

CHAPTER XX.

PRIVATE FINANCE.

A. CURRENCY.

§ 1. General.

The Australian monetary system is based on the British system, of which the unit is the pound (£) divided into 20 shillings (s.) each of 12 pence (d.). When the Australian currency was introduced in 1909 the Australian pound was specified as equivalent to 123.27447 grains of gold $11\frac{1}{2}$ ths fine or 113.002 grains of fine gold and, until the depression in 1930, was identical with the pound sterling. There was a gradual depreciation of the Australian pound in terms of sterling from the beginning of 1930 until 3rd December, 1931, when it was stabilized at the rate of £125 Australian = £100 sterling. This relationship has been maintained until the present time. Following the depreciation, no action was taken to define the value of the Australian pound in terms of gold until 5th August, 1947, when the Australian Government advised the International Monetary Fund, in terms of the membership agreement, that the par value of the Australian pound was 2.86507 grammes (44.2148 grains) of fine gold. From 18th September, 1949, this was reduced to 1.99062 grammes (30.720 grains) of fine gold.

When the Commonwealth was established in 1901, the currency in Australia consisted of United Kingdom gold, silver and bronze coins, notes issued by the banks, and Queensland Treasury notes. Queensland Treasury notes were in circulation in Queensland only, having superseded bank notes in that State after the 1893 crisis. Under the Commonwealth Constitution, the control of currency, coinage and legal tender and the issue of paper money was vested in the Commonwealth. The Commonwealth assumed these powers by enacting the Coinage Act 1909 and the Australian Notes Act 1910.

Australian notes are legal tender in Australia for any amount. Australian silver coins are legal tender for any amount not exceeding forty shillings and Australian bronze coins are legal tender for any amount not exceeding one shilling.

§ 2. Coinage.

1. Coins in Circulation.—Brief historical notes relating to the Australian Coinage are given in Official Year Book No. 37, pp. 557 and 558. For weight, metal, composition, etc., of Australian coins in circulation see Official Year Book No. 39, p. 697.

The silver coins issued prior to July, 1947, have a millesimal fineness of 925 (thirty-seven fortieths silver and three fortieths copper) and those issued since 1st July, 1947 (dated 1946 and later) have a millesimal fineness of 500 (one-half silver and one-half other metals).

From 1910 to 1916, Australian coins were minted in England by the Royal Mint, London, and the Mint, Birmingham Ltd., and in 1916 and 1917 by the Indian Mints. The minting of Australian coins was undertaken by the Australian Mints in 1916 and coins have been minted at the Melbourne branch of the Royal Mint from 1916 to the present time, at the Sydney branch from 1919 until that Mint closed in 1926 and at the Perth branch in 1922 and since 1940.

During the 1939–45 War, the two Australian mints were unable to meet the demand for Australian coins and some coins were minted in the United States of America and India. In 1951–52 and 1952–53, some coins were minted at the Royal Mint, London, to meet the heavy demand for coins. Details of Australian coins obtained from each mint to 30th June, 1957, are as follows :—Melbourne, £40,849,000 ; Perth, £1,345,000 ; Sydney, £488,000 ; United Kingdom Mints, £3,016,000 ; United States Mints, £6,000,000 ; Indian Mints, £169,000 ; Total, £51,867,000.

2. Issues of Australian Coins.—The net issues of Australian silver and bronze coin from 1910 to 30th June, 1957 were :—Crown (5s.), £276,000 ; Florin (2s.), £17,777,000 ; Shilling (1s.), £7,051,000 ; Sixpence (6d.), £4,801,000 ; Threepence (3d.), £5,568,000 ; Total silver coin, £35,416,000 ; Penny (1d.), £2,228,000 ; Half-penny ($\frac{1}{2}$ d.), £706,000 ; Total bronze coin, £2,934,000. Except in the total no allowance has been made for £57,000 worth of damaged silver coin, for which denominations are not available, withdrawn since 1910.

3. **Profits on Coinage of Silver and Bronze.**—Australian silver and bronze coins are token coins and, as the face value of the coins is greater than the value of the bullion they contain, a profit is made from their issue. This profit forms part of the Commonwealth Consolidated Revenue. In the following table, details are given of the value of coins issued, the cost of bullion, the cost of minting and sundry expenses connected with the issue, and the profits made on the issue of coins during the years 1938–39 and 1952–53 to 1956–57.

AUSTRALIAN SILVER AND BRONZE COINS : PROFITS FROM ISSUE.

(£.)

Year.	Coin Issued.	Cost of Bullion.	Gross Profit.	Cost of Minting and Sundry Charges.	Net Profit.
SILVER COIN.					
1938–39	219,600	81,314	138,286	18,459	119,827
1952–53	1,709,600	971,471	738,129	180,608	557,521
1953–54	2,469,400	1,381,027	1,088,373	233,151	855,222
1954–55	2,127,800	1,187,041	940,759	172,552	768,207
1955–56	915,900	514,848	401,052	95,770	305,282
1956–57	5,646,915	4,815,693	831,222	245,241	585,981
BRONZE COIN.					
1938–39	41,800	7,838	33,962	26,025	7,937
1952–53	327,620	413,263	— 85,643	161,640	— 247,283
1953–54	61,368	71,421	— 10,053	94,963	— 105,016
1954–55	14,616	12,665	1,951	45,590	— 43,639
1955–56	174,889	163,393	11,496	117,347	— 105,851
1956–57	51,560	61,957	— 10,397	58,788	— 69,185
TOTAL.					
1938–39	261,400	89,152	172,248	44,484	127,764
1952–53	2,037,220	1,384,734	652,486	342,248	310,238
1953–54	2,530,768	1,452,448	1,078,320	328,114	750,206
1954–55	2,142,416	1,199,706	942,710	218,142	724,568
1955–56	1,090,789	678,241	412,548	213,117	199,431
1956–57	5,698,475	4,877,650	820,825	304,029	516,796

NOTE.—Minus sign (—) denotes a loss.

4. **Australian Mints.**—(i) *General.* Soon after the discovery of gold in Australia, a branch of the Royal Mint was established in Sydney. The formal opening took place on 14th May, 1855. The Melbourne branch was opened on 12th June, 1872, and the Perth Branch on 20th June, 1899. The States of New South Wales, Victoria and Western Australia provided an annual endowment in return for which the mint receipts were paid to the respective State Treasuries. Owing to losses incurred in its operations, the Sydney branch was closed at the end of 1926.

Since their establishment, the Australian branches of the Royal Mint have been primarily concerned with the refining of gold, minting of Imperial gold coins and the production of bars and ingots of gold bullion for export. The minting of Imperial gold coins was discontinued in September, 1931. In 1916, the Melbourne branch took over the minting of Australian silver and bronze coins from the Royal Mint, London. Australian coins were also minted at the Sydney Mint from 1919 to 1926 and at the Perth Mint in 1922 and from 1940 to the present time. The Melbourne branch has also minted token coins for the Territory of New Guinea and for New Zealand.

(ii) *Gold Receipts and Issues.* (a) *Receipts.* The receipts of gold at Australian mints during 1956 amounted to 965,734 fine ounces (Melbourne, 149,152 fine ounces ; Perth, 816,582 fine ounces).

(b) *Issues.* The Australian mints issue gold bullion for the use of local manufacturers (jewellers, dentists, etc.) and for export. Since September, 1931, when the United Kingdom departed from the gold standard, the minting and issue of gold coins by Australian mints has ceased. Australian exports of gold are mainly in the form of 400-oz. ingots, but in earlier years a considerable amount of gold was shipped to India in 10-oz. bars. Since early in the 1939-45 War, all gold has been acquired by the Commonwealth Bank and the export and use of gold has been subject to regulation by the Commonwealth Government. From December, 1951, export of a proportion of newly-mined gold for sale on premium markets overseas was permitted (*see* para. 5 below). The issues from Australian mints during 1956 amounted to 965,440 fine ounces (Melbourne, 148,074 fine ounces, Perth, 817,366 fine ounces).

5. *Price of Gold.*—The following table shows the average prices of gold and the average value of the sovereign in London and Australia for the years 1938-39 and 1952-53 to 1956-57. The average price of gold in Australia is based on the Commonwealth Bank's buying price for gold lodged with the mints.

PRICE OF GOLD : LONDON AND AUSTRALIA.

Period.	London.				Australia.			
	Average price per fine oz.		Average value of Sovereign.		Average price per fine oz.		Sovereign.	
							Average value.	Equivalent to a premium of—
	£stg.	s. d.	£stg.	s. d.	£A. s. d.	£A. s. d.	£A. s. d.	%
1938-39.. ..	7	6 9	1	14 7	9 2 9	2 3 0		115.0
1952-53.. ..	12	8 0	2	18 5	15 9 10	3 12 0		260.0
1953-54.. ..	12	8 3	2	18 5	15 10 4	3 12 1		260.4
1954-55.. ..	12	10 0	2	18 10	15 12 6	3 12 6		267.8
1955-56.. ..	12	10 0	2	18 10	15 12 6	3 12 6		267.8
1956-57.. ..	12	10 0	2	18 10	15 12 6	3 12 6		267.8

In December, 1951, arrangements were made whereby producers could sell a proportion of newly-mined gold for industrial purposes on overseas premium markets. Under the arrangements, gold is acquired by the Commonwealth Bank in the usual manner and sold, at the Bank's buying price, to an association representing gold producers participating in the scheme. The association pays the Bank's handling charges and the costs of preparation of the gold and makes arrangements for export and sale. The gold can be sold only against payment in United States dollars. Profits earned by the association after meeting administrative expenses are distributed to members in proportion to the quantity of gold delivered to the Commonwealth Bank. Until August, 1952, when permission was given for the export of fine gold, gold exported under this arrangement was not to exceed a fineness of 22 carats ($\frac{11}{12}$ ths.).

The average prices per fine ounce in Australian currency (f.o.b.) obtained for gold exported under this scheme for each of the months during 1956-57 for which there were sales, were:—July, £15 12s. 10d.; August £15 13s. 11d.; September, £15 13s. 8d.; October, £15 13s. 8d.; November, £15 14s.; December, £15 13s. 4d.; January, £15 13s.; March, £15 12s. 10d.; April, £15 13s.; June, £15 13s.

§ 3. Notes.

1. *General.*—Brief historical notes relating to the circulation and issue of notes in Australia are given in Official Year Book No. 37, pp. 561 and 562. The issue of notes intended for circulation as money other than by the Commonwealth Bank is prohibited.

2. *The Australian Note Issue.*—(i) *General.* Notes in circulation in Australia are issued by the Commonwealth Bank through the Note Issue Department. The Bank is authorized to issue Australian notes in denominations of 5s., 10s., £1, £5, £10 and any multiple of £10. The Commonwealth Bank is not required to hold a specific reserve in gold against the note issue, but the assets of the Note Issue Department must be held or invested in gold, on deposit with any bank, or in securities of the Government of the United Kingdom, the Commonwealth or a State. In 1957, all the profits of the Note Issue Department were paid to the Commonwealth Consolidated Revenue Fund. A distribution of the profits prior to 1957 may be found in the section dealing with the Commonwealth Bank (*see* para. 5 (iv) page 728).

Australian notes are legal tender to any amount within Australia and have been issued in denominations of 10s., £1, £5, £10, £20, £50, £100 and £1,000. Notes of denominations higher than £10, however, have not been issued to the public since 1945.

(ii) *Australian Notes in Circulation.* Particulars of the average values of notes in circulation for the years 1938–39 and 1952–53 to 1956–57 are given in the following table :—

AUSTRALIAN NOTE ISSUE.

(£'000.)

Denomination.	Average of monthly statements for year—					
	1938–39.	1952–53.	1953–54.	1954–55.	1955–56.	1956–57.
10s.	4,141	9,738	9,936	10,175	10,496	10,867
£1	21,124	68,286	69,038	69,646	70,564	72,384
£5	11,718	152,679	168,032	176,383	180,565	171,067
£10	5,126	88,257	91,911	101,443	113,809	131,569
£20	111	6	6	6	4	4
£50	1,259	55	51	49	46	44
£100	2,238	60	57	55	50	49
£1,000	2,855	649	683	799	802	901
<i>Held by Banks</i>	15,454	36,400	38,996	40,880	42,909	44,433
<i>Held by Public</i>	33,118	283,330	300,718	317,676	333,427	342,452
Total	48,572	319,730	339,714	358,556	376,336	386,885

(iii) *Commonwealth Bank—Note Issue Department.* The following statement shows particulars of liabilities and assets of the Note Issue Department of the Commonwealth Bank as at 30th June, 1956 and 1957.

NOTE ISSUE DEPARTMENT : LIABILITIES AND ASSETS, 30th JUNE.

(£'000.)

Liabilities.	1956.	1957.	Assets.	1956.	1957.
Notes on Issue(a) ..	371,969	380,882	Gold and Balances held abroad (including money at short call)	120,831	137,427
Special Reserve— Premium on gold sold	4,755	4,755	Government Securities (including Commonwealth Treasury Bills)	259,368	257,693
Other Liabilities(a) ..	3,525	9,540	Other Assets	50	57
Total Liabilities	380,249	395,177	Total Assets	380,249	395,177

(a) Notes of a denomination not exceeding one pound which have been on issue for more than twenty years, and notes of a denomination exceeding one pound which have been on issue for more than 40 years are not included in the item "Notes on Issue" but are included in the item "Other Liabilities".

In 1956–57, the net profits of the Note Issue Department amounted to £10,053,635 and were paid to the Commonwealth Consolidated Revenue Fund.

B. BANKING.

§ 1. Cheque-Paying Banks.

1. *Banking Legislation.*—(i) *Commonwealth Legislation.* Under Section 51 of the Commonwealth Constitution, 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". The principal Commonwealth Acts at present in force relating to Banking are—

- (a) The Commonwealth Bank Act 1945–1953, which provides for the constitution and management of the Commonwealth Bank, Commonwealth Trading Bank and Commonwealth Savings Bank and the management of the Australian note issue; and

- (b) The Banking Act 1945–1953, which provides for the regulation of banking and for the protection of the currency and the public credit of the Commonwealth.

The Banking Act 1945 was assented to on 3rd August, 1945, and came into operation on 21st August, 1945. It applies to all banks, except State banks, operating in Australia or Territories of the Commonwealth. The objects of the Act are :—(a) To provide a legal framework, uniform throughout Australia, for regulating the banking system ; (b) to safeguard depositors of the banks from loss ; (c) to provide for the co-ordination of banking policy under the direction of the Commonwealth Bank ; (d) to control the volume of credit in circulation and bank interest rates ; (e) to mobilize and to provide machinery for the control of the foreign exchange and gold resources of the Australian economy. A summary of the main provisions of the Act is given in Official Year Book No. 37, p. 565.

The Banking Act 1953, assented to on 1st April, 1953, amended the Banking Act 1945. Details of the main amendments are given in Official Year Book No. 40, p. 616.

(ii) *State Legislation.* State banking legislation relates to the incorporation of banks and the constitution and management of State banks. The Acts under which the various banks are incorporated differ. While some of the older banks were incorporated by special Act or Charter, e.g., the Bank of New South Wales by Act of Council 1817, 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, most of the banks are incorporated under a Companies Act of the States or the United Kingdom. This is also the case with those banks which were reconstructed after the crisis of 1893. State banks, constituted under State Acts, transacting general banking business are The Rural Bank of New South Wales, the State Bank of South Australia and The Rural and Industries Bank of Western Australia.

2. *Royal Commission on Monetary and Banking Systems.*—A Royal Commission was appointed by the Commonwealth Government in November, 1935, to inquire into the monetary and banking systems in operation in Australia and to report whether any, and if so what, alterations were desirable in the interest of the people of Australia as a whole, and the manner in which any such alterations should be effected. The Commission presented its report on 15th July, 1937, and a summary of the recommendations appears in Official Year Book No. 31, p. 1010.

3. *Presentation of Banking Statistics.*—Because of the different purposes they serve in the Australian financial system, Australian banks have been divided for statistical purposes into four groups and a separate series is presented for each. These groups are :—

- (a) *The Commonwealth Bank.* This is the Central Bank. It also provides special banking facilities through the Rural Credits, Mortgage Bank and Industrial Finance Departments. It transacted general banking business through a General Banking Division up to 3rd December, 1953, when that business was transferred to the Commonwealth Trading Bank of Australia. Statistics of the Central Banking Business (including the Note Issue Department), and Rural Credits, Mortgage Bank and Industrial Finance Departments are presented in separate series.
- (b) *The Commonwealth Trading Bank of Australia.* This bank commenced operations on 3rd December, 1953. On that date, under the provisions of the Commonwealth Bank Act, 1953, it took over the business of the General Banking Division of the Commonwealth Bank. The statistics presented in the Commonwealth Trading Bank series include averages for the General Banking Division of the Commonwealth Bank up to 3rd December, 1953.

(c) *Private Trading Banks.* This group was formerly known as the Nine Trading Banks but the number of banks included has been reduced to seven by amalgamations. With the Commonwealth Trading Bank, these banks provide the major part of the general banking facilities in Australia. The banks included in this group are—the Australia and New Zealand Bank Ltd. (an amalgamation of the Bank of Australasia Ltd. and the Union Bank of Australia Ltd.), The Bank of Adelaide, the Bank of New South Wales, The Commercial Bank of Australia Ltd., The Commercial Banking Company of Sydney Ltd., The English, Scottish and Australian Bank Ltd. and The National Bank of Australasia Ltd. (which has absorbed The Queensland National Bank Ltd. and The Ballarat Banking Co. Ltd.).

(d) *Other Banks.* This group consists of (i) three State Government Banks—The Rural Bank of New South Wales, the State Bank of South Australia and The Rural and Industries Bank of Western Australia, which, in their general banking business, specialize mainly in financing rural industries, (ii) one joint stock bank—The Brisbane Permanent Building and Banking Co. Ltd., which has specialized business in one district only, and (iii) branches of three overseas banks—the Bank of New Zealand, Comptoir National d'Escompte de Paris and the Bank of China, which transact limited business in Australia and are mainly concerned with financing trade, etc., between Australia and overseas countries.

In addition to the series mentioned above, a series for all cheque-paying banks is presented. This series covers the Commonwealth Trading Bank, the Private Trading Banks and the other cheque-paying banks included in the fourth group.

Unless otherwise stated, the statistics presented are averages of weekly returns. Averages of liabilities and assets are the averages of the liabilities and assets of the banks on the several weekly balance days during the period concerned. Averages of bank clearings and debits to customers' accounts are the averages of transactions for weeks ended on the balance days during the period.

4. *Banks Transacting Business in Australia.*—(i) *Number of Branches.* At 30th June, 1957, the 15 banks operating in Australia transacted all classes of banking business at 3,524 branches and 1,412 agencies. The Commonwealth Trading Bank and the Private Trading Banks have branches throughout the Commonwealth. The Rural Bank of New South Wales, the State Bank of South Australia and The Rural and Industries Bank of Western Australia, being State Government banks specializing mainly in financing rural industries, have branches only in their respective States. The Brisbane Permanent Building and Banking Co. Ltd., transacts business in Brisbane only. The remaining three banks are branches of overseas banks.

CHEQUE-PAYING BANKS : NUMBER OF BRANCHES^(a) AT 30th JUNE, 1957.

Banks.	New South Wales.	Vic-toria.	Q'land.	South Aust.	West. Aust.	Tas-man-ia.	Nor. Terr.	Aust. Cap. Terr.	Total.
Commonwealth Trading Bank of Australia ..	280	74	77	22	47	10	2	2	514
Private Trading Banks ..	924	841	465	271	235	65	9	11	2,821
Other Cheque-paying Banks ..	117	2	1	31	38	..	..	..	189
All Cheque-paying Banks—									
Metropolitan areas ..	521	434	116	116	129	16	..	..	1,332
Elsewhere ..	800	483	427	208	191	59	11	13	2,192
Total ..	1,321	917	543	324	320	75	11	13	3,524

(a) Includes Head Offices. Excludes 1,412 agencies.

(ii) *Capital Resources, Profits and Dividends.* The paid-up capital of cheque-paying banks (excluding the three overseas banks, the Bank of New Zealand, the Bank of China and the Comptoir National d'Escompte de Paris), together with their reserve funds, their profits and the amount of their last dividends, are shown in the following table. The information relates to the balance-sheet last preceding 31st October, 1956. All amounts are expressed in Australian currency.

**CHEQUE-PAYING BANKS : CAPITAL RESOURCES, PROFITS AND DIVIDENDS,
1955-56.
(£'000.)**

Bank.	Paid-up Capital. (a)	Re- serve Funds.	Balance of Profit and Loss Account. (b)	Total Share- holders' Funds. (c)	Reserve Liability of Share- holders. (d)	Net Profit for year. (e)	Net Divi- dends. (f)
<i>Commonwealth Trading Bank of Australia</i>	5,429	2,435	..	7,864	..	708	..
<i>Private Trading Banks—</i>							
<i>Australia and New Zealand Bank Ltd.</i>	12,801	8,120	2,211	23,132	10,667	1,006	883
<i>The Bank of Adelaide</i>	1,750	1,750	205	3,705	1,750	215	175
<i>Bank of New South Wales</i>	17,560	12,000	1,175	30,735	17,560	1,980	1,375
<i>The Commercial Bank of Australia Ltd.</i>	6,223	3,610	473	10,306	..	556	487
<i>The Commercial Banking Co. of Sydney Ltd.</i>	6,000	6,500	505	13,005	6,000	648	540
<i>The English, Scottish and Australian Bank Ltd.</i>	3,765	3,765	832	8,362	2,510	386	297
<i>The National Bank of Australasia Ltd.</i>	10,089	7,500	1,001	18,590	2,700	951	908
<i>The Queensland National Bank Ltd. (in vol. liq.) (g)</i> .. .. .	..	..	130	130	..	..	..
<i>The Ballarat Banking Co. Ltd. (in vol. liq.) (g)</i> .. .. .	..	..	15	15	..	-1	..
<i>Total Private Trading Banks</i>	58,188	43,245	6,547	107,980	41,187	5,741	4,665
<i>Other Cheque-paying Banks—</i>							
<i>The Brisbane Permanent Building and Banking Co. Ltd.</i>	1,000	275	68	1,343	..	86	80
<i>The Rural Bank of New South Wales</i>	16,214	10,292	..	26,506	..	111	..
<i>State Bank of South Australia</i>	4,105	1,200	..	5,305	..	79	..
<i>The Rural and Industries Bank of Western Australia</i>	8,460	221	..	8,681	..	27	..
<i>Total Other Cheque-paying Banks</i>	29,779	11,988	68	41,835	..	303	80
Grand Total	93,396	57,668	6,615	157,679	41,187	6,752	4,745

(a) For the Commonwealth Trading Bank, the amount shown in this column is the amount specified as capital in the Commonwealth Bank Act 1945-1953. This amount was appropriated out of Reserve Funds built up from profits of the Commonwealth Bank. For the State Bank of South Australia and The Rural and Industries Bank of Western Australia, the amounts shown in this column are capital funds provided by the respective State Governments. Capital of The Rural Bank of New South Wales consists of Inscribed Stock and Debentures issued by the Bank for capital purposes. (b) Includes dividends declared but not paid at date of balance-sheet. (c) For the Commonwealth Trading Bank and the State Banks, the amount shown in this column is total capital and reserves. (See footnote (a).) (d) Includes uncalled capital. (e) For the State Government Banks, the net profit is the profit after writing off bank premises and payment of interest on capital. For the other Banks, the net profit is the profit before writing off bank premises. (f) Dividends paid and payable out of profits earned during 1955-56. (g) These banks are in process of liquidation consequent upon the amalgamation of their business with The National Bank of Australasia Ltd.

5. Commonwealth Bank of Australia.—(i) *General.* An account of the progress and development of the Commonwealth Bank is given in earlier issues of the Official Year Book (see No. 37, pp. 570 to 573). The general functions of the Bank are set out in section 8 of the Commonwealth Bank Act 1945-1953 which states—

“ 8. It shall be the duty of the Commonwealth Bank, within the limits of its powers, to pursue a monetary and banking policy directed to the greatest advantage of the people of Australia, and to exercise its powers under this Act and the Banking Act 1945 in such a manner as, in the opinion of the Bank, will best contribute to :—

(a) the stability of the currency of Australia ; (b) the maintenance of full employment in Australia ; and (c) the economic prosperity and welfare of the people of Australia.”

In addition to its functions as a Central Bank, the Bank controls the Australian note issue through a Note Issue Department and provides special services through the Rural Credits Department, Mortgage Bank Department and Industrial Finance Department. The Commonwealth Bank also provided general banking facilities through the General Banking Division up to 3rd December, 1953. On that date, in accordance with the provisions of the Commonwealth Bank Act, 1953, the Commonwealth Trading Bank took over the business of the General Banking Division of the Commonwealth Bank. The Commonwealth Savings Bank, a separate institution providing for small depositors, is controlled by the Commonwealth Bank Board and is operated in conjunction with the Commonwealth Trading Bank.

(ii) *Management.* Under the Commonwealth Bank Act 1911, the Bank was managed by a Governor. From 1924 to August, 1945, it was controlled by a Board of Directors. Under the Commonwealth Bank Act 1945, control was vested in a Governor, assisted by an Advisory Council. Since 21st August, 1951, under the Commonwealth Bank Act 1951, the policy of the Commonwealth Bank and the Commonwealth Savings Bank has been determined by the Commonwealth Bank Board consisting of the Governor (Chairman), the Deputy Governor, the Secretary to the Treasury and seven other members appointed by the Governor-General. The Bank is managed by the Governor who acts in accordance with the policy of the Bank and with any directions of the Board. The Board is required to inform the Government of the monetary and banking policy of the Bank. In the event of a disagreement between the Government and the Board as to whether the monetary and banking policy of the Bank is directed to the greatest advantage of the people of Australia, the Governor-General, acting with the advice of the Executive Council, may determine the policy to be adopted by the Bank. The Commonwealth Trading Bank is managed by a General Manager under the Governor of the Commonwealth Bank and its policy is determined by the Commonwealth Bank Board.

