

CHAPTER 17

PRIVATE FINANCE

Further information on the subjects dealt with in this chapter is contained in the annual bulletins *Banking and Currency* (5.1) and *Insurance and Other Private Finance* (5.15). Current information is contained in the *Quarterly Summary of Australian Statistics* (1.3), the *Monthly Review of Business Statistics* (1.4), the *Digest of Current Economic Statistics* (1.5) (monthly), and the following mimeographed statements: monthly—*Banking Statistics* (5.2); *Major Trading Banks Statistics* (preliminary statement) (5.3); *Savings Bank Statistics* (preliminary statement) (5.28); *Savings Banks Housing Finance Transactions within Australia* (preliminary statement) (5.35); *Life Insurance Statistics* (5.17); *Finance Companies* (5.14); *Instalment Credit for Retail Sales* (preliminary statement) (5.19); *Permanent Building Societies* (5.34); quarterly—*Instalment Credit for Retail Sales* (5.18); *New Capital Raisings by Companies in Australia* (bulletin (5.9) and preliminary statement (5.10)); *Capital and Maintenance Expenditure by Private Business in Australia* (5.8) (5.7); *Unit Trusts, Land Trusts and Mutual Funds* (5.31). Other relevant annual mimeographed bulletins are *Life Insurance* (5.32); *Australian Fire, Marine and General Insurance Statistics* (5.16); *Government Pension and Superannuation Schemes* (5.23); *Survey of Selected Private Pension Funds* (5.25); *Finance Companies* (5.13); and *Building Societies: Australia* (5.5).

MONEY

Currency

Australia has a decimal system of currency, the unit being the dollar which is divided into 100 cents. Decimal coins and notes became legal tender on the 14 February 1966. Before that date the Australian currency unit was the pound divided into 20 shillings each of 12 pence. One dollar in the present currency is equal to 10 shillings in the old currency. The par value of the Australian dollar under the terms of the International Monetary Fund and established on the 14 February 1966, is 0.99531 grams of gold.

The *Reserve Bank Act* 1965 authorised the Reserve Bank of Australia to issue Australian notes in denominations of \$1, \$2, \$5, \$10, \$20, or \$50, or in any other denomination that the Treasurer, by instrument of writing published in the Gazette, determines. All Australia's coin requirements are met by the Royal Australian Mint, Canberra.

For additional information on note issue and coinage refer to List of Special Articles, etc., at end of this Year Book.

AUSTRALIAN NOTES IN CIRCULATION, JUNE 1967 TO 1971 (\$'000)

	<i>Last Wednesday in June—</i>				
	1967	1968	1969	1970	1971
\$1 and 10s	33,214	34,881	37,528	40,400	42,218
\$2 and £1	127,997	117,929	117,281	118,500	119,284
\$5	42,829	57,444	64,088	73,307	81,373
\$10 and £5	389,201	401,079	441,276	474,004	521,061
\$20 and £10	344,943	394,667	447,245	509,271	605,383
£20	1	1	1	1	..
£50	43	42	42	41	38
£100	40	40	40	37	31
Total	938,269	1,006,083	1,107,500	1,215,561	1,369,388
<i>Held by banks</i>	<i>162,006</i>	<i>159,726</i>	<i>164,867</i>	<i>165,202</i>	<i>177,706</i>
<i>Held by public</i>	<i>776,263</i>	<i>846,357</i>	<i>942,632</i>	<i>1,050,359</i>	<i>1,191,682</i>

AUSTRALIAN DECIMAL COIN: COSTS OF COIN ISSUED, 1967-68 TO 1970-71
(\\$'000)

	<i>Cost of metal</i>	<i>Cost of minting</i>	<i>Freight and sundry charges</i>	<i>Total cost</i>	<i>Face value of coin issued</i>	<i>Surplus</i>
Silver—						
1967-68	1,350	80	2	1,432	1,671	239
1968-69 . . . .	..	..	..	..	..	..
1969-70 . . . .	..	..	..	..	..	..
1970-71 . . . .	..	..	..	..	..	..
Cupro-nickel—						
1967-68	1,341	1,732	43	3,116	20,243	17,127
1968-69	1,044	1,320	72	2,436	13,008	10,572
1969-70	1,226	1,297	68	2,591	19,412	16,821
1970-71	974	960	65	1,999	15,050	13,051
Bronze—						
1967-68	407	589	36	1,032	1,823	791
1968-69	511	745	24	1,280	2,296	1,016
1969-70	574	675	28	1,277	2,000	723
1970-71	703	675	36	1,414	2,068	654
Total—						
1967-68	3,098	2,401	81	5,580	23,737	18,157
1968-69	1,555	2,065	96	3,716	15,304	11,588
1969-70	1,800	1,972	96	3,868	21,412	17,544
1970-71	1,677	1,635	101	3,413	17,118	13,705

AUSTRALIAN DECIMAL COIN: VALUE OF COIN ISSUED
30 JUNE 1967 TO 1971
(\\$'000)

<i>Year ended 30 June—</i>	<i>50 cents</i>	<i>20 cents</i>	<i>10 cents</i>	<i>5 cents</i>	<i>2 cents</i>	<i>1 cent</i>	<i>Total</i>
1967	4,869	10,420	1,073	2,913	2,043	671	21,989
1968	1,671	11,206	6,099	2,938	1,118	705	23,737
1969 . . . . .	..	6,307	3,854	2,847	1,390	906	15,304
1970	9,038	5,053	3,074	2,247	1,121	879	21,412
1971	7,420	3,640	2,090	1,900	1,150	919	17,119

Gold receipts, issues and price

Since early in the 1939-45 War all gold has been acquired by the Reserve Bank, and the export and use of gold has been subject to regulation by the Commonwealth Government. All trading banks in Australia, the Deputy Master of the branch of the Royal Mint in Perth, and three private refining companies are authorised under the Banking (Gold) Regulations to deal in gold on behalf of the Reserve Bank. The Melbourne Mint ceased to deal in gold in 1964. The Royal Australian Mint at Canberra is not authorised to receive and issue gold.

The average price of gold in Australia is fixed by the Reserve Bank and at present reflects the parity value of Australian currency established in conformity with the *International Monetary Agreements Act* 1947. The average price paid for gold delivered to the Reserve Bank of Australia or to persons authorised by the Bank to purchase gold is fixed by the Reserve Bank of Australia, and has been \$31.25 per fine ounce since 1 May 1954.

In December 1951 arrangements were made whereby producers could sell a proportion of newly-mined gold for industrial purposes on overseas premium markets. Under these arrangements gold is acquired by the Reserve 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. Profits earned by the association after meeting administrative expenses are distributed to members in proportion to the quantity of gold delivered to the Reserve 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 (11/12ths).

The average price per fine ounce in Australian currency obtained for gold exported under this scheme for each month during the year 1970-71 was \$33.226.

Overseas exchange rates

In the following table the "par of exchange" rate is the rate as at 30 June 1971 established under the International Monetary Fund Agreement. Selling rates shown are mainly the averages of daily quotations by the Commonwealth Trading Bank of Australia, and in other cases are the rates used by the Department of Customs and Excise in converting import values to Australian dollars for purposes of calculating customs duty.

OVERSEAS EXCHANGE RATES: PAR OF EXCHANGE AND AVERAGE TELEGRAPHIC TRANSFER SELLING RATES FOR SYDNEY ON OVERSEAS COUNTRIES, 1970-71

Country	Basis of quotation	Australian decimal currency equivalents		Country	Basis of quotation	Australian decimal currency equivalents	
		Par of exchange	Selling rate 1970-71			Par of exchange	Selling rate 1970-71
America, United States of	Dollars to \$A1	1.1200	1.1152	Japan	Yen to \$A1	403.20	397.36
Austria	Schillings to \$A1	29.1200	28.55	Netherlands	Guilders to \$A1	(a)	3.990
Belgium	Francs to \$A1	56.00	55.11	New Zealand	\$A to \$NZ1	1.00	1.0020
Canada	Dollars to \$A1	(a)	1.1326	Norway	Kroner to \$A1	8.000	7.92
Ceylon	Rupees to \$A1	6.667	6.586	Noumea	Francs to \$A1	(b)	109.00
China (mainland)	New Yuan to \$A1	(b)	2.72	Pakistan	Rupees to \$A1	5.333	5.285
China (Taiwan)	Dollars to \$A1	(c)	44.62	Philippines	Pesos to \$A1	4.368	7.024
Denmark	Kroner to \$A1	8.40	8.32	Singapore	Dollars to \$A1	3.429	3.409
Fiji	\$A to \$F1	(b)	1.0288	South Africa, Republic of	Rands to \$A1	0.800	0.7950
France	Francs to \$A1	6.2207	6.133	Spain	Pesetas to \$A1	78.400	77.27
Germany, Fed. Rep. of	Deutsche Marks to \$A1	4.099	4.017	Sweden	Kronor to \$A1	5.794	5.746
Greece	Drachmae to \$A1	33.589	32.95	Switzerland	Francs to \$A1	(b)	4.755
Hong Kong	Dollars to \$A1	(b)	6.740	United Arab Republic	£E to \$A1	0.390	0.470
India	Rupees to \$A1	8.400	8.330	United Kingdom	\$A to £stg1	2.143	2.1514
Italy	Lire to \$A1	700.00	694.00	U.S.S.R.	Roubles to \$A1	(b)	1.006

(a) Exchange rate allowed to fluctuate, no par value fixed.

(b) Not a member of the International Monetary Fund.

(c) No par value established.

Volume of money

The statistics of volume of money compiled by the Reserve Bank of Australia include notes and coin in the hands of the public, deposits of the public with trading banks and deposits with all savings banks. As far as possible, all components of this series in the table below have been calculated on a weekly average basis. Deposits of the public with trading banks comprise the actual weekly average of current and fixed deposits with trading banks less both the actual weekly average of Commonwealth and State Government current and fixed deposits and a weekly average of inter-bank current and fixed deposits. Inter-bank deposits mainly comprise savings bank deposits with trading banks and deposits of overseas banks with trading banks in Australia. Certificates of deposit include any holdings by Commonwealth and State Governments and banks. Deposits of the public with trading banks also include the actual weekly average of deposits of the public with the Reserve Bank of Australia. Deposits with all savings banks comprise an interpolated "weekly average" based on end-of-month figures of total deposits with all savings banks. The figures for the volume of money include details for Papua New Guinea and Australia's other external territories.

VOLUME OF MONEY: AUSTRALIA, JUNE 1967 TO 1971

(Source: Reserve Bank of Australia)

(\$ million)

Average of weekly figures for June—	Notes and coin in hands of public	Deposits of public with all trading banks(a)			Deposits with all savings banks(b)	Total volume of money
		Current	Fixed	Certificates of deposits		
1967	882	3,192	2,026	..	5,724	11,824
1968	964	3,450	2,191	..	6,200	12,805
1969	1,065	3,685	2,404	138	6,682	13,974
1970	1,187	3,798	2,617	145	7,090	14,837
1971	1,336	3,976	2,864	56	7,618	15,851

(a) Current and fixed deposits exclude Commonwealth and State Government and inter-bank deposits but include deposits of the public with the Reserve Bank; certificates of deposit include any holdings by Commonwealth and State Governments and banks. (b) Interpolated "Weekly average" based on end-of-month figures.

BANKING

The Australian banking system has developed along the lines of the United Kingdom system with widespread branch banking conducted by relatively few banks.

Development since federation

With federation in 1901 the new Commonwealth Parliament was given power, under Section 51 of the Commonwealth Constitution, 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'. In 1911 the Commonwealth entered the field of banking with the establishment of the Commonwealth Bank of Australia, which conducted both trading bank and savings bank operations. A separate Commonwealth Savings Bank was established in 1928.

Central bank

Central banking functions of the Commonwealth Bank developed gradually over the years prior to and during the second world war. In November 1935 a Royal Commission was appointed by the Commonwealth Government 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 interests of the people of Australia as a whole, and the manner in which any such alterations should be effected. The Commission presented its report in July 1937, and a summary of the recommendations appears in Year Book No. 31, page 1010.

In 1945 the Commonwealth Government legislated to give full legal effect to the central banking functions already being exercised by the Commonwealth Bank of Australia and to regulate the banking system as a whole. The Commonwealth Bank of Australia further developed mainly as a central bank when from 3 December 1953 the Commonwealth Trading Bank of Australia was established to take over most of the general trading bank functions of the Commonwealth Bank of Australia.

Legislation in 1959 completed the separation of the trading and central banking functions of the Commonwealth Bank of Australia with the establishment of the Commonwealth Development Bank of Australia under the *Commonwealth Banks Act 1959* to take over the Industrial Finance Department and Mortgage Bank Department of the Commonwealth Bank of Australia.

A new bank, the Reserve Bank of Australia, was established under the *Reserve Bank Act 1959* as the nation's central bank to administer the provisions of a new banking Act (*Banking Act 1959*). A statutory corporation, the Commonwealth Banking Corporation, was set up under the *Commonwealth Banks Act 1959* to control the Commonwealth Trading Bank of Australia, the Commonwealth Development Bank of Australia, and the Commonwealth Savings Bank of Australia.

Trading banks

Commercial banking in Australia is carried on by fourteen trading banks. Six large private trading banks together with the Commonwealth Trading Bank are generally referred to as the major trading banks. These banks provide widespread banking facilities throughout Australia. The remaining seven banks comprise one small local bank, three overseas banks which have been represented in Australia for many years and three State-owned banks operating only within their respective States.

The major trading banks are as follows: Commonwealth Trading Bank of Australia, Australia and New Zealand Banking Group, The Bank of Adelaide, Bank of New South Wales, The Commercial Bank of Australia Ltd, The Commercial Banking Company of Sydney Ltd, and The National Bank of Australasia Ltd.

The other trading banks are: Bank of Queensland Ltd, Bank of China, Bank of New Zealand, Banque Nationale de Paris, The Rural Bank of New South Wales, State Bank of South Australia, and The Rural and Industries Bank of Western Australia (Rural Department).

Term Loan Fund

Lending by trading banks is generally conducted on an overdraft basis. A departure from this practice followed discussions during 1961-62 involving the Commonwealth Government, the Reserve Bank and the major trading banks, which resulted in arrangements whereby the banks agreed to create a fund known as the Term Loan Fund, the resources of which would be employed to make loans for capital expenditure on production in the rural, industrial and (to a lesser extent) commercial fields and to finance exports. The loans would be made for fixed terms, varying usually between three and eight years. The term lending arrangements operated from April 1962.

Farm Development Loan Fund

Discussions in March 1966 between the Commonwealth Government, the Reserve Bank and the major trading banks resulted in the establishment of a fund known as the Farm Development Loan Fund, from which resources would be available to provide rural producers, particularly smaller producers, with greater access to medium and long-term finance. The Fund was established in April 1966.

Savings banks

Prior to 1956 savings banks operations were conducted by the Commonwealth Savings Bank, two trustee savings banks in Tasmania, and State-owned banks in Victoria, South Australia and Western Australia. In January 1956 private savings banks were established as subsidiary companies by two of the private trading banks. By mid-1962 all the major private trading banks had established savings bank subsidiary companies. In May 1972 the Bank of New Zealand Savings Bank Limited was granted an authority to carry on savings bank business in Australia.

Development banks

The Commonwealth Development Bank of Australia was established by the *Commonwealth Banks Act 1959* and commenced operations on 14 January 1960. The Australian Resources Development Bank was established by the major trading banks with the support of the Reserve Bank of Australia and commenced operations in February 1968. For further information on these banks see pages 502-3.

Current legislation

Operations of banks and banking in Australia are currently governed by (i) Commonwealth legislation enacted in 1959 in respect of banking other than State banking, and (ii) State legislation relating to the incorporation of banks and management of State banks.

Commonwealth banking legislation

(a) The *Banking Act 1959-1967* applies to all banks operating in Australia including the external Territories of the Commonwealth except State banks trading in their own State. The objects of the Act are: (i) to provide a legal framework uniform throughout Australia for regulating the banking system; (ii) to safeguard depositors of the banks from loss; (iii) to provide for the co-ordination of banking policy under the direction of the Reserve Bank; (iv) to control the volume of credit in circulation and bank interest rates; (v) to mobilise 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 *Banking Act 1959* is given in Year Book No. 46, pages 759-60.

(b) The *Reserve Bank Act 1959-1966* provides for the constitution and management of the Reserve Bank of Australia and the management of the Australian note issue.

(c) The *Commonwealth Banks Act 1959-1968* provides for the constitution and management of the Commonwealth Banking Corporation, Commonwealth Trading Bank of Australia, Commonwealth Savings Bank of Australia, and Commonwealth Development Bank of Australia.

The Commonwealth Banking Corporation is the controlling body for the Commonwealth Trading Bank, Commonwealth Savings Bank and Commonwealth Development Bank. Under the *Banking Act 1959-1967* the Corporation and its constituent banks are subject to the same central banking controls as are the private trading banks.

State Banking legislation

The State 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 financial 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. State savings banks, constituted under State Acts, transacting savings bank business are The State Savings Bank of Victoria, The Savings Bank of South Australia and the Savings Bank Division of the Rural and Industries Bank of Western Australia.

Reserve Bank of Australia

The Reserve Bank of Australia preserved and continued in existence the original corporate body known as the Commonwealth Bank of Australia under the new name Reserve Bank of Australia. An account of the progress and development of that bank is given in earlier issues of the Year Book (see No. 37, pages 570-2, and No. 45, pages 735-7).

The general functions of the Reserve Bank are set out in Section 10 of the *Reserve Bank Act 1959-1966*, which states:

'It is the duty of the Board, within the limits of its powers, to ensure that the monetary and banking policy of the Bank is directed to the greatest advantage of the people of Australia and that the powers of the Bank under this Act, the *Banking Act 1959*, and regulations under that Act are exercised in such a manner as, in the opinion of the Board, 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, provides special banking facilities through the Rural Credits Department, and acts as banker to the Commonwealth and some of the States.

Management

The policy of the Reserve Bank is determined by a 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 Board and with any directions of the Board. The Bank is required to inform the Government of the monetary and banking policy of the Board. 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.

Central banking business

Under the *Commonwealth Bank Act 1911-1943* and the war-time powers conferred by the National Security Regulations the Commonwealth Bank gradually assumed the functions of a Central Bank. Part III of the *Commonwealth Bank Act 1945* formally constituted the Bank as a Central Bank and granted the necessary powers to carry on the business of a Central Bank, these powers being carried through into the present Act constituting the Reserve Bank. Under the provisions of the *Reserve Bank Act 1959-1966* the capital for the Central Banking Business is the capital of the Commonwealth Bank for Central Banking purposes immediately prior to 14 January 1960, and such other sums as are transferred from the Reserve Bank Reserve Fund. The profits of the Bank are distributed as follows: (a) such sums as the Treasurer, after consultation with the Bank, determines shall be placed to the credit of the Reserve Bank Reserve Fund and (b) the remainder shall be paid to the Commonwealth.

