

SECTION XXI.

PRIVATE FINANCE.

§ 1. Currency.

1. **The Three Australian Mints.**—Soon after the discovery of gold in Australia steps were taken for the establishment of a branch of the Royal Mint in Sydney. The formal opening took place on the 14th May, 1855, the mint being located in the southern part of the building once known as the "rum hospital," where it has remained up to the present. It is now proposed, however, to erect more suitable buildings for its accommodation in some other part of the city. The Melbourne branch of the Royal Mint was opened on the 12th June, 1872, and the Perth branch on the 20th June, 1899. The States of New South Wales, Victoria, and Western Australia provide an annual endowment, in return for which the mint receipts are paid into the respective State Treasuries, and it may be said that, apart from expenditure on buildings, new machinery, etc., the amounts paid into the Treasuries fairly balance the mint annuities.

2. **Receipts and Issues in 1906.**—(i.) *Assay of Deposits Received.* The number of deposits received during 1906 at the Sydney Mint was 2567, of a gross weight of 965,194 ozs.; at the Melbourne Mint, 4864, of a gross weight of 1,054,291 ozs.; and at the Perth Mint, 7083, of a gross weight of 1,498,860 ozs. The average composition of these deposits in Sydney was, gold 886.3, silver 74.4, base 39.3 in every 1000 parts; Melbourne, gold 915.6, silver 48.3, base 36.1 in every 1000 parts; and Perth, gold 838.5, silver 106.6, base 54.9 in every 1000 parts. As many parcels have, however, undergone some sort of refining process before being received at the mint, the average assay for gold shews higher in these figures than for gold as it naturally occurs.

(ii.) *Receipts.* Practically all the gold coined at the Australian mints is the produce of either the Commonwealth or of the Dominion of New Zealand. The Sydney Mint, however, receives small parcels from Papua, and some gold produced in Madagascar has been sent to Perth for coinage. The following table shews the origin of the gold received at the three mints during 1906:—

ORIGIN OF GOLD RECEIVED DURING 1906.

Origin of Gold.	Sydney Mint.	Melbourne Mint.	Perth Mint.
	ozs.	ozs.	ozs.
New South Wales	200,381.95	7,752.16	...
Victoria	0.88	848,298.32	8.00
Queensland... ..	410,387.31	30.72	...
South Australia	502.95	17,944.95	...
Western Australia	460.88	18,699.52	1,498,436.00
Tasmania	3,385.47	22,555.47	...
New Zealand	349,954.45	132,529.12	...
Other countries, origin not stated, and light gold coin	120.28	6,481.13	416.00
Total	965,194.17	1,054,291.39	1,498,860.00

It will be seen that practically all gold produced in New South Wales and Queensland, about three-fourths of that produced in New Zealand, and one-eighth of the Tasmanian produce, found its way to the Sydney Mint, while the Melbourne Mint received all Victorian and South Australian gold, together with seven-eighths of the Tasmanian and one-fourth of the New Zealand production, and the Perth Mint coined practically all Western Australian gold with the exception of a small portion sent to Melbourne.

(iii.) *Issues.* The Australian mints, besides issuing gold coin in the shape of sovereigns and half-sovereigns, also issue gold bullion, partly for the use of local manufacturers (jewellers and dentists), and partly for export, India taking annually a considerable quantity of gold cast into 10-oz. bars. The issues during 1906 are shewn in the table below:—

ISSUES OF GOLD DURING 1906.

Mint.	Coin.			Bullion.	Total.
	Sovereigns.	Half-sovereigns.	Total.		
	£	£	£	£	£
Sydney ...	2,792,000	154,000	2,946,000	662,277	3,608,277
Melbourne ...	3,657,853	41,021	3,698,874	400,820	4,099,694
Perth ...	4,829,817	...	4,829,817	514,904	5,344,721
Total ...	11,279,670	195,021	11,474,691	1,578,001	13,052,692

In addition to the issue of gold the Sydney and Melbourne Mints are also charged with the issue of silver and bronze coin struck in London. The total value of silver coin issued in 1906 was £105,000, viz.—£39,400 in half-crowns, £19,400 in florins, £17,200 in shillings, £14,200 in sixpences, and £14,800 in threepences. The value of bronze coin issued was £7480, viz., £5180 in pence and £2300 in halfpence.

(iv.) *Withdrawals of Worn Coin.* The mints receive light and worn coin for recoinage, gold being coined locally, while silver is forwarded to London. The value of gold coin so received in 1906 amounted to only £938, viz.—Sydney, £426; Melbourne, £511; and Perth, £1. The value of worn silver coins received during 1906 was £19,181, viz.—Sydney, £6898; Melbourne, £12,283.

3. Total Receipts and Issues. (i.) *Receipts.* The total quantities of gold received at the three mints since their establishment are stated in the gross as follows:—Sydney, 31,626,739 ozs.; Melbourne, 30,015,938 ozs.; and Perth, 8,791,548 ozs. As the mints pay for standard gold (22 carats) at the rate of £3 17s. 10½d. per oz., which corresponds to a value of £4 4s. 11½d. per oz. fine (24 carats), it is possible to arrive at the number of fine ounces received from the amounts paid for the gold received. These amounts were:—Sydney, £116,542,968; Melbourne, £118,352,487; Perth, £31,132,187; corresponding to—Sydney, 27,436,545 ozs. fine; Melbourne, 27,862,542 ozs. fine; and Perth, 7,329,139 ozs. fine. Silver found in assaying is paid for if it exceeds 8 per cent.; in Sydney it has been paid for at the rate of one shilling and sixpence per oz. fine since 12th May, 1902; in Melbourne the price is fixed monthly by the Deputy-master of the Mint; and in the Perth accounts it has been taken at one shilling per oz. The total amount paid for silver by the Sydney Mint is given as £233,565.

(ii.) *Issues.* The total values of gold coin and bullion issued by the three mints were as follow:—

TOTAL ISSUES OF GOLD.

Mint.	Coin.			Bullion.	Total.
	Sovereigns.	Half-sovs.	Total.		
	£	£	£	£	£
Sydney ...	107,863,500	3,179,000	111,042,500	5,509,390	116,551,890
Melbourne ...	108,814,708	588,384	109,403,092	8,945,743	118,348,835
Perth ...	28,643,085	89,703	28,732,788	2,393,729	31,126,517
Total ...	245,321,293	3,857,087	249,178,380	16,848,862	266,027,242

It may be said that about one-half of the total gold production of Australasia has passed through the three Australian mints, the production of the Commonwealth States to the end of 1906 being valued at £474,913,048, and that of New Zealand at £69,501,488, or a total of £544,414,536.

The total issues of silver coins to the end of 1906 were £1,962,000, viz.:—Crowns, £3500; double florins, £4585; half-crowns, £591,400; florins, £408,615; shillings, £510,600; sixpences, £198,020; and threepences, £245,280.

Bronze coins to the value of £125,550 were issued. viz.:—Pence, £87,040; halfpence, £38,410; and farthings, £100.

(iii.) *Withdrawals of Worn Coin.* Complete figures as to the withdrawal of gold coin can only be given for the Sydney Mint, where they amounted to £827,895; at the Melbourne Mint the coins withdrawn since 1890 were worth £44,362, and no figures are given for Perth.

Withdrawals of worn silver coin amounted to £236,770 in Sydney, and to £321,775 in Melbourne.

4. Standard Weight and Fineness of Coinage.—The coinage of the Commonwealth is the same as that of the United Kingdom, and the same provisions as to legal tender hold good, viz., while gold coins are legal tender to any amount, silver coins are only so for an amount not exceeding forty shillings, and bronze coins up to one shilling. As will be seen from the table below, the standard weights of the sovereign and half-sovereign are respectively 123.27447 grains and 61.63723 grains, but these coins will pass current if they do not fall below 122.5 grains and 61.125 grains respectively.

STANDARD WEIGHT AND FINENESS.

Denomination.	Standard Weight.	Standard Fineness.
GOLD—	Grains.	
Sovereign ...	123.27447	Eleven-twelfths fine gold, viz.:— Gold ... 0.91667 } 1.00000 Alloy ... 0.08333 }
Half-sovereign ...	61.63723	
SILVER—		
Crown ...	436.36363	Thirty-seven-fortieths fine silver, viz.:— Silver ... 0.925 } 1.000 Alloy ... 0.075 }
Double florin ...	349.09090	
Half-crown ...	218.18181	
Florin ...	174.54545	
Shilling ...	87.27272	
Sixpence ...	43.63636	
Threepence ...	21.81818	
BRONZE—		
Penny ...	145.83333	Mixed metal, viz.:— Copper ... 0.95 } 1.00 Tin ... 0.04 Zinc ... 0.01 }
Half-penny ...	87.50000	
Farthing ...	43.75000	

5. **Prices of Silver and Australian Coinage.**—(i.) *Prices of Silver.* The value of silver has greatly decreased since its demonetisation and restricted coinage in almost the whole of Europe. Its average price in the London market is shewn in the subjoined table:—

AVERAGE PRICE OF SILVER IN LONDON MARKET, 1873 TO 1906.

Year.	Price per Standard Oz.	Year.	Price per Standard Oz.	Year.	Price per Standard Oz.
	d.		d.		d.
1873 ...	59.2500	1885 ...	48.6250	1897 ...	27.5625
1874 ...	58.3125	1886 ...	45.3750	1893 ...	26.9375
1875 ...	56.8125	1887 ...	44.6250	1899 ...	27.5000
1876 ...	53.0000	1888 ...	42.8750	1900 ...	28.3125
1877 ...	54.7500	1889 ...	42.6875	1901 ...	27.2500
1878 ...	52.5625	1890 ...	47.7500	1902 ...	24.1250
1879 ...	51.1875	1891 ...	45.0625	1903 ...	24.7500
1880 ...	52.2500	1892 ...	39.8125	1904 ...	26.3750
1881 ...	51.7500	1893 ...	35.6250	1905 ...	27.8125
1882 ...	51.8125	1894 ...	29.0000	1906 ...	30.8750
1883 ...	50.5625	1895 ...	29.8750		
1884 ...	50.6875	1896 ...	30.7500		

The monthly fluctuations during the year 1906 were as follows:—

AVERAGE PRICE OF SILVER IN LONDON MARKET, 1906.