(iii) *Central Banking Business.* Under the powers it possessed under the Commonwealth Bank Act 1911–1943, and under its war-time powers under the National Security Regulations, the Commonwealth Bank had gradually assumed the functions of a Central Bank. Part III. of the Commonwealth Bank Act 1945 formally constituted the Commonwealth Bank as a Central Bank and granted the Bank the necessary powers to carry on the business of a Central Bank. The capital for the Central Banking Business is £4,000,000 and such other sums as are transferred from the Reserve Fund. Since 1951 and until 1956, the profits of the Commonwealth Bank were distributed as follows:—(a) One-half to the National Debt Sinking Fund; (b) £500,000 per annum to the Capital accounts of the several departments of the Bank and the Commonwealth Trading Bank, distributed as follows:—Commonwealth Trading Bank, Mortgage Bank Department, and Industrial Finance Department each two-sevenths and the Rural Credits Department one-seventh; and (c) the balance to the Commonwealth Bank Reserve Fund. For the year ended 30th June, 1957, the profits were distributed one-half to the National Debt Sinking Fund and one-half to the Commonwealth Bank Reserve Fund.

(iv) *Note Issue Department.* This Department was established in 1920 when the control of the Australian note issue was transferred from the Commonwealth Treasury to the Commonwealth Bank. The Bank may, through this department, issue, re-issue and cancel Australian notes. Until June, 1951, all profits of this Department, with the exception of £2,000,000 and £1,200,000 paid to the capital accounts of the Rural Credits Department and Mortgage Bank Department respectively, were paid to the Consolidated Revenue Fund. For the years ended 30th June, 1952 to 1956, the profits were distributed as follows:—(a) £500,000 per annum to the capital accounts of the Commonwealth Trading Bank and the several departments of the Commonwealth Bank, distributed two-sevenths each to the Commonwealth Trading Bank, Mortgage Bank Department and Industrial Finance Department and one seventh to the Rural Credits Department, and (b) the balance to the Commonwealth Consolidated Revenue Fund. For the Year ended 30th June, 1957, all of the profits were paid to the Commonwealth Consolidated Revenue Fund.

(v) *General Banking Division.* Under the Commonwealth Bank Act 1911–1943, no provision was made for the separation of the general banking business of the bank from its central banking business. Under the Commonwealth Bank Act 1945, the General Banking Division was set up to carry on the general banking business of the Bank and the accounts and transactions of this division were kept separate and distinct from the other accounts of the Bank. The capital of the General Banking Division was £4,000,000, and

such other sums as were transferred from the General Banking Division Reserve Fund, or from the profits of the Central Banking Business and the Note Issue Department. Transfers from these two sources increased the total capital to £4,572,000 at 30th June, 1953. The profits of the General Banking Division were distributed as follows:—(a) one-half was credited to the General Banking Division Reserve Fund, and (b) one-half was paid to the National Debt Sinking Fund. Under the Commonwealth Bank Act 1953, the business of the General Banking Division was transferred to the Commonwealth Trading Bank on 3rd December, 1953. (*See also* para. 6, p. 734, Commonwealth Trading Bank of Australia.)

(vi) *Rural Credits Department.* The Rural Credits Department was established in 1925 for the purpose of making short-term credit available for the orderly marketing of primary produce. The Bank may, through this department, make advances, upon the security of primary produce placed under the legal control of the Bank or other security associated with the production or marketing of primary produce, to co-operative associations or marketing boards formed under the laws of the Commonwealth or of a State or Territory of the Commonwealth or other bodies specified by proclamation. The period of the advance shall not be more than one year. The capital of the Rural Credits Department is £2,000,000 and such amounts as are transferred from the profits of the Central Banking Business and the Note Issue Department. At the 30th June, 1957, total capital was £2,714,000. Profits are distributed as follows:—(a) one-half is credited to the Rural Credits Department Reserve Fund, and (b) one-half is credited to the Rural Credits Department Development Fund for the promotion of primary production.

(vii) *Mortgage Bank Department.* The Mortgage Bank Department was established in 1943 for the purpose of making long-term loans to primary producers. Through this department, the Bank may make a loan to any person engaged in farming, agricultural, horticultural, pastoral or grazing operations or other form of primary production, upon the security of a mortgage to the Bank of an estate or interest in land in the Commonwealth owned by the borrower. The term of the loan shall not be less than five years nor more than forty-one years. The capital of the Department is £4,000,000 and such amounts as are transferred from the profits of the Central Banking Business and the Note Issue Department. Total capital at the 30th June, 1957, amounted to £5,428,000. Profits are credited to the Mortgage Bank Department Reserve Fund.

(viii) *Industrial Finance Department.* The functions of the Industrial Finance Department, established in January, 1946, are:—(a) to provide finance for the establishment and development of industrial undertakings; (b) to assist in the establishment and development of industrial undertakings; and (c) to provide advice on the operations of industrial undertakings with a view to promoting the efficient organization and conduct thereof. To exercise these functions the Bank may, through the Industrial Finance Department, lend money and purchase and sell shares or securities in an industrial undertaking. The capital of this department is £4,000,000 and such amounts as are transferred from the profits of the Central Banking Business and the Note Issue Department. At the 30th June, 1957, total capital amounted to £5,429,000. The Treasurer, the Bank and the Savings Bank may advance money to the Industrial Finance Department. The amount that may be advanced by the Bank is limited to £1,000,000. The profits of the Department are credited to the Industrial Finance Department Reserve Fund.

(ix) *Housing Loans.* Provision is made for the Bank, through the Commonwealth Trading Bank, to make loans to individuals or building societies for the erection or purchase of homes or for the discharge of mortgages on homes. These loans must be made at the lowest possible rate of interest. Loans to individuals are to be on *crédit foncier* terms, to be secured by first mortgage on an estate or interest in land owned by the borrower and to be repaid in periods of not less than five years nor more than 35 years. Loans to building societies are to be made on such security and on such terms and conditions as the Bank determines.

(x) *Liabilities and Assets—All Departments.* Liabilities and assets of each Department of the Commonwealth Bank at 30th June, 1957, are shown in the following table. The

Commonwealth Trading Bank and the Commonwealth Savings Bank, which are operated as separate institutions, are not included (*see* § 1, para. 6 (ii) and § 2, para. 7 (ii) following):—

COMMONWEALTH BANK OF AUSTRALIA : LIABILITIES AND ASSETS,
30th JUNE, 1957.
(£'000.)

Item.	Central Banking Business.	Note Issue Department.	Rural Credits Department.	Mortgage Bank Department.	Industrial Finance Department.	Total.(a)
LIABILITIES.						
Capital	4,000	..	2,714	5,428	5,429	17,571
Reserve Funds	13,720	..	1,124	614	2,916	18,374
Special Reserve—Premium on gold sold .. .. .	..	4,755	..	..	..	4,755
Development Fund .. .. .	..	..	123	..	..	123
Notes on issue .. .. .	..	380,882	..	..	..	380,882
Deposits, bills payable and other liabilities—						
Special Accounts of Trading Banks	340,334	..	..	..	..	340,334
Other deposits of Trading Banks	31,196	..	..	..	..	31,196
Other (including provision for contingencies)	224,252	9,540	38,329	778	22,033	259,569
Total Liabilities	613,502	395,177	42,290	6,820	30,378	1,052,804
ASSETS.						
Gold and balances held abroad (including money at short call)	327,421	137,427	..	..	..	464,848
Australian notes and coin and cash balances	2,153	..	..	89	303	2,545
Cheques and bills of other banks	12,795	..	..	..	..	12,795
Commonwealth Government securities (including Commonwealth Treasury Bills)	162,788	257,693	..	1,381	3,620	425,482
Securities of other Governments, and of local and semi-governmental authorities	48,668	..	..	..	..	48,668
Bills receivable and remittances in transit	9,547	..	..	..	..	9,547
Bank premises at cost less amounts written off	579	..	..	..	..	579
Loans, advances, bills discounted, and other assets (after deducting debts considered bad or doubtful)	49,551	57	42,290	5,350	26,455	88,340
Total Assets	613,502	395,177	42,290	6,820	30,378	1,052,804

(a) Inter-departmental accounts totalling £35,363,000 have been offset in the combined figures.

(xi) *Profits.* Net profits of the various Departments of the Commonwealth Bank for the years ended 30th June, 1939 and 1953 to 1957, were as follows :—

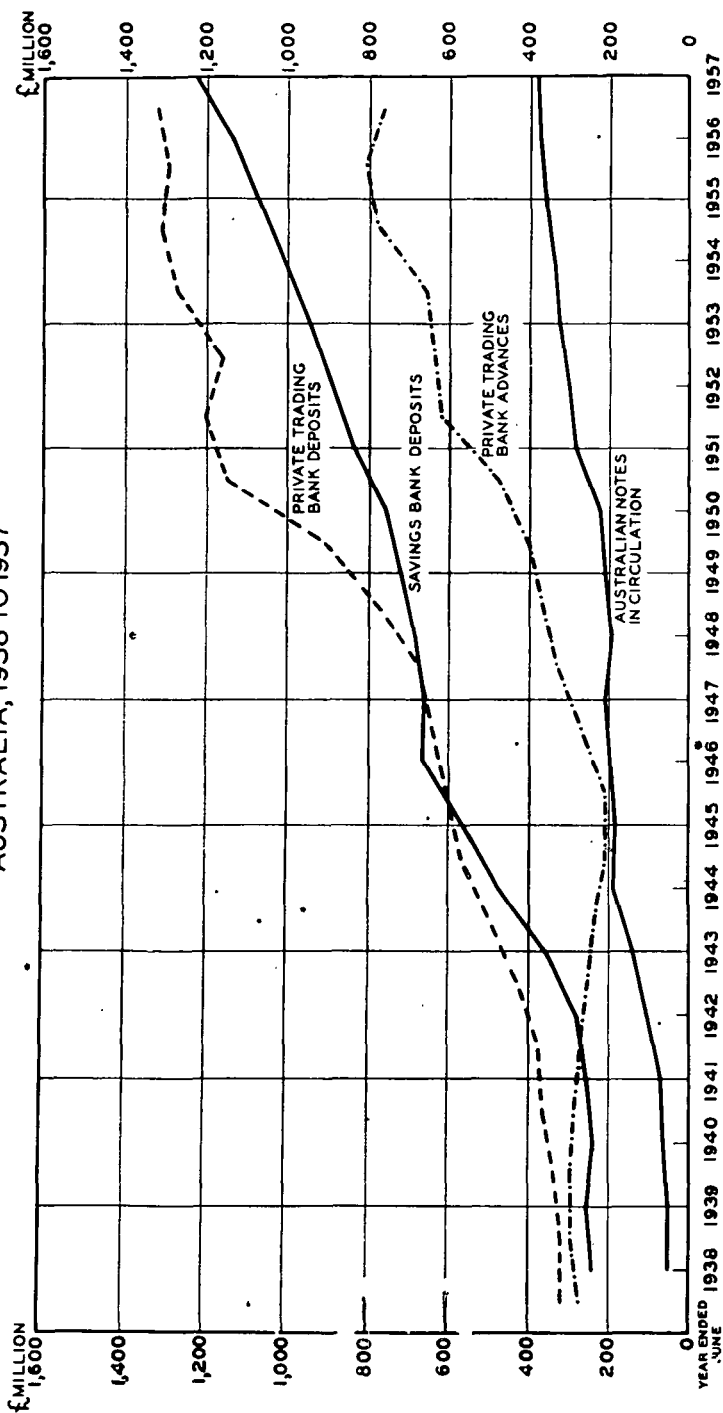
COMMONWEALTH BANK OF AUSTRALIA : NET PROFITS.
(£'000.)

Year ended 30th June—	General Bank Department.	Central Banking Business. (a)	Note Issue Department.	General Banking Division. (a) (b)	Rural Credits Department.	Mortgage Bank Department. (c)	Industrial Finance Department. (d)	Total.
1939	356	..	767	..	32	..	..	1,155
1953	2,892	5,361	457	160	52	292	9,214
1954	3,918	6,207	..	171	59	346	10,701
1955	4,518	6,017	..	192	65	398	11,190
1956	6,561	8,366	..	220	75	416	15,638
1957	8,741	10,053	..	195	95	386	19,470

(a) Created 21st August, 1945. Previously combined under General Bank Department. (b) From 3rd December, 1953 business transferred to Commonwealth Trading Bank. (c) Commenced business 27th September, 1943. (d) Commenced business 2nd January, 1946.

BANK DEPOSITS AND ADVANCES AND NOTES IN CIRCULATION

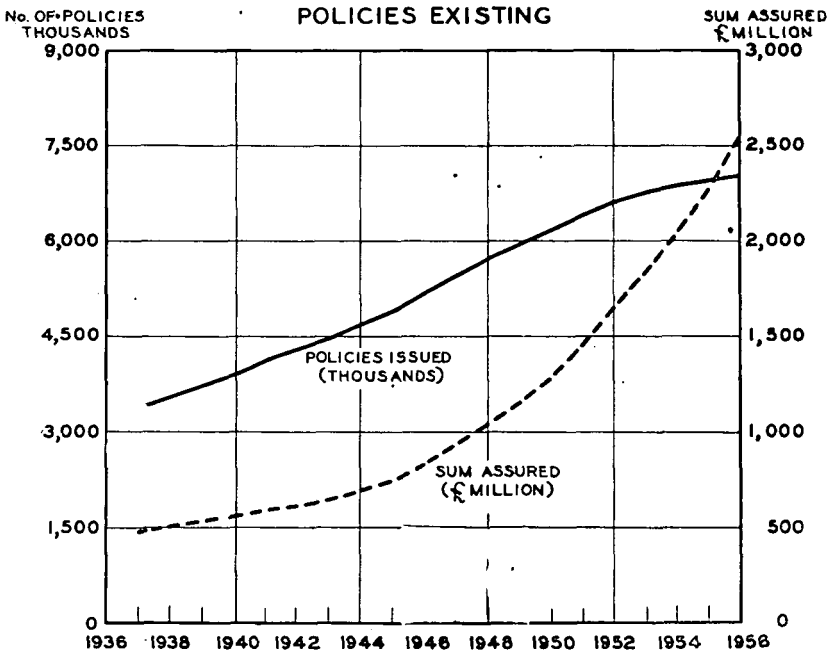
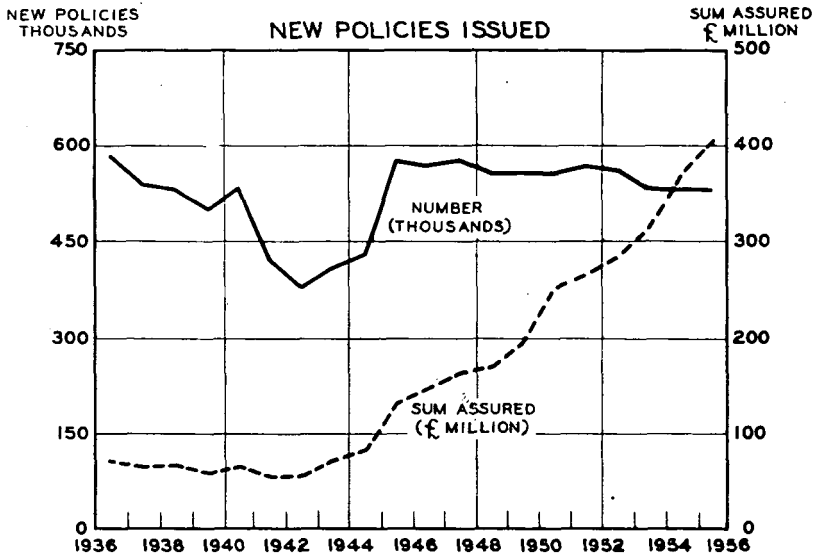
AUSTRALIA, 1938 TO 1957



LIFE ASSURANCE: AUSTRALIA

1937 TO 1956

POLICIES ISSUED AND SUM ASSURED



The distribution of these profits for the years ended 30th June, 1953 to 1957 is given in the following table :—

COMMONWEALTH BANK OF AUSTRALIA : DISTRIBUTION OF PROFITS.
(£'000.)

To—	1953.	1954.	1955.	1956.	1957.
National Debt Sinking Fund	1,675	1,959	2,259	3,280	4,371
Commonwealth Consolidated Revenue Fund ..	4,861	5,707	5,517	7,866	10,054
Commonwealth Trading Bank Capital Account ..	..	285	286	286	..
Commonwealth Bank Reserve Fund ..	946	1,459	1,759	2,780	4,370
General Banking Division—					
Capital Account ..	286	..	..	..	..
Reserve Fund ..	229	..	..	..	..
Rural Credits Department—					
Capital Account ..	143	143	142	143	..
Reserve Fund ..	80	85	96	110	97
Development Fund ..	80	86	96	110	97
Mortgage Bank Department—					
Capital Account ..	286	286	286	286	..
Reserve Fund ..	51	59	65	75	95
Industrial Finance Department—					
Capital Account ..	285	286	286	286	..
Reserve Fund ..	292	346	398	416	386
Total ..	9,214	10,701	11,190	15,638	19,470

(xii) *Central Banking Business—Average Liabilities and Assets.* The average liabilities and assets of the Central Banking Business and Note Issue Department of the Commonwealth Bank for the years ended June, 1953 to 1957, are shown in the two tables which follow.

COMMONWEALTH BANK OF AUSTRALIA : CENTRAL BANKING BUSINESS
(INCLUDING NOTE ISSUE DEPARTMENT)—AVERAGE LIABILITIES.
(£'000.)

Year ended June—	Capital and Reserve Funds.	Notes on Issue.	Special Accounts of Trading Banks.	Other Deposits of Trading Banks.	Other Liabilities.	Total Liabilities.
1953	11,023	318,192	212,890	45,447	(a)287,361	874,913
1954	11,906	338,223	306,820	41,731	(a)283,397	982,077
1955	13,279	357,023	306,286	36,795	243,468	956,851
1956	14,945	374,096	272,841	35,630	208,717	906,229
1957	17,559	383,214	289,444	31,345	205,917	927,479

(a) Includes special deposit of General Banking Division 1952–53, £21,731,000 ; 1953–54, £14,265,000.

COMMONWEALTH BANK OF AUSTRALIA : CENTRAL BANKING BUSINESS
(INCLUDING NOTE ISSUE DEPARTMENT)—AVERAGE ASSETS.
(£'000.)

Year ended June—	Gold and Balances held Abroad.	Australian Coin.	Cheques and Bills of other Banks.	Government and other Securities (including Commonwealth Treasury Bills).	Bills Receivable and Remittances in Transit.	Other Assets.	Total Assets.
1953	363,576	2,538	6,595	434,771	130	67,303	874,913
1954	512,615	2,105	6,895	407,979	2,514	49,969	982,077
1955	415,896	2,380	7,009	459,839	3,488	68,239	956,851
1956	298,885	2,364	6,505	515,716	3,746	79,013	906,229
1957	349,663	1,892	5,360	508,841	3,805	57,918	927,479

6. **Commonwealth Trading Bank of Australia.**—(i) *General.* The Commonwealth Trading Bank was established by the Commonwealth Bank Act, 1953, and on 3rd December, 1953, took over the business of the General Banking Division of the Commonwealth Bank. The Commonwealth Trading Bank is a body corporate with its own General Manager who is appointed by the Governor-General on the recommendation of the Commonwealth Bank Board for a term of seven years. The General Manager, under the Governor of the Commonwealth Bank, is responsible for the administration of the Commonwealth Trading Bank in accordance with policy determined by the Commonwealth Bank Board. Under the Banking Act 1945–1953, the Commonwealth Trading Bank is subject to the same central banking controls as the private trading banks and is required to maintain a Special Account with the Commonwealth Bank on the same basis as those of the private trading banks. The capital of the Commonwealth Trading Bank is the total of the capital of the General Banking Division of the Commonwealth Bank immediately before 3rd December, 1953, and such other sums as are transferred from the Commonwealth Trading Bank Reserve Fund, or from the profits of the Central Banking Business and the Note Issue Department of the Commonwealth Bank. The net profits of the Commonwealth Trading Bank are divided as follows :—(a) one-half placed to the credit of the Commonwealth Trading Bank Reserve Fund, and (b) one-half paid into the National Debt Sinking Fund.

(ii) *Liabilities and Assets.* The liabilities and assets of the Commonwealth Trading Bank at 30th June, 1956 and 1957 are shown in the following table:—

COMMONWEALTH TRADING BANK OF AUSTRALIA : LIABILITIES AND ASSETS, 30th JUNE.
(£'000.)

Liabilities.	1956.	1957.	Assets.	1956.	1957.
Capital	5,429	5,429	Coin, bullion, notes and cash at bankers ..	13,919	16,069
Reserve Fund ..	2,435	2,735	Money at short call in London	1,875	1,875
Deposits, bills payable and other liabilities (including provision for contingencies) ..	221,713	243,253	Special Account with Commonwealth Bank	31,150	39,150
Balances due to other banks	481	646	Cheques and bills of other banks and balances with and due from other banks	2,161	3,064
			Treasury bills ..	7,000	8,000
			Public securities of Australian Governments	35,720	38,615
			Bills receivable and remittances in transit	25,376	31,488
			Bank premises (at cost less amounts written off)	3,831	4,051
			Loans, advances and bills discounted (after deducting provision for debts considered bad or doubtful) ..	105,217	106,252
			Other assets ..	3,809	3,499
Total	230,058	252,063	Total	230,058	252,063

(iii) *Average Liabilities and Assets within Australia.* The average liabilities and assets within Australia of the General Banking Division of the Commonwealth Bank for the year ended 30th June, 1953, and of the Commonwealth Trading Bank for the years ended 30th June, 1954 to 1957, are shown in the tables below.

**COMMONWEALTH TRADING BANK OF AUSTRALIA(a)—AVERAGE LIABILITIES
WITHIN AUSTRALIA.(b)**
(£'000.)

Year ended June—	Deposits.			Balances due to other Banks.	Bills payable and all other Liabilities to the Public.	Total Liabilities.
	Not Bearing Interest.	Bearing Interest.	Total.			
1953	96,664	22,817	119,481	3,820	8,569	131,870
1954	120,885	35,352	156,237	2,034	11,766	170,037
1955	130,909	43,549	174,458	309	16,148	190,915
1956	135,617	46,243	181,860	314	17,496	199,670
1957	140,125	44,423	184,548	389	18,160	203,097

(a) General Banking Division of Commonwealth Bank prior to 3rd December, 1953.
Territories of Papua and New Guinea.

(b) Includes

**COMMONWEALTH TRADING BANK OF AUSTRALIA(a)—AVERAGE ASSETS
WITHIN AUSTRALIA.(b)**
(£'000.)

Year ended June—	Cash and Cash Balances.	Special Account with Commonwealth Bank.	Balances with other Banks. (c)	Commonwealth and State Government Securities.		Other Securities.	Loans, Advances, and Bills Discounted.	All other Assets.	Total Assets.
				Treasury Bills.	Other.				
1953	8,784	(d) 21,731	1,600	17,239	25,840	92	59,492	3,984	138,762
1954	11,000	(e) 34,800	787	23,404	29,924	1,284	69,204	4,360	174,763
1955	10,456	36,061	870	12,260	38,165	1,606	89,138	5,675	194,231
1956	10,213	33,155	1,238	6,333	38,599	1,824	103,894	6,815	202,071
1957	9,988	34,603	1,469	4,059	35,714	2,654	106,480	7,305	202,272

(a) General Banking Division of Commonwealth Bank prior to 3rd December, 1953.
Territories of Papua and New Guinea.

(b) Includes

(c) Includes notes, cheques and bills of other banks.
(d) Special deposit of General Banking Division. (e) Includes special deposit of General Banking Division. £14,265,000.

(iv) *Profits.* The net profits (after writing off bank premises, £135,060 in 1956 and £158,210 in 1957) of the Commonwealth Trading Bank for the years ended 30th June, 1956 and 1957, were £550,251 and £600,888 respectively. These net profits were distributed one half to the National Debt Sinking Fund and one half to the Commonwealth Trading Bank Reserve Fund.

7. Private Trading Banks.—(i) *Average Liabilities and Assets in Australia.* The average liabilities and assets within Australia of the Private Trading Banks (see p. 726 for list of banks) for the years ended June, 1939 and 1953 to 1957, are shown in the following tables:—

PRIVATE TRADING BANKS: AVERAGE LIABILITIES WITHIN AUSTRALIA.
(£'000.)

Year ended June—	Inter-minable Deposits or Deposit Stock.	Deposits.			Notes in Circulation.	Balances due to other Banks.	Bills payable and all other Liabilities to the Public.	Total Liabilities.
		Not Bearing Interest.	Bearing Interest.	Total.				
1939	2,644	a 118,868	198,793	317,661	167	921	(b) 3,005	324,398
1953	226	943,747	218,699	1,162,446	158	10,628	14,247	1,187,705
1954	14	1,035,707	239,774	1,275,481	158	3,360	14,980	1,293,993
1955	9	1,047,677	262,986	1,310,663	158	3,282	16,432	1,330,544
1956	6	1,032,332	263,107	1,295,439	158	6,528	16,913	1,319,044
1957	6	1,028,509	299,499	1,328,008	158	7,343	18,685	1,354,200

(a) Includes other Liabilities.

