

PRIVATE FINANCE

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A MAJOR SIGN of the evolution of private enterprise in Australia was the formation in 1817 of the Bank of New South Wales (now Westpac), the first Australian trading bank. By 1840 there were a dozen trading banks as well as a number of savings banks, the latter promoted by governments as a means of enforcing convict discipline and encouraging thrift among emancipists. Without such encouragement the poor of the colony would, it was feared, dissipate their meagre wages in drinking and gambling, and remain 'poor, vicious and unmarried'. Banking received an enormous boost from the gold rushes, though mainly through existing banks opening new branches, a policy already evident in the 1830s. At first the trading banks took local deposits, discounted commercial bills, made advances and conducted business in connection with domestic and foreign trade, but distanced themselves from mortgages on real estate. In the second half of the nineteenth century, however, they expanded their portfolios to include such mortgages and, after 1875, actively sought deposits in England and Scotland, thus assisting in the international transfer of capital.

Trading banks, in terms of the value of assets, have remained the largest financial institutions in Australia. Nevertheless, there has been considerable expansion, diversification and specialisation of the financial sector as it has sought to accommodate and promote structural change and economic development. Pastoral finance companies developed quickly from the mid-1870s, many established with the purpose of channelling British capital into the Australian rural sector. This period also saw the development of building and land societies, which were substantially fuelled by the savings of British households. In both cases a strong element of speculative extravagance was apparent by the end of the 1880s, and the subsequent crash and readjustment in the 1890s were clearly visible in the assets and withdrawable funds of building societies and the advances of pastoral companies. Although restricted in their market activities, both institutions survived and later revived. The most spectacular revival was that of the pastoral companies in the early 1950s, which, on the basis of the wool boom associated with the Korean War, became an important source of rural finance; their role has declined substantially since then. Building societies prospered with the housing boom of the late 1960s and have maintained a high profile in the housing money market. Other developments include the rise of finance companies in the 1950s to service the consumer durables revolution, the rapid expansion of credit unions—there were only three in 1945—and the arrival of cash management trusts in the 1980s.

In the early penal settlements rum, wheat, tobacco and other items were often used to finance domestic transactions but they were a poor substitute for money, as their own price fluctuated considerably. Governor Macquarie imported Spanish dollars, while English and other foreign coins found their way to the colony through trade and in the pockets of gaolers, convicts and immigrants. Commissariat store receipts from produce sales (which could be consolidated into bills drawn on the British Treasury) were a very important form of money from the earliest of times. In addition, promissory notes were issued by private individuals. These were of varying reliability and their supply was difficult to regulate. It was such deficiencies as these which led to the proposal for a note-issuing bank, the Bank of New South Wales.

Subsequently, a number of trading banks issued their own notes. In 1910, however, the federal treasury exercised its power to print Australian notes, acceptable throughout the nation, and the notes issued by all other institutions were subjected to a tax of 10 per cent per annum on their face value, payable by the issuing body. Private notes were quickly driven out of existence.

Banknotes are only one aspect of money in a sophisticated financial system. Money is now conventionally defined by economists in terms of the currency in the hands of the public but bank accounts can also be utilised as a means of payment.

The main agent through which the government has attempted to influence bank liquidity has been the Commonwealth Bank, which was renamed the Reserve Bank of Australia in 1959 when its functions were split and a new organisation, the Commonwealth Banking Corporation, was formed. It began as a savings bank in 1912 but opened general trading business in 1913. During World War II other trading banks were required to hold 'special accounts' with the Commonwealth Bank which could not be used for other purposes and in 1945 the Commonwealth Bank was formally authorised to operate as a central bank. Control over bank liquidity is maintained by such means as varying the proportion of banks' depositor funds that have to be held in deposit with the Reserve Bank (which affects the banks' capacity to lend and, in turn, credit creation and money supply growth) and the LGS convention, formally commenced in 1956, by which major trading banks have to maintain a minimum specified ratio of LGS assets (notes and coin, cash with the Reserve Bank, Commonwealth Treasury bills and notes, and other Commonwealth government securities) to deposits. This convention was replaced by a modified prime assets ratio in 1985. Savings banks liquidity is also regulated.

Another institution with a long history is the stock exchange, whose function is to link buyers, both public companies and government borrowers, with potential lenders and to provide a means by which investors can buy and sell their shares and debentures. Tables PF 6-18 show share price indexes and other dimensions associated with the Sydney Stock Exchange from 1875.

Exchange rates represent the foreign currency obtained for one Australian dollar. For most of the years shown, the Australian currency was fixed in relation to the pound sterling, first with only a brief lapse until the 1930s, through the operation of the gold standard, later by government authorities directly intervening, pegging the rate and imposing exchange controls. The value of Australian currency against all other currencies simply reflected sterling's movements against these over a period. Between 1971 and 1974 the Australian dollar was fixed in relation to the US dollar, and from then until 1976 to the average value of a basket of currencies, each given a weight equal to the country's trading importance with Australia. Thereafter, until the end of 1983, small, virtually continuous adjustments were made in line with the trade weighted basket, in contrast to the previous system where the adjustments were sporadic. Virtually all exchange controls were lifted in 1983, and the Australian dollar was floated.

The financial importance of life insurance offices derives from their ability to tap long-term householder savings, traditionally done in exchange for the provision of death cover. The importance of general (non-life) insurance is that the premiums provide a risk cover for individuals and corporations who would otherwise need to tie up capital to meet possible losses. In recent years there has been a considerable growth in private and public pension schemes. The private pension schemes exclude those managed by life insurance offices mentioned above. Public pension schemes refer to those schemes organised by commonwealth and state governments and their instrumentalities for their public servants. In both cases the schemes operate on funds received by contributors deriving income on the investment of these.

PF 1-5 INTEREST RATES, AUSTRALIA 1851-1983

Year 30 June ^a	DEPOSITS				
	Savings banks	Trading banks ^b	Govt bonds	Bank overdrafts	Housing loans
	1	2	3	4	5
	%pa	%pa	%pa	%pa	%pa
1851	4.11	..	..	..	..
1852	3.86	..	..	..	..
1853	2.50	..	..	..	..
1854	2.67	..	..	10.00	..
1855	4.33	..	..	..	..
1856	4.50	..	..	..	..
1857	4.88	..	..	..	..
1858	5.00	..	..	10.00	..
1859	5.00	5.00	..	10.00	..
1860	5.00	4.00	..	12.00	..
1861	5.00	4.00	..	..	..
1862	4.75	4.00	..	..	..
1863	4.75	..	..	..	..
1864	4.75	6.00	..	..	..
1865	4.60	6.75	..	..	..
1866	5.00	7.00	..	..	..
1867	5.00	6.00	..	..	..
1868	5.00	4.00	..	..	..
1869	5.00	4.75	..	..	..
1870	4.88	6.50	4.87	..	..
1871	4.60	4.50	4.79	..	..
1872	4.60	4.00	4.71	8.00	..
1873	4.40	4.50	4.64	8.00	..
1874	4.50	5.00	4.55	10.00	..
1875	4.60	5.00	4.45	10.00	..
1876	4.60	5.00	4.57	9.00	..
1877	4.50	..	4.48	..	..
1878	4.80	6.00	4.38	10.00	..
1879	4.90	..	4.49	..	..
1880	4.70	4.00	4.49	9.00	..
1881	4.70	3.00	4.10	8.00	..
1882	4.50	4.00	3.82	8.00	..
1883	4.70	..	4.00	..	..
1884	4.90	5.50	4.26	9.00	..
1885	4.80	..	4.20	..	..
1886	4.70	6.00	4.18	9.00	..
1887	4.60	5.00	4.17	8.50	..
1888	4.60	5.00	3.81	8.50	..
1889	4.50	..	3.55	..	..
1890	4.30	4.00	3.52	9.00	..
1891	4.30	5.00	3.65	8.50	..
1892	4.30	..	4.00	..	..
1893	4.20	4.50	3.97	8.50	..
1894	3.90	4.00	3.86	8.00	..
1895	3.60	..	3.56	..	..
1896	3.30	2.75	3.56	7.00	..
1897	3.10	2.75	3.00	6.00	..
1898	3.00	..	3.11	..	..
1899	3.10	..	3.04	..	..
1900	3.10	3.00	3.12	6.50	..
1901	2.88	3.00	3.34	6.50	..
1902	2.88	..	3.83	..	..
1903	3.13	3.25	3.51	6.50	..
1904	3.25	3.50	3.79	6.75	..
1905	3.25	3.00	4.01	6.75	..
1906	3.25	2.75	3.45	7.00	..
1907	3.19	..	3.38	..	..
1908	3.19	3.00	3.57	6.75	..
1909	3.13	..	3.66	..	..
1910	3.13	..	3.82	..	..
1911	3.25	..	3.64	..	..
1912	3.38	3.50	3.83	6.75	..
1913	3.30	..	4.85	..	..
1914	3.30	..	4.25	..	..
1915	3.35	..	4.47	..	..
1916	3.40	4.00	5.06	6.75	..
1917	3.55	..	5.33	..	..