Month.	Price per Standard Oz.	Month.	Price per Standard Oz.	Month.	Price per Standard Oz.
	d.		d.		d.
January ...	30.1250	May ...	30.9375	September ...	31.5000
February ...	30.4375	June ...	30.1875	October ...	32.1250
March ...	29.8750	July ...	30.1250	November ...	32.6875
April ...	30.0000	August ...	30.5000	December ...	32.0000

(ii.) *Profits on Coinage of Silver.* As sixty-six shillings are coined out of one pound Troy of standard silver, the silver required to produce £3 6s. of coin was only worth £1 10s. 10½d. during 1906; the difference of £1 15s. 1½d. represents, therefore, the gross profit or seigniorage made on the coinage of every £3 6s. This gross profit is equivalent to about 53 per cent., but from it the expenses of coining (including interest on cost of machinery) and of withdrawals of worn coin must be deducted. Still, given a large annual demand for new silver coin, even the net profit amounts to a considerable sum. Negotiations therefore, took, place for a number of years between the Imperial authorities and the Governments of New South Wales and Victoria, which in 1898 resulted in permission being granted to the two Governments named to coin silver and bronze coin at the Sydney and Melbourne Mints for circulation in Australia. No steps were, however, taken in the matter, and as section 51 of the Commonwealth Constitution makes legislation concerning "currency, coinage, and legal tender" a federal matter, the question has remained in abeyance until such time as the Federal Parliament shall have come to a decision in regard to the introduction of a decimal coinage.

6. **Decimal Coinage.**—Considered apart from the cognate subject of decimal weights and measures, the introduction of a decimal coinage would present no great difficulties. Of the various systems that have been advocated from time to time, the one that appears to meet with most favour and presents the maximum advantage, would retain the sovereign as the unit, but would divide it into a thousand parts instead of the present 960 farthings. In such a system there would be the following coins (adopting the name of "cent" for the hundredth part of the sovereign):—Sovereign=100c. (gold); half-sovereign=50c. (gold), 20c.=4s. (gold or silver); 10c.=2s. (silver); 5c.=1s. (silver); 2c.=4.8d. (silver); 1c.=2.4d. (silver or nickel); 0.5c. or 5 mils.=1.2d. (nickel or bronze); 0.2c. or 2 mils.=0.48d. (nickel or bronze); 0.1c. or 1 mil.=0.24d. (bronze). As only the subdivisions of the present shilling would be altered, such a system could be

introduced with less disturbing effects on the arrangements of trade than other proposals, *e.g.*, one which would make the present farthing its unit.

7. Circulation of Specie.—Many conflicting estimates have from time to time been made as to the amount of coin in private hands. In 1892 the general manager of one of the Sydney banks estimated the coin in private hands in New South Wales at only £725,000, while the estimate of the Deputy-master of the Mint for the same period was £4,416,000, the truth lying, no doubt, somewhere between those two estimates. In 1906 the Deputy-master of the Perth Mint conducted an enquiry with the object of obtaining information on the condition of the currency in Australia. His estimate was—sovereigns, £2,500,000; half-sovereigns, £500,000; silver and bronze coin, £1,200,000. This estimate appears, however, very low, amounting only to a little over £1 per head of population. The question will shortly have to be considered whether it would not be possible to obtain accurate information by means of a question on the census schedule to be used in 1911. The coin in private hands amounts, however, only to a comparatively small part of the total coin in the country, the value of coin held by the banks during the quarter ended 30th June, 1907, being £22,420,395. To the active currency must be added the notes in circulation, which for the same period amounted to £3,563,181, exclusive of Queensland Treasury notes, £1,490,869, *viz.*, £769,932 held by banks, and £720,937 in circulation.

8. Imports and Exports of Coin and Bullion.—A table is appended shewing the imports into, and exports from, the Commonwealth of coin and bullion during the year 1906, distinguishing the countries of import and export :—

IMPORTS AND EXPORTS OF COIN AND BULLION, 1906.

Countries from which Imported and to which Exported.	Coin.				Bullion.			Total Coin and Bullion.
	Gold.	Silver.	Bronze.	Total Coin.	Gold. ¹	Silver. ²	Total Bullion.	
IMPORTS.	£	£	£	£	£	£	£	£
United Kingdom ...	...	129,250	8,403	137,653	359	53	412	138,065
New Guinea ...	...	...	...	...	46,484	...	46,484	46,484
New Zealand ...	80,900	9,653	...	90,553	2,018,998	33,844	2,052,842	2,143,395
Germany ...	10	1,844	...	1,854	...	...	...	1,854
Hawaii ...	500	...	...	500	...	...	...	500
South Sea Islands ...	380	17	...	397	...	...	...	397
United States of Amer. ...	...	...	...	...	222	...	222	222
Total Imports ...	81,790	140,764	8,403	230,957	2,066,063	33,897	2,099,960	2,330,917
EXPORTS.								
United Kingdom ...	3,028,704	600	...	3,029,304	3,201,378	190,314	3,391,692	6,420,996
Canada ...	660,000	...	...	660,000	...	...	...	660,000
Ceylon ...	3,060,000	...	...	3,060,000	101,952	366,870	468,822	3,528,822
Fanning Island ...	800	...	...	800	...	...	...	800
Fiji ...	51,000	5,900	...	56,900	...	...	...	56,900
Hong Kong ...	360,616	...	...	360,616	2,496	...	2,496	363,112
India ...	939,737	...	...	939,737	1,503,819	218,220	1,722,039	2,661,776
New Guinea ...	65	32	3	100	...	...	...	100
New Zealand ...	830,000	13,500	250	843,750	...	...	...	843,750
Straits Settlements ...	80,055	...	...	80,055	...	...	...	80,055
Belgium ...	...	...	...	...	135	...	135	135
China ...	6,100	...	...	6,100	...	...	...	6,100
France ...	826	419	...	1,245	562	...	562	1,807
Germany ...	...	...	...	...	1,101	60	1,161	1,161
Japan ...	700,000	...	...	700,000	...	...	...	700,000
Marshall Islands ...	...	1,666	...	1,666	...	...	...	1,666
New Caledonia ...	1,030	110	...	1,140	...	...	...	1,140
New Hebrides ...	205	1,024	...	1,229	...	...	...	1,229
South Sea Islands ...	1,547	270	...	1,817	...	...	...	1,817
United States of Amer. ...	2,195,000	...	...	2,195,000	144,157	39,410	183,567	2,378,567
Total Exports ...	11,915,685³	23,521⁴	253⁵	11,939,459	4,955,600⁶	814,874⁶	5,770,474	17,709,933

1. Bullion, bars, dust, ingots, and sheets. 2. Bullion, bars, ingots, sheets, and silver contained in matte. 3. Approximately £9,851,558 Australian produce and £2,064,127 other produce. The net value of gold bullion and gold ore of foreign origin introduced (by transfer or importation) into the minting States of the Commonwealth, with the addition of the imports of foreign coin, has been taken to represent the value of the exports of coin of other than Australian origin. 4. Other produce. 5. Australian produce. 6. Australian produce, £777,672; other produce, £37,196.

§ 2. Banking.

1. Banking Facilities.—(i.) *Head Offices of Banks.* Of the twenty-one banks trading in the Commonwealth, four have their head offices in London, viz., the Bank of Australasia; the Union Bank of Australia Limited; the English, Scottish, and Australian Bank Limited; and the London Bank of Australia Limited. The head offices of the following four banks are in Sydney—The Bank of New South Wales; the Commercial Banking Company of Sydney Limited; the Australian Joint Stock Bank Limited; and the City Bank of Sydney. Five banks have their head offices in Melbourne, viz., the National Bank of Australasia Limited; the Commercial Bank of Australia Limited; the Bank of Victoria Limited; the Colonial Bank of Australasia Limited; and the Royal Bank of Australia Limited. Brisbane is the headquarters of three banks, viz., the Queensland National Bank Limited; the Royal Bank of Queensland Limited; and the Bank of North Queensland Limited. Only one Bank has at present its head office in Adelaide, viz., the Bank of Adelaide; and one in Perth, viz., the Western Australian Bank. Of the two Tasmanian banks the Commercial Bank of Tasmania Limited has its head office in Hobart, and the National Bank of Tasmania Limited in Launceston. The remaining bank, the Bank of New Zealand, has its headquarters in Wellington. It is proposed, in the few instances where the banks are referred to by name, to arrange them in the order just given.

(ii.) *Establishments in Different States.* Only three of the banks have establishments in all six States of the Commonwealth, the total number of their branches and sub-branches being 468. One bank with a total of 194 branches is trading in five States, and two with 267 branches are established in four States. One bank has sixty-nine branches distributed over three States, while five banks with a total of 324 branches confine their operations to two States. The remaining nine banks, with 373 branches, trade only within the State where their head offices are located. Of this total of 1697 banking establishments, New South Wales contains 512; Victoria, 612; Queensland, 222; South Australia, 178; Western Australia, 123; and Tasmania, 50. The total for the Commonwealth amounts to about one bank to every 2500 inhabitants, which does not appear out of proportion when the general sparseness of the Australian population is taken into consideration. There is, however, a difference between the various States which is not easy of explanation, but which seems to be due chiefly to the desire of a few of the banks to open up branches wherever there is a prospect of a small amount of business, while other banks are more conservative in this respect. Thus the proportion in New South Wales is about 3000 inhabitants per bank, while in Victoria it is only 2000. In Western Australia, where the proportion amounts to one in 1500, there are, of course, exceptional circumstances which explain this apparent disproportion.

2. Banking Legislation.—Under section 51 of the Commonwealth Constitution Act the Commonwealth Parliament has power to legislate with respect to "Banking, other than State banking; also State banking extending beyond the limits of the State concerned, the incorporation of banks, and the issue of paper money." Up to the present no Commonwealth banking legislation has, however, been passed, and the various State laws under which the banks transact business are in most cases so old as to be quite unsuitable to modern methods of banking. Under the existing laws banks are required to furnish quarterly statements of their average assets and liabilities, but these statements are not equally complete in all the States. Still, together with the periodical balance-sheets (generally half-yearly, but in a few cases yearly), these quarterly statements are at present the only information available in regard to banking business.

