	£ 941,703
Investment fluctuation funds ...	25,315	38,140	12,825
Paid-up capital ...	100,000	100,000	...
Reserve funds ...	126,663	126,663	...
Deposits and interest ...	68,411	68,731	320
Profit and loss balances ...	153,158	167,411	14,253
Outstanding claims, annuities, and surrenders	114,611	157,765	43,154
Outstanding accounts, &c. ...	21,442	44,671	23,229
Total ...	8,384,100	9,419,584	1,035,484
<b>ASSETS.</b>			
Mortgages ...	4,666,486	5,303,667	637,181
Loans on policies and on personal security ...	889,545	1,099,368	209,823
Government securities ...	845,566	1,002,262	156,696
Debentures ...	184,780	180,258	-4,522
Shares ...	76,724	104,143	27,419
Cash on deposit ...	836,920	632,862	-204,058
Cash on hand and on current account ...	91,134	60,113	-31,021
Freehold and leasehold property ...	481,991	701,037	219,046
Agents' balances ...	24,540	33,293	8,753
Outstanding premiums ...	156,559	171,751	15,192
Outstanding and accrued interest ...	79,824	78,165	-1,659
Sundries ...	50,031	52,665	2,634
Total ...	8,384,100	9,419,584	1,035,484

1368. An Imperial Blue Book for 1884 contains the balance-sheets of 104 life assurance companies doing business in the United Kingdom, from which it is ascertained that during the year the receipts of these companies amounted to £21,857,000, of which £5,857,000 was from Life assurance in the United Kingdom.

\* *Australasian Insurance and Banking Review* for January, 1886, page 39.

† When the minus sign (-) occurs a decrease has taken place.

investments, £15,364,000 from premiums, and £636,000 from sales of annuities; and that their working expenses amounted to £3,000,000, or 13 per cent. of the receipts. Of the working expenses, £1,400,000 is set down to commissions, and £1,600,000 to management.

Price of  
debentures  
in London.

1369. According to *Westgarth's Circular*, the following are the prices at four periods of 1885 and similar periods of 1886 of debentures payable in London\*; the lower price indicates that at or about which sales might be effected, and the higher that at which purchases might be made:—

PRICE OF VICTORIAN DEBENTURES IN LONDON, 1885 AND 1886.

Interest.		Outstanding Debentures and Stock.		Price per £100 Bond.			
Rate per annum.	When Payable.	Amount	When due.	January.	April.	July.	October.
	1885.		1885.				
6	April 1 & Oct. 1	2,600,000†					
6	Jan. 1 & July 1	850,000	1891	109-112	109-111	109-111	110-112
5	" "	2,107,000	1894	105-107	105-107	107-109	107-109
4	" "	4,500,000	1899-1901	103-104	97-99	101-103	103-105
4½	" "	5,000,000	1904	106-107	104-106	106-108	107-109
4	" "	4,000,000	1907	102½-103½	100¾-101¼	103-103½	104-104½
4	April 1 & Oct. 1	2,000,000‡	1908	103-104	98¼-98¾	102⅞-103⅞	102⅞-103⅞
4	" "	4,000,000‡	1913	103-104	98¼-98¾	102⅞-103⅞	102⅞-103⅞
4	" "	4,000,000‡	1919	...	...	102⅞-103⅞	102⅞-103⅞
	Total ...	29,057,000					
	1886.						
6	Jan. 1 & July 1	850,000	1891	108-110	109-111	108-110	108-110
5	" "	2,107,000	1894	107-109	108-109	108-110	108-110
4	" "	4,500,000	1899-1901	102-103	103½-104½	104-105	104-105
4½	" "	5,000,000	1904	107-109	109-110	108-109	108-110
4	" "	4,000,000	1907	104-105	104¼-105½	104½-104¾	105-105½
4	April 1 & Oct. 1	2,000,000‡	1908	103½-104½	104¼-104½	105¼-105⅞	105-105½
4	" "	4,000,000‡	1913	103⅞-104⅞	104¼-104½	105⅞-105⅞	106⅞-106⅞
4	" "	4,000,000‡	1919	103⅞-104⅞	104¼-104½	105⅞-105⅞	106⅞-106⅞
4	Jan. 1 & July 1	1,500,000§	1920	...	105¼-105½	104½-104¾	104¼-105
	Total ...	27,957,000					

NOTE.—When the figures appear in a column and line wherein the month of the quotation and one of the months in which the interest is payable correspond, the price is exclusive of interest; in other cases the deduction of about a quarter's interest will give the net price.

Increased  
value of  
Victorian  
debentures  
in London.