(b) Excludes other Liabilities.

PRIVATE TRADING BANKS : AVERAGE ASSETS WITHIN AUSTRALIA.
(£'000.)

Year ended June—	Cash and Cash Balances.	Special Account with Commonwealth Bank.	Balances with Other Banks. (a)	Commonwealth and State Government Securities.		Other Securities. (b)	Loans, Advances and Bills Discounted.	All other Assets.	Total Assets.
				Treasury Bills.	Other.				
1939	33,597	..	3,938	21,533	(c) 20,477	(d)	e 288,109	(f) 9,421	377,075
1953	74,712	211,737	22,580	123,059	84,040	4,786	638,092	29,693	1,188,699
1954	71,244	285,226	17,346	99,368	127,616	6,278	658,534	36,549	1,302,161
1955	66,908	269,117	18,436	51,602	120,239	5,113	776,762	48,925	1,357,102
1956	66,883	238,803	19,672	50,015	113,121	6,695	804,392	56,042	1,355,623
1957	63,661	254,052	20,239	51,162	151,298	7,946	762,638	58,363	1,369,359

(a) Includes notes, cheques and bills of other banks. (b) Includes Local and Semi-Governmental securities. (c) Includes municipal securities. (d) Included with loans, advances and bills discounted. (e) See footnotes (d) and (f). (f) Landed and house property only. Other assets included with loans, advances and bills discounted.

(ii) *Ratios of Assets and Liabilities to Total Deposits.* The following table shows, for the Private Trading Banks, the ratios of certain assets and liabilities to total deposits for the years ended June, 1939 and 1953 to 1957. The ratios are based on the average liabilities and assets for the years shown.

PRIVATE TRADING BANKS : RATIOS OF AVERAGE ASSETS AND LIABILITIES TO AVERAGE TOTAL DEPOSITS.
(Per cent.)

Year ended June—	Cash and Cash Balances.	Commonwealth and State Government Securities.		Special Account with Commonwealth Bank.	Advances.	Deposits.	
		Treasury Bills.	Other.			Not Bearing Interest.	Bearing Interest.
1939	10.6	6.8	(a) 6.5	..	90.7	37.4	62.6
1953	6.4	10.6	7.2	18.2	54.9	81.2	18.8
1954	5.6	7.8	10.0	22.4	51.6	81.2	18.8
1955	5.1	3.9	9.2	20.5	59.3	79.9	20.1
1956	5.2	3.9	8.7	18.4	62.1	79.7	20.3
1957	4.8	3.9	11.4	19.1	57.4	77.5	22.5

(a) Includes municipal securities.

(iii) *Proportion of Non-Interest Bearing to Total Deposits.* The following table shows, for each State, the proportion of non-interest bearing deposits to total deposits with the Private Trading Banks for each of the years ended June, 1939 and 1953 to 1957. The ratios are based on the average deposits for the years shown.

PRIVATE TRADING BANKS : PROPORTION OF NON-INTEREST BEARING DEPOSITS TO TOTAL DEPOSITS.
(Per cent.)

Year ended June—	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Nor. Terr.	Aust. Cap. Terr.	Total. (a)
1939	43.5	30.3	45.4	26.1	45.7	36.5	61.1	23.2	37.4
1953	84.3	79.2	82.5	72.4	84.4	78.5	87.0	82.6	81.2
1954	83.9	79.6	82.7	72.3	83.1	79.7	89.5	88.2	81.2
1955	81.9	78.1	82.6	71.6	84.1	80.1	88.7	89.6	79.9
1956	81.6	78.6	81.3	71.2	82.3	79.8	86.5	88.1	79.7
1957	79.1	76.5	80.1	69.4	77.6	79.7	82.6	79.8	77.5

(a) Includes Papua and New Guinea for 1953 and following years.

(iv) *Ratio of Advances to Total Deposits.* The ratio of advances to total deposits, for each State for the years ended June, 1939 and 1953 to 1957, is shown in the following table. The ratios are based on the averages of deposits and advances for the years shown.

PRIVATE TRADING BANKS: RATIO OF ADVANCES TO TOTAL DEPOSITS.
(Per cent.)

Year ended June—	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Nor. Terr.	Aust. Cap. Terr.	Total. (a)
1939	104.5	71.6	99.2	77.6	155.5	57.0	24.5	37.7	90.7
1953	60.2	52.8	63.7	35.2	46.1	54.0	24.0	27.6	54.9
1954	56.4	47.8	59.7	32.2	52.7	57.3	30.0	35.6	51.6
1955	66.1	51.8	68.5	37.2	71.6	61.9	55.8	49.5	59.3
1956	71.6	53.4	67.8	39.0	78.4	60.1	59.5	43.9	62.1
1957	67.1	48.9	63.0	36.1	68.7	54.7	47.4	40.3	57.4

(a) Includes Papua and New Guinea for 1953 and following years.

8. *Other Cheque-paying Banks.—Average Liabilities and Assets within Australia.* The average liabilities and assets within Australia of "Other Cheque-paying Banks" (see p. 726 for list of these banks) for the years ended June, 1953 to 1957, are shown in the following tables.

OTHER CHEQUE-PAYING BANKS: AVERAGE LIABILITIES WITHIN AUSTRALIA.
(£'000.)

Year ended June—	Inter-minable Deposits or Deposit Stock. (a)	Deposits.			Notes in Circulation.	Balances due to other Banks.	Bills payable and all other Liabilities to the Public.	Total Liabilities.
		Not Bearing Interest.	Bearing Interest.	Total.				
1953	19,286	35,848	15,302	51,150	..	622	525	71,583
1954	19,734	39,408	15,309	54,717	..	664	454	75,569
1955	20,520	41,415	16,069	57,484	..	554	461	79,019
1956	20,569	39,726	16,359	56,085	..	1,536	484	78,674
1957	20,472	41,317	16,946	58,263	..	1,372	586	80,693

(a) Inscribed stock and debentures, Rural Bank of New South Wales and State Bank of South Australia.

OTHER CHEQUE-PAYING BANKS: AVERAGE ASSETS WITHIN AUSTRALIA.
(£'000.)

Year ended June—	Cash and Cash Balances.	Special Account with Commonwealth Bank.	Balances with other Banks. (a)	Commonwealth and State Government Securities.		Other Securities. (b)	Loans, Advances and Bills Discounted.	All other Assets. (c)	Total Assets.
				Treasury Bills.	Other.				
1953	4,640	1,153	2,176	3,911	13,141	882	64,731	3,792	94,426
1954	5,091	1,090	2,409	7,326	13,240	1,169	65,982	3,815	100,122
1955	4,586	1,108	2,198	5,641	13,295	1,378	72,189	4,923	105,318
1956	3,992	883	1,588	4,119	13,816	817	75,825	5,332	106,372
1957	3,857	788	2,267	3,906	15,068	825	77,697	5,599	110,007

(a) Includes notes, cheques and bills of other banks.

(b) Includes Local and Semi-Governmental Securities.

(c) Includes The Rural and Industries Bank of Western Australia and State Bank of South Australia accounts with State Treasuries.

9. *All Cheque-paying Banks.—Average Liabilities and Assets within Australia.* Particulars of the average liabilities and assets within Australia of all cheque-paying banks in Australia for the years ended 30th June, 1953 to 1957, are shown in the following tables. The series includes the Commonwealth Trading Bank (General Banking Division of the Commonwealth Bank to 3rd December, 1953), but the Central Banking business of the Commonwealth Bank is excluded.

ALL CHEQUE-PAYING BANKS : AVERAGE LIABILITIES WITHIN AUSTRALIA.(a)
(£'000.)

Year ended June—	Inter-minable Deposits or Deposit Stock.	Deposits.			Notes in Circulation.	Bal-ances due to other Banks.	Bills payable and all other liabilities to the Public.	Total Liabilities.
		Not Bearing Interest.	Bearing Interest.	Total.				
1953	19,512	1,076,259	256,818	1,333,077	158	15,070	23,341	1,391,158
1954	19,748	1,196,000	290,435	1,486,435	158	6,058	27,200	1,539,599
1955	20,529	1,220,001	322,604	1,542,605	158	4,145	33,041	1,600,478
1956	20,575	1,207,675	325,709	1,533,384	158	8,378	34,893	1,597,388
1957	20,478	1,209,951	360,868	1,570,819	158	9,104	37,431	1,637,990

(a) Includes Territories of Papua and New Guinea.

ALL CHEQUE-PAYING BANKS : AVERAGE ASSETS WITHIN AUSTRALIA.(a)
(£'000.)

Year ended June—	Cash and Cash Bal-ances.	Special Account with Commonwealth Bank.	Bal-ances with other Banks.	Commonwealth and State Government Securities.		Other Securities. (b)	Loans, Advances and Bills Dis-counted.	All Other Assets.	Total Assets.
				Trea-sury Bills.	Other.				
1953	88,136	234,621	26,356	144,209	123,021	5,760	762,315	37,469	1,421,887
1954	87,335	321,116	20,542	130,098	170,780	8,731	793,720	44,724	1,577,046
1955	81,950	306,286	21,504	69,503	171,699	8,097	938,089	59,523	1,656,651
1956	81,088	272,841	22,498	60,467	165,536	9,336	984,111	68,189	1,664,066
1957	77,506	289,443	23,975	59,127	202,080	11,425	946,815	71,267	1,681,638

(a) Includes Territories of Papua and New Guinea. securities.

(b) Includes Local and Semi-Governmental securities.

10. Commonwealth and Private Trading Banks (Major Trading Banks).—(i) *Selected Average Assets and Liabilities within Australia.* In the following tables, particulars of selected average assets and liabilities of the Commonwealth and Private Trading Banks are shown for each of the years ended June 1953 to 1957.

COMMONWEALTH AND PRIVATE TRADING BANKS : SELECTED AVERAGE ASSETS AND LIABILITIES WITHIN AUSTRALIA.(a)
(£'000.)

Year Ended June—	Cash and Cash Balances. (b)	Commonwealth and State Government Securities.		Special Account with Commonwealth Bank.	Advances.	Total Deposits.	
		Treasury Bills.	Other.			Not Bearing Interest.	Bearing Interest.
1953	83,496	140,298	109,880	233,478	697,584	1,040,411	241,516
1954	82,244	122,772	157,540	320,026	727,738	1,156,592	275,126
1955	77,364	63,862	158,404	305,178	865,900	1,178,586	306,535
1956	77,096	56,348	151,720	271,958	908,286	1,167,949	309,350
1957	73,649	55,221	187,012	288,655	869,118	1,168,634	343,922

(a) Includes Territories of Papua and New Guinea. Commonwealth Bank on current account.

(b) Coin, bullion, notes and cash with

(ii) *Ratios of Selected Assets within Australia to Total Deposits.* In the table below, ratios of selected assets to deposits are given for each of the years ended June, 1953 to 1957.

COMMONWEALTH AND PRIVATE TRADING BANKS: RATIOS OF SELECTED ASSETS WITHIN AUSTRALIA(a) TO TOTAL DEPOSITS.(b)
(Per Cent.)

Year Ended June—	Cash and Cash Balances. (c)	Commonwealth and State Government Securities.		Special Account with Commonwealth Bank.	Advances.	Total Deposits.	
		Treasury Bills.	Other.			Not Bearing Interest.	Bearing Interest.
1953	6.5	10.9	8.6	18.2	54.4	81.2	18.8
1954	5.7	8.6	11.0	22.4	50.8	80.8	19.2
1955	5.2	4.3	10.7	20.6	58.3	79.4	20.6
1956	5.2	3.8	10.3	18.4	61.5	79.1	20.9
1957	4.8	3.7	12.4	19.1	57.5	77.3	22.7

(a) Includes Territories of Papua and New Guinea. (b) Based on averages of assets and liabilities for the years shown. (c) Coin, bullion, notes and cash with Commonwealth Bank on current account.

11. Classification of Advances within Australia—Commonwealth Trading Bank of Australia and Private Trading Banks (Major Trading Banks).—(i) States, June, 1957. A classification of bank advances made by the Commonwealth and Private Trading Banks at the end of June, 1957, is shown in the following table. In this table, advances to resident borrowers and non-resident borrowers are shown separately. Resident borrowers cover institutions (including branches of overseas institutions) engaged in business in Australia and persons permanently residing in Australia. Non-resident borrowers cover all other persons and institutions incorporated abroad, which though represented, do not carry on business in Australia. Advances to resident borrowers have been classified as business advances, advances to public authorities, personal advances and advances to non-profit organizations. Business advances have been further classified to the main industry of the borrower and include advances to partnerships, companies and other institutions engaged in business in Australia, advances to persons actively engaged in business on their own behalf if the advance is mainly for business purposes, advances to mutual, co-operative and benefit societies which distribute their profits or surpluses (if any) to members by way of dividends, rebates on charges for goods and services or increased benefits. Advances to public authorities cover advances to local and semi-governmental authorities including separately constituted government business undertakings but not Commonwealth or State Governments. Personal advances cover advances to persons for purposes other than carrying on a business. Advances to non-profit organizations cover advances to organizations which are not carried on for the purpose of making a profit or gain to their individual members, any income of the organization being used for the purposes of the organization or for the benefit of the community.

For the June, 1957, survey, the classification used in previous surveys was revised and because of changes in definition and regrouping of some classes, a complete review of the classification of all accounts was necessary. The main changes made in the classification were (a) the provision of separate classes for advances to non-residents and non-profit organizations and (b) changes in the definition of and grouping of several industrial classes. The main changes under (b) were:—

- (i) *Manufacturing.*—This class now includes motor repairs previously included in the class, Transport, Storage and Communication.
- (ii) *Finance.*—This class was previously Finance and Property. The previous sub-class (a), Builders and Contractors, has been transferred to a new class 6, Building and Construction. The sub-class (b), Building Investment Companies and Housing Societies, has been restricted to Building and Housing Societies and the sub-class (c), Other (Banking and Insurance etc.), has been restricted to financial institutions only. Business services (e.g., Stock Brokers, Estate Agencies, etc.) previously included in this sub-class have been transferred to the class 7, Other Businesses. Holding companies also previously included are now classified to the main industry of their subsidiary companies.
- (iii) *Commerce.*—The sub-class, Retail Trade, now includes motor garages and service stations previously included in the class, Transport, Storage and Communication.

These revisions should be noted when comparing the figures for June 1957 with those for earlier periods.

COMMONWEALTH TRADING BANK OF AUSTRALIA AND PRIVATE TRADING BANKS : CLASSIFICATION OF ADVANCES WITHIN AUSTRALIA(a)—STATES, END OF JUNE, 1957.

(£'000.)

Classification.	N.S.W. (b)	Vic.	Q'land (a)	S. Aust. (c)	W. Aust.	Tas.	Total Aust. (a)	Pro- portion of Total. (Per cent.)
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Resident Borrowers.

A. BUSINESS ADVANCES CLASSIFIED ACCORDING TO MAIN INDUSTRY OF BORROWER.

1. Agriculture, Dairying and Grazing ..	79,345	39,047	50,126	11,279	16,522	3,708	200,027	22.7
2. Manufacturing ..	81,437	59,605	22,272	9,006	6,834	3,651	182,896	20.7
3. Transport, Storage and Communication ..	4,003	3,922	1,792	944	1,094	644	12,399	1.4
4. Finance—								
(a) Building and Housing Societies ..	12,505	10,521	890	309	141	254	25,360	2.9
(b) Other ..	12,688	8,843	2,182	1,275	1,524	660	27,172	3.1
Total Class 4 ..	25,193	19,364	3,072	1,584	1,665	914	52,532	6.0
5. Commerce—								
(a) Retail Trade ..	33,517	24,298	13,302	5,979	7,435	2,991	87,522	9.9
(b) Wholesale Trade ..	54,579	28,030	4,573	5,825	4,462	2,470	99,939	11.3
Total Class 5 ..	88,096	52,328	17,875	11,804	11,897	5,461	187,461	21.2
6. Building and Construction ..	8,936	5,674	2,642	1,167	1,515	731	20,665	2.3
7. Other Businesses ..	18,836	16,790	11,385	2,930	4,068	1,571	55,826	6.3
8. Unclassified ..	2,125	1,491	483	146	379	301	4,413	0.5
Total Business Advances ..	307,971	198,221	109,647	38,860	43,974	16,981	715,654	81.1

B. ADVANCES TO PUBLIC AUTHORITIES.

<i>Public Authorities (including Local Government and Semi-Governmental Bodies)</i> ..	6,198	7,251	1,859	260	258	752	16,578	1.9
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C. PERSONAL ADVANCES CLASSIFIED ACCORDING TO MAIN PURPOSE OF ADVANCE.

1. Building or purchasing own home (Individuals) ..	40,522	22,388	10,746	3,567	7,982	1,617	86,822	9.9
2. All other (including Personal Loans) ..	19,928	16,321	5,765	2,604	3,862	1,224	49,704	5.6
Total ..	60,450	38,709	16,511	6,171	11,844	2,841	136,526	15.5

D. ADVANCES TO NON-PROFIT ORGANIZATIONS.

<i>Total</i>	5,467½	3,539	2,271	513	1,323	311	13,424	1.5
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TOTAL ADVANCES TO RESIDENT BORROWERS.

<i>Total</i>	380,086	247,720	130,288	45,804	57,399	20,885	882,182	100.0
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Non-Resident Borrowers.

ADVANCES TO NON-RESIDENT BORROWERS

<i>Total</i>	97	39	19	1	19	1	176	(d)
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TOTAL ADVANCES TO RESIDENT AND NON-RESIDENT BORROWERS.

Grand Total ..	380,183	247,759	130,307	45,805	57,418	20,886	882,358	100.0
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(a) Includes Papua and New Guinea. (b) Includes Australian Capital Territory. (c) Includes Northern Territory. (d) Less than 0.1 per cent.

(ii) *Australia, June, 1954 to June, 1957.* The following table provides a classification of advances within Australia (including Papua and New Guinea) as at the end of June, 1954 to 1957.

COMMONWEALTH TRADING BANK OF AUSTRALIA AND PRIVATE TRADING BANKS: CLASSIFICATION OF ADVANCES WITHIN AUSTRALIA(a)
AMOUNT AND PROPORTION OF EACH CLASS TO TOTAL.

Classification.	At End of June—							
	1954.		1955.		1956.		1957.	
	Amount (£'000.)	Per cent.	Amount (£'000.)	Per cent.	Amount (£'000.)	Per cent.	Amount (£'000.)	Per cent.

Resident Borrowers.

A. BUSINESS ADVANCES CLASSIFIED ACCORDING TO MAIN INDUSTRY OF BORROWER.

1. Agriculture, Dairying and Grazing ..	192,340	24.3	220,879	23.8	213,013	23.7	200,027	22.7
2. Manufacturing ..	139,314	17.6	190,728	20.6	185,117	20.6	182,896	20.7
3. Transport, Storage and Communication ..	16,690	2.1	17,244	1.9	17,267	1.9	12,399	1.4
4. Finance—								
(a) Building and Housing Societies ..	24,418	3.1	25,993	2.8	26,208	2.9	25,360	2.9
(b) Other ..	40,815	5.2	46,272	5.0	46,217	5.2	27,172	3.1
Total Class 4 ..	65,233	8.3	72,265	7.8	72,425	8.1	52,532	6.0
5. Commerce—								
(a) Retail Trade ..	74,861	9.4	86,962	9.4	86,310	9.6	87,522	9.9
(b) Wholesale Trade ..	57,678	7.3	73,827	7.9	72,062	8.1	99,939	11.3
Total Class 5 ..	132,539	16.7	160,789	17.3	158,372	17.7	187,461	21.2
6. Building and Construction ..	19,242	2.4	22,270	2.4	20,147	2.2	20,665	2.3
7. Other Businesses ..	52,460	6.6	70,813	7.6	70,307	7.9	55,826	6.3
8. Unclassified ..	9,874	1.2	(c)	(c)	(c)	(c)	4,413	0.5
Total Business Advances ..	627,692	79.2	754,988	81.4	736,648	82.1	715,654	81.1

B. ADVANCES TO PUBLIC AUTHORITIES.

Public Authorities (incl. Local Government and Semi-Governmental Bodies) ..	9,871	1.2	11,378	1.2	18,096	2.0	16,578	1.9
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C. PERSONAL ADVANCES CLASSIFIED ACCORDING TO MAIN PURPOSE OF ADVANCE.

1. Building or purchasing own home (Individuals) ..	102,872	13.0	105,676	11.4	94,571	10.6	86,822	9.9
2. All other (including personal loans) ..	52,083	6.6	55,399	6.0	47,910	5.3	49,704	5.6
Total ..	154,955	19.6	161,075	17.4	142,481	15.9	136,526	15.5

D. ADVANCES TO NON-PROFIT ORGANIZATIONS.

Total ..	(d)	(d)	(d)	(d)	(d)	(d)	13,424	1.5
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TOTAL ADVANCES TO RESIDENT BORROWERS.

Total ..	(d)	(d)	(d)	(d)	(d)	(d)	882,182	100.0
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Non-Resident Borrowers.

ADVANCES TO NON-RESIDENT BORROWERS.

Total ..	(d)	(d)	(d)	(d)	(d)	(d)	176	(e)
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TOTAL ADVANCES TO RESIDENT AND NON-RESIDENT BORROWERS.

Grand Total ..	792,518	100.0	927,441	100.0	897,225	100.0	882,358	100.0
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(a) Includes Papua and New Guinea. (b) Includes temporary advances to woolbuyers which rose substantially during 1956-57. (c) Included with Other Businesses. (d) Not available separately. (e) Less than 0.1 per cent.

NOTE:—The figures for June, 1957, for some classes are not strictly comparable with those for earlier periods. See para. 11 (i), page 739.

12. **Interest on Deposits : Rates—Cheque-paying Banks.**—Particulars of interest rates for fixed deposits since 1952 are shown hereunder.

BANK FIXED DEPOSIT RATES : AUSTRALIA.

(Per cent. per annum.)

Date from which Operative.	Deposits for—			
	Three Months.	Six Months.	Twelve Months.	Twenty-four Months.
29th July, 1952	1	1½	1½	(a) 1½
1st January, 1955	1½	1½	1½	2
15th March, 1956	2½	2½	2½	3
4th December, 1956	2½	2½	2½	3½

(a) On first £10,000; rate on amounts in excess of £10,000 was 1½ per cent.

13. **Clearing House Returns—Average Weekly Clearings.**—The average weekly clearings in each capital city for the years ended June, 1939 and 1953 to 1957 are shown in the following table.

BANK CLEARINGS(a) : AVERAGE WEEKLY CLEARINGS.

(£'000.)

Year ended June—	Sydney.	Melbourne.	Brisbane.	Adelaide.	Perth.	Hobart.	Total.
1939 ..	17,832	15,415	4,212	2,953	2,055	623	43,090
1953 ..	88,557	78,965	17,886	16,794	11,441	2,985	216,628
1954 ..	97,191	87,505	20,736	18,027	13,249	3,393	240,101
1955 ..	103,849	95,245	22,072	19,681	13,684	3,670	258,201
1956 ..	109,975	101,153	22,488	21,021	14,089	3,962	272,688
1957 ..	119,381	107,563	25,571	23,042	14,927	4,237	294,721

(a) Excludes transactions connected with the issue and redemption of Treasury Bills.

14. **Debits to Customers' Accounts—All Cheque-paying Banks.**—Statistics of debits to customers' accounts have been collected since September, 1945. Generally they represent the total of all cheques drawn by the customers of the banks. In the following table, the average weekly debits to customers' accounts of all cheque-paying banks are shown for each State for the years ended June, 1953 to 1957. In this table, debits to accounts of Australian Governments in capital cities are excluded, as they are subject to abnormal influences and are not uniform for each State.

AVERAGE WEEKLY DEBITS TO CUSTOMERS' ACCOUNTS : ALL CHEQUE-PAYING BANKS.

(Excluding Debits to Australian Government Accounts in Capital Cities.)

(£'000.)

Year ended June—	N.S.W.	Vic.	Q'land.	S. Aust.	W.Aust.	Tas.	A.C.T.	Total.
1953	151,938	131,998	43,796	30,063	22,091	8,850	580	389,316
1954	171,709	154,885	51,032	32,802	25,339	9,938	775	446,480
1955	187,471	176,146	53,873	36,288	26,247	10,716	821	491,562
1956	200,852	185,369	56,028	39,564	26,918	11,615	1,025	521,371
1957	219,368	195,455	62,743	42,685	28,571	12,609	1,229	562,660

15. **Rates of Exchange.**—(i) *Oversea Exchange Rates.* In the following table, the par of exchange (based on par values agreed with the International Monetary Fund) and average telegraphic transfer selling rates of exchange for Sydney on a number of overseas countries are shown. Generally, the averages, which are averages of daily quotations, are based on rates quoted by the Commonwealth Bank, but where these were not available rates issued by the Department of Customs and Excise have been used.