The Acts under which the various banks are incorporated are numerous, but it may be stated that while most of the older banks were incorporated by special Acts, *e.g.*, the Bank of New South Wales, by Act of Council 1817; the Bank of Australasia, by Royal

Charter; the Bank of Adelaide, by Act of the South Australian Parliament; and the Bank of New Zealand, by Act of the General Assembly of New Zealand; the newer banks are generally registered under a "Companies Act," or some equivalent Act. This is also the case with those banks which, after the crisis of 1893, were reconstructed.

2. Capital Resources of Banks.—The paid-up capital of the twenty-one banks, together with their reserve funds, and the rate per cent. and the amount of their last dividends, is shewn in the table hereunder. The information relates to the balance-sheet last preceding the 30th June, 1907, and where alterations have taken place since that date these are indicated by notes. In regard to the reserve funds it must be stated that in the case of some of the banks these are invested in Government securities, while in other cases they are used in the ordinary business of the banks, and in a few instances they are partly invested and partly used in business:—

CAPITAL RESOURCES OF BANKS.

Bank.	Paid-up Capital.	Rate per cent. per annum of last Dividend and Bonus.	Amoun't of last Dividend & Bonus.	Reserve Fund.
	£	%	£	£
Bank of Australasia	1,600,000	14	112,000	1,326,800
Union Bank of Australia Limited	1,500,000	14	105,000	1,256,406
English, Scottish, and Australian Bank Limited	539,437	4½	24,275	182,908
London Bank of Australia Limited	548,015 ¹	5½ Preferential 2½ Ordinary	18,654	33,908
Bank of New South Wales	2,000,000 ²	10	100,000	1,500,000 ³
Commercial Banking Company of Sydney Limited	1,213,566	10	60,000	1,220,373
Australian Joint Stock Bank Limited	154,570			12,933
City Bank of Sydney	400,000	2½	5,000	10,054
National Bank of Australasia Limited	1,498,220 ⁴	5	37,455	157,360
Commercial Bank of Australia Limited	2,212,319 ⁵	3 Preferential 10 Ordinary	31,760	13,825
Bank of Victoria, Limited	1,478,010 ⁶	5	26,950	180,000
Colonial Bank of Australasia Limited	439,280	6	13,173	109,504
Royal Bank of Australia Limited	200,000	7	5,887	77,883
Queensland National Bank Limited	413,289 ⁷	3	12,000	36,934
Royal Bank of Queensland Limited	467,581	4	9,277	70,146
Bank of North Queensland Limited	100,000	2½	1,250	20,000
Bank of Adelaide	400,000	9	18,000	312,735
Western Australian Bank	150,000	20	15,000	398,324
Commercial Bank of Tasmania Limited	150,000 ⁸	12	9,000	147,500 ⁹
National Bank of Tasmania Limited	152,040	6	4,561	35,000
Bank of New Zealand	1,000,000 ¹⁰	7½ Preferential 10 Ordinary	87,500	250,000
Total	16,616,827	...	...	7,332,593

1. £171,930 preferential, £376,085 ordinary. 2. Now increased to £2,500,000, of which £2,425,400 actually paid up, and £74,600 in course of being paid up. 3. Now increased to £1,530,000. 4. £305,790 Preferential; £1,192,440 ordinary. 5. £2,117,350 Preferential; £95,460 Ordinary. 6. £416,760 Preferential; £1,061,250 Ordinary. 7. After deducting £46,865 paid on forfeited shares. 8. Now increased to £175,000. 9. Now increased to £175,000. 10. £500,000 preference shares issued to the Crown under the "Bank of New Zealand Act, 1903," £500,000 ordinary shares. There is in addition £1,000,000 4 per cent. guaranteed stock.

4. Liabilities and Assets of Banks.—(i.) *Liabilities of Banks for Quarter ended 30th June, 1907.* As already stated, the banks transacting business in any State are obliged, under the existing State laws, to furnish a quarterly statement of their assets and liabilities, which contains the averages of the weekly statements prepared by the bank for that purpose. As all other financial returns in this work embrace, so far as possible, a period ended 30th June, 1907, it seems advisable to give the banking figures for the quarter ended on that date, and, where they are shewn for a series of years, similarly to use the figures for the June quarter of each year. The liabilities are liabilities to the general public, and are exclusive of the banks' liabilities to their shareholders, which are shewn in the preceding table:—

AVERAGE LIABILITIES OF BANKS IN EACH STATE OF THE COMMONWEALTH FOR THE QUARTER ENDED 30TH JUNE, 1907.

State.	Notes in Circulation, not bearing interest.	Bills in Circulation, not bearing interest.	Balances Due to other Banks.	Deposits.			Total Liabilities.
				Not Bearing Interest.	Bearing Interest.	Total.	
	£	£	£	£	£	£	£
New South Wales	1,684,744	271,687	83,826	18,683,985	23,283,280	41,967,265	41,907,522
Victoria	911,603	288,748	164,320	14,012,252	24,380,927	38,393,179	39,757,850
Queensland	—	171,790	62,873	5,652,233	9,200,346	14,852,584	15,087,247
South Australia	476,605	26,270	40,899	3,410,845	4,836,521	8,247,366	8,791,050
West Australia	327,611	25,793	92,632	3,283,755	2,216,357	5,500,112	5,946,148
Tasmania	162,618	17,599	—	1,738,159	1,999,394	3,737,403	3,917,671
Commonwealth	3,563,181	891,878	444,460	46,781,234	65,916,735	112,697,969	117,507,488

(ii.) *Assets of Banks for Quarter ended 30th June, 1907.* The average assets of the banks are shown in the following table, in which, in the case of the banks doing business in Tasmania, the column headed "coined gold," etc., includes any bullion which may have been held by the banks:—

AVERAGE ASSETS OF BANKS IN EACH STATE OF THE COMMONWEALTH FOR THE QUARTER ENDED 30TH JUNE, 1907.

State.	Coined Gold and Silver and other Metals.	Gold and Silver in Bullion or Bars.	Landed and other Property.	Notes and Bills of other Banks.	Balances Due from other Banks.	All other Debts Due to the Banks.	Total Assets.
	£	£	£	£	£	£	£
N.S.W. ...	8,965,899	162,008	1,777,305	340,559	468,204	34,460,993	46,174,968
Victoria ...	6,968,370	369,617	1,850,728	323,228	238,778	31,894,070	41,644,791
Queensland	1,924,004	178,398	716,493	59,878	215,828	15,076,455	18,171,056
S. Australia	1,808,942	7,724	383,589	66,411	67,727	5,545,346	7,879,739
W. Australia	1,995,846	573,286	196,929	50,141	33,013	5,140,911	7,990,126
Tasmania ...	757,334	...	103,335	...	146,726	2,872,660	3,880,055
C ^o wealth ...	22,420,395	1,291,033	5,028,379	840,217	1,170,276	94,990,435	125,740,735

(iii.) *Liabilities of Banks for June Quarter, 1901 to 1907.* In the subjoined table, which shows the average liabilities of the banks for the quarter ended 30th June, 1901 to 1907, for the Commonwealth as a whole, it will be seen that the growth in total liabilities is almost entirely due to an increase in the deposits, and that deposits not bearing interest and deposits bearing interest have shared in that increase very equally:—

AVERAGE LIABILITIES OF BANKS IN THE COMMONWEALTH FOR THE QUARTER ENDED 30TH JUNE, IN THE YEARS 1901 TO 1907.

Year.	Notes in Circulation not Bearing Interest.	Bills in Circulation not Bearing Interest.	Balances due to other Banks.	Deposits.			Total Liabilities.
				Not Bearing Interest.	Bearing Interest.	Total.	
	£	£	£	£	£	£	£
1901	3,399,462	525,958	376,972	27,457,960	54,029,188	91,487,148	95,789,540
1902	3,305,135	518,504	459,255	37,727,861	55,708,373	93,436,234	97,719,128
1903	3,315,747	539,132	407,947	37,056,187	54,701,947	91,757,234	96,020,060
1904	3,135,268	521,267	290,421	35,630,255	55,917,848	91,548,103	95,493,079
1905	3,036,879	555,256	446,555	36,847,610	61,295,775	98,143,385	102,182,076
1906	3,244,256	568,670	577,094	41,086,116	65,479,150	106,515,266	110,905,286
1907	3,563,181	891,878	444,460	46,781,234	65,916,735	112,697,969	117,507,488

(iv.) *Assets of Banks for June Quarter, 1901 to 1907.* A similar table shewing the average assets of the banks for the June quarters of each of the years 1901 to 1907 is shewn below. Bullion, in the case of the Tasmanian banks, is again included with coin:—

**AVERAGE ASSETS OF BANKS IN THE COMMONWEALTH FOR THE
QUARTER ENDED 30TH JUNE IN THE YEARS 1901 TO 1907.**

Year.	Coin and Silver and other Metals.	Gold and Silver in Bullion or Bars.	Landed and other Property.	Notes and Bills of other Banks.	Balances Due from other Banks.	All other Debts Due to the Banks.	Total Assets.
	£	£	£	£	£	£	£
1901 ...	18,581,224	1,199,304	6,145,742	695,676	1,215,701	93,710,166	121,547,813
1902 ...	19,744,914	1,330,304	5,337,277	656,302	1,152,534	94,015,098	122,236,429
1903 ...	18,513,784	1,507,825	5,289,440	741,977	1,115,369	93,301,160	120,469,555
1904 ...	17,910,771	1,447,698	5,245,312	692,688	781,368	87,705,222	113,783,059
1905 ...	19,988,465	1,501,890	5,212,799	705,089	809,929	85,766,259	113,984,431
1906 ...	21,268,679	1,412,763	5,160,875	802,225	1,234,921	87,889,121	117,768,584
1907 ...	22,420,395	1,291,033	5,028,379	840,217	1,170,276	94,990,435	125,740,735

The figures do not call for much comment. As the table shews, the increase in the total amount of assets is mainly due to an increase in the amount of specie held by the banks against liabilities at call.

