

CHAPTER 21

PRIVATE FINANCE

This chapter contains statistics on the activities and structure of financial institutions including banks, building societies, insurance companies, finance companies, credit unions and co-operative societies together with descriptions of their operations and relevant controlling legislation.

MONEY

Currency

Australia has a decimal system of currency, the unit being the dollar which is divided into 100 cents. Australian notes are issued in the denominations of \$1, \$2, \$5, \$10, \$20 and \$50 and coins in the denominations of 1c, 2c, 5c, 10c, 20c and 50c.

For additional information on note issues and coinage, refer to the List of Special Articles, etc. towards the back of this Year Book.

AUSTRALIAN NOTES ON ISSUE (\$ million)

		<i>Last Wednesday in June</i>					
		1978	1979	1980	1981	1982	1983
\$1		60.8	64.7	68.6	74.1	78.8	81.4
\$2		136.0	140.6	145.1	152.7	158.4	162.9
\$5		126.7	135.5	143.2	153.9	165.6	174.1
\$10		604.5	582.4	567.6	555.9	546.7	531.5
\$20		1,620.5	1,756.4	1,903.9	2,060.0	2,169.8	2,195.8
\$50		1,121.7	1,427.7	1,757.8	2,190.7	2,718.2	3,216.4
Total		3,670.2	4,107.4	4,586.1	5,187.3	5,837.5	6,362.2
<i>Held by banks</i>		<i>413.1</i>	<i>451.1</i>	<i>500.9</i>	<i>578.1</i>	<i>677.4</i>	<i>712.6</i>
<i>Held by public</i>		<i>3,257.1</i>	<i>3,656.3</i>	<i>4,085.2</i>	<i>4,609.2</i>	<i>5,160.1</i>	<i>5,649.6</i>

AUSTRALIAN DECIMAL COIN: NET ISSUES BY RESERVE BANK (\$ million)

		<i>Last Wednesday in June</i>					
		1978	1979	1980	1981	1982	1983
1c		1.3	1.2	1.3	1.5	1.4	1.2
2c		2.4	1.9	2.4	2.9	2.7	1.7
5c		2.9	3.4	4.4	5.1	5.0	3.4
10c		3.5	3.7	4.9	5.8	6.2	4.3
20c		7.4	8.2	11.8	14.8	12.8	9.0
50c		15.4	10.0	12.3	12.1	26.8	22.1
Total		32.9	28.4	37.0	42.1	54.9	41.7

Volume of money

Statistics of the volume of money in the following table include notes and coins in the hands of the public, deposits of the public with trading banks (including the Reserve Bank) and deposits with all savings banks. Volume of money is a measure of specified financial assets held by the non-bank public.

The financial assets included in the volume of money in the table represent only part (albeit a major part) of the public's total holdings of liquid financial assets. An expanded view of the volume of money would include the public's holdings of such other claims as finance company debentures, deposits and shares of building societies, loans to authorised dealers in the short-term money market, government securities, etc.

VOLUME OF MONEY

(Source: Reserve Bank of Australia)

(\$ million)

Average of weekly figures for June	Notes and coins in the hands of public	Deposits of public with all trading banks			Deposits with all savings banks(c)	Total volume of money
		Current(a)	Fixed(a)	Certificates of deposit(b)		
1978	3,542	7,724	9,314	718	17,854	39,151
1979	3,963	9,183	10,449	529	19,654	43,777
1980	4,420	10,423	10,243	3,012	21,061	49,159
1981	4,977	11,650	13,767	1,966	23,028	55,387
1982	5,570	11,325	16,948	3,002	24,808	61,653
1983	6,078	11,799	18,676	3,248	29,568	69,370

(a) Excludes deposits of the Commonwealth and State Governments and inter-bank deposits. (b) Excludes holdings of the Commonwealth and State Governments and banks. (c) Interpolated 'weekly average' based on end-of-month figures.

FINANCIAL REGULATION

Commonwealth legislation for economic management

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.

From 1911 to 1945 the functions of central banking became more and more the responsibility of the Commonwealth Bank and in 1945 the Commonwealth Parliament directed it to act as a central bank. In the ensuing period of economic growth and financial development, the need for effective regulatory control of finance through banks became increasingly recognised. During 1959 the Commonwealth Parliament enacted the following legislation:

- (a) The *Banking Act* 1959 which 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; and
 - (v) to provide machinery for the control of foreign exchange.
- (b) The *Reserve Bank Act* 1959 which provides for the constitution and management of the Reserve Bank of Australia, the administration of the *Banking Act* 1959 and the management of the Australian note issue.
- (c) The *Commonwealth Banks Act* 1959 which provides for the constitution and management of the Commonwealth Banking Corporation, Commonwealth Trading Bank of Australia, Commonwealth Savings Bank of Australia, and the Commonwealth Development Bank of Australia.

Information on more specific aspects of the growth and control of the banking industry is contained in earlier issues of the Year Book (Nos. 31, 37, 45, 46 and 61).

More recently, as a result of the further development of the financial market and the increasing significance in the market of the non-bank financial institutions such as finance companies, building societies and money market dealers, the *Financial Corporations Act* 1974 was introduced. The object of this Act is to assist the Government to achieve effective management of the Australian economy by providing a means for the examination and regulation of the activities of non-bank financial institutions having regard to economic stability, the maintenance of full employment, the efficient allocation of productive resources, the ensuring of adequate levels of finance for housing and the economic prosperity and welfare of the people of Australia. Details of the operation and application of the Act are given in Year Book No. 62, page 541.

Other Commonwealth legislation directly affecting financial institutions

Insurance. Section 51 of the Commonwealth Constitution confers the necessary powers on the Commonwealth Parliament to legislate with respect to 'insurance, other than State insurance; also State insurance extending beyond the limits of the State concerned'. Commonwealth legislation includes the *Marine Insurance Act* 1909 defining the limits of marine insurance and regulating the terms of contracts, etc.; the *Life Insurance Act* 1945 generally regulating life insurance business in Australia; and the *Insurance Act* 1973 generally regulating general (non-life) insurance business in Australia. The *Marine Insurance Act* 1909 has limited application.

Life Insurance Act 1945. 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 a Life 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; and
- (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. The Life Insurance Commissioner issues an annual report which contains detailed information on the operations of life insurance companies.

Insurance Act 1973. The objects of this Act are:

- (a) to appoint an Insurance Commissioner to exercise active supervision of the activities of companies conducting general (non-life) insurance business, apart from State government insurance whether or not extending beyond the limits of the State concerned and other organisations specified in the Act, with a view to securing the greatest possible protection for policy holders; and
- (b) 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 19 June 1973. The Insurance Commissioner issues an annual report which contains detailed information on the operations of insurance companies.

State legislation

In each State there exists legislation designed to regulate the activities and monitor the solvency position of particular types of financial institutions which operate on a co-operative basis and lend predominantly to members or consumers. In general, they form the groups covered later in this chapter under the headings of Permanent Building Societies, Terminating Building Societies and Credit Unions.

In some States there is also legislation for the incorporation of State government bodies which operate as banks or insurance offices. Though the regulations in Commonwealth legislation do not directly apply to these bodies, details of their operations have been included in the relevant parts of this chapter because they have agreed to supply information consistent with regulatory reports on a voluntary basis.

BANKS

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.

The general functions of the Reserve Bank are set out in Section 10 of the *Reserve Bank Act* 1959, 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'.

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 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.

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.

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 is not to exceed one year.

RESERVE BANK OF AUSTRALIA: LIABILITIES AND ASSETS (\$ million)

LIABILITIES

30 June	Capital and reserve funds	Special reserve—IMF special drawing rights	Australian notes on issue	Deposits of trading banks		Deposits of savings banks	All other liabilities	Total
				Statutory reserve deposit accounts	Other			
1978	1,189.3	218.3	3,688.1	726.7	10.7	1,122.6	1,723.0	8,678.8
1979	1,953.5	321.3	4,113.3	1,115.5	21.0	815.7	1,906.2	10,246.5
1980	4,061.8	389.6	4,549.3	1,376.1	9.6	553.3	1,067.5	12,007.1
1981	3,160.8	388.1	5,094.1	1,846.1	9.0	128.8	1,252.9	11,879.8
1982	2,553.2	352.3	5,837.5	2,118.4	23.0	195.3	1,667.3	12,746.9
1983	4,392.3	351.7	6,413.6	2,237.0	6.2	1.9	2,120.5	15,523.2

ASSETS

30 June	Gold and foreign exchange (a)	Australian Government securities (b)	Loans, advances, bills discounted	Bank premises (c)	All other assets	Total
1978	3,047.6	4,365.8	707.0	72.5	485.8	8,678.8
1979	3,706.8	5,173.2	613.6	89.9	663.0	10,246.5
1980	5,504.3	5,197.6	608.3	112.1	584.8	12,007.1
1981	5,454.4	4,728.1	837.3	149.2	710.8	11,879.8
1982	6,518.5	4,771.2	573.0	160.3	723.9	12,746.9
1983	10,751.5	3,471.8	417.5	165.2	717.2	15,523.2

(a) Includes currency at short call and International Monetary Fund drawing rights. (b) Includes Treasury bills and Treasury notes. (c) At cost, less amounts written off.

Trading banks

Commercial banking in Australia is conducted by eleven trading banks. Three 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, two overseas banks which have been represented in Australia for many years, three State-owned banks operating only within their respective States and one private bank.