1370. A marked increase, commencing about the middle of 1885, appears to have taken place in the value of Victorian securities on the London market. Thus, according to the table, the price per £100 bond, *ex interest*, of the last two four million loans, rose from 98½ in April, 1885, to £103 in October, to 104¾ in April, 1886, and to about 106¼ in

\* See also tables following paragraphs 338 and 354 *ante*.

† Paid off on 1st October, 1885.

‡ Inscrutable as stock.

§ This loan was floated on the 2nd February, 1886.—See paragraph 351 *ante*.

October, 1886; being equivalent to an increase in 18 months of nearly 8 per cent. Further evidence of this great improvement in the credit of the colony is to be found in the remarkably high price obtained for the Victorian 4 per cent. loan floated in London on the 2nd February, 1886, viz.—£105 6s. 6d. per £100 net, exclusive of accrued interest. Not only is this by far the highest price ever realized for a 4 per cent. loan of any Australasian colony, but the loan in question was the first Victorian loan floated above *par*.\* It may be mentioned that this improvement has not been confined to Victorian securities, but has extended to those of the neighbouring colonies, whose recent loans have also been disposed of with marked success; thus, a 3½ per cent. loan of New South Wales was floated on the 16th July, 1886, at £93 7s. 3d. per £100 (equivalent to a 4 per cent. loan† at £104 11s.); a 4 per cent. loan of Queensland was disposed of on 11th March, 1886, for £102 17s. 9d.; one of South Australia on the 30th April, 1886, for £99 5s.; and one of Tasmania on the 12th July, 1886, for £99 4s. 6d. All these are the net prices, *ex* accrued interest.

1371. 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, 1885 AND 1886.

Interest.		Outstanding Debt.		Closing Price per £100.			
Rate per annum.	When Payable.	Amount.	When due.	January.	April.	July.	October.
1885.							
6	April and Oct.	580,620§	1885	100¼-100¾	100¼-100¾	...	...
6	" "	130,000	1888	...	...	...	...
6	" "	276,100	1889	102½-	...	103-	106
5	Jan. and July...	312,900	1894	102-	102-102¾	102-	106
4	April and Oct.	642,882	Inter-minable	99-100½	99-100½	98-100	100¾
Total ...		1,942,502					
1886.							
6	April 1 and Oct. 1	130,000	1888	...	...	...	106
6	" "	276,100	1889	107-	107-	106½-107½	...
5	Jan. 1 and July 1	312,900	1894	108-	108½-	106½-	...
4	April 1 and Oct. 1	720,987	Inter-minable	-101½	100-101	100-101	100-101
Total ...		1,439,987					

NOTE.—See note to last table. The debentures of the late Melbourne and Hobson's Bay Railway Company are not included.

\* See paragraphs 351, and 354 to 356, *ante*.

† Allowance being made for the currency of the loan, viz., 50 years.

‡ See also table following paragraph 338 *ante*.

§ Paid off on 1st October, 1885.

|| Government stock. The figures in the other lines represent debentures.

Mortgages,  
liens, and  
releases.

1372. The following table contains a statement of the number and amount of mortgages on land and live stock, and of preferable liens on wool and growing crops, effected during 1885, also the number and amount of releases registered in that year:—

MORTGAGES AND LIENS, AND RELEASES, 1885.

Security.	Mortgages and Liens.		Releases.	
	Number.	Amount.	Number.	Amount.
		£		£
Land under Transfer of Land Statute	6,388	6,585,432	5,324	3,874,276
Land under old system ...	1,936	2,356,455	1,355	826,834
Live stock ... ..	1,044	264,498	47	63,107
Wool ... ..	415	153,119	2	732
Crops ... ..	955	117,220	1	25
Total ... ..	10,738	9,476,724	6,729	4,764,974

Mortgages  
and liens,  
1870 to 1885.

1373. The number of registered mortgages and liens of all descriptions, and the amounts advanced in respect thereof, during each of the sixteen years ended with 1885 were as follow:—

MORTGAGES AND LIENS, 1870 TO 1885.

Year.	Number of Transactions.	Amount.	Year.	Number of Transactions.	Amount.
		£			£
1870 ...	4,410	4,203,743	1878 ...	9,655	6,233,752
1871 ...	4,849	4,278,197	1879 ...	12,063	7,358,952
1872 ...	5,151	4,076,229	1880 ...	10,722	5,615,401
1873 ...	5,155	5,248,365	1881 ...	10,636	6,672,733
1874 ...	5,929	6,019,904	1882 ...	9,416	6,985,689
1875 ...	6,035	4,542,569	1883 ...	9,023	6,021,120
1876 ...	6,417	5,081,387	1884 ...	9,236	7,139,774
1877 ...	6,510	4,706,138	1885 ...	10,738	9,476,724

Mortgages  
and liens,  
1885 and  
former  
years.