Note Issue Department

The Note Issue Department, established in 1920 when the control of the Australian note issue was transferred from the Commonwealth Treasury to the Commonwealth Bank, was maintained in the same form under the *Reserve Bank Act 1959*. The Reserve Bank may, through this Department, issue, re-issue and cancel Australian notes. Under the *Reserve Bank Act 1959-1966* the profits of the Note Issue Department are paid to the Commonwealth.

Rural Credits Department

The Rural Credits Department, established in 1925 for the purpose of making short-term credit available for the orderly marketing of primary produce, was continued in the same form under the *Reserve Bank Act 1959*. The Reserve 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 a State or Territory of the Commonwealth or other bodies specified by proclamation. The period of the advance shall not exceed one year. Under the provisions of the *Reserve Bank Act 1959-1966* the capital of the Rural Credits Department is the capital of the Rural Credits Department of the Commonwealth Bank immediately prior to 14 January 1960, and \$4,000,000 provided by the Reserve Bank. The profits of the Rural Credits Department are dealt with as follows: (a) one-half to the credit of the Rural Credits Department Reserve Fund and (b) one-half to the credit of the Rural Credits Development Fund.

RESERVE BANK OF AUSTRALIA: LIABILITIES, 30 JUNE 1967 TO 1971
(\$ million)

30 June—	Capital and reserve funds	Development fund	Special reserve— I.M.F. special drawing rights	Australian notes on issue	Deposits of trading banks		Deposits of savings banks	Other deposits, bills payable and other liabilities	Total
					Statutory reserve deposit accounts	Other			
CENTRAL BANKING BUSINESS									
1967	68.8	..	..	..	473.8	98.9	492.5	355.3	1,489.3
1968	60.1	..	..	..	456.4	117.9	495.8	327.6	1,457.8
1969	63.0	..	..	..	565.6	60.4	535.2	658.0	1,882.1
1970	66.7	..	75.0	..	674.5	39.5	613.2	672.2	2,141.2
1971	70.7	..	138.6	..	617.5	62.8	615.5	1,098.9	2,603.9
NOTE ISSUE DEPARTMENT									
1967	(a)9.5	..	..	930.1	..	..	..	22.1	961.7
1968	..	..	..	998.5	..	..	..	20.3	1,018.8
1969	..	..	..	1,091.5	..	..	..	45.9	1,137.4
1970	..	..	..	1,195.8	..	..	..	62.5	1,258.3
1971	..	..	..	1,369.4	..	..	..	74.2	1,443.6
RURAL CREDITS DEPARTMENT									
1967	16.0	0.7	..	..	..	..	..	344.2	361.0
1968	16.7	0.8	..	..	..	..	..	212.0	229.6
1969	17.6	0.9	..	..	..	..	..	461.8	480.3
1970	18.5	1.1	..	..	..	..	..	338.5	358.1
1971	19.3	1.1	..	..	..	..	..	288.3	308.7
TOTAL									
1967	94.3	0.7	..	930.1	473.8	98.9	492.5	(b)393.6	(b)2,483.9
1968	76.9	0.8	..	998.5	456.4	117.9	495.8	(b)315.9	(b)2,462.2
1969	80.6	0.9	..	1,091.5	565.6	60.4	535.2	(b)420.8	(b)2,754.9
1970	85.2	1.1	75.0	1,195.8	674.5	39.5	613.2	(b)478.7	(b)3,162.9
1971	90.0	1.1	138.6	1,369.4	617.5	62.8	615.5	(b)765.8	(b)3,660.6

(a) Special reserve premium on gold sold. (b) Inter-departmental accounts have been offset.

RESERVE BANK OF AUSTRALIA: ASSETS, 30 JUNE 1967 TO 1971
(\$ million)

30 June—	Gold and balances held abroad (a)	Other overseas securities	Australian notes, coin	Australian Government securities (b)	Cheques and bills of other banks	Loans, advances, bills discounted, all other assets(c)	Bank premises (d)	Bills receivable and remittances in transit	Total
1967	396.9	168.8	12.4	420.6	9.2	396.1	30.9	54.3	1,489.3
1968	349.3	182.0	9.5	536.2	8.0	263.7	33.8	75.3	1,457.8
1969	589.1	231.6	8.4	386.0	10.8	570.1	35.0	51.1	1,882.1
1970	758.8	201.5	12.6	573.9	8.0	469.0	36.3	81.1	2,141.2
1971	1,285.0	285.0	11.4	453.1	3.4	392.7	37.9	135.4	2,603.9
NOTE ISSUE DEPARTMENT									
1967	394.5	174.8	..	391.7	..	0.5	0.2	..	961.7
1968	315.5	151.4	..	501.0	..	(e)50.8	0.2	..	1,018.8
1969	164.5	198.5	..	457.3	..	(e)316.8	0.3	..	1,137.4
1970	189.9	168.0	..	606.1	..	(e)294.0	0.4	..	1,258.3
1971	289.0	257.1	..	447.7	..	(e)449.2	0.6	..	1,443.6
RURAL CREDITS DEPARTMENT									
1967	..	..	..	..	..	361.0	..	..	361.0
1968	..	..	..	..	..	229.6	..	..	229.6
1969	..	..	..	..	..	480.3	..	..	480.3
1970	..	..	..	..	..	358.1	..	..	358.1
1971	..	..	..	..	..	308.7	..	..	308.7
TOTAL(f)									
1967	791.4	343.6	12.4	812.4	9.2	429.5	31.0	54.3	2,483.9
1968	664.8	333.5	9.5	1,037.2	8.0	300.1	34.0	75.3	2,462.2
1969	753.5	430.1	8.4	843.3	10.8	622.4	35.3	51.1	2,754.9
1970	948.7	369.5	12.6	1,180.0	8.0	526.4	36.7	81.1	3,162.9
1971	1,574.0	542.1	11.4	900.7	3.4	455.1	38.6	135.4	3,660.6

(a) Includes currency at short call and International Monetary Fund drawing rights. (b) Includes Treasury bills and Treasury notes. (c) After deducting provision for debts considered bad or doubtful. (d) At cost, less amounts written off. (e) Includes interest-bearing deposit account established with the Central Bank. (f) Inter-departmental accounts have been offset.

RESERVE BANK OF AUSTRALIA: NET PROFITS, 1966-67 TO 1970-71
(\$ million)

	Central Banking Business	Note Issue Depart- ment	Rural Credits Depart- ment	Total	Distributed to—			
					Common- wealth of Australia	Reserve Bank Reserve fund	Rural Credits Department	
							Reserve fund	Develop- ment fund
1966-67 .	7.9	34.3	1.3	43.6	38.8	3.5	0.7	0.7
1967-68 .	4.4	23.0	1.5	29.0	26.2	1.3	0.7	0.7
1968-69 .	5.7	23.8	1.6	31.1	26.6	2.9	0.8	0.8
1969-70 .	8.9	36.3	1.9	47.1	41.6	3.6	0.9	0.9
1970-71 .	11.3	46.9	1.6	59.8	54.2	4.0	0.8	0.8

Trading banks

Balance sheet information contained in the table on page 493 and profit and loss account information contained in the table at the top of page 494 for the years 1967 to 1971 does not relate to uniform accounting periods but rather to the financial years of the banks which ended in the years shown. For balance dates of individual banks see annual bulletin *Banking and Currency* (5.1).

Figures shown for averages of liabilities and assets in the table on page 494 are the average of liabilities and assets within Australia (including Papua New Guinea and other External Territories) of the banks on the weekly balance days (Wednesdays) during the period concerned. In the table on page 495 figures shown for debits to customers' accounts are the average of debits for the weeks ending on the weekly balance days (Wednesdays) during the period concerned. In the table on page 496 figures shown for new and increased lending commitments are the averages of weekly commitments for the six months ending on the second Wednesday of the last month in the period under review.

In the classification of bank advances, borrowers are classified into two main groups.

Resident borrowers comprising all institutions (including branches of overseas institutions) engaged in business in Australia and individuals permanently residing in Australia, and

Non-resident borrowers comprising all other persons and institutions, including companies incorporated abroad, which, although represented, do not carry on business in Australia.

Advances to resident borrowers are classified into.

Business advances which are advances to partnerships, companies and other institutions engaged in business in Australia, advances to individuals actively engaged in business or a profession on their own behalf if the advances are mainly for purposes of that business or profession, and advances to mutual, co-operative and benefit societies which distribute their profits to members by way of dividends, rebates of charges for goods and services, or increased benefits.

Separate figures are shown for business advances to companies and to other (unincorporated) businesses and advances are also classified to the main industry of borrower.

Advances to public authorities which are advances to local and semi-government authorities including separately constituted government business undertakings but not Commonwealth and State governments.

Personal advances which are advances to individuals for purposes other than carrying on a business or profession.

Advances to non-profit organisations which are advances to organisations which are not operated for the purpose of making a profit or gain to individual members, but for the purposes of the organisations or for the benefit of the community in general.

The classification used for overdraft limits is the same as that used for the classification of bank advances (see above) while abridged versions of this classification are used for bank deposits and new and increased lending commitments.

Interest rates

At 30 June 1971 the maximum rate of interest paid by trading banks for the following terms were: (i) on fixed deposits of less than \$50,000, 3 months and less than 18 months—5.00 per cent, 18 months up to and including 24 months—5.30 per cent, over 24 months and less than 3 years—5.60 per cent, 3 years and less than 4 years—6.00 per cent, 4 years—6.50 per cent; (ii) on fixed deposits of \$50,000 and over, 30 days up to and including 24 months—5.50 per cent, over 24 months and less than 4 years—6.00 per cent, 4 years—6.50 per cent; (iii) on certificates of deposit (\$50,000 and over), 3 months to 24 months—5.50 per cent. The maximum rate of interest charged on overdrafts was 8.25 per cent and the maximum flat rate on unsecured personal loans was 6.50 per cent.

Branches and agencies

At 30 June 1971 the major trading banks operated 4,509 branches, and the other trading banks 278 branches. Of the total of 4,787 branches, 2,316 were located in 'metropolitan areas'. Trading bank facilities were also available at 1,531 agencies throughout Australia at 30 June 1971.

Liabilities and assets

TRADING BANKS(a): LIABILITIES AND ASSETS(b), 1967 TO 1971
(\$ million)

LIABILITIES

	Paid-up capital	Reserve funds (used in business of bank)	Final dividend proposed	Balance of profit and loss account	Total share-holders' funds or total capital and reserve funds	Balances due to other banks	Deposits, bills payable and other liabilities(c)	Total
1967 . . .	246.1	201.0	9.9	15.6	472.5	221.3	7,459.3	8,153.1
1968 . . .	245.6	217.8	10.4	15.6	489.4	229.6	8,001.1	8,720.1
1969 . . .	269.9	245.7	8.7	22.0	546.1	335.9	8,671.6	9,553.6
1970 . . .	358.6	253.7	12.6	27.3	652.1	460.5	9,295.3	10,407.9
1971 . . .	326.7	273.4	13.3	30.4	643.7	690.8	10,009.0	11,343.6

ASSETS

	Coin, bullion, notes and cash at Reserve Bank	Money at short call overseas	Australian public securities				Loans to authorised dealers in short-term money market	Total
			Commonwealth Government		Local and semi-government authorities	Other public securities		
			Treasury bills and notes	Other securities				
1967 . . .	203.8	63.5	49.3	1,263.1	32.4	52.2	92.8	102.0
1968 . . .	206.6	33.0	67.7	1,230.1	37.2	45.0	115.9	121.0
1969 . . .	250.3	57.4	77.8	1,344.8	38.9	51.9	149.5	158.2
1970 . . .	252.6	49.6	92.7	1,244.3	47.3	39.3	229.4	132.2
1971 . . .	220.0	49.7	119.2	1,414.4	50.8	71.6	273.4	155.6

	Statutory reserve deposit account with Reserve Bank	Cheques and bills of, and balances with and due from other banks	Loans(d), advances and bills discounted	Bank premises, furniture and sites	Bills receivable and remittances in transit	All other assets	Total
1967 . . .	472.4	401.6	4,025.8	165.9	1,140.6	87.7	8,153.1
1968 . . .	454.6	456.4	4,515.2	165.9	1,174.1	97.4	8,720.1
1969 . . .	582.7	420.7	5,004.3	185.3	1,137.4	94.4	9,553.6
1970 . . .	632.0	400.4	5,707.6	199.2	1,181.7	199.7	10,407.9
1971 . . .	611.6	511.3	6,179.8	178.5	1,271.8	235.9	11,343.6

(a) Excludes the three overseas banks but includes the deposits and assets held against those deposits of the Savings Banks Division of the Rural and Industries Bank of Western Australia. (b) This table relates to liabilities and assets both inside and outside Australia. (c) Includes provisions for contingencies. (d) Other than loans to authorised dealers in the short-term money market.

TRADING BANKS(a): PROFIT AND LOSS, APPROPRIATION OF PROFITS(b)
1967 TO 1971
(\$ million)

	Profit and loss			Net profit	Profits appropriated to—			
	Net earnings (c)	Expenses (d)	Income, land and other taxes and payments in lieu of taxes		Reserve funds (e)	Writing-off bank premises	Other appropriations	Dividends paid and proposed
1967	334.7	273.6	28.5	32.6	8.8	2.1	1.2	20.5
1968	365.3	286.9	37.6	40.9	16.7	2.5	1.7	18.7
1969	422.2	335.5	41.5	45.2	13.4	1.4	2.5	21.6
1970	478.9	378.9	43.8	56.3	15.8	1.0	3.1	31.1
1971	525.6	443.0	36.2	46.3	13.2	1.0	3.2	25.8

(a) Excludes the three overseas banks. (b) Includes profit and loss on account of the Savings Bank Division of the Rural and Industries Bank of Western Australia. (c) Discount and interest earned, net exchange, commissions and other items (including transfers from contingencies accounts) after deducting interest paid and accrued on deposits, rebate on bills current at balance date, amounts written off assets and losses on realisation of assets, and transfers to the credit of contingencies accounts (out of which accounts provision for all bad and doubtful debts has been made). (d) Includes directors' fees. (e) Excludes accumulated profits and profit and loss accounts.

ALL TRADING BANKS: AVERAGE LIABILITIES AND ASSETS(a) WITHIN AUSTRALIA(b)
JUNE 1967 TO 1971

(\$ million)

LIABILITIES(c)

June	Deposits repayable in Australia				Balances due to other banks	Bills payable and all other liabilities to the public	Total
	Fixed	Current		Total			
		Bearing interest	Not bearing interest				
1967	2,274.8	378.9	2,960.0	5,613.7	39.6	256.1	5,909.4
1968	2,472.9	448.6	3,165.5	6,086.9	54.2	284.5	6,425.6
1969	2,850.5	467.9	3,387.2	6,705.6	111.5	322.2	7,139.3
1970	3,097.2	462.9	3,538.9	7,098.9	257.7	439.4	7,796.0
1971	3,176.5	551.2	3,703.5	7,431.2	320.8	526.0	8,278.0

ASSETS(d)

June	Coin, bullion, notes and cash at Reserve Bank	Commonwealth Government securities		Local and semi-government securities	Loans to authorised dealers in short-term money market	Statutory reserve deposit account with Reserve Bank	Loans(e), advances and bills discounted	All other assets	Total
		Treasury bills and notes	Other securities						
1967	172.3	24.6	1,187.0	19.5	88.8	475.2	3,547.8	515.6	6,030.8
1968	161.4	27.5	1,188.5	20.6	87.7	457.8	4,019.8	580.3	6,543.6
1969	158.5	52.9	1,389.6	20.3	94.9	567.6	4,383.6	615.0	7,282.4
1970	171.9	54.3	1,275.2	23.7	102.8	678.7	4,902.6	751.3	7,960.5
1971	182.0	110.8	1,339.5	25.5	142.0	619.8	5,316.8	863.4	8,600.0

(a) Figures shown for average of liabilities and assets are the average of liabilities and assets within Australia of the banks at the close of business on the weekly balance days (usually Wednesdays) during the period concerned. (b) Includes Papua New Guinea and other External Territories. (c) Excludes shareholders' funds, inter-branch accounts and contingencies. (d) Excludes inter-branch accounts and contingencies. (e) Excludes loans to authorised dealers in the short-term money market.

TRADING BANKS: AVERAGE WEEKLY DEBITS TO CUSTOMERS' ACCOUNTS(a), STATES AND TERRITORIES, 1966-67 TO 1970-71

(\$ million)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>N.T.</i>	<i>A.C.T.</i>	<i>Aust.</i>
1966-67	1,080.2	940.0	256.9	184.4	138.6	47.3	4.5	17.0	2,668.9
1967-68	1,257.9	1,041.8	289.2	201.7	169.1	51.3	5.8	21.2	3,038.0
1968-69	1,526.0	1,214.1	325.3	224.2	209.0	55.9	7.4	50.4	3,612.6
1969-70	1,865.6	1,413.3	364.7	243.2	246.4	61.2	12.7	87.7	4,294.9
1970-71	2,148.6	1,647.3	405.0	269.6	295.3	64.2	15.8	64.6	4,910.4

(a) Covers all trading banks and in addition the Rural Credit Department of the Reserve Bank and the Commonwealth Development Bank. Excludes debits to Commonwealth and State Government accounts in capital cities.

Major Trading Banks: classification of bank advances, deposits, new and increased lending commitments and overdraft limits

For an explanation of items in the following table see notes on page 492.

**CLASSIFICATION OF TOTAL ADVANCES WITHIN AUSTRALIA(a)
JULY 1970 TO JANUARY 1972**

	<i>At second Wednesday of—</i>							
	<i>July 1970</i>		<i>January 1971</i>		<i>July 1971</i>		<i>January 1972</i>	
	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>
Resident borrowers—								
Business advances—								
Agriculture, grazing and dairying	997.8	22.6	978.7	21.9	993.9	20.5	933.9	18.9
Manufacturing	729.0	16.5	693.1	15.5	843.5	17.4	800.0	16.2
Transport, storage and communication	85.7	1.9	87.3	2.0	90.1	1.9	90.2	1.8
Finance—								
Building and housing societies	42.6	1.0	39.8	0.9	42.4	0.9	42.0	0.9
Other	161.8	3.7	205.9	4.6	192.7	4.0	291.2	5.9
Total finance	204.5	4.6	245.7	5.5	235.2	4.9	333.1	6.8
Commerce—								
Retail trade	332.4	7.5	285.4	6.4	331.7	6.9	304.4	6.2
Wholesale trade(b)	358.2	8.1	357.8	8.0	366.1	7.6	412.9	8.4
Total commerce	690.7	15.6	643.2	14.4	697.8	14.4	638.0	12.9
Building and construction	149.2	3.4	134.8	3.0	152.1	3.1	140.0	2.8
Other businesses	617.8	14.0	731.3	16.3	817.1	16.9	898.1	18.2
Unclassified	46.3	1.0	48.2	1.1	51.2	1.1	58.9	1.2
Total business advances	3,521.1	79.8	3,562.3	79.6	3,880.8	80.2	3,892.3	79.0
of which—								
Companies	2,075.4	47.0	2,179.5	48.7	2,437.2	50.4	2,495.3	50.6
Other	1,445.7	32.8	1,382.8	30.9	1,443.6	29.8	1,397.0	28.2
Advances to public authorities(c)	36.9	0.8	64.1	1.4	62.3	1.3	132.5	2.7
Personal advances classified according to main purpose of advance—								
Building or purchasing own home (individuals)	297.3	6.7	292.2	6.5	294.8	6.1	296.5	6.0
Other (including personal loans)	483.8	11.0	484.9	10.8	527.5	10.9	535.3	10.9
Total personal	781.1	17.7	777.2	17.4	822.3	17.0	831.8	16.9
Advances to non-profit organisations	70.7	1.6	69.5	1.6	69.3	1.4	69.6	1.4
Total advances to resident borrowers	4,409.8	99.9	4,473.0	99.9	4,834.7	99.9	4,926.2	99.9
Advances to non-resident borrowers	4.0	0.1	3.6	0.1	4.2	0.1	5.9	0.1
Total all advances	4,413.8	100.0	4,476.6	100.0	4,839.0	100.0	4,932.1	100.0

(a) Includes Papua New Guinea and semi-government bodies.