The major trading banks are as follows: Commonwealth Trading Bank of Australia; Australia and New Zealand Banking Group; Westpac Banking Corporation; and the National Commercial Banking Corporation of Australia Ltd.

The other trading banks are: Bank of Queensland Ltd; Bank of New Zealand; Banque Nationale de Paris; The State Bank of New South Wales (previously The Rural Bank of New South Wales); State Bank of South Australia; The Rural and Industries Bank of Western Australia (General Banking Department); and the Australian Bank Ltd.

Liabilities and assets

Balance sheet information contained in the following table does not relate to uniform accounting periods but rather to the balance dates of banks within the years shown.

AUSTRALIAN TRADING BANKS(a) : LIABILITIES AND ASSETS(b)

(\$ million)

LIABILITIES

	Paid-up capital	Reserve funds (used in business of banks)(c)	Final dividend proposed	Balance of profit and loss account	Total share-holders' funds(c)	Balances due to other banks	Deposits, bills payable and other liabilities(d)	Total
1977	529.7	663.3	37.1	72.9	1,303.0	1,741.9	26,286.1	29,331.1
1978	594.6	796.7	42.7	104.1	1,538.0	2,356.2	28,697.7	32,591.9
1979	692.9	1,203.5	55.6	145.6	2,097.6	2,914.0	33,511.1	38,522.7
1980	769.6	1,450.3	69.8	201.5	2,491.2	3,488.6	38,593.4	44,573.2
1981	859.3	1,719.1	89.6	304.3	2,972.4	4,217.6	45,661.5	52,851.5
1982	1,146.2	1,927.9	108.2	367.8	3,550.1	6,641.7	56,131.1	66,322.9

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
			Australian Government		Local and semi-government securities	Other public securities	Other securities	
			Treasury bills and notes	Other securities				
1977	338.2	82.4	93.3	3,531.5	117.3	197.1	630.8	368.5
1978	357.6	144.3	192.3	3,874.5	143.6	440.9	698.5	693.2
1979	368.7	162.6	154.5	4,156.5	183.9	419.5	892.8	580.0
1980	523.9	270.0	284.3	4,270.6	315.3	277.1	1,227.6	624.0
1981	576.9	169.8	693.2	4,597.6	329.4	222.5	1,565.7	454.6
1982	616.1	399.3	817.6	5,440.6	324.5	94.8	2,876.2	77.2

	Statutory reserve deposit account with Reserve Bank	Cheques and bills of, and balances with and due from other banks	Loans, advances and bills discounted	Bank premises, furniture and sites	Bills receivable and remittances in transit	All other assets	Total
1977	1,293.2	1,444.9	17,182.8	445.2	1,896.7	1,709.0	29,331.1
1978	666.6	1,534.9	18,768.2	504.2	2,173.7	2,399.3	32,591.9
1979	1,102.5	2,424.2	21,509.3	554.3	2,414.0	3,599.8	38,522.7
1980	1,373.6	2,771.9	24,705.7	595.8	1,841.2	5,492.2	44,573.2
1981	1,826.0	3,190.4	29,376.9	700.2	2,077.8	7,070.6	52,851.5
1982	2,096.3	4,564.8	35,826.5	816.8	2,281.0	10,091.3	63,322.9

(a) Excludes the overseas banks but includes the deposits and assets held against the deposits of the Savings Bank Division of the Rural and Industries Bank of Western Australia. (b) Relates to liabilities and assets both inside and outside Australia. (c) Includes inner reserves from 1979. (d) Includes inner reserves to 1978.

Figures shown in the table below are the average of liabilities and assets within Australia (including external territories) of the banks on the weekly balance days (Wednesdays) during the period concerned.

ALL TRADING BANKS: AVERAGE LIABILITIES AND ASSETS WITHIN AUSTRALIA

(\$ million)

LIABILITIES(a)(b)

<i>Deposits repayable in Australia</i>							
<i>June</i>	<i>Current</i>			<i>Total</i>	<i>Balances due to other banks</i>	<i>Bills payable and all other liabilities to the public</i>	<i>Total</i>
	<i>Fixed</i>	<i>Bearing interest</i>	<i>Not bearing interest</i>				
1978	11,596.0	1,045.0	7,105.3	19,746.2	682.8	2,907.5	23,336.6
1979	12,577.3	1,159.8	8,441.8	22,178.9	900.4	4,347.9	27,427.1
1980	14,755.5	1,247.7	9,639.9	25,643.2	790.0	5,555.3	31,988.5
1981	17,187.8	1,218.4	10,899.7	29,305.9	827.2	7,302.9	37,436.0
1982	21,613.8	1,260.7	10,628.4	33,503.0	1,140.2	11,193.9	45,837.0
1983	23,643.8	1,702.0	10,694.4	36,040.3	1,337.6	15,056.2	52,434.1

ASSETS(b)

June	Coin, bullion, notes and cash at Reserve Bank	Australian Government securities	Treasury bills and notes	Other securities	Local and semi- govern- ment securities	Loans to author- ised dealers in short- term money market	Statutory reserve deposit account with Reserve Bank	Loans, advances and bills dis- counted	All other assets	Total
1978	409.4	97.9	3,609.1	45.1	190.9	734.0	15,683.1	3,920.2	24,689.7	
1979	435.3	204.4	3,951.2	71.8	265.3	1,125.5	17,653.3	5,443.4	29,150.2	
1980	485.6	182.8	4,118.1	205.1	384.3	1,385.6	20,385.7	6,928.5	34,075.7	
1981	550.4	840.0	4,416.8	219.8	264.7	1,852.6	22,998.4	8,708.4	39,851.1	
1982	639.0	502.1	4,984.5	239.8	336.3	2,113.1	26,213.3	13,110.7	48,139.0	
1983	620.4	537.6	5,395.1	123.4	193.0	2,238.2	28,646.3	17,138.0	54,892.0	

(a) Excludes shareholders' funds.

(b) Excludes inter-branch accounts and contingencies.

Major trading banks: classification of advances and deposits

In the classification of advances and deposits, borrowers and lenders are classified into two main groups:

Residents—comprising all institutions (including branches of overseas institutions) engaged in business in Australia and individuals permanently residing in Australia; and

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

Residents are further classified into:

Businesses—partnerships, companies and other institutions engaged in business in Australia; individuals actively engaged in business or a profession on their own behalf; and 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.

Public authorities—local and semi-government authorities including separately constituted government business undertakings, but not the Commonwealth and State Governments.

Persons—individuals other than those carrying on a business or profession.

Non-profit organisations—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.

**MAJOR TRADING BANKS:
CLASSIFICATION OF ADVANCES AND DEPOSITS WITHIN AUSTRALIA**
(*\$ million*)

	<i>Advances</i>				<i>Deposits</i>			
	<i>At second Wednesday of:</i>				<i>At second Wednesday of:</i>			
	<i>July 1981</i>	<i>January 1982</i>	<i>July 1982</i>	<i>January 1983</i>	<i>July 1981</i>	<i>January 1982</i>	<i>July 1982</i>	<i>January 1983</i>
Residents								
Businesses								
Agriculture, grazing and dairying	2,528.5	2,513.1	2,722.0	2,817.1	1,481.4	2,112.3	1,522.8	1,720.1
Manufacturing	2,196.3	2,313.2	2,496.4	2,402.4	665.7	715.4	627.2	760.5
Transport, storage and communication	377.4	399.4	400.8	407.8	222.7	247.0	247.0	241.7
Finance	907.8	986.4	1,014.1	1,043.4	1,219.6	1,496.7	1,559.6	2,115.0
Commerce	2,142.3	2,184.5	2,450.6	2,198.3	1,038.0	1,210.4	995.7	1,199.9
Building and construction	558.9	524.0	571.5	561.5	505.4	544.8	515.4	600.4
Other businesses	2,669.1	2,861.9	2,929.8	3,027.0	2,919.3	2,893.8	2,828.1	2,860.9
Unclassified	377.7	469.5	621.3	447.0	527.0	736.3	902.2	674.1
<i>Total businesses of which</i>	<i>11,758.0</i>	<i>12,252.0</i>	<i>13,206.5</i>	<i>12,904.5</i>	<i>8,579.2</i>	<i>9,956.5</i>	<i>9,198.0</i>	<i>10,172.7</i>
Companies	6,680.9	7,146.2	7,785.5	7,114.0	4,065.0	4,382.5	4,389.3	4,888.3
Other	5,077.1	5,105.8	5,421.0	5,790.5	4,514.1	5,574.0	4,808.8	5,284.3
Public authorities	164.2	237.7	265.9	241.9	1,664.8	1,719.2	1,860.1	2,007.5
Persons	7,931.0	8,553.8	8,967.3	9,456.1	12,217.6	13,165.8	13,458.7	14,314.9
Non-profit organisations	164.2	186.6	176.1	206.2	988.6	977.8	1,064.3	1,057.4
<i>Total residents</i>	<i>20,017.5</i>	<i>21,230.1</i>	<i>22,615.8</i>	<i>22,808.6</i>	<i>23,450.2</i>	<i>25,819.3</i>	<i>25,581.1</i>	<i>27,552.5</i>
<i>Total non-residents</i>	<i>37.2</i>	<i>32.2</i>	<i>25.0</i>	<i>36.4</i>	<i>446.0</i>	<i>460.6</i>	<i>483.0</i>	<i>566.2</i>
Total	20,054.7	21,262.3	22,640.8	22,845.0	23,896.1	26,279.9	26,064.1	28,118.7

Interest rates

At 30 June 1983, the maximum rates of interest were: (i) on fixed deposits of less than \$50,000, for periods of 3 months and less than 6 months—11.00 per cent to 13.20 per cent, 6 months and less than 2 years—11.25 per cent to 13.25 per cent, 2 years and less than 4 years—11.00 per cent to 12.00 per cent; (ii) on fixed deposits of \$50,000 and over, 30 days to 4 years—not subject to maximum rate; (iii) on certificates of deposit of \$50,000 and over, 3 months to 4 years—not subject to maximum rate; (iv) on overdrafts under \$100,000—13.50 per cent to 14.00 per cent; (v) on overdrafts over \$100,000—not subject to maximum rate; (vi) on personal loans—9.00 per cent to 9.75 per cent.