Year 30 June ^a	DEPOSITS				
	Savings banks	Trading banks ^b	Govt bonds	Bank overdrafts	Housing loans
	1	2	3	4	5
	%pa	%pa	%pa	%pa	%pa
1918	3.60	..	4.94	..	..
1919	3.60	..	5.29	..	..
1920	3.80	4.50	5.87	6.75	..
1921	3.94	..	7.22	..	..
1922	3.94	..	6.78	..	..
1923	4.00	..	6.29	..	..
1924	4.00	4.50	6.01	6.75	..
1925	4.06	..	5.96	..	..
1926	4.06	..	5.20	..	..
1927	4.06	4.50	5.34	7.25	..
1928	4.06	..	5.43	..	..
1929	4.19	..	5.26	..	..
1930	4.19	5.00	5.57	7.75	..
1931	4.13	4.00	6.51	6.00	..
1932	3.17	3.25	4.68	5.50	..
1933	2.67	3.00	3.92	5.50	..
1934	2.50	2.50	3.61	4.90	..
1935	2.25	..	3.31	..	..
1936	2.25	2.75	3.74	5.00	..
1937	2.25	..	4.02	..	..
1938	2.25	..	3.68	..	..
1939	2.33	..	3.90	..	..
1940	2.25	2.25	3.80	5.00	..
1941	2.17	2.00	3.09	5.00	..
1942	2.08	1.75	3.25	4.60	..
1943	2.08	..	3.23	..	..
1944	2.08	1.25	3.24	4.50	..
1945	2.08	..	3.24	..	..
1946	1.63	1.00	3.25	4.75	..
1947	1.63	..	3.21	4.50	..
1948	1.63	..	3.17	..	..
1949	1.63	..	3.13	..	..
1950	1.50	1.50	3.12	4.50	3.88
1951	1.50	1.50	3.17	4.50	3.88
1952	1.50	1.50	3.75	4.50	3.88
1953	1.75	1.75	4.53	5.00	4.50
1954	1.75	1.75	4.40	5.00	4.50
1955	1.88	2.00	4.52	5.00	4.50
1956	2.13	3.00	4.53	6.00	5.00
1957	2.13	3.50	5.09	6.00	5.00
1958	2.13	3.50	5.00	6.00	5.00
1959	3.00	3.50	4.97	6.00	5.00
1960	3.00	3.50	4.83	6.00	5.00
1961	3.25	4.50	5.34	7.00	5.50
1962	3.50	4.00	4.88	7.00	5.50
1963	3.00	3.50	4.72	6.50	5.00
1964	3.25	4.00	4.29	7.00	5.13
1965	3.50	4.50	4.76	7.25	5.38
1966	3.50	4.50	5.15	7.25	5.38
1967	3.50	4.50	5.02	7.25	5.38
1968	3.50	4.75	5.10	7.25	5.38
1969	3.75	4.75	4.91	7.50	5.88
1970	4.00	5.50	5.64	8.25	7.25
1971	4.00	6.50	6.41	8.25	7.25
1972	4.00	6.50	5.71	7.75	7.00
1973	4.00	6.50	5.30	7.75	7.00
1974	4.88	8.00	8.05	9.50	8.38
1975	4.88	10.00	8.04	11.50	10.13
1976	4.88	10.00	8.45	10.50	9.88
1977	4.88	10.00	8.80	10.50	9.88
1978	4.88	10.00	8.28	10.50	9.38
1979	4.88	10.00	8.46	10.50	9.13
1980	4.88	10.00	9.95	10.50	9.88
1981	4.88	11.90	11.08	12.50	11.50
1982	4.88	15.00	13.87	14.50	13.50
1983	4.88	12.80	12.43	14.50	12.50

(a) PF 2 & 4: prior to 1950, months closest to June. PF 3: 1901-25, year ending 31 Dec.
 (b) Fixed deposit.

PF 6-10 SHARE PRICE INDEXES AND DIVIDEND YIELDS, AUSTRALIA 1875-1959

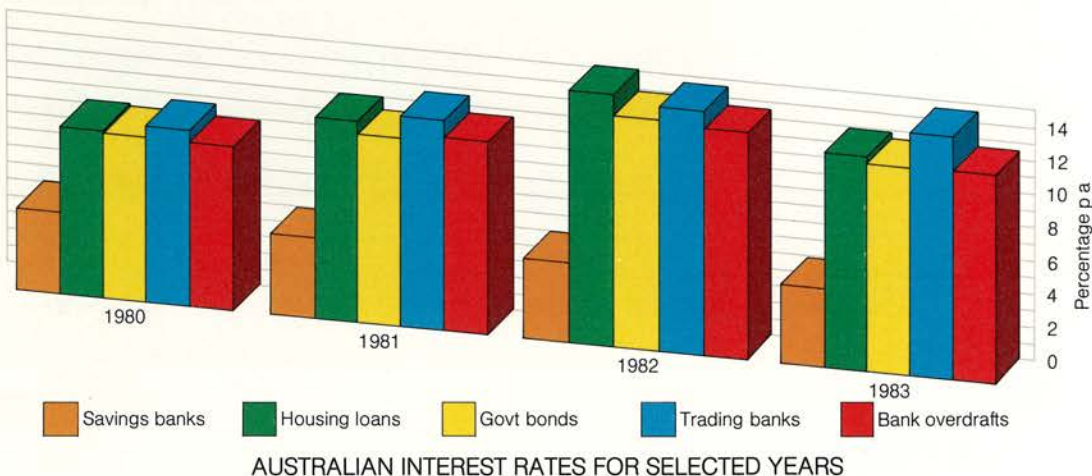
Year 30 June	SHARE PRICE INDEXES					Average dividend yield ^a
	Mining	All mining	All ordinaries	All industrials		
	6	7	8	9	10	
						%pa
1875	90.21	..	5.4	..	..	..
1876	60.86	..	5.1	..	..	..
1877	87.86	..	5.3	..	..	..
1878	44.07	..	5.3	..	..	..
1879	55.08	..	4.2	..	..	..
1880	73.01	..	4.8	..	..	..
1881	117.16	..	5.5	..	..	..
1882	100.13	..	6.2	..	6.83	..
1883	98.77	..	7.0	..	7.42	..
1884	108.31	..	7.4	..	8.46	..
1885	53.58	..	7.4	..	8.53	..
1886	46.98	..	7.5	..	8.68	..
1887	102.40	..	7.7	..	8.87	..
1888	122.61	..	9.3	..	7.25	..
1889	176.42	..	10.5	..	7.90	..
1890	235.31	..	9.1	..	8.39	..
1891	235.77	..	8.8	..	8.24	..
1892	121.78	..	8.2	..	9.45	..
1893	76.90	..	7.1	..	9.05	..
1894	57.61	..	7.2	..	9.75	..
1895	57.98	..	7.5	..	8.42	..
1896	81.34	..	8.5	..	7.00	..
1897	89.12	..	8.2	..	7.07	..
1898	79.76	..	8.3	..	6.82	..
1899	114.58	..	9.2	..	6.76	..
1900	104.00	..	9.6	..	6.32	..
1901	78.84	..	9.7	..	6.64	..
1902	65.98	..	9.3	..	6.80	..
1903	67.17	..	10.5	..	6.62	..
1904	72.03	..	12.0	..	6.90	..
1905	89.47	..	12.9	..	6.51	..
1906	119.86	..	13.7	..	5.71	..
1907	154.58	..	14.0	..	5.14	..
1908	84.91	..	15.9	..	5.38	..
1909	96.55	..	17.3	..	5.51	..
1910	93.63	..	18.2	..	5.27	..
1911	..	..	19.4	..	5.51	..
1912	..	..	19.6	..	6.39	..
1913	..	..	20.3	..	6.50	..
1914	..	..	23.9	..	6.42	..
1915	..	..	22.6	..	6.67	..
1916	..	..	19.3	..	7.10	..
1917	..	..	19.7	..	7.04	..

