

PART VII.—ACCUMULATION.

Coins and
accounts.

884. 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.

885. A branch of the Royal Mint was established in Melbourne in 1872. The premises occupy 2 acres 1 rood and 26 perches of land, valued in October 1880 at £8,500 ; the original cost of the buildings, machinery, fittings, and furniture, was £68,350.*

Gold
received at
Mint.

886. From the time of the opening of the Mint to the end of 1881, 4,836,589 ounces of gold were received thereat, valued at £19,350,133. The following table shows the quantity and value of the gold received in each year :—

GOLD RECEIVED AT THE MELBOURNE MINT, 1872 TO 1881.

Year.	Quantity.	Value.
	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
Total	4,836,589	19,350,133

Gold
received,
1881.

887. It will be observed that more gold was received in 1881 than in any previous year except 1880, when the quantity exceeded that in 1881 by 66,508 ounces. The gold received in 1881, however, exceeded by 35,657 ounces that in 1879, by 122,281 ounces that in 1878, and by 313,903 ounces that in 1877.

Gold issued
from Mint.

888. Gold is issued from the Mint as coin or as bullion. The former, with the exception of 165,000 half-sovereigns in 1873, 80,000 in 1877, and 42,000 in 1881, 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 :—

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

GOLD ISSUED AT MELBOURNE MINT, 1872 TO 1881.

Year.	Coin.		Bullion.		Total Value of Coin and Bullion.
	Sovereigns.	Half-sovereigns.	Quantity.	Value.	
	Number.	Number.	Ounces.	£	£
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
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
Total ...	18,660,600	287,000	132,018	543,524	19,347,624

889. It will be noticed that the coined gold issued in 1881 was less by over £700,000 than the quantity in 1880, and less by about £400,000 than that in 1879, but was greater than that in any other year; but the value of bullion issued in 1881 was more than four times as great as that issued in all the previous years taken together. Gold issued, 1881.

890. 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 £2,509 than the value of the gold received. Difference of gold received and issued.

891. About three-fourths of the gold received at the Mint was raised in Victoria, and nearly 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 received from these countries respectively prior to and during 1881:— Victorian and other gold minted.

VICTORIAN AND OTHER GOLD RECEIVED AT MELBOURNE MINT, 1872 TO 1881.

Colony in which the Gold was raised.	Gold Received.		
	Prior to 1881.	During 1881.	Total.
	Ounces.	Ounces.	Ounces.
Victoria ...	3,106,324	519,884	3,626,208
New South Wales ...	3,734	1,895	5,629
Queensland ...	1,599	47	1,646
South Australia ...	80,819	14,189	95,008
Tasmania ...	117,905	52,538	170,443
New Zealand ...	811,267	100,858	912,125
Natal ...	1,363	127	1,490
Unknown ...	21,365	2,675	24,040
Total ...	4,144,376	692,213	4,836,589

* This large increase is due to a considerable quantity of gold having been issued in bars for export by a French banking agency.

Mint
charges.

892. Gold deposited at the Mint is subject to a charge of $1\frac{1}{2}$ d. 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 allow-
ances.

893. 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
receipts
and expen-
diture.

894. 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 eight financial years ended with 1880-1, 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 both sides of the account. During the period to which the table relates the expenditure exceeded the receipts by 62 per cent., and the establishment was worked at an apparent loss to the country of £39,000:—

MINT REVENUE AND EXPENDITURE,* 1873-4 TO 1880-1.

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
1880-1 ...	10,197	14,372	4,175	39·95
Total ...	62,982	102,158	39,176	62·20

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

895. In 1881, the expenditure did not exceed the revenue by so large a proportion in the Sydney as in the Melbourne Mint; whilst in the London Mint, on account of the large profit made on the purchase

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

of silver bullion for coinage, the receipts amounted to nearly double 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, 1881.

Locality of Mint.	Mint Receipts.	Mint Expenditure.	Excess of Expenditure over Receipts.	
			Amount.	Percentage.
	£	£	£	£
Melbourne ...	10,197	14,372	4,175	39·95
Sydney ...	10,455	12,699	2,244	21·46
London ...	188,514	94,692	—93,822	—99·08

NOTE.—The minus sign (—) indicates an excess of receipts over expenditure.