**OVERSEA EXCHANGE RATES : PAR OF EXCHANGE AND AVERAGE TELE-
GRAPHIC TRANSFER SELLING RATES FOR SYDNEY ON OVERSEA
COUNTRIES.**

Country.	Basis of Quotation.	Par of Ex- change.(a)	Selling Rate 1956-57.	Country.	Basis of Quotation.	Par of Ex- change.(a)	Selling Rate 1956-57.
Belgium ..	Francs to £A.1 ..	112.000	110.830	Netherlands ..	Guilders to £A.1 ..	8.512	8.439
Canada ..	Dollars to £A.1 ..	(b)	2.143	New Zealand ..	£A. to £NZ.100 ..	(c)	124.538
Ceylon ..	Pence A. to Rupee ..	22.500	22.797	Norway ..	Kroner to £A.1 ..	16.000	15.810
Denmark ..	Kroner to £A.1 ..	15.472	15.340	Pakistan ..	Pence A. to Rupee ..	22.500	22.719
Egypt ..	Piastres to £A.1 ..	78.006	77.490	Portugal ..	Escudos to £A.1 ..	(c)	63.789
Fiji ..	£A. to £F.100 ..	112.610	113.000	Singapore ..	Pence A. to Dollar ..	35.000	35.276
Finland ..	Marks to £A.1 ..	515.200	509.090	South Africa, Union of ..	£A. to £SA.100 ..	125.000	125.788
France ..	Francs to £A.1 ..	(b)	780.330	Sweden ..	Kroner to £A.1 ..	11.588	11.452
French Oceania	Francs to £A.1 ..	(b)	138.610	Switzerland ..	Francs to £A.1 ..	(c)	9.712
Germany, Fed.	Deutsche Marks to			United Kingdom	£A. to £Eng.100..	125.000	125.500
Rep. of ..	£A.1 ..	9.408	9.286	United States of			
Hong Kong ..	Pence A. to Dollar ..	18.750	18.802	America ..	Dollars to £A.1 ..	2.240	2.220
India ..	Pence A. to Rupee ..	22.500	22.719	U.S.S.R. ..	Roubles to £A.1 ..	(c)	8.924
Indonesia ..	Rupiahs to £A.1 ..	(c)	24.701				
Japan ..	Yen to £A.1 ..	806.400	791.990				

(a) As at 30th June, 1956, established under International Monetary Fund Agreement.
established.

(c) Not a member of International Monetary Fund.

(b) No par value

(ii) *Interstate Exchange Rates.* Exchange rates between the capital cities and towns of each of the States and other States or parts thereof at 30th June, 1956, are shown below. Rates varied from 2s. per £100 between the nearer locations to 10s. per £100 between those more widely separated.

INTERSTATE BANK EXCHANGE RATES, 30th JUNE, 1957.(a)

(s. d. per £100.)

Between—	And—						
	New South Wales.	Victoria.	Brisbane and adjacent towns.	South Aust- ralia.	Perth and all but distant towns.	Tas- mania.	Aust. Cap. Terr.
Sydney and New South Wales towns ..	..	2 6	2 6	5 0	7 6	5 0	2 0
Melbourne and Victorian towns ..	2 6	..	5 0	2 6	5 0	2 6	2 0
Brisbane and adjacent towns ..	2 6	5 0	..	7 6	10 0	7 6	2 6
Adelaide and South Australian towns ..	5 0	2 6	7 6	..	2 6	5 0	5 0
Perth and all but distant towns ..	7 6	5 0	10 0	2 6	..	7 6	7 6
Hobart and Tasmanian towns ..	5 0	2 6	7 6	5 0	7 6	..	5 0
Australian Capital Territory ..	2 0	2 0	2 6	5 0	7 6	5 0	..

(a) Unchanged since 1st January, 1940.

There is no charge for transfers within a city or a town. In all States excepting Queensland and Western Australia, the exchange for transfers between towns in the same State is 2s. per £100. Queensland and Western Australia are divided into zones. The exchange rate for transfers between towns in the same zone is 2s. per £100, with higher rates for inter-zone transfers.

The exchange rate between Papua and New Guinea and the mainland is 10s. per £100 for all points.

§ 2. Savings Banks.

1. **General.**—The inauguration of savings banks in Australia dates from 1819, when a private savings bank was opened in Sydney. In 1832, the legislature created "The Savings Bank of New South Wales" under the control of trustees, and shortly after its establishment the funds of the private savings bank were transferred to the new institution. In the other States provision for placing deposits with savings banks dates from 1841 in Victoria; 1854 in Queensland; 1848 in South Australia; 1863 in Western Australia (a savings bank was opened in 1856 but was closed a year later); 1835 in Launceston; and 1845 in Hobart. These early banks functioned as trustee savings banks, but, with the exception of the Hobart and Launceston institutions, were later absorbed by, or amalgamated with, State government savings banks. The Commonwealth Savings Bank, established as a branch of the Commonwealth Bank in 1912 and separately constituted in 1928, absorbed the Tasmanian State Savings Bank in 1913, the Queensland State Savings Bank in 1920 and the New South Wales and Western Australian State Savings Banks in 1931.

Post Office savings banks were established in all States from 1864 onwards. These were separate government institutions except in South Australia, where the Post Office acted as agent for the savings bank. Since the federation of the Australian States in 1901, post offices have been controlled by the Commonwealth Government, but they continued to act as savings bank agencies for the State institutions until the establishment of the Commonwealth Bank in 1912. They now act as agents for the Commonwealth Savings Bank.

During 1956, four new savings banks, the Bank of New South Wales Savings Bank Ltd., the Australia and New Zealand Savings Bank Ltd., the C.B.C. Savings Bank Ltd., and The Rural and Industries Bank of Western Australia, were established. Three of these are associated with and operate from the same premises as existing private trading banks and the other is a division of a State bank—The Rural and Industries Bank of Western Australia. Savings banks operating at the end of 1957 were—the Commonwealth Savings Bank (in all States and Territories), the Bank of New South Wales Savings Bank Ltd. and the Australia and New Zealand Savings Bank Ltd. (in all States and Territories except South Australia and Tasmania), the C.B.C. Savings Bank Ltd. (in all States except South Australia and Tasmania, and in the Australian Capital Territory), The State Savings Bank of Victoria, The Savings Bank of South Australia, The Rural and Industries Bank of Western Australia, and the two trustee banks, The Launceston Bank for Savings and The Hobart Savings Bank.

The prime object of the foundation of savings banks in Australia was the encouragement of thrift, deposits of one shilling and upwards being accepted. Although depositors (other than non-profit organizations) may not operate on their accounts by means of cheques, they have practically all the other advantages of a current account and in addition receive interest on their minimum monthly balances. No charge is made by the banks for keeping the accounts.

Cheque facilities are available at most savings banks to non-profit organizations such as friendly, co-operative and charitable societies. As with other depositors, interest is allowed on the deposits of these organizations and no charge is made for keeping their accounts.

2. **Branches and Agencies.**—The number of branches and agencies in Australia of the various savings banks at the 30th June, 1957, are given in the following table.

ALL SAVINGS BANKS : NUMBER OF BRANCHES AND AGENCIES AT 30th JUNE, 1957.

Bank.	Branches.	Agencies.
Commonwealth Savings Bank	544	5,586
Australia and New Zealand Savings Bank Ltd.	446	409
Bank of New South Wales Savings Bank Ltd.	617	213
C.B.C. Savings Bank Ltd.	337	79
The State Savings Bank of Victoria	280	559
The Savings Bank of South Australia	88	539
The Rural and Industries Bank of Western Australia	38	125
The Launceston Bank for Savings	19	36
The Hobart Savings Bank	20	13
Total	2,389	7,559

3. **Number of Operative Accounts.** The following table shows the number of operative savings bank accounts in existence at the end of June, 1956 and 1957. It should be noted that these figures relate to the number of accounts and not necessarily to the number of depositors.

ALL SAVINGS BANKS : NUMBER OF OPERATIVE ACCOUNTS.(a)

State or Territory.	At end of June.	
	1956.	1957.
New South Wales	2,461,962	2,608,653
Victoria	2,233,738	2,320,253
Queensland	907,385	959,972
South Australia	822,150	839,075
Western Australia	446,419	473,548
Tasmania	285,487	291,368
Northern Territory	10,549	11,643
Australian Capital Territory	21,271	23,233
Total	7,188,961	7,527,745

(a) Excludes school bank accounts and inoperative accounts (i.e. accounts of less than £1 which have not been operated on for more than two years).

4. **Business Transacted.** The following table shows details of the business transacted in Australia by savings banks during the years ended 30th June, 1956 and 1957 :—

ALL SAVINGS BANKS : BUSINESS TRANSACTED IN AUSTRALIA.
(£'000.)

State or Territory.	Year ended June, 1956.				Year ended June, 1957.			
	Deposits During Year.	Withdrawals During Year.	Interest Added to Accounts During Year.	Amount on Deposit at end of June, 1956.	Deposits During Year.	Withdrawals During Year.	Interest Added to Accounts During Year.	Amount on Deposit at end of June, 1957.
New South Wales	365,600	345,406	7,715	386,554	421,338	395,584	9,876	422,184
Victoria	351,896	338,250	7,782	386,176	382,750	367,130	9,773	411,569
Queensland	133,639	128,439	2,686	132,700	150,796	142,281	3,393	144,608
South Australia	103,921	102,854	2,997	135,756	129,708	126,591	3,528	142,401
Western Australia	57,629	54,491	1,167	57,934	65,576	62,279	1,462	62,693
Tasmania	29,985	29,431	848	37,211	31,942	31,383	989	38,759
Northern Territory	2,301	2,158	31	1,656	2,655	2,458	41	1,894
Australian Capital Territory	3,998	3,620	57	3,010	4,595	4,378	75	3,302
Total	1,048,969	1,004,649	23,283	1,140,997	1,189,360	1,132,084	29,137	1,227,410

5. Depositors' Balances.—The amount at credit of depositors' accounts and the average per head of population for each State and Territory at the end of June, 1939 and 1953 to 1957, are shown in the following table:—

ALL SAVINGS BANKS: DEPOSITORS' BALANCES IN AUSTRALIA.

At end of June.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Terr.	A.C.T.	Total.
COMMONWEALTH SAVINGS BANK. (£'000.)									
1939..	87,474	11,242	29,045	3,167	12,396	2,358	99	319	146,100
1953..	319,149	85,137	109,360	25,483	49,794	12,170	1,116	2,154	604,363
1954..	339,796	94,174	117,406	28,192	52,614	12,869	1,308	2,328	648,687
1955..	358,645	104,597	124,814	30,547	53,629	13,763	1,482	2,575	690,052
1956..	363,711	110,215	126,998	31,880	54,295	14,312	4,384		705,795
1957..	363,406	114,542	129,816	33,590	53,697	15,252	4,470		714,773

STATE SAVINGS BANKS. (£'000.)									
1939..	..	69,219	..	24,230	..	..	..	..	93,449
1953..	..	234,834	..	88,392	..	..	..	..	323,226
1954..	..	245,607	..	94,757	..	..	..	..	340,364
1955..	..	260,151	..	101,145	..	..	..	..	361,296
1956..	..	264,317	..	103,876	635	..	..	..	368,828
1957..	..	266,276	..	108,811	2,302	..	..	..	377,389

TRUSTEE SAVINGS BANKS: HOBART AND LAUNCESTON. (£'000.)									
1939..	..	..	..	..	..	6,038	..	..	6,038
1953..	..	..	..	..	..	19,908	..	..	19,908
1954..	..	..	..	..	..	21,078	..	..	21,078
1955..	..	..	..	..	..	22,046	..	..	22,046
1956..	..	..	..	..	..	22,899	..	..	22,899
1957..	..	..	..	..	..	23,507	..	..	23,507

PRIVATE SAVINGS BANKS. (£'000.)									
1956..	22,843	11,644	5,702	..	3,004	..	282		43,475
1957..	58,778	30,751	14,792	..	6,694	..	726		111,741

ALL SAVINGS BANKS. (£'000.)									
1939..	87,474	80,461	29,045	27,397	12,396	8,396	99	319	245,587
1953..	319,149	319,971	109,360	113,875	49,794	32,078	1,116	2,154	947,497
1954..	339,796	339,781	117,406	122,949	52,614	33,947	1,308	2,328	1,010,129
1955..	358,645	364,748	124,814	131,692	53,629	35,809	1,482	2,575	1,073,394
1956..	366,554	386,176	132,700	135,756	57,934	37,211	1,656	3,010	1,140,997
1957..	422,184	411,569	144,608	142,401	62,693	38,759	1,894	3,302	1,227,410

PER HEAD OF POPULATION. (£. s. d.)									
1939..	31 16 7	42 16 8	28 10 7	45 18 6	26 7 5	35 1 5	15 14 8	25 7 4	35 4 11
1953..	94 6 4	133 11 8	84 13 8	146 15 9	80 4 10	105 9 10	70 8 3	75 3 8	107 9 8
1954..	99 5 1	138 11 1	89 1 3	154 4 11	82 4 9	109 19 0	79 8 8	76 15 8	112 8 1
1955..	102 15 1	144 11 4	92 16 7	160 13 9	81 8 9	113 15 11	84 6 5	79 8 4	116 13 3
1956..	108 15 8	148 4 9	96 16 3	159 19 10	85 10 6	116 8 3	90 10 0	87 5 11	121 0 7
1957..	116 10 8	153 18 11	103 10 8	163 1 10	90 12 3	118 4 1	98 15 8	87 4 4	127 5 8

6. **Cheque Accounts.**—At most savings banks, cheque facilities are available to non-profit organizations such as Friendly, Co-operative and Charitable Societies. Details of the transactions on these accounts during the year ended June, 1957, (excluding the Savings Bank of South Australia) together with the number of operative accounts and the amount on deposit at the end of June, 1957 were as follows:—Deposits during the year, £157,718,123; withdrawals during the year, £154,519,251; interest added during the year, £404,442; number of operative accounts at end of year, 49,617; amount on deposit at end of year, £23,906,135.

7. **School Banking.**—With the object of encouraging principles of thrift amongst children, agencies of the savings banks have been established at most of the schools throughout Australia. Particulars of operative accounts for the Commonwealth at the end of June of the years 1939 and 1953 to 1957, appear below:—

SCHOOL SAVINGS BANKS : AUSTRALIA.

At end of June—				Number of School Agencies.	Number of Operative Accounts.	Deposits.	Deposits per Operative Account.
						£	£ s. d.
1939	..	..	..	9,535	560,116	1,090,703	1 18 11
1953	..	..	..	8,148	684,527	4,375,185	6 7 10
1954	..	..	..	8,179	724,038	4,831,538	6 13 6
1955	..	..	..	8,210	761,974	5,280,808	6 18 7
1956	..	..	..	8,591	825,692	5,785,495	7 0 2
1957	..	..	..	8,294	895,139	6,429,490	7 3 8

8. **Assets.**—The assets within Australia of all Savings Banks as at the end of June 1956 and 1957, are given in the following table:—

ALL SAVINGS BANKS : ASSETS WITHIN AUSTRALIA.(a)
(£'000.)

Item.	At End of June.	
	1956.	1957.
Coin, Bullion and Australian Notes	2,763	2,801
Deposits with Commonwealth Bank	101,579	98,576
Deposits with Other Banks	41,547	54,797
Notes, Bills, Cheques, &c., of Other Banks	66	73
Australian Public Securities (including Treasury Bills)—		
Commonwealth and States	675,198	706,062
Local and Semi-governmental Authorities	177,110	199,186
Other Securities	85	57
Loans, Advances and Bills Discounted	181,915	202,076
Bank Premises, Furniture and Sites	8,505	10,602
Bills Receivable and all Other Assets	9,346	10,363
Total Assets	1,198,114	1,284,593

(a) Includes assets in Papua, New Guinea and Norfolk Island.

9. **War Savings and Savings Certificates.**—Sales of savings certificates and stamps under the War Savings and Savings Certificate schemes, particulars of which were given in earlier issues of the Official Year Book (*see* No. 37, page 586), were discontinued after 31st January, 1949, except for some sales made to wind up savings groups, etc. This method of saving was replaced by special savings schemes to operate through the savings banks. Employers were asked to co-operate by forming employee savings groups and by making regular deductions from wages and salaries for payment into group savings bank accounts, and thence, at the end of each quarter to individual accounts. The total value of certificates outstanding at 30th June in each of the last five years was :—1953, £35,601,000; 1954, £30,310,000; 1955, £26,615,000; 1956, £23,366,000; 1957, £20,043,000.

10. **Commonwealth Savings Bank of Australia.**—(i) *General.* The Savings Bank Department of the Commonwealth Bank opened for business in Victoria on 15th July, 1912; in Queensland on 16th September, 1912; in the Northern Territory on 21st October, 1912; in Tasmania on 1st January, 1913, and in New South Wales, South Australia and Western Australia on 13th January, 1913. The Tasmanian State Savings Bank was absorbed by the Commonwealth Bank on 1st January, 1913, the Queensland State Savings Bank was taken over in 1920 and the New South Wales and Western Australian State Savings Banks in 1931. The Savings Bank Department was separated from the General Bank on 9th June, 1928, and established as a separate institution known as the "Commonwealth Savings Bank of Australia". It has since then operated independently, publishing its own balance-sheets and profit and loss accounts. The Commonwealth Bank Act 1927, which provided for the establishment of the Commonwealth Savings Bank as a separate institution, provided for a Commission of three members to manage the savings bank. This Commission was never appointed and the Commonwealth Bank Act 1945 placed the control of the Commonwealth Savings Bank under the Governor of the Commonwealth Bank.

(ii) *Balance-sheet, 30th June, 1956 and 1957.* Particulars of the liabilities and assets of the Commonwealth Savings Bank as at 30th June, 1956 and 1957, were as follows:—

COMMONWEALTH SAVINGS BANK(a) : LIABILITIES AND ASSETS, 30th JUNE.
(£'000.)

Liabilities.	1956.	1957.	Assets.	1956.	1957.
Reserve Fund	9,191	9,481	Cash Balances and Money at Short Call	72,519	66,902
Depositors' Balances and Accrued Interest	712,342	721,494	Australian Notes and Coin	803	942
Contingency Account and other Liabilities ..	20,802	17,968	Government Securities	469,129	467,088
			Securities of Municipal and other Public Authorities ..	78,584	82,213
			Bank Premises ..	5,890	7,334
			Loans and Advances ..	103,277	110,745
			Other Assets	12,133	13,719
Total.	742,335	748,943	Total	742,335	748,943

(a) Includes branches in London, in the Territories of Papua and New Guinea, Norfolk Island, and in British Solomon Islands.

(iii) *Profits.* Under the terms of the Savings Bank Amalgamation Agreements, the profits of the Commonwealth Savings Bank in New South Wales, Queensland, Western Australia and Tasmania are equally divided between the Bank and the former controlling authorities in those States. Net profits for the years ended 30th June, 1939 and 1953 to 1957, and the distribution of those profits are shown in the following table.

COMMONWEALTH SAVINGS BANK : DISTRIBUTION OF PROFITS.
(£.)

Year ended 30th June—	Total Profit.	Payments to State Authorities under Savings Bank Amalgamation Agreements.					Published Profit.	Distribution of Published Profit.	
		New South Wales. (a)	Queensland. (b)	Western Australia. (b)	Tasmania. (b)	Total.		National Debt Sinking Fund.	Savings Bank Reserve Fund.
1939 ..	532,736	168,878	30,464	13,251	3,861	216,454	316,282	158,141	158,141
1953 ..	1,525,475	497,082	94,795	23,544	4,984	620,405	905,070	452,535	452,535
1954 ..	2,031,371	629,614	155,365	33,217	12,439	830,635	1,200,736	600,368	600,368
1955 ..	1,855,901	587,959	130,415	26,284	6,327	750,985	1,104,916	552,458	552,458
1956 ..	1,251,153	453,105	60,347	12,211	304	525,967	725,186	362,593	362,593
1957 ..	890,419	394,386	..	..	..	394,386	580,386	290,193	290,193

(a) Paid to The Rural Bank of New South Wales.

(b) Paid to State Consolidated Revenue Funds

(c) After adding £84,353 due by State Authorities under Savings Bank Amalgamation Agreements.

11. **State Savings Banks.**—(i) *General.* State savings banks at present operating (with date of establishment shown in parentheses) are: The State Savings Bank of Victoria (1841); The Savings Bank of South Australia (1848); The Rural and Industries Bank of Western Australia (1956).

(ii) *Assets.* The assets of the State savings banks as at the date of their respective balance sheets are shown in the following table.

STATE SAVINGS BANKS : ASSETS, 1956 AND 1957.
(£'000.)

Particulars.	1957.			1956.	
	The State Savings Bank of Victoria including Crédit Foncier Dept. (a)	The Savings Bank of South Australia. (a)	Rural and Industries Bank of Western Australia (Savings Bank Division). (b)	Total.	Total.
Cash, cash and fixed deposits at other Banks	42,478	16,842	(c) 607	59,927	56,564
Government Securities (including Treasury Bills)	107,955	55,306	1,252	164,513	169,375
Local and Semi-Governmental Securities	75,226	21,668	306	97,200	90,990
Mortgages	54,619	20,710	610	75,939	72,339
Landed and House Property	1,830	900	..	2,730	2,130
All other Assets	2,221	835	17	3,073	2,847
Total Assets	284,329	116,261	2,792	403,382	394,245

(a) At: 30th June. (b) At: 30th September. Disposition of savings bank deposits only. (c) Includes Treasury Bills. (d) Details were: State Savings Bank of Victoria (including Crédit Foncier Department), £282,119,000, The Savings Bank of South Australia, £110,924,000, Rural and Industries Bank of Western Australia, £1,202,000.

(iii) *Profit and Loss Accounts.* Details of the profit and loss accounts of the State savings banks excluding the Rural and Industries Bank of Western Australia, included in the above table are given below for the years 1956 and 1957.

STATE SAVINGS BANKS : PROFIT AND LOSS ACCOUNTS, 1956 and 1957.
(£'000.)

Particulars.	1957.			1956.	
	State Savings Bank of Victoria including Crédit Foncier Department. (a)	Savings Bank of South Australia. (a)	Total.	Total.	
Receipts—					
Total—Interest, Dividends, Rents, and all other	10,030	4,070	14,100	12,904	
Expenditure—					
Interest allotted to Depositors including provision for accrued interest	6,534	2,721	9,255	7,971	
Expenses of Management and all other Expenditure	3,389	1,011	4,400	4,218	
Total	9,923	3,732	13,655	12,189	
Profit for year	107	338	445	715	
Balance of profit and loss account brought forward	197	160	357	291	
Total	304	498	802	1,006	
Distribution of Profits—					
Amount written off Bank Premises	5	(b)	(b) 5	(c) 3	
Amount carried to Reserves and Depreciation Funds	132	335	467	646	
Balance of Profit and Loss Account carried forward	167	163	330	357	

(a) Year ended 30th June. (b) Not available, included with expenses of management, &c.
(c) Incomplete, see footnote (b).

12. **Trustee Savings Banks, Hobart and Launceston.**—(i) *General.* Two Trustee Savings Banks, Hobart and Launceston, operate within Tasmania. These banks commenced business in 1845 and 1835 respectively.

(ii) *Assets.* The assets of the Trustee Savings Banks as at the 31st August, 1956 and 1957, are set out in the following table:—

TRUSTEE SAVINGS BANKS: ASSETS AT 31st AUGUST, 1956 AND 1957.
(£'000)

Particulars.	1957.			1956.
	The Hobart Savings Bank.	The Launceston Bank for Savings.	Total.	Total.
Cash, Cash and Fixed Deposits with other Banks	1,393	1,564	2,957	3,245
Government Securities (including Treasury Bills)	3,679	3,095	6,774	6,501
Local and Semi-Governmental Securities ..	5,432	3,392	8,824	8,349
Mortgages	2,801	3,693	6,494	6,382
Landed and House Property	342	126	468	323
All other Assets	153	134	287	272
Total	13,800	12,004	25,804	(a) 25,072

(a) Separate details were: The Hobart Savings Bank, £13,489,000 and the Launceston Bank for Savings, £11,583,000.

(iii) *Profit and Loss Accounts.* Details of the profit and loss accounts of the Trustee Savings Banks for the year ended 31st August, 1956 and 1957, are given below:—

TRUSTEE SAVINGS BANKS: PROFIT AND LOSS ACCOUNTS, YEARS ENDED 31st AUGUST, 1956 AND 1957.
(£'000.)

Particulars.	1957.			1956.
	The Hobart Savings Bank.	The Launceston Bank for Savings.	Total.	Total.
Receipts—				
Total—Interest, Dividends, Rents and all other	503	469	972	894
Expenditure—				
Interest allotted to Depositors	349	304	653	595
Expenses of Management	126	105	231	210
All other Expenditure	2	1	3	3
Total	477	410	887	808
Profit for Year	26	59	85	86
Balance of Profit and Loss Account brought forward	54	53	107	106
Total	80	112	192	192
Distribution of Profits—				
Amount written off Bank Premises	10	19	29	33
Amount carried to Reserves and Depreciation Fund	16	40	56	53
Balance of Profit and Loss Account carried forward	54	53	107	106

13. **Private Savings Banks.**—(i) *General.* The Bank of New South Wales Savings Bank Limited and the Australia and New Zealand Savings Bank Limited on the 18th January, 1956, and the C.B.C. Savings Bank Limited on the 2nd June, 1956, were granted authority under section 8 of the Banking Act 1945–1953 to carry on banking business subject to the following conditions:—

1. The Savings Bank shall not, in the course of that business, receive a deposit from a company or other body engaged in or formed for the purpose of trading or acquiring pecuniary profit.

