

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 \$2, \$5, \$10, \$20, \$50 and \$100 and coins in the denominations of 1c, 2c, 5c, 10c, 20c, 50c and \$1. The \$1 note was replaced by the \$1 coin in 1984.

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>						
	1979	1980	1981	1982	1983	1984
\$1	64.7	68.6	74.1	78.8	81.4	58.2
\$2	140.6	145.1	152.7	158.4	162.9	168.6
\$5	135.5	143.2	153.9	165.6	174.1	183.1
\$10	582.4	567.6	555.9	546.7	531.5	512.9
\$20	1,756.4	1,903.9	2,060.0	2,169.8	2,195.8	2,235.6
\$50	1,427.7	1,757.8	2,190.7	2,718.2	3,216.4	3,450.4
\$100	—	—	—	—	—	595.6
Total	4,107.4	4,586.1	5,187.3	5,837.5	6,362.2	7,204.5
<i>Held by banks</i>	<i>451.1</i>	<i>500.9</i>	<i>578.1</i>	<i>677.4</i>	<i>712.6</i>	<i>786.7</i>
<i>Held by public</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>	<i>6,417.8</i>

AUSTRALIAN DECIMAL COIN: NET ISSUES BY RESERVE BANK

(\$ million)

<i>Year ended, June</i>						
	1979	1980	1981	1982	1983	1984
1c	1.2	1.3	1.5	1.4	1.2	1.0
2c	1.9	2.4	2.9	2.7	1.7	1.4
5c	3.4	4.4	5.1	5.0	3.4	3.5
10c	3.7	4.9	5.8	6.2	4.3	5.2
20c	8.2	11.8	14.8	12.8	9.0	6.9
50c	10.0	12.3	12.1	26.8	22.1	9.4
\$1	—	—	—	—	—	107.2
Total	28.4	37.0	42.1	54.9	41.7	134.6

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		Certificates of deposit(b)	Deposits with all savings banks(c)	Total volume of money
		Current(a)	Fixed(a)			
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	11,803	18,676	3,248	29,568	69,373
1984	6,983	12,663	19,289	3,850	34,051	76,836

(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 LEGISLATION

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 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, Co-operative Housing 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			
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
1984	4,265.5	304.5	7,236.8	2,409.1	12.6	1.3	2,658.3	16,888.2

ASSETS

30 June—	Gold and foreign exchange (a)	Australian Government securities (b)	Loans, advances, bills discounted	Bank premises (c)	All other assets	Total
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
1984	12,261.1	2,871.5	748.8	169.9	836.9	16,888.2

(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 Bank of Australia, 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 Bank of Australia; Australia and New Zealand Banking Group; Westpac Banking Corporation; and the National Australia Bank Limited.

The other trading banks are: Bank of Queensland Ltd; Bank of New Zealand; Banque Nationale de Paris; 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

	<i>Paid-up capital</i>	<i>Reserve funds (used in business of banks)(c)</i>	<i>Final dividend proposed</i>	<i>Balance of profit and loss account</i>	<i>Total share-holders' funds(c)</i>	<i>Balances due to other banks</i>	<i>Deposits, bills payable and other liabilities(d)</i>	<i>Total</i>
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
1983	1,292.4	2,254.6	116.9	297.3	3,961.3	7,695.1	63,319.5	74,975.9

ASSETS

	Coin, bullion, notes and cash at Reserve Bank	Australian public securities						Loans to authorised dealers in short-term money market
		Money at short call overseas	Australian Government		Local and semi- government securities	Other public securities	Other securities	
			Treasury bills and notes	Other securities				
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
1983	472.9	465.4	500.8	5,603.8	331.7	317.8	3,270.6	164.9

	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
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
1983	2,212.4	5,383.1	39,342.8	1,106.4	2,185.7	13,617.7	74,975.9

(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 banks on 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>Fixed</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>Bearing interest</i>	<i>Not bearing interest</i>				
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	10,698.4	36,044.3	1,350.3	14,871.4	52,266.0
1984	24,924.9	2,134.9	11,364.0	38,423.8	1,996.9	19,100.5	59,521.1

ASSETS(b)

June	Coin, bullion, notes and cash at Reserve Bank	Australian Government securities	Treasury bills and notes	Other securities	Local and semi-government securities	Loans to authorised dealers in short-term money market	Statutory reserve deposit account with Reserve Bank	Loans, advances and bills discounted	All other assets	Total
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	28,686.7	16,858.4	54,652.6	
1984	677.9	357.9	6,041.0	96.0	320.0	2,409.2	31,750.7	20,973.8	62,626.5	

