

THE ECONOMIC RESEARCH INSTITUTE

The Ownership of Personal Property in Ireland

by

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October, 1961

Paper No. 1.

73 LOWER BAGGOT STREET, DUBLIN 2.

THE ECONOMIC RESEARCH INSTITUTE

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This paper has been accepted for publication by The Economic Research Institute. The Author is a Senior Research Officer on the staff of the Institute.

Copies of this paper may be obtained from The Economic Research Institute, 73 Lower Baggot Street, Dublin 2.

Price 2/6 a copy.

The Ownership of Personal Property in Ireland¹

1. The Nature of the Calculation

The technique of estimating the value of privately-owned property in a country with the aid of estate-duty statistics has become a well-known one.² The present paper has no pretensions to making any contribution to the methodology of the estimating procedure, but merely seeks to apply it to the Irish statistics. In connection with the problems of the value of small estates and, more especially, the selection of an appropriate multiplier, however, distinct estimating procedures are required for Ireland; the handling of these problems is described in the two succeeding sections.

For the benefit of readers who may not have previously encountered estate-duty estimates of the type under discussion it may be helpful to begin with a brief general discussion of the technique and some indication of its limitations. Essentially, the method consists of the treatment of the estates passing for death duties in any year as a sample which is representative of the estates possessed by the population as a whole. In the matter of property ownership, in other words, that section of the population which dies in a given period is assumed to be representative of the population still alive at the time. In recent years the statistics of estates passing for death duties have been compiled in many countries in such a way as to reveal the estates left by persons in different age-groups. Since the rate of mortality in each age-group in a given period is known, it is possible to apply the appropriate multiplier to the estates in each age-group and thus

to arrive at a total for the property possessed by the living population as a whole.³

An example may help to make this clear. It is known that estates left by males in the 65-74 year age-group in England and Wales on which death duty was paid in the year 1955-56 amounted to £117.3 million.⁴ It is also known that in the year 1955 there were 1,381,000 men in this age-group in England and Wales, and that 74,874 men in this group died in that year.⁵ It follows that the mortality rate amongst men of this age was 5.422 per cent. In effect, the method of estimation under discussion would assume that the estates left by men in this age-group represent 5.422 per cent. of all the property held by the living male population of this age. The multiplier appropriate to this age-group would be 18.44 ($100/5.422$), and by applying it to the total of £117.3 million for assessed estates it can be concluded the living population of men aged 65-74 in England and Wales possessed in all about £2,163 million.⁶ If the process is repeated for each age-group and each sex, an estimate for the ownership of private property by the entire population can be built up. In other words, mortality rates are used to estimate the duration of what might be called the "property generation" at different points of time—i.e. the average number of years after which a particular piece of property will change ownership through bequest. If the multiplier used is, say, 25, the implication is that property owned by the persons concerned changes hands through death on average once every 25 years; the property bequeathed in any one year is taken to constitute 1/25th of the total property existing in that category at that point of time. The distribution of property

¹I am extremely grateful to senior officials of various government departments, Professor W. J. L. Ryan of Trinity College, Dublin, Mr. E. A. Attwood of the Agricultural Institute Dublin, and Mr. J. R. S. Revell of the Department of Applied Economics, University of Cambridge, for guidance and comment in connection with this exercise. Needless to say, no responsibility whatsoever attaches to any of these gentlemen in respect of the contents of the paper.

It should be noted that throughout the paper the word "Ireland" should be taken to refer to the Republic of Ireland unless otherwise indicated.

²Detailed accounts of the technique are given by K. M. Langley, "The distribution of capital in private hands, 1936-38 and 1946-47", and "The distribution of private capital 1950", *Bulletin of the Oxford University Institute of Statistics*, Vol. 12, No. 12, December 1950, Vol. 13, No. 2, February 1951 and Vol. 16, No. 1, January 1954, and H. F. Lydall and D. G. Tipping, "The distribution of personal wealth in Britain", *Ibid.*, Vol. 23, No. 1, 1961, pp. 83-104.

³If the available statistics make it possible, a refinement of value is the use of discriminating mortality rates to allow for the fact that property-owners have a better expectation of life than the population as a whole. To some extent this can be done for Great Britain—see E. V. Morgan, *The Structure of Property Ownership in Great Britain*, Oxford University Press, London 1960, Chapter 6, p. 69, and Lydall and Tipping, *op. cit.*, especially Appendix, pp. 98-101.

⁴99th Report of the Commissioners of H.M. Inland Revenue, Cmd. 54, H.M.S.O., London 1957, Table 133, p. 138.

⁵Annual Abstract of Statistics, No. 97, 1960, H.M.S.O., London 1960, Table 9, p. 9 and Table 26, p. 27.

⁶Subject to the use of the refined mortality rate referred to in footnote 3 above.

amongst different types of asset, and in different sizes of estate, can then be estimated with the aid of the distributive pattern revealed in the estate-duty statistics.