2. The Savings Bank shall not, in the course of that business, permit a cheque to be drawn on an account maintained with the Savings Bank, not being an account maintained by a local authority, friendly society, co-operative society, or any other society, body or club.
3. The Savings Bank shall not, in the course of that business, place money on deposit in Australia (whether fixed or in current account) with a bank other than a bank specified in Part I. of the First Schedule to the Banking Act 1945-1953, the Commonwealth Bank of Australia, or the Commonwealth Trading Bank of Australia.
4. The Savings Bank shall at all times maintain in investments of the following kinds an amount which, together with cash on hand in Australia and moneys on deposit in Australia with banks, is not less than the amount on deposit in Australia with the Savings Bank:—
 - (a) securities issued by the Government of the Commonwealth, including Commonwealth Treasury Bills;
 - (b) securities issued by the Government of a State;
 - (c) securities issued or guaranteed by an authority constituted by or under a Commonwealth or a State Act;
 - (d) loans to building societies the repayment of which is guaranteed by the Commonwealth or a State; and
 - (e) loans for housing or other purposes on the security of land in Australia.
5. The Savings Bank shall at all times maintain in investments of the following kinds an amount which, together with cash on hand in Australia and moneys on deposit with the Commonwealth Bank of Australia, is not less than seventy per centum of the amount on deposit in Australia with the Savings Bank:—
 - (a) securities issued by the Government of the Commonwealth, including Commonwealth Treasury Bills;
 - (b) securities issued by the Government of a State; and
 - (c) securities issued or guaranteed by an authority constituted by or under a Commonwealth or a State Act.
6. The Savings Bank shall at all times maintain in investment in Commonwealth Treasury Bills an amount which, together with moneys on deposit with the Commonwealth Bank of Australia, is not less than ten per centum of the amount on deposit in Australia with the Savings Bank.
7. For the purposes of these conditions, the amount on deposit in Australia with the Savings Bank includes interest credited to the accounts of depositors.

The Bank of New South Wales Savings Bank Limited and the Australia and New Zealand Savings Bank Limited commenced business on the 19th January, 1956 and the C.B.C. Savings Bank Limited on 16th July, 1956.

(ii) *Assets.* The assets of the private savings banks as at the date of their respective balance-sheets are shown in the following table:—

PRIVATE SAVINGS BANKS: ASSETS 1956 AND 1957.
(£'000.)

Particulars.	1957.				1956.
	The Australia and New Zealand Savings Bank Ltd. (a)	The Bank of New South Wales Savings Bank Ltd. (a)	C.B.C. Savings Bank Ltd. (b)	Total.	Total.
Cash at Bankers—					
Commonwealth Bank	3,465	5,250	1,583	10,298	4,620
Other Banks	4,774	9,954	3,237	17,965	11,179
Government Securities—					
Treasury Bills	399	3,000	200	3,599	4,049
Other	16,798	39,959	11,628	68,385	36,215
Local and Semi Governmental Securities	8,337	8,953	988	18,278	7,554
Loans and Advances (including accrued interest and other accounts)	5,931	6,076	290	12,297	2,076
Total	39,704	73,192	17,926	130,822	(c)65,693

(a) At 30th September. (b) At 30th June. This bank commenced business in July, 1956.
(c) Separate details were:—The Australia and New Zealand Savings Bank Ltd., £23,191,000; the Bank of New South Wales Savings Bank Ltd., £42,502,000.

(iii) *Profit and Loss.* Details of the profit and loss accounts of the private savings banks included in the above table are given below for the years 1956 and 1957.

PRIVATE SAVINGS BANKS: PROFIT AND LOSS.(a)

(£.)

Year.	The Australia and New Zealand Savings Bank Ltd.(b)	The Bank of New South Wales Savings Bank Ltd.(b)	C.B.C. Savings Bank Ltd.(c)	Total.
1956	24,705	37,135	(d)	61,840
1957	80,810	131,567	31,657	244,034

(a) Net profit after allowing for all expenses and providing for reserves and contingencies, etc. (b) Year ended 30th September. (c) Year ended 30th June, commenced business in July 1956. (d) See footnote (c).

14. Classification of Depositors' Balances.—The classification of deposits published by savings banks does not permit a fully detailed analysis with respect to Australia as a whole, but information supplied to the Royal Commission on Monetary and Banking Systems, for all savings banks except the Hobart trustee savings bank, shows that at 30th June, 1936, the amount on deposit in accounts with balances of less than £100 represented 21 per cent. of the total deposits; balances of over £100 but under £250, 21 per cent.; over £250 but under £500, 23 per cent.; over £500 but under £1,000, 25 per cent.; while those of over £1,000 accounted for 10 per cent. School, penny bank and small inoperative accounts were excluded in determining these percentages.

A similar classification as at 30th June, 1936, 1939 and 1953 to 1957, but relating only to the combined State Savings Banks of Victoria and South Australia, is shown below.

STATE SAVINGS BANKS: CLASSIFICATION OF DEPOSITS.

(Per cent.)

At 30th June—	£100 and under.	£101—£300.	£301—£500.	Total under £501.	£501—£1,000.	Over £1,000.
1936	19.54	26.13	17.84	63.51	27.42	9.07
1939	20.27	27.15	17.90	65.32	26.14	8.54
1953	43.88			43.88	32.73	23.39
1954	42.17			42.17	32.03	25.80
1955	40.45			40.45	30.34	29.21
1956	39.93			39.93	29.90	30.17
1957	38.43			38.43	28.83	32.74

15. Rates of Interest on Deposits.—The following table shows the rates of interest allowed by Savings Banks at the 30th June, 1953 to 1957.

SAVINGS BANKS : INTEREST RATES ON DEPOSITS.

(Per cent. per annum.)

Particulars.	Interest Rates at 30th June.				
	1953.	1954	1955.	1956.	1957.
Commonwealth Savings Bank, State Savings Bank of Victoria, Bank of New South Wales Savings Bank Ltd.(a), Australia and New Zealand Savings Bank Ltd.(a), C.B.C. Savings Bank Ltd.(b), Rural and Industries Bank of Western Australia(c)—					
Ordinary Accounts(d)—					
£1 to £500	2½	2½	2½	2½	2½
£501 to £1,000	1½	1½	1½	2½	2½
£1,001 to £1,500	Nil	1½	1½	1½	1½
Friendly and other Society Accounts—					
£1 to £2,000	2½	2½	2½	2½	2½
£2,001 and over	1½	1½	1½	1½	1½
Deposit Stock(d)(e)—					
£10 to £1,000	1½	1½	2	2½	2½
Savings Bank of South Australia—					
Ordinary Accounts(d)—					
£1 to £500	2½	2½	2½	2½	2½
£501 to £750	1½	1½	2½	2½	2½
£751 to £1,000	1½	1½	1½	2½	2½
£1,001 to £1,500	Nil	1½	1½	2½	2½
Friendly and other Society Accounts—					
£1 to £500	2½	2½	2½	2½	2½
£501 to £2,000	2½	2½	2½	2½	2½
£2,001 and over	1½	1½	1½	1½	1½
Deposit Stock(d)—					
£10 to £2,000	1½	1½	2	2½	2½
Trustee Banks—Hobart and Launceston—					
Ordinary Accounts(d)—					
£1 to £500(f)	2½	2½	2½	3	3
£501 to £1,500	Nil	Nil	Nil	Nil	1½
Friendly and Other Society Accounts—					
£1 to £500(f)	2½	2½	2½	3	3
£501 and over	Nil	Nil	Nil	Nil	1½

(a) Commenced Savings Bank business on 19th January, 1956. (b) Commenced Savings Bank business on 16th July, 1956. (c) Commenced Savings Bank business on 5th April, 1956. (d) No interest is payable on amounts in excess of the maximum amount shown. (e) State Savings Bank of Victoria only. (f) Prior to the 1st March, 1957, the maximum amount on which interest was payable was £450.

C. COMPANIES.

NOTE.—Statistics available in regard to companies relate to (a) Trustee, Executor and Agency Companies ; (b) Building and Investment Societies ; and (c) Co-operative Societies.

§ 1. Trustee, Executor and Agency Companies.

The following table shows, for the years 1939 and 1952 to 1956, particulars of the assets and liabilities of certain trustee companies transacting business in Australia and New Zealand. Details have been extracted from a summary of the last published balance-sheets for the various years, as shown in the *Australasian Insurance and Banking Record*.

**TRUSTEE, EXECUTOR AND AGENCY COMPANIES.
AUSTRALIA AND NEW ZEALAND.**

Particulars.	1939.	1952.	1953.	1954.	1955.	1956.
Number of Companies ..	23	24	24	24	24	24
<i>Liabilities—</i>						
Capital paid-up ..	£ 1,408,452	£ 1,528,452	£ 1,528,452	£ 1,528,452	£ 1,530,952	£ 1,555,952
Reserves and Undistributed Profits ..	1,254,262	1,511,596	1,533,107	1,583,874	1,807,231	1,813,444
Other Liabilities ..	621,069	1,000,752	1,107,642	1,133,959	1,038,225	1,541,308
<i>Total Liabilities</i> ..	<i>3,283,783</i>	<i>4,040,800</i>	<i>4,169,201</i>	<i>4,246,285</i>	<i>4,376,408</i>	<i>4,910,704</i>
<i>Assets—</i>						
Deposits with Government, Public Securities, Fixed Deposits, etc. ..	966,847	1,393,241	1,463,523	1,479,961	1,423,758	1,398,921
Mortgages ..	547,705	294,206	276,590	262,155	277,296	258,917
Property ..	1,104,216	1,140,149	1,149,490	1,170,708	1,385,657	1,506,365
Cash ..	102,300	478,812	481,606	559,982	544,744	661,230
Other Assets ..	562,715	734,392	797,992	773,479	744,953	1,085,271
<i>Total Assets</i> ..	<i>3,283,783</i>	<i>4,040,800</i>	<i>4,169,201</i>	<i>4,246,285</i>	<i>4,376,408</i>	<i>4,910,704</i>
<i>Total Trust Fund Assets</i>	£'000. (a) 157,256	£'000. (a) 208,168	£'000. (b) 219,155	£'000. (b) 219,466	£'000. (b) 226,874	£'000. (b) 238,317

(a) Nine offices only.

(b) Ten offices only.

§ 2. Building and Investment Societies.

1. **Summary.**—During 1955, returns were received from 1,116 societies, but the information was not exhaustive, as particulars regarding a number of organizations were not included. In the following table, general information is given relating to the societies for the year 1954-55.

BUILDING AND INVESTMENT SOCIETIES: SUMMARY, 1954-55.

Particulars.	N.S.W.	Vic.(a)	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
<i>Societies making returns—</i>							
Permanent .. No.	31	17	5	5	6	5	69
Terminating .. No.	1,018	2	10	15	2	..	1,047
<i>Total</i> .. No.	<i>1,049</i>	<i>19</i>	<i>15</i>	<i>20</i>	<i>8</i>	<i>5</i>	<i>1,116</i>
Number of shareholders ..	115,961	11,726	26,140	24,397	25,901	8,745	212,870
„ shares ..	b 2,214,623	1,191,764	9,222,632	127,518	(c)	115,527	(c)
„ borrowers ..	(d) 12,380	17,201	10,747	3,947	4,396	2,908	51,579
Income for year from interest, etc. ..	£ 1,249,143	804,683	279,779	85,143	186,578	131,250	2,736,576
Working expenses for year ..	£ 869,121	634,935	122,639	74,621	40,200	22,624	1,764,140
Amounts of deposits during year ..	£ 478,713	940,600	691,405	622,809	831,092	685,571	4,250,190
Repayment of loans during year ..	£ 2,078,967	2,627,378	1,154,952	349,817	638,189	583,264	7,432,567
Loans granted during year ..	£ e 3,862,109	2,785,921	1,814,721	574,085	909,936	1,051,356	10,998,128

(a) Year 1955; excludes Co-operative Housing Societies, for details of which see para. 3.
 (b) Terminating societies only. (c) Not available. (d) Permanent societies only. (e) Incomplete
 —“ Other terminating societies ” not available.

2. **Liabilities and Assets.**—Particulars of liabilities and assets in 1954–55 of the 1,116 societies mentioned in the previous paragraph are shown below.

BUILDING AND INVESTMENT SOCIETIES : LIABILITIES, 1954-55.

(£.)

State.	Paid-up Capital and Subscriptions.	Reserve Funds.	Deposits.	Bank Overdrafts and Other Liabilities.	Total Liabilities.
New South Wales ..	25,977,845	2,272,645	1,205,836	80,054,399	109,510,725
Victoria(a) ..	4,177,221	(b)1,449,375	2,148,243	7,304,812	15,079,651
Queensland ..	5,209,980	106,948	157,965	937,748	6,412,641
South Australia ..	2,169,837	230,360	361,364	25,530	2,787,091
Western Australia ..	2,429,483	83,253	927,058	(c) 272,472	3,712,266
Tasmania ..	1,568,120	163,764	713,232	286,812	2,731,928
Total ..	41,532,486	4,306,345	5,513,698	88,881,773	140,234,302

(a) Year 1955. (b) Includes balances of Profit and Loss Accounts, £140,487. (c) Includes net accumulated profits, £138,147.

BUILDING AND INVESTMENT SOCIETIES : ASSETS, 1954-55.

(£.)

State.	Advances on Mortgage.	Landed and House Property, Furniture, etc.	Cash in Hand and on Deposit	Other Assets.	Total Assets.
New South Wales ..	a107,452,758	(b)	(b)	2,057,967	109,510,725
Victoria(c) ..	14,733,089	167,739	21,696	157,127	15,079,651
Queensland ..	a 6,099,296	125,432	41,530	146,383	6,412,641
South Australia ..	2,514,743	37,572	104,019	130,757	2,787,091
Western Australia ..	3,533,446	51,657	42,800	84,363	3,712,266
Tasmania ..	2,598,836	18,612	4,487	109,993	2,731,928
Total ..	136,932,168	401,012	214,532	2,686,590	140,234,302

(a) Includes Starr-Bowkett and other terminating societies:—New South Wales, £95,144,668; Queensland, £1,198,001. (b) Not available. Included in Other Assets. (c) Year 1955.

3. **Co-operative Housing Societies, Victoria.**—In addition to the information shown above, the following details of co-operative housing societies in Victoria have been extracted from the 10th Annual Report of the Registrar of Co-operative Housing Societies. At 30th June, 1955, 266 co-operative housing societies were registered in Victoria with 24,422 members who had subscribed for 860,142 shares giving a nominal share capital subscribed of £45,178,814. For the twelve months ended 30th April, 1955, returns were submitted by 260 societies, the total income of those societies being £188,971, and total expenditure £172,760. The liabilities at 30th April, 1955 of the societies submitting returns were:—bank overdraft, £28,525,635; subscriptions, £4,081,762; surplus interest and management expenses, £406,022; other liabilities, £662,137, total liabilities, £33,675,556. Assets at the same date consisted of:—advances, £33,434,593; other assets, £240,963; total assets £33,675,556.

§ 3. Co-operative Societies.

Co-operative societies are divided into three classes—(i) those engaged in the manufacture and marketing of primary products and trade requirements; (ii) those engaged in retailing general household requirements; and (iii) those engaged in activities covered by both classes (i) and (ii). The first class may be described briefly as Producers' Co-operative Societies and the second as Consumers' Co-operative Societies. The particulars given for New South Wales relate to societies registered under the Co-operative Act 1923–1950. A summary of the business of all co-operative societies for the years 1954–55 or 1955 for all States except Western Australia is given in the following tables. For Western Australia, details of the business during 1940–41 (the latest year available) are given. Separate particulars for each of the three types of Co-operative Societies are given in the annual bulletin *Finance* (see No. 47, pages 173 and 174).

CO-OPERATIVE SOCIETIES.

Particulars.	N.S.W. 1954–55.	Vic. 1954–55.	Q'land. 1954–55.	S. Aust. 1955.	W. Aust. 1940–41.	Tas. 1954–55.
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SUMMARY.

Number of Societies ..	292	102	184	70	85	9
.. Branches ..	(a)	78	94	(a)	36	10
.. Members ..	200,223	65,456	124,323	109,667	21,663	3,286
Gross Turnover (Sales) ..	£ 105,437,140	27,602,268	54,496,198	13,596,378	2,548,776	890,014
Other Income ..	£ 525,532	1,421,189	1,772,928	814,976	698,449	95,736
Total Income ..	£ 105,962,672	29,023,457	56,269,126	14,411,354	3,247,225	985,750
Total Purchases during Year ..	£ 102,860,188	22,978,844	46,253,084	10,943,783	2,254,419	746,904
Other Expenditure ..	£ 4,950,028	10,458,129	2,965,213	2,965,213	850,741	253,089
Total Expenditure ..	£ 102,860,188	27,928,872	56,711,213	13,908,996	3,105,160	999,993
Rebates and Bonuses ..	£ 1,866,885	269,308	588,795	557,177	15,472	876
Dividends on Share Capital ..	£ 327,956	154,369	171,091	86,311	19,097	13,479

LIABILITIES AND ASSETS.

(£.)

<i>Liabilities—</i>						
Paid-up Capital ..	8,367,966	2,975,203	5,052,763	1,833,636	469,144	376,271
Loan Capital ..	..	318,718	2,711,364	2,118,310	225,009	119,928
Bank Overdrafts ..	6,172,381	2,068,000	6,017,302	989,489	61,388	239,850
Accumulated Profits ..	5,832,859	727,121	1,117,922	532,063	22,814	35,161
Reserve Funds ..	..	2,842,213	5,086,284	1,208,512	322,255	20,780
Sundry Creditors ..	..	2,236,857	7,307,699	1,015,260	374,533	129,203
Other Liabilities ..	10,032,318	785,348	527,952	1,851,760	457,371	23,378
<i>Total Liabilities</i> ..	<i>30,405,524</i>	<i>11,953,460</i>	<i>27,815,286</i>	<i>9,549,030</i>	<i>1,932,514</i>	<i>944,571</i>
<i>Assets—</i>						
Land and Buildings ..	..	..	5,412,499	1,727,554	510,279	255,848
Machinery, Plant and other Fixed Assets ..	12,856,576	5,025,877	7,869,855	1,188,184	247,143	70,828
Stocks ..	9,568,672	2,136,082	4,065,177	3,295,958	351,437	153,963
Sundry Debtors ..	6,210,859	3,089,684	8,993,553	1,248,451	468,608	310,936
Cash in hand and on deposit ..	..	468,565	417,270	488,455	191,383	14,020
Profit and Loss Account ..	..	519,072	108,714	11,707	50,025	525
Other Assets ..	1,769,417	714,180	948,218	1,588,721	113,639	138,451
<i>Total Assets</i> ..	<i>30,405,524</i>	<i>11,953,460</i>	<i>27,815,286</i>	<i>9,549,030</i>	<i>1,932,514</i>	<i>944,571</i>

(a) Not available.

D. INSURANCE.

§ 1. Introductory.

1. *Legislation.*—Section 51 of the Commonwealth Constitution confers the necessary powers on the Commonwealth Parliament to legislate with respect to “insurance other than State insurance; also State insurance extending beyond the limits of the State concerned”. Commonwealth legislation includes the Marine Insurance Act 1909 defining the limits of marine insurance and regulating the terms of contracts, etc., the Insurance

Act 1932-1937 requiring the lodgment of deposits by insurance companies, and the Life Insurance Act 1945-1953 generally regulating life assurance business in Australia. The Marine Insurance Act 1909 and the Insurance Act 1932-1937 have limited application, and, except for life assurance business, which is regulated by the Life Insurance Act 1945-1953, insurance business is conducted under State laws.

2. Insurance Act 1932-1937.—Companies, persons or associations of persons carrying on insurance business in Australia or in any Territory of Australia are required to lodge a deposit with the Commonwealth Treasurer.

Money deposited is invested by the Treasurer in prescribed securities selected by the depositor, and all interest is paid to depositors. Deposits remain as security against liability to policy holders, and are available to satisfy judgments obtained in respect of policies.

Deposits held by States on 1st February, 1932, could, however, remain with the States subject to the conditions embodied in the laws of the States, and depositors to the extent of the value of these deposits were exempt from liability to make deposits under the Commonwealth Act.

The following are not regarded as insurance businesses under the Act:—

Staff superannuation schemes; schemes of religious organizations solely for insurance of their property; and friendly society, union and association schemes involving superannuation or insurance benefits to employees.

This Act does not apply to State insurance within the limits of the State concerned, and, under the Life Insurance Act 1945-1953, ceased to apply to life assurance business.

3. Life Insurance Act 1945-1953.—The objects of this Act are :—(a) To replace all State legislation on the subject of life assurance and to provide uniform legislation for the whole of Australia; (b) to appoint an Insurance Commissioner to exercise active supervision of the activities of life assurance companies, with a view to securing the greatest possible protection for policy holders; (c) to set up adequate machinery for dealing with any company that fails to maintain a required minimum standard of solvency.

The Act was assented to on 16th August, 1945, and came into operation on 20th June, 1946. A summary of the provisions of the Act is given in Official Year Book No. 37 (pages 595 to 597).

The main amendment by the Life Insurance Act, No. 94 of 1953 was to repeal Part VI. of the principal Act, which provided for the establishment of a Commonwealth Government Insurance Office.

4. Deposits under Insurance Acts.—Deposits lodged under the Insurance Acts at 30th June, 1957, totalled £6,840,422, comprising £1,212,162 held by the Commonwealth in respect of Life Assurance and £5,405,970 held by the Commonwealth and £222,290 held by the States in respect of other forms of insurance. The deposits consisted of government, local and semi-governmental securities £5,069,772, fixed deposits £1,000, bank guarantees and undertakings £1,337,000 and titles and mortgages £432,650.

§ 2. Life Assurance.

1. General.—Statistical returns have been collected from life assurance institutions since 1907. Until 1946, these returns were collected under the Census and Statistics Act. Since 1947, returns lodged under the Life Insurance Act 1945-1953 have been used to compile life assurance statistics. This change in method of collection has resulted in some slight changes in definition and, as a result, the statistics for 1947 and later years are not in all cases strictly comparable with those for earlier years. In earlier years, statistics o.

revenue and expenditure and of assets and liabilities, although generally related only to the life assurance business of the offices making the returns, included, in some cases, a small amount of other classes of business. Under the Life Insurance Act 1945–1953, companies transacting life assurance business are required to set up separate statutory funds for their life assurance business. As a result of this, it has been possible to separate life assurance business from other classes of business. Except where otherwise indicated, the figures in the succeeding paragraphs refer to Australian business only. Business in the Territories of Papua and New Guinea is, however, included in the Australian figures.

2. Offices Transacting Business.—The number of offices which transacted life assurance business in Australia during 1956 was 24, including five overseas companies. Of the nineteen Australian offices, six are purely mutual, including one which transacts general business in respect of which share capital is used, eleven are public companies, and two are State Government institutions. Of the total offices, eleven transacted ordinary business only and the remainder both ordinary and industrial business. Where possible ordinary and industrial business have been kept separate.

3. Australian Business—Policies in Existence.—In the following table, details of policies on the registers in each State and in the Australian Capital Territory are given for the year 1956—

LIFE ASSURANCE : POLICIES EXISTING IN AUSTRALIA, 1956.

State or Territory.(a)	Assurance and Endowment Policies.				Annuity Policies.		
	Number of Policies.	Sum Assured. (£'000.)	Bonus Additions. (£'000.)	Annual Premiums. (£'000.)	Number of Policies.	Annuities per Annum. (£.)	Annual Premiums. (£.)
ORDINARY DEPARTMENT.							
New South Wales ..	1,202,098	752,239	61,530	25,793	4,984	1,605,973	442,283
Victoria ..	909,596	646,421	50,814	21,929	7,466	5,865,833	1,196,460
Queensland(b) ..	559,504	335,128	23,468	10,433	992	94,197	26,388
South Australia(c) ..	313,037	207,918	16,358	7,302	900	95,427	22,049
Western Australia ..	213,686	141,069	11,616	4,957	530	63,637	12,410
Tasmania ..	108,894	77,989	5,631	2,535	674	97,913	28,830
Australian Capital Territory ..	12,591	62,494	1,256	714	1,745	349,222	34,065
Total ..	3,319,406	2,223,258	170,673	73,663	17,291	8,172,202	1,762,485

INDUSTRIAL DEPARTMENT.

New South Wales ..	1,356,523	118,273	3,506	5,672	..	..	..
Victoria ..	1,163,876	96,990	3,124	4,694	..	..	..
Queensland(b) ..	442,305	38,452	1,079	1,832	..	..	..
South Australia(c) ..	397,506	31,296	980	1,503	..	..	..
Western Australia ..	233,685	21,057	584	992	..	..	..
Tasmania ..	95,846	8,001	259	375	..	..	..
Australian Capital Territory ..	11,799	1,371	43	64	..	..	..
Total ..	3,701,540	315,440	9,575	15,132	..	..	..

(a) Location of register of policies.
(c) Includes Northern Territory.

(b) Includes Territories of Papua and New Guinea.

The following table shows particulars of policies existing at the end of the years 1939 and 1952 to 1956 inclusive:—

LIFE ASSURANCE : POLICIES EXISTING IN AUSTRALIA.

At End of Year—	Assurance and Endowment Policies.				Annuity Policies.	
	Number of Policies.	Sum Assured. (£'000.)	Average per Policy. (£.)	Annual Premiums. (£'000.)	Number of Policies.	Annuities per Annum. (£.)
ORDINARY DEPARTMENT.						
1939	1,243,378	427,291	344	(a) 13,954	3,826	384,584
1952	2,731,284	1,378,474	505	47,634	16,240	5,587,112
1953	2,892,842	1,552,706	537	53,186	16,971	5,975,783
1954	3,033,250	1,741,160	574	59,593	16,965	6,267,828
1955	3,183,644	1,970,750	619	66,551	17,135	7,198,873
1956	3,319,406	2,223,258	670	73,663	17,291	8,172,202
INDUSTRIAL DEPARTMENT.						
1939	2,491,742	111,862	45	(a) 6,490	2	58
1952	3,872,726	270,323	70	13,682	1	13
1953	3,880,768	285,594	74	14,232	..	..
1954	3,826,745	296,994	78	14,583	..	..
1955	3,765,851	307,370	82	14,901	..	..
1956	3,701,540	315,440	85	15,132	..	..

(a) Annual premium income.