Year 30 June	SHARE PRICE INDEXES					Average dividend yield ^a
	Mining	All mining	All ordinaries	All industrials		
	6	7	8	9	10	
						%pa
1918	20.3	..	..	7.15
1919	22.3	..	..	7.26
1920	25.9	..	..	6.59
1921	25.8	..	..	8.69
1922	29.1	..	..	7.42
1923	35.0	..	..	6.78
1924	36.4	..	..	7.38
1925	38.2	..	..	7.37
1926	42.7	..	..	7.06
1927	46.6	..	..	7.18
1928	49.9	..	..	7.23
1929	53.5	..	..	6.91
1930	38.9	..	..	7.79
1931	30.2	..	..	8.00
1932	35.7	..	..	5.87
1933	46.0	..	..	4.87
1934	51.6	..	..	4.57
1935	60.8	..	..	4.73
1936	..	8.7 ^b	66.1 ^b	97.6 ^b	..	4.97
1937	..	14.0	71.7	105.1	..	5.22
1938	..	8.6	64.8	96.7	..	6.41
1939	..	8.8	63.6	94.7	..	6.61
1940	..	7.0	56.3	84.2	..	7.51
1941	..	8.0	60.3	90.1	..	6.81
1942	..	7.7	53.4	79.6	..	7.35
1943	..	10.2	65.6	97.3	..	5.62
1944	..	11.5	68.1	100.7	..	5.86
1945	..	10.8	71.0	105.4	..	5.38
1946	..	12.6	81.3	120.7	..	4.95
1947	..	15.4	90.1	133.1	..	4.46
1948	..	20.0	95.2	139.1	..	4.53
1949	..	13.2	84.6	125.5	..	5.38
1950	..	16.6	105.2	156.1	..	4.94
1951	..	22.3	137.0	202.9	..	4.83
1952	..	17.9	93.2	136.2	..	6.91
1953	..	16.5	94.5	139.3	..	6.60
1954	..	20.4	108.0	158.2	..	6.30
1955	..	26.2	120.7	174.7	..	6.69
1956	..	29.7	112.1	160.5	..	7.97
1957	..	41.0	132.3	187.4	..	7.37
1958	..	34.6	142.5	205.1	..	7.11
1959	..	49.0	170.7	243.2	..	6.12

NOTE PF 6 Base year, 30 June 1898 = 100; PF 8 Base year, 31 Dec 1979 = 500.

(a) All ordinaries only. Dec figure.

(b) July figure.



**PF 11-18 SHARE PRICE INDEXES AND DIVIDEND YIELDS, AUSTRALIA
1960-1985**

Year 30 June	SHARE PRICE INDEXES			AVERAGE DIVIDEND YIELD			AVERAGE EARNINGS YIELD	
	All mining	All ordinaries	All industrials	All ordinaries	50 leaders	100 others ^a	50 leaders	100 others ^a
	11	12	13	14	15	16	17	18
				%pa	%pa	%pa	%pa	%pa
1960	76.4 ^b	226.9 ^b	319.4 ^b	4.91 ^c	..	..	..	..
1961	69.8	209.7	295.4	6.27	4.46	5.70	7.25	11.74
1962	61.4	198.7	281.5	5.54	4.37	5.23	6.38	8.67
1963	71.4	214.8	302.8	5.61	4.59	5.59	6.12	7.77
1964	109.9	249.7	341.9	5.11	4.09	4.31	6.26	6.89
1965	110.7	211.9	283.6	6.09	4.93	5.51	7.85	10.04
1966	131.6	218.6	275.5	6.33	5.29	5.79	8.41	12.48
1967	175.8	238.6	273.2	6.59	5.32	5.81	8.32	11.38
1968	390.9	404.0	371.1	5.71	4.08	5.16	6.71	10.30
1969	420.8	384.7	391.0	5.24	4.28	4.81	7.20	8.94
1970	513.5	367.4	338.1	6.23	5.38	6.11	9.19	10.96
1971	364.7	330.3	327.1	6.60	5.54	6.83	9.48	13.69
1972	351.2	414.4	469.6	5.34	4.04	4.91	6.66	8.49
1973	289.9	381.1	469.3	4.96	4.51	4.39	7.12	7.71
1974	189.6	271.7	326.6	7.33	6.77	6.44	11.52	11.65
1975	185.8	251.2	292.5	9.34	7.21	6.90	13.86	17.65
1976	246.0	317.5	371.4	7.75	5.81	6.16	8.98	12.62
1977	265.8	309.0	355.3	8.33	6.85	7.64	11.37	16.62
1978	243.3	334.6	403.3	7.46	6.27	6.92	11.92	15.98
1979	314.4	389.7	434.4	7.08	6.69	6.59	12.43	13.70
1980	615.7	611.0	555.2	6.66	6.18	6.87	12.03	14.84
1981	607.7	708.4	750.0	5.63	5.28	5.92	9.99	11.43
1982	336.3	479.4	641.2	7.26	7.04	7.01	12.48	14.37
1983	536.9	603.5	744.9	6.67	5.96	6.10	10.55	10.77
1984	433.4	661.8	915.5	..	..	..	..	..
1985	509.4	855.1	1 228.9	..	..	..	..	..

NOTE PF 11, 12 and 13, Base year 31 December 1979 = 500.

(a) Sample increased from 50 to 100 in July 1973. Dec figure.

(b) July figure.

(c) Dec figure.

**PF 19-27 ASSETS OF AUSTRALIAN FINANCIAL INSTITUTIONS,
1851-1951**

Year 30 June ^a	Trading banks	Savings banks	Life insurance offices	Friendly soc	Trustee co	Trustee co funds ^b	Pastoral finance co	All Building soc	Total ^c
	19	20	21	22	23	24	25	26	27
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1851	10	1							11
1861	49	3							52
1871	69	7							76
1881	142	16							158
1891	306	32	25	4			53	48	468
1901	234	66	48	6	1	41	48	8	452
1911	320	130	76	12	2	83	48	10	681
1921	624	318	150	19	2	177	52	15	1357
1931	780	438	293	31	5	372	71	27	2017
1941	1024	567	494	38	5	512	79	46	2765
1951	3053	1769	935	51	7	690	267	155	6927

(a) As most institutions reported assets at different balancing dates, the pre-1952 data have been converted to estimates of years ending 30 June. This applies to PF 21, 1884-1951; PF 26, 1886-1908; PF 25, 1885-1951; PF 22, 1883-1951; PF 23 and 24, 1898-1951. When data were a mixture of a calendar and financial years, all data were assumed to be in financial years; this applies to PF 26, 1926-37.

(b) Funds administered by trustee companies.

(c) Data unavailable for some institutions before dates shown.