896. The Sydney Branch of the Royal Mint was established in 1855, and from that date to the end of 1881, 12,857,804 ounces of gold were received thereat, of which it is believed that 6,452,438 ounces, or rather more than half, were raised in the colony of New South Wales. In the same period, 44,692,500 sovereigns, 4,289,000 half-sovereigns, and bullion to the value of £2,268,194, were issued from this branch, the whole being valued at £49,105,194. Sydney Mint, 1855 to 1881.

897. The quantity of gold received at the Sydney Mint during 1881 was 465,585 ounces, valued at £1,702,102, more than half of which came from Queensland, nearly a third from New South Wales, and small quantities from New Zealand and South Australia. The total value of coin and bullion issued in that year amounted to £1,697,649, consisting of 1,360,000 sovereigns, 62,000 half-sovereigns, and gold bullion valued at £306,649. The value of coin and bullion issued was less by over a million and a half sterling in 1880, and by over a million sterling in 1881, than that issued from the Melbourne Mint in those years. Sydney Mint, 1881.

898. 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 table shows the number and value of coins of twenty-seven different denominations issued from that Mint in 1881 :— London Mint, 1881.

COINS STRUCK AT THE LONDON MINT, 1881.

Denomination.	Number of Coins.	Nominal Value.		
		£	s.	d.
Imperial, Silver—Half-crowns	2,301,495	287,686	17	6
” ” Florins	2,570,337	257,033	14	0
” ” Shillings	5,255,332	262,766	12	0
” ” Sixpences	6,239,447	155,986	3	6
” ” Fourpences*	6,203	103	7	8
” ” Threepences	3,252,753	40,659	8	3
” ” Twopences*	6,001	50	0	2
” ” Pence*	9,017	37	11	5
” Bronze—Pence	2,302,362	9,593	3	6
” ” Half-pence	2,007,515	4,182	6	5½
” ” Farthings	3,494,670	3,640	5	7½
Jersey, Bronze—Pence	75,153	313	2	9
Newfoundland, Gold—Two dollars	10,000	4,166	13	4
” Silver—Fifty cents	50,000	5,208	6	8
” ” Twenty cents	60,000	2,500	0	0
” ” Five cents	40,000	416	13	4
Malta, Bronze—One-third Farthings	144,000	50	0	0
Cyprus, Bronze—Piastres... ..	36,000	200	0	0
” ” Half-piastres	54,000	150	0	0
” ” Quarter-piastres	72,000	100	0	0
Straits Settlements, Silver—Twenty cents.	100,000	4,166	13	4
” ” Ten cents.	460,000	9,583	6	8
” ” Five cents.	180,000	1,875	0	0
Hong Kong, Silver—Twenty cents	25,000	1,041	13	4
” ” Ten cents	300,000	6,250	0	0
” ” Five cents	300,000	3,125	0	0
” Bronze—Cents	1,000,000	2,083	6	8
Total	30,351,285	1,062,969	6	2

London Mint,
1872 to 1881.

899. No gold coins were struck at the London Mint in 1881. The fluctuations in the Imperial gold coinage had been very great for years past, and had ranged from £15,000,000 in 1872 to as little as £35,000 in 1879; but 1881 was the only year in which no gold whatever was coined in London. This will be seen by the following figures, which show the nominal value of the gold coins struck there during the last 10 years:—

NOMINAL VALUE OF GOLD COINS STRUCK AT THE LONDON MINT,
1872 TO 1881.

1872	£15,261,436	1879	£35,050
1873	3,384,564	1880	4,150,058
1874	1,461,564	1881	Nil
1875	243,247		
1876	4,696,700	Total	£32,479,133
1877	981,400		
1878	2,265,114		

Silver and
bronze coin
supplied and
withdrawn.

900. As the Mints of Melbourne and Sydney coin no metal but gold, the silver and bronze coinage required for circulation in the Australasian colonies is supplied by the London Mint. That Mint also withdraws silver coin from the colonies after it has become worn or defaced,

* Maundy money only.

allowing for the same at its full nominal value. The following are the values of the coin supplied and withdrawn in the last three years :—

COIN SUPPLIED TO AND WITHDRAWN FROM THE AUSTRALASIAN COLONIES BY THE LONDON MINT, 1879 AND 1881.

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
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
South Australia ...	1879	30,000	2,240	32,240	...
	1880	57,000	...	57,000	...
	1881	...	...	...	...
Western Australia ...	1879	5,000	400	5,400	...
	1880	...	...	...	1,200
	1881	...	...	...	1,200
New Zealand ...	1879	500	2,500	3,000	...
	1880	...	...	...	...
	1881	...	...	...	...
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

901. The value of gold coin issued from the Mints of eight European countries, also from those of British India, Japan, and the United States, during the latest years for which the information is available, was as follows :—

Gold coin issued in Foreign countries.