Branches and agencies

At 30 June 1983 the major trading banks operated 4,767 branches, and the other trading banks 420 branches. Of the total 5,187 branches, 2,812 were located in metropolitan areas. Trading bank facilities were also available at 1,101 agencies throughout Australia.

Debits to customers' accounts

TRADING BANKS: AVERAGE WEEKLY DEBITS TO CUSTOMERS' ACCOUNTS(a)
(*\$ million*)

<i>June</i>	<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>
1978 . . .	7,316.5	5,552.6	1,528.1	846.8	1,079.7	190.9	35.7	246.0	16,796.3
1979 . . .	8,147.8	7,050.1	1,712.4	924.5	1,370.3	243.8	43.1	186.9	19,678.9
1980 . . .	10,516.4	7,854.9	2,108.4	1,021.0	1,498.7	268.0	76.1	240.0	23,583.6
1981 . . .	12,319.1	8,871.0	2,522.5	1,169.6	1,821.4	280.6	78.4	346.8	27,409.3
1982 . . .	17,918.1	13,027.4	3,448.5	1,700.0	2,501.2	334.4	96.2	567.7	39,593.4
1983 . . .	17,788.4	13,679.3	3,926.4	1,727.2	2,592.5	332.0	95.1	834.1	40,974.9

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

Savings banks

Prior to 1956, savings bank 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.

All savings banks, including trustee savings banks but not State savings banks, are subject to the *Banking Act 1959*.

Liabilities and assets

Balance sheet information contained in the following table does not relate to uniform accounting periods but rather to the balance dates of banks falling within the years shown.

SAVINGS BANKS (a): LIABILITIES AND ASSETS (b)

(\$ million)

LIABILITIES

	<i>Paid-up capital</i>	<i>Reserve funds (used in the business of the bank) (c)</i>	<i>Balance of profit and loss account</i>	<i>Total share-holders' funds (c)</i>	<i>Depositors' balances</i>	<i>Balances due to other banks</i>	<i>Bills payable and all other liabilities (d)</i>	<i>Total</i>
1977 . . .	60.0	302.9	19.1	381.9	16,432.0	133.7	682.5	17,630.0
1978 . . .	60.0	370.8	22.6	453.4	18,078.7	86.1	751.4	19,369.6
1979 . . .	85.0	639.2	32.9	757.1	19,811.6	105.1	622.9	21,296.7
1980 . . .	92.0	737.2	41.8	871.1	21,276.8	110.4	732.4	22,990.7
1981 . . .	92.0	858.2	51.1	1,001.4	23,070.2	139.7	876.3	25,087.5
1982 . . .	90.5	916.5	66.2	1,073.2	24,919.1	303.2	1,329.6	27,625.1

ASSETS

<i>Australian public securities</i>						
	<i>Coin, bullion, notes and deposits with Reserve Bank</i>	<i>Deposits in Australia with trading banks</i>	<i>Commonwealth and State Governments</i>		<i>Local and semi-government securities</i>	<i>Other securities</i>
			<i>Treasury bills and notes</i>	<i>Other securities</i>		
1977	1,136.2	283.4	53.9	2,643.7	4,472.2	48.6
1978	1,146.9	218.4	97.1	2,514.5	4,899.8	54.5
1979	850.5	258.7	594.6	2,469.0	5,303.6	53.4
1980	616.6	252.2	1,070.6	2,112.9	5,662.8	56.8
1981	267.5	304.2	1,553.1	2,170.1	6,028.5	65.9
1982	233.9	323.0	1,711.8	2,103.3	5,930.7	105.2

	<i>Loans to authorised dealers in short-term money market</i>	<i>Cheques and bills of, and balances with and due from other banks (e)</i>	<i>Loans advances and bills discounted</i>	<i>Bank premises, furniture and sites</i>	<i>Bills receivable and remittances in transit</i>	<i>All other assets</i>	<i>Total</i>
1977	67.9	300.1	8,056.5	240.6	81.3	245.6	17,630.0
1978	118.0	351.4	9,371.4	276.6	71.2	249.6	19,369.6
1979	137.5	372.8	10,614.1	317.8	47.5	277.4	21,296.7
1980	178.9	406.8	11,930.8	365.9	70.4	265.9	22,990.7
1981	133.4	381.1	13,384.7	409.8	62.5	326.7	25,087.5
1982	116.2	502.4	15,199.5	449.1	383.5	566.5	27,625.1

(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 inner reserves from 1979. (d) Includes inner reserves to 1978. (e) Includes deposits with and loans to specified lenders other than trading banks.

Branches and agencies

At 30 June 1983 the savings banks operated 5,698 branches and 11,831 agencies, of which 3,171 branches and 5,649 agencies were in metropolitan areas.

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 former Commonwealth Bank of Australia. The functions of the Development Bank are to provide finance for the purpose of primary production (which includes fishing, forestry and all forms of rural activity) and for the establishment or development of small business undertakings (i.e. with shareholders'/proprietors' funds not exceeding \$3 million) in cases where such finance is not otherwise available on reasonable and suitable terms and conditions.

Two types of facility are provided—loans over medium to long terms and equipment finance over short terms. Loans to primary industry may be for all types of farm development, property purchase and restructuring of private mortgage debt. Loans to small businesses may be for establishment of new enterprises or for development of existing businesses in all sectors including manufacturing, retail and wholesale trade, transport, tourism, professions, entertainment and service industries. Equipment finance is provided for the acquisition of plant and vehicles for both primary industry and business undertakings.

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.

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 under the *Banking Act 1959* 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.

The Primary Industry Bank of Australia Limited

The Primary Industry Bank of Australia Limited commenced operations on 22 September 1978 under the authority of the *Primary Industry Bank Act 1977*. The Bank has also been brought within the scope of the *Banking Act 1959* including those provisions relating to the protection of depositors, advances policy, control of interest rates, furnishing of statistics, and alterations in the structure and ownership of the Bank.

The main objective of the Bank is to facilitate the provision of loans to primary producers for longer terms than are otherwise generally available. The Bank's role is restricted to refinancing loans made by banks and other financial institutions with terms of eight years or more but not exceeding thirty years.

The equity capital of the Bank is \$5,625,000 consisting of eight shares. Seven shares are held by the Commonwealth Government and the major trading banks while the eighth share is held equally by the four State banks.

REGISTERED BUILDING SOCIETIES

Permanent building societies

A permanent building society is defined as an organisation that: (a) is registered under relevant State or Territory legislation; (b) has rules or regulations that do not specify that it is to terminate on a specific date or when a specific objective is achieved; and (c) operates on a co-operative basis by borrowing predominantly from its members and providing finance to its members principally in the form of housing loans.

In 1976 a statistical collection was introduced covering the financial accounts of permanent building societies in all States and Territories of Australia. The statistics below summarise information collected from the 105 permanent building societies balancing in the 1981–82 financial year. More detailed descriptions and dissections of these statistics may be found in the annual publication *Permanent Building Societies: Assets, Liabilities, Income and Expenditure, Australia* (\$632.0).

Information relating to the housing finance operations of permanent building societies is provided on pages 511-2. Detailed statistics on the operations generally of permanent building societies are available in the monthly publication *Housing Finance for Owner Occupation, Permanent Building Societies, Australia* (5610.0).

Summary statistics on the financial operations, assets and selected liabilities of permanent building societies registered under the *Financial Corporations Act* 1974, and which have assets in Australia exceeding \$5 million, are given on pages 503-4.

**PERMANENT BUILDING SOCIETIES:
LIABILITIES AND ASSETS(a)
(\$ million)**

<i>Liabilities</i>	<i>1981-82</i>	<i>Assets</i>	<i>1981-82</i>
Share capital and reserves:		Amount owing on loans	10,303.7
Non-withdrawable shares	31.4	Cash on hand	21.8
Withdrawable shares	9,149.2	Deposits with—	
Reserves—		Banks	838.0
Statutory	140.8	Other	322.6
Other(b)	211.1	Bills, bonds and other securities	1,691.1
Deposits	3,753.3	Accounts receivable	47.8
Loans	248.3	Physical assets	424.5
Accounts payable	61.6	Other assets	12.3
Other liabilities	66.2		
Total liabilities	13,661.8	Total assets	13,661.8

(a) At the balance dates of societies within the financial year shown.

(b) Includes accumulated surpluses and deficits.

**PERMANENT BUILDING SOCIETIES:
INCOME AND EXPENDITURE
(\$ million)**

<i>Expenditure</i>	<i>1981-82</i>	<i>Income</i>	<i>1981-82</i>
Interest on:		Interest from:	
Shares	912.2	Loans	1,379.3
Deposits	399.5	Deposits	151.8
Loans	23.2	Income from holdings of securities	212.1
Wages and salaries	105.5	Management fees	19.4
Management fees(a)	42.4	Other income	21.1
Administrative expenses(b)	107.1		
Insurance premiums paid	2.6		
Other expenditure	82.6		
Total expenditure	1,675.0	Total income	1,783.6

(a) Represents payments made by societies to separate management companies.

