

CONFIDENTIAL: To be treated as strictly confidential until released for publication as follows:-

MORNING PAPERS .. SATURDAY, 4TH NOVEMBER, 1939.
EVENING PAPERS .. SATURDAY, 4TH NOVEMBER, 1939.

BANKING STATISTICS NO. 23.
QUARTER ENDED SEPTEMBER, 1939.

1. The Commonwealth Statistician (Dr. Roland Wilson) has made available particulars of the Average Liabilities and Assets within the Commonwealth of Australia of the Commonwealth and Other Cheque-paying Banks for the September Quarter of 1939.

2. Average Liabilities and Assets in Australia. (a) September Quarters 1938 and 1939. The following table shows the average Liabilities and Assets in Australia of all Cheque-paying Banks for the September quarters of the years 1938 and 1939. The figures represent the average of the thirteen weekly statements in the quarters referred to.

In the December quarter 1937 a change was made by the Commonwealth Bank in the form of statement of its quarterly averages. "Short-term Loans in Australia" are no longer stated separately. "Treasury Bills" are now included with "Government and Municipal Securities", and other short-term loans (not secured by Treasury Bills) with "Discounts, Advances etc." Retrospective figures on the new basis have been obtained from the Commonwealth Bank, so that all the figures shown in the following tables are comparable.

AVERAGE LIABILITIES IN AUSTRALIA (£'000).

Particulars	Average for the quarter ended -					
	September, 1938			September, 1939		
	Common-wealth Bank	Other Cheque-paying Banks	Total	Common-wealth Bank	Other Cheque-paying Banks	Total
Notes in circulation ..	-	167	167	-	167	167
Bills in circulation ..	267	2,651	3,082	420	3,024	3,444
Balances due to other Banks ..	18,890	1,314	20,310	19,801	1,394	21,195
Deposits -						
Not bearing interest	(a)17,468	115,459	132,857	(a)17,717	117,986	135,703
Bearing interest ..	44,614	(b)203,402	248,216	42,673	205,259	247,932
TOTAL LIABILITIES IN AUSTRALIA (a)81,439		323,193	404,632	(a)80,611	327,830	406,441

(c) Government "Set-off" Accounts, interstate, deducted. (b) Includes inscribed deposit stock of the Queensland National and E. S. and A. Banks.

AVERAGE ASSETS IN AUSTRALIA (£'000) (a).

Particulars	Average for the quarter ended -					
	September, 1938			September, 1939		
	Common-wealth Bank	Other Cheque-paying Banks	Total	Common-wealth Bank	Other Cheque-paying Banks	Total
Coin	924	1,892	2,816	1,058	1,919	2,977
Bullion	351	785	1,136	381	984	1,365
Australian Notes ..	3,994	(b)30,553	34,547	3,015	(b)28,970	31,985
Government and Municipal Securities (c) ..	42,315	39,953	82,268	52,891	42,563	95,474
Landed and House Property	716	10,219	10,935	680	10,667	11,347
Balances due from Other Banks (d) ..	99	3,087	3,186	162	2,640	2,602
Notes and Bills of Other Banks	24	1,931	1,955	31	1,922	1,953
Discounts, Advances and All Other Assets ..	(e)15,622	310,663	326,485	(e)19,697	317,148	336,845
TOTAL ASSETS IN AUSTRALIA:	64,245	399,063	463,328	77,915	406,833	484,748

(a) See para. 3. (b) Includes Cash with Commonwealth Bank. (c) Includes Treasury Bills; see letterpress above. (d) Excludes cash with Commonwealth Bank. (e) Includes certain short-term loans other than Treasury Bills (less Government "set-off" accounts), see letterpress above.

(b) Quarter, September, 1938 to September, 1939. The following table shows the average Liabilities and Assets in Australia of all Cheque-paying Banks for each Quarter from September, 1938.

AVERAGE LIABILITIES IN AUSTRALIA (£'000).

Particulars	Bank	Average for the Quarter ended -				
		Sept- ember 1938	Dec- ember 1938	March 1939	June 1939	Sept- ember 1939
Notes and bills in circulation	C'wealth	267	311	320	351	420
	Other	3,018	3,493	3,225	3,265	3,191
Balances due to other Banks	C'wealth	18,890	22,797	23,741	18,745	19,801
	Other	1,314	1,425	1,693	1,618	1,394
Deposits - Not bearing interest	C'wealth (d)	17,468	20,658	18,788	18,128	17,717
	Other	115,459	120,771	124,472	122,098	117,986
Bearing Interest	C'wealth	44,814	43,408	40,460	43,275	42,673
	Other (g)	203,402	203,916	205,410	207,286	205,259
TOTAL	C'wealth	81,439	87,174	83,309	80,499	80,611
LIABILITIES	Other	323,193	329,605	334,800	334,267	327,830

AVERAGE ASSETS IN AUSTRALIA (£'000) (e).