PF 28-46 ASSETS OF AUSTRALIAN FINANCIAL INSTITUTIONS, 1953-1983

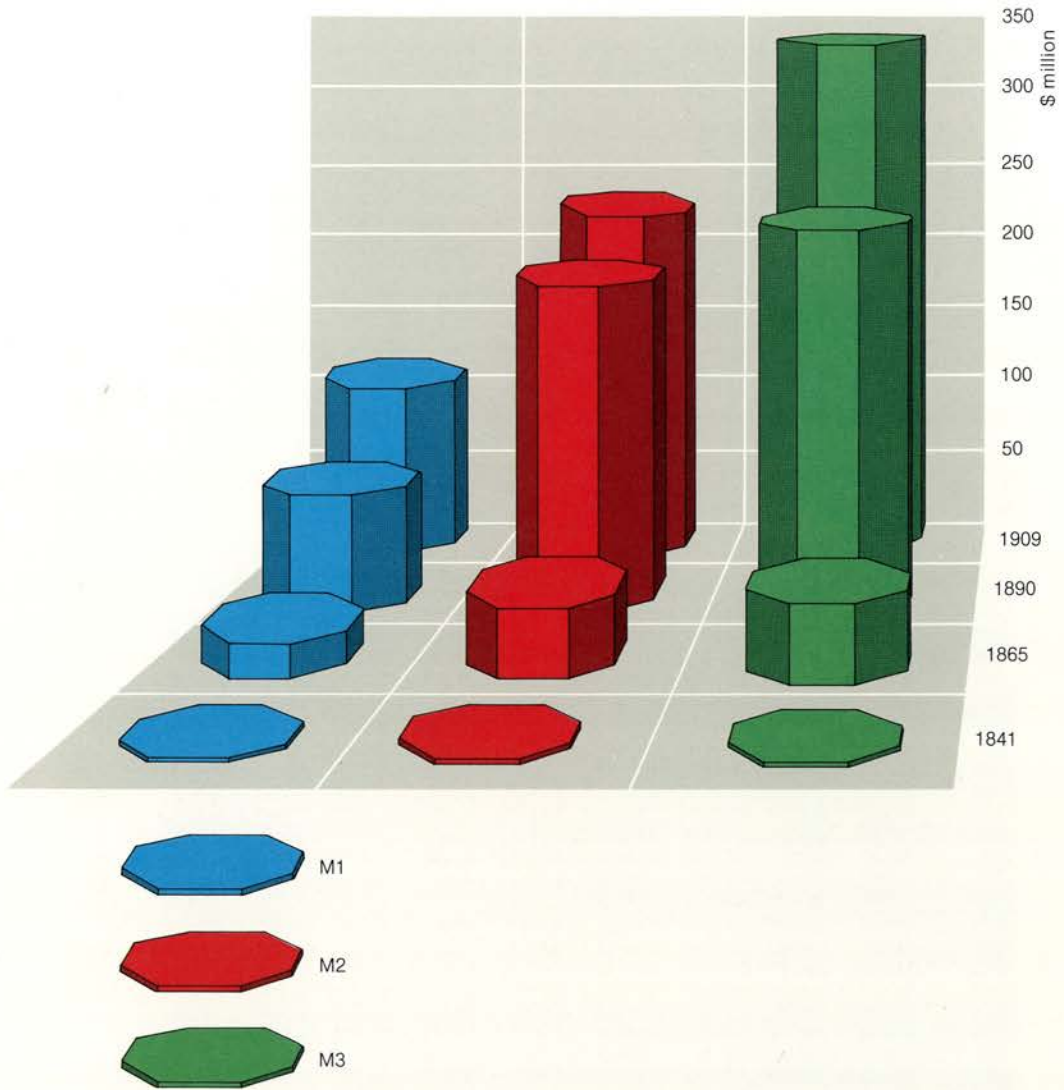
Year 30 June	BANKING					MONEY MARKET											Other	Total		
	RBA	Trading banks	Savings banks	Net asset adjust- ments ^a	Finance co	Life insurance offices	Pension funds	Friendly soc	Trustee co	Trustee co, funds ^b	Pastoral finance co	All building soc	Non-life insurance	General financiers	Corpora- tions	Authorised dealers			Credit co-ops	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m		
1953	2 071	3 093	1 999	-16	171	1 105	493	53	5	719	259	242	212	41	42	43	44	45	46	
1954	2 098	3 346	2 134	-20	190	1 190	557	55	7	732	264	275	243	3	3	3	1	40	10 450	
1955	1 903	3 364	2 269	-21	340	1 289	625	58	8	747	266	301	266	4	4	2	2	52	11 188	
1956	1 828	3 301	2 398	-40	431	1 400	707	60	8	781	297	327	290	5	5	3	3	68	11 499	
1957	2 032	3 549	2 569	-70	495	1 530	793	62	8	816	293	359	320	5	5	3	3	87	11 883	
1958	1 962	3 568	2 716	-75	648	1 675	891	65	9	853	338	396	361	11	11	4	4	106	12 900	
1959	1 975	3 856	2 914	-87	826	1 846	997	67	10	908	341	438	397	11	11	98	4	129	13 551	
1960	2 142	4 048	3 192	-82	1 157	2 032	1 131	69	11	956	377	480	486	24	24	160	5	160	14 761	
1961	2 196	4 000	3 324	-52	1 278	2 219	1 284	73	12	1 032	407	535	552	28	28	205	7	252	16 412	
1962	2 156	4 304	3 648	-64	1 366	2 441	1 450	77	13	1 093	423	595	600	42	42	246	9	280	17 352	
1963	2 219	4 622	4 139	-80	1 284	2 686	1 628	81	15	1 155	435	656	751	49	49	297	13	317	18 679	
1964	2 510	5 339	4 717	-72	1 339	2 979	1 827	86	16	1 247	476	712	842	67	67	363	22	368	20 267	
1965	2 515	5 813	5 150	-41	1 500	3 285	2 030	90	18	1 305	485	795	938	70	60	352	31	394	22 893	
1966	2 336	5 979	5 547	-55	1 674	3 621	2 230	97	18	1 166	511	885	1 166	87	82	413	42	441	24 790	
1967	2 483	6 289	6 074	-61	1 975	3 983	2 441	104	19	1 166	552	999	1 281	97	90	512	56	487	25 074	
1968	2 462	6 848	6 567	-59	2 293	4 419	2 713	112	21	1 166	598	1 179	1 406	110	170	531	71	525	27 381	
1969	2 755	7 632	7 081	-61	2 875	4 952	3 012	119	24	1 166	631	1 430	1 589	150	282	595	94	663	29 966	
1970	3 164	8 452	7 503	-160	3 502	5 481	3 325	127	27	1 166	662	1 782	1 799	177	798	667	124	776	33 823	
1971	3 661	8 978	8 074	-112	4 104	6 064	3 699	139	32	1 166	651	2 168	2 020	210	999	773	171	825	38 206	
1972	4 598	9 912	8 873	-106	5 130	6 724	4 178	149	..	1 166	654	2 759	2 313	370	1 700	1 103	249	825	42 456	
1973	5 187	12 923	10 729	-158	7 090	7 577	4 694	..	..	1 166	764	3 665	2 625	537	2 369	878	365	1 040	49 646
1974	5 685	15 611	11 765	-452	8 699	8 282	5 096	..	..	1 166	850	4 368	3 059	665	2 516	485	484	1 451	60 696
1975	5 356	18 465	13 646	-477	9 221	8 909	5 826	..	..	1 166	837	5 049	3 433	722	2 732	892	633	1 479	68 592
1976	6 193	21 245	15 568	-301	10 927	9 703	6 864	..	..	1 166	710	6 106	4 390	870	2 980	1 053	839	1 571	76 815
1977	8 057	23 481	17 294	-144	12 785	10 503	8 021	..	..	1 166	760	7 503	5 935	1 008	3 356	1 145	1 066	1 767	88 914
1978	8 679	25 008	19 026	-32	14 468	11 568	9 388	..	..	1 166	811	8 738	6 195	1 384	3 897	1 499	1 342	2 116	102 886
1979	10 247	29 494	21 040	-168	15 854	12 646	10 777	..	..	1 166	949	10 397	8 349	1 643	4 932	1 579	1 760	2 177	114 148
1980	12 007	34 580	22 684	-88	17 780	14 001	12 279	..	..	1 166	1 255	12 323	8 865	1 959	6 460	1 698	2 192	2 622	132 121
1981	11 880	41 172	24 886	-74	21 821	15 816	14 480	..	..	1 166	1 305	13 842	9 681	2 358	8 669	1 809	2 559	3 555	151 726
1982	12 747	49 274	27 267	-230	25 460	17 137	17 387	..	..	1 166	1 633	15 215	11 602	2 920	11 966	1 405	2 957	4 348	174 700
1983	15 523	55 343	32 820	-402	26 015	19 473	23 545	..	..	1 166	1 924	17 013	13 620	2 872	13 741	2 006	3 658	4 348	202 715
																			8043	235 194

(a) The sum of assets of trading banks, savings banks, and other banking institutions balances between these groups. To obtain the aggregate assets of banking institutions (excluding RBA) the total assets of trading and savings banks (PF 29-30) must be adjusted for interbank balances and assets of other banking institutions.
 (b) Funds administered by trustee companies.