(b) Includes temporary advances to woolbuyers.

(c) Includes local government

**MAJOR TRADING BANKS: CLASSIFICATION OF DEPOSITS(a) WITHIN AUSTRALIA(b)
JULY 1970 TO JANUARY 1972**

	<i>At second Wednesday of—</i>							
	<i>July 1970</i>		<i>January 1971</i>		<i>July 1971</i>		<i>January 1972</i>	
	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>	<i>Amount (\$m)</i>	<i>Per cent</i>
<i>Resident depositors—</i>								
<i>Business deposits—</i>								
Agriculture, grazing and dairying	756.2	12.3	795.9	12.2	729.1	11.3	813.7	11.2
Manufacturing	359.0	5.8	395.6	6.1	314.7	4.9	415.6	5.7
Transport, storage and communication	96.8	1.6	95.4	1.5	96.8	1.5	104.5	1.5
Finance	421.0	6.9	442.2	6.8	425.9	6.6	487.7	6.7
Commerce	442.1	7.2	530.1	8.2	458.0	7.1	556.4	7.7
Building and construction	187.3	3.1	222.3	3.4	205.0	3.2	237.8	3.3
Other businesses	844.2	13.7	912.9	14.0	928.7	14.5	992.0	13.7
Unclassified	91.2	1.5	71.4	1.1	100.1	1.6	101.0	1.4
<i>Total business deposits</i>	<i>3,197.8</i>	<i>52.1</i>	<i>3,465.8</i>	<i>53.3</i>	<i>3,258.4</i>	<i>50.7</i>	<i>3,708.7</i>	<i>51.2</i>
of which—								
Companies	1,469.8	23.9	1,594.6	24.5	1,514.7	23.6	1,794.4	24.8
Other	1,728.0	28.2	1,871.2	28.8	1,743.7	27.1	1,914.3	26.4
Deposits of public authorities	377.5	6.1	358.9	5.5	405.6	6.3	494.7	6.8
Personal deposits	2,161.9	35.2	2,285.3	35.1	2,340.8	36.4	2,587.8	35.7
Deposits of non-profit organisations	307.6	5.0	292.4	4.5	318.4	5.0	333.6	4.6
<i>Total resident depositors</i>	<i>6,044.8</i>	<i>98.4</i>	<i>6,402.4</i>	<i>98.4</i>	<i>6,323.2</i>	<i>98.4</i>	<i>7,124.9</i>	<i>98.3</i>
<i>Total non-resident depositors</i>	<i>98.1</i>	<i>1.6</i>	<i>104.4</i>	<i>1.6</i>	<i>102.9</i>	<i>1.6</i>	<i>123.0</i>	<i>1.7</i>
<i>Total all depositors</i>	<i>6,142.9</i>	<i>100.0</i>	<i>6,506.8</i>	<i>100.0</i>	<i>6,426.1</i>	<i>100.0</i>	<i>7,247.8</i>	<i>100.0</i>

(a) Excludes deposits of Commonwealth and State Governments.

(b) Includes Papua New Guinea.

**MAJOR TRADING BANKS: NEW AND INCREASED LENDING COMMITMENTS
TO SELECTED INDUSTRIAL GROUPS(a), JULY 1970 TO JANUARY 1972**

(Source: Reserve Bank of Australia)

(\$ million)

	<i>Six months ended second Wednesday of—</i>							
	<i>July 1970</i>		<i>January 1971</i>		<i>July 1971</i>		<i>January 1972</i>	
	<i>Aggregate</i>	<i>Term loan component</i>	<i>Aggregate</i>	<i>Term loan component</i>	<i>Aggregate</i>	<i>Term loan component</i>	<i>Aggregate</i>	<i>Term loan component</i>
<i>Business—</i>								
Agriculture, grazing and dairying	(b)125.7	14.0	(b)106.1	11.8	(b)108.7	10.7	(b)95.8	11.7
Manufacturing	144.3	28.3	151.7	13.4	137.8	40.7	201.2	40.1
Finance	26.8	0.3	62.8	0.2	60.5	0.5	29.8	1.0
Commerce(a)	123.4	3.0	145.0	8.5	139.6	16.3	161.0	9.1
Building and construction	44.4	1.4	64.3	19.5	47.2	3.4	44.7	1.6
<i>Persons—</i>								
Advances for building or purchase of own home (to individuals)	88.6	..	90.4	..	97.2	..	105.6	..
Other (including personal loans)	163.3	..	165.4	..	176.1	..	190.2	..
All other	173.2	30.2	273.2	33.5	257.9	46.5	324.1	71.5
<i>Total</i>	<i>(b)889.7</i>	<i>77.1</i>	<i>(b)1,059.0</i>	<i>86.9</i>	<i>(b)1,025.0</i>	<i>118.0</i>	<i>(b)1,152.5</i>	<i>134.8</i>

(a) Excludes commitments in respect of temporary advances to woolbuyers. (b) Includes Farm Development Loan approvals: July 1970, \$7.5 million; January 1971, \$10.0 million; July 1971, \$15.8 million and January 1972, \$11.6 million.

**MAJOR TRADING BANKS: CLASSIFICATION OF OVERDRAFT LIMITS
OUTSTANDING(a), JULY 1970 TO JANUARY 1972**

(Source: Reserve Bank of Australia)

(\$ million)

	Second Wednesday of—			
	July 1970	January 1971	July 1971	January 1972
<i>Resident borrowers—</i>				
Business overdraft limits—				
Agriculture, grazing and dairying—				
Mainly sheep grazing	402.7	400.4	381.7	352.7
Mainly wheat growing	125.7	127.6	122.8	118.0
Mainly dairying and pig raising	114.3	105.5	103.8	92.7
Other	289.3	299.4	313.3	311.0
Total agriculture, etc.	932.0	932.8	921.5	874.3
Manufacturing	1,229.2	1,255.5	1,256.7	1,329.7
Transport, storage and communication	111.3	105.9	107.5	119.8
Finance—				
Building and housing societies	66.2	63.7	67.7	64.3
Pastoral finance companies	104.7	119.1	147.2	146.3
Hire purchase and other finance companies	92.7	83.9	95.0	102.2
Other	90.5	92.7	99.2	105.7
Total finance	354.1	359.4	409.0	418.4
Commerce(a)—				
Retail trade	477.1	473.9	485.6	493.1
Wholesale trade	365.5	389.5	399.6	413.9
Total commerce(a)	842.6	863.3	885.2	907.0
Building and construction	197.9	194.6	196.1	195.9
Other businesses—				
Mining	133.0	224.9	212.2	289.2
Other	514.5	540.1	593.3	589.3
Total other businesses	647.5	765.0	805.5	878.5
Unclassified	42.6	47.4	52.8	47.4
Total business overdraft limits	4,357.4	4,523.9	4,634.4	4,771.1
Overdraft limits of public authorities	173.1	215.4	236.0	267.7
Personal overdraft limits—				
Building or purchasing own home	349.3	350.7	347.5	352.8
Other	587.0	605.4	641.7	703.3
Total personal overdraft limits	936.3	956.0	989.1	1,056.1
Overdraft limits of non-profit organisations	124.2	121.2	119.9	121.5
Total overdraft limits of resident borrowers	5,591.0	5,816.6	5,979.4	6,216.3
Overdraft limits of non-resident borrowers	4.8	6.5	4.7	5.5
Total all overdraft limits	5,595.8	5,823.1	5,984.1	6,221.8

(a) Excludes limits in respect of temporary advances to woolbuyers, term loans and farm development loans.

**MAJOR TRADING BANKS: ADVANCES^(a), BY RATE OF INTEREST
JUNE 1970 TO DECEMBER 1971**

(Source: Reserve Bank of Australia)

(Proportion at each rate to total—per cent)

Interest rate per annum	End of—			
	June 1970	December 1970	June 1971	December 1971
5 per cent and less	3.1	4.4	3.7	4.9
More than 5 per cent but less than 5½ per cent	0.6	0.8	0.6	0.7
5½ per cent	0.1	0.2	..	0.5
More than 5½ per cent but less than 6 per cent	0.1	0.2	0.1	0.8
6 per cent	0.4	0.5	0.1	1.3
More than 6 per cent but less than 6½ per cent	2.6	2.7	2.1	2.7
6½ per cent	1.4	0.8	1.4	2.3
More than 6½ per cent but less than 7 per cent	5.7	5.5	5.0	5.1
7 per cent	10.1	9.9	9.3	8.5
More than 7 per cent but less than 7½ per cent	9.3	8.4	7.7	7.2
7½ per cent	9.0	8.4	8.5	8.1
More than 7½ per cent but less than 8 per cent	13.1	13.0	13.1	11.7
8 per cent	7.0	6.6	6.7	6.3
More than 8 per cent and up to 8½ per cent	35.4	34.9	37.2	35.2
More than 8½ per cent	2.2	3.8	4.4	4.8
Total	100.0	100.0	100.0	100.0

(a) Excludes term loans, farm development loans and personal instalment loans. Comprises categories of loans specifically exempted from the prescribed maximum overdraft requirement such as, short-term mortgage and bridging loans and post-shipment wool advances subject to a disincentive rate of interest. The maximum rate chargeable on overdraft advances was raised to 7½ per cent per annum on 14 October 1968, 7½ per cent per annum on 1 August 1969 and 8½ per cent per annum on 9 March 1970.

**MAJOR TRADING BANKS: FIXED DEPOSITS^(a), BY RATE OF INTEREST
JUNE 1970 TO DECEMBER 1971**

(Source: Reserve Bank of Australia)

(Proportion at each rate to total—per cent)

Interest rate per annum	End of—			
	June 1970	December 1970	June 1971	December 1971
More than 4 per cent but less than 4½ per cent . . . . .	..	..	..	..
4½ per cent and less than 4½ per cent	0.1	..	..	..
4½ per cent and less than 4¾ per cent	14.1	3.1	0.1	..
4¾ per cent and less than 5 per cent	36.1	22.6	1.9	..
5 per cent and less than 5½ per cent	22.5	29.6	37.4	28.4
5½ per cent and less than 5½ per cent	6.4	16.4	19.8	19.2
5½ per cent and less than 5¾ per cent	20.8	27.5	28.0	29.9
5¾ per cent and less than 6 per cent . . . . .	..	..	..	0.1
6 per cent and less than 6½ per cent . . . . .	..	0.1	1.8	3.4
6½ per cent and less than 6½ per cent . . . . .	..	..	..	..
6½ per cent . . . . .	..	0.7	11.0	18.9
Total	100.0	100.0	100.0	100.0

(a) Excludes Commonwealth and State Government fixed deposits.

Savings banks

For information on the origin of savings banks in Australia, see Year Book No. 50, page 854, and earlier issues.

All savings banks, including trustee savings banks, but not State savings banks, are subject to the *Banking Act* 1959-1967. Details of this Act and the special provisions applying to savings banks are given in Year Book No. 46, pages 759-60.

In the tables on pages 499-500 balance sheet and profit and loss account information for the years 1967 to 1971 does not relate to a uniform accounting period but rather to the financial years of the banks which ended in the years shown. For balance dates of individual savings banks see annual bulletin *Banking and Currency* (5.1).

The number of operative accounts excludes school bank accounts and small inoperative accounts. The other sections of the tables relating to depositors' balances, etc., include school bank accounts, small inoperative accounts, investment accounts, deposit stock and non-interest bearing cheque accounts at the State Savings Bank of Victoria and the Savings Bank of South Australia, and fixed deposit accounts and non-interest bearing cheque accounts at the trustee savings banks in Tasmania.

At 30 June 1971 all savings banks were paying interest on deposits at rates of up to 5.00 per cent. For accounts other than friendly and other societies the maximum interest bearing amount in any one account was \$20,000. There is no limit on the maximum interest bearing amount for society cheque accounts. Interest rates charged on loans made by the savings banks were: housing loans—up to 7.00 per cent; other loans—up to 8.25 per cent.

At 30 June 1971 savings banks operated 5,465 branches, 2,795 of these being in the "metropolitan area". Savings bank facilities were also available at 15,248 agencies throughout Australia.

SAVINGS BANKS(a): LIABILITIES AND ASSETS(b), 1967 TO 1971

(\$ million)

LIABILITIES

	Paid-up capital	Reserve funds (used in the business of the bank)	Balance of profit and loss account	Total shareholders' funds	Depositors' balances	Balances due to other banks	Bills payable and all other liabilities (c)	Total
1967 . . .	23.0	114.2	5.5	143.1	5,840.0	12.7	185.5	6,181.4
1968 . . .	24.0	125.0	6.5	155.4	6,284.4	13.3	203.9	6,657.0
1969 . . .	25.0	132.7	6.7	164.4	6,783.5	13.4	222.2	7,183.6
1970 . . .	31.0	137.4	7.3	175.7	7,161.2	14.2	236.6	7,587.7
1971 . . .	31.0	149.8	8.4	189.2	7,722.0	16.8	258.9	8,186.9

ASSETS

	Coin, bullion, notes and deposits with Reserve Bank	Deposits in Australia with trading banks	Australian public securities			Local and semi-government authorities	Other securities	Total
			Commonwealth and States					
			Treasury bills and notes	Other securities				
1967 . . .	509.5	145.6	16.5	2,184.1	1,336.7		9.6	
1968 . . .	533.2	168.9	31.4	2,216.7	1,483.4		11.0	
1969 . . .	553.5	168.7	61.0	2,246.6	1,649.9		14.7	
1970 . . .	585.1	150.8	74.7	2,232.6	1,791.9		16.5	
1971 . . .	659.8	123.1	58.6	2,287.5	1,963.0		28.7	

	Loans to authorised dealers in short-term money market	Cheques and bills of, and balances with and due from other banks(d)	Loans(e), advances and bills discounted	Bank premises, furniture and sites	Bills receivable and remittances in transit	All other assets	Total
1968 . . .	27.5	6.7	2,026.1	83.0	1.6	67.5	6,657.0
1969 . . .	40.1	9.7	2,270.5	90.5	2.0	76.4	7,183.6
1970 . . .	54.1	167.8	2,337.3	98.2	0.4	78.3	7,587.7
1971 . . .	78.6	195.0	2,602.9	102.6	0.3	86.9	8,186.9

(a) Excludes Savings Bank Division of the Rural and Industries Bank of Western Australia. (b) This table relates to liabilities and assets both inside and outside Australia. (c) Includes provisions for contingencies. (d) Includes deposits with and loans to specified lenders other than trading banks. (e) Other than loans to dealers in the short-term money market.

SAVINGS BANKS(a): PROFIT AND LOSS, APPROPRIATION OF PROFITS AND DIVIDENDS, 1967 TO 1971

(\$ million)

	<i>Profit and loss</i>			<i>Profits appropriated to—</i>				
	<i>Net earnings (b)</i>	<i>Ex-penses (c)</i>	<i>Income, land and other taxes and payments in lieu of taxes</i>	<i>Net profit</i>	<i>Reserve funds</i>	<i>Writing-off bank premises</i>	<i>Other appropriations</i>	<i>Dividends paid and proposed</i>
1967	109.2	86.0	5.6	17.6	8.2	2.4	4.2	2.2
1968	121.0	94.4	7.5	19.1	8.8	2.5	3.9	2.9
1969	131.2	108.5	7.7	15.0	7.0	2.0	2.3	3.4
1970	149.6	121.4	9.6	18.6	9.9	1.9	3.0	3.2
1971	179.4	141.2	11.4	26.7	13.4	1.9	6.3	4.1

(a) Excludes Savings Bank Division of the Rural and Industries Bank of Western Australia. (b) Discount and interest earned, net exchange, commissions and other items (including transfers from contingencies accounts), after deducting interest paid and accrued on deposits, rebate on bills current at balance date, amounts written off assets, and losses on realisation of assets and transfers to the credit of contingencies accounts (out of which accounts provisions for all bad and doubtful debts have been made). (c) Includes directors' fees.

SAVINGS BANKS: BUSINESS TRANSACTED IN AUSTRALIA 1966-67 TO 1970-71

	<i>Number of operative accounts</i>	<i>Deposits (a)</i>	<i>With-drawals (a)</i>	<i>Interest added</i>	<i>Depositors' balances end of year</i>
	'000	\$m	\$m	\$m	\$m
1966-67	13,133	7,424.9	7,086.9	173.0	5,764.7
1967-68	13,823	8,355.5	8,088.5	189.9	6,221.5
1968-69	14,534	9,423.8	9,154.1	215.8	6,707.1
1969-70	15,291	10,671.9	10,508.9	234.6	7,104.7
1970-71	16,178	12,324.0	12,045.7	251.6	7,634.5

(a) Includes inter-branch transfers.