1374. It will be observed that the number of mortgages and liens, which had fallen considerably in the three years which succeeded the period of commercial and financial depression which commenced in 1878 and extended to 1881, again rose in 1885, when it was higher than in any previous year except 1879. The amount advanced, however, exceeded by no less than two millions sterling the amount in 1879, and by much more than that sum the amount in any other previous year. The increase in 1885 was almost entirely confined to transactions in land, and is doubtless the result of the large amount of land sold on credit consequent upon the extensive land speculations which have taken place chiefly in Melbourne and its suburbs. It should be mentioned that the increase of mortgages in the year under review was accompanied by a large increase in the number and amount of releases of

mortgaged land, which are more than twice as large as in 1879, and 50 per cent. more than in 1880.

1375. In 1885 the number of releases of mortgages on land and the amounts paid off were equal to about 80 and 42 per cent. respectively of the number of mortgages effected and the amounts lent thereon. The number of releases of live stock is small as compared with the number of mortgages, and of liens on wool and crops not one release was registered; the reason being, in regard to these descriptions of property, that, although the mortgage or lien may be paid off, the mortgagor seldom takes the trouble to protect himself by a registered release.

Proportion of releases of mortgages.

1376. The live stock mortgaged in 1885 consisted of 559,273 sheep, 17,351 head of cattle, 2,960 horses, and 194 pigs. The fleeces on which preferable liens were granted numbered 753,169. The live stock released consisted of 69,788 sheep, 2,273 cattle, and 444 horses; but only two releases of liens on wool representing 4,400 fleeces were registered.

Live stock and wool mortgaged.

1377. During the twenty-five years ended with 1885, the sums advanced on mortgage of landed property amounted in the aggregate to £98,494,257, and the sums paid off amounted in all to £52,158,668. The balance is £46,335,589, or nearly 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 1885.

1378. In 1885, the number of bills of sale filed was more numerous than in any year since 1878, and the amount secured under such instruments was higher than in any year since 1882. The following are the numbers and amounts of those filed and satisfied in each of the last twelve years:—

Bills of sale.

BILLS OF SALE, 1874 TO 1885.

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
1879	849	239,793	59	42,459
1880	752	593,857	47	25,628
1881	842	432,251	65	56,739
1882	812	461,710	68	51,804
1883	839	253,863	40	24,385
1884	866	248,768	36	30,761
1885	954	379,864	51	38,882



Decrease in  
bills of sale  
since 1876.

1379. The decrease in the number and amount of bills of sale filed since 1876 is chiefly owing to the law relating to such securities having been made more stringent under Act 40 Vict. No. 557, which came into force during 1877, as it is now necessary to give 15 days' notice to the Registrar-General previous to any bill of sale being filed, during which period any creditor can lodge a caveat against its registration.

Contracts  
for sale and  
letting.

1380. The contracts for sale and amount secured thereby, also the contracts for letting, and extremes within which the rent named therein ranged, filed with the Registrar-General under Act 40 Vict. No. 557, during the last nine years, were as follow:—

#### CONTRACTS FOR SALE AND LETTING, 1877 TO 1885.

Year.	Contracts for Sale Filed.		Contracts for Letting Filed.	
	Number.	Amount.	Number.	Average Rents.
		£		Per Week.
1877	605	47,720	668	} 2/6 to £5
1878	1,074	83,608	1,074	
1879	1,803	142,809	1,802	
1880	1,828	137,959	1,829	
1881	1,730	90,699	1,730	
1882	1,612	73,892	1,611	
1883	1,472	63,434	1,472	
1884	1,495	57,061	1,495	
1885	1,617	49,221	1,617	

Increase in  
contracts  
for sale and  
letting.

1381. It would seem that contracts for sale and letting appeared at first to be more convenient for the security of the creditor without injuring the credit of the person giving the security than bills of sale, as they increased very rapidly from 1877, that being the year in which the Act legalizing their registration came into operation, until 1880, whilst the bills of sale largely decreased. With the exception of a slight revival in the last two years, however, there has been a falling-off in the number of both kinds of contracts since 1880, and in the amount of contracts for sale since 1879, when it was nearly three times as large as in 1885.

Building  
societies.

1382. Building societies in Victoria date from an early period in the colony's history, and much success both to borrowers and investors has attended their operations. Sixty-two such institutions sent in returns during 1885, as against 54 in 1884, 48 in 1882 and 1883, and 49 in 1881. The following are the principal items furnished for the year 1885. It should be mentioned that the returns of some of the societies were not perfect:—

BUILDING SOCIETIES, 1885.