GOLD COIN ISSUED FROM MINTS OF FOREIGN COUNTRIES.

Country.	Year.	Value.
		£
British India ...	1880-1	13,355
Austro-Hungary ...	1881	503,627
Belgium ...	1878	2,044,320
France ...	1881	86,680
Germany ...	1881*	343,317
Italy ...	1879	117,173
Spain ...	1881-2	2,291,164
Japan ...	1879-80	101,669
Russia ...	1879	5,719,798
United States ...	1880-1	16,402,888

* For 10 months only.

Gold coined
in Victoria
and other
countries.

902. A comparison with former figures* will show that the value of the gold coin issued from the Melbourne Mint in 1881 exceeded that issued in the years named from the Mints of any of the countries referred to except Russia and the United States.

Exports of
gold coin.

903. Since the establishment of the Melbourne Mint in 1872, the value of gold coin exported from Victoria has amounted to £18,765,217, or less by only £138,883 than the total value of such coin issued from the Mint. The destination and value of the gold coin exported in 1881 were as follow :—

EXPORTS OF GOLD COIN, 1881.

	£
United Kingdom	790,450
Ceylon	1,783,049†
Italy	150,000
New South Wales	11,000
New Zealand	86,500
South Australia	190,000
Tasmania	80,000
Total	3,090,999

Australian
Coinage at
Bank of
England.

904. 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 1881, 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
Total ...	15,848,600	10,980,000	26,828,600	18,622,000	8,206,600§

* See table following paragraph 888 *ante*.

† 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.

‡ 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.

905. It will be noticed that in the seven years named in the table two-thirds 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. Proportion of Australian coinage sent to Bank of England.

906. During 1881 there were 11 banks of issue in Victoria, possessing therein 355 branches or agencies. In 1876 there were 12, and in 1871, 10 banks of issue in the colony. Number of banks.

907. Subjoined are the average rates of exchange for bank bills drawn on the following places in 1881, and in the first year of each of the two previous quinquennials. Those upon London are drawn at sixty days' sight, and those upon the neighboring colonies at sight:— Rates of exchange.

RATES OF EXCHANGE, 1871, 1876, AND 1881.

Places on which Bills were drawn.	Average Rates of Exchange.		
	1871.	1876.	1881.
London	1 per cent. prem. ..	$\frac{5}{8}$ to $1\frac{1}{4}$ per cent. premium	$\frac{1}{4}$ to $\frac{3}{4}$ per cent. premium
British India ..	4 per cent. premium and 2s. 1d. per rupee	5 per cent. premium, 2s. per rupee	Nominal
New South Wales	$\frac{1}{4}$ per cent. premium ..	4s. 6d. to $\frac{1}{4}$ per cent. prem.	$\frac{1}{4}$ 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 per cent. premium
South Australia ..	$\frac{1}{4}$ 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
Tasmania ..	$\frac{1}{4}$ to $\frac{3}{4}$ per cent. premium	$\frac{1}{4}$ to $\frac{3}{4}$ per cent. premium	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium
New Zealand ..	$\frac{1}{2}$ to $\frac{3}{4}$ per cent. premium	$\frac{1}{4}$ to $\frac{3}{4}$ per cent. premium	$\frac{1}{4}$ to $\frac{1}{2}$ per cent. premium

908. The average rates of discount on local bills were much lower at the last than at either of the former periods, as will be seen by the following figures:— Rates of discount.

RATES OF DISCOUNT ON LOCAL BILLS, 1871, 1876, AND 1881.

Currency of Bills.	Average Rates of Discount per Annum.		
	1871.	1876.	1881.
	Per Cent.	Per Cent.	Per Cent.
Under 65 days	6 to 7	7	5 to 7
65 to 95 ,,	6 to 7	8	5 to 7
95 to 125 ,,	7 to 8	8 to 9	5 to 8
Over 125 ,,	8 to 9	9 to 10	5 to 8

909. 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:— Liabilities, assets, &c., of banks.

FINANCIAL POSITION OF BANKS, 1871, 1876, AND 1881.