SCHOOL SAVINGS BANKS: AUSTRALIA, 1967 TO 1971

<i>End of June—</i>	<i>Number of school agencies</i>	<i>Number of operative accounts</i>	<i>Depositors' balances</i>
		'000	\$'000
1967	10,301	1,445	24,815
1968	10,400	1,516	26,482
1969	10,957	1,584	28,476
1970	11,042	1,600	28,079
1971	9,617	1,598	28,808

**SAVINGS BANKS: HOUSING FINANCE TRANSACTIONS WITHIN AUSTRALIA
1966-67 TO 1970-71**

Housing loans approved to—

Individuals

	<i>Dwellings not previously occupied</i>		<i>Dwellings previously occupied</i>		<i>Alterations and additions</i>	<i>Total</i>	<i>Building societies</i>
	<i>Number(a)</i> <i>'000</i>	<i>\$m(b)</i>	<i>Number(a)</i> <i>'000</i>	<i>\$m(b)</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1966-67(c) . . .	23.4	161.8	28.9	173.4	5.7	340.9	23.1
1967-68(c) . . .	25.1	180.9	32.5	207.4	6.6	395.0	22.0
1968-69(c) . . .	26.1	200.7	33.8	230.9	7.5	439.1	19.5
1969-70 . . .	25.6	204.2	35.6	257.2	7.8	469.2	12.7
1970-71 . . .	27.7	237.9	40.5	320.3	9.0	567.2	13.9

Housing loans approved to individuals—

Balances outstanding on housing loans to—

Interest debited to loan accounts of individuals

	<i>Cancellation of loans previously approved(d)</i>		<i>Undrawn commitments at end of year</i>	<i>Individuals</i>		<i>Building societies</i>	<i>\$m</i>
	<i>Number(a)</i> <i>'000</i>	<i>\$m(b)</i>	<i>\$m</i>	<i>\$m(e)</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1966-67(c) . . .	n.a.	n.a.	83.4	1,304.5	244.2	n.a.	n.a.
1967-68(c) . . .	n.a.	n.a.	96.5	1,501.7	249.5	n.a.	n.a.
1968-69(c) . . .	n.a.	n.a.	105.1	1,715.2	246.3	n.a.	n.a.
1969-70 . . .	3.6	26.5	114.4	1,898.3	245.3	106.9	106.9
1970-71 . . .	4.1	32.2	129.0	2,124.9	238.6	130.1	130.1

(a) Number of dwelling units for which first mortgage loans approved. (b) Includes second mortgage finance to complete original purchase or construction. (c) Includes details relating to the external territories. (d) Includes amounts cancelled as a result of periodic examinations by banks of undrawn commitments. (e) Includes interest debited to loan accounts.

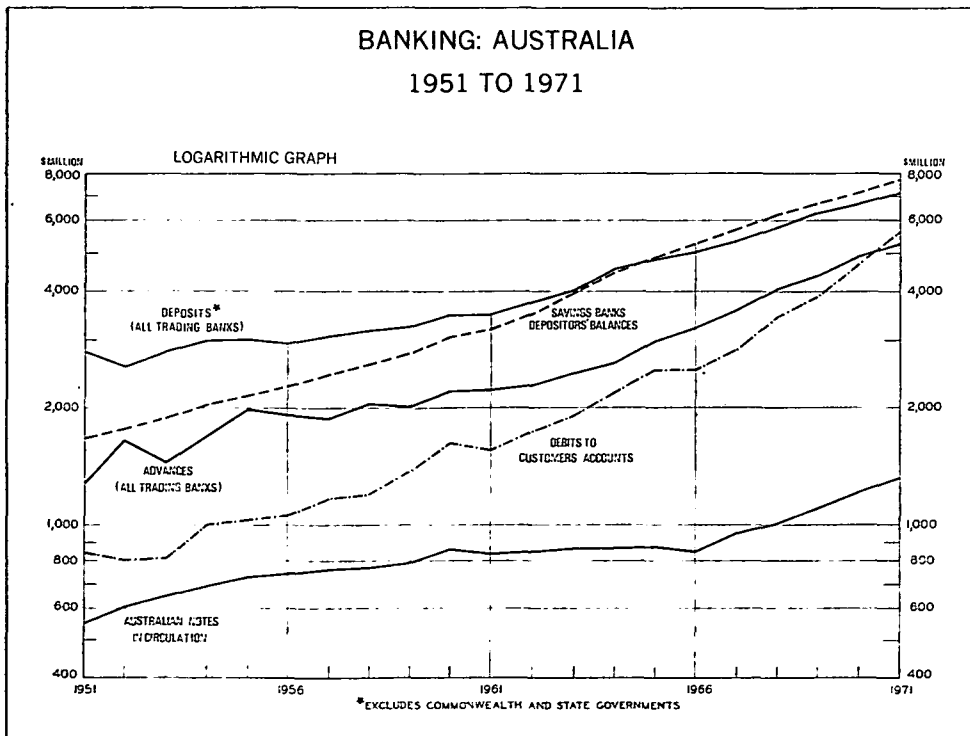


PLATE 31

Development banks

Commonwealth Development Bank of Australia

The Commonwealth Development Bank of Australia was established by the *Commonwealth Banks Act 1959* and commenced operations on 14 January 1960. It was formed basically from an amalgamation of the Mortgage Bank and Industrial Finance Departments of the Commonwealth Bank. Under the Act the Bank is authorised to provide assistance for the development of worthwhile enterprises in the fields of primary and secondary industries, which would otherwise be unable to obtain the necessary finance on reasonable and suitable terms and conditions. The Commonwealth Development Bank is managed by a General Manager under the Managing Director of the Commonwealth Banking Corporation and its policy is determined by the Board of that Corporation. The capital of the Development Bank consists of the capital of the Mortgage Bank and Industrial Finance Departments of the Commonwealth Bank immediately prior to 14 January 1960, \$10 million provided by the Reserve Bank \$20 million appropriated from the Consolidated Revenue Fund in 1961-62 by the *Commonwealth Banks Act 1961* and the *Commonwealth Banks Act 1962*, \$10 million appropriated in 1963-64 by the *Commonwealth Banks Act 1963*, and such other sums as are provided from the Commonwealth Development Bank Reserve Fund. The net profits of the Bank are paid to the Commonwealth Development Bank Reserve Fund, which at 30 June 1971 stood at \$31.0 million. Net profits in 1969-70 and 1970-71 amounted to \$2.1 million and \$1.8 million respectively.

COMMONWEALTH DEVELOPMENT BANK OF AUSTRALIA: LIABILITIES 30 JUNE 1967 TO 1971 (\$ million)

30 June—	Capital	Reserve fund	Balances due to other banks	Deposits, bills payable, all other liabilities	Total
1967 . . .	61.7	23.2	91.3	30.0	206.1
1968 . . .	61.7	25.2	112.8	32.3	232.0
1969 . . .	61.7	27.2	131.3	34.7	254.9
1970 . . .	61.7	29.3	142.2	32.5	265.6
1971 . . .	61.7	31.0	157.7	32.3	282.7

COMMONWEALTH DEVELOPMENT BANK OF AUSTRALIA: ASSETS 30 JUNE 1967 TO 1971 (\$ million)

30 June—	Coin, bullion, notes and cash at bankers	Australian public securities (incl. Treasury bills)	Other securities	Loans to authorised dealers in short-term money market	Cheques and bills of other banks	Loans, advances, and bills discounted	All other assets	Total
1967 . . .	0.3	1.2	0.3	0.5	1.2	202.0	0.6	206.1
1968 . . .	0.5	1.2	0.3	0.4	1.4	227.5	0.8	232.0
1969 . . .	0.8	1.2	0.2	..	1.5	250.2	0.9	254.9
1970 . . .	0.8	0.8	0.3	..	1.7	261.0	1.0	265.6
1971 . . .	0.8	0.7	0.2	..	1.9	277.8	1.2	282.7

Australian Resources Development Bank Limited

The Australian Resources Development Bank Limited was established in 1967 with equity capital of \$3 million subscribed by the major trading banks. It was given the status of a bank by the *Banking Act 1967* and opened for business on 29 March 1968. The main object of the Australian Resources Development Bank is to assist Australian enterprises to participate more fully in the development of Australia's natural resources. It provides finance to enterprises engaged in major developmental projects by direct loans, investing in equity capital or by refinancing loans made by trading banks acting individually or as a group. The Australian Resources Development Bank obtains funds by accepting deposits and by borrowing on the Australian and overseas capital markets.

AUSTRALIAN RESOURCES DEVELOPMENT BANK LIMITED: LIABILITIES
30 SEPTEMBER 1968 TO 1971
(\$ million)

30 September—	Capital	Reserve fund	Balances due to other banks	Deposits, bills payable, all other liabilities	Total
1968 . . .	3.0	..	2.3	28.2	33.4
1969 . . .	3.0	0.3	15.4	73.2	91.9
1970 . . .	3.0	0.5	27.7	163.6	194.8
1971 . . .	3.0	1.3	42.3	256.6	303.1

AUSTRALIAN RESOURCES DEVELOPMENT BANK LIMITED: ASSETS
30 SEPTEMBER 1968 TO 1971
(\$ million)

30 September—	Coin, bullion, notes and cash at banks	Australian public securities (incl. Treasury bills)	Other securities	Loans to authorised dealers in short-term money market	Cheques and bills of other banks	Loans, advances, and bills discounted	All other assets	Total
1968 . . .	1.2	0.5	..	0.5	24.3	6.8	0.2	33.4
1969 . . .	0.3	0.2	..	0.1	89.8	1.0	0.4	91.9
1970 . . .	..	0.2	..	3.0	187.3	3.1	1.1	194.8
1971 . . .	0.1	0.2	0.1	9.4	283.6	6.2	3.4	303.1

INSURANCE

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 1909-1966* defining the limits of marine insurance and regulating the terms of contracts, etc., the *Insurance Act 1932-1966* requiring the lodgment of deposits by insurance companies, and the *Life Insurance Act 1945-1965* generally regulating life insurance business in Australia. The *Marine Insurance Act 1909-1966* and the *Insurance Act 1932-1966* have limited application, and except for life insurance business, which is regulated by the *Life Insurance Act 1945-1965*, insurance business is conducted almost entirely under State laws.

Insurance Act 1932-1966

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 1 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 business under the Act: staff superannuation schemes; schemes of religious organisations solely for insurance of their property; 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 1945-1965* ceased to apply to life insurance business.

Life Insurance Act 1945-1965

The objects of this Act are: (a) to replace all State legislation on the subject of life insurance, except that relating to the life insurance operations of State Government insurance offices within the State concerned, 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 insurance 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 came into operation on 20 June 1946. A summary of the provisions of the Act is given in Year Book No. 37, pages 595-7. The Insurance Commissioner issues an annual report which contains detailed information on the operations of life insurance companies.

Deposits under Insurance Acts

Deposits lodged under the Insurance Acts at 30 June 1971 totalled \$39.5 million, comprising \$4.8 million held by the Commonwealth in respect of life insurance, and \$34.7 million held by the Commonwealth in respect of other forms of insurance. The deposits consisted of Commonwealth Government securities \$23.1 million, United Kingdom Government securities \$2.0 million, fixed deposits \$1.0 million, bank guarantees and undertakings \$9.9 million, corporation debentures and stock \$0.8 million, titles and mortgages \$2.5 million, and other securities \$0.2 million.

Life insurance

Since 1947, returns lodged under the *Life Insurance Act 1945-1965* have been used to compile life insurance statistics. The statistics included in the following tables relate to the Australian and overseas business of companies with head offices in Australia together with the Australian business of companies with head offices overseas. Unless otherwise stated, life insurance business in Australia excludes life insurance business in Papua New Guinea. The information shown has been compiled from returns of life insurance business submitted in the financial years which ended during the year stated.

Offices transacting business

The number of companies which transacted life insurance business in Australia during 1970 was 46. Of these, 33 were companies incorporated outside Australia or were subsidiaries of such companies. Nine companies, including 4 incorporated outside Australia, were mutual companies. All companies conducted ordinary business and 45 conducted superannuation business. Industrial business was conducted by 11 companies, all of which also conducted superannuation business. In addition two State Government institutions conduct life insurance business only in their own State.

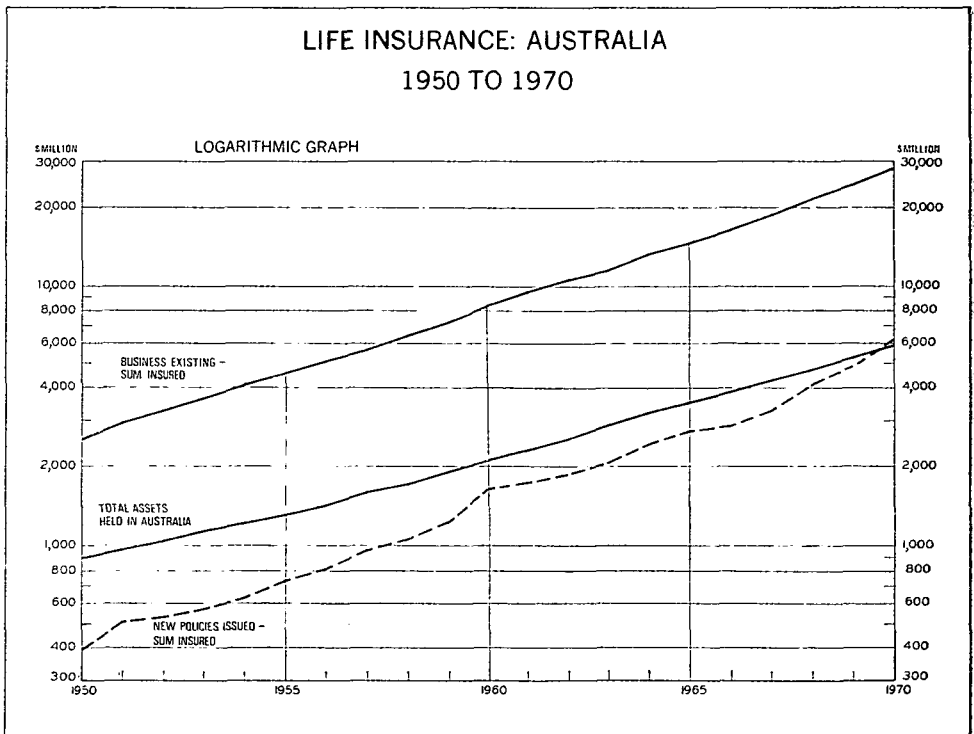


PLATE 32

LIFE INSURANCE: SUMMARY, AUSTRALIA, 1966 TO 1970

	Insurance and endowment policies			Annuity policies	
	Number of policies	Sum insured (\$ million)	Annual premiums (\$ million)	Number of policies	Annuities per annum (\$ million)
ORDINARY BUSINESS					
New policies issued—					
1966(a)	380,276	1,816.9	40.4	75	0.1
1967(a)	409,403	2,102.5	47.3	85	0.1
1968(a)	436,928	2,606.6	59.1	95	0.1
1969	464,062	3,088.4	65.7	109	0.1
1970	504,613	3,777.9	75.3	55	0.1
Policies discontinued or reduced(b)—					
1966(a)	250,789	651.4	16.1	149	0.1
1967(a)	246,139	709.4	17.4	210	0.1
1968(a)	258,639	799.7	18.2	186	0.1
1969	248,906	974.3	20.3	181	0.1
1970	273,765	1,153.2	24.5	204	0.1
Policies existing at end of—					
1966(a)	4,188,300	11,623.0	299.3	2,393	1.0
1967(a)	4,351,564	13,016.1	329.2	2,268	1.0
1968(a)	4,529,853	14,823.0	370.1	2,177	1.1
1969	4,676,164	16,806.1	411.7	2,065	1.3
1970	4,907,012	19,430.8	462.6	1,951	1.1
INDUSTRIAL BUSINESS					
New policies issued—					
1966(a)	132,246	130.3	5.1	..	..
1967(a)	136,764	140.4	5.5	..	..
1968(a)	132,504	145.7	5.8	..	..
1969	139,360	165.0	6.5	..	..
1970	138,647	198.5	7.3	..	..
Policies discontinued or reduced(b)—					
1966(a)	243,759	82.7	3.7	..	..
1967(a)	177,219	77.7	3.3	..	..
1968(a)	174,576	86.3	3.7	..	..
1969	169,893	91.1	3.8	..	..
1970	168,600	100.2	4.1	..	..
Policies existing at end of—					
1966(a)	2,643,633	918.5	38.1	..	..
1967(a)	2,603,178	981.2	40.3	..	..
1968(a)	2,561,106	1,040.6	42.4	..	..
1969	2,530,386	1,114.4	45.1	..	..
1970	2,500,433	1,212.8	48.3	..	..
SUPERANNUATION BUSINESS					
New policies issued—					
1966(a)	105,455	929.4	26.5	57	3.8
1967(a)	88,478	1,053.3	29.4	81	8.6
1968(a)	89,085	1,328.1	33.1	83	6.3
1969	94,771	1,591.6	41.7	64	5.0
1970	74,334	2,298.6	58.8	60	10.6
Policies discontinued or reduced(b)—					
1966(a)	66,716	401.6	10.0	45	4.0
1967(a)	73,319	434.7	11.3	44	3.1
1968(a)	67,338	539.8	14.3	60	7.0
1969	114,664	709.1	17.7	43	7.8
1970	126,552	940.0	26.5	33	4.5
Policies existing at end of—					
1966(a)	684,576	4,126.9	117.2	868	23.3
1967(a)	699,735	4,745.4	135.3	905	28.8
1968(a)	721,482	5,533.7	154.2	928	28.1
1969	752,302	6,439.2	179.2	950	25.4
1970	699,652	7,797.8	211.5	977	31.4

(a) Includes life insurance business in Papua New Guinea. (b) Includes policies matured, surrendered, forfeited, transferred to overseas registers, converted to other classes of business, etc.

**LIFE INSURANCE: POLICIES DISCONTINUED OR REDUCED IN AUSTRALIA
BY CAUSE OF DISCONTINUANCE OR REDUCTION, 1966 TO 1970(a)(b)**

	<i>Events provided for in policy</i>							<i>Total</i>
	<i>Death</i>	<i>Maturity</i>	<i>Other (including expiry)</i>	<i>Sur- render</i>	<i>For- feiture</i>	<i>Transfer</i>	<i>Other causes</i>	
ORDINARY BUSINESS								
Number of policies—								
1966(c)	20,297	62,970	9,233	97,514	66,096	-781	-4,539	250,789
1967(c)	20,886	68,425	3,127	97,985	62,126	-1,104	-5,306	246,139
1968(c)	22,532	70,339	2,903	104,415	60,504	-1,967	-87	258,639
1969	21,957	69,445	3,577	107,713	55,885	-2,385	-7,286	248,906
1970	23,047	73,132	4,241	121,917	65,380	-1,786	-12,166	273,765
Sum insured (\$'000)—								
1966(c)	37,241	40,093	64,377	242,970	277,012	-2,367	-7,961	651,365
1967(c)	39,817	49,248	83,020	272,396	273,629	-4,474	-4,235	709,402
1968(c)	46,144	52,568	92,477	309,793	315,594	-6,543	-10,340	799,694
1969	48,298	55,046	165,033	425,186	291,956	-9,737	-1,503	974,278
1970	54,235	63,201	158,407	506,645	394,872	-8,346	-15,845	1,153,169
INDUSTRIAL BUSINESS								
Number of policies—								
1966(c)	12,417	135,249	1,045	63,121	31,821	105	1	243,759
1967(c)	12,368	67,134	3,806	62,421	31,602	63	-175	177,219
1968(c)	12,689	58,945	7,370	61,374	34,460	-255	-7	174,576
1969	11,947	67,716	..	55,481	34,861	-133	21	169,893
1970	12,554	69,069	-1	52,432	34,610	40	-104	168,600
Sum insured (\$'000)—								
1966(c)	2,474	17,616	179	27,646	34,730	72	4	82,720
1967(c)	2,601	9,237	744	27,537	37,527	45	-5	77,688
1968(c)	2,843	8,640	1,524	31,937	41,457	-96	9	86,314
1969	2,800	10,760	..	32,307	45,247	-22	1	91,095
1970	3,152	11,236	..	34,511	51,196	54	18	100,167
SUPERANNUATION BUSINESS								
Number of policies—								
1966(c)	3,255	7,140	615	34,878	1,485	8	19,335	66,716
1967(c)	3,793	7,428	983	38,421	1,542	3	21,150	73,319
1968(c)	3,390	7,806	103	36,881	1,447	-11	17,722	67,338
1969	3,881	8,381	185	48,870	1,471	9	51,867	114,664
1970	3,661	9,193	181	53,065	1,655	5	58,792	126,552
Sum insured (\$'000)—								
1966(c)	13,208	10,544	30,506	232,595	14,597	-19	100,164	401,595
1967(c)	15,256	14,189	29,425	258,790	18,517	38	98,513	434,727
1968(c)	16,659	17,330	44,596	341,571	22,172	-92	97,566	539,802
1969	19,058	18,639	53,617	430,440	19,024	-31	168,389	709,136
1970	23,053	23,573	72,008	605,648	21,848	-1,063	194,976	940,043

(a) Excludes annuities. (b) See footnote (b) on page 505. (c) Includes life insurance business in Papua New Guinea. Minus sign (-) denotes an increase in existing business due to an excess of transfers from overseas registers to Australian registers, or conversions from other classes of business over discontinuances.