Isn't it amazing what one will do for an enormous sum of money? Barry Humphries, 1982.

PF 47-56 EXCHANGE RATES, AUSTRALIA 1851-1984

Year ^a	Italy	Japan	NZ ^b	UK ^c	USA	Belgium	Canada	France	West Germany ^d	India
	47	48	49	50	51	52	53	54	55	56
	lire	yen	\$NZ	£stg	US\$	BF	Can\$	franc	DM	rupee
1851	..	..	..	0.49505	..	..	..	..	..	..
1852	..	..	..	0.54945	..	..	..	..	..	..
1853	..	..	..	0.49020	..	..	..	..	..	..
1854	..	..	..	0.47619	..	..	..	..	..	..
1855	..	..	..	0.48544	..	..	..	..	..	..
1856	..	..	..	0.49505	..	..	..	..	..	..
1857	..	..	..	0.49261	..	..	..	..	..	..
1858	..	..	..	0.49505	..	..	..	..	..	..
1859	..	..	..	0.48781	..	..	..	..	..	..
1860	..	..	..	0.50000	..	..	..	..	..	..
1861	..	..	..	0.49751	..	..	..	..	..	..
1862	..	..	..	0.49505	..	..	..	..	..	..
1863	..	..	..	0.49261	..	..	..	..	..	..
1864	..	..	..	0.49876	..	..	..	..	..	..
1865	..	..	..	0.49261	..	..	..	..	..	..
1866	..	..	..	0.49505	..	..	..	..	..	..
1867	..	..	..	0.49505	..	..	..	..	..	..
1868	..	..	..	0.49628	..	..	..	..	..	..
1869	..	..	..	0.49628	..	..	..	..	..	..
1870	..	..	..	0.48781	..	..	..	..	..	..
1871	..	..	..	0.49628	..	..	..	..	..	..
1872	..	..	..	0.49751	..	..	..	..	..	..
1873	..	..	..	0.49751	..	..	..	..	..	..
1874	..	..	..	0.49567	..	..	..	..	..	..
1875	..	..	..	0.49567	..	..	..	..	..	..
1876	..	..	..	0.49567	..	..	..	..	..	..
1877	..	..	..	0.49261	..	..	..	..	..	..
1878	..	..	..	0.49567	..	..	..	..	..	..
1879	..	..	..	0.49628 ^c	..	..	..	..	..	..
1880	..	..	..	0.49751	..	..	..	..	..	..
1881	..	..	..	0.49876	..	..	..	..	..	..
1882	..	..	..	0.49628	..	..	..	..	..	..
1883	..	..	..	0.49628	..	..	..	..	..	..
1884	..	..	..	0.49751	..	..	..	..	..	..
1885	..	..	..	0.49628	..	..	..	..	..	..
1886	..	..	..	0.49690	..	..	..	..	..	..
1887	..	..	..	0.49751	..	..	..	..	..	..
1888	..	..	..	0.49567	..	..	..	..	..	..
1889	..	..	..	0.49567	..	..	..	..	..	..
1890	12.716	..	..	0.49719	2.4325	12.558	..	0.12552	..	..
1891	12.760	..	..	0.49734	2.4264	12.567	..	0.12550	..	..
1892	12.972	..	..	0.49658	2.4252	12.516	..	0.12502	..	..
1893	13.501	..	..	0.49660	2.4247	12.527	..	0.12513	..	..
1894	13.904	..	..	0.49651	2.4310	12.536	..	0.12528	..	..
1895	13.222	..	..	0.49610	2.4345	12.533	..	0.12517	..	..
1896	13.494	..	..	0.49659	2.4325	12.528	..	0.12511	..	..
1897	13.143	..	..	0.49579	2.4211	12.495	..	0.12475	..	..
1898	13.468	..	..	0.49687	2.4202	12.587	..	0.12561	..	..
1899	13.417	..	..	0.49438	2.4154	12.503	..	0.12475	..	..
1900	13.257	..	..	0.49383	2.4098	12.449	..	0.12422	..	..
1901	13.078	..	..	0.49371	2.4127	12.451	..	0.12429	..	..
1902	12.614	..	..	0.49382	2.4139	12.455	..	0.12426	..	..
1903	12.435	..	..	0.49382	2.4102	12.457	..	0.12424	..	..
1904	12.459	..	..	0.49436	2.4111	12.469	..	0.12442	..	..
1905	12.452	..	..	0.49505	2.4130	12.483	..	0.12453	..	..
1906	12.469	..	..	0.49531	2.4097	12.511	..	0.12471	..	..
1907	12.503	..	..	0.49615	2.4178	12.538	..	0.12500	..	..
1908	12.553	..	..	0.49877	2.4302	12.571	..	0.12536	..	..
1909	12.528	..	..	0.49519	2.4158	12.511	..	0.12470	..	..
1910	12.582	..	..	0.49591	2.4164	12.563	2.4159	0.12514	..	..
1911	12.578	..	..	0.49628	2.4106	12.562	..	0.12506	..	..
1912	12.627	..	..	0.49561	2.4160	12.568	2.4160	0.12510	..	..
1913	12.706	..	..	0.49578	2.4139	12.589	2.4142	0.12514	..	..
1914	12.709	..	..	0.49628	2.4465	12.668	2.4447	0.12465	..	..
1915	14.251	..	..	0.49517	2.3555	..	2.3650	0.13118	..	..
1916	15.359	4.6290	..	0.49200	2.3449	..	2.3504	0.13803	..	7.1351
1917	17.623	4.5713	..	0.49263	2.3470	..	2.3515	0.13529	..	6.8069
1918	18.523	4.4403	..	0.49443	2.3560	..	2.3950	0.13232	..	6.4112
1919	19.248	4.2754	..	0.49444	2.1883	17.140	2.2891	0.15994	..	5.4307
1920	36.423	3.5939	..	0.49401	1.8102	24.528	2.0277	0.25713	..	4.6560
1921	43.733	3.8919	..	0.48784	1.8777	25.218	2.0970	0.25186	..	7.1619
1922	45.674	4.5440	..	0.49043	2.1722	28.273	2.2058	0.26486	..	7.5579



VOLUME OF MONEY, AUSTRALIA 1841 to 1909

M1, M2 and M3 show the changing composition of the stock of money. For an explanation of the terms M1, M2 and M3, see table PF 57-63.