(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 1982</i>	<i>January 1983</i>	<i>July 1983</i>	<i>January 1984</i>	<i>July 1982</i>	<i>January 1983</i>	<i>July 1983</i>	<i>January 1984</i>
Residents—								
Businesses								
Agriculture, grazing and dairying	2,722.0	2,817.1	3,118.6	3,171.5	1,522.8	1,720.1	1,330.8	1,757.5
Manufacturing	2,496.4	2,402.4	2,609.6	2,335.0	627.2	760.5	725.9	800.4
Transport, storage and communication	400.8	407.8	415.5	471.9	247.0	241.7	209.0	225.6
Finance	1,014.1	1,043.4	1,151.0	1,124.2	1,559.6	2,115.0	2,097.3	2,071.7
Commerce	2,450.6	2,198.3	2,446.9	2,274.8	995.7	1,199.9	1,015.7	1,287.4
Building and construction	571.5	561.5	620.0	661.2	515.4	600.4	509.4	569.7
Other businesses	2,929.8	3,027.0	3,064.7	3,066.6	2,828.1	2,860.9	2,859.9	2,900.6
Unclassified	621.3	447.0	714.1	757.3	902.2	674.1	1,182.9	1,378.6
<i>Total business</i>	<i>13,206.5</i>	<i>12,904.5</i>	<i>14,140.4</i>	<i>13,862.5</i>	<i>9,198.0</i>	<i>10,172.7</i>	<i>9,930.9</i>	<i>10,991.5</i>
<i>of which—</i>								
Companies	7,785.5	7,114.0	8,005.4	7,067.0	4,389.3	4,888.3	4,907.2	5,318.4
Other	5,421.0	5,790.5	6,135.1	6,795.5	4,808.8	5,284.3	5,023.7	5,673.1
Public authorities	265.9	241.9	195.7	356.9	1,860.1	2,007.5	1,865.1	1,772.3
Persons	8,967.3	9,456.1	9,882.0	10,699.9	13,458.7	14,314.9	14,467.3	14,764.8
Non-profit organisations	176.1	206.2	211.3	247.0	1,064.3	1,057.4	1,180.5	1,250.5
<i>Total residents</i>	<i>22,615.8</i>	<i>22,808.6</i>	<i>24,429.4</i>	<i>25,166.2</i>	<i>25,581.1</i>	<i>27,552.5</i>	<i>27,443.7</i>	<i>28,779.1</i>
<i>Total non-residents</i>	<i>25.0</i>	<i>36.4</i>	<i>41.2</i>	<i>24.1</i>	<i>483.0</i>	<i>566.2</i>	<i>601.6</i>	<i>587.3</i>
Total	22,640.8	22,845.0	24,470.6	25,190.3	26,064.1	28,118.7	28,045.3	29,366.4

Interest rates

At 30 June 1984, rates of interest were:

	(Per cent per annum)
Fixed deposits (Less than \$50,000)	
30 days to less than 3 months	10.00—12.25
3 months to less than 6 months	10.10—12.50
6 months to less than 24 months	10.50—12.50
24 months and over	10.75—12.50
Overdrafts	
Less than \$100,000	12.00—14.50
\$100,000 and over	14.25—16.00

Branches and agencies

At 30 June 1984 the major trading banks operated 4,635 branches, and the other trading banks 397 branches. Of the total 5,032 branches, 2,716 were located in metropolitan areas. Trading bank facilities were also available at 1,087 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>
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
1984	26,970.8	19,075.0	5,389.3	2,123.6	3,448.9	402.1	166.9	1,223.3	58,800.0

(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

	Paid-up capital	Reserve funds (used in the business of the bank) (c)	Balance of profit and loss account	Total share-holders' funds (c)	Depositors' balances	Balances due to other banks	Bills payable and all other liabilities (d)	Total
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
1983	140.5	928.5	48.7	1,117.6	30,609.9	570.5	1,471.8	33,769.8

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>			
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
1983	200.4	437.9	1,142.0	4,184.0	6,861.9	245.6

	Loans to authorised dealers in short-term money market	Cheques and bills of, and balances with and due from other banks (e)	Loans advances and bills discounted	Bank premises, furniture and sites	Bills receivable and remittances in transit	All other assets	Total
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
1983	351.1	836.0	18,014.0	504.1	531.6	461.2	33,769.8

(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 1984 the savings banks operated 5,592 branches and 10,533 agencies, of which 3,115 branches and 4,897 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 \$5 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 Bank has widened its policy to lend for working capital and to re-finance loans from non-bank sources.

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 six shares. Five shares are held by the Commonwealth Government and the major trading banks while the sixth 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 not by its rules any fixed date or certain event or result when it is to terminate; (c) is authorised to accept money on deposit; and (d) 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 88 permanent building societies balancing in the 1982-83 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* (5632.0).

Information relating to the housing finance operations of permanent building societies is provided on pages 492 and in the monthly publication *Housing Finance for Owner Occupation, Australia* (5609.0).

Summary statistics on the assets and selected liabilities of permanent building societies registered under the *Financial Corporations Act 1974* are given on pages 484-5.