It will be appreciated that the results of an exercise of this sort are subject to various limitations. In the first place, they can indicate the magnitude only of most categories of personal property (including non-earning assets such as household effects); they cannot reflect the extent to which wealth is owned by institutions, corporate and otherwise.⁷ The implications of this should be stressed at the outset. On the one hand, the estimates produced cannot be taken to refer to the *national* capital, since they exclude assets owned by the State, local authorities and public corporations, an exclusion of obvious significance in connection with housing for example. Although in theory the capital owned by companies would be reflected in the value of equity stocks in personal ownership, in practice this is unlikely to be the case. It is well known that market valuations of ordinary shares in general understate the true value of an enterprise, since share quotations may well reflect dividend prospects rather than the total value of the underlying assets as implied by current earnings. Indeed, it is common practice for property to be converted into a corporate form solely for the purpose of reducing the incidence of death duties.⁸ Comparisons over time, or with other countries, may consequently be invalidated if there are large differences in the extent to which property has become state-owned or institutionalised between the two dates or countries being compared. The reader must judge for himself the extent to which these considerations

⁷The word "personal" is used in what follows to refer to property owned by individuals, as distinct from corporate or public bodies. It is *not* used in its legal sense of assets other than real property; the word "personalty" is used here for this latter concept. The main categories of personal property excluded from estate-duty returns are those represented by pension funds, property settled in trust on a surviving spouse and property in the hands of discretionary trusts. Estimates for Great Britain put the value of these as high as 15 per cent. of other personal property, but there are some grounds for believing this to be an over-estimate: Lydall and Tipping, *op. cit.*, p. 88. Articles of historic or artistic value, and growing timber, are also exempt (until sold, when exemption ceases), but these are not likely to be of any great significance in the present context.

⁸Death duties are normally based on the current market value of an asset, where one exists, and otherwise on an individual assessment of the price which, in the view of the Revenue Commissioners, it would fetch if sold on the open market. If a company is quoted on a Stock Exchange, therefore, the value of its equity stock for death duty purposes is almost certain to be lower than that emerging from a specific valuation of the enterprise involved as a going concern. The understatement of value is certain to be considerably greater in the case of private companies in view of the relative illiquidity of their securities.

qualify the usefulness of the inter-temporal and international comparisons attempted in this paper.

The avoidance of death duties by means of *inter vivos* gifts does not invalidate the use of estate-duty statistics for this kind of exercise, however, since the recipient of such gifts will be represented in the death-duty sample as well as the donor. Indeed, the rule that *inter vivos* dispositions become assessable under the donor's estate if occurring within a specified period before death (currently three years in the case of Ireland) implies that the properties concerned are subject to a dual mortality risk for the duration of that period. They may thus be over-estimated.⁹

A second consideration is that the estate-duty statistics will form a reliable sample of overall personal property only to the extent that there is no substantial evasion of tax. Little can be said about the likely order of magnitude involved in this.¹⁰

Thirdly, since the statistics include *all* property located in the country concerned at the time of decease, wherever the owner may be domiciled (as well as moveable property located abroad which is in the ownership of residents) the resulting estimates of personal capital will include property owned within a country by non-residents.¹¹ Obviously this is likely to be of greater significance for real property than for moveable property, but there is no way in which the published statistics can be made to reveal the distribution of personal estates between residents and non-residents of the country concerned. It does not seem probable that the magnitude of externally-owned personal property will be large

⁹Until the provisions of the 1961 Finance Act became effective however, an exception to this generalisation would be presented by assets which are the subject of *inter vivos* gifts but which are found to have ceased to exist when the donor's death in fact occurs within the statutory (i.e. three-year) period—e.g. a company which is liquidated after transfer. This disappearing trick was apparently by no means as rare as might have been expected from the strictly mathematical probabilities involved. Prior to the same Act, gifts, whenever made, were always assessed in full if the deceased person retained some interest in the assets involved, but the amount of property in this category is of relatively little significance.

¹⁰It is patently unlikely, however, that the item "cash in the house" is an accurate indication of the amount actually left behind by a deceased person—except possibly solitaries. This is, of course, a relatively small item in any case, but similar considerations would to some extent apply to household goods, which are of much greater importance. See also the discussion in connection with trade assets in sec. 5 below.