(b) Includes Permanent Building Society Association costs, advertising, bank charges and other administrative expenses.

Terminating building societies

A terminating building society is defined as an organisation that: (a) is registered under relevant State or Territory legislation; (b) has rules or regulations which specify that it is to terminate on a specific date or when a specific objective is achieved; and (c) provides finance to its members in the form of housing loans from funds obtained from lending institutions (usually government guaranteed), members' subscriptions, or from moneys provided under Commonwealth-State Housing Agreements.

During 1981-82 the NSW legislation governing terminating building societies was amended to require societies with common boards of directors, a common registered office, and the same institutional lender, to amalgamate to form a single society called a co-operative housing society, whose rules no longer require it to terminate. As a result of these changes a review of the definitions used in the publication of statistics of building societies is being carried out. The operations of these NSW societies are included in these statistics for the purposes of comparability. The 'number of societies' shown in the following paragraph reflects the results of the amalgamations.

In 1977 a statistical collection was introduced covering the financial accounts of terminating building societies in all States and Territories of Australia. The statistics below summarise information collected from the 3,306 terminating building societies balancing within the 1981-82 financial year. More detailed descriptions and dissections of these statistics may be found in the annual publication *Terminating Building Societies: Assets, Liabilities, Income and Expenditure, Australia* (5633.0).

Information relating to the housing finance operations of terminating building societies is provided on pages 511-2.

**TERMINATING BUILDING SOCIETIES:
LIABILITIES AND ASSETS(a)
(\$ million)**

<i>Liabilities</i>	<i>1981-82</i>	<i>Assets</i>	<i>1981-82</i>
Share capital(b)	1.2	Amount owing on loans(b)	1,519.2
Accumulated funds(c)	26.0	Cash on hand and current accounts at banks	11.8
Loans from:		Deposits with:	
Banks	257.6	Banks	6.8
Commonwealth/State Home Builders' Fund(d)	894.0	Others	20.2
Others	373.2	Physical assets	0.2
Other liabilities	8.2	Other assets	1.8
Total liabilities	1,560.1	Total assets	1,560.1

(a) At the balance dates of societies within the financial year shown. (b) Borrowing members' subscriptions have been offset against 'Amount owing on loans'. (c) Includes accumulated surpluses and deficits. (d) Refers to loans made through the Commonwealth/State Housing Agreements.

**TERMINATING BUILDING SOCIETIES:
INCOME AND EXPENDITURE
(\$ million)**

<i>Expenditure</i>	<i>1981-82</i>	<i>Income</i>	<i>1981-82</i>
Interest paid on borrowing members' subscriptions	3.3	Interest on:	
Interest on loans from:		Loans to members	117.3
Banks	29.8	Other	1.8
Other	83.6	Management fees	11.2
Salaries and secretarial fees	10.2	Other income	2.9
Other expenditure	4.0	Total income	133.3
Total expenditure	130.9		

CREDIT UNIONS

A credit union (or co-operative credit society) is defined as an organisation that: (a) is registered under relevant State or Territory legislation; and (b) operates on a co-operative basis by predominantly borrowing from and providing finance to its own members.

Credit union annual financial account statistics were first collected on a national basis from all registered credit unions for the year 1974-75 when there were 738 credit unions with a total of 909,547 members. The number of credit unions operating in 1981-82 was 590 with 1,733,490 members. Comprehensive financial account statistics are provided in the annual publication *Credit Unions: Assets, Liabilities, Income and Expenditure, Australia* (5618.0).

Statistics on the housing finance operations of credit unions are provided on pages 511-2, while on pages 503-4 are summary statistics on the financial operations, assets and selected liabilities of credit unions registered under the *Financial Corporations Act* 1974 which have assets in Australia exceeding \$5 million.

CREDIT UNIONS: LIABILITIES AND ASSETS(a)
(*\$ million*)

<i>Liabilities</i>	<i>1981-82</i>	<i>Assets</i>	<i>1981-82</i>
Share capital and reserves:		Amount owing on loans(c)	2,324.4
Paid-up share capital	14.7	Cash on hand	13.7
Reserves—		Deposits with—	
Statutory	31.5	Banks	68.7
Other(b)	76.1	Credit Union Leagues or Associations	176.4
Deposits	2,704.4	Other	106.4
Loans	76.6	Bills, bonds and other securities	100.0
Accounts payable	16.6	Accounts receivable	16.1
Other liabilities	10.7	Physical assets	114.9
		Other assets	10.0
Total liabilities	2,930.6	Total assets	2,930.6

(a) At the balance dates of credit unions within the financial year shown. (b) Includes accumulated surpluses and deficits. (c) Net of unearned interest and allowance for doubtful debts.

CREDIT UNIONS: INCOME AND EXPENDITURE
(*\$ million*)

<i>Expenditure</i>	<i>1981-82</i>	<i>Income</i>	<i>1981-82</i>
Interest on:		Interest from:	
Deposits	256.5	Loans	360.9
Loans	7.0	Deposits	42.1
Wages and salaries	53.9		
Administrative expenses	40.0	Income from holdings of securities	11.1
Insurance premiums paid	7.3	Management fees	2.1
Allowance for doubtful debts	7.1	Bad debts recovered	1.2
Other expenditure	29.4	Other income	7.1
Total expenditure	401.2	Total income	424.4

SHORT-TERM MONEY MARKET

Authorised money market corporations

For some years prior to 1959 leading stockbrokers were actively engaged in operations which formed the basis of a short-term money market in Australia. The stockbrokers' operations involved the acceptance of short-term funds which were secured against government securities. These operations were severely limited by the lack of suitable short-term securities and by liquidity constraints. In February 1959 the Central Bank established the Official Short-Term Money Market by making available 'lender of last resort' facilities to selected dealers.

There are nine authorised money market dealers. They are required by the Reserve Bank to: (a) accept loans overnight, at call or for fixed periods, in minimum amounts of \$50,000 and invest these funds in Commonwealth Government and other approved securities; (b) at all times be willing traders in the buying and selling of approved securities; (c) have a minimum paid-up capital of \$400,000 and adhere to a maximum limit on the ratio of loans to shareholders' funds; and (d) consult regularly with the Reserve Bank on all market matters and furnish detailed information about their portfolios, operations, interest rates, balance sheets and profit and loss accounts. Under the 'lender of last resort' arrangements, dealers may borrow from the Reserve Bank for a minimum of seven days and at a rate designed to discourage excessive recourse to the facility.

The following table contains details of selected liabilities and assets, and interest rates. Additional information on authorised dealers collected under the *Financial Corporations Act 1974* is provided on pages 503-4.

SHORT-TERM MONEY MARKET: SELECTED LIABILITIES AND ASSETS AND INTEREST RATES OF AUTHORISED DEALERS

(Source: Reserve Bank of Australia)

Month	Liabilities to clients			Asset holdings (face value)			Interest rates on loans accepted during month				Weighted average interest rate on loans outstanding (c)	
	All trading banks	Other clients	Total	C'wealth Govt securities (a)	Com-mercial bills (b)	Banks' certifi-cates of deposit	At call		For fixed periods			
							Mini-mum	Maxi-mum	Mini-mum	Maxi-mum		
Average of weekly figures—(\$ million)											Per cent per annum	
June—												
1978	191	1,089	1,279	1,144	154	16	0.50	18.86	3.00	11.50	9.05	
1979	265	1,213	1,478	1,246	190	18	1.00	18.25	3.10	11.00	7.75	
1980	384	1,114	1,498	1,274	229	58	1.00	18.80	5.50	13.00	10.34	
1981	265	1,122	1,387	1,395	258	25	5.00	21.60	11.75	15.00	13.04	
1982	336	1,038	1,374	1,047	265	85	1.00	26.10	4.00	19.25	14.88	
1983	193	1,303	1,496	1,100	361	177	1.00	25.00	2.00	15.00	9.76	

(a) Within 5 years of maturity. (b) Accepted or endorsed by banks. (c) Weighted average of rates paid on all days of the four or five weeks ending on the last Wednesday of the month.

Money market corporations

There are also companies without Reserve Bank 'lender of last resort' facilities which operate in a similar manner to authorised dealers. These companies are recognised under the *Financial Corporations Act 1974* in the category of money market corporations. This category consists of registered corporations whose short-term borrowings are a substantial proportion of their total outstanding provision of finance, which is mainly in the form of loans to authorised dealers in the short-term money market and other liquidity placements, business loans and investments in Government, commercial and corporate paper.

The category of money market corporations also includes registered corporations providing short-term finance but which are themselves financed by related corporations with funds raised on a short-term basis, as well as corporations which borrow principally short-term and lend predominantly to related money market corporations.

Statistics on money market corporations registered under the *Financial Corporations Act 1974* are contained in the tables on pages 503-4.

FINANCE COMPANIES

Information presented on finance companies in Australia in the following tables has been compiled from returns collected under the *Census and Statistics Act 1905*. For the purpose of these statistics, a finance company is defined as an incorporated company which is, or a group of incorporated companies related under Section 7 of the *Companies Act 1981*, each of which is, mainly engaged in providing to the general public (businesses as well as persons in their private capacity) any of the following types of credit facilities: instalment credit for retail sales; personal loans; wholesale finance; factoring; other consumer and commercial loans; finance leasing of business plant and equipment and bills of exchange transactions. A company is mainly engaged in providing these types of credit facilities if 50 per cent or more of its assets consist of balances outstanding with respect to such facilities, or if 50 per cent or more of its income is derived from such facilities.