LIFE INSURANCE: REVENUE FROM PREMIUMS, AUSTRALIA, 1966 TO 1970
(\$'000)

	Ordinary business		Industrial business	Superannuation business		Total, all business combined
	Insurance and endowment premiums	Con-sideration for annuities	Insurance and endowment premiums	Insurance and endowment premiums	Con-sideration for annuities	
1966(a)	298,246	485	36,800	121,654	9,558	466,745
1967(a)	327,258	606	38,564	142,566	9,495	518,489
1968(a)	371,941	1,132	40,716	165,530	9,893	589,212
1969	415,629	1,293	42,968	186,856	9,768	656,514
1970	469,339	675	45,973	222,330	11,967	750,287

(a) Includes life insurance business in Papua New Guinea.

LIFE INSURANCE: PAYMENTS TO POLICY-HOLDERS, AUSTRALIA
1966 TO 1970
(\$'000)

	Claims	Surrenders	Annuities	Cash bonuses	Total
ORDINARY BUSINESS					
1966(a)	101,449	36,375	898	817	139,538
1967(a)	115,631	40,722	931	851	158,134
1968(a)	128,307	46,235	949	1,280	176,771
1969	139,781	53,526	977	1,338	195,622
1970	159,360	57,029	994	1,487	228,870
INDUSTRIAL BUSINESS					
1966(a)	24,870	5,798	..	1	30,669
1967(a)	14,517	6,185	..	..	20,702
1968(a)	14,757	6,590	..	1	21,348
1969	15,909	6,614	..	1	22,525
1970	17,496	6,953	..	..	24,450
SUPERANNUATION BUSINESS					
1966(a)	27,965	27,269	2,037	899	58,171
1967(a)	34,117	27,649	2,401	1,025	65,193
1968(a)	40,437	33,854	2,694	1,207	78,192
1969	45,333	42,374	3,143	1,003	91,853
1970	57,666	55,200	3,077	998	116,940

(a) Includes life insurance business in Papua New Guinea.

LIFE INSURANCE: TOTAL REVENUE, 1966-1970
(\$'000)

<i>Australia and overseas</i>							
	<i>Insurance and endowment premiums</i>	<i>Con-sideration for annuities granted</i>	<i>Net interest dividends and rents</i>	<i>All other revenue</i>	<i>Total revenue</i>		
					<i>Australia (a)</i>	<i>Overseas</i>	
ORDINARY BUSINESS							
1966	421,072	15,110	193,661	20,705	450,285	200,264	
1967	445,631	10,483	206,809	20,042	493,627	189,342	
1968	491,446	10,794	225,001	43,544	572,737	198,047	
1969	545,681	10,730	250,938	39,431	635,488	211,294	
1970	610,678	10,299	279,643	50,724	719,140	232,204	
INDUSTRIAL BUSINESS							
1966	41,789	..	19,818	402	54,436	7,574	
1967	42,999	..	20,500	478	57,146	6,831	
1968	44,915	..	21,995	1,848	62,196	6,561	
1969	47,269	..	23,946	1,202	65,563	6,855	
1970	50,377	..	26,701	1,335	71,325	7,087	
SUPERANNUATION BUSINESS							
1966	131,721	11,033	48,219	4,412	179,483	15,904	
1967	151,245	10,674	54,940	3,582	207,083	13,359	
1968	174,697	11,141	63,180	12,706	247,003	14,721	
1969	197,456	11,237	71,974	13,913	278,294	16,284	
1970	233,518	13,825	83,331	28,026	339,175	19,525	

(a) Includes life insurance business in Papua New Guinea.

LIFE INSURANCE: TOTAL EXPENDITURE, 1966 TO 1970
(\$'000)

<i>Australia and overseas</i>								
	<i>Claims and annuities paid</i>	<i>Surrenders</i>	<i>Cash bonuses paid to policy-holders</i>	<i>Com-mission</i>	<i>Other expenses of management</i>	<i>All other expendi-ture</i>	<i>Total expenditure</i>	
							<i>Australia (a)</i>	<i>Overseas</i>
ORDINARY BUSINESS								
1966	161,708	51,273	1,699	41,134	47,228	19,968	218,721	104,287
1967	172,580	56,485	1,624	44,113	51,258	(b)137,105	240,693	222,472
1968	186,897	62,942	2,088	50,812	55,574	87,503	273,542	172,273
1969	202,122	74,582	2,260	59,152	62,856	29,663	309,235	121,400
1970	228,462	88,708	2,464	68,885	72,105	29,093	360,745	128,971
INDUSTRIAL BUSINESS								
1966	29,409	6,376	1	6,001	7,056	1,721	43,598	6,965
1967	16,851	6,795	..	6,255	7,211	(b)7,719	34,093	10,741
1968	16,445	7,211	1	6,383	7,224	5,629	35,852	7,042
1969	18,476	7,256	1	6,818	7,797	2,720	38,306	4,762
1970	20,104	7,620	..	7,557	8,682	2,060	41,099	4,926
SUPERANNUATION BUSINESS								
1966	33,116	30,456	985	5,383	11,069	13,086	85,629	8,464
1967	39,255	29,330	1,105	5,888	12,032	(b)25,702	93,401	19,914
1968	46,784	35,767	1,288	6,375	13,689	18,008	114,323	7,588
1969	51,483	45,719	1,088	6,936	14,826	26,830	138,032	8,850
1970	64,936	58,608	1,069	8,019	17,181	55,262	192,669	12,406

(a) Includes life insurance business in Papua New Guinea. (b) Includes adjustments which have resulted from Sterling devaluation on 18 November 1967.

LIFE INSURANCE: LIABILITIES, AUSTRALIA AND OVERSEAS, 1970
(\$ million)

	<i>Life insurance business</i>	<i>Other classes of business</i>	<i>Total liabilities</i>
Shareholders' capital—			
Authorised . . . . .	..	71.6	71.6
Less un-issued . . . . .	..	41.1	41.1
Subscribed capital . . . . .	..	30.5	30.5
Paid-up—			
In money . . . . .	..	25.3	25.3
Otherwise than in money . . . . .	..	4.8	4.8
Total paid-up capital . . . . .	..	30.1	30.1
Life insurance statutory funds—			
Ordinary business	5,038.9	..	5,038.9
Industrial business	469.8	..	469.8
Superannuation business	1,392.7	..	1,392.7
Total statutory funds	6,901.4	..	6,901.4
Funds in respect of other classes of business . . . . .	..	34.5	34.5
General reserves	71.3	36.7	108.0
Profit and loss account balance . . . . .	..	5.2	5.2
Total shareholders' capital, insurance funds and reserves	6,972.7	106.5	7,079.2
Other liabilities—			
Deposits	35.7	12.8	48.5
Staff provident and superannuation funds	2.2	2.4	4.6
Claims admitted or intimated but not paid	71.3	28.2	99.5
Premiums paid in advance and in suspense	7.9	..	7.9
Sundry creditors	20.3	3.1	23.4
Bank overdraft	50.4	0.7	51.0
Reserves and provisions for taxation	44.1	4.1	48.1
All other liabilities	33.6	9.1	42.7
Grand total	7,238.1	166.9	7,405.0

LIFE INSURANCE(a): ASSETS HELD IN AUSTRALIA(b), 1966 TO 1970
(\$ million)

	1966	1967	1968	1969	1970
Freehold and leasehold property	388.2	434.7	501.0	636.6	761.6
Government and municipal securities	1,253.4	1,395.6	1,536.2	1,665.5	1,819.3
Other investments	958.3	1,073.4	1,241.3	1,408.7	1,578.4
Loans on mortgage	976.2	1,036.8	1,108.9	1,188.3	1,235.4
Loans on companies' policies	141.8	155.1	174.4	195.5	223.0
Other loans	43.8	44.2	54.1	57.8	57.1
All other assets	137.9	153.0	177.2	201.2	236.3
Total	3,899.9	4,292.7	4,793.1	5,353.8	5,911.1

(a) Includes other classes of business.

(b) Includes Papua New Guinea.

LIFE INSURANCE: ASSETS, AUSTRALIA AND OVERSEAS, 1970
(\$'000)

	Australia(a)		Total	Australia and overseas		
	Life insurance business	Other classes of business		Life insurance business	Other classes of business	Total
Fixed assets—						
Freehold and leasehold property, office premises	751.2	10.3	761.6	909.3	10.4	919.6
Furniture, etc.	9.7	1.0	10.6	11.3	1.0	12.3
<i>Total fixed assets</i>	<i>760.9</i>	<i>11.3</i>	<i>772.2</i>	<i>920.6</i>	<i>11.4</i>	<i>931.9</i>
Loans—						
On mortgage	1,225.3	10.1	1,235.4	1,624.6	10.2	1,634.8
On policies of the company	223.0	..	223.0	284.0	..	284.0
Other loans	51.1	6.1	57.1	55.8	6.1	61.9
<i>Total loans</i>	<i>1,499.4</i>	<i>16.2</i>	<i>1,515.6</i>	<i>1,964.4</i>	<i>16.3</i>	<i>1,980.7</i>
Investments—						
Government securities—						
Australia	1,300.5	7.8	1,308.3	1,314.4	7.9	1,322.3
Other	11.7	..	11.7	340.4	1.5	341.9
Securities of local and semi-government bodies	496.2	3.1	499.3	591.5	3.3	594.8
Other investments	1,489.0	89.2	1,578.4	1,869.0	90.2	1,959.1
<i>Total investments</i>	<i>3,297.5</i>	<i>100.1</i>	<i>3,397.5</i>	<i>4,115.2</i>	<i>102.8</i>	<i>4,218.0</i>
Cash on deposit, current account and in hand	23.2	13.6	36.7	30.5	14.4	44.9
Other assets(b)	168.2	20.8	189.0	207.5	21.9	239.3
Grand total	5,749.1	162.0	5,911.1	7,238.1	166.9	7,405.0

(a) Includes Papua New Guinea. (b) Includes advances of premiums.

LIFE INSURANCE COMPANIES: NEW LOANS PAID OVER(a), BY CLASS OF SECURITY AND STATE OR TERRITORY, 1967 TO 1971
(\$'000)

	1967(b)	1968(b)	1969	1970	1971
Class of security—					
Mortgage of real estate	136,139	161,651	187,498	156,544	157,459
Companies' policies	34,520	41,818	48,482	60,920	65,571
Other	3,390	6,485	8,049	12,439	10,380
State or Territory(c)—					
New South Wales	70,026	91,761	100,726	88,551	104,057
Victoria	56,752	58,754	68,576	68,632	61,711
Queensland	(d)13,816	(d)18,523	24,672	24,144	21,633
South Australia(e)	12,851	14,477	17,492	16,456	18,307
Western Australia	15,380	19,157	23,965	22,341	19,588
Tasmania	3,768	5,491	6,418	6,081	4,688
Australian Capital Territory	1,457	1,790	2,178	3,698	3,425
Total	(d)174,050	(d)209,953	244,029	229,903	233,410

(a) Excludes advances of premiums. (b) Excludes new loans paid over by the two State Government Offices. (c) State or Territory of location of mortgage, registration of policy or residence of borrower. (d) Includes Papua New Guinea. (e) Includes Northern Territory.

Fire, marine and general insurance

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 accordingly.

- (a) *Premiums* represent the full amount receivable in respect of policies issued or 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. In recent years, as the volume of premiums receivable has been increasing, the figures shown in the tables are greater than the premiums earned by insurers.
- (b) *Claims* comprise payments made during the year, plus the estimated amount of outstanding claims at the end of the year, less the estimated amount of outstanding claims at the beginning of the year. Salvage and other amounts recoverable have been deducted.
- (c) *Contributions to fire brigades, commission and agents' charges, and expenses of management* are mainly charges paid during the year.
- (d) *Taxation* is 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 figures relate to selected items of statistics and are not construable as 'Profit and Loss' statements or 'Revenue Accounts'.

During 1970-71 revenue from premiums amounted to \$1,005.1 million, and that from net interest on investments, etc. to \$71.2 million, a total of \$1,076.4 million. Expenditure on claims amounted to \$648.5 million, contributions to fire brigades \$26.1 million, commission and agents' charges \$85.0 million, expenses of management \$167.4 million, and taxation \$27.9 million, a total of \$954.8 million.

FIRE, MARINE AND GENERAL INSURANCE: PREMIUMS AND CLAIMS BY PRINCIPAL CLASS OF RISK, AUSTRALIA, 1966-67 TO 1970-71 (\$'000)

<i>Class of risk</i>	1966-67	1967-68	1968-69	1969-70	1970-71
PREMIUMS (LESS RETURNS, REBATES AND BONUSES)					
Fire	91,144	97,985	106,045	115,332	125,912
Householders' comprehensive	41,747	47,581	54,619	63,036	72,198
Loss of profits	10,543	12,169	13,691	15,206	18,939
Hailstone(a)	7,805	4,375	7,455	5,242	4,531
Marine	26,473	28,899	34,059	40,317	48,172
Motor vehicle—					
Compulsory third party	90,003	97,883	127,593	143,903	161,820
Other	183,330	193,975	205,171	226,819	252,225
Workers' compensation(b)	144,444	142,964	149,197	164,574	181,792
Personal accident	22,908	25,327	28,465	32,080	36,559
Burglary	10,058	11,604	13,586	14,995	16,382
All other	43,051	51,419	59,713	69,845	86,610
Total	671,506	714,180	799,593	891,351	1,005,140
CLAIMS (LESS AMOUNTS RECOVERABLE)					
Fire	36,623	44,119	48,769	54,498	58,559
Householders' comprehensive	13,629	15,260	19,871	21,159	24,060
Loss of profits	2,948	3,840	5,397	4,488	5,040
Hailstone(a)	6,113	2,453	2,531	5,635	3,510
Marine	14,715	16,712	21,323	23,008	25,238
Motor vehicle—					
Compulsory third party	94,883	110,043	118,585	147,570	154,457
Other	124,581	133,709	148,810	172,031	186,473
Workers' compensation(b)	95,839	100,381	106,618	117,435	126,850
Personal accident	10,343	10,423	11,757	13,376	15,224
Burglary	7,885	7,187	7,460	8,121	8,844
All other	22,903	25,689	27,400	32,244	40,199
Total	430,462	469,815	518,521	599,566	648,454

(a) Excludes hailstone insurance in Tasmania which is included in "All other". (b) Excludes workers' compensation insurance in coal-mining industry in New South Wales.

Export Payments Insurance Corporation

The Export Payments Insurance Corporation was established under the *Export Payments Insurance Corporation Act 1956* to provide exporters with insurance against risks associated with overseas trade. For further information on the Corporation see Chapter 11, Overseas Transactions.

EXPORT PAYMENTS INSURANCE CORPORATION: BUSINESS, 1966-67 TO 1970-71

	1966-67	1967-68	1968-69	1969-70	1970-71
Commercial business—					
Policies and guarantees No.	613	692	746	809	941
Face value of policies current \$'000	238,271	271,076	298,829	343,064	511,105
Maximum contingent liability "	123,589	141,108	158,966	190,067	301,061
Premium income "	598	651	730	861	1,025
Operating costs "	348	388	426	516	585
Claims paid (gross) "	446	854	388	353	939
Recoveries "	111	591	263	212	693
Underwriting reserve "	1,126	1,420	1,897	2,401	2,997
National interest and warehousing business—					
Policy holders No.	4	3	1	2	4
Face value of policies current \$'000	1,932	2,247	1,208	2,420	63,793
Maximum contingent liability "	1,742	1,978	1,087	2,183	42,487
Overseas investment insurance—					
Policies No.	15	29	41	56	78
Face value of policies \$'000	4,699	12,097	19,813	19,505	44,535
Maximum contingent liability "	4,229	10,887	17,832	17,555	40,081

PENSION AND SUPERANNUATION SCHEMES

Government, local government and semi-government pension and superannuation schemes

The Commonwealth and all State Governments have established pension and superannuation schemes for their employees. These schemes are operated through funds to which both the Governments and their employees make contributions. Employees of local government and semi-government authorities are covered either by the Commonwealth and State Government schemes or by a separate scheme of the authority which is operated either through a separately constituted fund or through a life insurance office.

Schemes operated through separately constituted funds

GOVERNMENT, LOCAL GOVERNMENT, AND SEMI-GOVERNMENT PENSION AND SUPERANNUATION SCHEMES OPERATED THROUGH SEPARATELY CONSTITUTED FUNDS, 1966-67 TO 1970-71

	1966-67	1967-68	1968-69	1969-70	1970-71
Income—	\$'000	\$'000	\$'000	\$'000	\$'000
Contributions—					
Employees	91,244	100,036	114,116	132,846	158,075
Employing authorities	105,866	119,395	136,801	148,518	172,083
Interest, dividends and rent	63,397	72,050	82,052	92,530	104,958
Other income	11,565	15,550	10,138	10,675	12,829
Total income	272,071	307,031	343,106	384,568	447,945
Expenditure—					
Pensions	103,711	118,488	130,693	144,378	161,200
Lump sum payments—					
On retirement, death, resignation or dismissal(a)	54,583	32,274	40,784	72,574	71,359
Gratuities	2,503	2,655	3,446	4,496	4,459
Other expenditure	11,029	11,598	14,460	14,499	15,819
Total expenditure	171,827	165,016	189,384	235,946	252,837
Assets at end of year—					
Cash—					
Deposits with Treasury	37,014	39,933	44,159	48,894	60,320
Other deposits and cash	14,895	7,832	11,028	17,526	31,765
Commonwealth Government securities	120,677	125,530	142,357	142,110	164,148
Local and semi-government securities	760,980	845,744	920,821	1,004,223	1,077,721
Mortgages—					
Housing	29,972	31,706	34,073	37,903	39,869
Other	75,525	103,697	130,077	169,656	220,745
Loans to building societies	29,323	31,385	33,076	34,396	34,995
Company shares, debentures and notes	87,393	97,541	107,446	122,198	122,166
Other assets	79,314	95,960	110,663	108,555	129,988
Total assets(b)	1,235,093	1,379,328	1,533,700	1,685,461	1,881,716
Less Sundry creditors, etc.	16,141	18,361	19,010	22,150	23,297
Accumulated funds(b)	1,218,951	1,360,967	1,514,690	1,663,311	1,858,419
Contributors at end of year	No. 516,947	No. 547,737	No. 595,204	No. 599,054	No. 619,880
Pensioners at end of year—					
Ex-employees	65,712	66,664	68,660	71,083	73,138
Widows	28,888	29,651	30,607	31,894	33,214
Children	5,663	6,040	6,494	6,904	7,287

(a) Includes refunds of contributions to continuing members of the State Superannuation Fund in South Australia.