¹¹Domicile is the operative concept for death-duty purposes, of course, rather than residence; in what follows, however, the term "non-resident" will be used as a short-hand expression for "persons domiciled abroad". It is perhaps worth noting here that, in general, real property is assessed for duty only in the country in which it is located, whereas moveable property owned abroad is assessable in both the country of location *and* the country in which the owner was domiciled. Double-taxation agreements normally prevent dual taxation in the latter case, of course.

in relation to the total, but it would seem likely on *a priori* grounds that its relative importance will be somewhat greater in Ireland than in most other European countries.¹²

A final general qualification of estate-duty statistics as a basis for the estimation of the magnitude of personal property relates to the valuation of assets for the purposes of taxation. It is naturally in the interests of the beneficiaries that the property passing should be valued on a fairly conservative basis. Wherever possible, market value is used by the assessors; for many types of asset, however—including, as has already been mentioned, shares in private companies—independent valuations have to be made. Special provisions concerning land are often applied in Ireland, also, and these—as will be seen—almost certainly lead to an under-estimate of the total capital value of real property.¹³ A particular difficulty is also presented in this context by insurance policies. These are necessarily assessed for the purpose of estate-duty on the basis of their value *after* the death of the holder; this may be very different from their market valuation during the lifetime of their holders, which might be considered the more relevant value for the present sort of exercise. This should be borne in mind when the insurance-policy element of estimated personal capital is considered; it clearly introduces an element of over-estimation in personalty.¹⁴

One or two points concerning the purely statistical aspects of the calculation are also worth noting. First, the estate-duty returns are, necessarily, only a small sample of the total population; in recent years only some 4,000–5,000 estates have been liable to duty in each year. As a result the payment of duty in any particular year on an especially large estate, or an unusually large number of very small estates, could make a large proportionate difference to the sample; estimates based only on the returns for such a year could thus be seriously out of line. In order to reduce the likelihood of unrepresentative

¹²It is hoped to conduct further research at a later stage which may throw some light on this not unimportant point. Ownership of assets in Ireland by non-residents other than banks, insurance companies and branches of foreign enterprises has been estimated at £69 million for 1947 (T. K. Whitaker, "Ireland's external assets", *Journal of the Statistical and Social Inquiry Society of Ireland*, 1948–49, Vol. XVIII, Table V, p. 198). If this was assumed to be wholly in personal hands it would represent about 9 per cent. of the estimated value of total personal property in 1953–55.

¹³The valuation of real property is discussed at some length in section 6 below.

¹⁴There is another consideration working in the opposite direction, however, and of greater significance—see section 5 below.

samples, therefore, the present estimates have been made throughout in terms of three-year averages.

Secondly, it is customary to assume that estates on which duty is first paid in any given fiscal year relate to deaths occurring during the first of the two calendar years concerned, since mortality statistics are normally more conveniently obtainable on a calendar-year basis. For example, estates paying duty during the fiscal year 1960–61 would be assumed to relate to deaths occurring during the calendar year 1960. In effect it is assumed that there is, on average, a three month lag between the passing of an estate and the payment of duty on it. Since this assumption is customary for estimates of private capital in Great Britain it would be advisable to retain it for the present estimates in order to achieve the important aim of comparability.¹⁵ In fact, it does not appear to be a particularly unrealistic assumption, since beneficiaries can usually obtain access to personalty—e.g., the proceeds of an insurance policy—only after the grant of probate, and thus have some incentive to expedite the necessary legal and fiscal processes. If real estate is involved, however, probate may not be sought until a sale is desired, and it is not unknown for this to occur many years—generations even—after property was originally inherited.¹⁶ Fortunately the practical significance of all this is reduced to small proportions because of:

- (a) The relatively small variations in the sample totals from year to year (see Appendix II, Table A), and
- (b) the use of three-yearly averages rather than single annual totals.

2. The Value of small estates

A special difficulty with estate-duty statistics as a basis for the present type of exercise is that they naturally relate only to estates whose value is above the minimum level at which duty becomes payable. The process of estimating the value of estates excluded from the estate-duty returns for this reason is an exceedingly difficult one, and resort must frequently be had to subsidiary estimates based on other (frequently incomplete and unreliable) data. The most recent authoritative estimates of personal property in Great Britain suggest that estates whose value lay between £100 and the death-duty minimum (£2,000) amounted to

¹⁵Because of this desire to secure comparability, the latest years for which the estimates have been made for Ireland are 1953–55, the years involved in Professor E. V. Morgan's study of Britain.

¹⁶See Appendix 1, however, on this point.

£5,394 million in 1953-54 and £6,190 million in 1954-55. These figures represented 20 per cent. and 23 per cent. respectively of the estimated value of estates valued at more than the estate duty minimum. In 1955-56, when the United Kingdom minimum for liability to duty was raised to £3,000, estates of over £100 exempted from duty were estimated at £8,720 million or 33 per cent. of the total above the exemption limit.¹⁷ The correction involved is clearly by no means an insignificant one.