The statistics for the financial year relate to those finance companies which have balances outstanding net of unmatured income in the prescribed types of credit facilities of \$5 million or more in total on an Australia-wide basis. The 1981-82 annual census of finance companies indicated that companies thus included accounted for 98.9 per cent of the total net balances outstanding on prescribed credit facilities of all finance companies.

Comprehensive information on the transactions and financial structure of finance companies is available in the monthly publication *Finance Companies, Australia* (5614.0) and the annual publication *Finance Companies: Assets, Liabilities, Income and Expenditure, Australia* (5616.0) respectively. Information on foreign ownership and control of finance companies is given in Chapter 24, Overseas Transactions.

Although individual corporations in the *Financial Corporations Act* 1974 categories of finance companies and general financiers may meet the above definition of a finance company, differences in definitions, scope and coverage generally mean that the statistics on pages 503-4 for those categories are not comparable with the statistics for finance companies shown below.

FINANCE COMPANIES: ASSETS, LIABILITIES, INCOME AND EXPENDITURE(a)
(£ million)

	1979-80	1980-81	1981-82
Assets—			
Balances outstanding on finance agreements(b)	15,264.5	17,479.1	20,559.9
Cash on hand and bank deposits	51.4	33.4	32.2
Loans to authorised money market dealers	12.3	12.5	19.4
Investments in shares and securities	252.1	314.1	354.0
Physical assets	179.5	182.2	205.3
Other assets	309.6	370.1	397.1
Total assets	16,069.5	18,391.3	21,567.9
Liabilities—			
Paid-up capital	1,051.7	1,145.3	1,303.6
Reserves	459.1	529.3	578.0
Unappropriated profits	327.2	385.0	550.5
Borrowed funds—			
Bank loans and overdrafts	261.3	315.5	419.6
Debentures	6,937.9	7,515.9	8,254.1
Secured and unsecured loans	5,577.9	6,802.0	8,663.0
Other liabilities	1,454.3	1,698.3	1,799.1
Total liabilities	16,069.5	18,391.3	21,567.9
Income for year—			
Interest from finance agreements	2,214.9	2,558.7	3,210.9
Other income	146.8	205.6	199.4
Total income	2,361.7	2,764.2	3,410.3
Expenditure for year—			
Interest on borrowed funds	1,376.4	1,621.4	2,160.8
Wages, salaries and allowances, directors fees and emoluments	234.6	263.0	288.5
Other expenditure	485.2	507.6	538.6
Total expenditure	2,096.3	2,392.0	2,987.9

(a) At the balance date of companies within the financial year shown. (b) Excludes unmatured income of \$3,604.3m in 1979-80, \$4,306.8m in 1980-81 and \$5,427.8m in 1981-82.

FINANCE COMPANIES: AMOUNT FINANCED AND BALANCES OUTSTANDING CLASSIFIED BY THE TYPE OF FINANCE AGREEMENT
(£ million)

	1980-81	1981-82	1982-83
Amount financed during year—			
Instalment credit for retail sales and personal loans	2,519.0	2,732.9	2,585.9
Finance for housing	2,072.5	2,087.7	1,530.1
Wholesale finance	5,529.8	6,251.7	5,770.9
Factoring and other commercial loans	3,474.7	4,134.7	4,367.7
Leasing of business plant and equipment(a)	3,580.9	3,594.1	3,106.3
Bills of exchange(b)	888.8	2,093.3	2,606.3
Total amount financed on finance agreements(c)	18,065.7	20,894.3	19,967.1
Balances outstanding at 30 June (d)—			
Instalment credit for retail sales and personal loans	4,736.1	5,411.1	5,480.3
Finance for housing	4,000.5	4,844.3	4,525.6
Wholesale finance	1,329.8	1,495.4	1,264.4
Factoring and other commercial loans	4,526.7	5,482.9	6,033.1
Leasing of business plant and equipment(e)	8,351.9	9,622.1	9,783.6
Bills of exchange	104.7	134.1	179.8
Liquidity placements and loans to non-finance companies in group	613.3	588.1	808.0
Total balances outstanding on finance agreements	23,663.0	27,578.0	28,074.8

(a) Refers to the value of goods newly leased. (b) Refers to amounts paid for bills acquired. (c) Excludes amounts for liquidity placements and loans to non-finance companies in group. (d) Includes unmatured income. (e) Refers to the value of leasing agreements.

FINANCIAL CORPORATION STATISTICS

The statistics provided in the following tables have been compiled from monthly returns supplied to the Australian Bureau of Statistics by corporations registered under the *Financial Corporations Act* 1974 and which have Australia-wide assets exceeding \$5 million. A summary of the objects and content of the Financial Corporations Act is given in Year Book No. 62, page 541. Information is also collected quarterly from registered corporations whose comparable asset figures exceed \$1 million but not \$5 million. Detailed statistics on all corporations registered under the Act are published in the monthly publication *Financial Corporations Statistics, Australia* (5617.0).

Descriptions of the categories *building societies*, *credit unions/co-operatives*, *authorised money market dealers* and *money market corporations* appear in the respective parts of this chapter. Descriptions of the other categories are as follows:

Pastoral finance companies—comprising corporations whose provision of finance is predominantly in the form of loans to rural producers largely associated with the provision of rural services.

Finance companies—comprising corporations not included in the categories *building societies*, *credit co-operatives*, *authorised money market dealers*, *money market corporations* or *pastoral finance companies* which rely substantially on borrowings in financial markets in Australia and/or from abroad and whose provision of finance is predominantly in the form of business and commercial lending, instalment credit to finance retail sales by others and/or other loans to individuals.

General financiers—comprising corporations which lend predominantly for business and commercial purposes, instalment credit to finance retail sales by others and/or other loans to individuals but which do not rely substantially on borrowings in financial markets in Australia and from abroad.

Intra group financiers—comprising corporations not elsewhere categorised which predominantly borrow within a corporation group and/or provide finance by lending within their corporation group or by investing in financial markets.

Other financial corporations—comprising registered corporations not included in any other specific category.

FINANCIAL CORPORATIONS WITH ASSETS IN AUSTRALIA EXCEEDING \$5 MILLION: FINANCIAL OPERATIONS, SELECTED LIABILITIES AND ASSETS (\$ million)

FINANCIAL OPERATIONS AND SELECTED LIABILITIES AS AT 30 JUNE 1983

Category	Financial operations						
	Number of corpor- ations	Unused lending commit- ments (a)	Borrowing lines and standby facilities available and unused from—(b)		Selected liabilities		
			Residents	Non- residents	Paid-up capital	Borrowings from—	
						Residents	Non- residents
Building societies	65	394.2	434.6	—	(c) 53.0	(c) 14,358.1	10.2
Credit co-operatives	150	22.5	30.5	—	(c)	(c) 2,968.7	—
Authorised money market dealers	9	4.3	—	—	38.9	1,905.1	2.6
Money market corporations	55	3,299.6	601.4	1,625.4	332.2	12,158.5	574.9
Pastoral finance companies	15	—	122.4	119.7	275.0	989.5	56.9
Finance companies	104	1,293.3	1,119.4	564.1	1,705.0	21,535.9	432.4
General financiers	93	97.1	253.1	46.2	191.1	1,705.4	175.2
Intra group financiers	12	246.2	32.5	245.9	199.4	952.8	455.6
Other financial corporations	8	9.2	19.5	—	n.p.	362.7	n.p.
Total	511	5,366.3	2,613.6	2,601.4	(d) 2,794.6	56,936.8	(e) 1,707.8

For footnotes see end of table.

ASSETS IN AUSTRALIA AT 30 JUNE 1983

Category	Cash and bank deposits	Loans to authorised dealers in the STMM and other short-term placements (f)	Government and public authority securities	Bills of exchange and promissory notes counted and held (g)	Other financial investments	Other assets arising from the provision of finance (h)	All other assets in Australia	Total assets in Australia	Assets overseas
Building societies . . .	1,365.5	187.5	660.4	1,560.9	26.8	10,762.4	638.0	15,201.4	
Credit co-operatives . .	149.0	379.9	36.0	38.8	20.4	2,364.3	168.9	3,156.9	
Authorised money market dealers . . .	180.5	1.0	1,436.3	376.5	-	0.5	11.9	2,006.6	
Money market corporations . . .	708.3	2,548.4	255.6	3,746.3	386.8	5,702.0	322.6	13,670.1	57.2
Pastoral finance companies . . .	4.9	16.3	-	-	467.8	867.4	529.5	1,885.7	2.9
Finance companies . . .	34.4	518.1	5.9	148.4	927.4	24,046.9	274.8	25,956.0	4.2
General financiers . . .	26.5	89.5	4.4	94.2	106.3	1,984.3	350.4	2,655.6	1.0
Intra group financiers . .	1.3	142.4	0.4	216.6	111.9	1,182.8	29.1	1,684.4	12.1
Other financial corporations . . .	61.0	141.7	(i)	91.1	(i)	29.7	(j) 51.5	375.1	-
Total	2,531.0	4,024.7	2,398.9	6,272.7	2,047.4	46,940.3	(j) 2,376.8	66,591.7	77.5

(a) Includes all binding commitments to provide funds to residents of Australia other than those that are of a type which is usually completely disbursed within 30 days of approval; excludes commitments that do not have a quantifiable limit. (b) Includes all binding commitments (i.e. borrowing lines and standby facilities) to provide funds to reporting corporations; excludes standby facilities which do not have a quantifiable limit. (c) 'Paid-up capital' includes only fixed share capital; withdrawable share capital is included in 'Borrowings from residents'. (d) Excludes paid-up capital of other financial corporations. (e) Excludes borrowings of other financial corporations. (f) Includes short-term placements that are repayable at call or within 90 days; excludes funds placed with banks and related corporations, and purchases of government securities and bills of exchange. (g) Excludes bills that have been drawn or accepted by reporting corporations. (h) Includes holdings of bills that have been drawn by reporting corporations and loans that have been re-financed by the sale of bills accepted by reporting corporations. (i) Not available separately, included in 'All other assets in Australia'. (j) Includes items not available for separate publication.