—	1871.	1876.	1881.
LIABILITIES.	£	£	£
Notes in circulation	1,249,213	1,335,478	1,359,495
Bills in circulation	121,504	54,472	60,198
Balances due to other banks	133,017	287,179	330,414
Deposits not bearing interest	3,831,317	4,722,549	7,425,356
Deposits bearing interest	7,527,599	10,127,599	13,726,554
Total	12,862,650	16,527,277	22,902,017
ASSETS.			
Coined gold, silver, and other metals	2,385,350	3,162,188	2,695,474
Gold and silver in bullion and bars	487,499	357,189	313,017
Landed property	635,868	790,129	901,253
Notes and bills of other banks	159,507	129,000	144,034
Balances due from other banks	313,408	341,156	336,611
Debts due to the banks*	13,240,460	19,138,461	22,783,420
Total	17,222,092	23,918,123	27,173,809
CAPITAL AND PROFITS.			
Capital stock paid up	8,276,250	8,630,745	9,143,122
Average per annum of rates of last dividend declared by banks	9 $\frac{4}{20}$ per cent.	10 $\frac{1}{8}$ per cent.	9 $\frac{6}{11}$ per cent.
Average rate of interest per annum paid to shareholders	9·920 per cent.	11·757 per cent.	9·981 per cent.
Amount of last dividend declared	410,500	507,340	456,300
Amount of reserved profits after declaring dividend	2,091,991	2,650,096	2,694,329

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

910. Both liabilities and assets show a large increase at each successive period as compared with the previous one. Under the former head the deposits increased steadily throughout, and nearly doubled between the first period and the last; but the notes in circulation, although much greater in nominal value at the middle than at the first period, were only slightly greater at the last than at the middle period. Under the head of "Assets," the amount of coin and bullion held was much largest at the middle period, and, notwithstanding the large increase in the total assets, the quantity in 1881 was only slightly above that in 1871; but landed property increased largely at each successive period, as also did debts due to the banks, being chiefly advances made by them. It will also be noticed that the latter exceeded the deposits in 1871 by about £1,900,000, in 1876 by as much as £4,300,000, and in 1881 by

* 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. The amount of Government securities, which are included in this line, averaged £316,491 in 1881, £48,149 in 1876, and £55,502 in 1871.

£1,600,000. The capital and reserve were greater at the last than at the middle period by £557,000, or 5 per cent., and than at the first period by £1,469,000, or 14 per cent.

911. 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 :—

LIABILITIES AND ASSETS OF BANKS.—PERCENTAGE OF ITEMS.

	1871.	1876.	1881.
LIABILITIES.			
	Per Cent.	Per Cent.	Per Cent.
Notes in circulation	9·71	8·08	5·94
Bills in circulation	·95	·33	·26
Balances due to other banks	1·03	1·74	1·44
Deposits not bearing interest	29·79	28·57	32·42
Deposits bearing interest	58·52	61·28	59·94
Total	100·00	100·00	100·00
ASSETS.			
Coined gold, silver, and other metals	13·85	13·22	9·92
Gold and silver in bullion or bars	2·83	1·49	1·15
Landed property	3·69	3·30	3·32
Notes and bills of other banks	·93	·54	·53
Balances due from other banks... ..	1·82	1·43	1·24
Debts due to the banks	76·88	80·02	83·84
Total	100·00	100·00	100·00

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

The liabilities amounted to ...	{	74·69 per cent. of the assets in 1871	
		69·10 " " 1876	
		84·28 " " 1881	
Coin and bullion formed ...	{	16·68 per cent. of the assets in 1871	
		14·71 " " 1876	
		11·07 " " 1881	
The paid-up capital was equal to	{	48·06 per cent. of the assets in 1871	
		36·08 " " 1876	
		33·65 " " 1881	
	{	64·34 per cent. of the liabilities in 1871	
		52·22 " " 1876	
		39·92 " " 1881	
Of the moneys deposited ...	{	66·27 per cent. bore interest in 1871	
		68·20 " " 1876	
		64·89 " " 1881	

913. It will be observed that in 1881 the liabilities bore a much larger proportion to the assets, but the latter embraced a much smaller

Percentage of items of liabilities and assets.

Analysis of bank returns.

Former periods and 1881 compared.

proportion of coin and bullion, whilst the paid-up capital bore a much smaller proportion to both assets and liabilities than at either of the former periods; also that at the last period the proportion of the moneys deposited which bore interest was less than at either of the former periods.

Rates of interest on bank deposits.