Number of societies	...	...	...	62
Number of investing members	...	...	...	22,804
Number of borrowers	...	...	...	13,762
Paid-up capital	...	...	...	£2,190,676
Value of landed property	...	...	...	£354,068
Subscriptions on investing shares during the year	...	...	...	£388,016
Advances during the year	...	...	...	£2,073,189
Repayments during the year	...	...	...	£1,323,640
Working expenses during the year	...	...	...	£50,601
Bank overdraft at end of the year	...	...	...	£137,881
Deposits at end of the year	...	...	...	£2,466,256

1383. In 1885, the business done by building societies, as measured by the advances made, exceeded by over £600,000, or 41 per cent., that in 1884, which exceeded by nearly £400,000, or 35 per cent., that in 1883. The advances made by these institutions during the last ten years have been as follow :—

ADVANCES BY BUILDING SOCIETIES, 1876 TO 1885.

	£		£
1876	870,203	1881	805,551
1877	815,860	1882	1,040,965
1878	703,932	1883	1,089,480
1879	489,312	1884	1,469,542
1880	564,411	1885	2,073,189

1384. The rates of interest allowed by building societies on moneys left with them for a period of twelve months generally ranged, in 1881 and 1882 from 3 to 6½ per cent.; in 1883 from 5 to 7 per cent.; in 1884 from 5½ to 7 per cent.; and in 1885 from 6 to 7 per cent. Some societies allow as much as 5 per cent. on the daily balance on deposit in current account.

1385. The sums deposited with building societies at the end of 1885 amounted in the aggregate to £2,466,256, or two-thirds of a million more than was on deposit at the end of 1884. These deposits exceeded the advances during the year by £393,000.

1386. The following is a statement of the total amount of moneys on deposit at or about the end of each of the last five 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 1881 TO 1885.

Amount deposited with—	1881.	1882.	1883.	1884.	1885.
	£	£	£	£	£
Banks ...	21,151,910	23,625,093	24,059,169	28,417,044	30,593,564
Savings banks ...	2,569,438	3,121,246	2,818,122	2,981,083	3,409,266
Building societies	836,327	1,033,034	1,336,956	1,793,992	2,466,256
Total ...	24,557,675	27,784,373	28,214,247	33,192,119	36,469,086

Moneys on deposit, 1885.

1387. According to the table, the moneys on deposit about the close of the last year amounted in the aggregate to thirty-six and a half millions sterling, or three and a quarter millions more than in the previous year, and nearly twelve millions more than in 1881, four years previously. There is no doubt, however, that in all the years some of the savings banks' money, and a small portion of that deposited with building societies, is re-deposited with the banks, and thus counted twice over; but considering there are so many institutions for the receipt of deposits from which no returns are obtained, it is not at all likely that the whole amount at deposit is less than that stated in the table.

### PART VIII.—DEFENCES.

Land forces.

1388. The Land Forces of Victoria in 1885 consisted of the Head Quarters Staff, of a paid Artillery Corps, and of a Volunteer Militia, embracing the Cavalry, Artillery, Rifle, Torpedo, and Engineer arms of the service. The following table shows the designation, strength, and establishment of the various corps on the 31st December of the year named:—

#### LAND FORCES.—STRENGTH AND ESTABLISHMENT, 1885.

Branch of Service.	Strength, 31st December, 1885.					Wanting to Complete.	Establishment.
	Officers.	Warrant Officers.	Ser-geants.	Rank and File.	Total.		
<b>Permanent Forces—</b>							
Head Quarters Staff ...	6	10	38	...	54	3	57
Victorian Artillery ...	5	2	9	137	153	7	160
Section—Torpedo Corps ...	...	1	4	5	10	10	20
<b>Volunteer Militia—</b>							
Cavalry... ..	4	...	2	44	50	50	100
Nordenfelt Battery ...	1	...	3	15	19	7	26
Field Artillery ...	17	...	26	246	289	13	302
Garrison Artillery ...	26	1	32	605	664	33	687
Torpedo ...	4	...	4	62	70	...	62
Engineers ...	3	...	5	89	97	2	99
Mounted Rifles ...	1	...	...	997	998	3	1,001
Rifles ...	102	4	85	2,772	2,963	147	3,110
Medical... ..	15	...	...	...	15	1	16
<b>Total ...</b>	<b>184</b>	<b>18</b>	<b>208</b>	<b>4,972</b>	<b>5,382</b>	<b>276</b>	<b>5,640</b>
Unattached List ...	37	...	...	...	37	...	...
„ Medical Staff ...	13	...	...	...	13	...	...

Strength and establishment.

1389. At the end of 1885, the total military establishment—inclusive of the staff, but exclusive of the unattached—(5,640) was about 2,640