Coin, Bullion and Australian	C'wealth	5,269	5,050	5,387	5,333	4,454
Notes	Other (b)	33,230	35,619	36,814	31,130	31,873
Government and Municipal	C'wealth	42,315	48,033	46,425	44,935	52,891
Securities (c)	Other	39,953	40,298	47,581	48,742	42,583
Advances, Discounts etc.	C'wealth(f)(a)	15,822	16,771	17,960	18,947	19,697
	Other	310,663	312,427	307,668	313,891	317,148
Other Assets (a)	C'wealth	839	902	909	859	873
	Other	15,237	15,858	15,369	15,473	15,229
TOTAL	C'wealth	64,245	70,756	70,681	70,074	77,915
ASSETS	Other	399,083	404,202	407,432	409,236	406,830

(a) Comprising Landed and House Property, balances due from other banks (exclusive of cash with Commonwealth Bank) and notes and bills of other banks. (b) Includes Cash with Commonwealth Bank. (c) Includes Treasury Bills see para. 2 (a). (d) Government "set-off" accounts, Interstate, deducted. See para. 2 (a). (e) See para. 3. (f) Includes Short Term Loans in Australia (other than Treasury Bills). (g) Includes inscribed deposit stock of the Queensland National and E. S. and A. Banks.

3. Rural Bank:- Incribed Stock, Liabilities and Assets. In the statement of Assets in paragraphs 2 (a) and (b) the particulars given for Government and Municipal Securities of the Commonwealth Bank include Rural Bank inscribed Stock received in respect of deposits with the Rural Bank, for which liability was accepted by the Commonwealth Bank in December, 1931. The average amounts included in the figures for the Commonwealth Bank are given in the following statement which also shows the total liabilities and assets of the Rural Bank included under "Other Cheque-paying Banks" in the tables in paragraphs 2 (a) and (b).

RURAL BANK: INSCRIBED STOCK, LIABILITIES AND ASSETS.

Quarter ended	Inscribed Stock held by Commonwealth Bank			Liabilities	Assets
	£.	£.	£.		
1938 - September ..	7,873,931	1,373,318	18,342,469		
December ..	7,806,633	1,324,958	17,599,221		
1939 - March ..	7,655,211	1,604,336	17,777,812		
June ..	7,503,297	1,587,224	18,015,532		
September ..	7,405,722	1,355,200	17,860,262		

The aggregation of the statements of Assets for the Commonwealth and Other Cheque-paying Banks results in an overstatement approximating to the amounts of Rural Bank Inscribed Stock referred to above.

4. Deposits, Advances and Securities. The percentage of Advances, and Advances and Securities, on Total Deposits are given in the following statement for the September quarter of the year 1937 and for each quarter from September 1938 to September, 1939. The figures relate to the business within Australia of all Cheque-paying banks, excluding the Rural Bank of New South Wales, and differ from those in paragraph 2 on that account.

The particulars given for "Advances" represent Discounts, Overdrafts and all other Assets (excluding contingent assets and including Short-term loans in Australia), while, for "Advances and Securities", Government and Municipal Securities (including Treasury Bills) are added to the foregoing item.

DEPOSITS, ADVANCES AND ADVANCES AND SECURITIES (b).

Particulars		Quarter ended -					
		Sept- ember 1937	Sept- ember 1938	Dec- ember 1938	March 1939	June 1939	Sept- ember 1939
Deposits -							
Not bearing interest	£'000	131,174	132,270	140,882	142,510	139,391	136,583
Percentage on total	%	35.39	34.32	36.35	36.76	35.81	35.52
Bearing interest	£'000	239,475	247,560	246,638	245,129	249,827	247,932
Percentage on total	%	64.61	65.18	63.65	63.24	64.19	64.48
TOTAL DEPOSITS:	£'000	370,649	379,830	387,520	387,639	389,218	384,515
Advances - (c)	£'000	283,457	310,029	313,350	309,815	316,750	336,845
Percentage on total deposits	%	76.48	81.62	80.86	79.92	81.38	87.60
Advances and Securities (a)	£'000	370,800	391,315	400,823	402,964	409,570	432,319
Percentage on total deposits	%	100.04	103.02	103.43	103.95	105.23	112.43

(a) Discounts, Overdrafts and All Other Assets (not including Contingent Assets) plus Government and Municipal Securities. (b) All Cheque-paying banks except Rural Bank of New South Wales. (c) See para. 2 (a).

5. Deposit Rates. Particulars of interest rates for deposits since 1931 are given hereunder.

RATES FOR DEPOSITS WITH CHEQUE-PAYING BANKS.