In order to make some estimate for these smaller estates in Ireland (£100-£2,000) for 1953-55, recourse has been had to the statistics of small estates which are classified as being exempt from duty. Until 1951-52 these would be only estates of less than £100 net. In the three years prior to 1951-52 their total was as follows:—

	£000
1948-49	97·2
1949-50	91·7
1950-51	88·0
Average	92·3

The totals are fairly stable, so that it seems reasonable to assume that estates of this size passing through the hands of the Revenue Commissioners during 1953-55 would have been about £92,000.¹⁸

For 1951-52 onwards, the published statistics disclose the total of exempt estates of net value up to £2,000, which would include, of course, estates of less than £100 net value. For 1953-54 to 1955-56 these totals were:—

	£000
1953-54	4,351
1954-55	4,549
1955-56	3,950
Average	4,283

Taking the hypothetical average of £92,000 for estates of less than £100 net value included in these totals, it has been assumed that estates in the

¹⁷Morgan, *op. cit.*, Chap. 6, pp. 70-73. A sample investigation for 1950 suggested that estimates of under £2,000 in Northern Ireland amounted to 20 per cent. of the value of estates of over £2,000—K. S. Isles and N. Cuthbert, *An Economic Survey of Northern Ireland*, H.M.S.O., Belfast 1957, App. C, p. 485.

¹⁸This represents only a small proportion of the estates of less than £100 held by the living population of course. The Revenue Commissioners state that in the great majority of cases of exempt estates no documents are presented to them at all. British estimates put the total capital in estates of less than £100 at about 1·7 per cent. of all personal net capital in 1954: Lydall and Tipping, *op. cit.*, Table III, p. 89.

£100-£2,000 category averaged £4,191,000 in the period 1953-55. This amount has accordingly been added to the published totals of capital values of estates assessed during the three years concerned.¹⁹ The allocation of this additional £4,191,000 between the different categories of assets has been made on the assumption that its distribution was the same as that of estates of £100-£2,000, for which details are in fact shown in the official statistics. These latter estates are, of course, those bequeathed by persons who died before May 3rd, 1951 (when the starting-point for duty was raised to £2,000) but for which duty was actually first paid during 1953-54 to 1955-56.²⁰

3. The Irish Mortality Multiplier

The previous section was concerned with the adjustment of the published estate duty statistics so as to include an allowance for small estates in 1953-55, before applying a mortality multiplier to them to obtain an estimate for the property owned by the total living population. It was stated earlier that many countries now publish estate duty statistics classified by age and sex, so that appropriate multipliers can be applied to each category. Unfortunately for the present exercise, Ireland is not one of these countries; only the totals of estates in different *size* categories are published.

This naturally raises the problem of the appropriate mortality rate to apply in grossing-up the estate duty returns. The use of an overall mortality rate would clearly lead to serious over-estimation; it would be tantamount to assuming that (so far as property is concerned) persons dying in any year—amongst whom the relatively old naturally predominate—are typical of the whole population, young and old.²¹ Common-sense suggests that this can

¹⁹At first sight it would appear that only the *difference* between this total and the value of estates in the £100-£2,000 category already included in the official statistics during these years (see text above) should be added to the overall total. The latter, however, are the lagged residue strictly appropriate to previous years and must be assumed to offset a similar residue in the £100-£2,000 totals of exempt estates shown above which will also presumably appear only in later years. The addition made to the estate-duty totals amounts to 18·3 per cent. of the total for estates over £2,000. This is almost identical (in relative terms) with the correction for small estates in Britain suggested by Mr. J. R. S. Revell in hitherto unpublished estimates, somewhat smaller than the correction of about 21·5 per cent. by Professor E. V. Morgan for Britain in 1953-54 (see text above) and distinctly smaller than the 27 per cent. correction adopted by Lydall and Tipping, *op. cit.*, p. 89.

²⁰The details are shown in Table B of Appendix II.

²¹In 1951, persons aged 45 and over accounted for 30 per cent. of the total population but for 83 per cent. of the deaths in that year.

hardly be so, that in general the ownership of property is an increasing function of age.

For what age-groups, then, should a mortality rate be calculated in order to relate the sample (i.e. the estates first paying duty in a given year) most appropriately to the total Irish population? An essentially empirical approach has been adopted to this problem. For the years 1953-55 a detailed estimate of property ownership in Britain has been made by Professor E. Victor Morgan; in these estimates estate-duty statistics were grossed-up with the aid of selective mortality rates for the various age-groups and the two sexes.²² The results of the calculation can be taken to be as accurate as estimates based on estate-duty statistics are ever likely to be. If the total capital values of estates assessed for duty in the United Kingdom in the years concerned are grossed-up by a series of mortality-rates for different age groups, therefore, it is possible to discover which multiplier gives the closest approximation to Professor Morgan's "true" figure. The details of the calculation are shown in Table C of Appendix II; it is sufficient to note here that, for 1953-55 as a whole, the mortality rate for the British population aged 45 and over yielded a result which differed by only 1.4 per cent. from the total obtained for Britain from the use of detailed mortality-rates for all age-groups and sexes.