(b) Includes assets of the Voluntary Savings Scheme

Schemes operated through life insurance offices

LOCAL GOVERNMENT AND SEMI-GOVERNMENT PENSION AND SUPERANNUATION SCHEMES OPERATED THROUGH LIFE INSURANCE OFFICES 1966-67 TO 1970-71

	1966-67	1967-68	1968-69	1969-70	1970-71
Income—					
Contributions—					
Employees	\$'000 7,042	7,534	8,502	11,196	13,156
Employing authorities	\$'000 8,630	9,481	10,972	14,657	18,120
Contributors at end of year	No. 69,594	72,381	75,255	83,528	91,622

Parliamentary pension and superannuation schemes

Pension and superannuation schemes have been established for members of the Commonwealth and State Parliaments. All the schemes are operated through funds to which the members of Parliament and the Commonwealth or State Governments contribute.

PARLIAMENTARY PENSION AND SUPERANNUATION SCHEMES(a), 1966-67 TO 1970-71

	1966-67	1967-68	1968-69	1969-70	1970-71
	\$'000	\$'000	\$'000	\$'000	\$'000
Income—					
Contributions—					
Members	466	468	530	608	657
Government	535	621	648	1,084	1,322
Interest and other income	271	260	326	433	400
Total income	1,272	1,350	1,503	2,125	2,379
Expenditure—					
Pension payments	760	884	1,046	1,199	1,395
Other	45	24	68	400	294
Total expenditure	805	908	1,114	1,599	1,690
Assets at end of year—					
Cash—					
Deposits with Treasury	164	81	124	147	86
Other deposits and cash	40	44	10	54	34
Commonwealth Government securities	967	962	901	947	1,005
Local government and semi-government securities	3,414	3,757	3,872	4,083	4,344
Other assets	360	538	871	1,093	1,522
Total assets	4,946	5,382	5,779	6,323	6,991
Less Sundry creditors, etc.	22	17	25	43	21
Accumulated funds	4,924	5,365	5,754	6,280	6,970
	No.	No.	No.	No.	No.
Contributors at end of year—					
Males	643	645	648	658	656
Females	12	12	11	10	9
Pensioners at end of year—					
Ex-members	228	253	269	294	304
Widows(b)	183	193	202	200	213

(a) Includes the Ministerial Retiring Allowances Fund.

(b) Includes children in receipt of Commonwealth Parliamentary pensions.

Coal and oil-shale mine workers' superannuation schemes

In all States except South Australia superannuation schemes have been established for coal and oil-shale mine workers. These schemes are operated through funds to which mine workers, mine owners and the State Governments contribute.

**COAL AND OIL-SHALE MINE WORKERS' SUPERANNUATION SCHEMES^(a)
1966-67 TO 1970-71**

	1966-67	1967-68	1968-69	1969-70	1970-71
	\$'000	\$'000	\$'000	\$'000	\$'000
Income—					
Contributions	5,522	5,671	5,959	6,016	6,664
Interest, dividends, rent and other income	1,091	1,177	1,272	1,369	1,447
Total income	6,613	6,848	7,231	7,386	8,111
Expenditure—					
Pensions and lump sum payments	5,348	5,471	5,289	5,953	7,360
Other	141	149	170	176	210
Total expenditure	5,489	5,620	5,458	6,129	7,570
Assets at end of year—					
Local government and semi-government securities	20,051	21,530	22,943	23,791	24,227
Other assets	1,282	1,084	1,285	1,698	1,884
Total assets	21,333	22,613	24,228	25,488	26,111
<i>Less</i> Sundry creditors, statutory reserve funds, etc.	166	218	59	64	144
Accumulated Funds	21,167	22,395	24,168	25,425	25,967
	No.	No.	No.	No.	No.
Number of contributions at end of year	15,794	16,116	16,404	17,276	18,697
Number of pensioners at end of year	11,852	11,884	11,505	11,648	11,770

(a) Operating in all States except South Australia.

Private superannuation, pension and retiring allowance schemes

In 1955-56, 1960-61, 1961-62 and 1962-63 the Bureau conducted sample surveys of pension and retiring allowance schemes in private businesses subject to pay-roll tax, other than in rural industries, private domestic service, and certain businesses such as accountants, trade associations, consultant engineers, etc. Commonwealth Government airlines and banks were included where they had established their own funds separately from the Commonwealth superannuation funds, but statutory coal miners' pension funds were excluded. Details were asked for three types of pension and retiring allowance schemes. They were (a) schemes operated through life insurance offices, (b) schemes operated through separately constituted funds, and (c) direct payments of pensions and retiring allowances.

The results of the 1955-56 survey are available in *Finance Bulletin No. 47, Part I—Public and Private Finance*, and the 1960-61, 1961-62 and 1962-63 survey results were published in *Insurance and Other Private Finance*, Bulletin No. 2 and Year Book No. 51 (pages 898-900).

For the years 1956-57 to 1958-59, 1963-64 and 1964-65, information was collected from a small number of the larger separately constituted funds. Although only a small number of funds was included in these collections they accounted, in 1962-63, for about 27 per cent of the income, 28 per cent of the expenditure and about 34 per cent of the total assets of the separately constituted funds covered by the more comprehensive sample survey conducted for 1962-63.

Information for these selected funds for the years 1955-56, 1960-61, 1961-62 and 1962-63 was extracted from the returns obtained in the sample surveys conducted for those years and results of the survey for 1964-65, together with comparative figures for previous years, were published in April 1966 in a mimeographed bulletin.

In order to improve the coverage of the published statistics of private pension funds, returns were collected from some additional funds for 1964-65 and tabulated with the returns from the survey for 1964-65 referred to above. The separately constituted private pension funds included in the enlarged 1964-65 survey together accounted, in 1962-63, for about 72 per cent of the total contributions, 71 per cent of the income, 68 per cent of the expenditure and 77 per cent of the assets of the separately constituted funds covered by the more comprehensive sample survey conducted for 1962-63. The results of the enlarged 1964-65 survey were published in September 1966 in a mimeographed bulletin.

Further surveys, relating to the same funds that were included in the enlarged 1964-65 survey of selected private pension funds, have been made in respect of each year from 1965-66 to 1970-71 inclusive. Since the *Survey of Selected Private Pension Funds* for 1970-71 is not a representative sample it is not known to what extent their share of the whole field has changed since the 1962-63 survey; nor is the pattern of income, expenditure and asset distribution of the large funds included in this survey necessarily representative of the whole field.

The statistics do not relate to uniform accounting periods but to the financial years of the funds which ended in the years shown.

**SELECTED SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS: INCOME
AND EXPENDITURE, 1966-67 TO 1970-71**

(\$ million)

INCOME							
	Employees' contri- butions	Employers' contri- butions	Interest on Cwlth local and semi-govern- ment securities	Other interest, dividends and rent	Profit from sale or revaluation of assets	Other income(a)	Total income
1966-67 . . .	26.6	47.7	19.0	27.0	7.6	5.1	133.0
1967-68 . . .	29.4	52.7	20.3	30.8	16.1	6.2	155.6
1968-69 . . .	32.3	58.1	21.9	36.0	18.7	7.0	174.1
1969-70 . . .	36.2	68.1	23.6	41.5	5.0	3.4	177.8
1970-71 . . .	40.8	77.3	26.2	47.4	4.1	3.6	199.4

EXPENDITURE										
	Pensions paid		Lump sum payments					Loss on sale or revalua- tion of assets	Other expen- diture (b)	Total expen- diture
			To former employees							
	Ex- employees	Widows or children	Total	On retire- ment	On resigna- tion or dismissal	To widows or children	Total			
1966-67 . . .	13.6	2.2	15.8	10.3	9.7	2.6	22.6	0.9	7.6	46.9
1967-68 . . .	15.4	2.6	18.0	13.0	10.7	2.9	26.6	1.1	3.4	49.0
1968-69 . . .	17.0	3.1	20.1	14.7	12.7	3.4	30.8	1.6	3.4	55.9
1969-70 . . .	18.8	3.6	22.4	18.1	15.9	3.0	37.0	3.8	8.0	71.2
1970-71 . . .	21.4	4.0	25.4	22.5	16.8	3.7	43.0	7.2	5.6	81.3

(a) Includes receipts from life insurance offices, sub-underwriting commissions, etc.

(b) Includes administrative expenses payable from funds, payments to life insurance offices, etc.

SELECTED SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS: ASSETS(a)
1966-67 TO 1970-71

	Cash in hand or in bank	Cw/lt Govt securi- ties	Local and semi- govern- ment securi- ties	Loans on mortgage		Com- pany deben- tures, notes, and other loans to com- panies	Shares in com- panies	Land and build- ings	All other assets (b)	Total assets	Less sundry credi- tors, etc.	Amount of funds in Aus- tralia
				To com- panies	Other							
AMOUNT (\$ million)												
1966-67 .	19.4	137.3	188.9	42.1	22.0	209.4	228.7	6.8	14.9	869.5	4.3	865.1
1967-68 .	22.2	155.2	195.0	56.2	26.5	230.0	258.0	8.2	21.6	972.9	4.7	968.2
1968-69 .	23.9	171.3	202.1	70.7	31.1	256.8	299.7	11.4	20.6	1,087.5	6.8	1,080.7
1969-70 .	18.0	190.0	205.6	85.9	37.0	277.5	337.4	16.3	27.1	1,194.7	8.9	1,185.8
1970-71 .	23.5	222.7	203.8	102.2	37.0	303.1	362.1	25.2	32.5	1,312.1	9.0	1,303.1

PERCENTAGE DISTRIBUTION

1966-67 .	2.2	15.8	21.7	4.8	2.5	24.1	26.4	0.8	1.7	100.0	0.5	99.5
1967-68 .	2.3	15.9	20.0	5.8	2.7	23.6	26.5	1.0	2.2	100.0	0.5	99.5
1968-69 .	2.2	15.8	18.6	6.5	2.9	23.6	27.5	1.0	1.9	100.0	0.6	99.4
1969-70 .	1.5	15.9	17.2	7.1	3.1	23.2	28.3	1.4	2.3	100.0	0.7	99.3
1970-71 .	1.8	17.1	15.5	7.8	2.8	23.1	27.5	1.9	2.5	100.0	0.7	99.3

(a) Book values at balance dates.

(b) Includes loans to authorised dealers in the short-term money market and loans to building societies.

FINANCE COMPANIES

Information relating to the lending operations of finance companies in Australia is given in the following tables. A comprehensive account of the scope of these statistics and fuller details of the transactions of finance companies, together with definitions of the various categories of finance agreements and of the items of data given in the tables, are provided in the bulletin *Finance Companies, 1970-71* and in the monthly statements *Finance Companies*. For the purposes of these statistics, finance companies are defined as companies which are engaged mainly in providing to the general public (businesses as well as persons in their private capacity) credit facilities of the following types: hire purchase and other instalment credit for retail sales, wholesale hire purchase, other consumer and commercial loans, and factoring. The finance companies covered in these statistics, insofar as they provide instalment credit for retail sales, are also included in the statistics of Instalment Credit for Retail Sales (see pages 520-1).

In general, companies which are engaged both in financing activities and other activities come within the scope of these statistics, provided that the major portion of their assets consists of financial assets of the types listed above and/or a major proportion of their income is derived from such assets. Companies are excluded if the major proportion of their balances outstanding consists of agreements written for the purpose of financing their own sales. Companies which are engaged mainly in financing, in any way, the operations of related companies ('related' as defined in the Companies Act) are also excluded from these statistics, as are unincorporated finance companies. Also excluded are the following classes of financial and quasi-financial institutions: banks; life insurance companies; fire, marine and general insurance companies; short-term money market dealers; pastoral finance companies; investment companies; unit trusts; land trusts; mutual funds and management companies for the foregoing trusts and funds; pension and superannuation funds; building and friendly societies; credit unions.

FINANCE COMPANIES: SUMMARY, AUSTRALIA, 1966-67 TO 1970-71
(\$ million)

	Collections and other liquidations				Balances outstanding at end of year		
	Amount financed	Contracts including charges	Contracts excluding charges	All contracts	Contracts including charges	Contracts excluding charges	All contracts (a)
1966-67	2,303.0	1,163.9	1,359.6	2,523.5	1,630.2	481.0	2,111.2
1967-68	2,726.9	1,250.4	1,550.1	2,800.5	1,850.6	592.3	2,442.9
1968-69	3,241.1	1,418.4	1,913.8	3,332.2	2,105.5	716.3	2,821.7
1969-70	3,819.7	1,619.6	2,209.9	3,829.5	2,412.9	981.9	3,394.8
1970-71	4,289.8	1,795.0	2,597.0	4,392.0	2,778.1	1,201.4	3,979.5

(a) Amounts shown in this column are intended to provide a broad overall measure of total balances outstanding. However, movements in this series may be affected by changes in the proportions of the two components of the series to the total.

FINANCE COMPANIES: AMOUNT FINANCED, COLLECTIONS AND OTHER LIQUIDATIONS OF BALANCES, AND BALANCES OUTSTANDING BY TYPE OF AGREEMENT, 1966-67 TO 1970-71
(\$ million)

	Instalment credit for retail sales	Commercial loans repayable at call or within 90 days	Other consumer and commercial loans			Factoring	Total all contracts
			Wholesale finance	Personal loans	Other loans		
				Including charges	Excluding charges		
AMOUNT FINANCED DURING YEAR							
1966-67	689.2	719.0	319.8	95.5	411.5	68.0	2,303.0
1967-68	816.1	855.8	371.1	116.9	492.2	74.9	2,726.9
1968-69	922.7	944.4	496.9	123.7	677.8	75.7	3,241.1
1969-70	1,045.8	1,059.7	566.5	143.9	912.0	91.6	3,819.7
1970-71	1,134.4	1,134.6	678.7	154.0	1,090.5	97.6	4,289.8
COLLECTIONS AND OTHER LIQUIDATIONS OF BALANCES DURING YEAR							
1966-67	854.9	704.6	339.5	(a)	(b)308.9	(b)239.3	2,523.5
1967-68	913.0	836.6	351.7	(a)	(b)337.4	(b)278.5	2,800.5
1968-69	1,026.5	934.8	503.6	(a)	(b)391.9	(b)387.6	3,332.2
1969-70	1,161.3	1,053.1	539.6	(a)	(b)458.3	(b)513.7	3,829.5
1970-71	1,313.2	1,128.1	669.4	171.9	335.5	659.5	4,392.0
BALANCES OUTSTANDING AT END OF YEAR							
1966-67	1,087.4	100.8	47.4	(a)	(b)542.8	(b)311.1	2,111.2
1967-68	1,222.0	127.6	64.8	(a)	(b)628.6	(b)376.4	2,442.9
1968-69	1,380.2	146.7	53.9	(a)	(b)725.2	(b)493.1	2,821.7
1969-70	1,575.7	167.6	77.9	(a)	(b)837.2	(b)709.6	3,394.8
1970-71	1,751.6	192.6	86.3	204.9	843.5	872.6	3,979.5

(a) Not available separately included in other loans, see footnote (b).

(b) Includes personal loans.

**FINANCE COMPANIES: LOANS TO RELATED
NON-FINANCE COMPANIES, BALANCES OUT-
STANDING, AUSTRALIA, 1966-67 TO 1970-71**
(\$ million)

<i>End of year—</i>	<i>Balances outstanding</i>
1966-67	14.6
1967-68	16.0
1968-69	15.9
1969-70	25.4
1970-71	20.0

**FINANCE COMPANIES: TRANSACTIONS IN BILLS OF EXCHANGE
AUSTRALIA, 1966-67 TO 1970-71**
(\$ million)

	<i>Amounts paid for bills acquired during year</i>	<i>Amounts received for bills disposed of during year</i>	<i>Balances outstanding at end of year</i>
1966-67	38.7	36.9	4.3
1967-68	111.1	99.1	16.6
1968-69	122.4	122.4	17.8
1969-70	170.0	154.8	33.9
1970-71	262.2	251.9	45.5

**FINANCE COMPANIES: BUSINESS EQUIPMENT
AND PLANT ON LEASE, INITIAL CAPITAL COST
AND BALANCES OUTSTANDING, AUSTRALIA
1966-67 TO 1970-71**
(\$ million)

	<i>Initial capital cost of goods newly leased during year</i>	<i>Balances outstanding at end of year</i>
1966-67	77.6	128.6
1967-68	125.3	191.1
1968-69	148.7	253.9
1969-70	207.5	345.9
1970-71	261.9	459.0

**FINANCE COMPANIES: INSTALMENT CREDIT FOR RETAIL SALES
AMOUNT FINANCED, COLLECTIONS AND OTHER LIQUIDATIONS, AND BALANCES
OUTSTANDING, AUSTRALIA, 1966-67 TO 1970-71**
(\$ million)

	<i>Amount financed</i>				<i>Total</i>	<i>Collections and other liquidations</i>		<i>Total</i>	<i>Balances out- standing at end of year</i>
	<i>New motor vehicles</i>	<i>Used motor vehicles</i>	<i>Plant and machinery</i>	<i>House- hold and personal goods</i>		<i>Cash col- lections</i>	<i>Other liquida- tions</i>		
1966-67	254.9	262.1	51.3	120.8	689.2	823.4	31.5	854.9	1,087.4
1967-68	318.2	301.9	59.0	136.9	816.1	883.1	29.9	913.0	1,222.0
1968-69	352.1	350.0	78.0	142.6	922.7	988.3	38.2	1,026.5	1,380.2
1969-70	400.6	412.5	80.4	152.2	1,045.8	1,110.9	50.5	1,161.3	1,575.7
1970-71	426.5	471.6	67.8	168.5	1,134.4	1,237.3	75.9	1,313.2	1,751.6

INSTALMENT CREDIT FOR RETAIL SALES

Information relating to instalment credit for retail sales in Australia is given in the following tables. More detailed information may be found in the annual bulletin *Insurance and Other Private Finance* and in the monthly and quarterly statements relating to instalment credit for retail sales issued by this Bureau (see beginning of chapter).