Period during which rates were in force	Deposits for -			
	Three Months	Six Months	Twelve Months	Two Years
	% per annum	% per annum	% per annum	% per annum
Prior to 25th June, 1931	4½	4½	5	5½
26th June to 26th November, 1931	3½	3½	4	4½
27th November, 1931 to 7th March, 1932	3	3½	3½	4
8th March to May-June, 1932 (a)	2½	3	3½	4
May-June (a) to 31st October, 1932 (b)	2½	3	3½	3½
1st November, 1932 to 6th February, 1933	2½	2½	3	3½
7th February, 1933 to 11th April, 1934	2	2½	2½	3
12th April to 8th August, 1934	2	2½	2½	2½
9th August to 10th October, 1934	1½	2½	2½	2½
11th October to 16th December, 1934	1½	2	2½	2½
17th December, 1934 to 23rd March, 1936 (c)	1	1½	2½	2½
From 24th March, 1936 (d)	2	2½	2½	3

(a) This reduction was not made simultaneously by all banks. (b) Bank of New South Wales reduced the rates for 6, 12 and 24 months by one-quarter of one per cent. from 23rd August, 1932. (c) Commonwealth Bank only. (d) Bank of New South Wales increased rates from 2nd March, 1936.

6. Cash Reserves and Liabilities. The following table shows percentages of Cash reserves on liabilities "at call" and total liabilities, respectively, for the Commonwealth Bank and other cheque-paying banks. As figures for the Rural Bank of New South Wales have been excluded, the figures shown differ from those in paragraph 2. The data on which the percentages have been calculated relate throughout to business within Australia for the September quarter, 1937 and for each quarter from September, 1938 to September, 1939.

For the purposes of this table Cash Reserves of the Commonwealth Bank comprise Coin, Bullion and Australian notes, while in regard to other cheque-paying Banks Cash with Commonwealth Bank is also included. Liabilities "at call" include, for the Commonwealth Bank, Deposits not bearing interest and Balances due to other banks, which latter item is assumed to be approximately equivalent to "Cash with Commonwealth Bank" of the Other Cheque-paying Banks included in their quarterly statement under the heading "Australian notes and Cash with Commonwealth Bank". For other cheque-paying banks the items included under "Call Liabilities" are notes in circulation and deposits not bearing interest.

RATIO OF CASH RESERVES TO "CALL" LIABILITIES AND TO TOTAL LIABILITIES.

Quarter ended	Bank	Liabilities "At Call"	Total Liabilities to Public	Cash Reserves		
				Aggre- gate	Percentage on -	
					Liabi- lities "At Call"	Total Liabilities to the Public
		£'000	£'000	£'000	%	%
September, 1937	C'wealth	38,339	79,968	5,168	13.48	6.46
	Other (a)	116,097	318,334	37,117	31.97	11.66
	Total (a)	154,436	398,302	42,285	27.38	10.62
September, 1938	C'wealth	36,358	81,439	5,259	14.49	6.47
	Other (a)	114,969	321,820	33,020	26.72	10.26
	Total (a)	151,327	403,259	38,289	25.30	9.49
December, 1938	C'wealth	43,455	87,174	5,051	11.62	5.79
	Other (a)	120,390	328,280	35,450	29.45	10.80
	Total (a)	163,845	415,454	40,501	24.72	9.75
March, 1939	C'wealth	42,529	83,309	5,367	12.67	6.47
	Other (a)	123,889	333,196	36,427	29.40	10.93
	Total (a)	166,418	416,505	41,814	25.13	10.04
June, 1939	C'wealth	36,873	80,499	5,333	14.46	6.62
	Other (a)	121,430	332,680	30,790	25.36	9.26
	Total (a)	158,303	413,179	36,123	22.82	8.74
September, 1939	C'wealth	37,518	80,611	4,454	11.67	5.53
	Other (a)	117,560	326,475	31,666	26.94	9.70
	Total (a)	155,078	407,086	36,120	23.29	8.67

(a) Excludes Rural Bank of New South Wales.

7. Australian Note Issue. The following statement shows particulars of the Australian Note Issue on the last Monday of each month of the September quarter for the years 1936 to 1939.

AUSTRALIAN NOTE ISSUE.

Date		Notes in Circulation			Reserve		
		Held by -			Amount (a)	Percentage on -	
		Banks	Public	Total		Total Issue	Notes in hands of Public
		£'000	£'000	£'000	£'000	%	%
1936 -	27th July ..	19,490	27,549	47,039	16,004	34.02	58.09
	31st August ..	18,647	28,392	47,039	16,004	34.02	56.37
	28th September	18,389	28,650	47,039	16,002	34.02	55.85
1937 -	26th July ..	17,775	29,259	47,034	16,010	34.04	54.72
	30th August ..	17,270	30,264	47,534	16,008	33.68	52.89
	27th September	17,518	30,766	48,284	16,008	33.15	52.03
1938 -	25th July ..	17,893	31,137	49,030	16,011	32.66	51.42
	29th August ..	16,832	32,198	49,030	16,011	32.66	49.73
	26th September	16,191	32,839	49,030	16,011	32.66	48.76
1939 -							
	31st July ..	14,026	33,999	48,025	16,030	33.36	47.15
	38th August ..	13,505	35,020	48,525	16,030	33.03	45.77
	25th September	13,746	37,279	51,025	16,030	31.42	43.00

(a) Stated in terms of Australian Currency. Includes reserve held in English Sterling.