914. The rates of interest allowed on moneys deposited with the Victorian banks were not returned for 1871. The rates on deposits left for a period of twelve months ranged from 5 to 6 per cent. in 1876 to between 3 and 4 per cent. in 1881. The latter were probably lower than at any former period of the colony's history.

Government funds with the banks.

915. 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 eight years. It will be observed that the total amount was much larger in 1881 than in any other year shown:—

GOVERNMENT FUNDS IN THE HANDS OF THE BANKS, 1874 TO 1881.

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
1879	...	...	...	1,120,809	6·82
1880	...	...	...	1,953,241	10·87
1881	...	...	...	2,470,880	11·68

Banks in Australasian colonies, 1882.

916. 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 first quarter of the present year have, in the absence of official information, been taken from the *Australasian Insurance and Banking Record*,* 10th June 1882. 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:—

* See *Insurance and Banking Record* for June 1882, page 212. Melbourne: McCarron, Bird, and Co., 37 Flinders lane west.

BANKS IN AUSTRALASIAN COLONIES, 1882.

(Compiled from the Averages of the Quarter ended 31st March 1882.)

Colony.	Number of Banks.	Liabilities.				
		Notes in Circulation.	Bills in Circulation.	Balances due to other Banks.	Deposits.	Total.
		£	£	£	£	£
Victoria ...	11	1,469,786	62,386	249,520	21,944,466	23,726,158
New South Wales	13	1,582,806	58,819	470,533	21,627,184	23,739,342
Queensland ...	6	418,588	12,734	235,456	4,818,453	5,485,231
South Australia	9	572,299	16,126	82,229	5,227,960	5,898,614
Western Australia	3	24,074	1,871	2,933	434,367	463,245
Tasmania ...	5	149,690	10,136	11,353	2,683,378	2,854,557
New Zealand ...	6	967,790	61,481	52,215	9,241,706	10,323,192
Total ...	53	5,185,033	223,553	1,104,239	65,977,514	72,490,339

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 ...	2,832,587	910,806	150,906	390,161	23,693,178	27,977,638
New South Wales	3,232,637	626,325	94,073	3,853,476*	21,653,638	29,460,149
Queensland ...	1,060,830	220,128	11,905	472,802	5,561,268	7,326,933
South Australia	1,027,649	323,796	66,363	169,854	7,280,675	8,868,337
Western Australia	116,502	13,995	3,031	30,324	494,078	657,930
Tasmania ...	533,840	44,181	...	298,295	1,919,838	2,796,154
New Zealand ...	1,914,931	357,084	43,826	37,586	13,957,454	16,310,881
Total ...	10,718,976	2,496,315	370,104	5,252,498	74,560,129	93,398,022

917. It will be noticed that the bank liabilities in Victoria and New South Wales are about equal, but the bank assets, according to the figures, are much larger in New South Wales than in Victoria. This arises from the fact that in New South Wales the bank assets include the large amount of £3,853,476 as due from other banks, which, in addition to sums due from independent institutions, no doubt embraces 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. Irrespective of this item, the assets of the Victorian banks represent a much larger amount than the assets of the banks of New South Wales or of any other Australasian colony.

Liabilities and assets in Victoria and New South Wales compared.

918. In Tasmania the liabilities of the banks exceed the assets, but in all the other colonies the latter are in excess of the former. In

Proportion of liabilities to assets in Australasian banks.

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

Victoria, however, the liabilities amount to 85 per cent. of the assets, which (excluding New South Wales, in which, as has been just stated, the mode of keeping the accounts is different) 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, and the figures showing the percentage of liabilities to assets being placed against each colony :—

PROPORTION OF LIABILITIES TO ASSETS OF BANKS OF AUSTRALASIAN COLONIES, 31ST MARCH 1882.

	Per Cent.		Per Cent.
1. New Zealand ...	63·29	5. New South Wales ...	80·58*
2. South Australia ...	66·51	6. Victoria ...	84·80
3. Western Australia ...	70·41	7. Tasmania ...	102·09
4. Queensland ...	74·86		

Proportion of specie to assets of Australasian banks.

919. Coin and bullion bear a higher proportion to the total assets of the banks of Tasmania, and a lower one to those of Victoria, than to those of any of the other colonies. The following is the order of the colonies in this respect :—

PROPORTION OF COIN AND BULLION TO ASSETS OF BANKS IN AUSTRALASIAN COLONIES, 31ST MARCH 1882.