PF 57-63 VOLUME OF MONEY, AUSTRALIA 1841-1909

Year 31 Dec ^a	Currency held by public	Trading banks current deposit	M1 ^b	Trading banks fixed deposits	M2 ^c	Savings banks deposits	M3 ^d
57	58	59	60	61	62	63	63
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1841	1.1	3.1	4.2	4.2	4.2	0.3	4.5
1842	1.1	2.9	3.9	3.9	3.9	0.4	4.3
1843	1.0	2.5	3.5	3.3	3.3	0.3	3.3
1844	1.0	2.7	3.7	3.7	3.7	0.3	4.0
1845	1.1	3.2	4.3	4.3	4.3	0.3	4.6
1846	1.2	3.7	4.9	4.9	4.9	0.3	5.2
1847	1.3	3.7	5.0	5.3	5.3	0.3	5.3
1848	1.4	3.4	4.8	4.8	4.8	0.3	5.1
1849	1.5	3.3	4.7	4.7	4.7	0.4	5.2
1850	1.6	3.9	5.5	5.5	5.5	0.5	6.0
1851	2.9	5.4	8.3	8.3	8.3	0.7	9.0
1852	6.9	15.7	22.6	0.1	22.7	1.1	23.8
1853	8.4	27.2	35.6	0.3	35.9	1.7	37.6
1854	7.6	24.4	32.0	0.5	32.5	2.1	34.6
1855	9.0	20.7	29.7	1.0	30.7	2.1	32.8
1856	10.4	21.4	31.8	2.7	34.5	2.2	36.7
1857	10.4	16.3	26.7	8.1	34.8	2.6	37.4
1858	10.0	11.5	21.5	12.1	33.6	2.6	36.2
1859	10.2	11.7	21.9	15.5	37.4	2.7	40.1
1860	10.2	15.8	26.0	11.7	37.7	2.7	40.4
1861	9.8	16.5	26.3	10.0	36.3	3.0	39.3
1862	9.6	16.9	26.5	12.9	39.4	3.3	42.7
1863	9.5	15.3	24.8	13.2	38.0	3.7	41.7
1864	9.7	15.5	25.2	15.3	40.5	4.0	44.5
1865	10.0	14.2	24.2	19.7	43.9	3.9	47.8
1866	9.4	13.2	22.6	20.6	43.2	3.9	47.1
1867	9.5	13.0	22.5	23.1	45.6	3.9	49.5
1868	10.0	15.4	25.4	23.1	48.5	4.5	53.0
1869	10.3	15.6	25.9	23.0	48.9	5.4	54.3
1870	10.3	13.0	23.3	25.2	48.5	5.8	54.3
1871	10.7	16.5	27.2	26.1	53.3	6.2	59.5
1872	11.5	24.7	36.2	25.2	61.4	7.1	68.5
1873	12.5	26.1	38.6	26.9	65.5	8.2	73.7
1874	12.8	25.1	37.9	32.2	70.1	9.2	79.3
1875	13.2	24.3	37.5	41.4	78.9	9.6	88.5
1876	13.4	24.8	38.2	47.7	85.9	9.9	95.8

Year 31 Dec ^a	Currency held by public	Trading banks current deposit	M1 ^b	Trading banks fixed deposits	M2 ^c	Savings banks deposits	M3 ^d
57	58	59	60	61	62	63	63
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1877	13.8	26.4	40.2	55.0	95.2	10.5	105.7
1878	14.0	24.7	38.7	56.8	95.5	10.7	106.2
1879	13.6	23.6	37.6	60.4	97.6	10.7	108.3
1880	14.5	30.1	44.6	58.9	103.5	11.3	114.8
1881	15.8	41.5	57.3	62.2	119.5	14.5	134.0
1882	16.8	38.8	55.6	75.9	131.5	17.8	149.3
1883	17.4	35.0	52.4	85.7	138.1	17.8	155.9
1884	17.7	38.9	56.6	97.2	153.8	18.1	171.9
1885	18.4	43.4	61.8	101.3	163.1	19.8	182.9
1886	17.9	40.6	58.5	106.8	165.3	21.0	186.3
1887	18.5	47.8	66.3	112.2	178.5	21.2	199.7
1888	19.5	55.8	75.3	119.4	194.7	23.9	218.6
1889	19.3	52.4	71.7	129.5	201.2	26.3	227.5
1890	19.6	54.4	74.0	135.1	209.1	27.4	236.5
1891	19.8	49.7	69.5	139.1	208.6	30.1	238.7
1892	18.9	48.2	67.1	141.7	208.8	31.8	240.6
1893	18.3	42.2	60.5	122.9	183.4	34.4	217.8
1894	18.2	46.8	65.0	113.8	178.8	37.8	216.6
1895	18.4	56.0	74.4	106.7	181.1	41.2	222.3
1896	19.2	61.8	81.0	101.3	182.3	44.1	226.4
1897	19.2	61.0	80.2	94.8	175.0	47.5	222.5
1898	19.2	60.0	79.2	90.2	169.4	50.3	219.7
1899	19.9	68.6	88.5	91.3	179.8	53.4	233.2
1900	20.5	69.3	89.8	95.4	185.2	58.0	243.2

Year 30 June	Currency held by public	Trading banks current deposit	M1 ^b	Trading banks fixed deposits	M2 ^c	Savings banks deposits	M3 ^d
57	58	59	60	61	62	63	63
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1901	21.0	72.5	93.5	93.5	187.0	64.0	251.0
1902	21.0	72.7	93.7	96.7	190.4	66.7	257.1
1903	20.9	72.1	93.0	95.5	188.5	67.7	256.2
1904	20.8	69.4	90.2	98.5	188.7	68.9	257.6
1905	20.7	71.4	92.1	106.7	198.8	72.0	270.8
1906	21.5	79.0	100.5	114.3	214.8	78.0	292.8
1907	22.6	90.1	112.7	114.1	226.8	86.4	313.2
1908	23.0	88.9	111.9	118.7	230.6	93.6	324.2
1909	23.3	89.9	113.2	125.0	238.2	99.4	337.6

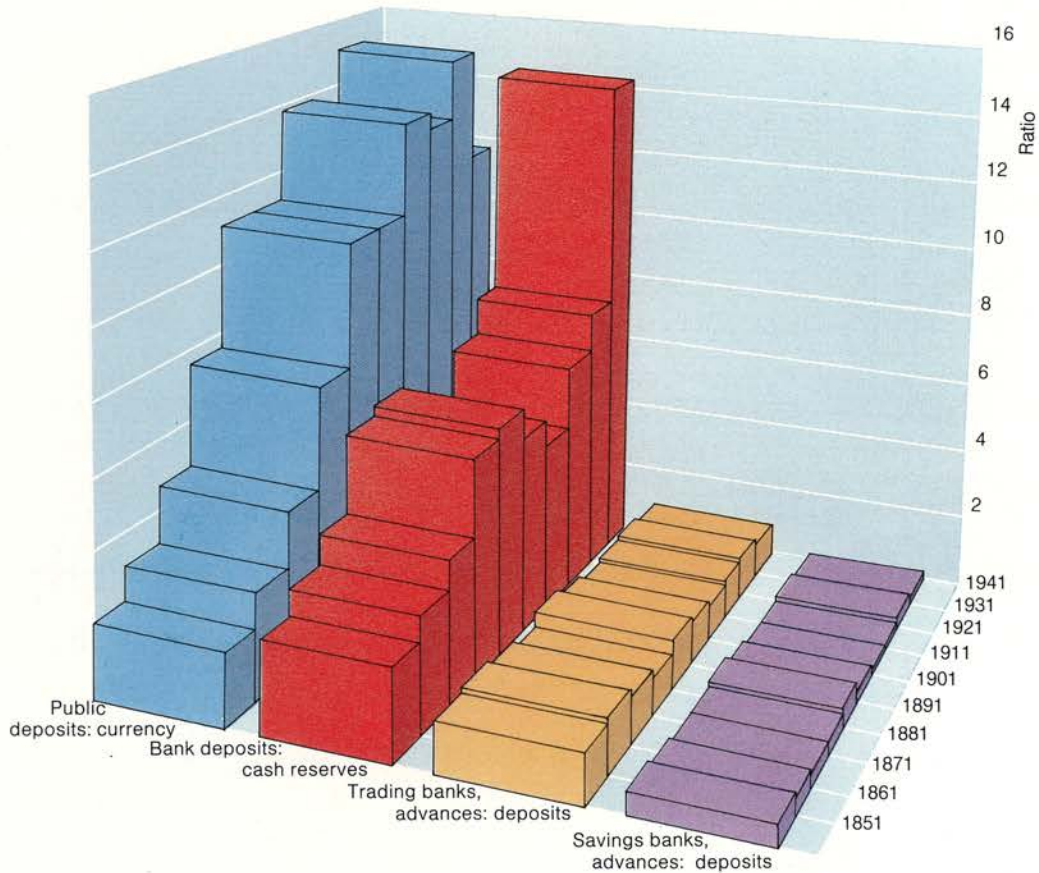
(a) Before 1901, currency figures approximately end December, thereafter end of June. Bank data before 1901 usually average of weekly December figures, thereafter average of June figures.
 (b) M1: Currency held by public (PF 57 — gold, silver and bronze coin and all notes including private bank notes. Queensland Treasury notes and Australian notes) plus current deposits at trading banks. Interbank deposits, notably savings banks current deposits at trading banks are excluded from 1851 (their inclusion yields an M1 figure of \$8.4m).
 (c) M2: M1 plus trading banks fixed deposits (PF 60 — adjusted for interbank deposits from 1857, namely savings banks fixed deposits with trading banks).
 (d) M3: M2 plus the public's savings banks deposits (PF 62).