4. New Policies issued in Australia.—During 1956, 316,620 new policies for £372,436,000 were issued in the Ordinary Department. The average amount per policy was £1,176 as compared with an average of £619 per policy for all ordinary policies existing at the end of 1955.

In the Industrial Department, 211,411 new policies were issued during 1956, assuring £32,977,000. The average amount per policy was £156 as compared with an average of £82 per policy for all industrial policies existing at the end of 1955.

In the following table, details are given of new policies issued in each State and the Australian Capital Territory during 1956 for each class of business :—

LIFE ASSURANCE : NEW POLICIES ISSUED IN AUSTRALIA, 1956.

THE ASSURANCE COMPANIES ACT, 1909.

State or Territory.(a)	Assurance and Endowment Policies.				Annuity Policies.			
	Number of Policies.	Sum Assured. (£'000.)	Premiums.		Number of Policies.	Annuities per Annum. (£'000.)	Premiums.	
			Single. (£'000.)	Annual. (£'000.)			Single. (£'000.)	Annual. (£'000.)
ORDINARY DEPARTMENT.								
New South Wales ..	121,641	121,639	205	4,084	399	490	129	111
Victoria ..	80,501	110,923	147	3,446	829	1,185	553	251
Queensland(b) ..	50,737	52,271	188	1,511	50	9	21	2
South Australia(c) ..	28,781	34,666	50	1,179	37	9	22	2
Western Australia ..	20,703	23,289	26	788	51	14	7	3
Tasmania ..	12,461	14,783	7	468	40	16	13	5
Australian Capital Territory ..	1,796	14,865	2	170	186	128	48	18
Total ..	316,620	372,436	625	11,646	1,592	1,851	793	392
INDUSTRIAL DEPARTMENT.								
New South Wales ..	87,085	13,780	..	660	..	..	..	..
Victoria ..	56,911	8,860	..	415	..	..	..	..
Queensland(b) ..	27,499	4,036	..	192	..	..	..	..
South Australia(c) ..	21,359	3,251	..	151	..	..	..	..
Western Australia ..	12,761	2,029	..	93	..	..	..	..
Tasmania ..	4,687	806	..	37	..	..	..	..
Australian Capital Territory ..	1,109	215	..	10	..	..	..	..
Total ..	211,411	32,977	..	1,558	..	..	..	..

(a) Location of register of policies. (b) Includes Papua and New Guinea. (c) Includes Northern Territory.

New policies issued in Australia during each of the years 1939 and 1952 to 1956 were as shown in the following table:—

LIFE ASSURANCE: NEW POLICIES ISSUED IN AUSTRALIA.

Year.	Assurance and Endowment Policies:				Annuity Policies.			
	Number of Policies.	Sum Assured. (£'000.)	Premiums.		Number of Policies.	Annuities per Annum. (£'000.)	Premiums.	
			Single. (£'000.)	Annual. (£'000.)			Single. (£'000.)	Annual. (£'000.)
ORDINARY DEPARTMENT.								
1939	142,157	48,263	(a)	(a)	420	87	(a)	(a)
1952	298,797	233,186	365	8,240	2,602	1,741	600	418
1953	300,295	252,080	518	8,765	1,724	968	552	224
1954	297,468	278,504	489	9,773	1,389	939	639	232
1955	314,545	335,473	541	11,003	1,619	1,599	773	386
1956	316,620	372,436	625	11,646	1,592	1,851	793	392
INDUSTRIAL DEPARTMENT.								
1939	385,498	18,542	(a)	(a)	..	..	..	..
1952	270,391	34,367	..	1,579	..	..	..	..
1953	260,948	34,570	..	1,592	..	..	..	..
1954	236,936	33,407	..	1,541	..	..	..	..
1955	216,896	33,175	..	1,532	..	..	..	..
1956	211,411	32,977	..	1,558	..	..	..	..

(a) Not available.

5. Policies Matured or Otherwise Discontinued in Australia.—The volume of business discontinued from various causes in each year is always large. In the following table, details are given of ordinary and industrial life assurance policies matured or otherwise discontinued in each State and the Australian Capital Territory during the year 1956.

LIFE ASSURANCE: POLICIES MATURED OR OTHERWISE DISCONTINUED IN AUSTRALIA, 1956.

State or Territory.(a)	Assurance and Endowment.			Annuity Policies.		
	Number of Policies.	Sum Assured.	Annual Premiums.	Number of Policies.	Annuities per Annum.	Annual Premiums.
		(£'000.)	(£'000.)		(£'000.)	(£'000.)
ORDINARY DEPARTMENT.						
New South Wales	71,014	43,523	1,660	484	168	69
Victoria	47,363	35,537	1,306	569	650	144
Queensland(b)	27,883	18,423	574	23	4	1
South Australia(c)	14,476	10,234	396	41	3	..
Western Australia	12,154	7,991	329	180	35	9
Tasmania	6,986	5,035	173	30	5	2
Australian Capital Territory ..	982	-815	96	109	13	2
Total	180,858	119,928	4,534	1,436	878	227
INDUSTRIAL DEPARTMENT.						
New South Wales	106,388	10,047	533	..	..	..
Victoria	88,020	7,492	405	..	..	..
Queensland(b)	30,898	2,794	150	..	..	..
South Australia(c)	25,630	2,101	113	..	..	..
Western Australia	17,863	1,716	87	..	..	..
Tasmania	6,681	693	36	..	..	..
Australian Capital Territory ..	242	64	3	..	..	..
Total	275,722	24,907	1,327	..	..	..

(a) Location of register of policies.
Northern Territory.

(b) Includes Papua and New Guinea.

(c) Includes

Note.—Minus sign (—) indicates excess of transfers to registers or other adjustment to number and value of policies.

Policies matured or otherwise discontinued in Australia during each of the years 1939 and 1952 to 1956 were as shown in the following table.

LIFE ASSURANCE: POLICIES MATURED OR OTHERWISE DISCONTINUED
IN AUSTRALIA.

Year.	Assurance and Endowment Policies.			Annuity Policies.		
	Number of Policies.	Sum Assured. (£'000.)	Annual Premiums. (£'000.)	Number of Policies.	Annuities per Annum. (£'000.)	Annual Premiums. (£'000.)
ORDINARY DEPARTMENT.						
1939	80,912	24,786	(a)	275	17	(a)
1952	121,228	66,694	2,473	821	500	179
1953	138,737	77,848	3,213	993	579	135
1954(b)	157,060	90,050	3,366	1,395	647	137
1955	164,151	105,883	4,045	1,449	668	228
1956	180,858	119,928	4,534	1,436	878	227
INDUSTRIAL DEPARTMENT.						
1939	262,096	12,132	(a)	..	..	..
1952	240,381	17,638	967	..	..	..
1953	252,906	19,299	1,042	1	..	..
1954(b)	290,959	22,007	1,190	..	..	..
1955(b)	277,790	22,799	1,214	..	..	..
1956	275,722	24,907	1,327	..	..	..

(a) Not available. (b) Includes policies in existence at beginning of year which were discontinued as a result of the winding up of two companies.

The number of policies and sums assured, excluding annuities, discontinued during the years 1939 and 1952 to 1956 and the cause for discontinuance are given in the following table:—

LIFE ASSURANCE: POLICIES(a) MATURED OR OTHERWISE DISCONTINUED
IN AUSTRALIA—CAUSE OF DISCONTINUANCE.

Year.	Death or Maturity.	Surrender.	Forfeiture.	Other.	Total.
ORDINARY DEPARTMENT: NUMBER OF POLICIES.					
1939	22,529	18,409	39,382	— 128	80,192
1952	39,150	48,879	33,734	— 535	121,228
1953	40,836	53,064	37,027	7,810	138,737
1954	45,386	62,238	41,287	(b) 8,149	157,060
1955	48,224	67,929	42,941	5,057	164,151
1956	52,876	72,659	44,073	11,250	180,858
ORDINARY DEPARTMENT: SUM ASSURED. (£'000.)					
1939	5,612	5,863	13,414	— 103	24,786
1952	12,044	28,824	21,458	4,368	66,694
1953	13,107	34,026	25,792	4,923	77,848
1954	14,904	41,344	28,770	(b) 5,032	90,050
1955	16,012	50,065	35,467	4,339	105,883
1956	18,042	53,378	37,766	10,742	119,928
INDUSTRIAL DEPARTMENT: NUMBER OF POLICIES.					
1939	73,585	33,766	154,328	417	262,096
1952	136,117	43,769	60,402	93	240,381
1953	146,134	51,044	55,289	439	252,906
1954	157,150	51,917	59,828	(b) 22,064	290,959
1955	167,060	54,895	54,922	(b) 913	277,790
1956	171,748	60,531	61,276	— 17,833	275,722
INDUSTRIAL DEPARTMENT: SUM ASSURED. (£'000.)					
1939	2,759	1,372	7,976	25	12,132
1952	5,728	3,914	7,983	13	17,638
1953	6,285	5,383	7,569	62	19,299
1954	6,849	5,877	8,484	(b) 797	22,007
1955	7,517	6,574	8,675	(b) 33	22,799
1956	7,944	7,828	9,994	— 859	24,907

(a) Excludes annuities.

(b) See note (b) to previous table.

NOTE.—Minus sign (—) indicates excess of transfers to registers or other adjustment to number and value of policies.

6. **Premiums and Claims, Australia.**—(i) *Premiums.* (a) *Ordinary Business.* Details of revenue from premiums in respect of the ordinary business of all offices doing business in Australia are shown in the following tables for each State and the Australian Capital Territory for the year 1956:—

ORDINARY LIFE ASSURANCE : AUSTRALIAN REVENUE FROM PREMIUMS, 1956.
(£'000.)

State or Territory.(a)	Assurance and Endowment Premiums.		Consideration for Annuities.		Total.
	Single Premiums.	Other Premiums.	Single Premiums.	Other Premiums.	
New South Wales	216	25,910	133	608	26,867
Victoria	167	21,879	513	1,186	23,745
Queensland(b)	123	10,199	21	26	10,369
South Australia(c)	50	7,172	22	21	7,265
Western Australia	27	4,912	5	28	4,972
Tasmania	6	2,468	13	29	2,516
Australian Capital Territory ..	1	1,283	48	47	1,379
Total	590	73,823	755	1,945	77,113

(a) Location of register of policies. (b) Includes Territories of Papua and New Guinea.
(c) Includes Northern Territory.

(b) *Industrial Business.* Details of revenue from premiums in respect of the industrial business of all offices doing business in Australia are shown in the following table for each State and the Australian Capital Territory for the year 1956:—

INDUSTRIAL LIFE ASSURANCE : AUSTRALIAN REVENUE FROM PREMIUMS, 1956.
(£'000.)

State or Territory.(a)	Assurance and Endowment Premiums.		Total.
	Single Premiums.	Other Premiums.	
New South Wales	3	5,651	5,654
Victoria	2	4,685	4,687
Queensland .. ..	..	1,806	1,806
South Australia .. ..	..	1,484	1,484
Western Australia	1	990	991
Tasmania .. ..	..	374	374
Australian Capital Territory ..	..	6	6
Total	6	14,996	15,002

(a) Location of register of policies.

(c) *Ordinary and Industrial Business.* The following table shows, for each of the years 1939 and 1952 to 1956, the aggregate Australian income from premiums in respect of both ordinary and industrial business of all offices doing business in Australia :—

LIFE ASSURANCE : AUSTRALIAN REVENUE FROM PREMIUMS.
(£'000.)

Year.	Ordinary Department.			Industrial Department.	Ordinary and Industrial Departments Combined.
	Assurance and Endowment Premiums.	Consideration for Annuities.	Total.		
1939	13,954	184	14,138	6,490	20,628
1952	47,091	1,870	48,961	13,379	62,340
1953	53,114	2,029	55,143	13,888	69,031
1954	59,761	2,178	61,939	14,285	76,224
1955	66,811	2,529	69,340	14,614	83,954
1956	74,413	2,700	77,113	15,002	92,115

(ii) *Claims, etc., Paid.* Details of the claims, etc., paid on policies in each State and the Australian Capital Territory during the year 1956 are shown in the following table:—

LIFE ASSURANCE : PAYMENTS TO POLICY-HOLDERS IN AUSTRALIA, 1956.
(£'000.)

State or Territory.(a)	Claims.		Surrenders.	Annuities.	Cash Bonuses.	Total.
	Death or Disability	Maturity.				
ORDINARY DEPARTMENT.						
New South Wales	4,185	3,870	2,723	171	70	11,019
Victoria	3,409	3,765	2,295	201	62	9,732
Queensland(b)	1,706	1,500	843	23	18	4,090
South Australia(c)	939	913	492	28	13	2,385
Western Australia	785	574	416	18	14	1,807
Tasmania	294	308	213	16	2	833
Australian Capital Territory	85	103	141	15	1	345
Total	11,403	11,033	7,123	472	180	30,211

INDUSTRIAL DEPARTMENT.						
New South Wales	361	2,961	511	..	..	3,833
Victoria	268	2,748	367	..	..	3,383
Queensland(b)	111	849	154	..	..	1,114
South Australia(c)	93	682	107	..	..	882
Western Australia	57	414	98	..	..	569
Tasmania	16	205	33	..	..	254
Australian Capital Territory .. ..	..	2	..	..	..	2
Total	906	7,861	1,270	..	..	10,037

(a) Location of register of policies.
Northern Territory.

(b) Includes Papua and New Guinea.

(c) Includes

In the following table details are given of claims, etc., paid on policies in Australia for each of the years 1939 and 1952 to 1956:—

LIFE ASSURANCE: PAYMENTS TO POLICY-HOLDERS IN AUSTRALIA.
(£'000.)

Year.				Claims.	Surrenders.	Annuities.	Cash Bonuses.	Total.
ORDINARY DEPARTMENT.								
1939 .. ..	..	..	..	7,935	1,843	220	260	10,258
1952 .. ..	..	..	..	15,576	3,287	379	107	19,349
1953 .. ..	..	..	..	16,739	3,982	391	126	21,238
1954 .. ..	..	..	..	18,854	4,938	404	129	24,325
1955 .. ..	..	..	..	20,105	6,109	430	218	26,862
1956 .. ..	..	..	..	22,436	7,123	472	180	30,211
INDUSTRIAL DEPARTMENT.								
1939 .. ..	..	..	..	3,132	499	..	..	3,631
1952 .. ..	..	..	..	6,284	772	..	..	7,056
1953 .. ..	..	..	..	6,879	927	..	..	7,806
1954 .. ..	..	..	..	7,527	972	..	..	8,499
1955 .. ..	..	..	..	8,311	1,056	..	..	9,367
1956 .. ..	..	..	..	8,767	1,270	..	..	10,037

7. **Total Revenue and Expenditure.**—(i) *Total Revenue.* The following table shows particulars of the total life assurance revenue derived by life assurance offices from sources within and beyond Australia during each of the years 1939 and 1952 to 1956:—

ORDINARY AND INDUSTRIAL LIFE ASSURANCE: TOTAL REVENUE.
(£'000.)

Year.	Assurance and Endowment Premiums.	Con- sideration for Annuities Granted.	Interest, Dividends and Rents. (a)	All other Revenue.	Total Revenue.
ORDINARY BUSINESS.					
1939	21,568	303	9,901	17	31,789
1952	64,980	2,372	20,175	106	87,633
1953	72,389	2,614	22,508	2,545	100,056
1954	80,701	2,824	25,679	676	109,880
1955	89,353	3,240	29,196	548	122,337
1956	98,689	3,488	33,557	416	136,150
INDUSTRIAL BUSINESS.					
1939	7,863	..	2,127	61	10,051
1952	15,437	..	4,120	26	19,583
1953	15,975	..	4,415	603	20,993
1954	16,402	..	4,812	219	21,433
1955	16,757	..	5,195	179	22,131
1956	17,174	..	5,637	28	22,839

(a) Gross includes taxes thereon and rates.

(ii) *Total Expenditure.* The next table supplies details of the total expenditure, both within and beyond Australia, of life assurance offices during each of the years 1939 and 1952 to 1956:—

ORDINARY AND INDUSTRIAL LIFE ASSURANCE: TOTAL EXPENDITURE.
(£'000.)

Year.	Claims and Annuities paid.	Surrenders.	Cash Bonuses paid to Policy-holders.	Com- mission.	Transfers to Profit and Loss Account including Share-holders' Dividends.	All other Expendi- ture.(a)	Total Expendi- ture.
ORDINARY BUSINESS.							
1939	12,320	2,668	380	1,483	125	3,867	20,843
1952	24,034	4,691	161	5,479	120	10,355	44,840
1953	25,905	5,636	178	5,964	122	11,793	49,598
1954	28,772	6,739	178	6,724	132	11,709	54,254
1955	30,398	8,187	280	7,419	173	12,823	59,280
1956	33,233	9,506	267	7,968	165	13,509	64,648
INDUSTRIAL BUSINESS.							
1939	3,763	576	..	1,619	72	1,278	7,308
1952	7,594	878	..	2,405	75	3,030	13,982
1953	8,348	1,053	..	2,421	130	3,978	15,930
1954	9,124	1,096	..	2,399	88	3,408	16,115
1955	9,994	1,185	..	2,406	28	3,342	16,955
1956	10,490	1,417	..	2,515	65	3,430	17,917

(a) Includes other expenses of management, licence fees, rates and taxes, etc.

8. **Liabilities and Assets.**—(i) *General.* The liabilities of the Australian offices consist mainly of their assurance funds, but in the case of public companies there is a further liability on account of the shareholders' capital. The assets consist chiefly of government and municipal securities, mortgages, loans on policies, landed and house property, etc. Loans on personal security are granted by very few of the Australian offices. Separate details of liabilities and assets in respect of Australian business are not available.

(ii) *Total Liabilities and Assets.* In the two tables which follow, the details of liabilities and assets relate to all business (Australian and overseas) of Australian companies, the life assurance business of the two State Government offices, all business of the Provident Life Assurance Co. Ltd. (incorporated in New Zealand) and the Australian business only of the Prudential Assurance Co. Ltd. (incorporated in England). For various reasons several offices do not attempt the dissection of liabilities and assets between the industrial and ordinary branches, and, therefore, the figures in the following tables relate to the ordinary and industrial branches combined. Details of the total liabilities of life assurance offices for the year 1956 are given in the following table :—

ORDINARY AND INDUSTRIAL LIFE ASSURANCE : TOTAL LIABILITIES, 1956.
(£'000.)

Item.	Life Assurance Business.	Other Classes of Business.	Total Liabilities.
<i>Shareholders' Capital—</i>			
Authorized .. .. .	..	5,278	5,278
Less Unissued .. .. .	..	2,597	2,597
<i>Subscribed Capital</i> .. .. .	..	2,681	2,681
<i>Paid-up—</i>			
In Money .. .. .	..	2,311	2,311
Otherwise than in Money .. .. .	..	79	79
<i>Total</i> .. .. .	..	2,390	2,390
<i>Life Assurance Statutory Funds—</i>			
Ordinary Department	768,366	..	768,366
Industrial Department	129,060	..	129,060
<i>Total</i>	897,426	..	897,426
Funds in respect of Other Classes of Business .. .. .	..	1,399	1,399
General Reserves	18,427	1,993	20,420
Profit and Loss Account Balance .. .. .	..	244	244
<i>Total, Shareholders' Capital, Assurance Funds and Reserves</i>	915,853	6,026	921,879
<i>Other Liabilities—</i>			
Deposits	3,335	2,868	6,203
Staff Provident and Superannuation Funds	267	320	587
Claims admitted or intimated but not paid	10,414	220	10,634
Annuities due but not paid	4	..	4
Premiums Paid in Advance and in Suspense	964	13	977
Sundry Creditors	3,299	277	3,576
Bank Overdraft	2,402	1,007	3,409
Reserves and Provisions for Taxation	4,240	184	4,424
All Other Liabilities	630	7	637
<i>Total Liabilities</i>	941,408	10,922	952,330

The following table furnishes details of the total assets of life assurance offices for the year 1956.

ORDINARY AND INDUSTRIAL LIFE ASSURANCE : TOTAL ASSETS, 1956.
(£'000.)

Item.	Life Assurance Business.	Other Classes of Business.	Total.	Amount of Total Assets held in Australia.
Freehold and leasehold property, office premises, furniture, etc.	40,568	626	41,194	31,115
<i>Loans—</i>				
On Mortgage	307,646	158	307,804	230,688
On Policies of the Company including Advances of Premiums	39,335	..	39,335	29,315
Other Loans	27,224	851	28,075	27,663
<i>Total Loans</i>	<i>374,205</i>	<i>1,009</i>	<i>375,214</i>	<i>287,666</i>
<i>Investments—</i>				
Government Securities—				
Australia	215,501	6,246	221,747	210,782
Other	49,991	105	50,096	..
Securities of Local and Semi-Governmental Bodies	149,983	199	150,182	115,541
Other Investments	94,924	1,946	96,870	80,961
<i>Total Investments</i>	<i>510,399</i>	<i>8,496</i>	<i>518,895</i>	<i>407,284</i>
Cash on Deposit, Current Account and in hand	1,670	132	1,802	1,626
Other Assets	14,566	659	15,225	11,796
<i>Total Assets</i>	<i>941,408</i>	<i>10,922</i>	<i>952,330</i>	<i>739,487</i>

(iii) *Assets held in Australia.* Details of assets held in Australia for the years 1939 and 1952 to 1956 are set out in the following table:—

ORDINARY AND INDUSTRIAL LIFE ASSURANCE(a): ASSETS HELD IN AUSTRALIA.
(£'000.)

Particulars.	1939. (b)	1952.	1953.	1954.	1955.	1956.
Landed and house property ..	12,823	15,776	16,840	18,060	22,345	30,290
Government and municipal securities	115,712	271,892	301,254	320,754	320,471	326,323
Other investments	6,700	48,218	51,885	58,173	71,756	80,961
Loans on mortgages	61,720	136,006	149,507	165,555	197,710	230,688
Loans on companies' policies ..	22,445	20,580	21,745	23,096	25,661	29,315
Other loans	(c)	19,998	22,008	22,085	23,923	27,663
All other assets	8,116	12,128	11,685	12,609	13,958	14,247
<i>Total Assets held in Australia</i>	<i>227,516</i>	<i>524,598</i>	<i>574,924</i>	<i>620,332</i>	<i>675,824</i>	<i>739,487</i>

(a) Life assurance and other classes of business.

(b) Australian assets.

(c) Included with other investments.

9. *Loans.*—In the following table, details are given of new loans granted by life assurance companies during each of the years ended 31st December, 1953 to 1957. The information has been compiled from monthly returns furnished by each company. New loans granted by the Government Insurance Office of New South Wales and the Queensland State Government Insurance Office are not included. Advances of premiums are also excluded.

LIFE ASSURANCE COMPANIES : NEW LOANS GRANTED.
(£'000.)

Particulars.	1953.	1954.	1955.	1956.	1957.
CLASS OF SECURITY.					
Mortgage of Real Estate ..	26,859	33,216	50,081	47,707	48,969
Companies' Policies ..	3,477	3,725	4,793	5,903	6,334
Other	3,967	4,113	3,415	4,250	4,431
Total	34,303	41,054	58,289	57,860	59,734
STATE OR TERRITORY.(a)					
New South Wales	18,633	17,699	25,884	22,542	26,454
Victoria	9,638	12,196	17,534	20,121	17,115
Queensland(b)	1,841	4,158	3,400	4,548	4,696
South Australia(c)	1,754	2,765	4,800	4,698	5,724
Western Australia	1,694	3,005	4,581	3,550	3,318
Tasmania	731	1,176	2,018	2,324	2,334
Australian Capital Territory	12	55	72	77	93
Total	34,303	41,054	58,289	57,860	59,734

(a) State or Territory of location of mortgage, registration of policy, or residence of borrower.
(b) Includes Papua and New Guinea. (c) Includes Northern Territory.

§ 3. Fire, Marine and General Insurance.

1. General.—The following statistics which are in respect of the Australian business of companies operating in Australia and State Government insurance offices, conform to the following definitions and should be interpreted in accordance therewith.

(a) Premiums represent the full amount receivable in respect of policies issued and renewed in the year, less returns, rebates and bonuses paid or credited to policy-holders during the year. They are not adjusted to provide for premiums unearned at the end of the year and consequently the amounts differ from "earned premium income" appropriate to the year. When business is increasing, as in recent years, premiums receivable (as shown in the statistics) are greater than "earned premium income" appropriate to the year. The converse applies when business is declining.

(b) Claims or losses include provision for outstanding claims and represent claims or losses incurred in the year. Salvage and other amounts recoverable have been deducted.

(c) Contributions to Fire Brigades, Commission and Agents' Charges, and Expenses of Management represent mainly charges paid during the year.

(d) Taxation represents mainly payments made during the year, and includes income tax, pay-roll tax, licence fees, stamp duty (where paid by the company), etc. Income tax paid during the year is based on the income of earlier years.

The tables contain selected items of statistics and the information shown is not suitable for the construction of a "profit and loss" statement or "revenue" account.

In cases where the business is underwritten in one State and the risk is situated in another the business is included in the State in which the policy was issued.

During 1956-57, revenue from premiums amounted to £138,111,000 and that from net interest on investments, etc., to £5,052,000, a total of £143,163,000. Expenditure on claims amounted to £82,577,000, contributions to fire brigades £3,562,000, commission and agents charges £13,862,000, expenses of management £22,465,000 and taxation £4,992,000, a total of £127,458,000.

2. States.—The following table shows, for each State, the aggregate premium income less reinsurances and returns, and claims or losses less amounts recoverable, for all classes of insurance other than life for the years 1938-39 and 1952-53 to 1956-57.