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

<i>Liabilities</i>	<i>1982-83</i>	<i>Assets</i>	<i>1982-83</i>
Share capital and reserves:		Amount owing on loans	10,696.6
Non-withdrawable shares	35.5	Cash on hand	29.1
Withdrawable shares	10,078.8	Deposits with—	
Reserves—		Banks	813.2
Statutory	165.2	Other	288.0
Other(b)	271.1	Bills, bonds and other securities	2,982.8
Deposits	4,439.7	Accounts receivable	60.3
Loans	277.9	Physical assets	487.1
Accounts payable	53.7	Other assets	29.4
Other liabilities	64.7		
Total liabilities	15,386.6	Total assets	15,386.6

(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>1982-83</i>	<i>Income</i>	<i>1982-83</i>
Interest on:		Interest from:	
Shares	1,081.0	Loans	1,579.2
Deposits	531.3	Deposits	163.4
Loans	24.6	Income from holdings of securities	360.1
Wages and salaries	125.5	Management fees	20.8
Management fees(a)	47.8	Other income	29.6
Administrative expenses(b)	120.3		
Insurance premiums paid	3.1		
Other expenditure	111.8		
Total expenditure	2,045.5	Total income	2,153.0

(a) Represents payments made by societies to separate management companies.
costs, advertising, bank charges and other administrative expenses.

(b) Includes Permanent Building Society Association

Co-operative housing societies

Prior to the publication of figures for 1982-83, Co-operative Housing Societies were known as terminating building societies. The change came about as a result of amendments to the NSW legislation governing terminating building societies which require societies with common boards of directors, a common registered office and the same institutional lender to amalgamate to form a single society whose rules no longer require it to terminate (although this requirement to termination is still relevant in all other States and Territories). A co-operative housing society is therefore defined as an organisation that: (a) is registered under the relevant State or Territory legislation; (b) is not authorised to accept money on deposit; (c) is only allowed to raise money on loans; (d) only provides finance to its members in the form of housing loans; and (e) does not cause or permit applicants for

loans to ballot for precedence or in any way make the granting of a loan dependent on any chance or lot. The statistics below summarise information collected from the 3,047 co-operative housing societies balancing within the 1982-83 financial year. More detailed descriptions and dissections of these statistics may be found in the annual publication *Co-operative Housing Societies: Assets, Liabilities, Income and Expenditure, Australia* (5633.0).

Information relating to the housing finance operations of societies is provided on page 492.

**CO-OPERATIVE HOUSING SOCIETIES:
LIABILITIES AND ASSETS(a)
(\$ million)**

<i>Liabilities</i>	<i>1982-83</i>	<i>Assets</i>	<i>1982-83</i>
Share capital(b)	0.1	Amount owing on loans(b)	1,591.1
Accumulated funds(c)	26.0	Cash on hand and current	
Loans from:		accounts at banks	11.3
Banks	230.4	Deposits with:	
Commonwealth/State		Banks	6.5
Home Builders' Fund(d)	942.7	Others	21.5
Others	425.0	Physical assets	0.2
Other liabilities	8.0	Other assets	1.6
Total liabilities	1,632.2	Total assets	1,632.2

(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.

**CO-OPERATIVE HOUSING SOCIETIES:
INCOME AND EXPENDITURE
(\$ million)**

<i>Expenditure</i>	<i>1982-83</i>	<i>Income</i>	<i>1982-83</i>
Interest paid on borrowing		Interest on:	
members' subscriptions	2.7	Loans to members	140.2
Interest on loans from:		Other	2.5
Banks	35.3	Management fees	11.5
Other	101.3	Other income	3.1
Salaries and secretarial fees	10.4		
Other expenditure	4.3		
Total expenditure	154.1	Total income	157.3

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 1982-83 was 549 with 1,824,286 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 page 492, while on pages 484-5 are summary statistics on the assets and selected liabilities of credit co-operatives 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>1982-83</i>	<i>Assets</i>	<i>1982-83</i>
Share capital and reserves:		Amount owing on loans(c)	2,664.6
Paid-up share capital	15.5	Cash on hand	16.5
Reserves—		Deposits with—	
Statutory	39.0	Banks	128.1
Other(b)	95.6	Credit Union Leagues or Associations	322.3
Deposits	3,391.8	Other	182.0
Loans	53.2	Bills, bonds and other securities	142.9
Accounts payable	18.1	Accounts receivable	18.9
Other liabilities	12.9	Physical assets	136.9
		Other assets	14.0
Total liabilities	3,626.1	Total assets	3,626.1

(a) At the balance dates of credit unions within the financial year shown.
unearned interest and allowance for doubtful debts.

(b) Includes accumulated surpluses and deficits.