This is a result which commends itself to common-sense. During the greater part of the first two decades of life, most people are earning little or nothing and accumulating no capital. During the third and fourth decades, on the other hand, the majority are concerned with marriage, buying and/or equipping a home and rearing a family; the pressure exerted on income by these laudable but expensive human activities is such as to leave little scope in most cases for other kinds of capital accumulation. From then on, however, the opportunity to accumulate property becomes greater; hence it is fair to expect the bulk of private property to be held by persons over 40 years of age. Furthermore, it seems probable on *a priori* grounds that most inherited property is bequeathed to persons

²²E. V. Morgan, *op. cit.*, Chap. 6. Since the present investigation was commenced alternative estimates for Britain made on a similar basis by Lydall and Tipping (*op. cit.*), for the years 1951 to 1958 have become available. In general these give higher totals than those presented by Professor Morgan, and the use of these later estimates for the derivation of the Irish multiplier would naturally have resulted in somewhat higher totals for Ireland. By far the greater part of the differences between Lydall and Tipping, on the one hand, and Morgan, on the other, however, arise from the treatment of property in estates of less than £2,000, in pension funds and in trusts, none of which would effect the present estimates for Ireland. These differences apart, the two sets of estimates for Britain would appear to differ by about 6 per cent. for 1953-54.

over 40 years of age and only exceptionally to the relatively young.²³

It was therefore thought justifiable to apply this finding to the Irish situation; on the whole it seems unlikely that in a matter such as this, based as it is on the fundamental characteristics of Western-type society, there should be any significant difference between Ireland and Great Britain. The multipliers used with the Irish data, in other words, were derived from the mortality rates amongst the population aged 45 and over in Ireland during the years concerned, after correction for the slight tendency towards over-estimation suggested by the experiment with U.K. data.²⁴ The use of this same procedure for estimates stretching back to 1923-25 is certainly open to more objection, since it assumes that the relationship between age and property ownership has been substantially unchanged over the past 30 years or so. Unfortunately there is no way of checking this assumption from the available data, but it does not seem to be especially unrealistic on *a priori* grounds.

For the purpose of the present exercise, then, the net capital values revealed in the estate-duty statistics (with the addition for estimated small estates in 1953-55) were grossed-up with a multiplier consisting of the reciprocal of the ratio of deaths amongst persons aged 45 and over in the years concerned to the total population of those ages at the nearest census date, with a reduction of 1.0142 in each case. The actual multipliers were therefore 28.56 for 1923-25, 28.03 for 1937-39 and 29.29 for 1953-55.²⁵

4. The aggregate value of estates

The total values of personal property in Ireland, as estimated by this method, are shown in Table I.

²³For example, during 1955-56 only 1.41 per cent. of the value of estates assessed for duty in England and Wales was in the ownership of persons of under 45 years of age (ignoring a small element not allocated to any particular age-group), although about 10 per cent. of the deaths in that year were of persons of less than 45 years of age. In the six counties of Northern Ireland about 14 per cent. of the deaths during 1954 occurred in the under 45 age-group, but only 1.7 per cent. of the net capital of estates was attributable to these ages. It must be admitted, however, that the higher age of marriage in the Irish Republic may affect comparability on this point.

²⁴That is to say, the crude mortality rates were multiplied by 1.0142—see Table D of Appendix II. It is worth noting that the use of this correction factor in effect introduces into the Irish multipliers an allowance for the discriminating mortality rates which Professor Morgan used in his estimates for Great Britain—see footnote 3 above. This implicitly assumes that the increased life expectation derived from property ownership has the same relative magnitude in Ireland as in Britain, but the assumption does not seem unreasonable.

²⁵The details of the calculations underlying these multipliers are shown in Table D of Appendix II.

Since they can be no more than approximations, they are shown as rounded to the nearest £100,000.²⁰ These are the totals implied by the estate-duty statistics themselves; it is suggested in sections 5 and 6 below that serious under-estimation has probably occurred in connection with certain items, and the totals shown should therefore be considered with this in mind.

It will be realised that changes in the value of property ownership over a period as long as 30 years are attributable to two separate elements: the accumulation of property in real terms, on the one hand, and the influence of changes in price-levels on the other. It is clearly impossible to eliminate the latter item with any degree of accuracy: the difficulties of obtaining reliable price measures over a period as long as this are in themselves sufficient to prevent it, quite apart from the serious conceptual difficulties attached to any attempt to deflate heterogeneous series such as these for price changes. It is scarcely possible to go further with safety than to say that the growth of about 110 per cent. in estimated *per capita* property over the thirty years concerned probably reflects little more than the inflation of values over that period and certainly does not indicate any substantial growth in real terms.

²⁰The actual calculations were carried out in £000s, and are shown in these units in the tables of Appendix II for the benefit of readers wishing to examine the details of the estimates. This should not be taken to imply that the results can claim this degree of accuracy, however.