5. Percentage of Coin and Bullion to Liabilities at Call.—(i.) *Commonwealth.* Although it is not strictly correct to assume that the division of deposits into those bearing interest and not bearing interest would in every case coincide with a division into fixed deposits and current accounts, the division, in default of a better one, must be adopted, and in the following table "liabilities at call" are therefore understood to include the note circulation of the banks and the deposits not bearing interest:—

**PERCENTAGE OF COIN AND BULLION TO LIABILITIES AT CALL,
COMMONWEALTH, 1901 TO 1907.**

Year.	Liabilities at Call.			Coin and Bullion.			Percentage of Coin and Bullion to Liabilities at Call.
	Notes in Circulation.	Deposits not Bearing Interest.	Total.	Coin.	Bullion.	Total.	
	£	£	£	£	£	£	%
1901 ...	3,399,462	37,457,960	40,857,422	18,581,224	1,199,304	19,780,528	48.41
1902 ...	3,305,135	37,727,861	41,032,996	19,744,914	1,330,304	21,075,218	51.36
1903 ...	3,315,747	37,056,187	40,371,934	18,513,784	1,507,825	20,021,609	49.59
1904 ...	3,133,747	35,630,255	38,764,002	17,910,771	1,447,698	19,358,469	49.94
1905 ...	3,036,879	36,847,610	39,884,489	19,988,465	1,501,890	21,490,355	53.88
1906 ...	3,244,256	41,036,116	44,280,372	21,268,679	1,412,763	22,681,442	51.22
1907 ...	3,563,181	46,781,234	50,344,415	22,420,395	1,291,033	23,711,428	47.10

It would appear from the figures just given that the banks generally consider it advisable to hold about half the amount of liabilities at call in coin and bullion. The drop to 47.10 per cent. in 1907 is due to the very large increase in the amount of deposits during the year, with which the increase in the coin and bullion held, considerable though it was, did not keep pace.

(ii.) *Queensland Treasury Notes.* No bank-notes are issued by any of the banks in Queensland, where a Treasury note has taken the place of bank-notes since 1893. These Treasury notes are disregarded in the quarterly statements of the banks; according to Treasury returns the amount outstanding on 30th June, 1907, was £1,490,869, of which £720,937 was in circulation, while the balance of £769,932 was held by the banks.

(iii.) *States.* The proportion of coin and bullion to liabilities at call varies considerably in the different States, and is generally highest in Western Australia, and lowest in Queensland and Tasmania. A table is appended shewing the percentages for each State for the quarter ended 30th June, 1901 to 1907:—

PERCENTAGE OF COIN AND BULLION TO LIABILITIES AT CALL, STATES AND COMMONWEALTH, 1901 TO 1907.

State.	1901.	1902.	1903.	1904.	1905.	1906.	1907.
	%	%	%	%	%	%	%
New South Wales ...	45.96	46.97	47.47	48.67	50.51	48.49	44.81
Victoria ...	47.82	51.91	50.58	52.92	58.01	53.55	49.17
Queensland...	40.95	44.42	46.33	39.66	45.78	40.43	37.20
South Australia	54.94	57.67	50.12	51.45	55.66	51.25	46.73
Western Australia	71.59	80.46	61.83	58.70	67.35	73.98	71.14
Tasmania ...	37.49	35.12	42.20	46.41	44.25	42.39	39.84
Commonwealth ...	48.41	51.36	49.59	49.94	53.88	51.22	47.10

6. *Deposits and Advances.*—(i.) *Total Deposits.* The total amount of deposits held by the banks shews a steady advance during the period under review, although the totals for 1903 and 1904, when the country was slowly recovering from the effects of the drought, were slightly below those for 1902:—

TOTAL DEPOSITS IN BANKS, STATES AND COMMONWEALTH, 1901 TO 1907.

State.	1901.	1902.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£	£	£
New South Wales ...	33,118,860	34,382,531	33,309,691	33,058,342	35,372,265	39,099,630	41,987,265
Victoria ...	30,991,038	30,839,444	30,719,334	31,188,971	33,642,092	36,764,392	38,393,179
Queensland ...	13,525,489	13,795,737	12,645,725	12,626,184	12,937,859	13,665,110	14,852,584
South Australia ...	6,270,796	6,212,957	6,603,225	6,375,267	6,892,103	7,513,802	8,247,366
Western Australia ...	4,402,519	4,742,579	4,785,839	4,726,158	4,999,650	5,645,701	5,500,112
Tasmania ...	3,178,846	3,462,936	3,693,420	3,573,181	3,649,416	3,826,631	3,737,463
Commonwealth ...	91,487,148	93,436,234	91,757,234	91,548,103	98,143,385	106,515,266	112,697,969

(ii.) *Deposits per Head of Population.* To shew the extent to which the population makes use of the banking facilities afforded to it, a table is given hereunder shewing the amount of total deposits per head of mean population for each of the years 1901 to 1907. The figures must not be taken to shew part of the savings of the people, as a large proportion of the deposits is non-interest-bearing and therefore presumably used in the business of the banks' customers, together with a small part of the interest-bearing deposits:—

DEPOSITS PER HEAD OF POPULATION, STATES AND COMMONWEALTH, 1901 TO 1907.

State.	1901.	1902.	1903.	1904.	1905.	1906.	1907.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
New South Wales ...	24 6 5	24 14 4	23 19 7	22 18 8	24 8 1	25 17 11	27 1 2
Victoria ...	25 14 9	25 9 8	25 8 7	25 17 2	27 15 7	30 1 3	30 0 10
Queensland ...	26 18 8	27 0 5	24 13 3	24 5 6	24 13 6	25 11 10	27 7 9
South Australia ...	17 7 0	17 1 8	18 1 10	17 5 5	18 8 3	19 15 7	21 6 3
Western Australia ...	23 5 11	22 18 2	21 11 2	19 17 2	19 18 0	21 13 0	20 16 3
Tasmania ...	18 10 5	20 0 8	20 17 5	20 1 8	20 10 2	21 10 7	21 2 9
Commonwealth ...	24 2 9	24 4 8	23 10 6	23 3 3	24 8 11	26 1 6	27 2 1

(iii.) *Total Advances.* In the quarterly statements furnished by the banks the column headed "all other debts due to the banks," which averages from 75 to 80 per cent. of the total assets, is made up of such miscellaneous items as bills discounted, promissory notes discounted, overdrafts on personal security, overdrafts secured by deposit of deeds or by mortgage, etc. Under present circumstances it is impossible to separate these items, and the total amounts contained in the column must, therefore, be treated as advances. The following table shews the totals for each State during the years 1901 to 1907 :—

ADVANCES BY BANKS, STATES AND COMMONWEALTH, 1901 TO 1907.

State.	1901.	1902.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£	£	£
New South Wales ...	39,194,344	39,797,960	38,658,565	33,237,755	31,965,017	32,057,102	34,460,993
Victoria ...	30,958,245	30,446,032	29,805,949	29,426,052	28,593,201	29,699,683	31,894,070
Queensland ...	13,568,589	13,633,376	14,082,725	13,974,233	13,590,333	13,850,921	15,076,455
South Australia ...	4,332,730	4,434,031	4,428,983	4,401,991	4,793,936	5,053,184	5,546,346
Western Australia ...	3,117,818	3,276,409	3,633,451	3,955,108	4,172,983	4,635,624	5,140,911
Tasmania ...	2,538,442	2,397,290	2,541,487	2,710,083	2,650,789	2,592,517	2,872,660
Commonwealth ...	93,710,166	93,985,098	93,301,160	87,705,222	85,766,259	87,889,121	94,990,435

(iv.) *Proportion of Advances to Deposits.* The percentage borne by advances to total deposits shews to what extent the needs of one State have to be supplied by the resources of another State, and where the percentage for the Commonwealth as a whole exceeds 100, as it did in 1901, 1902, and 1903, the banks must have supplied the deficiency from their own resources, or from deposits obtained outside the Commonwealth. The figures shew, however, that the banking business of the Commonwealth has been practically self-contained during the period under review :—

PERCENTAGE OF ADVANCES TO TOTAL DEPOSITS, STATES AND
COMMONWEALTH, 1901 TO 1907 :—

State	1901.	1902.	1903.	1904.	1905.	1906.	1907.
	%	%	%	%	%	%	%
New South Wales ...	118.34	115.75	116.06	100.54	88.86	81.99	82.11
Victoria ...	99.89	98.72	97.35	94.35	84.99	80.78	83.07
Queensland ...	100.32	98.82	111.36	110.68	104.64	101.36	101.51
South Australia ...	69.10	71.37	67.07	69.05	69.56	67.25	67.24
Western Australia ...	70.82	69.08	76.97	83.69	83.47	82.11	93.47
Tasmania ...	79.85	69.23	68.81	75.85	72.64	67.75	76.86
Commonwealth ...	102.43	100.59	101.68	95.80	87.39	82.51	84.29

7. *Clearing Houses.* The Sydney Banks' Exchange Settlement and the Melbourne Clearing House, at which two institutions settlements are effected daily between the banks doing business in New South Wales and Victoria respectively, publish figures of the weekly clearances effected. From these figures it appears that in 1907 the total clearances in Sydney amounted to £234,169,822, and in Melbourne to £234,928,727. Owing to the different distribution of the banking business in the two cities these figures do not, however, afford a fair comparison of the volume of banking business transacted in Sydney and Melbourne.

§ 3. Financial Companies.

1. Pastoral Companies.—A number of large companies transact business in the Commonwealth, which in many respects is very nearly akin to ordinary banking business. The liabilities of these companies are, however, represented by paid-up capital and debentures, together with reserve funds, mortgages, and direct and contingent liabilities. In direct liabilities bills payable, accrued interest, and current accounts are included. The companies to which the following figures refer are:—The Australian Estates and Mortgage Company Limited, the Australasian Mortgage and Agency Company Limited, the Australian Mortgage, Land, and Finance Company Limited, Dalgety and Co. Limited, Goldsbrough, Mort and Co. Limited, and the New Zealand Loan and Mercantile Agency Company Limited. The figures refer to the last-published balance-sheets, and are inclusive of New Zealand business:—

ACCOUNTS OF PASTORAL COMPANIES.