(c) Net of

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

<i>Expenditure</i>	<i>1982-83</i>	<i>Income</i>	<i>1982-83</i>
Interest on:		Interest from:	
Deposits	340.8	Loans	434.2
Loans	4.5	Deposits	70.5
Wages and salaries	63.0		
Administrative expenses (a)	46.5	Income from holdings of securities	15.3
Insurance premiums paid	7.6	Management fees	2.9
Allowance for doubtful debts	7.9	Bad debts recovered	1.2
Other expenditure (b)	36.1	Other income	8.8
Total expenditure	506.3	Total income	533.0

(a) Includes Financial Institutions duty.

(b) Includes bank accounts debit tax.

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 484-5.

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)	
			C'wealth Govt securities (a)	Com-mercial bills (b)	Banks' certi-ficates of deposit	At call		For fixed periods				
	All trading banks	Other clients				Total	Mini-mum	Maxi-mum	Mini-mum	Maxi-mum		
Average of weekly figures—(\$ million)											Per cent per annum	
June—												
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	
1984 .	320	1,289	1,609	1,181	449	231	1.00	17.46	4.00	13.75	11.42	

(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 484-5.

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 unmaturing income in the prescribed types of credit facilities of \$5 million or more in total on an Australia-wide basis. The 1982-83 annual census of finance companies indicated that companies thus included accounted for 99.1 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.

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 484-5 for those categories are not comparable with the statistics for finance companies shown below.

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

	1980-81	1981-82	1982-83
Assets—			
Balances outstanding on finance agreements(b)	17,489.3	20,573.1	22,862.4
Cash on hand and bank deposits	33.4	32.2	99.1
Loans to authorised money market dealers	12.5	19.4	11.7
Investments in shares and securities	318.4	354.0	452.6
Physical assets	182.1	208.6	227.8
Other assets	369.6	389.3	506.8
Total assets	18,405.4	21,576.7	24,160.4
Liabilities—			
Paid-up capital	1,145.3	1,305.7	1,348.0
Reserves	533.7	582.8	663.3
Unappropriated profits	385.0	551.3	645.3
Borrowed funds—			
Bank loans and overdrafts	315.5	419.6	411.6
Debentures	7,517.0	8,255.5	9,810.2
Secured and unsecured loans	6,827.7	8,696.1	9,231.1
Other liabilities	1,681.3	1,765.7	2,050.9
Total liabilities	18,405.4	21,576.7	24,160.4
Income for year—			
Interest from finance agreements	2,558.7	3,210.9	4,019.3
Other income	205.6	199.7	244.6
Total income	2,764.2	3,410.6	4,263.9
Expenditure for year—			
Interest on borrowed funds	1,621.4	2,160.8	2,760.3
Wages, salaries and allowances, directors fees and emoluments	263.0	288.5	340.9
Other expenditure	507.6	538.6	712.5
Total expenditure	2,392.0	2,987.9	3,813.7

(a) At the balance date of companies within the financial year shown. (b) Excludes unmatured income of \$4,306.8m in 1980-81, \$5,427.8m in 1981-82 and \$6057.9m in 1982-83.

FINANCE COMPANIES: AMOUNT FINANCED AND BALANCES OUTSTANDING CLASSIFIED BY THE TYPE OF FINANCE AGREEMENT

(\$ million)

	1981-82	1982-83	1983-84
Amount financed during year—			
Instalment credit for retail sales and personal loans	2,732.9	2,586.1	2,981.6
Finance for housing	2,087.7	1,530.4	1,722.1
Wholesale finance	6,251.7	5,770.9	7,015.2
Factoring and other commercial loans	4,134.7	4,369.0	5,423.1
Leasing of business plant and equipment(a)	3,594.1	3,113.0	4,202.5
Bills of exchange(b)	2,093.3	2,606.3	4,308.8
Total amount financed on finance agreements(c)	20,894.3	19,975.6	25,653.3
Balances outstanding at 30 June (d) —			
Instalment credit for retail sales and personal loans	5,411.1	5,481.6	5,701.1
Finance for housing	4,844.3	4,526.6	4,394.4
Wholesale finance	1,495.4	1,256.4	1,316.6
Factoring and other commercial loans	5,482.9	6,038.4	6,506.3
Leasing of business plant and equipment(e)	9,622.1	9,799.7	10,333.0
Bills of exchange	134.1	179.8	300.9
Liquidity placements and loans to non-finance companies in group	588.1	864.8	776.0
Total balances outstanding on finance agreements	27,578.0	28,147.2	29,328.4

(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 CORPORATIONS 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* (FCA). A summary of the objects and content of the Financial Corporations Act is given in Year Book No. 62, page 541.

The *Financial Corporations (Statistics) Regulations* were amended on 25 May 1984, to enable the implementation of recommendations for the rationalisation of statistics of financial institutions, made by the Working Group on Financial Statistics, which comprised representatives of, the Australian Bureau of Statistics, Department of the Treasury and the Reserve Bank of Australia.