	Per Cent.		Per Cent.
1. Tasmania ...	19·09	5. South Australia ...	11·59
2. Western Australia...	17·71	6. New South Wales ...	10·97
3. Queensland ...	14·48	7. Victoria ...	10·12
4. New Zealand ...	11·74		

Proportion of specie to assets of Australasian banks, 1881.

920. In all the colonies the proportion of coin and bullion to the bank assets was much lower in the year under review than in the previous one. The following was the percentage in each colony on the 31st March 1881 :—Western Australia, 21·02; Tasmania, 20·78; Queensland, 19·76; Victoria, 16·49; New Zealand, 14·97; New South Wales, 14·61; South Australia, 13·73. It will be observed that Victoria then occupied the fourth place on the list.

Australasian banks deposits not bearing and bearing interest.

921. 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 the division referred to :—

* If the capital lent to branches outside the colony were excluded from the assets of the banks of New South Wales, the proportion of liabilities to assets would probably exceed 90 per cent., which would place that colony below Victoria,

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

(Average during the Quarter ended 31st March 1882.)

Colony.	Amount of Deposits.		Proportion of Deposits.	
	Not Bearing Interest.	Bearing Interest.	Not Bearing Interest.	Bearing Interest.
	£	£	Per Cent.	Per Cent.
Victoria ...	7,749,851	14,194,615	35·31	64·69
New South Wales ...	8,864,412	12,762,772	40·99	59·01
Queensland ...	1,973,706	2,844,747	40·96	59·04
South Australia ...	2,392,380	2,835,580	45·76	54·24
Western Australia ...	177,317	257,050	40·82	59·18
New Zealand ...	4,336,176	4,905,530	46·92	53·08

922. It will be seen that a larger proportion of the bank deposits are interest-bearing in Victoria than in any of the other colonies, and that New South Wales, Queensland, and Western Australia, with nearly equal proportions, come next to Victoria in this respect, whilst the proportions are lowest in South Australia and New Zealand.

Proportion of interest-bearing deposits in Australasian banks.

923. 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 1881, and the total and average amount of depositors' balances at such dates † :—

Savings Banks.

SAVINGS BANKS, 1881.

Description of Institution.	Number of Savings Banks.	Number of Depositors.	Depositors' Balances.	
			Total Amount.	Average per Depositor.
			£	£ s. d.
Post Office Savings Banks ...	199	53,833	1,090,802	20 5 3
Ordinary Savings Banks ...	13	47,996	1,478,636	30 16 2
Total ...	212	101,829	2,569,438	25 4 8

924. The number of depositors in Savings Banks has been increasing from year to year. In 1880 there was a larger amount remaining on deposit than in any previous year; but in 1881 the amount exceeded that in 1880 by over £900,000, which is equivalent to an

Depositors in Savings Banks.

* 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.

increase of more than 50 per cent. The following are the figures during the last ten 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
1879	...	...	82,941	...	1,520,296
1880	...	...	92,114	...	1,661,409
1881	...	...	101,829	...	2,569,438

Rate of interest in Savings Banks.

925. 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.

Reasons for increased deposits, 1881.

926. The unparalleled addition to the Savings Banks' deposits which took place in 1881 was, no doubt, in part owing to the increased prosperity of the population of the colony, and in part to the rates given for deposits by the Banks of Issue having fallen below the rates given by Savings Banks; the greater facility with which deposits could be withdrawn at short notice being probably a circumstance also operating in favor of the latter.

Price of debentures in London.

927. According to *Westgarth's Circular*, the following are the prices at four periods of 1881 and similar periods of 1882 of debentures payable in London :—

PRICE OF VICTORIAN DEBENTURES IN LONDON, 1881 AND 1882.

Interest.		Amount of Outstanding Debentures.	Price per £100 Bond.			
Rate per annum.	When Payable.		January.	April.	July.	October.
1881.						
6	April 1 and October 1	7,000,000	106-109	104-107	105-109	102-106
5	January 1 and July 1	2,107,000	109-111	110-112	109-111	111-113
6	" "	850,000	115-118	116-118	114-116	112-115
4	" "	4,500,000	99½-100½	101½-102½	102-103	100-101
4½	" "	5,000,000	104½-105½	107½-107¾	107¾-108	105-106
1882.						
6	April 1 and October 1	7,000,000	103-107	102-107	103-108	100-105
5	January 1 and July 1	2,107,000	107-109	109-111	108-110	107-109
6	" "	850,000	112-114	113-115	112-114	113-115
4	" "	4,500,000	101¼-101¾	103½-104	103-104	101-102
4½	" "	5,000,000	106-107	108¼-108¾	106¼-106½	107¼-107½

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.