Capital paid up	...	...	...	£3,991,009
Debenture indebtedness	...	...	...	12,141,979
All other liabilities	...	...	...	4,785,325
Total	...	...	...	<u>£20,918,313</u>
Advances	...	...	...	<u>£12,582,065</u>
Net profits for the year after paying interest	...	...	...	£583,309
Amount of dividends to shareholders	...	...	...	<u>£170,965</u>

2. Trustees, Executors, and Agency Companies.—Returns are available of seven Victorian, two New South Wales, one Queensland, one South Australian, one Western Australian, and two Tasmanian companies. The paid-up capital of these fourteen companies amounted to £404,422; reserve funds and undivided profits to £211,853; other liabilities, £67,589; total liabilities, £683,864. Among the assets are included:—Deposits with Governments, £162,500; other investments in public securities, fixed deposits, etc., £94,862; loans on mortgage, £142,797; property owned, £170,982; other assets, £112,723. The net profits for the year were £60,881, and the amount of dividends and bonus £31,785. Returns as to the amount at credit of estates represented by assets are only available for eight companies, viz.:—Three Victorian, two New South Wales, one Queensland, one South Australian, and one Tasmanian. They amount to the following large sums:—

Victoria	...	£11,980,363	South Australia	...	£1,825,699
New South Wales	...	8,819,460	Tasmania	...	501,355
Queensland	...	1,563,191	Commonwealth	...	<u>£24,690,068</u>

Probably £6,000,000 would at the least have to be added to this amount for the remaining six companies, so that the total amount is probably not far short of £31,000,000. None of these companies receive deposits, and advances are only made under exceptional circumstances, and to a very limited extent, the total so shewn in the last balance-sheets being only £31,334.

§ 4. Savings Banks.

1. General.—The total number of savings banks, with their branches and agencies, in the Commonwealth, closely approximates to that of banks of issue, and was at the middle of 1907, 1628, distributed as follows:—New South Wales, 624; Victoria, 355; Queensland, 195; South Australia, 163; Western Australia, 123; and Tasmania, 138.

In the following tables the figures for Victoria, Queensland, South Australia and Western Australia refer to financial years ended 30th June, and those of New South Wales

to calendar years ended 31st December next preceding. In the case of Tasmania figures for the two joint-stock savings banks are made up to the last day of February in each year, and those for the Government Savings Bank to the 31st December, except in 1906-7, where they relate to the year ended 30th June.

2. Depositors.—The total number of depositors, *i.e.*, of persons having accounts open, not of those making deposits, in each of the last seven years is shewn in the following table:—

NUMBER OF DEPOSITORS IN SAVINGS BANKS, 1900-1 TO 1906-7.

State.	1900-1.	1901-2.	1902-3.	1903-4.	1904-5.	1905-6.	1906-7.
N.S.W. ...	282,643	306,311	323,212	331,956	355,824	364,039	392,050
Victoria ...	393,026	410,126	418,511	432,867	447,382	466,752	491,318
Queensland ...	81,025	84,685	80,043	80,959	84,165	88,026	92,912
South Australia ...	126,032	132,084	137,147	141,572	146,366	152,487	161,855
West. Australia ...	39,318	45,108	48,008	54,873	59,764	63,573	66,737
Tasmania ...	42,509	44,527	46,451	47,904	49,438	50,731	53,817
Commonwealth	964,553	1,022,841	1,053,372	1,090,131	1,142,939	1,185,608	1,258,689

The subjoined table shews the above figures in relation to the population of the States; it must, of course, be borne in mind that savings bank accounts are not restricted to the adult population, but that it is, on the contrary, a very usual practice to open accounts in the name of children. Even so, the proportion is a large one, amounting to three-tenths of the total population of the Commonwealth, and rising in Victoria to almost two-fifths, and in South Australia to more than two-fifths:—

DEPOSITORS IN SAVINGS BANKS PER THOUSAND OF POPULATION,
1900-1 TO 1906-7.

State.	1900-1.	1901-2.	1902-3.	1903-4.	1904-5.	1905-6.	1906-7.
New South Wales ...	208	223	230	233	244	244	257
Victoria ...	326	339	346	359	369	382	397
Queensland ...	161	166	156	156	160	165	171
South Australia ...	349	363	376	383	391	401	418
Western Australia ...	208	218	216	231	238	244	253
Tasmania ...	246	255	262	267	274	280	304
Commonwealth ...	255	266	271	277	286	291	304

3. Deposits.—The total amount of deposits in the savings banks of the six States reaches the large sum of forty-two million pounds, and would no doubt be even larger if the banks did not restrict interest-bearing deposits to certain limits, generally £200. It must be remembered that though not granting him facilities to draw cheques, the Australian savings banks practically afford the small tradesman all the advantages of a current account, in addition to which they also allow him interest on his minimum monthly balance, instead of charging him a small fee for keeping his account, as the banks of issue do. Moreover, the rule as to the limit of interest-bearing deposits is usually relaxed in the case of friendly societies and similar institutions. The savings banks of four of the States—New South Wales (Government Savings Bank), Victoria, South Australia, and Western Australia—have, for the further benefit of depositors, entered into a reciprocity arrangement, under which money deposited in one State may be drawn out in another State, and even by telegraph.

The table below shews the total amounts at credit of depositors in each of the last seven years :—

DEPOSITS IN SAVINGS BANKS, 1900-1 TO 1906-7.

State.	1900-1.	1901-2.	1902-3.	1903-4.	1904-5.	1905-6.	1906-7.
	£	£	£	£	£	£	£
New South Wales ...	10,961,382	11,808,710	12,425,464	12,344,623	12,982,648	13,963,635	15,320,532
Victoria ...	9,662,006	10,131,604	10,341,857	10,582,808	10,896,741	11,764,179	12,792,590
Queensland ...	3,896,170	4,118,337	3,772,686	3,741,967	3,875,197	4,142,791	4,543,104
South Australia ...	3,795,631	3,988,649	4,187,590	4,217,836	4,398,041	4,764,907	5,320,872
W. Australia ...	1,618,359	1,889,082	1,988,024	2,079,763	2,207,296	2,316,161	2,633,135
Tasmania ...	1,009,097	1,092,047	1,194,157	1,249,760	1,263,542	1,332,516	1,488,066
Commonwealth ...	30,882,645	33,028,420	33,910,378	34,216,757	35,623,465	38,286,219	42,098,289

A comparison between the tables shewing the number of depositors and the amount of deposits reveals the fact that the average amounts to the credit of each depositor are considerably larger in one State than in another; in other words, that in one State a comparatively larger proportion of the population make use of the savings banks, and that the natural result is a smaller amount to the credit of the individual depositor. Within the same State there is little variation in the figures from year to year :—

AVERAGE AMOUNTS PER DEPOSITOR IN AUSTRALIAN SAVINGS BANKS.
1900-1 TO 1906-7.

State.	1900-1.	1901-2.	1902-3.	1903-4.	1904-5.	1905-6.	1906-7.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
New South Wales ...	38 11 5	38 11 0	38 8 10	37 3 9	36 9 9	38 7 2	39 1 7
Victoria ...	24 11 8	24 14 1	24 14 3	24 9 0	24 7 2	25 4 1	26 0 9
Queensland ...	48 1 0	48 12 7	47 2 8	46 4 5	46 0 10	47 1 3	48 17 11
South Australia ...	30 2 4	30 3 11	30 10 8	29 15 10	30 1 0	31 5 3	32 17 6
Western Australia ...	41 3 3	41 17 7	41 8 5	37 18 0	36 18 8	36 8 8	39 9 1
Tasmania ...	23 14 9	24 10 6	25 14 2	26 1 9	25 11 2	26 5 4	27 13 0
Commonwealth ...	32 0 4	32 5 10	32 8 10	31 7 9	31 3 4	32 5 10	33 8 11

The average amount deposited per head of population shews a satisfactory increase during the period under review. In 1900-1 it ranged from £10 10s. in South Australia to £5 16s. 9d. in Tasmania, while in 1906-7 the amount in South Australia had risen to £13 15s., and in Tasmania to £8 8s. 4d. Tasmania's average is now higher than that of Queensland, which, nevertheless, rose from £7 15s. 2d. to £8 7s. 6d. during the seven years. The following table gives the figures for each year :—

SAVINGS BANKS DEPOSITS PER HEAD OF POPULATION, 1900-1 TO 1906-7.

State.	1900-1.	1901-2.	1902-3.	1903-4.	1904-5.	1905-6.	1906-7.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
N.S. Wales ...	8 0 3	8 11 9	8 17 1	8 13 0	8 18 2	9 7 3	10 0 8
Victoria ...	8 0 6	8 7 5	8 11 3	8 15 6	9 0 0	9 12 5	10 6 10
Queensland ...	7 15 2	8 1 4	7 7 2	7 3 11	7 7 3	7 15 2	8 7 6
South Aust. ...	10 10 0	10 19 4	11 9 5	11 8 6	11 15 0	12 11 0	13 15 0
West. Australia	8 11 3	9 2 6	8 19 2	8 14 9	8 15 9	8 17 8	9 19 3
Tasmania ...	5 16 9	6 5 3	6 14 7	6 19 3	7 0 3	7 7 2	8 8 4
C'wealth ...	8 3 0	8 12 0	8 14 5	8 13 8	8 18 1	9 8 1	10 3 8

4. **Annual Business.**—The annual volume of business transacted by the Australian savings banks is very large when compared with the total amount of deposits. This is

mainly due to the fact already pointed out of many accounts being used as convenient current accounts. Thus, during the last year of the period under review, the total amount deposited and withdrawn (exclusive of interest added) amounted to more than 119 per cent. of the total amount of deposits at the end of the previous year, while the amount at credit of depositors (inclusive of interest added) increased by less than 10 per cent. during the same year. In the following table, which shows the business transacted during the year 1906-7, the Tasmanian figures do not agree with those previously shewn, owing to the overlapping explained at the beginning of section 4 :—

TRANSACTIONS* DURING THE YEAR, 1906-7.