It is the purpose of this study to present estimates rather than to interpret and comment upon them. The data shown in Table I can hardly be presented, however, without drawing attention to the lack of effect which a progressive system of death duties has apparently had upon the distribution of personal property between relatively small and relatively large estates over the past 30 years. Using the distributive pattern revealed in the estate-duty statistics (see note (b) of Table I below), it would seem that in 1923-25 estates of more than £20,000 accounted for about 38 per cent of the total; despite a fall in this proportion to 32 per cent. in the succeeding 15 years, by 1953-55 it had apparently got back to 37 per cent. Progressive death duties are always fighting a battle with capital appreciation in inflationary periods; they appear to have lost the battle in Ireland over the period 1938-54. It is of course true that in real terms an estate of £20,000 in 1953-55 was probably equivalent to little more than £10,000 in 1937-39 or 1923-25; on the other hand, if inflation had affected all estates, including those below the £100 minimum, to more or less the same degree one would have expected the *relative* importance of the different size-groups to be largely unchanged as a result.

The comparison of these results with other countries, as well as over time, is inevitably of interest. Estimates made for Great Britain relating to the years 1953-55 have been made by Professor E. Victor Morgan using methods similar to those

TABLE I: TOTAL NET PERSONAL PROPERTY IN IRELAND (a)

Size of net estate (b)		£ million			% of total		
		1923-25	1937-39	1953-55	1923-25	1937-39	1953-55
<i>Exceeding</i>	<i>Not exceeding</i>						
100	1,000	51.6	71.1	} 268.9	13.7	16.1	} 33.9
1,000	5,000	81.1	112.6		21.5	25.4	
5,000	10,000	50.0	60.5		13.2	13.7	
10,000	20,000	50.4	57.6		13.3	13.0	
20,000		144.7	140.9	293.4	38.3	31.8	37.0
	TOTAL	377.7	442.7	792.4	100	100	100
Per head of total population (c) ..		£ 127	149	268			
% of national income (d) 257	282	178			

(a) In this and subsequent tables in the text the individual items may not add to the totals shown because of rounding.

(b) The distribution of the totals amongst the various size-groups is assumed to be the same as that revealed in the estate-duty returns. Because the latter reflect mainly the wealth of relatively old people, and because the average size of estate tends to increase with age, the result is probably not a completely accurate indication of the distribution of personal capital amongst the living population. Comparison with British data suggests that the proportion in the £100-£5,000 category for 1953-55 should probably be about 37 per cent. rather than 34 per cent, while that in the over £20,000 category should be about 33 per cent. rather than 37 per cent. The proportions shown in the other size categories are probably substantially accurate.

(c) Total population at 1926, 1936 and 1951 respectively.

(d) National income:—estimate by Professor G. A. Duncan for 1926; official estimates for 1937 and average 1953-55.

employed in the present study.²⁷ These yield for Britain an average of £681 *gross* estate per head of total population, or 224 per cent. of the corresponding figure for Ireland. By comparison, estimated national income per head in the United Kingdom in 1953-55 was £286 per head, or 187 per cent. of the figure for Ireland.²⁸

The distribution of personal property amongst various types of asset can be estimated by assuming that the pattern revealed for the estates paying duty in the years concerned was representative of all estates—i.e. by applying the same percentage distribution to the estimated total for personal property.²⁹ As will be seen from Table II, in Ireland there has not been any very marked shift in the distribution of property during these 30 years as a whole between the broad headings of personal and real property; the division is roughly two to one in favour of the former, with some tendency for real estate to increase in relative

importance.³⁰ It will be noticed, however, that the relative importance of real property, although less than that of "moveable" property, is still much greater than in Britain. This partly reflects the greater proportionate importance of corporate and industrial wealth in the British economy and the correspondingly greater relative importance of agriculture in Ireland; it is also a reflection of the smaller size of the average Irish estate, since there is a clear inverse relationship between the size of an estate and the relative importance of real property in it.³¹

Although estimates have not been made along these lines for Northern Ireland, data presented by Cuthbert and Isles³² for personalty can be grossed-up by the same factors as used here for the Republic of Ireland—the implicit assumption of similar mortality rates is not unreasonable for a very broad comparison such as this—with the following results:—

TABLE II: GROSS PERSONALTY AND REALTY
(% of total gross estate)

	Personalty	Realty
Republic of Ireland:—		
1923-25 ..	69.9	30.1
1937-39 ..	73.0	27.0
1953-55 ..	64.6	35.4
Northern Ireland, 1954(a)	76.2	23.8
Great Britain, 1953-55(b)	81.4	18.6

(a) Based on estate-duty returns for 1954-55 (estates over £2,000 only).

(b) Calculated from Morgan, *op. cit.*, Chap. 6, Table 29, pp. 72-3.

²⁷See Table C of Appendix II.

²⁸U.K. national income estimates from *National Income and Expenditure* 1960, H.M.S.O., London 1960, Table 1; estimates for Ireland from *Irish Statistical Survey*. It is worth observing that the tendency for differences in the amount of capital per head in two countries to be more pronounced than differences in *per capita* income is not surprising. Some estimates made by the present writer of variations in regional income (in 1953-54) and regional capital ownership (in 1957-58) within the U.K. led to similar results:—

	% of England	
	Personal income per head	Personal capital per head
Scotland	93	77
Wales	91	64

²⁹But see footnote 33 below.