New statistical forms incorporating changes to data item definitions and descriptions, were introduced in June 1984. These changes affect all corporations registered under the *Financial Corporations Act 1974*. Due to these changes there now exists a general break in series, details of which can be obtained in the June 1984 issues of the monthly publications *Building Societies, Australia* (5637.0); *Authorised Dealers and Money Market Corporations, Australia* (5638.0); *Financial Companies Financial Corporations Act, Australia* (5639.0) and *Other Registered Corporations, Australia* (5640.0).

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, AUSTRALIA: SELECTED LIABILITIES AND ASSETS(a)

(\$million)

SELECTED LIABILITIES AS AT 30 JUNE 1984

Category	Borrowings from—				
	Residents				
	By acceptance of bills of exchange and promissory notes	Related corporations (b)	Banks	Other	Non- residents
Building societies	4.7	15.9	146.9	16,530.7	12.2
Credit co-operatives	n.a.	n.a.	15.4	3,707.4	—
Authorised money market dealers	n.a.	7.4	966.7	952.7	8.0
Money market corporations	636.2	291.2	1,144.7	12,073.2	1,471.4
Pastoral finance companies	87.1	675.1	140.7	1,062.0	299.9
Finance companies	466.5	455.4	1,243.0	4,082.1	705.6
General financiers	131.1	434.7	381.9	894.4	361.4
Intra group financiers	—	758.7	195.2	1,342.1	460.3
Other financial corporations	—	—	1.9	327.0	—
Total	1,325.6	2,638.4	4,236.4	40,971.6	3,318.8

For footnotes see end of table.

ASSETS IN AUSTRALIA AT 30 JUNE 1984

Category	Cash and bank deposits	Loans to authorised dealers in the STMM and other placements and deposits(c)	Government and public authority securities	Bills of exchange and promissory notes purchased and held(d)	Other securities	Other assets arising from the provision of finance (e)	All other assets in Australia	Total assets in Australia	Assets overseas
Building societies . . .	1,052.5	164.6	1,493.7	1,892.9	29.9	12,415.8	670.3	17,719.5	—
Credit co-operatives . .	134.5	337.2	79.3	52.2	28.8	3,147.2	197.0	3,976.3	—
Authorised money market dealers . . .	288.5	0.2	1,460.1	468.8	1.0	0.4	22.7	2,241.7	—
Money market corporations . . .	1,105.4	3,009.9	356.4	5,603.2	456.7	5,791.1	1,378.2	17,700.6	100.6
Pastoral finance companies	17.0	29.5	—	2.0	526.0	2,150.5	563.1	3,288.0	2.5
Finance companies . . .	65.8	541.0	10.0	241.2	322.9	21,161.5	362.6	22,704.8	5.9
General financiers . . .	61.4	169.9	2.9	147.2	94.2	2,499.2	335.0	3,310.6	0.8
Intra group financiers . .	2.7	164.3	25.4	207.5	150.2	2,595.0	32.6	3,177.7	9.5
Other financial corporations	22.1	131.3	12.6	98.5	8.8	52.2	14.0	339.5	—

(a) Excludes credit co-operatives, general financiers and intra group financiers with assets not exceeding \$5 million. (b) Excludes related corporations in the same FCA category. (c) Includes short-term placements that are repayable at call or within 90 days; excludes funds placed with banks, and purchases of government securities and bills of exchange. (d) Excludes bills that have been drawn or accepted by reporting corporations. (e) 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.

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 governed by a trust deed, is open to the public and generally confines its investments to financial securities available through the short term money market.

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

CASH MANAGEMENT TRUSTS

Quarter	Number of Trusts	Units in issue at end of period \$ million	Weighted average net yield at end of period % per annum	Assets (\$ million)					
				Cash and deposits with banks	All other assets and loans	Bills of exchange purchased and held	Promissory Notes purchased and held	Other assets	Total assets
1982-83—									
March	16	2,163.0	13.48	568.8	617.1	833.2	171.1	31.5	2,221.7
June	16	2,152.6	13.04	340.5	615.6	1 038.8	184.2	34.7	2,213.8
1983-84—									
September	16	2,121.1	11.40	63.3	803.5	978.4	215.0	96.0	2,156.2
December	16	1,801.6	9.82	119.3	557.8	922.4	209.8	41.5	1,850.8
March	15	1,525.2	11.21	133.4	412.5	786.7	184.2	43.0	1,559.9
June	16	1,438.4	12.01	78.8	329.7	907.3	128.7	31.8	1,476.3

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-eight life offices conducted life insurance business in Australia during 1983.