The statistics cover operations of all types of instalment credit schemes which relate primarily to the financing of retail sales of goods, whether the credit is advanced by a retail business or by a non-retail finance business. In general, the term 'instalment credit' is defined as relating to schemes in which repayment is made by regular pre-determined instalments. Types of schemes covered include hire purchase, time payment, budget account, and personal loan schemes which relate primarily to the financing of retail sales of goods. In these statistics the term 'retail sales' relates not only to retail sales by retail establishments coming within the scope of the Censuses of Retail Establishments conducted periodically by this Bureau, but includes also other sales of goods to final purchasers (e.g. plant and machinery).

Figures for amounts financed *exclude* interest, hiring charges, insurance, etc. Figures for balances outstanding and collections *include* interest, hiring charges, insurance, etc. Details are not available of these charges or of other items (e.g. rebates allowed for early payments, late payment charges, bad debts written off) which affect the reconciliation of the three main instalment credit series—amount financed, collections, and balances outstanding.

Statistics of amounts financed are classified by type of goods, defined as follows: *motor vehicles* (new and used separately)—motor cars and motor cycles, commercial vehicles, tractors, caravans, trailers, motor parts and accessories, etc.; *plant and machinery*—farm machinery and implements, earth-moving equipment, aircraft, industrial plant and machinery, business machines and equipment (including commercial refrigeration equipment), etc.; *household and personal goods*—furniture, furnishings and floor coverings, domestic refrigerators, electrical goods, radios, television, musical instruments, bicycles, motor mowers, clothing, etc.

INSTALMENT CREDIT FOR RETAIL SALES, BY TYPE OF BUSINESS: AMOUNT FINANCED, BY COMMODITY GROUP, CASH COLLECTIONS, AND BALANCES OUTSTANDING, AUSTRALIA, 1966-67 TO 1970-71

(\$ million)

	<i>Amount financed during year</i>					<i>Cash collections during year</i>	<i>Balances outstanding at end of year</i>
	<i>Motor vehicles, etc.</i>		<i>Plant and machinery</i>	<i>Household and personal goods</i>	<i>Total</i>		
	<i>New</i>	<i>Used</i>					
Retail businesses—							
1966-67 . . .	11.3	8.6	3.7	254.0	277.6	338.5	339.2
1967-68 . . .	12.1	8.8	3.4	266.0	290.3	335.7	337.8
1968-69 . . .	13.5	11.5	3.8	273.0	301.8	347.9	344.6
1969-70 . . .	12.2	9.8	2.6	286.3	311.0	359.2	348.9
1970-71 . . .	12.6	8.7	2.0	304.3	327.6	370.8	364.0
Non-retail finance businesses—							
1966-67 . . .	274.5	267.6	83.5	84.4	710.0	854.1	1,103.7
1967-68 . . .	339.9	308.2	93.6	87.8	829.4	906.5	1,238.0
1968-69 . . .	373.3	356.8	114.7	88.5	933.3	1,014.3	1,388.6
1969-70 . . .	422.9	420.5	112.7	88.5	1,044.5	1,128.1	1,565.8
1970-71 . . .	447.5	478.2	103.0	89.8	1,118.5	1,245.7	1,725.8
All businesses—							
1966-67 . . .	285.8	276.1	87.3	338.3	987.5	1,192.6	1,443.0
1967-68 . . .	352.0	317.0	97.0	353.8	1,119.8	1,242.1	1,575.8
1968-69 . . .	386.8	368.3	118.5	361.5	1,235.1	1,362.1	1,733.2
1969-70 . . .	435.1	430.3	115.3	374.8	1,355.5	1,487.3	1,914.7
1970-71 . . .	460.1	486.9	104.9	394.2	1,446.1	1,616.5	2,089.7

INSTALMENT CREDIT FOR RETAIL SALES, BY TYPE OF CREDIT
 AMOUNT FINANCED, BY COMMODITY GROUP, AND
 BALANCES OUTSTANDING, AUSTRALIA, 1966-67 TO 1970-71
 (\$ million)

	<i>Amount financed during year</i>				<i>Balances outstanding at end of year</i>
	<i>Motor vehicles, etc.</i>	<i>Plant and machinery</i>	<i>Household and personal goods</i>	<i>Total</i>	
Hire purchase—					
1966-67	405.9	80.1	128.8	614.7	994.1
1967-68	431.2	84.3	133.9	649.3	1,026.4
1968-69	463.5	97.4	134.0	695.0	1,078.0
1969-70	526.1	93.7	135.6	755.4	1,159.3
1970-71	604.1	91.7	136.3	832.1	1,261.4
Other instalment credit—					
1966-67	156.0	7.2	209.6	372.8	448.8
1967-68	237.8	12.7	219.9	470.4	549.4
1968-69	291.5	21.1	227.5	540.1	655.2
1969-70	339.3	21.6	239.3	600.2	755.4
1970-71	342.9	13.2	257.9	614.0	828.3
Total instalment credit—					
1966-67	561.9	87.3	338.3	987.5	1,443.0
1967-68	669.0	97.0	353.8	1,119.8	1,575.8
1968-69	755.0	118.5	361.5	1,235.1	1,733.2
1969-70	865.4	115.3	374.8	1,355.5	1,914.7
1970-71	947.0	104.9	394.2	1,446.1	2,089.7

NEW HIRE PURCHASE AGREEMENTS: AVERAGE VALUE AND
 AMOUNT AND PROPORTION FINANCED, BY COMMODITY
 GROUP, AUSTRALIA, 1970-71

<i>Commodity group</i>	<i>Average value of goods purchased per agreement</i>	<i>Average amount financed per agreement</i>	<i>Average proportion financed</i>
	<i>\$</i>	<i>\$</i>	<i>Per cent</i>
Motor vehicles, tractors, etc.	2,102	1,469	70
Plant and machinery	3,896	2,721	70
Household and personal goods	215	179	83
All groups	961	690	72

PASTORAL FINANCE COMPANIES

PASTORAL FINANCE COMPANIES: RURAL ADVANCES
AMOUNTS OUTSTANDING(a), JUNE 1967 TO 1971

(Source: Reserve Bank of Australia)

(\$ million)

End of June—	N.S.W.	Vic.	Qld	S.A.	W.A. and Tas.	Total
1967 . . .	68.4	50.2	58.8	50.1	57.9	285.5
1968 . . .	72.2	54.8	63.5	61.0	62.9	314.4
1969 . . .	77.6	65.9	62.6	70.2	61.5	337.7
1970 . . .	76.7	66.1	66.8	71.4	68.2	349.1
1971 . . .	70.8	57.2	69.6	73.7	61.7	333.0

(a) Compiled from returns supplied to the Reserve Bank by major pastoral finance companies. Advances are classified according to the location of the branch holding the advance, which in some cases may differ from the State of residence of the borrower.

PASTORAL FINANCE COMPANIES: LIABILITIES AND ASSETS(a), JUNE 1967 TO 1971

(Source: Reserve Bank of Australia)

(\$ million)

LIABILITIES

End of June—	Balances due to banks	Clients' credit balances	Debentures, notes and deposits		Other outside liabilities	Share- holders' funds	Overseas liabilities	Total liabili- ties/ assets
			Maturing within twelve months	Other				
1967 . . .	68.5	41.8	39.3	29.8	94.8	154.2	131.9	560.2
1968 . . .	94.4	34.4	51.9	40.0	89.9	162.5	133.2	606.1
1969 . . .	86.7	37.6	52.7	46.5	107.2	173.4	138.4	642.4
1970 . . .	95.1	34.7	70.6	52.1	113.6	181.1	152.5	699.6
1971 . . .	96.2	31.9	85.3	78.4	122.1	179.6	128.6	722.0

ASSETS

End of June—	Cash and deposits with banks	Loans to author- ised money market dealers	Other short- term assets (b)	Cwlth Govt securi- ties	Advances and sundry debtors		Stocks	Fixed assets	Other assets
					Rural	Other			
1967 . . .	7.6	0.4	1.9	33.3	285.5	25.7	37.8	145.8	22.3
1968 . . .	8.6	1.7	1.3	35.7	314.4	29.9	40.4	148.4	25.7
1969 . . .	11.1	1.6	6.9	35.7	337.7	29.7	40.4	151.6	27.7
1970 . . .	7.9	1.2	17.5	32.6	349.1	36.9	42.5	176.5	35.3
1971 . . .	10.7	3.3	28.8	35.7	333.0	33.9	42.3	190.9	43.3

(a) Compiled from returns supplied to the Reserve Bank by major pastoral finance companies. (b) Excludes Commonwealth Government securities.

RURAL DEBT

Major sources of credit for rural purposes include banks, Commonwealth and State government financial agencies, pastoral finance companies, and life insurance companies. The following table shows the estimated rural debt to these lenders.

ESTIMATED RURAL DEBT TO SPECIFIED LENDERS, 30 JUNE 1967 TO 1971

(Source: Reserve Bank of Australia)

(\$ million)

Lender	30 June—				
	1967	1968	1969	1970	1971
Major trading banks	751	918	939	998	994
Ex-service settlement	92	88	83	80	78
Other government, including State banks and State savings banks . .	261	297	317	(a)351	372
Pastoral finance companies	285	314	338	349	333
Commonwealth Development Bank	120	143	162	176	192
Life insurance companies	81	97	113	128	129
Total	1,590	1,857	1,952	2,082	2,098

(a) Reserve Bank estimate.

In addition, credit is supplied to the rural sector by finance companies, merchants, co-operative producer organisations, and by private lenders and investors, the most noteworthy of these last-mentioned sources involving family arrangements and property vendors. No data are currently available on the extent of the outstanding debt by the rural sector to these sources.

NEW CAPITAL RAISINGS BY COMPANIES IN AUSTRALIA

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 *Insurance and Other Private Finance* and in quarterly bulletins dealing with capital raisings (see beginning of chapter).

The statistics relate to capital raised by companies through issues of shares, and in the case of companies listed on stock exchanges, 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 or bank loans, trade credit, temporary advances, and loans secured over part only of the assets of the company is not included. Totally unsecured loans are included in the case of listed companies, but are excluded in the case of unlisted companies.

Separate statistics are given for listed and unlisted companies. Listed companies are companies incorporated in Australia or Papua New Guinea and listed on one or more of the Australian stock exchanges. All other companies incorporated in Australia (excluding its overseas territories), 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 in the statistics of share issues. The statistics of new capital raised through issues of debentures, notes, etc., and the acceptance of deposits, include, in addition to capital raised by companies incorporated in Australia (including subsidiaries of overseas companies), capital raised in this way from Australian sources by overseas public companies through their Australian offices. Where an issue is made at the same time on Australian and overseas markets, that part of the issue which is taken up through overseas brokers is excluded.

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 'company sector'. For this purpose the 'investing public' is defined to include all non-company subscribers, Australian life insurance companies and Australian government and private superannuation funds. Subscriptions

by overseas banks, overseas life insurance companies and overseas superannuation funds, are excluded. In practice, it is necessary to include in 'new money', most subscriptions by companies holding less than five per cent of the ordinary shares of an issuing company as it is not practicable to separately identify all such subscriptions. However, where large subscriptions by companies holding less than five per cent of the ordinary shares in the issuing company are identified they are not included in 'new money'.

Amount not involving new money. This amount includes 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.) In the tables which follow, the 'amount not involving new money' is obtained by deducting from the total cash raised the amount of 'new money'.

**LISTED COMPANIES: NEW CAPITAL RAISED THROUGH ISSUES OF SHARES
DEBENTURES, OR REGISTERED NOTES, ETC.(a), OR ACCEPTING
DEPOSITS(b), 1966-67 TO 1970-71**

(\$ million)

	Share capital					Debentures, registered notes and deposits			
	Value of issues commenced	Non-cash issues commenced (c)	Cash issues commenced	Cash raised during period (d)	Amount not involving new money	New money	Total amount raised (e)	Amount not involving new money (e)	New money
1966-67	313.7	148.0	165.8	151.6	39.2	112.4	1,099.3	898.9	200.4
1967-68	281.0	79.3	201.8	170.1	47.2	122.9	1,393.9	1,045.2	348.7
1968-69	927.2	209.9	717.3	482.2	143.7	338.5	1,874.5	1,426.3	448.3
1969-70	1,070.0	282.8	787.2	664.5	207.6	456.8	2,567.2	2,085.7	481.5
1970-71	983.7	442.7	541.0	450.6	92.8	357.7	3,187.5	2,675.2	512.3

(a) Includes convertible notes. (b) Deposits accepted by banks, life insurance companies, pastoral companies and building societies, and loans to authorised dealers in the short-term money market are not included. (c) Includes bonus issues, conversion issues, issues in exchange for existing shares, etc. (d) Amounts paid up on issues commenced during the year plus calls on issues commenced in earlier years. (e) Includes conversions, renewals, etc.

**UNLISTED COMPANIES: NEW CAPITAL RAISED THROUGH ISSUE OF
SHARES AND LOANS SECURED BY CHARGES OVER THE COMPANIES'
ENTIRE ASSETS, 1966-67 TO 1970-71**

(\$ million)

	Share capital					Loans secured by charges over the companies' entire assets			
	Value of issues commenced(a)	Non-cash issues commenced (b)	Cash issues commenced	Cash raised during period (c)	Amount not involving new money	New money	Total amount raised (d)	Amount not involving new money (d)	New money
1966-67	392.7	178.8	214.0	150.6	110.2	40.4	74.3	37.9	36.4
1967-68	400.1	190.9	209.1	209.2	158.4	50.8	66.3	48.2	18.1
1968-69	718.8	343.8	375.3	299.0	230.5	68.4	95.3	62.8	32.5
1969-70	710.2	290.9	419.3	354.7	275.1	79.5	95.0	75.4	19.6
1970-71	696.1	221.8	474.3	430.4	364.7	65.8	85.1	66.5	18.7

(a) From 1970-71, issues with a nominal value of \$200 or less are excluded. (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 conversion, renewals, etc.

LISTED AND UNLISTED COMPANIES: NEW MONEY RAISED, BY INDUSTRY GROUP, 1966-67 TO 1970-71

(\$ million)

	Companies listed on stock exchanges			Companies not listed on stock exchanges			Grand total
	Share capital(a)	Debentures registered notes and deposits(b)	Total	Share capital(a)	Secured loans(c)	Total	
Manufacturing—							
1966-67	28.3	101.7	130.0	8.8	15.7	24.5	154.5
1967-68	24.7	82.4	107.1	12.7	7.8	20.5	127.6
1968-69	92.9	68.3	161.2	14.4	6.3	20.7	181.9
1969-70	122.9	56.2	179.1	12.7	3.3	16.0	195.1
1970-71	71.2	32.7	103.9	12.0	0.7	12.7	116.6
Finance and property(b)—							
1966-67	4.7	94.9	99.6	6.4	7.4	13.8	113.4
1967-68	15.6	255.4	271.0	8.1	6.2	14.3	285.3
1968-69	45.9	338.1	384.0	18.9	6.4	25.3	409.3
1969-70	36.7	366.7	403.4	20.9	10.2	31.1	434.5
1970-71	35.5	422.4	457.9	11.6	9.2	20.8	478.7
Commerce—							
1966-67	32.1	(d)-0.7	31.4	8.5	0.7	9.2	40.6
1967-68	7.9	4.3	12.2	8.9	0.8	9.7	21.9
1968-69	18.4	30.7	49.1	10.1	2.3	12.4	61.5
1969-70	8.9	13.8	22.7	8.4	0.9	9.3	32.0
1970-71	5.1	29.3	34.4	5.2	0.8	6.0	40.4
Other industries—							
1966-67	47.2	4.6	51.8	13.7	12.7	26.4	78.2
1967-68	75.0	6.6	81.6	17.6	3.4	21.0	102.6
1968-69	181.5	11.2	192.7	21.5	17.3	38.8	231.5
1969-70	288.4	44.8	333.2	33.0	5.3	38.3	371.5
1970-71	245.8	27.9	273.7	30.7	8.2	38.9	312.6
All industries—							
1966-67	112.4	200.4	312.8	(e) 40.4	36.4	(e) 76.8	(e) 389.6
1967-68	122.9	348.7	471.6	50.8	18.1	68.9	540.5
1968-69	338.5	448.3	786.8	68.4	32.5	100.9	887.7
1969-70	456.8	481.5	938.3	79.5	19.6	99.1	1,037.4
1970-71	357.7	512.3	870.0	65.8	18.7	84.5	954.5

(a) Includes preference shares. (b) Excludes deposits accepted by banks, insurance companies, pastoral companies and building societies, and loans to authorised dealers in the short-term money market. (c) Includes only loans which are secured by charges over the companies' entire assets. (d) Excess of repayments over receipts of new money. (e) Up to 1969-70, the industry figures for unlisted companies exclude share issues with a nominal value of \$2,000 or less, but such issues are included in the All Industries figures. From 1970-71 the industry figures for unlisted companies exclude issues with a nominal value of \$10,000 or less, and issues with a nominal value of \$200 or less are excluded from the All Industries figures.

SHORT-TERM MONEY MARKET

For some years prior to 1959 leading stockbrokers had been actively engaged in the acceptance of short-term funds against the security of government securities, but their operations were limited by the absence of suitable short-term securities and their liquidity requirements. In February 1959 the Commonwealth Bank (now the Reserve Bank) gave official status to the market by announcing that under certain conditions it would act as lender of last resort to authorised dealers in the short-term money market.

The form of organisation consists of nine companies whose functions are:

- (i) to accept loans overnight, at call or for fixed periods, in minimum amounts of \$50,000 and to invest these funds in money market securities.
- (ii) to engage as traders in the buying and selling of money market securities.

The types of securities that may be used as money market securities are subject to the approval of the Reserve Bank. At present they comprise Commonwealth Government securities maturing within five years, commercial bills of any maturity that have been accepted or endorsed by a trading bank, banks' certificates of deposit maturing within five years, and non-bank commercial bills maturing within 180 days.

Dealers are required to have a minimum paid up capital of \$400,000 and there is a limit on the maximum ratio of loans to shareholders' funds.

Under the lender of last resort arrangements dealers may borrow from the Reserve Bank for a minimum of seven days and at a high rate of interest against the lodgment of Commonwealth Government securities.

SHORT-TERM MONEY MARKET: SELECTED LIABILITIES AND ASSETS AND INTEREST RATES OF AUTHORISED DEALERS, JUNE 1967 TO 1971

(Source: Reserve Bank of Australia)

Month	Liabilities to clients		Holdings of Cwth Govt securities (at face value)	Com-mercial bills	Bank's certifi-cates of deposit	Interest rates on loans accepted during month				Weighted average interest rate on loans out-standing (a)	
	All trading banks	Other clients				Total	At call		For fixed periods		
							Mini-mum per cent per annum	Maxi-mum per cent per annum	Mini-mum per cent per annum		Maxi-mum per cent per annum
June—	Average of weekly figures—(\$ million)										
1967	88.8	367.6	456.4	467.7	32.8	..	2.00	6.50	3.00	5.50	4.46
1968	87.7	406.5	494.2	491.3	35.7	..	3.00	6.75	3.75	5.40	4.29
1969	94.9	398.7	493.6	505.6	28.9	15.0	2.00	7.50	4.00	6.75	4.59
1970	102.8	464.2	567.0	575.4	38.3	3.6	3.50	8.80	4.50	8.50	6.12
1971	142.0	555.2	697.2	682.0	45.4	3.4	2.00	9.50	4.00	8.00	5.91

(a) Average of weekly figures.