Estimated ownership of gross personalty
1930s 1950s

1 Northern Ireland (1936-37 to 1938-39 and 1951) £ million ..	229	365
2 £ per head	179	266
3 £ per head, Republic of Ireland ..	113	176
4 3 as % of 2	63	66

These figures, however, relate to gross personalty only; Table II shows that Northern Ireland estates are closer to the U.K. pattern than those of the Republic, so that realty is smaller in relation to personalty in Northern Ireland than those in the Republic. A grossing-up of the Northern Ireland estate-duty returns for *total* net personal property in 1954—with the allowance of 20 per cent. for small estates referred to earlier—yields a total of about £577 million. This would give a *per capita* figure of about £378, and the corresponding figure for the Republic of Ireland in 1953-55 would be about 71 per cent. of this.

The following sections analyse the estimated distribution of personal property in Ireland in more detail.

³⁰The increasing understatement of true land values since 1937-39—referred to in sec. 6 below—has undoubtedly led to some under-estimate of this shift also.

³¹Compare, for example, the pattern of the small estates shown in Table B of Appendix II with that of the average estate shown in Table II above.

³²K. S. Isles and N. Cuthbert, *op. cit.*, Appendix B, Table i (B).

5. Personality

As has already been explained, the distribution of total personal property is assumed to follow the same pattern as that of the estates assessed for duty during the period concerned.³³ It will be recalled, however, that an amount of £4,191,000 was added to the published total of assets paying duty during the period 1953-55 in order to allow for estates in the £100-£2,000 size-group which were then no longer liable to duty. It is necessary to begin, therefore, by explaining how this addition was distributed amongst various types of asset in order to arrive at the final percentage distribution applicable to the estimated total of personal property in 1953-55.

During the years 1953-55 a diminishing number of estates in the £100-£2,000 category were disclosed in the statistics; as explained earlier, these

³³Investigations (as yet unpublished) by Mr. J. R. S. Revell have shown, however, that the asset-distribution of estates, as well as their size, varies with age, so that the distribution of assets in estates passing at death—which reflect mainly the capital of relatively old people—do not give an accurate picture of the asset-distribution of the estates held by the living population as a whole. If the British evidence were assumed to apply to Ireland, a correction for this factor—if it were possible—might be expected to reduce the estimated value of realty from 35 per cent. of total gross capital in 1953-55 to 31-32 per cent. and to raise personality correspondingly. Within personality, the correction would probably reduce the estimated value of government securities and (subject to what is said in the text below) cash by some 20 per cent. and to raise the value of "other assets" by about 100 per cent. The special case of insurance policies is also discussed in the text below.

are estates which passed before May 1951 and which were therefore liable to duty. It seemed reasonable to assume that the asset-distribution of small estates passing in 1953-55 but which were exempt from duty would have been similar to that of the pre-May 1951 estates of similar size included in the statistics; it is unlikely that there would have been any significant shift in the distribution pattern of small estates between 1950-51 and 1953-55.³⁴ The estimated total of £4,191,000 for estates of this size was therefore distributed amongst the groups of assets shown in Tables III to IX by using the percentage distribution of the small estates shown in the estate-duty statistics. The latter do not provide the detailed analysis shown in Tables E and F of Appendix II, so that the distribution of item totals amongst the constituent sub-items (e.g. the division of securities between Irish, U.K. and Dominion and foreign) has been assumed to follow the pattern of estates as a whole. The details of the calculation are shown in Table B of Appendix II.

Subject to what is said later concerning the valuation of certain items, the broad pattern of the estimated distribution of personality in Ireland, and

³⁴It should be noted, however, that this has the rather surprising result of raising the value of land included in the sample from £4.0 million to £7.4 million—i.e. by 83 per cent. Even so the estimated value of land in estates of up to £5,000, after this addition, is not a very much bigger proportion of all the land in estates than before 1951; the estimates for 1953-55 would put the proportion at 74 per cent. compared with 67 per cent. in 1948-50.

TABLE III: THE STRUCTURE OF PERSONALTY

	£ million			% of total net personality		
	1923-25	1937-39	1953-55	1923-25	1937-39	1953-55
1 Government and municipal securities	59.3	85.6	82.4	22.0	25.5	15.9
2 Corporate securities ..	110.9	135.2	221.9	41.1	40.3	42.9
3 Mortgages	5.1	4.7	0.2	1.9	1.4	—
4 Money on bills, bonds etc. ..	1.3	1.7	2.2	0.5	0.5	0.4
5 Household goods	8.6	6.7	24.3	3.2	2.0	4.7
6 Insurance policies	13.8	15.8	17.5	5.1	4.7	3.4
7 Cash	48.0	69.8	109.9	17.8	20.8	21.2
8 Trade assets	24.5	20.8	64.1	9.1	6.2	12.4
9 Other assets	29.9	27.9	60.2	11.1	8.3	11.6
TOTAL GROSS PERSONALTY ..	301.5	368.1	582.9	111.8	109.7	112.5
10 Deductions	31.8	32.5	65.1	11.8	9.7	12.5
TOTAL NET PERSONALTY ..	269.7	335.6	517.8	100	100	100

its evolution during the past 30 years, may be seen from Table III.³⁵ The estimates suggest that the value of personalty increased rather less rapidly than that of total real property over the 30 years concerned, and this trend would probably be even more marked if allowance were made for the tendency discussed in section 6 below for the under-valuation of real estate inherent in the statistics to have increased over the 30 years considered.