State.	Total Deposits at End of Year 1905-6.	Amounts Deposited during Year 1906-7.	Interest Added during Year 1906-7.	Total.	Amounts Withdrawn during Year 1906-7.	Total Deposits at End of Year 1906-7.
	£	£	£	£	£	£
N.S. Wales	13,963,635	7,770,136	446,432	22,180,203	6,859,671	15,320,532
Victoria	11,764,179	8,553,711	310,935	20,628,825	7,836,235	12,792,590
Queensland	4,142,791	2,144,060	113,984	6,400,835	1,857,731	4,543,104
South Australia	4,766,907	2,872,517	147,157	7,786,581	2,465,709	5,320,872
West. Australia	2,316,161	1,962,554	67,627	4,346,342	1,713,207	2,633,135
Tasmania	1,332,546	827,137	45,706	2,205,389	742,251	*1,463,138
Commonwealth	38,286,219	24,130,115	1,131,841	63,548,175	21,474,804	*42,073,371

* Figures for 30th June, 1907, are £1,438,056 and £42,093,239 respectively, as shewn in a previous table.

§ 5. Life Assurance.

1. **General.**—Under section 51 of the Commonwealth Constitution Act, the Commonwealth Parliament is empowered to legislate in regard to “insurance, other than State insurance; also State insurance extending beyond the limits of the State concerned.” With the exception of Act No. 12 of 1905, “an Act relating to assurance on the lives of children by life assurance companies or societies,” no legislation relating to insurance has been passed by the Commonwealth Parliament, and life assurance companies carry on their business under State laws where such laws are in existence, or otherwise under the provisions of various companies or special Acts. Thus, *e.g.*, in New South Wales no law exists compelling life assurance societies to make returns of their business within the State, and New South Wales statistics refer, therefore, to the whole business of the societies established there.

Pending Commonwealth legislation no attempt has been made to directly collect any returns from life assurance societies, and the figures given in this paragraph are, therefore, taken from returns obtained by the various State offices.

2. **Companies Transacting Business in the Commonwealth.**—The total number of companies at present established in the Commonwealth is twenty, of which the following eight have their head offices in New South Wales:—The Australian Mutual Provident Society, the Mutual Life Association of Australasia, the City Mutual Life Assurance Society Limited, the Citizens’ Life Assurance Company Limited, the Standard Life Association Limited, the Australian Metropolitan Life Assurance Company Limited, the People’s Prudential Assurance Company Limited, and the Phoenix Mutual Provident Society Limited. Six companies have their head offices in Victoria, *viz.*—The Australian Alliance Assurance Company, the National Mutual Life Association of Australasia Limited, the Australian Widows’ Fund Life Assurance Society Limited, the

Victoria Insurance Company Limited, the Colonial Mutual Life Assurance Society Limited, and the Australasian Temperance and General Mutual Life Assurance Society Limited. The head office of the Provident Life Assurance Company is in New Zealand, and that of the Liverpool and London and Globe Insurance Company in England. The Independent Order of Foresters is a Canadian institution, while the remaining three societies belong to the United States, viz.—The Equitable Life Insurance Society of the United States, the Mutual Life Insurance Company of New York, and the New York Life Insurance Company.

Most of the Australian companies are purely mutual; the Victoria (which takes no new life business), the Australian Alliance (which transacts mainly business other than life), and the Citizens' are the only companies which are partly proprietary, the shareholders' capital amounting to £40,000, £125,000, and £20,000 respectively.

3. Ordinary and Industrial Business.—Of the societies enumerated in the preceding paragraph the following six transact both ordinary and industrial business:—The Australian Mutual Provident Society, the Citizens' Life Assurance Company Limited, the Australian Temperance and General Mutual Life Assurance Society Limited, the Standard Life Association Limited, the Provident Life Assurance Company, and the Australian Metropolitan Life Assurance Company Limited.

The People's Prudential Assurance Company Limited and the Phoenix Mutual Provident Society Limited restrict their operations to industrial business, the former in addition having a medical benefit branch.

The remaining twelve societies transact ordinary life assurance business only.

It has been attempted in this section to keep returns relating to ordinary and to industrial business apart, so far as it is possible to do so, and figures relating to companies whose head offices are in Europe or America refer to the Australasian business of those companies only.

4. Ordinary Business: Australasian Business in Force, 1906.—The subjoined table shews the ordinary life business in force at the latest dates available in the eighteen societies conducting operations in the Commonwealth and in New Zealand:—

ORDINARY LIFE ASSURANCE.—AUSTRALASIAN BUSINESS IN FORCE, 1906.

Society.	Policies in force, exclusive of Annuities.	Amount Assured, exclusive of Bonus Addition, etc.	Bonus Additions.	Total.	Annual Premium Income.
	No.	£	£	£	£
Australian Mutual Provident Society ...	203,809	56,721,512	11,436,823	68,158,335	1,561,059
Mutual Life Association of Australasia ...	24,480	5,953,312	332,436	6,285,748	210,056
City Mutual Life Assurance Society ...	12,825	1,621,332	61,641	1,682,973	55,251
Citizens' Life Assurance Company ...	43,298	6,016,333	234,495	6,300,823	229,153
Standard Life Association ...	3,847	476,842	2,150	478,972	20,895
Australian Metropolitan Life Assurance Co. ...	1,548	130,404	1,139	131,543	6,173
People's Prudential Assurance Company ...	1,584	75,784	—	75,784	4,128
Australian Alliance Assurance Company ...	823	290,108	26,948	317,056	8,526
National Mutual Life Association of Australasia ...	61,189	13,641,124	893,813	14,534,937	411,311
Australian Widows' Fund Life Assurance Socy. ...	25,302	5,352,368	431,397	5,783,765	193,633
Victoria Insurance Company ...	†	†	†	†	†
Colonial Mutual Life Assurance Society ...	21,346	4,747,151	290,898	5,038,049	158,804
Aust. Temperance & General Mut. Life Ass. Socy. ...	13,341	2,158,767	47,342	2,206,109	80,115
Liverpool and London and Globe Insurance Co. ...	904	373,558	†	†	9,981
Independent Order of Foresters ...	1,448	246,700	—	246,700	4,677
Equitable Life Assurance Socy. of United States ...	12,534	4,660,017	†	†	187,000
Mutual Life Insurance Company of New York ...	5,305	2,169,155	†	†	83,403
New York Life Insurance Company ...	8,261	3,175,444	†	†	124,740

* Included in previous column. † Returns not available.

5. **Industrial Business: Australasian Business in Force, 1906.**—Similar information in regard to the industrial business of the eight societies devoting themselves to that business is given in the following table :—

INDUSTRIAL LIFE ASSURANCE.—AUSTRALASIAN BUSINESS IN
FORCE, 1906.

Society.	Policies in Force.	Amount Assured.	Annual Premium Income.
	No.	£	£
Australian Mutual Provident Society	16,318	432,623	25,981
Citizens' Life Assurance Company	196,859	3,936,562	181,208
Standard Life Association	19,379	537,309	25,356
Australian Metropolitan Life Assurance Company	11,966	404,963	18,153
People's Prudential Assurance Company	4,682	103,211	13,731
Phoenix Mutual Provident Society	442	18,516	3,473
Aust. Temperance and General Mutual Life Ass. Society	94,563	1,812,702	118,678
Provident Life Assurance Company	2,074	55,695	2,871

6. **Receipts and Expenditure of Australasian Societies, 1906.**—(i.) *Ordinary Business.* The following returns refer only to those companies whose head offices are in the Commonwealth and in New Zealand. In the case of the Australian Metropolitan Life Assurance Company and the People's Prudential Assurance Company, whose accounts do not distinguish between revenue and expenditure on account of ordinary and industrial business, a division has been made in accordance with the experience of other companies :—

ORDINARY LIFE ASSURANCE.—RECEIPTS AND EXPENDITURE, 1906.

Society.	Receipts.	Expenditure.	Excess Receipts (Addition to Funds).
	£	£	£
Australian Mutual Provident Society	2,932,755	1,942,009	990,746
Mutual Life Association of Australasia	333,672	226,064	107,608
City Mutual Life Assurance Society	77,473	53,226	24,247
Citizens' Life Assurance Company	278,714	97,529	181,185
Standard Life Association	18,745	14,371	4,374
Australian Metropolitan Life Assurance Company	*5,000	*3,500	*1,500
People's Prudential Assurance Company	*4,000	*2,500	*1,500
Australian Alliance Assurance Company	58,023	38,239	19,784
National Mutual Life Association of Australasia	823,789	541,569	282,220
Australian Widows' Fund Life Assurance Society	262,620	219,806	42,814
Victoria Insurance Company	12,270	14,733	†— 2,463
Colonial Mutual Life Assurance Society	466,326	474,841	†— 8,515
Aust. Temperance & General Mutual Life Ass. Socy.	98,667	59,951	38,716
Total	5,372,054	3,688,338	1,683,716

* Approximate.

† Decrease.

(ii.) *Industrial Business.* A similar return for those societies which transact industrial business is given below. The figures given for the Metropolitan and the Prudential, added to those given above, make up the correct totals for both kinds of business returned by these societies, viz.:—Metropolitan—Receipts, £21,048; expenditure, £18,567; surplus, £2481; and Prudential—Receipts, £15,919; expenditure, £13,693; surplus, £2226:—

INDUSTRIAL LIFE ASSURANCE.—RECEIPTS AND EXPENDITURE.

1906.

Society.	Receipts.	Expenditure.	Excess Receipts (Addition to Funds)
	£	£	£
Australian Mutual Provident Society	25,351	24,281	1,070
Citizens' Life Assurance Company	205,910	122,857	83,053
Standard Life Association	24,365	21,217	3,148
Australian Metropolitan Life Assurance Company	*16,048	*15,067	*981
People's Prudential Assurance Company	*11,919	*11,193	*726
Phoenix Mutual Provident Society	†	†	†
Aust. Temperance & General Mutual Life Ass. Soc.	118,434	75,278	43,156
Provident Life Assurance Company	18,350	14,492	3,858
Total	420,377	284,385	135,992

* Approximate. † Returns not available.