PF 72-84 AUSTRALIAN BANKS, RESERVES AND ADVANCES 1851-1945

Year 31 Dec	CASH RESERVES		AUST TRADING BANKS				ALL SAVINGS BANKS					Total bank deposits by public	Total cash reserves
	Aust trading banks ^a	All savings banks	London funds	Adjusted external cash ^b	Govt and municipal securities	Advances	Deposits with state treasuries	Advances	Local and semi- govt securities	Common- wealth and state govt securities	Deposits with Common- wealth Bank		
	72	73	74	75	76	77	78	79	80	81	82	83	84
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1851	2.480	0.002	2.688	..	..	6.858	..	0.370	0.012	0.272		6.096	2.482
1856	12.214	0.008	3.378	..	0.742	26.520	0.120	1.050	0.080	0.942		26.278	12.222
1861	9.360	0.020	1.764	..	0.178	37.142	0.124	1.182	0.026	1.026		29.602	9.380
1866	7.704	0.018	-0.930	..	0.220	51.206	0.276	1.186	0.020	2.442		37.642	7.722
1871	12.380	0.026	3.554	..	0.516	51.982	0.662	1.766	0.020	3.696		48.840	12.406
1876	16.204	0.048	2.206	7.224	0.680	84.346	1.218	1.860	0.038	5.464		82.424	16.252
1881	18.406	0.116	6.822	13.900	4.140	111.966	2.990	3.834	0.094	7.566		118.178	18.522
1886	25.348	0.084	-19.358	12.040	2.064	185.318	4.588	5.900	0.144	9.746		168.500	25.432
1891	33.426	0.156	-43.698	4.168	3.134	254.474	6.198	9.800	0.184	13.680		218.912	33.582
1896	48.328	0.196	-21.646	11.110	0.944	196.554	12.808	9.114	0.256	27.216		207.288	48.524
<i>30 June</i>													
1901	40.932	0.648	2.938	10.484	3.770	172.708	15.706	10.252	2.152	41.498		229.992	41.580
1906	46.682	0.912	28.854	28.098	4.550	169.908	10.084	12.032	3.846	51.922		271.280	47.594
1911	78.052	1.630	27.870	23.188	8.374	217.358	6.222	14.230	8.700	82.548		382.840	79.682
1916	116.556	3.054	25.532	36.642	30.656	266.676	8.086	22.414	11.830	121.370	0.668	524.186	119.610
1921	112.202	4.758	38.274	47.906	96.594	385.966	9.854	26.804	15.038	208.508	6.746	757.588	116.960
1926	134.842	7.222	96.350	40.498	118.138	448.994	13.690	51.306	36.528	225.772	8.984	912.140	142.064
1931	115.620	5.962	49.000	18.884	129.850	508.482	14.770	74.712	47.544	226.484	8.524	934.330	121.582
1936	74.266	4.972	106.000	79.644	175.668	543.208	..	64.024	75.230	282.194	21.314	1084.776	79.238
1941	80.388	4.738	170.600	128.888	282.210	624.406	..	64.138	82.296	307.640	46.310	1356.188	85.126

(a) Includes major trading banks.

(b) External cash estimated as difference between total balance sheet cash of major trading banks and cash held by them within Aust, adjusted by British banks deposit to cash ratio.



AUSTRALIAN BANKS, RATIOS FOR SELECTED YEARS

PF 107-112 PERMANENT BUILDING SOCIETIES,
AUSTRALIA 1880-1984

Year 30 June	Societies	Paid-up capital	Deposits (unsecured borrowings)	With- drawable funds (118+119)	Secured borrowings	Advances and mortgages
	107	108	109	110	111	112
		\$m	\$m	\$m	\$m	\$m
VICTORIA						
1880	47		2			1
1888	74		11			9
1894	48		2			1
1899	35		1			1
NEW SOUTH WALES						
1886	43	2	2	4		
1894	34	2	1	3		
1900	37	1	1	2		
AUSTRALIA						
1909		4	3	7		7
1919		5	3	8		9
1929		9	6	15		17
1939		12	7	19		22
1945		14	7	21		19
1946		14	7	21		21
1947		15	8	23		24
1948		16	9	25		30
1949		19	11	30		36
1950		21	11	32		45
1951		24	10	34		52
1952		27	10	37		59
1953		30	11	41		62
1954		33	12	45		67
1955		36	10	46		73
1956	68	44	11	55	25	
1957	76	50	13	63	26	
1958	86	57	15	72	29	
1959	95	62	18	80	37	
1960	96	70	23	93	41	
1961	107	78	24	102	47	
1962	112	85	27	112	50	157
1963	114	101	33	134	52	178
1964	116	129	40	169	54	208
1965	122	160	46	206	60	249
1966	134	200	50	250	68	294
1967	143	257	58	315	76	359
1968	159	358	71	429	91	470
1969	170	554	106	660	115	655
1970	183	798	152	950	121	929
1971	188	1 113	200	1 313	121	1 175
1972	196	1 622	278	1 900	134	1 621
1973	190	2 255	427	2 682	180	2 383
1974	190	2 690	566	3 256	201	2 858
1975	178	3 194	731	3 925	177	3 128
1976		3 709	973	4 682	208	3 981
1977		4 711	1 310	6 021	224	4 907
1978		5 484	1 608	7 092	314	5 899
1979		6 394	2 154	8 548	368	7 078
1980		7 534	2 794	10 328	412	8 286
1981		8 322	3 355	11 677	526	9 664
1982		9 158	3 753	12 911	504	10 304
1983		10 079	4 440	14 519	501	10 844
1984		11 549	5 086	16 635		

PF 113-117 PASTORAL COMPANIES 1891-1955

Year 30 June	Rural advances	Gross profit	Net profit ^a	Share- holders' funds ^b	Debenture indebted- ness
	113	114	115	116	117
	£'000	£'000	£'000	£'000	£'000
1891	35 041			10 480	22 830
1910	24 800	..	1306	9 478	23 850
1911	24 518	..	1527	10 520	23 482
1912	26 150	..	1654	11 120	22 816
1913	26 480	..	1264	14 208	20 971
1914	26 068	3 774	1570	14 884	20 146
1915	26 228	3 558	1224	15 570	20 244
1916	24 513	3 862	1230	15 570	20 006
1917	24 002	4 638	1563	16 164	19 908
1918	23 246	4 888	1644	16 618	19 486
1919	23 976	4 798	1510	16 986	19 342
1920	26 212	5 060	1432	17 604	19 024
1921	28 870	3 598	402	18 096	19 206
1922	25 740	4 474	1230	18 494	19 206
1923	24 542	5 158	1512	18 832	19 105
1924	24 942	5 512	1885	19 226	18 916
1925	33 624	6 804	2592	22 498	19 044
1926	32 888	6 472	2190	23 686	19 964
1927	36 704	6 054	1770	23 368	19 990
1928	36 830	6 650	2278	29 432	19 884
1929	39 462	6 896	2412	29 666	19 808
1930	41 496	5 178	770	30 002	21 360
1931	41 268	4 164	42	30 350	21 196
1932	40 484	3 920	-140	30 238	21 216
1933	37 142	3 912	190	29 248	21 648
1934	32 568	4 872	1034	29 522	22 334
1935	35 226	4 458	414	29 322	22 178
1936	34 270	5 038	866	29 168	21 594
1937	34 408	6 098	1438	29 356	20 968
1938	38 476	5 378	106	30 060	20 976
1939	40 266	4 912	674	30 160	21 828
1940	39 774	6 484	1340	29 886	21 718
1941	34 748	6 748	1146	30 044	21 324
1942	31 700	6 768	806	30 060	20 722
1943	27 550	7 088	922	30 196	20 430
1944	26 364	7 504	1132	30 250	19 820
1945	26 350	6 878	816	30 138	19 196
1946	29 660	6 978	870	29 854	18 596
1947	23 654	6 248	1228	32 620	14 262
1948	21 064	7 766	1978	30 872	12 245
1949	24 002	7 134	2289	33 136	12 449
1950	27 446	11 780	3250	32 616	12 337
1951	44 795	19 393	5004	35 380	10 556
1952	44 037	13 629	2638	36 830	10 009
1953	43 587	15 227	3347	44 683	10 114
1954	48 548	17 318	3783	49 493	10 069
1955	61 000	17 109	3275	53 392	9 340

NOTE Table based on five principal companies.