CASH MANAGEMENT TRUSTS

A monthly statistical collection was introduced in May 1983 to obtain information on the operations of cash management trusts. A cash management trust is a unit trust which is established and governed by a trust deed, is open to the public and is restricted to investing in financial securities maturable or redeemable within 12 months.

Since the launching of the first cash management trust in December 1980, the trusts have experienced rapid growth. They now hold a significant place in the Australian financial system, allowing small investors to take advantage of the high yields often available in the short term money market. Previously such opportunities had been available only to large-scale investors such as major corporations, public authorities and superannuation funds.

The following table summarises the financial operations of cash management trusts.

CASH MANAGEMENT TRUSTS

Quarter	Units in issue at end of period \$ million	Weighted average net yield at end of period % per annum	Assets (\$ million)					Other assets	Total assets
			Cash and deposits with banks	All other deposits and loans	Bills of exchange purchased and held	Promissory Notes purchased and held			
1982-83									
September	2,169.1	15.95	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2,229.5
December	2,170.4	13.37	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2,219.6
March	2,163.0	13.48	568.8	617.1	833.2	171.1	31.5	2,221.7	
June	2,152.6	13.04	340.5	615.6	1 038.8	184.2	34.7	2,213.8	
1983-84									
September	2,121.1	11.40	63.3	803.5	978.4	215.0	96.0	2,156.2	

LIFE INSURANCE

Statistics in the following tables have been derived from the publications of the Life Insurance Commissioner and relate to the life insurance business of companies with head offices in Australia and the Australian business of companies with head offices overseas. Also included are the life business operations voluntarily reported by three State Government Insurance Offices.

Forty-four life offices conducted life insurance business in Australia during 1982.

Information contained in the following two tables does not relate to uniform accounting periods but to the balance dates of organisations falling within the calendar year shown.

LIFE INSURANCE OFFICES: LIABILITIES AND ASSETS

(\$ million)

	1980	1981	1982
Liabilities—Australia and overseas—			
Total balances of revenue accounts at end of year	17,516.4	19,161.4	21,563.5
Reserves	193.7	222.4	269.4
Total	17,710.1	19,383.8	21,832.9
Other liabilities—			
Bank overdraft	93.9	164.9	153.2
Deposits	115.0	147.7	117.5
Claims admitted	132.5	134.7	144.8
Sundry creditors	147.0	166.7	153.4
Provision for taxation	292.0	329.1	388.6
Provision for superannuation and long-service leave	34.6	41.2	49.2
Miscellaneous liabilities	40.0	25.6	237.1
Total liabilities	18,565.2	20,393.8	23,076.7
Assets—Australia and overseas—			
Property and fixed assets	4,265.5	4,740.9	5,386.5
Loans	2,427.3	2,566.5	3,054.3
Investment	11,071.1	11,985.7	13,587.8
Cash and deposits	170.4	386.7	284.8
Outstanding premiums including advances of premiums	287.6	310.1	327.1
Outstanding interest, dividends and rents	259.4	281.5	332.1
Sundry debtors	54.6	90.2	71.5
Miscellaneous assets	29.3	32.3	32.6
Total assets	18,565.2	20,393.8	23,076.7

LIFE INSURANCE OFFICES: REVENUE AND EXPENDITURE

(\$ million)

	1980	1981	1982
<i>Balance of Revenue Account at beginning of year—Australia and overseas</i>	15,567.0	17,516.4	19,161.4
Revenue—			
Single premiums	167.5	389.2	320.3
Other premiums	2,434.1	2,684.1	3,049.1
Net interest	1,302.1	1,515.5	1,782.7
Net conversion and transfer values-in	54.5	0.8	13.8
Net transfers from reserves and provisions within fund	-28.4	-27.5	-45.0
Other net transfers within statutory fund-in	-	-0.2	-
Net profit (or loss) on realisation or revaluation of assets	579.6	269.2	433.6
Miscellaneous income	-110.0	-460.4	92.7
Total revenue	4,399.4	4,370.9	5,647.3
Total	19,966.4	21,887.3	24,808.7
Expenditure—			
Claims by death and disability	371.0	392.2	472.6
Claims by maturity	535.0	577.6	711.4
Surrenders and bonuses in cash	856.0	952.7	1,175.5
Annuities	12.2	12.5	14.8
Commissions	246.6	299.9	352.1
Salaries	198.3	221.1	256.4
Contribution to staff superannuation	39.8	43.5	50.8
Taxes (other than those charged on interest dividends and rents)	25.1	31.5	25.3
Other expenses	154.9	176.1	220.9
Transfer out of statutory fund	11.0	18.8	-34.6
Total expenditure	2,449.9	2,725.9	3,245.2
<i>Balance of Revenue Account at end of year—Australia and overseas</i>	17,516.5	19,161.4	21,563.5
Total	19,966.4	21,887.3	24,808.7

LIFE INSURANCE: SUMMARY

<i>Insurance and endowment policies</i>				
	<i>Number of policies</i>	<i>Sum insured (\$ million)</i>	<i>Business issued by single premiums (\$ million)</i>	<i>Annual premiums (\$ million)</i>
ORDINARY AND INDUSTRIAL BUSINESS				
New policies issued—				
1981	398,015	13,604.5	116.8	131.7
1982	412,298	15,454.0	115.3	144.1
Policies discontinued or reduced (a)—				
1981	718,626	9,162.6	..	118.1
1982	733,757	9,973.6	..	126.8
Policies existing at end of—				
1981	6,441,083	76,047.0	..	953.0
1982	6,119,624	81,526.9	..	970.2
SUPERANNUATION BUSINESS				
New policies issued—				
1981	196,092	22,035.9	128.3	440.4
1982	190,961	24,113.5	196.0	493.2
Policies discontinued or reduced (a)—				
1981	84,557	7,276.4	..	158.8
1982	86,250	10,046.0	..	220.0
Policies existing at end of—				
1981	892,782	63,859.3	..	1,390.8
1982	997,491	77,926.7	..	1,663.9

(a) Includes net transfers and conversions off.

GENERAL INSURANCE

The following statistics have been compiled from returns collected under the *Census and Statistics Act 1905* and relate to the operations of:

- (a) *Bodies corporate* authorised to carry on insurance business under the *Insurance Act 1973* (see page 491);
- (b) *Brokers* in respect of business placed with overseas insurers; and
- (c) *Government instrumentalities*, i.e. State Government Insurance Offices and Commonwealth Government and State Government instrumentalities in respect of their general insurance business.

These statistics are based on the following definitions:

Premiums comprise the full amount receivable in respect of direct insurance and facultative reinsurance business written or renewed within Australia (including business placed overseas by Australian brokers) during the year less (a) outward facultative reinsurance within Australia, (b) stamp duty and fire service charges paid, and (c) returns, rebates and bonuses paid or credited to policy holders. Premiums 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.

Claims comprise, for direct insurance and facultative reinsurance business, 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.

In many instances brokers have no knowledge of claims made by the insured on overseas insurers in respect of business placed through them. Because of this, no details of claims are collected from brokers.

Information contained in the following tables does not relate to uniform accounting periods but to the financial years of the organisations which ended during the years shown.

More detailed descriptions and dissections of these statistics may be found in the annual publication *General Insurance, Australia* (5620.0).

**GENERAL INSURANCE: PREMIUMS AND CLAIMS BY
PRINCIPAL CLASS OF BUSINESS**
(\$ million)

<i>Class of business</i>	<i>1979-80</i>	<i>1980-81</i>	<i>1981-82</i>
PREMIUMS(a)			
Fire(b)	287.3	305.9	352.8
House Owners' and House-holders'	315.8	379.6	459.8
Contractors' All Risks	21.1	26.8	39.1
Marine and Aviation	116.5	134.0	139.7
Motor Vehicle Comprehensive	863.8	914.6	1,042.2
Compulsory Third Party (Motor Vehicle)	674.5	768.4	910.4
Employers Liability(c)	774.4	875.7	1,175.8
Public Liability(d)	111.0	134.4	170.7
All other	345.3	384.3	430.8
Total	3,509.8	3,923.7	4,721.3
CLAIMS(e)			
Fire(b)	218.9	245.7	262.7
House Owners' and House-holders'	217.3	267.8	273.9
Contractors' All Risks	13.0	18.8	30.4
Marine and Aviation	69.3	84.0	105.8
Motor Vehicle Comprehensive	650.7	740.2	861.4
Compulsory Third Party (Motor Vehicle)	673.1	850.5	1,107.9
Employers Liability(c)	698.2	922.4	1,324.8
Public Liability(d)	54.7	78.3	107.8
All other	166.5	201.7	215.5
Total	2,761.6	3,409.4	4,290.1

(a) Includes premiums received by brokers 1979-80, \$86.4 million; 1980-81, \$89.1 million; 1981-82, \$94.7 million. (b) Includes sprinkler leakage, loss of profits, and crop and hailstone insurance. (c) Excludes workers' compensation insurance in the coal mining industry in N.S.W. (d) Includes product liability and professional indemnity insurance. (e)

Excludes brokers.

