

1911 and 1912 reflect the strained nature of the banking situation. The piling of effect upon effect tells so forcibly, and reinforces so closely the reasoning of theory, that here again the completeness of verification is of a very high order indeed.

Taken in conjunction with the banking figures for the period, the records of gold movement are of unusual and peculiar significance. With the complete picture of credit conditions between

TABLE XXIII  
*Production and Movement of Gold, 1900-13*

<i>Year.</i>	<i>Stocks.<sup>1</sup></i>	<i>Production.<sup>2</sup></i>	<i>Net export.<sup>3</sup></i>	<i>Retained.<sup>4</sup></i>
1901 . . . . .	20-627	14-006	13-558	0-448
1902 . . . . .	21-075	14-812	13-152	0-660
1903 . . . . .	20-021	16-295	17-175	-0-880 (loss)
1904 . . . . .	19-358	15-897	15-716	0-180
1905 . . . . .	21-490	15-551	9-478	6-073
1906 . . . . .	22-681	14-632	14-723	-0-091 (loss)
1907 . . . . .	23-711	13-515	7-375	6-140
1908 . . . . .	24-931	13-059	11-144	1-915
1909 . . . . .	26-297	12-605	7-762	4-843
1910 . . . . .	30-149	11-553	3-130	8-423
1911 . . . . .	33-480	10-552	9-931	0-621
1912 . . . . .	28-685	9-880	10-473	-0-593 (loss)
1913 . . . . .	31-252	9-377	1-707	7-670

1909 and 1913 before us, the ebb and flow of gold between Britain and Australia is seen to be a most sensitive response to the three main controls of domestic gold production, general productivity in Australia, and the volume of capital imports. In this connexion the correlation to be observed between the curves in Figs. VIII and IX, showing the excess of exports over imports, the volume of capital loans, and the amount of gold retained in Australia has a special interest. It accords so fully with logic and experience, however, that little elaboration is needed at this juncture. A word of emphasis may, perhaps, be ventured for the position after 1900. The vacillation in the

<sup>1</sup> Coin and bullion held by banks; from Summary of Australian Financial Statistics, Finance Bulletin, No. 13; Commonwealth Bureau of Census and Statistics, 1922. The figures include stocks of silver coin and bullion, but are approximately correct as stated since the gold held outside the banks, the amount of which cannot be ascertained, is not included.

<sup>2</sup> Annual figures extracted from Commonwealth Year Books.

<sup>3</sup> Exports less imports of gold, from Commonwealth Year Books.

<sup>4</sup> Computed from Annual Reports of Royal Mints in Australia.