928. 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, 1881 AND 1882.

Interest.		Amount of Outstanding Debt.	Closing Price.			
Rate per annum.	When Payable.		January.	April.	July.	October.
1881.						
6	April and October...	236,600	105½-106½	105-106½	104-105	103-105
6	" "	580,620	108-109	108-110	108½-109½	109-110
6	" "	130,000	110	...	...	...
6	" "	276,100	111	111½	...	112½
5	January and July ...	312,900	105	...	...	110
4	April and October...	642,881*	97-100	103-104	102½-104	102½-104
1882.						
6	April and October...	236,600	104-105	...	102-103	100-101½
6	" "	580,620	108½-110	107½-108½	104-105	101½-102½
6	" "	130,000	...	...	...	...
6	" "	276,100	...	...	...	...
5	January and July ...	312,900	110-112	110-112	...	...
4	April and October ...	642,281*	102½-103½	101-102	101-102	101¼-102½

NOTE.—See footnote to last table.

929. 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 1881, also the number and amount of releases registered in that year:—

Mortgages, liens, and releases.

MORTGAGES AND LIENS AND RELEASES, 1881.

Security.	Mortgages and Liens.		Releases.	
	Number.	Amount.	Number.	Amount.
Land	8,116	£ 5,934,236	6,160	£ 4,305,957
Live stock	870	399,374	58	93,674
Wool	413	196,305	3	1,343
Crops	1,237	142,818	...	...
Total	10,636	6,672,733	6,221	4,400,974

930. The number of registered mortgages and liens of all descriptions, and the amounts advanced in respect thereof, during each of the twelve years ended with 1881 were as follow:—

Mortgages and liens, 1870 to 1881.

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

MORTGAGES AND LIENS, 1870 TO 1881.

Year.	Number of Transactions.	Amount.	Year.	Number of Transactions.	Amount.
		£			£
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	1879 ...	12,063	7,358,952
1874 ...	5,929	6,019,904	1880 ...	10,722	5,615,401
1875 ...	6,035	4,542,569	1881 ...	10,636	6,672,733

Mortgages and liens, 1881 and former years.

931. It will be observed that a sudden increase in the transactions and in the amount advanced took place in 1878, and a still further increase in 1879, the latter being partly accounted for by the liens on growing crops, which were first legalized in November 1878,* and first appear in the returns for 1879. The amount advanced in 1881 was greater by over a million sterling than that in 1880, but less by seven hundred thousand pounds than that in 1879.

Proportion of releases of mortgages.

932. The number of releases of mortgages on land and the amounts paid off were equal to about 76 and 73 per cent. respectively of the number of mortgages effected and the amounts lent thereon. The number of releases of live stock and wool is small as compared with the number of mortgages and liens, and of 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.

Live stock and wool mortgaged.

933. The live stock mortgaged in 1881 consisted of 705,309 sheep, 18,579 head of cattle, 2,256 horses, and 587 pigs. The fleeces on which preferable liens were granted numbered 900,609. The live stock released consisted of 147,248 sheep, 7,738 cattle, and 275 pigs; and the fleeces released numbered 8,646.

Difference between mortgages and releases, 1861 to 1881.

934. During the twenty-one years ended with 1881, the sums advanced on mortgage of landed property amounted in the aggregate to £71,532,716, and the sums paid off amounted in all to £35,953,615. The balance is £35,579,101, or about 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.

Bills of sale.

935. The number of bills of sale filed, and the amount secured, also the number of those satisfied, and the amount paid off, in the last eight years were as follow :—

* Under Act 42 Vict. No. 618.

BILLS OF SALE, 1874 TO 1881.

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

936. 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. Decrease in bills of sale.

937. 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 five years, were as follow:— Contracts for sale and letting.

CONTRACTS FOR SALE AND LETTING, 1877 TO 1881.

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
1879	1,803	142,809	1,802	2/6 to £5
1880	1,828	137,959	1,829	2/6 to £5
1881	1,730	90,699	1,730	2/6 to £5

938. It would seem that contracts for sale and letting are found 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 the former have increased nearly three-fold during the last three years, as compared with the first year in which the Act legalizing their registration has been in operation, whilst the bills of sale have largely decreased. Increase in contracts for sale and letting.