PUBLIC AUTHORITY PENSION AND SUPERANNUATION SCHEMES

Public authority pension and superannuation schemes are established primarily to provide financial benefits on retirement to employees of Australian and State governments, local governments and statutory authorities created by governments.

In the public sector there are three types of schemes in operation:

- (a) Self-administered superannuation funds;
- (b) Schemes operated through life insurance offices; and
- (c) Schemes funded from Consolidated Revenue.

Schemes of types (a) and (b) are included in the statistics below while type (c) schemes are not separately constituted funds and are therefore excluded. In addition schemes of some Australian Government trading enterprises are excluded. More detailed descriptions and dissections of these statistics may be found in the annual publication *Public Authority Pension and Superannuation Schemes, Australia* (5511.0)

PUBLIC AUTHORITY PENSION AND SUPERANNUATION SCHEMES OPERATED THROUGH SELF-ADMINISTERED FUNDS

	1979-80	1980-81	1981-82
(\$ million)			
Income—			
Contributions—			
Employees	422.4	501.1	580.9
Employing authorities	768.6	893.4	1,040.3
Interest, dividends and rent	503.9	573.2	696.6
Transfers	57.4	71.5	259.4
Other income			
Total income	1,752.3	2,039.2	2,577.2
Expenditure—			
Pensions	471.1	547.1	628.4
Lump sum payments—			
On retirement, death, resignation or dismissal (a)	392.2	465.4	550.1
Gratuities	10.0	8.8	11.6
Other expenditure	79.6	86.9	193.9
Total expenditure	952.9	1,108.2	1,384.0
Assets at end of year—			
Cash—			
Deposits with Treasury	653.5	814.0	965.5
Other deposits and cash	64.9	96.2	162.4
Commonwealth Government securities	45.6	50.1	74.6
Local and semi-government securities	1,589.1	1,734.9	2,056.3
Mortgages	722.0	927.9	1,074.7
Loans to building societies	214.4	235.7	261.7
Company shares, debentures and notes	491.5	630.2	838.9
Other assets	1,314.2	1,675.7	2,036.5
Total assets (b)	5,095.1	6,164.8	7,470.6
Less Sundry creditors, etc.	100.5	104.1	140.9
Accumulated funds (b)	4,994.5	6,060.7	7,329.7
Contributors at end of year	613,907	627,401	644,693
Pensioners at end of year—			
Ex-employees	76,122	78,667	85,022
Widows	39,647	40,089	40,294
Children	3,953	3,712	3,730

(a) Includes refunds of contributions to continuing members.
 (b) Includes assets of the Voluntary Savings Scheme of the State Superannuation Fund in South Australia.

PUBLIC AUTHORITY PENSION AND SUPERANNUATION SCHEMES OPERATED THROUGH LIFE INSURANCE OFFICES

		1979-80	1980-81	1981-82
Income—				
Contributions—				
Employees	\$ million	71.4	70.8	68.6
Employing authorities	\$ million			
Contributors at end of year	No.	43,497	41,701	33,614

AUSTRALIAN INDUSTRY DEVELOPMENT CORPORATION

The Australian Industry Development Corporation (AIDC) 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 as an independent commercial enterprise governed by its own Board of Directors.

The Corporation has a capital of \$100 million, to be subscribed by the Commonwealth Government in instalments but the whole being available if required to meet obligations. The paid-up capital at 30 June 1982 was \$62.5 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 AIDC must operate on a commercial basis and assist only in ventures which can demonstrate sound prospects, the Corporation provides finance, obtained by borrowing both in Australia and overseas, for Australian firms (including local firms with foreign partners) engaged in industries concerned with the manufacture, processing, treatment, transportation or distribution of goods, or the development or use of natural resources (including the recovery of minerals), or technology and activities that are connected with or incidental to those 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 AIDC provides development capital both for start-up situations and for going concerns. Although the greater part of its financing is by loans, it also makes equity investments in industry. Where a company's capital needs can best be met by loan finance, AIDC does not seek an equity position. It aims to avoid involvement in the management of companies to which it provides financing.

Financing commitments approved since operations commenced, totalled \$1,084 million at 30 June 1982, and operational loans and investments outstanding were \$606 million.

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 monthly publication *Instalment Credit for Retail Sales, Australia* (5631.0).

These statistics cover the operations of instalment credit schemes which relate primarily to the financing of retail sales of consumer commodities. In general, the term instalment credit is defined as relating to schemes in which repayment is made by regular predetermined instalments (predetermined by amount or by percentage of amount financed or balance outstanding). Types of instalment credit schemes covered include hire purchase, time payment, budget accounts and personal loans where these schemes relate to the financing of retail sales of consumer commodities.

Figures for amounts financed exclude interest, hiring charges, insurance, etc. Figures for balances outstanding and collections include interest, hiring charges, insurance, etc.

**INSTALMENT CREDIT FOR RETAIL SALES BY TYPE OF BUSINESS: AMOUNT FINANCED BY
COMMODITY GROUP, COLLECTIONS AND BALANCES OUTSTANDING, AUSTRALIA**
(\$ million)

	<i>Amount financed during year</i>					<i>Collections and other liquidations of balances during year</i>	<i>Balances outstanding at end of year</i>
	<i>Motor cars and station wagons</i>		<i>Other motor vehicles (a)</i>	<i>Household and personal goods</i>	<i>Total</i>		
	<i>New</i>	<i>Used</i>					
Finance companies—							
1980-81	407.1	620.0	162.1	373.1	1,562.2	2,181.6	3,054.7
1981-82	501.0	706.7	179.0	397.0	1,783.7	2,333.2	3,544.4
1982-83	482.2	656.7	185.6	398.2	1,722.6	2,606.6	3,673.2
Other businesses(b)—							
1980-81	—	0.1	0.4	228.2	228.7	240.0	147.2
1981-82	—	0.1	0.4	247.8	248.3	257.6	161.3
1982-83	—	—	0.4	256.2	256.6	271.1	167.3
Total all businesses—							
1980-81	407.1	620.1	162.4	601.4	1,790.9	2,421.6	3,201.9
1981-82	501.0	706.8	179.4	644.8	2,032.0	2,590.8	3,705.8
1982-83	482.2	656.7	186.0	654.4	1,979.3	2,877.7	3,840.5

(a) Includes new and used motor cycles, boats, caravans, trailers and motor parts and accessories but excludes panel vans, utilities, trucks, tractors and other vehicles normally used for commercial purposes. (b) Businesses operating retail establishments, unincorporated finance businesses and businesses other than wholesalers and manufacturers.

**INSTALMENT CREDIT FOR RETAIL SALES BY TYPE OF CREDIT: AMOUNT
FINANCED BY COMMODITY GROUP, AUSTRALIA**
(\$ million)

	<i>Motor cars and station wagons</i>		<i>Other motor vehicles (a)</i>	<i>Household and personal goods</i>	<i>Total</i>
	<i>New</i>	<i>Used</i>			
Hire purchase					
1980 81	315.6	467.1	120.8	183.6	1,087.1
1981 82	394.0	538.0	139.4	180.4	1,251.8
1982 83	377.3	506.7	148.1	141.9	1,174.0
Other instalment credit					
1980 81	91.5	153.0	41.7	417.8	703.9
1981 82	107.0	168.8	40.0	464.4	780.2
1982 83	104.9	150.0	37.9	512.5	805.3
Total instalment credit—					
1980-81	407.1	620.1	162.4	601.4	1,790.9
1981-82	501.0	706.8	179.4	644.8	2,032.0
1982-83	482.2	656.7	186.0	654.4	1,979.3

(a) Includes new and used motor cycles, boats, caravans, trailers and motor parts and accessories but excludes panel vans, utilities, trucks, tractors and other vehicles normally used for commercial purposes.

HOUSING FINANCE FOR OWNER OCCUPATION

A monthly statistical series was introduced in October 1975 to provide information on finance (secured by mortgage or other security, including secured personal loans and loans secured by contracts of sale) approved by significant lenders to individuals for the construction or purchase of dwellings for owner occupation. A lender is significant if over a financial year it approves loans to individuals for housing finance for owner occupation in excess of \$250,000 or if at the end of a financial year it has balances outstanding on such loans exceeding \$2 million.

The types of lenders considered in these statistics are trading and savings banks, permanent and terminating building societies, finance companies, government housing authorities and other government departments, insurance companies and credit unions.

The following tables provide information classified by type of lender and the use for which approved housing loans are intended (e.g. construction or purchase).

Purchase of newly erected dwellings represents the purchase of dwellings which have been completed or will be completed within a period of twelve months preceding the date of purchase and where the purchaser is, or will be, the first occupant.

Purchase of established dwellings represents the purchase of dwellings which have been completed for a period of greater than twelve months preceding the date of purchase or, if completed within twelve months, where the purchaser is not the original occupant.

The term *dwelling* includes houses and other dwellings where the latter is defined as a self-contained dwelling unit other than a house. (Examples of *other dwellings* are flats, home units, semi-detached cottages, villa units, town houses, etc.).

The term *number of dwelling units* refers to the number of houses and other dwellings for which loans secured by contract of sale or first mortgage only have been approved.

Comprehensive statistics on housing finance for owner occupation are available in the monthly publication *Housing Finance for Owner Occupation, Australia* (5609.0).