7. Expenses of Management of Australasian Societies, 1906.—(i.) *Ordinary Business.* In the following table the expenses of management of the several Australasian societies transacting ordinary life business are shewn, together with the proportion these expenses bear to premium income and to gross receipts. The Australian Metropolitan and the People's Prudential companies are included amongst the industrial companies in a subsequent table, as these two companies transact mainly industrial business, and as their returns include both ordinary and industrial business :—

ORDINARY LIFE ASSURANCE.—EXPENSES OF MANAGEMENT.

1906.

Society.	Expenses of Management.	Proportion to Premium Receipts.	Proportion to Gross Receipts.
	£	%	%
Australian Mutual Provident Society... ..	259,769	13.81	8.85
Mutual Life Association of Australasia	60,069	25.21	18.05
City Mutual Life Assurance Society	18,667	31.33	24.09
Citizens' Life Assurance Company	34,866	15.41	12.51
Standard Life Association	12,885	71.63	68.74
Australian Alliance Assurance Company	2,440	32.62	4.20
National Mutual Life Association of Australasia	144,452	24.88	17.53
Australian Widows' Fund Life Assurance Society	25,637	13.92	3.76
Victoria Insurance Company	1,540	...	12.55
Colonial Mutual Life Assurance Society	102,387	29.41	21.96
Australasian Temperance and General Mut. Life Ass. Soc.	20,776	25.65	21.06

(ii.) *Industrial Business.* The Australasian assurance societies have, in common with assurance societies elsewhere, made the experience that industrial business is much more expensive than ordinary business. This is, of course, principally due to the great expenses in connection with collection and commission. The subjoined table shews particulars so far as they are available :—

INDUSTRIAL LIFE ASSURANCE.—EXPENSES OF MANAGEMENT, 1906.

Society.	Expenses of Manage- ment.	Proportion to Premium Receipts.	Proportion to Gross Receipts.
	£	%	%
Australian Mutual Provident Society ...	23,571	126.93	92.97
Citizens' Life Assurance Company ...	69,441	38.55	33.72
Standard Life Association ...	14,192	60.37	58.24
Australian Metropolitan Life Assurance Company* ...	12,342	61.57	58.63
People's Prudential Assurance Company* ...	7,163	46.67	44.99
Phoenix Mutual Provident Society ...	†	†	†
Aust. Temperance & General Mutual Life Ass. Socy.	58,584	51.92	49.47
Provident Life Assurance Company ...	10,272	58.93	55.98

* Including ordinary business.

† Returns not available.

8. **Liabilities and Assets of Australasian Societies, 1906.**—The liabilities of the Australasian societies consist mainly of their assurance funds; as already mentioned, only three of the societies are partly proprietary, viz., the Citizens', with a paid-up capital of £20,000; the Australian Alliance, with a paid-up capital of £125,000; and the Victoria, with a paid-up capital of £40,000. In the following table these amounts are included with the assurance funds. The assets consist mainly in loans on mortgage and policies, in Government, municipal, and similar securities, shares, freehold property, etc.:—

(i.) *Ordinary Business.* The following table shows the liabilities and assets of the Australasian societies transacting ordinary life business:—

ORDINARY LIFE ASSURANCE.—LIABILITIES AND ASSETS, 1906.

Society.	Liabilities.			Assets.		
	Total Funds including Paid-up Capital.	Other Liabilities.	Total.	Loans on Mortgages and Policies.	Securities, Freehold Property, etc.	Total.
	£	£	£	£	£	£
Australian Mutual Provident Society*	22,748,403	34,910	22,783,313	16,181,236	6,602,077	22,783,313
Mutual Life Association of Australasia ...	2,088,218	119	2,088,337	1,213,155	875,182	2,088,337
City Mutual Life Assurance Society ...	324,296	95	324,391	203,350	121,041	324,391
Citizens' Life Assurance Company ...	1,247,764	13	1,247,777	414,761	833,016	1,247,777
Standard Life Association ...	21,035	1,067	22,102	765	21,337	22,102
Australasian Alliance Assurance Company†	416,551	906	417,457	262,459	154,998	417,457
National Mut. Life Assoc. of Australasia	4,626,135	20,204	4,646,339	3,011,645	1,634,691	4,646,339
Aust. Widows' Fund Life Assur. Society ...	1,774,644	11,425	1,786,069	1,283,599	502,670	1,786,069
Victoria Insurance Company ...	223,807	40,271	270,078	120,739	149,339	270,078
Colonial Mutual Life Assurance Society ...	2,993,059	307	2,993,366	1,593,836	1,399,530	2,993,366
Aust. Temp. & Gen. Mut. Life Assur. Socy	566,035	941	566,976	207,609	359,367	566,976
Total ...	37,029,947	116,258	37,146,205	24,493,017	12,653,188	37,146,205

* Including industrial business. As the business of these two societies is mainly ordinary life business they have been included in this table. † Including fire, marine, and guarantee branches, which cannot be separated.

(ii.) *Industrial Business.* As stated in the footnote to the preceding table, the Australian Mutual Provident Society and the Australasian Temperance and General Mutual Life Assurance Society, which transact a certain amount of industrial business, but whose business is mainly ordinary life business, have been included with those societies doing only ordinary life business. On the other hand, the Australian Metropolitan Life Assur-

ance Company, and the People's Prudential Assurance Company, in whose case industrial business greatly predominates over ordinary life business, have been included in the following table:—

INDUSTRIAL LIFE ASSURANCE.—LIABILITIES AND ASSETS, 1906.

Society.	Liabilities.			Assets.		
	Total Funds, including Paid-up Capital.	Other Liabilities.	Total.	Loans on Mortgages and Policies.	Securities, Freehold Property, etc.	Total.
	£	£	£	£	£	£
Citizens' Life Assurance Company...	563,048	6,686	569,734	228,817	340,917	569,734
Standard Life Association ...	29,676	382	30,058	1,540	28,518	30,058
Australian Metropolitan Life Assurance Co*	31,461	10,698	42,159	869	41,290	42,159
People's Prudential Assurance Company...	17,015	215	17,230	6,049	11,181	17,230
Phoenix Mutual Provident Society...	†	†	†	†	†	†
Provident Life Assurance Company	37,926	277	38,203	9,098	29,105	38,203
Total ...	679,126	18,258	697,384	246,373	451,011	697,384

* Including ordinary business. † Returns not available.

§ 6. Other Insurance.

1. **General.**—Returns as to fire insurance are very defective, and only for Sydney and Melbourne and the country districts of Victoria have some figures been given which are worth reproducing.

2. **Sydney.**—Under the Fire Brigades Act 1902 the cost of the Metropolitan Fire Brigade is defrayed by equal payments on the part of the Colonial Treasurer, the municipal councils within the area under the jurisdiction of the Fire Brigades Board, and the insurance companies represented in Sydney. The companies divide their share proportionately to the amount held at risk. Under this arrangement the amount payable by the companies for the year 1907 was £15,700, divided amongst fifty-nine companies, of which not more than five had their head office in Sydney. The amounts thus held at risk at the close of the last three years for which returns are available were, in 1904, £75,147,807; in 1905, £78,108,749; and in 1906, £81,364,129. As the total capital value of all ratable property in Sydney and suburbs is about £101,000,000, and the unimproved value £40,000,000, the value of buildings and other improvements on ratable property amounts to £61,000,000, and it appears, therefore, that in addition to the value of buildings, represented by this £61,000,000, furniture, stocks in warehouses, machinery, etc., must be insured for about £20,000,000.

3. **Melbourne.**—In Melbourne the Metropolitan Fire Brigades Board assesses the amount payable by the insurance companies on the amount of premiums returned. These premiums for the last three years were, in 1904, £284,688; in 1905, £296,138; and in 1906, £304,123. The contributions paid by the companies in 1904 and 1905 were £12,679 and £13,268 respectively, or £4 9s. 1d. and £4 9s. 8d. for every £100 of premiums received.

The annual value of ratable property during the last three years was £4,634,618, £4,701,008, and £4,784,392 respectively, and the amounts contributed by the municipalities—as in the case of the insurance companies, one-third of the amount required by the Fire Brigades Board, the remaining one-third being contributed by the State Treasurer—were equal to 0.65d., 0.65d., and 0.67d. per £1 of ratable value. In addition to this contribution insurance companies doing business in Victoria have to take out an annual license at a cost of 1½ per cent. of their gross premium income, which is probably equal to about 1½ per cent. on net income.

4. **Country Districts of Victoria.**—The country districts are divided into nine areas for fire insurance purposes, and the contributions to be paid vary in these areas according to the actual requirements of the Country Fire Brigades Board. The annual values of ratable property were returned as follows:—In 1904, £1,361,038; in 1905, £1,393,770; and in 1906, £1,400,568. The premium income of the insurance companies from country business during the same three years was £143,396, £145,056, and £150,079 respectively. For the year 1906 the companies were required to contribute £3690 on the above amount of £150,079, equal to about £2 9s. 2d. per £100 of premium income.

5. **Brisbane.**—A similar arrangement holds good in Brisbane, under which the cost of the Fire Brigade Board, amounting in 1906 to a total of £5786, is paid in equal shares by the Government, the Brisbane City Council, and the insurance companies.

6. **Australian Insurance Business.**—Returns are available shewing the revenue and expenditure, assets and liabilities, and investments, of sixteen Insurance companies, having their head offices either in the Commonwealth or in New Zealand. These companies are:—(a) with head-office in Sydney—the Australian Mutual Fire Insurance Company, the City Mutual Fire Insurance Company, the Mercantile Mutual Fire Insurance Company, the North Queensland Insurance Company Limited, and the United Insurance Company; (b) with head-office in Melbourne—the Australian Alliance Assurance Company, the Colonial Mutual Fire Insurance Company, the Commonwealth Insurance Company Limited, the Victoria Insurance Company, and the Victoria General Insurance and Guarantee Company Limited; (c) with head-office in Hobart—the Derwent and Tamar Fire and Marine Assurance Company Limited; (d) with head-office in Launceston—the Mutual Fire Insurance Company of Tasmania; (e) with head-office in Auckland—the New Zealand Insurance Company, and the South British Fire and Marine Insurance Company of New Zealand; and (f) with head-office in Dunedin—the National Fire and Marine Insurance Company of New Zealand, and the Standard Fire and Marine Insurance Company of New Zealand. As their names imply, the majority of these companies transact marine insurance and in some cases guarantee and other business in addition to fire insurance business, and the returns relating to the latter cannot be separated from the former.