Information contained in the following three 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)

	1981	1982	1983
Liabilities—Australia and overseas—			
Total balances of revenue accounts at end of year	19,161.4	21,563.5	24,946.7
Reserves	222.4	269.4	279.0
Total	19,383.8	21,832.9	25,225.7
Other liabilities—			
Bank overdraft	164.9	153.2	109.5
Deposits	147.7	117.5	156.3
Claims admitted	134.7	144.8	142.7
Sundry creditors	166.7	153.4	261.9
Provision for taxation	329.1	388.6	502.2
Provision for superannuation and long-service leave	41.2	49.2	57.9
Miscellaneous liabilities	25.6	237.1	95.4
Total liabilities	20,393.8	23,076.7	26,551.6
Assets—Australia and overseas—			
Property and fixed assets	4,740.9	5,386.5	5,815.1
Loans	2,566.5	3,054.3	2,999.4
Investment	11,985.7	13,587.8	16,380.7
Cash and deposits	386.7	284.8	380.5
Outstanding premiums including advances of premiums	310.1	327.1	344.0
Outstanding interest, dividends and rents	281.5	332.1	380.1
Sundry debtors	90.2	71.5	210.8
Miscellaneous assets	32.3	32.6	41.0
Total assets	20,393.8	23,076.7	26,551.6

LIFE INSURANCE OFFICES: REVENUE AND EXPENDITURE

(\$ million)

	1981	1982	1983
<i>Balance of Revenue Account at beginning of year—Australia and overseas</i>	<i>17,516.4</i>	<i>19,161.4</i>	<i>21,563.5</i>
Revenue—			
Single premiums	389.2	320.3	455.2
Other premiums	2,684.1	3,049.1	3,331.3
Net interest	1,515.5	1,782.7	1,954.3
Net conversion and transfer values-in	0.8	13.8	2.7
Net transfers from reserves and provisions within fund	-27.5	-45.0	-2.6
Other net transfers within statutory fund-in	-0.2	-	-
Net profit (or loss) on realisation or revaluation of assets	269.2	433.6	1,457.6
Miscellaneous income	-460.4	92.7	-91.2
Total revenue	4,370.9	5,647.3	7,107.3
Total	21,887.3	24,808.7	28,670.8
Expenditure—			
Claims by death and disability	392.2	472.6	506.5
Claims by maturity	577.6	711.4	918.5
Surrenders and bonuses in cash	952.7	1,175.5	1,250.9
Annuities	12.5	14.8	16.4
Commissions	299.9	352.1	386.3
Salaries	221.1	256.4	275.4
Contribution to staff superannuation	43.5	50.8	54.0
Taxes (other than those charged on interest dividends and rents)	31.5	25.3	32.1
Other expenses	176.1	220.9	257.1
Transfer out of statutory fund	18.8	-34.6	26.8
Total expenditure	2,725.9	3,245.2	3,724.0
<i>Balance of Revenue Account at end of year—Australia and overseas</i>	<i>19,161.4</i>	<i>21,563.5</i>	<i>24,946.7</i>
Total	21,887.3	24,808.7	28,670.8

LIFE INSURANCE: SUMMARY

	<i>Insurance and endowment policies</i>			
	<i>Number of policies (‘000)</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	13,604.5	116.8	131.7
1982	412	15,454.0	115.3	144.1
1983	527	17,959.0	310.8	175.9
Policies discontinued or reduced (a)—				
1981	718	9,162.6	..	118.1
1982	734	9,973.6	..	126.8
1983	683	11,078.0	..	128.7
Policies existing at end of—				
1981	6,441	76,047.0	..	953.0
1982	6,119	81,526.9	..	970.2
1983	5,963	88,440.0	..	1,017.4
SUPERANNUATION BUSINESS				
New policies issued—				
1981	196	22,035.9	128.3	440.4
1982	190	24,113.5	196.0	493.2
1983	155	20,711.0	175.8	442.4
Policies discontinued or reduced (a)—				
1981	84	7,276.4	..	158.8
1982	86	10,046.0	..	220.0
1983	75	15,798.0	..	258.1
Policies existing at end of—				
1981	892	63,859.3	..	1,390.8
1982	997	77,926.7	..	1,663.9
1983	1,077	82,835.0	..	1,849.2

(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 472);
- (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>1980-81</i>	<i>1981-82</i>	<i>1982-83</i>
PREMIUMS(a)			
Fire(b)	305.9	352.8	382.1
House Owners' and House-holders'	379.6	459.8	559.0
Contractors' All Risks	26.8	39.1	44.3
Marine and Aviation	134.0	139.7	147.7
Motor Vehicle Comprehensive	914.6	1,042.2	1,224.9
Compulsory Third Party (Motor Vehicle)	768.4	910.4	1,035.8
Employers Liability(c)	875.7	1,175.8	1,755.0
Public Liability(d)	134.4	170.7	225.1
All other	384.3	430.8	487.4
Total	3,923.7	4,721.3	5,861.3
CLAIMS(e)			
Fire(b)	245.7	262.7	332.2
House Owners' and House-holders'	267.8	273.9	374.8
Contractors' All Risks	18.8	30.4	24.3
Marine and Aviation	84.0	105.8	97.0
Motor Vehicle Comprehensive	740.2	861.4	918.8
Compulsory Third Party (Motor Vehicle)	850.5	1,107.9	1,402.0
Employers Liability(c)	922.4	1,324.8	1,551.8
Public Liability(d)	78.3	107.8	119.1
All other	201.7	215.5	242.4
Total	3,409.4	4,290.1	5,062.4

(a) Includes premiums received by brokers 1980-81, \$89.1 million; 1981-82, \$94.7 million; 1982-83, \$145.1 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.

