

There is no reason to believe that this estimate comprises the total sum of private borrowing from abroad in the years under review. In addition to the sums for which the London market was publicly approached, there must have been a considerable amount transferred of which no public record exists. But it does, at any rate, indicate the growing importance of the 'business' loan; and is, in addition, a fair index of the proportion between public and private borrowing. But, as an offset to this calculation, it is to be presumed that some amount of duplication occurs, especially where loans were opened for subscription on both the London and Australian markets. Again, there is some ground for mis-statement in the difference between the amounts authorized and the amounts subscribed. It is thought, therefore, that the omissions on one side of the account may very well cancel out the over-statements on the other. In any case, there was an ever-accumulating burden of indebtedness overseas that was reduced on only one or two occasions by redemptions. The old debt was usually carried on by means of conversion loans.

It is, unfortunately, quite impossible in the present condition of our business statistics to give more than a very rough estimate as to the amount of overseas capital effectively invested in Australia prior to 1901. The very great losses consequent upon the reconstructions and failures after 1893 make our former estimate under this head entirely useless for the period now being treated; and resort had to be made to the very disconnected and inadequate primary records of the stock exchange, company records, and financial journals. It is known that considerable payments are made annually to shareholders abroad in connexion with investments in mining, pastoral, and mercantile concerns operating in Australia. The sum-total which leaves these shores year by year in the form of interest and dividends cannot, however, be disregarded in our computation. That it is considerable in volume, and an important factor in the total balance of indebtedness, is beyond any doubt. From an examination of a mass of data bearing upon this point it is concluded that the total investment of private capital from overseas could not be less than the order of £150 millions at the end of the period and might easily be considerably more. It has been assumed for the purpose of establishing a balance of indebtedness, therefore,