(a) Net profit equals gross profit minus expenses, interest paid on debentures, taxation and exchange.

(b) Paid-up capital in the form of preference and ordinary shares, plus company reserves and undistributed funds.

Permanent building societies primarily provide finance for members to purchase their own homes. In the mid-1980s some of the major societies were granted licences to extend their functions to include banking services.

PF 118-120 ALL PASTORAL COMPANIES 1953-1978

Year 30 June	Rural advances	Shares	Debentures and deposits	Year 30 June	Rural advances	Shares	Debentures and deposits
			120				120
			\$m				\$m
1953	92	27	84	1966	250	115	105
1954	110	28	78	1967	280	115	129
1955	132	34	66	1968	314	123	145
1956	149	36	67	1969	338	119	156
1957	160	40	93	1970	349	120	163
1958	186	41	74	1971	333	109	164
1959	183	43	68	1972	293	99	174
1960	204	45	69	1973	303	109	221
1961	213	45	70	1974	371	120	205
1962	208	46	79	1975	279	123	251
1963	214	51	81	1976	254	134	264
1964	228	88	91	1977	220	112	227
1965	259	112	95	1978	239	122	249

PF 121-122 LIFE INSURANCE REVENUE AND EXPENDITURE, AUSTRALIA 1881-1983

Year 30 June ^a	Revenue	Expenditure	Year 30 June ^a	Revenue	Expenditure	Year 30 June ^a	Revenue	Expenditure	Year 30 June ^a	Revenue	Expenditure
		122			122			122			122
		\$m			\$m			\$m			\$m
1882	2.3	1.1	1908	10.4	7.5	1934	43.3	29.8	1960	348.3	182.4
1883	2.6	1.3	1909	11.0	7.7	1935	45.6	29.6	1961	404.0	209.7
1884	2.7	1.3	1910	11.4	7.9	1936	48.6	31.1	1962	448.3	219.0
1885	3.4	1.7	1911	11.9	8.1	1937	52.3	32.9	1963	480.6	233.6
1886	3.7	2.1	1912	12.7	8.4	1938	55.4	34.4	1964	527.4	258.3
1887	4.1	2.1	1913	13.4	8.8	1939	58.4	37.6	1965	584.2	290.9
1888	4.5	2.3	1914	14.0	9.2	1940	61.5	40.9	1966	651.3	329.6
1889	4.7	2.5	1915	14.7	9.8	1941	64.6	42.1	1967	721.6	358.1
1890	5.0	2.7	1916	15.5	10.3	1942	67.3	42.9	1968	820.4	396.0
1891	5.4	2.9	1917	16.6	11.5	1943	70.0	44.1	1969	930.6	454.6
1892	5.7	3.2	1918	17.8	12.5	1944	74.1	44.5	1970	1054.5	540.0
1893	5.9	3.5	1919	19.0	13.0	1945	79.4	46.2	1971	1217.1	646.0
1894	6.1	3.7	1920	20.8	13.1	1946	85.9	50.6	1972	1430.0	747.3
1895	6.1	4.3	1921	22.8	13.3	1947	93.3	53.3	1973	1600.8	902.1
1896	6.2	4.7	1922	24.8	15.0	1948	101.5	55.2	1974	1747.3	1171.3
1897	6.4	4.6	1923	27.2	16.9	1949	111.1	59.7	1975	1987.6	1347.1
1898	6.6	4.6	1924	29.7	17.9	1950	123.0	64.1	1976	2207.8	1429.0
1899	6.9	4.6	1925	32.6	18.9	1951	135.8	68.7	1977	2415.1	1593.9
1900	7.3	5.0	1926	35.0	20.4	1952	148.7	77.5	1978	2750.4	1795.5
1901	7.6	5.4	1927	36.8	21.8	1953	166.5	88.7	1979	3181.4	2048.4
1902	7.9	5.6	1928	39.8	23.2	1954	184.7	97.5	1980	3740.9	2317.0
1903	8.3	5.9	1929	42.6	25.2	1955	201.5	104.9	1981	4385.2	2587.9
1904	8.6	6.3	1930	44.2	28.2	1956	221.3	113.1	1982	5009.1	2985.6
1905	9.0	6.7	1931	43.8	31.8	1957	243.6	124.2	1983	6377.3	3484.6
1906	9.4	7.1	1932	41.7	32.4	1958	270.5	137.2			
1907	9.9	7.2	1933	41.4	30.9	1959	307.1	152.9			

(a) All data converted to financial year estimates by taking the simple average between balance sheet dates.

The mutual insurance principle, by which insurance firms return profits to policy holders in the form of bonuses, has ensured the survival of locally owned Australian life insurance firms.

**PF 123-126 LIFE INSURANCE AND
NON-LIFE INSURANCE, AUSTRALIA
1953-1978**

Year 30 June	LIFE INSURANCE		NON-LIFE INSURANCE	
	Reserves	Advances, mortgages	Reserves	Advances, mortgages
	123	124	125	126
	\$m	\$m	\$m	\$m
1953	1 081	362	38	26
1954	1 164	384	42	32
1955	1 257	439	46	37
1956	1 370	516	47	42
1957	1 499	588	50	46
1958	1 635	650	54	52
1959	1 800	729	62	63
1960	1 971	784	70	83
1961	2 151	873	88	103
1962	2 370	906	102	121
1963	2 606	933	94	115
1964	2 881	977	164	165
1965	3 173	1044	181	188
1966	3 499	1132	234	279
1967	3 864	1191	270	304
1968	4 284	1281	274	373
1969	4 786	1373	288	406
1970	5 315	1467	330	487
1971	5 893	1533	378	573
1972	6 549	1582	464	672
1973	7 361	1560	478	719
1974	8 046	1627	512	779
1975	8 676	1697	262	822
1976	9 439	1652	497	938
1977	10 197	1662	929	1125
1978	11 177	1687	1210	1064

PF 127-132 PENSION FUNDS, AUSTRALIA 1953-1977

Year 30 June	PRIVATE FUNDS			PUBLIC FUNDS		
	Reserves	Advances, mortgages	Govt securities	Reserves	Advances, mortgages	Govt securities
	127	128	129	130	131	132
	\$m	\$m	\$m	\$m	\$m	\$m
1953	232	17	140	259	15	224
1954	262	19	155	291	15	253
1955	296	21	171	327	16	285
1956	335	23	187	367	18	320
1957	379	26	206	410	19	358
1958	428	30	220	458	20	399
1959	481	34	222	512	23	443
1960	541	39	226	579	24	497
1961	610	45	247	663	31	558
1962	692	43	282	749	37	629
1963	778	71	266	837	41	683
1964	871	79	291	942	53	744
1965	963	59	400	1043	79	808
1966	1062	71	429	1143	115	852
1967	1170	86	443	1245	134	906
1968	1296	111	469	1388	166	998
1969	1437	141	496	1544	197	1091
1970	1594	164	535	1695	241	1176
1971	1770	186	584	1893	296	1273
1972	1962	192	637	2172	384	1412
1973	2174	216	684	2454	440	1529
1974	2450	249	756	2567	555	1467
1975	2799	275	849	2921	654	1575
1976	3269	292	985	3482	727	1764
1977	3797	302	1152	4001	838	2030

NOTE Private pension schemes exclude those managed by life insurance offices (PF 121-126). Public pension schemes are those organised by commonwealth and state governments and other instrumentalities, for public servants.