SUPERANNUATION FUNDS AND SCHEMES

The following statistics have been compiled from the Census of Superannuation Funds, 1982-83. These estimates are preliminary and subject to revision. They are based on aggregates of responses from about 88% of superannuation funds within the scope of the census. However, most of the data items are expected to account for more than 88% of the totals for all funds. Detailed definitions and final results from the census are provided in ABS publications *Census of Superannuation Funds, Australia 1982-83* (5636.0) and *Public Authority Pension and Superannuation Schemes, Australia 1982-83* (5511.0).

The census of superannuation funds included superannuation schemes and funds whose primary purpose is to provide benefits on retirement of the following types:

Private sector funds:

Restricted membership funds:

Employees' funds

Self-employed persons' one member funds

Self-employed persons' group funds

Open funds

Public sector funds and schemes:

Self-administered funds

Life insurance offices funds and schemes

Excluded from the census were:

- (a) Private sector funds that were wholly administered by life insurance offices and
- (b) Superannuation arrangements in the private sector that are unfunded (i.e. where the benefits are met from the employer's resources as they are payable), and
- (c) Public sector schemes funded from Consolidated Revenue.

PRIVATE SECTOR FUNDS AND PUBLIC SECTOR SELF-ADMINISTERED FUNDS: INCOME, EXPENDITURE, ASSETS, LIABILITIES, MEMBERS AND PENSIONERS, 1982-83

Private sector funds							
Restricted membership					Total private sector	Public sector self administered funds	Total
Self-employed			Open funds				
Employees	One member	Group					
(\$ million)							
Income—							
Contributions—							
Employees	368.0	0.5	3.5	21.0	393.0	710.5	1,103.5
Employers	841.9	—	—	—	841.9	1,223.6	2,065.5
Interest, dividends and rent	999.4	0.4	5.2	13.9	1,018.9	972.6	1,991.5
Other Income	464.7	—	2.0	4.1	470.8	186.9	657.7
Total income	2,674.0	0.9	10.7	39.0	2,724.6	3,093.6	5,818.2
Expenditure—							
Pensions	89.2	—	—	—	89.2	586.2	675.4
Lump sum payments	1,240.7	1.2	5.0	25.3	1,272.2	753.9	2,026.1
Other expenditure	314.0	—	0.6	5.0	319.6	133.6	453.2
Total expenditure	1,643.9	1.2	5.6	30.3	1,681.0	1,473.7	3,154.7
Assets—							
Cash and savings and trading bank deposits	288.5	0.7	1.4	0.6	291.2	110.5	401.7
Placements with authorised dealers in the short term money market	106.9	—	1.8	20.8	129.5	50.9	180.4
Other placements and deposits	365.4	0.1	1.8	3.2	370.5	386.6	757.1
Bills of exchange and promissory notes held	147.0	—	—	—	147.0	328.0	475.0
Government and public authority securities	2,842.9	1.0	13.9	45.4	2,903.2	3,966.1	6,869.3
Other securities	3,019.3	0.3	16.7	51.6	3,087.9	1,689.7	4,777.6
Financial lease receivables	13.6	—	—	—	13.6	20.3	33.9
Loan outstandings	714.1	0.6	3.8	19.2	737.7	1,129.0	1,866.7
Other assets	3,224.8	2.4	16.7	92.0	3,335.9	2,886.9	6,222.8
Total assets	10,722.5	5.1	56.1	232.8	11,016.5	10,568.0	21,584.5
Liabilities—							
Accumulated Funds	10,581.4	5.1	55.8	228.8	10,871.1	10,450.2	21,321.3
Accounts payable and other liabilities	141.1	—	0.3	4.0	145.4	117.8	263.2
Total liabilities	10,722.5	5.1	56.1	232.8	11,016.5	10,568.0	21,584.5
Members at last balance date (No.)	626,118	595	8,902	76,481	712,096	707,853	1,419,949
Pensioners at last balance date (No.)	24,683	—	—	—	24,683	114,405	139,088
Funds (No.)	15,285	595	95	18	15,993	80	16,073

**PUBLIC SECTOR LIFE INSURANCE OFFICE INVESTED SCHEMES:
INCOME, EXPENDITURE AND MEMBERSHIP 1982-83**

(\$ million)	
<i>Income—</i>	
Contributions—	
Members	24.7
Employers	41.9
Other income	45.3
Total income	111.9
<i>Expenditure—</i>	
Pensions	1.6
Lump sum payments	39.3
Other expenditure	69.7
Total expenditure	110.6
Members at last balance date (No.)	28,799
Funds (No.)	224

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)