SHORT-TERM MONEY MARKET: AUTHORISED DEALERS' LIABILITIES BY TYPE OF CLIENT(a), 30 JUNE 1967 TO 1971

(Source: Reserve Bank of Australia)

(\$ million)

Client	30 June—				
	1967	1968	1969	1970	1971
All trading banks	121.5	17.6	90.0	158.4	189.2
Savings banks	56.2	26.5	36.0	37.3	77.7
Insurance offices	10.8	20.1	32.4	24.4	26.8
Superannuation, pension and provident funds	11.7	4.6	8.9	16.6	22.4
Hire purchase and other instalment credit companies	5.9	2.8	2.4	7.9	6.1
Companies, n.e.i.	120.2	156.8	140.3	143.7	155.3
Commonwealth and State Governments	57.4	78.1	62.3	47.7	91.9
Local government and semi-government authorities, n.e.i.	56.5	72.2	75.3	87.7	70.0
All other lenders(b)	33.6	20.6	45.9	36.2	41.5
Total	473.7	499.3	493.4	559.9	680.8

(a) Compiled from returns supplied by authorised dealers in the short-term money market. Liabilities to Reserve Bank as lender of last resort are excluded. (b) Includes marketing boards and trustee companies.

UNIT TRUSTS, LAND TRUSTS AND MUTUAL FUNDS

Statistics of operations of unit trusts, land trusts and mutual funds for the years 1966-67 to 1970-71 are shown below. Details of superannuation funds conducted by unit trust management companies are not included in these tables.

TRUSTS AND FUNDS: TOTAL MARKET VALUE AND TRANSACTIONS
YEARS 1966-67 TO 1970-71
(\$ million)

	Total market value at end of period(a)	Cash transactions— trust units and fund shares		Purchases and sales of investments(b)	
		Total amount received(c)	Total amount paid(d)	Purchases (e)	Sales (f)
		1966-67 . . .	221.6	20.2	21.0	20.5	17.6
1967-68 . . .	263.4	30.9	35.1	33.0	40.8
1968-69 . . .	270.2	41.6	42.0	48.2	54.6
1969-70 . . .	286.1	59.0	32.3	61.1	50.8
1970-71 . . .	279.6	56.5	39.3	74.5	51.5

(a) Includes value of land trusts at valuation. (b) Commonwealth Government, local authority and semi-government securities, shares, debentures, unsecured notes, loans, deposits on term or notice of three months or longer, land and buildings, etc. (c) For trust units and fund shares issued. Includes re-issues and new issues. Includes fees and expenses. (d) For trust units and fund shares repurchased. Includes those units and fund shares intended for re-issue. (e) Payments for assets acquired during period. Includes brokerage and stamp duty. (f) Receipts for assets sold or redeemed during period. Excludes brokerage and stamp duty.

TRUSTS AND FUNDS: ANALYSIS OF PURCHASES AND SALES OF
INVESTMENTS, 1966-67 TO 1970-71
(\$ million)

	Shares (incl. preference shares)	Debentures, unsecured notes, deposits (a)	With Govt, local and semi-govt authority securities	Other(b)	Total	
						Purchases—	1966-67 . . .	7.6	5.3	..	7.6	20.5
	1967-68 . . .	13.2	7.3	..	12.4	33.0
	1968-69 . . .	17.0	11.6	0.1	19.6	48.2
	1969-70 . . .	35.3	10.6	0.1	15.1	61.1
	1970-71 . . .	39.2	10.6	..	24.6	74.5
Sales—	1966-67 . . .	13.7	3.0	0.1	0.8	17.6
	1967-68 . . .	34.7	3.8	..	2.3	40.8
	1968-69 . . .	44.0	5.5	..	5.0	54.6
	1969-70 . . .	37.9	6.4	0.1	6.4	50.8
	1970-71 . . .	35.8	8.3	..	7.4	51.5

(a) Excludes cash on hand and at bank, loans to authorised dealers in the short-term money market, and other deposits under three months' term or notice. (b) Includes land and buildings, mortgages on land and buildings, and other investments.

REGISTERED BUILDING SOCIETIES

Permanent and terminating building societies

REGISTERED BUILDING SOCIETIES: SELECTED ITEMS(a)
AUSTRALIA, 1965-66 TO 1969-70

	<i>Societies making returns</i>			<i>Shareholders</i>	<i>Loans paid over</i>	<i>Administrative expenses</i>
	<i>Permanent</i>	<i>Terminating (b)</i>	<i>Total</i>			
	No.	No.	No.	No.	\$'000	\$'000
1965-66	132	3,641	3,773	371,675	164,828	9,506
1966-67	144	4,058	4,202	402,557	194,653	11,154
1967-68	161	4,388	4,549	458,881	260,011	13,060
1968-69	173	4,641	4,814	535,173	331,850	16,503
1969-70	182	4,882	5,064	669,339	444,263	21,499

(a) At various balance dates within the financial year shown. (b) Co-operative housing and other terminating societies.

REGISTERED BUILDING SOCIETIES: LIABILITIES AND ASSETS(a)
AUSTRALIA, 1965-66 TO 1969-70

(\$ '000)

	<i>Liabilities</i>					<i>Assets</i>			
	<i>Investing members' funds</i>	<i>Borrowing members' funds</i>	<i>Deposits</i>	<i>Loans due to governments</i>	<i>Other liabilities</i>	<i>Total liabilities</i>	<i>Advances on mortgages(b)</i>	<i>Other assets</i>	<i>Total assets</i>
1965-66	233,432	162,261	48,396	196,215	398,099	1,038,402	995,381	43,021	1,038,402
1966-67	291,766	175,243	55,529	225,399	417,509	1,165,446	1,111,354	54,092	1,165,446
1967-68	394,806	178,242	72,395	257,638	441,742	1,344,823	1,266,294	78,528	1,344,823
1968-69	548,619	185,623	126,114	283,716	454,129	1,598,204	1,490,259	107,945	1,598,204
1969-70	811,304	174,461	157,109	312,909	474,602	1,930,385	1,775,019	155,366	1,930,385

(a) At various balance dates within the financial year shown. (b) Includes advances on mortgages of terminating societies which are mainly on a gross basis. Net advances may be derived by subtracting 'Borrowing members' funds'.

Permanent building societies

The following statistics summarise information obtained from a monthly collection introduced in May 1969 and relate to the operations of permanent building societies in all States and the Australian Capital Territory.

PERMANENT BUILDING SOCIETIES: 1968-69 TO 1970-71

(\$'000)

	<i>Loans approved during year(a)</i>	<i>Loans advanced during year(b)</i>	<i>Loans approved but not advanced at end of year(c)</i>	<i>Principal owing on mortgages at end of year</i>	<i>Paid-up share-capital at end of year</i>	<i>Borrowings by societies—</i>
						<i>amount owing at end of year(d)</i>
1968-69	n.a.	n.a.	75,871	707,085	552,795	221,695
1969-70	378,433	375,337	57,930	993,462	799,184	277,379
1970-71	427,067	368,068	99,042	1,245,677	1,117,818	321,649

(a) Includes loans approved for flats and home units, supplementary loans approved to complete the original purchase or construction of a house, flat or home unit and second mortgage loans approved. (b) Includes capitalised mortgage insurance premiums and other capitalised charges. (c) Excludes cancellations of loan approvals. (d) Includes deposits with societies, advances under Commonwealth and State Housing Agreements but excludes unsecured borrowings from banks.

FRIENDLY SOCIETIES AND CO-OPERATIVE SOCIETIES

Friendly societies

In 1970 the total membership of friendly societies in Australia was about 431,000, 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 allowances are 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 dealing with the returns received are published in most of the States.

FRIENDLY SOCIETIES(a): SUMMARY, STATES, 1969-70

	N.S.W.(b)	Vic.	Qld	S.A.	W.A.	Tas.(c)	Total
Registered societies	39	122	17	14	11	9	212
Branches	1,663	1,086	395	481	246	112	3,983
Benefit members at end of year	146,344	151,187	63,149	50,796	15,175	4,816	431,467
Average benefit members during year	141,191	152,389	63,264	50,838	15,320	4,849	427,851
Members who received sick pay	n.a.	24,069	5,505	7,503	2,158	719	n.a.
Total weeks sick pay granted	n.a.	364,766	99,409	145,899	50,580	15,320	n.a.
Average weeks per member sick	n.a.	15.2	18.1	19.4	23.4	21.3	n.a.
Deaths of benefit members	n.a.	2,405	1,122	1,114	358	218	n.a.
Proportion of deaths per 1,000 members (average)	n.a.	15.8	17.7	21.9	23.6	58.4	n.a.
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue—							
Entrance fees, levies and members' contributions	19,494	17,500	3,689	12,547	2,756	59	56,046
Interest, dividends and rents	1,514	2,562	494	938	178	82	5,768
All other revenue	801	584	956	996	73	23	3,433
Total revenue	21,808	20,646	5,140	14,481	3,008	164	65,247
Expenditure—							
Sick pay	551	591	120	183	39	18	1,503
Medical attendance and medicine	16,115	11,696	3,583	11,175	2,521	2	45,092
Sums payable at death	607	248	350	153	44	47	1,449
Administration	3,226	3,448	795	1,260	202	37	11,300
All other expenditure	430	1,193						543	134	33
Total expenditure	20,928	17,177	4,848	13,314	2,940	137	59,344
Total funds	31,773	45,840	10,738	19,355	4,095	1,415	113,215

(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 the Australian Capital Territory. (c) Year ended 31 December 1970.

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-operation Act, 1923-1967. A summary of the business of all co-operative societies for the year 1969-70 for all States is given in the following table. Separate particulars for each of the three types of co-operative societies are given in the annual bulletin *Insurance and Other Private Finance*, and issue No. 7, 1969-70 contains details for 1967-68 and 1968-69.

CO-OPERATIVE SOCIETIES: STATES, 1969-70

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
Societies . . . No.	352	155	593	64	67	17	1,248
Members . . . No.	364,995	150,232	156,233	123,574	65,500	6,391	866,925
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income—							
Gross turnover (sales) .	361,439	153,956	183,715	61,518	79,383	10,451	850,462
Other income . . .	3,113	6,599	12,446	4,621	21,086	1,306	49,172
Total income . . .	364,552	160,555	196,161	66,139	100,470	11,757	899,634
Expenditure—							
Other purchases . . .	356,127	115,380	136,982	46,260	70,828	8,832	872,302
Other expenditure . . .		38,035	49,444	18,229	29,486	2,698	
Total expenditure . . .	356,127	153,416	186,426	64,489	100,315	11,530	872,302
Rebates and bonuses . .	5,110	1,746	3,272	2,442	3,439	n.a.	n.a.
Dividends on share capital	1,752	1,435	599	472	814	56	5,128
Liabilities—							
Paid-up capital . . .	40,927	25,045	28,827	8,771	12,684	1,224	177,477
Bank overdrafts . . .	52,543	16,624	20,239	5,268	13,731	(a)	(a)
Accumulated profits . . .	25,908	3,028	7,585	1,350	87	619	114,575
Reserve funds . . .		24,115	31,571	8,268	11,413	631	
Loan capital . . .	60,042	9,539	22,079	15,147	53,020	(a)	(a)
Sundry creditors . . .		21,305	28,618	4,605	13,275	2,012	
Other liabilities . . .		4,789	17,249	10,855	3,136	267	
Total liabilities . . .	179,420	104,445	156,167	54,264	107,347	6,983	608,625
Assets—							
Land and buildings . . .	76,474	49,178	76,739	12,636	8,318	1,465	290,597
Machinery, plant and other fixed assets . . .				8,587	56,523	679	
Stocks . . .	54,796	15,442	13,968	14,304	8,792	1,236	108,538
Sundry debtors . . .	36,155	28,826	54,919	8,261	25,918	2,527	156,607
Cash in hand and on deposit . . .	11,995	2,669	4,104	1,546	1,987	177	52,883
Profit and loss account . . .		3,425	720	342	176		
Other assets . . .		4,906	5,716	8,588	5,633	899	
Total assets . . .	179,420	104,445	156,167	54,264	107,347	6,983	608,625

(a) Not available for publication, included in total liabilities.

LOTTERIES AND BETTING

Lotteries

The State Governments of New South Wales, Queensland, South Australia and Western Australia operate lotteries in their own States. Tattersall Sweep Consultations are operated under government licence in Victoria and also sell tickets under government licence in Tasmania and New Zealand. Tickets for any of these lotteries may also be sold in the Northern Territory and the Australian Capital Territory. The statistics of sales of tickets and prizes include the sales and allotments of prizes in New Zealand, Tasmania, the Northern Territory and the Australian Capital Territory. In general, revenue derived by the State Governments from these lotteries is used directly or indirectly to provide funds for expenditure on hospitals, charities, etc.

LOTTERIES: VALUE OF TICKET SALES, PRIZES ALLOTTED, TAXES PAID AND OTHER NET CONTRIBUTIONS TO STATE GOVERNMENT REVENUES 1966-67 TO 1970-71

(\$'000)

Year	N.S.W.	Vic.	Qld	S.A.	W.A.	Total
TICKET SALES						
1966-67 . . .	50,171	20,300	14,620	500	4,775	90,366
1967-68 . . .	50,528	19,420	15,900	5,200	4,350	95,398
1968-69 . . .	53,335	19,440	16,680	5,350	5,150	99,955
1969-70 . . .	55,645	21,400	17,600	5,700	6,200	106,545
1970-71 . . .	58,057	21,360	18,560	6,000	6,250	110,227
PRIZES ALLOTTED						
1966-67 . . .	30,904	12,180	9,332	300	2,803	55,520
1967-68 . . .	30,850	11,652	10,151	3,129	2,493	58,275
1968-69 . . .	32,843	11,664	10,651	3,241	3,001	61,400
1969-70 . . .	34,052	12,840	11,237	3,460	3,757	65,346
1970-71 . . .	35,815	12,816	11,850	3,648	3,803	67,931
TAXES PAID AND OTHER NET CONTRIBUTIONS TO STATE GOVERNMENT REVENUES(a)						
1966-67 . . .	11,892	6,296	3,710	50	1,317	23,265
1967-68 . . .	11,809	6,020	4,006	1,726	1,236	24,798
1968-69 . . .	12,202	6,026	4,160	1,633	1,437	25,458
1969-70 . . .	12,712	6,634	4,358	1,927	1,643	27,274
1970-71 . . .	13,127	6,622	4,492	1,833	1,594	27,667

(a) Includes grants to Tasmanian and New Zealand governments by Tattersall's Sweep Consultations, Victoria.

Betting

**TOTALISATOR INVESTMENTS AND INVESTMENTS WITH LICENSED BOOKMAKERS
STATES AND AUSTRALIAN CAPITAL TERRITORY, 1966-67 TO 1970-71
(\$'000)**

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.(a)</i>	<i>W.A.</i>	<i>Tas.</i>	<i>A.C.T.</i>	<i>Total</i>
TOTALISATOR INVESTMENTS								
1966-67	146,084	179,490	47,339	7,207	43,077	1,174	2,567	426,938
1967-68	196,120	200,253	55,330	20,030	46,180	1,277	3,098	522,288
1968-69	241,350	224,955	61,003	26,292	52,938	1,145	4,215	611,897
1969-70	292,442	245,993	81,771	31,679	60,913	1,250	7,092	721,141
1970-71	337,492	273,638	94,534	31,466	67,652	1,322	8,808	814,914
INVESTMENTS WITH LICENSED BOOKMAKERS(b)								
1966-67	283,346	168,381	123,506	55,740	24,817	35,091	4,098	694,979
1967-68	283,262	172,603	131,145	49,189	27,332	42,090	3,919	709,540
1968-69	282,497	172,388	141,167	50,263	32,189	41,705	4,127	724,335
1969-70	310,881	183,296	145,837	58,165	38,972	44,899	4,713	786,763
1970-71	314,658	196,166	147,931	60,728	39,778	48,825	5,232	813,318

(a) Totalisator Agency Board commenced operating on 29 March 1967. (b) Estimated from taxes on betting with licensed bookmakers in all States except Australian Capital Territory.

PROBATES AND LETTERS OF ADMINISTRATION

The following table gives some particulars 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: STATES

	<i>N.S.W.</i> <i>1970-71(a)</i>	<i>Vic.</i> <i>1970</i>	<i>Qld</i> <i>1970-71</i>	<i>S.A.</i> <i>1970</i>	<i>W.A.</i> <i>1970-71(b)</i>	<i>Tas.</i> <i>1970(c)</i>
Estates	No. 28,194	22,287	9,596	4,972	5,757	1,795
Gross value	\$'000 n.a.	470,722	160,457	86,110	n.a.	36,624
Net value	\$'000 504,634	423,675	146,526	79,052	75,938	34,474

(a) Total estates of deceased persons assessed for death duty. (b) Net value includes duty-free bequests of \$713,996.
(c) Estates dealt with by the Taxation Department.

AUSTRALIAN INDUSTRY DEVELOPMENT CORPORATION

The Australian Industry Development Corporation was established by the *Australian Industry Development Corporation Act 1970* and commenced operations on 1 February 1971. Within the objectives and broad policy guidelines defined in the Act the Corporation operates an independent commercial enterprise governed by its own Board of Directors. It is not subject to direction by or on behalf of the Commonwealth.

The Corporation has a capital of \$100 million, to be subscribed by the Commonwealth in instalments but the whole being available if required to meet obligations. The paid-up capital at 31 July 1972 was \$50 million.

The central objectives of the Corporation are to promote the development of industries in Australia and support local participation in the ownership and control of industries and resources. Consistent with these objectives and the principle that A.I.D.C. must operate on a commercial basis and assist only in ventures which can demonstrate sound prospects, the Corporation provides finance, obtained principally by overseas borrowings, for essentially Australian-owned firms (including local firms with foreign partners) engaged in new development or expansion in the manufacturing, processing and mining industries.

The Corporation's financial participation in a venture is governed by the prevailing terms and conditions under which it can itself obtain loan finance. The capital of the Corporation is provided as a base for its borrowings and is not directly used for assistance to industry projects.

The Corporation participates in the financing of a development only at the invitation of the enterprise concerned and in the manner dictated by the needs of the project. Its assistance may be given in a variety of ways, such as loan investments or guarantees, or by temporarily taking a minority equity position.

A.I.D.C.'s first financial commitment to an industry development venture took effect on 1 July 1971, and by the end of its first full year of operations the Corporation had undertaken financial commitments of one kind or another totalling some \$53.7 million in respect of twenty-six industry development ventures.