The following table summarises the housing finance operations of the significant lenders.

HOUSING FINANCE FOR OWNER OCCUPATION
(\$ million)

	<i>Loans approved for—</i>		<i>Cancellations of loans previously approved</i>	<i>Loans advanced(a)</i>	<i>Loans approved but not advanced(a)</i>
	<i>Construction or purchase of dwellings</i>	<i>Alterations and additions</i>			
1980-81	7,470.8	501.8	394.1	6,461.8	1,166.2
1981-82	6,506.1	524.2	312.8	5,686.6	1,031.4
1982-83	7,171.0	510.1	292.8	6,083.6	1,311.0

(a) Excludes Trading Banks; data not available.

**HOUSING FINANCE FOR OWNER OCCUPATION: NUMBER OF DWELLING UNITS AND VALUE OF
LOANS APPROVED TO INDIVIDUALS BY TYPE OF LENDER**

	<i>Banks</i>		<i>Building societies</i>		<i>Finance companies</i>	<i>Government</i>	<i>Credit unions and insurance companies</i>	<i>Total</i>
	<i>Savings</i>	<i>Trading</i>	<i>Per- manent</i>	<i>Ter- minating</i>				
CONSTRUCTION OF DWELLINGS								
	(Number)							
1980 81	21,358	8,613	9,873	1,442	1,462	1,968	1,405	46,121
1981 82	18,963	6,896	7,130	924	930	2,774	1,224	38,841
1982 83	20,382	5,045	6,953	953	843	2,844	1,231	38,251
	(\$ million)							
1980 81	523.7	181.1	329.7	40.9	50.4	52.0	36.6	1,214.5
1981 82	486.6	154.4	256.2	28.5	36.8	75.1	31.4	1,068.9
1982 83	576.2	121.4	262.1	32.1	38.6	84.5	31.0	1,145.9
PURCHASE OF NEWLY ERECTED DWELLINGS								
	(Number)							
1980 81	9,292	4,004	8,968	1,306	1,705	3,185	947	29,407
1981 82	8,249	3,603	5,572	1,025	1,243	2,640	768	23,100
1982 83	7,928	2,555	3,924	1,039	743	2,302	579	19,070
	(\$ million)							
1980 81	238.0	80.0	306.2	37.6	75.0	84.6	27.5	848.8
1981 82	227.9	79.6	215.0	31.7	66.2	74.6	24.4	719.3
1982 83	242.2	61.4	157.1	35.8	40.7	74.3	17.5	629.0
PURCHASE OF ESTABLISHED DWELLINGS								
	(Number)							
1980 81	79,197	32,642	55,113	2,897	10,991	7,736	7,592	196,168
1981 82	74,771	30,202	38,729	2,229	6,179	7,823	7,098	167,031
1982 83	94,088	24,292	37,079	2,944	3,844	7,640	7,039	176,926
	(\$ million)							
1980 81	1,959.3	691.8	1,779.1	82.3	467.6	199.8	227.5	5,407.5
1981 82	1,934.6	650.3	1,337.8	70.1	288.7	219.4	217.0	4,717.9
1982 83	2,693.2	609.4	1,371.0	100.4	176.1	228.9	217.2	5,396.2
TOTAL								
	(Number)							
1980 81	109,847	45,259	73,954	5,645	14,158	12,889	9,944	271,696
1981 82	101,983	40,701	51,431	4,178	8,352	13,237	9,090	228,972
1982 83	122,398	31,892	47,956	4,936	5,430	12,786	8,849	234,247
	(\$ million)							
1980 81	2,721.1	952.9	2,415.1	160.8	593.0	336.4	291.6	7,470.8
1981 82	2,649.1	884.3	1,809.0	130.2	391.6	369.1	272.8	6,506.1
1982 83	3,511.6	792.2	1,790.2	168.4	255.4	387.7	265.7	7,171.0

**NEW CAPITAL RAISINGS BY COMPANIES LISTED ON AUSTRALIAN
STOCK EXCHANGES**

Information relating to capital raised by companies listed on Australian Stock Exchanges is given in the following tables.

These statistics cover capital raised through share and debenture subscriptions and by way of deposits, unsecured notes and loans secured over the entire assets of the company. The following funds are excluded from the collection: (a) all capital raised from Australian banks (other than direct equity investment), i.e. overdrafts, mortgage loans, term loans or debentures; (b) temporary advances or short-term deposits from any source; and (c) complete or partial issues by Australian companies on overseas markets taken up through overseas brokers.

Listed companies are companies incorporated in Australia whose shares, debentures or other securities are listed on one or more of the Australian Stock Exchanges. For such companies new capital

includes: (a) all issues of ordinary shares if any ordinary shares are listed; (b) all issues of preference shares if any preference shares are listed; and (c) all issues of debentures, unsecured notes, secured and unsecured loans and deposits if any shares or other securities are listed.

The following notes relate to specific items 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, Commonwealth Government and private superannuation funds and banks. In practice, it is necessary to include in *new money* most subscriptions by companies holding less than 5 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 5 per cent of the ordinary shares in the issuing company are identified they are not included in *new money*. Subscriptions by Australian life insurance companies and Commonwealth Government and private superannuation funds are included in *new money* irrespective of their holdings of ordinary shares in the issuing company.

Amount not involving new money

This amount includes cash subscriptions received by issuing companies from associated companies. 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, and therefore do not represent a net transfer of cash from the 'investing public' to the companies. In the tables which follow, the *amount not involving new money* is obtained by deducting the amount of *new money*, from the total capital raised.

LISTED COMPANIES: NEW CAPITAL RAISED THROUGH ISSUES OF SHARES^(a) AND THROUGH DEBENTURES, UNSECURED NOTES, LOANS AND DEPOSITS (\$ million)

		<i>Share capital</i>							
		<i>Total amount of issues commenced</i>		<i>Cash raised during period</i>				<i>Debentures, unsecured notes, etc.</i>	
		<i>Total amount including premiums etc.</i>	<i>Type of consideration</i>			<i>Amount not involving new money</i>	<i>New money</i>	<i>Total amount raised</i>	<i>Amount not involving new money</i>
			<i>Other than cash(b)</i>	<i>Cash</i>	<i>Total(c)</i>			<i>(d)</i>	<i>(d)</i>
									<i>New money</i>
<i>Year ended June—</i>									
1978	. . .	793.3	295.1	498.0	539.3	189.7	349.6	6,734.8	5,615.7
1979	. . .	919.5	372.9	546.5	513.1	183.0	330.2	7,532.1	6,653.7
1980	. . .	2,211.9	824.6	1,387.3	1,336.7	255.1	1,081.6	9,378.0	7,924.6
1981	. . .	4,171.0	1,642.2	2,528.8	2,625.7	479.0	2,146.8	12,682.5	11,066.1
1982	. . .	2,269.6	890.1	1,379.4	1,593.7	290.2	1,303.4	15,453.2	13,639.8
1983	. . .	1,208.1	299.2	908.9	1,013.5	269.5	744.0	13,805.0	13,219.0

(a) Includes share subscriptions by overseas investors to issues in Australia. (b) Includes bonus issues, conversion issues, issues in exchange for existing shares, etc. (c) Includes calls on issues commenced in earlier years. (d) Includes conversions, renewals, etc.

LISTED COMPANIES: NEW MONEY RAISED IN SHARES AND DEBENTURES, UNSECURED NOTES, LOANS AND DEPOSITS—INDUSTRY GROUPS (a)

(\$ million)

	<i>Manufac- turing</i>	<i>Finance, Property and Business Services</i>	<i>Wholesale and Retail Trade</i>	<i>Mining</i>	<i>Other</i>	<i>All industries</i>
SHARES						
<i>Year ended June—</i>						
1978	142.3	100.9	41.9	43.1	21.4	349.6
1979	95.8	74.3	9.9	122.4	27.8	330.2
1980	419.9	119.8	55.2	396.1	90.7	1,081.6
1981	892.3	119.8	130.9	905.6	98.2	2,146.8
1982	383.3	74.1	129.9	566.1	150.1	1,303.4
1983	319.7	74.1	95.0	170.1	85.1	744.0
DEBENTURES, UNSECURED NOTES, LOANS AND DEPOSITS						
<i>Year ended June—</i>						
1978	134.6	907.3	50.5	(b)—19.6	46.2	1,119.3
1979	302.5	605.9	8.2	(b)—57.8	19.4	878.4
1980	409.9	887.7	86.3	15.6	53.9	1,453.4
1981	337.4	1,145.3	57.1	5.8	70.6	1,616.4
1982	211.6	1,443.0	117.0	(b)—44.4	86.3	1,813.5
1983	18.8	491.4	(b)—12.5	5.7	82.6	586.1
TOTAL NEW MONEY RAISED						
<i>Year ended June—</i>						
1978	276.9	1,008.2	92.4	23.5	67.6	1,468.9
1979	398.3	680.2	18.1	64.6	47.2	1,208.6
1980	829.8	1,007.5	141.5	411.7	144.6	2,535.0
1981	1,229.7	1,265.1	188.0	911.4	168.8	3,763.2
1982	594.9	1,517.1	246.8	521.7	236.4	3,116.9
1983	338.5	565.5	82.5	175.8	167.7	1,330.1

(a) Until 1981 companies were classified in accordance with the Population Census Classification of Industries (Revised 1966) and from 1982 in accordance with the Australian Standard Industrial Classification (ASIC). (b) Excess of repayments over receipts.

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