	Amount financed during year					Collections and other liquidations of balances during year	Balances outstanding at end of year
	Motor cars and station wagons		Other motor vehicles (a)	Household and personal goods	Total		
	New	Used					
Finance companies—							
1981-82	501.0	706.7	179.0	397.0	1,783.7	2,333.2	3,544.4
1982-83	482.5	656.6	185.6	398.2	1,722.8	2,608.5	3,671.7
1983-84	591.8	761.0	197.7	441.4	1,991.9	2,779.4	3,959.8
Other businesses(b)—							
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
1983-84	—	—	0.5	251.2	251.7	271.9	179.3
Total all businesses—							
1981-82	501.0	706.8	179.4	644.8	2,032.0	2,590.8	3,705.8
1982-83	482.5	656.6	186.0	654.4	1,979.5	2,879.6	3,839.0
1983-84	591.8	761.0	198.3	692.6	2,243.7	3,051.3	4,139.1

(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—					
1981-82	394.0	538.0	139.4	180.4	1,251.8
1982-83	377.6	506.6	148.1	141.9	1,174.2
1983-84	495.7	613.0	160.3	178.1	1,447.1
Other instalment credit—					
1981-82	107.0	168.8	40.0	464.4	780.2
1982-83	104.9	150.0	37.9	512.5	805.3
1983-84	96.1	148.0	38.0	514.5	796.6
Total instalment credit—					
1981-82	501.0	706.8	179.4	644.8	2,032.0
1982-83	482.5	656.6	186.0	654.4	1,979.5
1983-84	591.8	761.0	198.3	692.6	2,243.7

(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* (\$609.0).

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

HOUSING FINANCE FOR OWNER OCCUPATION

(\$ million)

	Loans approved for—		Cancellations of loans previously approved	Loans advanced(a)	Loans approved but not advanced(a)
	Construction or purchase of dwellings	Alterations and additions			
1981-82	6,506.1	524.2	312.8	5,686.6	1,031.4
1982-83	7,171.2	510.1	292.8	6,078.1	1,316.6
1983-84	10,638.9	640.2	389.5	8,934.4	2,044.6

(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>Permanent</i>	<i>Terminating</i>				
CONSTRUCTION OF DWELLINGS								
	(Number)							
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
1983-84	28,642	6,351	14,558	1,352	1,931	3,309	1,758	57,901
	(\$ million)							
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
1983-84	883.4	183.3	586.1	47.4	88.1	100.2	53.3	1,941.8
PURCHASE OF NEWLY ERECTED DWELLINGS								
	(Number)							
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
1983-84	9,667	2,268	4,750	1,357	1,407	1,976	687	22,112
	(\$ million)							
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
1983-84	313.5	56.7	199.7	49.2	74.3	69.9	25.1	788.3
PURCHASE OF ESTABLISHED DWELLINGS								
	(Number)							
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	7,040	176,927
1983-84	117,558	24,422	66,440	3,349	5,325	7,543	9,799	234,436
	(\$ million)							
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	217.3	5,396.3
1983-84	3,684.7	723.0	2,584.8	119.6	246.3	238.0	312.5	7,908.8
TOTAL								
	(Number)							
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	8,850	234,248
1983-84	155,867	33,041	85,748	6,058	8,663	12,828	12,244	314,449
	(\$ million)							
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	265.8	7,171.2
1983-84	4,881.5	963.0	3,370.6	216.1	408.7	408.1	390.9	10,638.9

**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>New money</i>
	<i>Other than cash(b)</i>	<i>Cash</i>		<i>Total(c)</i>			<i>(d)</i>	<i>(d)</i>	
<i>Year ended June—</i>									
1979 . . .	919.5	372.9	546.5	513.1	183.0	330.2	7,532.1	6,653.7	878.4
1980 . . .	2,211.9	824.6	1,387.3	1,336.7	255.1	1,081.6	9,378.0	7,924.6	1,453.4
1981 . . .	4,171.0	1,642.2	2,528.8	2,625.7	479.0	2,146.8	12,682.5	11,066.1	1,616.4
1982 . . .	2,269.6	890.1	1,379.4	1,593.7	290.2	1,303.4	15,453.2	13,639.8	1,813.5
1983 . . .	1,208.1	299.2	908.9	1,013.5	269.5	744.0	13,805.0	13,219.0	586.1
1984 . . .	2,809.4	731.7	2,077.7	1,764.7	409.9	1,354.8	13,674.2	13,196.9	477.2

(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>						
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
1984	281.7	251.5	53.7	663.3	104.6	1,354.8
DEBENTURES, UNSECURED NOTES, LOANS AND DEPOSITS						
<i>Year ended June—</i>						
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
1984	(b)—73.9	353.0	22.4	79.3	96.5	477.2
TOTAL NEW MONEY RAISED						
<i>Year ended June—</i>						
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
1984	207.7	604.5	76.1	742.6	201.2	1,832.1

(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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