8. Bank Clearings. The following table shows particulars of the weekly average of bank clearings in each Capital city for the September quarter of each year from 1928 to 1939.

BANK CLEARINGS (£'000) - WEEKLY AVERAGES, SEPTEMBER QUARTERS.

Quarter ended last Monday in September	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Total
1928	19,154	14,445	3,831	2,838	1,890	(a) 531	42,689
1929	19,453	14,155	3,834	2,764	1,973	470	42,649
1930	14,672	(b) 11,672	3,138	2,020	1,410	380	(b) 33,292
1931 - Ordinary	11,016	9,797	2,748	1,623	1,201	303	26,688
Other ..	2,278	2,234	-	-	-	-	4,512
TOTAL:	13,294	12,031	2,748	1,623	1,201	303	31,200
1932 - Ordinary	11,158	11,014	2,719	1,868	1,232	330	28,321
Other ..	4,321	1,667	-	-	-	-	5,988
TOTAL:	15,479	12,681	2,719	1,868	1,232	330	34,309
1933 - Ordinary	11,722	11,311	2,890	1,950	1,382	337	29,592
Other ..	4,589	1,036	-	-	-	-	5,625
TOTAL:	16,311	12,347	2,890	1,950	1,382	337	35,217
1934 - Ordinary	12,845	12,286	3,190	1,179	1,538	372	32,410
Other ..	4,734	899	-	-	-	-	5,633
TOTAL:	17,579	13,185	3,190	2,179	1,538	372	38,043
1935 - Ordinary	14,418	12,843	3,445	2,410	1,719	473	35,308
Other ..	4,103	1,075	-	-	-	-	5,178
TOTAL:	18,521	13,918	3,445	2,410	1,719	473	40,486
1936 - Ordinary	14,846	13,382	3,749	2,410	1,811	497	36,747
Other ..	4,673	690	-	-	-	-	5,363
TOTAL:	19,519	14,072	3,749	2,462	1,811	497	42,110
1937 - Ordinary	17,305	15,094	4,155	2,730	1,851	549	41,684
Other ..	4,834	864	-	-	-	-	5,698
TOTAL:	22,139	15,958	4,155	2,730	1,851	549	47,382
1938 - Ordinary	17,370	14,629	4,298	2,761	1,905	544	41,507
Other ..	5,000	681	-	-	-	-	5,681
TOTAL:	22,370	15,310	4,298	2,761	1,905	544	47,188
1939 - Ordinary	17,158	14,124	4,211	2,655	1,894	638	40,680
Other ..	5,202	1,000	-	-	-	-	6,202
TOTAL:	22,360	15,124	4,211	2,655	1,894	638	46,882

(a) Approximate. (b) Excludes £459,000 Transactions connected with the issue and redemption of Treasury Bills.

NOTE: "Other" refers to transactions connected with the issue and redemption of Treasury Bills.

9. **Index of Bank Clearings.** The following index of the average bank clearings in each capital city for the September quarters, 1928 to 1939, has been computed from the figures in the preceding paragraph. Clearings connected with the issue and redemption of Treasury Bills have been disregarded, and no adjustment has been made on account of amalgamations of banking interests.

INDEX OF BANK CLEARINGS - SEPTEMBER QUARTERS, 1928 TO 1939.

(Base: Average of weekly clearings September quarters, 1927 to 1929 = 1000).

September Quarter of	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Total
1927 to 1929	1000	1000	1000	1000	1000	1000	1000
1928	995	1,027	1,014	966	981	1,075	1,005
1929	1010	1,006	1,015	941	1,024	951	1,004
1930	762	830	831	688	732	769	784
1931	572	697	728	553	624	613	629
1932	579	783	720	636	640	668	667
1933	609	804	765	664	718	682	697
1934	667	873	844	742	799	753	763
1935	749	913	912	821	893	957	832
1936	771	951	993	838	940	1,006	865
1937	899	1,073	1,100	930	961	1,069	981
1938	902	1,040	1,138	940	989	1,101	978
1939	891	1,004	1,115	904	983	1,291	958

ROLAND WILSON

Commonwealth Bureau of Census and Statistics,

Commonwealth Statistician

CANBERRA, A.C.T. 3RD NOVEMBER, 1939.