Building societies.

939. Forty-nine building societies sent in returns of their operations during 1881, as against 47 in 1880, 56 in 1879, 62 in 1878, 61 in 1877, and 58 in 1876. The following are the principal items furnished for the five years. It should be observed that the returns of some of the societies were not perfect:—

BUILDING SOCIETIES, 1877 TO 1881.

—	1877.	1878.	1879.	1880.	1881.
Number of societies ...	61	62	56	47	49
Number of members ...	21,824	21,404	19,053	18,052	18,883
Amount advanced during the year	£815,860	£703,932	£489,312	£564,411	£805,551
Income during the year	£1,182,718	£1,097,475	£1,068,116	£1,040,926	£1,224,221
Working expenses during the year	£31,193	£32,229	£31,321	£31,166	£32,210
Assets at date of balancing	£2,878,167	£2,970,101	£2,914,077	£2,804,295	£2,853,970
Liabilities at date of balancing	£2,492,890	£2,594,786	£2,345,995	£2,352,808	£2,432,617
Moneys on deposit at date of balancing	£748,253	£703,463	£742,542	£829,941	£836,327

Advances by and income of building societies.

940. In 1881, the business done by building societies, as measured by the advances made, was much more than in 1880, 1879, or 1878, and approached closely to that in 1877. The aggregate income of building societies, in which the deposits received are not included, was larger by about a sixth than in the three previous years, and slightly larger than in 1877.

Working expenses of building societies.

941. The working expenses of building societies usually amount to something less than 3 per cent. of their income. The exact proportion was 2·64 per cent. in 1877; 2·94 per cent. in 1878; 2·93 per cent. in 1879; 2·99 per cent. in 1880; and 2·63 per cent. in 1881; or an average of 2·83 per cent. in all the years.

Rates of interest in building societies.

942. The rates of interest allowed by building societies on moneys left with them for a period of twelve months generally ranged in the first year from $5\frac{1}{4}$ to $7\frac{1}{2}$ per cent., in the next two years from 6 to 8 per cent., and in the next year from 5 to $7\frac{1}{2}$ per cent., and in the last year from 3 to $6\frac{1}{2}$ per cent.

Deposits with building societies.

943. The sums deposited with building societies at the end of 1881 amounted in the aggregate to £836,000, which was only slightly in excess of the total amount on deposit at the end of 1880.

Total moneys on deposit.

944. 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 1877 TO 1881.

Amount deposited with—	1877.	1878.	1879.	1880.	1881.
	£	£	£	£	£
Banks	16,503,528	16,106,581	16,326,165	17,972,703	21,151,910
Savings banks ...	1,575,305	1,510,273	1,520,296	1,661,409	2,569,438
Building societies	748,253	703,463	742,542	829,941	836,327
Total	18,827,086	18,320,317	18,589,003	20,464,053	24,557,675

945. It will be observed that the moneys known to be on deposit about the close of the last year amounted in the aggregate to over twenty-four and a half millions sterling. Moneys on deposit, 1881.

PART VIII.—PRODUCTION.

946. The mode of disposing of Crown lands in Victoria has undergone numerous changes.* At first it was necessary that all lands should be offered at auction before passing into the hands of private individuals, an upset price, according to its value, being placed upon it by the Government. Until 1840 the minimum upset price was 12s. per acre, it was then raised to 20s. Land which had passed the auctioneer's hammer without being bid for was open to be bought by any one at the upset price. Large blocks of land, called special surveys, and a block of a square mile in extent upon each squatting run, were, under certain Orders in Council, exempted from auction, and were permitted to be purchased at £1 per acre. Sales of Crown land by auction.
Special surveys.

947. In 1860 the system was changed, and a law was passed permitting surveyed country lands to be selected at a uniform upset price of £1 per acre, the only exception being where two or more selectors applied simultaneously for one block, in which case a limited auction, confined only to such applicants, was to take place. The successful selector had the option of either paying for the whole of his block in cash or only for half; in the latter case, renting the other half at 1s. per acre per annum, with the right to purchase at the same rate per acre as he paid for the first moiety. This Act imposed no conditions as to residence, cultivation, or improvement. Land Act 1860 (24 Vict. No. 117).

* Much of the information in this and the next four paragraphs has been gathered from the Report of the Honorable the Minister of Lands for the year 1873.