FIRE, MARINE AND GENERAL INSURANCE : PREMIUMS AND CLAIMS—STATES
(£'000.)

State.	1938-39.	1952-53.	1953-54.	1954-55.	1955-56.	1956-57.
GROSS PREMIUMS, LESS REINSURANCES AND RETURNS.						
New South Wales(a)	6,943	35,130	38,381	42,696	48,726	53,050
Victoria	4,505	28,215	30,775	33,946	39,110	45,583
Queensland	2,327	10,733	12,016	13,801	15,377	16,702
South Australia	1,245	7,275	8,041	9,115	10,244	11,836
Western Australia	1,373	5,779	6,224	6,854	7,362	7,585
Tasmania	457	2,214	2,547	2,813	3,151	3,355
Total	16,850	89,346	97,984	109,225	123,970	138,111
GROSS CLAIMS OR LOSSES, LESS AMOUNTS RECOVERABLE.						
New South Wales(a)	3,842	17,848	20,981	23,302	28,888	32,753
Victoria	2,194	15,208	16,709	20,303	23,081	26,542
Queensland	1 071	5,650	5,981	8,234	8,717	10,707
South Australia	487	3,021	4,835	6,402	5,441	6,208
Western Australia	731	3,085	3,078	3,671	4,064	4,723
Tasmania	204	953	1,084	1,372	1,655	1,644
Total	8,529	45,765	52,668	63,284	71,846	82,577

(a) From 1947-48 excludes Workers' Compensation Insurance in coal-mining industry in New South Wales.

3. **Classes of Insurance.**—The following statement shows premiums and claims in respect of the principal classes of risks, for the years 1938-39 and 1952-53 to 1956-57 :—

FIRE, MARINE AND GENERAL INSURANCE : PREMIUMS AND CLAIMS—
PRINCIPAL CLASSES OF RISK, AUSTRALIA.

Class of Risk.	1938-39.	1952-53.	1953-54.	1954-55.	1955-56.	1956-57.
GROSS PREMIUMS, LESS REINSURANCES AND RETURNS.						
Fire	5,597	21,366	22,170	23,603	25,807	27,919
Workers' Compensation(a) ..	4,361	19,310	20,279	22,133	25,660	28,976
Motor Vehicle—						
Compulsory Third Party ..	3,848	7,106	8,496	10,480	12,789	14,772
Other		21,934	25,805	29,409	32,659	37,851
Marine	1,018	5,940	6,056	6,637	7,179	6,916
Personal Accident	554	2,184	2,479	2,911	3,391	3,990
All other	1,472	11,506	12,699	14,052	16,485	17,687
Total	16,850	89,346	97,984	109,225	123,970	138,111
GROSS CLAIMS OR LOSSES, LESS AMOUNTS RECOVERABLE.						
Fire	2,223	6,731	5,842	6,859	7,191	9,037
Workers' Compensation(a) ..	2,972	10,934	14,542	18,641	20,383	23,515
Motor Vehicle—						
Compulsory Third Party ..	2,324	7,007	9,525	10,538	12,131	13,755
Other		13,436	13,950	17,239	21,924	25,452
Marine	243	3,420	2,263	2,706	2,878	3,130
Personal Accident	264	741	912	1,075	1,295	1,700
All other	503	3,496	5,634	6,226	6,044	5,988
Total	8,529	45,765	52,668	63,284	71,846	82,577

(a) From 1947-48 excludes Workers' Compensation in coal-mining industry in New South Wales.

The volume of business measured by the amount of premium income shows that fire insurance represented 20.8 per cent. during 1955-56 and 20.2 per cent. during 1956-57, workers' compensation 20.7 per cent. during 1955-56 and 21.0 per cent. during 1956-57, motor vehicles (including compulsory third party insurance) 36.7 per cent. in 1955-56 and 37.8 per cent. in 1956-57, and marine insurance 5.8 per cent. in 1955-56 and 5.0 per cent. in 1956-57.

E. RETAIL HIRE PURCHASE OPERATIONS OF FINANCE BUSINESSES.

1. **General.**—Information relating to hire purchase operations in Australia is given in the following tables. Information in more detail may be found in the annual bulletin—*Finance*, and in monthly bulletins relating to hire purchase operations.

The statistics (the collection of which commenced in 1953) relate to businesses which finance the retail sale of goods, but do not retail goods themselves. These businesses cover public and private companies, partnerships, banks and other finance businesses. Businesses which finance hire purchase exclusively for their own employees are not included. All types of goods sold to final purchasers are included whether producer goods (such as plant and machinery) or consumer goods.

2. **New Retail Agreements 1956-57.**—Details of new retail agreements made during the year ended 30th June, 1957, are given in the following table.

HIRE PURCHASE FINANCE COMPANIES: NEW RETAIL AGREEMENTS—STATES.**YEAR ENDED 30th JUNE, 1957.**

State.	Number of Agreements.				Value of Goods. (£'000.)(a)				Amount Financed. (£'000.)(b)			
	Motor Vehicles, Tractors, etc.(c)	Plant and Machinery. (d)	Household and Personal Goods. (e)	Total.	Motor Vehicles, Tractors, etc.(c)	Plant and Machinery. (d)	Household and Personal Goods. (e)	Total.	Motor Vehicles, Tractors, etc.(c)	Plant and Machinery. (d)	Household and Personal Goods. (e)	Total.
N.S.W.(f)	107,306	7,829	256,487	371,622	77,818	5,535	19,193	102,546	46,946	3,538	15,412	65,896
Vic. ..	81,730	5,529	157,857	245,116	59,133	3,739	15,007	77,879	37,069	2,371	12,075	51,515
Qld. ..	53,684	5,445	133,344	192,473	37,402	2,231	8,044	47,677	22,395	1,412	6,269	30,076
S.A.(g) ..	38,636	2,219	61,147	102,002	26,780	1,813	5,114	33,707	15,990	1,020	4,214	21,224
W.A. ..	20,790	1,385	60,417	82,592	13,523	963	4,338	18,824	8,326	604	3,522	12,452
Tas. ..	14,260	627	19,481	34,368	9,890	458	1,591	11,939	5,902	278	1,254	7,434
Aust. ..	316,406	23,034	688,733	1,028,173	224,546	14,739	53,287	292,572	136,628	9,223	42,746	188,597

(a) Value at net cash or list price (excluding hiring charges and insurance). (b) Excludes hiring charges and insurance. (c) Includes new and used motor cars, motor cycles, commercial vehicles, tractors, caravans, motor parts and accessories. (d) Includes farm machinery and implements, earthmoving equipment, industrial plant and machinery, business machines and equipment (including commercial refrigeration equipment), etc. (e) Includes furniture and furnishings, domestic refrigerators, electrical goods, radios, musical instruments, bicycles and other household and personal goods. (f) Includes Australian Capital Territory. (g) Includes Northern Territory.

3. **Balances outstanding on Retail Agreements at 30th June.**—Details of the balances outstanding on retail agreements at 30th June, 1953 to 1957, are given below:—

HIRE PURCHASE FINANCE COMPANIES: BALANCES OUTSTANDING ON RETAIL AGREEMENTS—STATES.(Including Hiring Charges and Insurance.)
(£'000.)

As at 30th June—	N.S.W. (a)	Vic.	Q'land.	S. Aust. (b)	W. Aust.	Tas.	Aust.
1953 (c) ..	35,246	20,052	15,087	8,532	6,765	3,108	88,790
1954 ..	50,883	30,806	22,385	13,318	10,154	4,772	132,318
1955 ..	69,240	44,590	29,067	18,416	14,151	7,012	182,476
1956 ..	79,176	56,025	32,046	21,412	15,388	8,163	212,210
1957 ..	85,412	64,042	36,551	25,038	15,488	9,010	235,541

(a) Includes Australian Capital Territory. (b) Includes Northern Territory. (c) Excludes balances outstanding on agreements originally financed by retailers but subsequently assigned to finance companies. At 31st March, 1954, these balances amounted to less than £1 million in Australia.

F. CAPITAL RAISINGS BY AUSTRALIAN COMPANIES.

1. **General.**—Information relating to capital raised by companies in Australia is given in the following tables. More detailed information may be found in the annual bulletin—*Finance, Part I*, and in quarterly bulletins dealing with capital raisings.

The statistics (the collection of which commenced in July, 1954) relate to capital raised by companies through issues of shares, and, in the case of listed companies, through the issue of debentures, notes and similar securities and the acceptance of deposits and, in the case of unlisted companies, by way of loans secured over the entire assets of the company. Capital obtained by way of bank overdraft, trade credit, temporary advances, and loans secured over part only of the assets of the company is not included, and, in the case of unlisted companies, capital raised through loans not secured over any of the assets of the company is excluded.

Separate statistics are given for listed and unlisted companies. Listed companies are companies incorporated in Australia or the Australian territories and listed on one or more of the Australian stock exchanges. All other companies incorporated in Australia, including subsidiaries of listed companies, are classified as unlisted companies. Companies incorporated overseas, whether listed on an Australian stock exchange or not, are excluded from the statistics of share issues. However, subsidiaries of overseas companies if incorporated in Australia, are included. The statistics of new capital raised through issues of debentures, notes, etc., and the acceptance of deposits includes, in addition to capital raised by Australian companies, capital raised in this way from Australian sources by overseas public companies through their Australian offices.

The following are explanatory notes relating to some of the items shown in the tables:—

New Money. This is the net amount of cash transferred from the investing public to the companies. For this purpose the investing public includes banks, life insurance companies and government and private superannuation funds but excludes other Government agencies. Subscriptions by associated companies, whether local or overseas, are excluded. In the tables which follow, the amount of new money is obtained by deducting from the total cash raised the "amount not involving a net transfer of funds from the investing public."

Amounts not involving new money. These amounts include cash subscriptions received by issuing companies from associated companies. Such subscriptions represent inter-company transfers only, and do not involve a receipt of funds from the "investing public". Also included are amounts which, although subscribed by the "investing public" (i.e. subscribers other than "associated companies"), are not retained by the issuing company or its associates, but are used to redeem shares, debentures or unsecured notes, etc., or are used to purchase, from individuals, existing shares, debentures, etc., in other companies, including existing shares, etc., in associated and subsidiary companies. The funds used in this way are thus returned to another section of the "investing public", and do not represent a net transfer of cash from the "investing public" to the companies. (Besides these purchases of existing shares, etc., from individuals, purchases of existing shares, etc., from companies other than associates of the issuing company might also be included in this item, but the amounts involved are small and separate details have not been collected.)

2. **Listed Companies (a).**—Details of New Capital raised through issues of shares, debentures, or registered notes or accepting deposits for each of the years 1954–55 to 1956–57 are given in the following table.

LISTED AUSTRALIAN COMPANIES(a): NEW CAPITAL RAISED THROUGH ISSUES OF SHARES, DEBENTURES, OR REGISTERED NOTES, ETC.(b) OR ACCEPTING DEPOSITS(c).

(£ million.)

Year.	Share Capital.						Debentures, Registered Notes and Deposits.		
	Value of Issues Commenced.	Non-Cash Issues Commenced. (d)	Cash Issues Commenced.	Cash Raised During Period. (e)	Amounts Not Involving New Money.	New Money.	Total Amount Raised. (f)	Amounts Not Involving New Money. (f)	New Money.
1954–55	113.5	40.1	73.4	68.1	8.4	59.7	63.9	36.4	27.5
1955–56	104.7	35.7	69.0	68.0	8.8	59.2	119.8	69.8	50.0
1956–57	110.4	57.7	52.7	51.0	7.3	43.7	143.7	92.3	51.4

(a) Includes companies incorporated in the Australian Territories. (b) Includes convertible notes. (c) Deposits accepted by banks, life assurance companies, pastoral companies and building societies are not included. (d) Includes bonus issues, conversion issues in exchange for existing shares, etc. (e) Amounts paid up on issues commenced during the year plus calls on issues commenced in earlier years. (f) Includes non-cash issues.

3. **Unlisted Companies.**—Details of new capital raised by unlisted companies through issues of shares and loans secured by charges over the companies' entire assets are given in the following table for each of the years 1954-55 to 1956-57.

UNLISTED COMPANIES(a): NEW CAPITAL RAISED THROUGH ISSUES OF SHARES AND LOANS SECURED BY CHARGES OVER THE COMPANIES' ENTIRE ASSETS.

(£ million.)

Year.	Share Capital.						Loans secured by charges over the Companies' Entire Assets.		
	Value of Issues Commenced.	Non-Cash Issues Commenced. (b)	Cash Issues Commenced.	Cash Raised During Period. (c)	Amounts Not Involving New Money.	New Money.	Total Amount Raised (d)	Amounts Not Involving New Money. (d)	New Money.
1954-55 ..	131.7	34.2	97.5	87.2	55.4	31.8	7.0	2.5	4.5
1955-56 ..	144.8	54.7	90.1	86.2	57.2	29.0	7.7	1.9	5.8
1956-57 ..	130.1	56.6	73.5	69.9	41.8	28.1	6.1	1.9	4.2

(a) Excludes companies incorporated in the Northern Territory and Australian External Territories.

(b) Includes bonus issues, conversion issues, issues in exchange for existing shares, etc.

(c) Amounts paid up on issues commenced during year plus calls on issues commenced in previous years.

(d) Includes non-cash issues.

4. **Listed and Unlisted Companies.**—A summary of new money raised by listed and unlisted companies during each of the years 1954-55 to 1956-57 as shown in the preceding tables is given below.

LISTED AND UNLISTED COMPANIES: NEW MONEY RAISED.

(£ million.)

Year.	Listed Companies.			Unlisted Companies.			Grand Total.
	Share Capital.	Debentures Registered Notes and Deposits, etc.	Total.	Share Capital.	Loans Secured by Charges over the Companies' Entire Assets.	Total.	
1954-55 ..	59.7	27.5	87.2	31.8	4.5	36.3	123.5
1955-56 ..	59.2	50.0	109.2	29.0	5.8	34.8	144.0
1956-57 ..	43.7	51.4	95.1	28.1	4.2	32.3	127.4

G. FRIENDLY SOCIETIES.

1. **General.**—The total membership of friendly societies in Australia is just over 500,000 but as certain benefits, such as medical attendance and free medicines, and in many cases funeral expenses, are granted to members' families as well as to members themselves, this figure must be more than doubled to arrive at an estimate of the number of persons who receive some direct benefit from these societies, even when due allowance is made for young and unmarried members. 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 proposed rules conform to the law, and that the scale of contribution is sufficient to provide the promised benefits. Societies are obliged to forward to the Registrar annual returns about their membership and their finances, and reports are published in most of the States dealing with the returns received.

2. **Societies, Members and Revenue.**—The following table sets out the number of societies, members, etc., and revenue and expenditure and funds of registered societies for the year 1954-55. More detailed information is available in *Finance, Part I*, Bulletin No. 47.

FRIENDLY SOCIETIES(a) : 1954-55.

Particulars.	New South Wales. (b)	Victoria. (c)	Queens- land.	South Aus- tralia.	Western Aus- tralia.	Tas- mania. (c)	Total.
	No.	No.	No.	No.	No.	No.	No.
Registered Societies	38	151	23	15	13	20	
Branches	2,130	1,325	513	676	282	145	5,071
Benefit members at end of year ..	162,735	174,406	54,588	59,149	22,585	17,569	491,032
Average benefit members during year ..	166,496	176,013	55,407	60,247	22,932	17,899	498,994
Members who received sick pay ..	(d)	36,268	9,878	12,645	4,088	2,234	(d)
Total weeks sick pay granted ..	(d)	474,184	123,861	177,838	57,036	29,934	(d)
Average weeks per member sick ..	(d)	13.1	12.5	14.1	13.9	13.4	(d)
Deaths of benefit members ..	(d)	2,530	1,000	1,054	337	311	(d)
Proportion of deaths per 1,000 mem- bers (average)	(d)	14.4	18.1	17.5	14.7	17.4	(d)
Revenue—	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.
Entrance fees, levies and members' contributions	1,790	1,443	410	543	367	78	4,631
Interest, dividends and rents	312	365	126	180	45	28	1,407
All other revenue	154	53		19	81	44	
Total	2,256	1,861	536	742	493	150	6,038
Expenditure—							
Sick pay	226	276	82	87	27	16	714
Medical attendance and medicine ..	1,019	667	173	247	280	40	2,426
Sums payable at death	132	67	48	54	18	22	341
Administration	459	352	121	135	51	36	1,134
All other expenditure	59	162		93	8	23	345
Total	1,895	1,524	424	616	384	137	4,980
Total Funds	8,005	9,682	3,078	4,395	1,343	706	27,209

(a) Excludes juvenile branches, dispensaries, medical institutes and certain miscellaneous societies. Receipts and payments of subsidy under the Commonwealth medical and hospital benefit schemes are excluded. (b) Includes Australian Capital Territory. (c) Year 1955. (d) Not available.

H. PROBATES AND LETTERS OF ADMINISTRATION.

The following particulars give some idea of the number and value of estates of deceased persons in each State for the latest year for which information is available. Owing to differences in legislation in the various States, the figures are not entirely comparable.

PROBATES AND LETTERS OF ADMINISTRATION.

Particulars.	New South Wales. 1955-56. (a)	Victoria. 1955.	Queens- land. 1954-55.	South- Australia. 1955.	Western Australia. 1955.	Tasmania. 1955. (b)
Probates—						
Estates .. No.	18,757	9,660	1,931	2,754	2,158	1,053
Gross Value .. £'000	(c)	65,906	17,259	17,168	11,587	6,400
Net Value .. £'000	91,728	62,100	(c)	16,066	10,582	5,954
Letters of Administration—						
Estates .. No.	(c)	2,489	279	830	351	145
Gross Value .. £'000	(c)	(c)	893	1,647	1,288	360
Net Value .. £'000	(c)	(c)	(c)	1,478	1,100	337
Total—						
Estates .. No.	18,757	12,149	2,210	3,584	2,509	1,198
Gross Value .. £'000	(c)	65,906	18,152	18,815	12,876	6,760
Net Value .. £'000	91,728	62,100	(c)	17,544	11,682	6,291

(a) Total estates of deceased persons assessed for death duty. (b) Estates dealt with by Taxation Department. (c) Not available.

I. LOTTERIES AND BETTING.

§ 1. Lotteries.

State Governments operate lotteries in New South Wales, Queensland and Western Australia. Tattersalls Lotteries and Tasmanian Lotteries are operated under Government licences in Victoria and Tasmania respectively.

New South Wales State Lotteries are conducted in accordance with the New South Wales State Lotteries Act, 1930 and the first drawing took place on 20th August, 1931. Net profits of the lotteries, with the exception of the net profits of the Opera House lotteries introduced in November, 1957, are paid to the Consolidated Revenue Fund from which grants are made to hospitals. The net profits of the Opera House lotteries are to be paid to the Sydney Opera House Appeal Fund.

Tattersalls Lotteries, which were previously conducted in Tasmania, were transferred to Victoria in 1954 and the first drawing in Melbourne took place on 8th July, 1954. The Tattersalls Consultations Act, 1953, provides that prizes in each consultation shall not be less than sixty per cent. of total subscriptions to that consultation, and that a duty equal to thirty-one per cent. of subscriptions shall be paid into the Consolidated Revenue Fund from which an equivalent amount will be paid out into the Hospitals and Charities Fund and the Mental Hospitals Fund in such proportions as the Treasurer determines from time to time.

In Queensland, the Golden Casket Art Union commenced in 1916 with the specific object of augmenting the funds of the Queensland War Council. Subsequently, Anzac Cottages and Nurses Quarters Funds benefited until 1920 but since then net profits have been paid to the Department of Health and Home Affairs (Hospitals, Motherhood and Child Welfare Trust Fund) and used for the maintenance of hospitals, grants to institutions, and for motherhood and child welfare purposes. A stamp duty is imposed on tickets sold. The proceeds of this are paid to Consolidated Revenue Fund.

In Western Australia, lotteries are conducted by the Lotteries Commission under the Lotteries Control Act of 1932. Profits are paid by the Commission to hospitals and other charities.

In Tasmania, lotteries are subject to the provisions of the Racing and Gaming Act 1950-1952. With the transfer of Tattersalls from Hobart to Melbourne, Tasmanian Lotteries commenced operations under Government licence and the first drawing took place on 30th June, 1954. The stamp duty on tickets sold and the tax on prize money are paid into Consolidated Revenue.

Details of ticket sales, prizes allotted, and taxes paid and other net contributions to State Government revenues relating to lotteries drawn during each of the years ended 30th June, 1953 to 1957 are given in the following table:—

LOTTERIES: VALUE OF TICKET SALES, PRIZES ALLOTTED, TAXES PAID AND OTHER NET CONTRIBUTIONS TO STATE GOVERNMENT REVENUES.
(£'000.)

Year ended 30th June.	New South Wales.	Victoria.	Queensland.	Western Australia.	Tasmania.	Total.
TICKET SALES.						
1953	10,335	..	5,650	975	4,800	21,760
1954	10,610	..	5,760	1,100	4,763	22,233
1955	11,268	8,450	6,115	1,112	1,703	28,648
1956	11,728	8,850	6,045	1,112	3,875	31,610
1957	12,830	9,200	6,175	1,163	3,525	32,893
PRIZES ALLOTTED.						
1953	6,584	..	3,609	530	2,922	13,645
1954	6,767	..	3,679	596	2,899	13,941
1955	7,180	5,070	3,908	603	1,036	17,797
1956	7,472	5,310	3,863	605	2,359	19,609
1957	8,211	5,520	3,946	654	2,146	20,477
TAXES PAID AND OTHER NET CONTRIBUTIONS TO STATE GOVERNMENT REVENUES.						
1953	3,434	..	1,699	310	1,398	6,841
1954	3,469	..	1,731	357	1,387	6,944
1955	3,689	(a) 2,620	1,836	364	496	9,005
1956	3,842	2,744	1,798	362	1,129	9,875
1957	4,184	2,852	1,822	353	1,027	10,238

(a) Includes £25,000 paid to Tasmanian Government in respect of incomplete lotteries at date of transfer of Tattersalls Lotteries to Victoria.

§ 2. Betting.

Estimates of totalizator investments and investments with licensed bookmakers for the years ended 30th June 1953 to 1957 are given in the following table.

TOTALIZATOR INVESTMENTS AND INVESTMENTS WITH LICENSED BOOKMAKERS.

(£'000.)

Year ended 30th June—	New South Wales.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	Total.
TOTALIZATOR INVESTMENTS.(a)							
1953	14,190	10,314	2,888	2,337	3,019	839	33,587
1954	14,202	10,172	2,925	2,497	3,002	993	33,791
1955	13,101	9,442	2,713	2,332	2,912	981	31,481
1956	13,645	10,669	2,530	2,267	2,263	1,004	32,378
1957	13,213	11,573	2,361	2,172	2,177	976	32,472
INVESTMENTS WITH LICENSED BOOKMAKERS.(b)							
1953	110,080	50,000	(c)	24,642	(c)	10,764	(c)
1954	114,402	55,000	(c)	27,197	(c)	11,662	(c)
1955	112,876	45,000	(c)	26,721	(c)	10,828	(c)
1956	113,225	52,000	(c)	30,019	(d) 24,012	11,577	(c)
1957	113,170	52,715	(c)	29,933	25,564	11,505	(c)

(a) Estimated from taxes on totalizators. (b) Estimated from taxes on betting with licensed bookmakers. (c) Not available. (d) Eleven months ended 30th June, 1956.

J. GOVERNMENT, SEMI-GOVERNMENTAL AND PARLIAMENTARY PENSION AND SUPERANNUATION SCHEMES.

§ 1. Government and Semi-Governmental Pension and Superannuation Schemes.

The Commonwealth and all State Governments have established pension or superannuation schemes for their employees. These schemes are operated through funds to which both the Government and the employees make contributions. Employees of semi-governmental authorities are in some cases covered by the Commonwealth or State Government scheme and in other cases by a separate scheme of the authority.

In the following table, aggregate details are given, for the year 1955-56, of the receipts, expenditure, accumulated funds and number of contributors and pensioners of the Commonwealth and State Government and main semi-governmental schemes. The funds included are:—

- (a) *Commonwealth*.—The Superannuation Fund and Defence Forces Retirement Benefits Fund.
- (b) *New South Wales*.—State Superannuation Fund, Government Railways Superannuation Fund and Police Superannuation and Reward Fund.
- (c) *Victoria*.—The State Superannuation Fund, Police Superannuation Fund, Police Pensions Fund, Melbourne Harbor Trust Superannuation Account, Geelong Harbor Trust Superannuation Fund, Melbourne and Metropolitan Board of Works Superannuation Fund, State Electricity Commission Provident Fund, Gas and Fuel Corporation Superannuation Fund, Metropolitan Fire Brigades Board Superannuation Fund, Country Fire Authority Superannuation Fund and Port Phillip Pilots' Sick and Superannuation Fund.
- (d) *Queensland*.—Public Service Superannuation Fund and Police Superannuation Fund.
- (e) *South Australia*.—South Australia Superannuation Fund, Police Pensions Fund and Public Service Superannuation Fund.
- (f) *Western Australia*.—The Superannuation Fund.
- (g) *Tasmania*.—Public Service Superannuation Fund (Old and New Funds), Police Provident Fund and State Teachers' Superannuation Fund.

GOVERNMENT AND SEMI-GOVERNMENTAL PENSION AND SUPERANNUATION SCHEMES, 1955-56.