The accounts cover two periods of one year, the second year ending at various dates from 30th August, 1906, to 30th June, 1907. The figures for the first year are put in brackets.

The premiums, less re-insurances and returns, amounted to £1,656,173 (£1,461,671); losses were £1,158,819 (£811,954). Particularly in the case of one of the New Zealand companies some heavy losses were experienced in connection with the earthquake and fire in San Francisco. Expenses and commission came to £499,411 (£470,488), and there was, therefore, a loss on trade operations of £2157 (profit, £179,229). As, however, interest, rent, fees, etc., amounted to £132,589 (£124,526), the total profit was £130,432 (£303,755). Dividends and bonuses came to £168,782 (£158,582). The ratio to premium income of losses was, therefore, 69.97 per cent. (55.55 per cent.), ranging from 23.26 per cent. to 111.91 per cent.; and of expenses and commissions, 30.16 per cent. (32.19 per cent.). The resulting loss ratio was 0.13 per cent. (ratio of trade surplus to premium income, 12.26 per cent.).

The paid-up capital of the sixteen companies was £1,261,597 (£1,160,262); reserve and reinsurance funds, £1,733,605 (£1,716,960); undivided profits, £170,581 (£194,410). The total paid-up capital and reserves were, therefore, £3,165,783 (£3,071,632). In addition to these liabilities there were others, viz.:—Unsettled losses, £243,763 (£181,914); sundry creditors, £134,582 (£112,383); dividend to pay, £119,283 (£108,050); and, in the case of one company, a life assurance fund, £242,013 (£209,814), thus bringing the total liabilities to shareholders and to the general public up to £3,905,424 (£3,683,796).

The corresponding amount of assets is made up of investments, £3,389,058 (£3,225,148), viz.:—Loans on mortgage, £814,198 (£799,144); Government securities, debentures, shares, etc., £954,985 (£795,462); landed and other property, including furniture, £669,556 (£673,470); fixed deposits, £582,589 (£584,897); in the case of one

company doing a mixed business—loans on its own life policies, etc., £21,945 (£22,810); other investments, £345,785 (£349,365). The balance of assets consisted of cash in bank, on hand, and bills receivable, £173,339 (£181,363); and sundry debtors, etc., £343,027 (£277,285).

The financial position of the companies is undoubtedly a strong one, owing to the steady accumulation of reserves, and the high ratio (191 per cent.) borne by capital and reserves to premium income must be a cause of satisfaction to policyholders. If it were not for the losses in connection with the San Francisco disaster, stated at £285,695.. experienced by one company, the aggregate results for the year would compare very favourably with those for previous years, the net premium income having increased by £194,502 during the year, and ordinary losses by only £61,170.

§ 7. Friendly Societies.

1. **General.**—Friendly societies are an important factor in the social life of the community, as probably nearly one-third of the total population of the Commonwealth comes either directly or indirectly under their influence. Their total membership is about 340,000, but as certain benefits, such as medical attendance and free medicine.. and in many cases funeral expenses, are granted to members' families as well as to members themselves, this figure must, even when due allowance is made for young and unmarried members, be multiplied by four at the least to arrive at the total number of persons more or less connected with these societies. Legislation has conferred certain privileges on friendly societies, but, on the other hand, it insists on their registration.. and it is the duty of the Registrars in the various States, prior to registering a new society, to see that its rules are conformable to the law, and that the scale of contributions is sufficiently high to enable the promised benefits to be conferred on members.. Societies are obliged to forward annual returns as to their membership and their finances to the Registrar, and elaborate reports are published in most of the States dealing with the returns thus received.

In the following tables the figures for New South Wales, Victoria, Queensland, and Western Australia refer to the year 1906, and those for Tasmania to the year 1905. In South Australia a quinquennial report is published, the last one embracing the years 1900 to 1904. From this report averages have been taken, which may be assumed to approximately refer to the year 1904.

2. **Number of Societies, Lodges, and Members.**—The total number of societies registered in New South Wales is 45; in Victoria, 26; in Queensland, 21; in South Australia, 17; in Western Australia, 16; and in Tasmania, 16. No total is given of these figures for the Commonwealth, as the societies shown in one State are in most cases represented in all the other States. The number of different lodges, the total number of benefit members at the end of the year, and their average number during the year are shown in the following table:—

NUMBER OF LODGES AND MEMBERS, 31ST DECEMBER, 1906.*

State.	Number of Lodges.	Members at End of Year.	Average No. of Members during Year..
New South Wales	1,299	106,220	103,841
Victoria	1,351	116,562	114,059
Queensland	416	33,717	32,950
South Australia	493	49,241	45,327
Western Australia	237	14,630	14,278
Tasmania	152	17,035	15,507
Commonwealth	3,948	337,405	326,025

* See, however, paragraph 1.

The number of honorary members is stated as 753 in Western Australia, and as 494 in Tasmania, and the latter State returns the number of registered wives as 7969; in the remaining States these particulars were not registered.

3. Sickness and Death.—Sick pay is generally granted for a number of months at full rates, then for a period at half rates, and in some societies is finally reduced to quarter rates. The following table shews the total number of members who received sick pay during the year, the number of weeks for which they received pay in the aggregate, and the average per member sick, and further the number of benefit members who died during the year, together with the proportion of deaths per thousand average members :—

SICKNESS AND DEATH, 1906.*

State.	Number of Members who received Sick Pay.	Total Number of weeks Sick Pay granted.	Average Num- of weeks per Member sick.	Deaths of Benefit Members.	Proportion of Deaths to 1000 average Benefit Members.
New South Wales	18,660	105,437	5.65	735	7.08
Victoria ...	22,394	185,537	8.29	1,052	9.22
Queensland ...	6,202	32,552	5.25	219	6.65
South Australia ...	8,612	78,379	9.10	488	10.77
Western Australia	1,756	8,982	5.08	88	6.16
Tasmania ...	3,176	17,600	5.54	120	7.71
Commonwealth	60,800	428,487	7.05	2,702	8.29

* See, however, paragraph 1.

Deaths of registered wives are returned for Victoria as 424; for Queensland as 103; and for Western Australia as 31.

4. Revenue and Expenditure.—The financial returns are not made up in the same way in each State, but an attempt has been made in the subjoined table to group the revenue under the main headings :—

REVENUE, 1906.*

State.	Entrance Fees.†	Members' Contributions.	Levies.	Interest, Dividends, and Rents.	All other Income.	Total Revenue.
	£	£	£	£	£	£
New South Wales	1,958	298,375	—	38,385	72,092	410,810
Victoria ...	4,136	335,719	—	64,752	31,554	436,161
Queensland ...	†	110,030	†	§	13,534	123,564
South Australia ...	||	||	||	||	||	||
Western Australia	1,745	34,938	346	5,322	27,774	70,125
Tasmania ...	†	52,035	†	4,993	7,591	64,619
Commonwealth††	‡	839,282	‡	§	265,997	1,105,279

* See, however, paragraph 1. † Including fees for registration of wives. ‡ Included under "Members' contributions." § Included under "All other income." | Returns not available. ¶ Exclusive of South Australia.

The returns relating to expenditure are more complete than those relating to revenue, and can be shewn in full for every State with the exception of South Australia :—

EXPENDITURE, 1906.*

State.	Sick Pay.	Medical Attendance and Medicine.	Sums Paid at Death of Members & Members' Wives.	Administration.	All other Expenditure.	Total Expenditure.
	£	£	£	£	£	£
New South Wales	84,189	90,698	23,871	42,528	70,442	311,728
Victoria ...	124,360	120,654	25,938	60,056	23,362	354,370
Queensland ...	24,729	38,774	8,520	17,606	—	89,629
South Australia ...	43,444	24,688	20,947	r	†	†
Western Australia	7,715	12,548	1,807	10,044	27,028	59,142
Tasmania ...	14,491	14,727	5,943	7,017	12,876	55,054
Commonwealth	298,928	302,089	87,026	137,251†	133,708†	869,923†

* See, however, paragraph 1. † Returns not available. ‡ Exclusive of South Australia.

It appears from the above figures that sick pay averaged nearly fourteen shillings per week, but, as the returns include pay at half and quarter rates, and as the proportion of these to full rates is not stated, the average given must be taken for what it is worth. Medical attendance and medicine came to eighteen shillings and sixpence per average benefit member, or to nearly £5 per member who received sick pay during the year. Funeral expenses averaged £26 14s. per member and members' wives who died during the year, but this average also must be taken for what it is worth, as the funeral expenses allowed in the case of the death of a member are generally much higher than those allowed in the case of the death of a member's wife.

5. **Funds.**—The two foregoing tables shew that in five States the surplus of revenue over expenditure amounted to £235,356 for the year, and a small surplus must, of course, result annually in every society which levies adequate contributions to enable it to meet all possible claims. These accumulations of profits are generally invested, and the subjoined table shews for four out of the six States the division into invested and uninvested funds, and in the case of South Australia and Tasmania the total amount of funds :—

FUNDS, 31ST DECEMBER, 1906.*

State.	Invested Funds.	Uninvested Funds.	Total Funds.
	£	£	£
New South Wales ...	1,008,684	61,291	1,069,975
Victoria ...	1,633,838	74,508	1,708,346
Queensland ...	369,807	22,516	392,323
South Australia ...	†	†	676,040
Western Australia ...	92,845	10,475	103,320
Tasmania...	†	†	143,577
Commonwealth ...	†3,105,174	†168,790	4,093,581

* See, however, paragraph 1. † Returns not available. ‡ Exclusive of South Australia and Tasmania.

The total funds amounted, therefore, to £12 2s. 8d. per member at the close of the year under review.