Particulars.	C'wth.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
<i>Receipts—</i>								
Contributions—	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.
Employees ..	6,860	3,889	2,993	364	857	317	395	15,675
Government ..	3,969	7,802	4,020	545	917	544	265	18,062
Interest ..	1,904	2,223	1,309	272	395	144	118	6,365
Other ..	165	5	51	5	5	2	5	238
<i>Total ..</i>	<i>12,898</i>	<i>13,919</i>	<i>8,373</i>	<i>1,186</i>	<i>2,174</i>	<i>1,007</i>	<i>783</i>	<i>40,340</i>
<i>Expenditure—</i>								
Pension Payments ..	4,930	6,562	4,020	439	1,066	599	324	17,940
Gratuities or Rewards ..	190	69	50	..	..	..	9	318
Refund of Contributions ..	884	573	242	73	95	31	75	1,973
Other ..	..	59	2	..	42	..	3	106
<i>Total ..</i>	<i>6,004</i>	<i>7,263</i>	<i>4,314</i>	<i>512</i>	<i>1,203</i>	<i>630</i>	<i>411</i>	<i>20,337</i>
<i>Funds at end of Year ..</i>	<i>52,875</i>	<i>55,032</i>	<i>35,749</i>	<i>6,148</i>	<i>10,151</i>	<i>3,846</i>	<i>3,039</i>	<i>166,840</i>
<i>Contributors at end of Year—</i>								
Males ..	No. 122,801	No. 88,360	No. 44,131	No. 10,748	No. 11,948	No. 7,162	No. 5,743	No. 318,117
Females ..	13,603	..	5,985	3,864	575	1,837	..	..
<i>Total ..</i>	<i>136,404</i>	<i>88,360</i>	<i>50,116</i>	<i>14,612</i>	<i>13,308</i>	<i>7,737</i>	<i>7,580</i>	<i>318,117</i>
<i>Pensioners at end of Year—</i>								
Males ..	9,083	..	8,362	1,090	2,841	2,399	814	..
Female ex-employees ..	899	24,587	1,136	281	445	174	185	..
Widows ..	5,796	..	5,982	281	2,288	1,299	490	71,080
Children ..	1,427	..	645	46	251	166	113	..
<i>Total ..</i>	<i>17,205</i>	<i>24,587</i>	<i>16,125</i>	<i>1,698</i>	<i>5,825</i>	<i>4,038</i>	<i>1,602</i>	<i>71,080</i>

For details of the individual funds summarized above see *Finance, Bulletin No. 47*, issued by this Bureau.

§ 2. Parliamentary Pension and Superannuation Schemes.

Pension and superannuation schemes have been established for members of the Commonwealth and State Parliaments. Details of these schemes, except for Tasmania, are given in pp. 91 to 99 of Official Year Book No. 38. Details of the Tasmanian scheme, which came into operation in November, 1955, are given in Chapter III.—General Government, p. 72 of this Year Book. All the schemes are operated through funds to which the members of Parliament and the Commonwealth or States contribute. Details of the receipts, expenditure, funds and number of contributors and pensioners for the year 1955-56 are given in the following table:—

PARLIAMENTARY PENSION AND SUPERANNUATION SCHEMES, 1955-56.

Particulars.	C'wth.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
<i>Receipts—</i>	£	£	£	£	£	£	£	£
Contributions—								
Members ..	43,464	15,204	15,564	7,404	4,176	6,958	5,096	97,866
Government ..	19,912	7,951	15,586	7,404	7,676	6,240	..	64,769
Interest ..	7,042	2,629	..	8,981	2,697	1,348	33	22,730
Other ..	..	..	..	..	..	..	..	..
<i>Total ..</i>	<i>70,418</i>	<i>25,784</i>	<i>31,150</i>	<i>23,789</i>	<i>14,549</i>	<i>14,546</i>	<i>5,129</i>	<i>185,365</i>
<i>Expenditure—</i>								
Pension Payments (a) ..	29,288	13,474	31,150	2,721	4,084	7,508	..	88,225
Refund of Contributions ..	..	2,729	..	..	1,233	..	..	3,962
Other ..	..	..	..	..	75	..	105	180
<i>Total ..</i>	<i>29,288</i>	<i>16,203</i>	<i>31,150</i>	<i>2,721</i>	<i>5,392</i>	<i>7,508</i>	<i>105</i>	<i>92,367</i>
<i>Funds at end of Year ..</i>	<i>207,515</i>	<i>71,662</i>	<i>..</i>	<i>210,574</i>	<i>73,285</i>	<i>37,965</i>	<i>5,024</i>	<i>606,025</i>
<i>Contributors at end of Year</i>	No. 183	No. 97	No. 100	No. 71	No. 59	No. 80	No. 49	No. 639
<i>Pensioners at end of Year—</i>								
Ex-members ..	22	23	(b)	13	9	19	..	(b)
Widows ..	16	14	(b)	..	7	14	..	(b)
<i>Total ..</i>	<i>38</i>	<i>37</i>	<i>(b)</i>	<i>13</i>	<i>16</i>	<i>33</i>	<i>..</i>	<i>(b)</i>

(a) Including lump sum payments.

(b) Not available.

K. SURVEY OF PRIVATE SUPERANNUATION SCHEMES, 1955-56.

SURVEY OF PRIVATE PENSIONS AND RETIRING ALLOWANCE SCHEMES, 1955-56.

1. **General:** In this section, details are given of the results of a survey of private pension and retiring allowance schemes conducted by businesses during 1955-56 or their latest financial year. The previous survey in this field related to 1951-52, details of which may be found in *Finance*, Bulletin No. 44. The main differences between the two surveys are set out in paragraph 7, page 781.

For the 1955-56 survey separate information was requested for the following:—

(i) Schemes operated wholly through life assurance companies.

(ii) Schemes not operated wholly through life assurance companies but through a separate fund.

(iii) Direct payments by the employer of pensions and/or retiring allowances.

The survey was based on a sample of businesses subject to pay-roll tax, that is, all those with a payroll of over £120 per week or employing (in male units) about 7 employees. To assist in sampling and analysis, businesses were divided into the following sizes on the basis of their monthly payrolls:—

(i) Small Businesses—Payroll of more than £500 and less than £3,000 monthly or employing between 7 and 40 employees.

(ii) Medium Businesses—Payroll over £3,000 but under £20,000 monthly or employing between 41 and 250 employees.

(iii) Large Businesses—Payroll over £20,000 monthly.

Forms were sent to all the large businesses and to a selected number of small and medium businesses. Government airlines and banks were included if contributing to their own separate funds rather than to State or Commonwealth Superannuation Funds: but other government business undertakings were excluded. Also excluded from the survey were Rural Industries, Private and Domestic Services and Statutory Coal Miners' Pension Funds.

The figures shown in the tables, with the exception of those in the table in paragraph 2, are estimated totals for the whole field from which the sample was drawn. Some indication of the extent of the field surveyed is given by the fact that the figures relate to businesses employing approximately 85 per cent. of the total number of employees in private employment excluding rural wage earners and female private domestics.

In view of the comparatively small number of small businesses covered, some of the percentage distributions of these numbers in the tables in paragraphs 1 to 4 should be regarded as giving no more than a very broad picture of the situation. The tables showing details of the financial operations of the various types of schemes are less subject to error since they are weighted heavily by the operations of large firms in which the coverage is practically complete.

2. **Number of Businesses and Superannuation Schemes Surveyed.**—The following table shows the number of businesses from whom satisfactory returns were received and the percentage which operated a pension or retiring allowance scheme of any of the types described in paragraph 1 above.

From this table it can be seen that 92 per cent. of all large businesses have some form of scheme. The percentage falls to 64 per cent. in the medium size group and to 28 per cent. for small businesses. This tendency for the percentage to fall substantially in the smaller size groups is common to all industries.

The percentage of businesses operating schemes was greatest in the wholesale and retail trading group. This was the same as the pattern found in the 1951-52 survey. Schemes were relatively fewest in the building industry component of the "other industries" group where only 11 per cent. of the small businesses, 35 per cent. of the medium size businesses and 41 per cent. of the large businesses had a scheme of any type.

NUMBER OF BUSINESSES AND SUPERANNUATION SCHEMES SURVEYED (a), 1955-56.

Industry.	Number of Businesses Surveyed.				Percentage with Superannuation Schemes.		
	Total.	Small.	Medium.	Large.	Small Businesses.	Medium Businesses.	Large Businesses.
Manufacturing	1,411	395	547	469	26	66	94
Wholesale and Retail Trade ..	713	261	269	183	39	74	97
Other Industries	815	327	271	217	21	49	81
All Industries	2,939	983	1,087	869	28	64	92

(a) State branches and subsidiary companies who completed a return are treated as separate businesses, even though they may have contributed to a scheme organized by their head office or parent company.

3. **Type of Superannuation Scheme.**—The following table shows the relative importance of the three main types of schemes. This table shows that the most common types of schemes are those organized wholly through life assurance companies. They account for 75 per cent. of the schemes of small businesses, 71 per cent. of the schemes of medium sized businesses and 52 per cent. of the schemes of large businesses. This general pattern applies to all the industrial groups shown in the above table and to all the industries combined.

Among large businesses, schemes organized wholly through life assurance companies are relatively less important than among the smaller businesses and a correspondingly greater proportion of schemes are organized through separately constituted funds. Only 18 per cent. of the schemes operated by the smaller businesses are run entirely through separate funds as against 32 per cent. for large businesses.

Schemes organized through a separate fund are relatively most important in the "other industries" group while the combination of a life assurance scheme and a separate fund within the one business is of greatest importance in the wholesale and retail trading industries.

**TYPE OF SUPERANNUATION SCHEME.(a) 1955-56.
PROPORTION OF TOTAL SCHEMES IN EACH INDUSTRY-SIZE GROUP.**

Industry.	Size of Business.	Life Assurance Scheme Only.	Separate Fund Only.	Life Assurance Scheme and Separate Fund.	Total.
		%	%	%	%
Manufacturing ..	Small	75	20	5	100
	Medium	76	15	9	100
	Large	60	27	13	100
Wholesale and Retail Trade ..	Small	77	14	9	100
	Medium	72	15	13	100
	Large	41	29	30	100
Other Industries ..	Small	72	23	5	100
	Medium	57	30	13	100
	Large	43	47	10	100
All Industries ..	Small	75	18	7	100
	Medium	71	18	11	100
	Large	52	32	16	100

(a) State branches and subsidiary companies who completed a return are treated as separate businesses, even though they may have contributed to a scheme organized by their head office or parent company.

4. **Date of Commencement of Schemes.**—(i) *Schemes organized wholly through Life Assurance Companies.* A summary of the dates at which schemes organized wholly through life assurance companies commenced is given in the following table. From this table it can be seen that for small and medium sized businesses the majority of the schemes commenced since 1945. For large businesses more than half were commenced prior to 1945 and an appreciable number prior to 1940.

**SUPERANNUATION SCHEMES ORGANIZED WHOLLY THROUGH LIFE
ASSURANCE COMPANIES, 1955-56: DATE OF COMMENCEMENT.
PROPORTION OF TOTAL SCHEMES IN EACH INDUSTRY-SIZE GROUP.**

Industry.	Size of Business.	Date of Commencement of Scheme.				Total.
		Before 1940.	1940-45.	1946-50.	1951-56.	
		%	%	%	%	
Manufacturing ..	Small	..	4	37	59	100
	Medium	5	26	35	34	100
	Large	12	44	26	18	100
Wholesale and Retail Trade ..	Small	2	25	41	32	100
	Medium	11	27	35	27	100
	Large	20	35	35	10	100
Other Industries ..	Small	6	6	31	57	100
	Medium	14	14	42	30	100
	Large	21	39	27	13	100
All Industries ..	Small	2	13	37	48	100
	Medium	8	25	36	31	100
	Large	16	41	28	15	100

(ii) *Schemes organized through Separately Constituted Funds.* In the following table, a summary of the dates at which schemes organized through separately constituted funds commenced is given. From this table it can be seen that a much higher percentage were in existence prior to 1940 than was the case with schemes organized wholly through life assurance companies. Whilst this pattern applies to businesses of all sizes, it is particularly noticeable in the case of large businesses.

**SUPERANNUATION SCHEMES ORGANIZED THROUGH SEPARATELY
CONSTITUTED FUNDS, 1955-56: DATE OF COMMENCEMENT.**

PROPORTION OF TOTAL SCHEMES IN EACH INDUSTRY-SIZE GROUP.

Industry.	Size of Business.	Date of Commencement of Scheme.				Total.
		Before 1940.	1940-45.	1946-50.	1951-56.	
		%	%	%	%	%
Manufacturing	Small	13	17	22	48	100
	Medium	13	30	35	22	100
	Large	43	28	13	16	100
Wholesale and Retail Trade	Small	5	10	57	28	100
	Medium	10	36	26	28	100
	Large	38	39	12	11	100
Other Industries	Small	..	8	15	77	100
	Medium	22	11	32	35	100
	Large	65	12	16	7	100
All Industries	Small	7	12	33	48	100
	Medium	14	28	32	26	100
	Large	47	27	14	12	100

In analysing the figures contained in the two preceding tables, it should be remembered that the larger firms generally have been in operation longer than the smaller ones and, to that extent, a larger proportion of long established schemes would be expected.

5. Financial Operations of Private Superannuation Schemes.—(i) *Schemes operated wholly through Life Assurance Companies.* The following table shows details of schemes operated wholly through life assurance companies. In these schemes, the whole of the amounts contributed by both employee and employer are used to pay premiums on life assurance policies which will mature either on the death or retirement of the employee.

From this table it can be seen that while the relationship of the employees' to the employers' contribution varies between industries, in each industrial group the employers contribute much more than the employees. In many cases, employees do not contribute and the total premiums are paid by the employer. Between the 1951-52 and 1955-56 surveys, the relationship of employees' to employers' contribution for all industries combined has not altered. In both surveys, it was found that employees contributed 39 per cent. and employers 61 per cent. of the total contributions.

**SUPERANNUATION SCHEMES ORGANIZED WHOLLY THROUGH LIFE
ASSURANCE COMPANIES 1955-56: NUMBER OF EMPLOYEES COVERED
AND AMOUNTS CONTRIBUTED.**

Industry.	Number of Employees Covered.	Contributions.			
		Employees.		Employers.	
		Total.	Average Per Head.	Total.	Average Per Head.
	No.	£'000.	£	£'000.	£
Manufacturing—					
Engineering and Vehicles	34,900	1,097	31	1,621	46
Textiles and Clothing	9,400	285	30	437	46
Food, Drink and Tobacco	17,900	464	26	671	37
Paper and Printing	16,900	457	27	756	45
Chemicals and Oil Refining	6,200	199	32	263	42
Other Manufacturing	16,500	500	30	695	42
<i>Total Manufacturing</i>	<i>101,800</i>	<i>3,002</i>	<i>29</i>	<i>4,443</i>	<i>44</i>
Transport	14,600	621	43	958	66
Wholesale Trade	46,800	1,631	35	2,503	53
Retail Trade	19,800	463	23	898	45
Finance and Property	6,900	286	41	434	63
Other Industries	13,000	393	30	704	54
<i>All Industries</i>	<i>202,900</i>	<i>6,396</i>	<i>32</i>	<i>9,940</i>	<i>49</i>
Percentage of total contributions—					
1955-56 Survey %	..	39	..	61	..
1951-52 Survey %	..	39	..	61	..

(ii) *Schemes operated through separately constituted funds.* (a) *Income and expenditure.* The following table shows details of the estimated income and expenditure of schemes organized through separate funds. On the income side, the most important item is the employers' contribution which accounts for 50 per cent. of the total income. This is more than twice the amount of the employees' contributions whereas in funds run through life assurance companies, employers contribute about 55 per cent. more than employees. As in the previous survey, total contributions to schemes run through separate funds exceeded total contributions to schemes run through life assurance companies. This difference, however, has been considerably narrowed since the 1951-52 survey reflecting a slower rate of growth in the schemes run through separately constituted funds.

On the expenditure side, lump sum payments and refunds increased and exceeded pensions by a substantial margin. Total payments from the funds, however, were only 26 per cent. of income and approximately £19½ million was added to accumulated funds. The percentage of total income added to accumulated funds decreased slightly when compared with the 1951-52 survey.

INCOME AND EXPENDITURE OF SUPERANNUATION SCHEMES ORGANIZED THROUGH SEPARATELY CONSTITUTED FUNDS, 1955-56.

INCOME. (£'000.)

Industry.	Contributions.		Property Income.		Other Income.(a)	Total Income.
	Employees.	Employers.	Government Bond Interest.	Other Interest Rent and Dividends.		
Manufacturing—						
Engineering and Vehicles ..	724	1,414	350	364	73	2,925
Textiles and Clothing ..	23	156	15	28	19	241
Food, Drink and Tobacco ..	321	550	107	375	24	1,377
Paper and Printing ..	78	157	21	30	6	292
Chemicals and Oil Refining ..	315	564	125	133	37	1,174
Other Manufacturing ..	487	1,038	119	260	113	2,017
<i>Total Manufacturing</i> ..	<i>1,948</i>	<i>3,879</i>	<i>737</i>	<i>1,190</i>	<i>272</i>	<i>8,026</i>
Transport ..	130	316	19	53	16	534
Wholesale Trade ..	975	2,707	573	601	71	4,927
Retail Trade ..	228	723	74	374	78	1,477
Finance and Property ..	2,186	4,686	1,497	1,419	186	9,974
Other Industries ..	285	919	189	126	31	1,550
<i>All Industries</i> ..	<i>5,752</i>	<i>13,230</i>	<i>3,089</i>	<i>3,763</i>	<i>654</i>	<i>26,488</i>
Percentage of Total Income:—						
1955-56 Survey .. %	22	50	12	14	2	100
1951-52 Survey .. %	23	55	8	12	2	100

EXPENDITURE. (£'000.)

Industry.	Pensions.	Lump Sum Payments.	Refunds.	Other(b) Expenditure.	Total Expenditure.	Increase in Fund.
Manufacturing—						
Engineering and Vehicles ..	141	413	152	153	859	2,066
Textiles and Clothing ..	2	59	3	25	89	152
Food, Drink and Tobacco ..	215	61	60	54	390	987
Paper and Printing ..	8	39	3	22	72	220
Chemicals and Oil Refining ..	79	135	59	16	289	885
Other Manufacturing ..	114	213	109	233	669	1,348
<i>Total Manufacturing</i> ..	<i>559</i>	<i>920</i>	<i>386</i>	<i>503</i>	<i>2,368</i>	<i>5,658</i>
Transport ..	30	48	59	45	182	352
Wholesale Trade ..	235	630	199	71	1,135	3,792
Retail Trade ..	46	304	76	84	510	967
Finance and Property ..	1,480	194	421	250	2,345	7,629
Other Industries ..	198	53	78	139	468	1,082
<i>All Industries</i> ..	<i>2,548</i>	<i>2,149</i>	<i>1,219</i>	<i>1,092</i>	<i>7,008</i>	<i>19,480</i>
Percentage of Total Expenditure:—						
1955-56 Survey .. %	36	31	33		100	..
1951-52 Survey .. %	46	29	25		100	..

(a) Includes profit on sale of investments and receipts from assurance companies for surrendered policies, etc. (b) Includes loss on sale of investments, administrative expenses paid from funds, and life assurance premiums paid.

(b) *Assets.* In the following table an analysis of the investments held by separately constituted funds is given. The largest single avenue of investment is in Commonwealth Securities. However, there has been a marked reduction in the proportion of Commonwealth Securities to total assets. While there has been a big increase in investment in local and semi-government securities, government securities as a whole have declined in relative importance in favour of company shares and debentures.

ASSETS OF SEPARATELY CONSTITUTED SUPERANNUATION FUNDS, 1955-56.
(£ million.)

Industry.	Cash and Bank Balances.	C'wth. Bonds.	Local and Semi-Govt. Securities.	Loans on Mortgage.	Debentures.	Shares in Companies.	Other Assets.	Total Assets.
Manufacturing..	1.7	9.3	13.2	1.8	5.8	10.6	3.7	46.1
Transport ..	0.5	0.8	0.4	..	0.1	0.2	0.4	2.4
Wholesale Trade ..	1.6	11.0	9.7	0.7	1.9	3.0	2.1	30.0
Retail Trade ..	1.5	1.7	0.8	1.3	0.4	1.6	3.5	10.8
Finance and Property	7.2	27.4	14.9	7.7	7.8	5.0	0.9	70.9
Other Industries ..	0.5	1.1	2.9	0.2	1.7	1.3	0.4	8.1
All Industries ..	13.0	51.3	41.9	11.7	17.7	21.7	11.0	168.3
All Industries— 1951-52 Survey(a) ..	7.4	40.6	18.4	7.0	6.6	11.4	5.2	96.6
1955-56 Survey %	8	30	25	7	11	13	6	100
1951-52 Survey %	8	42	19	7	7	12	5	100

(a) See para. 7, page 781.

(c) *Persons covered and the number of Pensions and Retiring Allowances paid.* In the table which follows, details are given of the number of persons covered by Schemes organized through separately constituted funds and the number of pensions and retiring allowances paid.

Between the 1951-52 and 1955-56 Surveys, the average pension paid increased slightly from £274 to £283 per annum. Over the same period the average retiring allowance increased from £208 to £341 per annum.

NUMBER OF EMPLOYEES COVERED BY AND BENEFICIARIES FROM SEPARATELY CONSTITUTED FUNDS 1955-56.

Industry.	Number of Employees Covered by Fund.	Number of Pensions Paid.(a)	Number of Retiring Allowances Paid.(a)
Manufacturing—			
Engineering and Vehicles ..	31,200	800	1,100
Textiles and Clothing ..	4,600	(b)	400
Food, Drink and Tobacco ..	9,200	700	200
Paper and Printing ..	3,900	100	100
Chemicals and Oil Refining ..	6,800	200	300
Other Manufacturing ..	16,500	700	600
Total Manufacturing ..	72,200	2,500	2,700
Transport ..	3,200	100	200
Wholesale Trade ..	29,100	1,000	1,400
Retail Trade ..	17,200	200	1,400
Finance and Property ..	51,100	4,100	300
Other Industries ..	12,800	1,100	300
All Industries ..	185,600	9,000	6,300

(a) Includes payments to dependants of former employees.

(b) Less than 50.

6. **Direct Payments of Pensions and Retiring Allowances.**—Some businesses make direct payments of pensions and retiring allowances either instead of, or in addition to, operating a scheme through a life assurance company or a separately constituted fund. Details of such payments are shown in the following table.

Total direct payments made by employers amounted to £4,111,000. Of this total, pensions accounted for 46 per cent. and retiring allowances for 54 per cent. These were exactly the same percentages as were found from the 1951-52 survey. However, over the same period average pensions have increased by 37 per cent. and average retiring allowances by 90 per cent.

DIRECT PENSIONS AND RETIRING ALLOWANCES, 1955-56.

Industry.	Pensions.		Retiring Allowances.	
	Amount.	Number.	Amount.	Number.
	£'000.		£'000.	
Manufacturing—				
Engineering and Vehicles	124	600	185	200
Textiles and Clothing	44	200	93	200
Food, Drink and Tobacco	192	1,100	117	300
Paper and Printing	84	400	148	200
Chemicals and Oil Refining	30	200	25	100
Other Manufacturing	75	900	113	200
<i>Total Manufacturing</i>	<i>549</i>	<i>3,400</i>	<i>681</i>	<i>1,200</i>
Transport	95	400	84	100
Wholesale Trade	343	1,700	472	600
Retail Trade	80	200	219	700
Finance and Property	724	2,400	573	800
Other Industries	108	500	183	100
All Industries	1,899	8,600	2,212	3,500
Average per Head—	£		£	
1955-56 Survey	221		632	
1952-52 Survey (a)	161		333	

(a) See para. 7 below.

7. **Main differences between 1951-52 and 1955-56 Surveys.**—The more important differences between the two surveys were:—

(i) *The wider field covered by the 1955-56 survey.* The 1951-52 survey covered businesses with a monthly payroll in excess of about £2,000 whereas the present survey covers businesses with a payroll in excess of £120 per week or approximately £500 per month.

In the 1951-52 survey, businesses were classified into two size groups, those with a monthly payroll of between £2,000 and £10,000, and those with a monthly payroll in excess of £10,000. In the present survey there were three groups, also determined by the size of the monthly payroll. These groups were, those with a monthly payroll of between approximately £500 and £3,000, from £3,000 to £20,000, and over £20,000. After taking into consideration the increased level of wages, the medium and large size businesses in the present survey would cover a slightly smaller field (relatively) than the 1951-52 survey. If the coverage of the present survey had been the equivalent of the 1951-52 survey, most,

but not all, of the figures for small businesses would have to be omitted from the present survey. Some of the more important figures for small businesses included in this survey, were approximately:—

<i>Schemes run through life assurance companies—</i>				£
Contributions by employees	..	..	..	850,000
Contributions by employers	..	..	..	1,450,000
<i>Separately constituted funds—</i>				
Contributions by employees	..	..	..	150,000
Contributions by employers	..	..	..	850,000
Total Receipts	..	..	..	1,200,000
Total Assets at end of year	..	..	..	7,100,000

(ii) *Industrial classification.* Some minor variations have been made in the classification of businesses to industrial groups.

(iii) *Treatment of businesses which contribute to a common fund.* In the 1951–52 survey, each branch and subsidiary included in the sample was classified to the industry of the parent company or the predominant industry of the group and the common scheme was counted once only. In the present survey, each branch and subsidiary was allocated to its own industry and was treated as having a separate scheme of its own. In both surveys, subsidiaries were counted as separate businesses, but in the present survey State Branches were also counted as separate businesses.

(iv) *Employees contributing to or covered by superannuation schemes.* The 1951–52 survey refers to the number of employees contributing to, and the present survey the number of employees covered by, schemes operated through life assurance offices or separate funds.