In view of the enormous price changes which have taken place since 1923, in both relative and absolute terms, the comparative stability of the distribution suggested by Table III is quite remarkable. The proportionate importance of holdings of corporate securities, for example—easily the biggest single item—has hardly changed at all over 30 years. The decline in holdings of government bonds since 1937–39, on the other hand, is primarily due to a fall in the value of holdings of U.K. and Dominion bonds, a development which can hardly occasion surprise in view of the political changes during the period. In fact the only two really unexpected shifts indicated in Table III are, first, the virtual disappearance of mortgages as a privately-held (as opposed to institutional) asset in Ireland and, secondly, the increase in the relative magnitude of holdings of cash. The former probably indicates a shift in the pattern of real property financing as well as in its absolute amount; as will be shown later, the estimated value of mortgages *outstanding* against personal real estate in the Republic, while much smaller in relation to gross realty, has by no means shrunk to infinitesimal proportions. The rise in cash holdings is even more striking. The increase in the relatively minor constituent “cash in the house” was of the order of 200 per cent. between 1923–25 and 1953–55; cash “at the bank” rose by the more modest magnitude of nearly 130 per cent.

It is necessary, however, to consider how far the estimates shown in Table III accord with the values which would be expected for the various items from such independent data as are available. The total of £82 million for government and municipal securities in 1953–55 is comprised of £44 million Irish securities and £38 million foreign securities, predominantly U.K. government stock. The former appears to be consistent with what is known about the ownership of the Irish public debt. Official estimates put non-bank and non-official holdings of National Loans in 1954 at £84.5 million of which (on the basis of estimates

³⁵For the detailed estimates of which this is a summary see Appendix II, Table E.

made in 1957) about £70 million probably represented internal holdings.³⁶ Insurance companies probably held something of the order of £10 million government stock, and other institutional holders—industrial companies, trusts and so on—probably at least as much. The estimate of £38 million for foreign securities is also reasonably close to an estimate of £30 million made from revenue data for holdings of British government securities by residents of the Republic (other than by official, banking and insurance holders) in 1947.³⁷

Holdings of corporate securities are much more difficult to check. The total of £222 million shown in Table III includes about £122 million Irish corporate securities. In 1953–55 the paid-up share capital of companies on the Irish register was about £124 million, and the market value of this (if the British relationship between paid-up capital and market value is assumed to apply) could well have been of the order of £350 million, a substantial proportion of which, of course, would be in non-resident or non-personal ownership.³⁸ It is hardly possible to say more than that the estimate of £122 million is consistent with this, bearing in mind the likelihood of a substantial under-valuation of shares in private companies in estate-duty assessments. Similarly, the estimate of about £100 million for foreign corporate stocks is consistent with an estimate made of holdings of British joint-stock companies by all Irish residents (corporate and non-corporate) of £153 million in 1947.³⁹

Reference has already been made to the somewhat ambiguous nature of the valuation of insurance policies for estate-duty purposes. By definition, policies included in an estate will be given the value appropriate after the holder's death, which will usually be very different from its value in the holder's lifetime. On the other hand, the majority of policies are endowment policies which mature before death; most will therefore not feature in the returns at all.⁴⁰ Recourse

³⁶Data provided by the Department of Finance.

³⁷Whitaker, *op. cit.*, Table III, p. 197.

³⁸It was estimated that British companies had shares currently valued at some £54 million on the Irish register in 1947—Whitaker, *op. cit.*, p. 198.

³⁹*Ibid.*, Table III, p. 197. See also sec. 7 below.

⁴⁰A special case of considerable importance here is that of endowment policies associated with mortgages on houses. On maturity—before death or in the event of death—the proceeds of these would automatically be used to discharge the mortgage, the amount concerned thus disappearing from the assets and liabilities side simultaneously. The growth of this technique of house purchase in recent years may go a considerable way towards explaining the noticeable decline in the relative magnitude of mortgage liabilities suggested by Table V below.

must therefore be had to independent data to discover the value of policies held at any one time. The two Irish companies conducting life assurance business in 1954 possessed accumulated life funds of £13.8 million and this may be taken as the value of the policies then outstanding with them. Their premium income in 1954 amounted to £2.3 million, which was 42 per cent. of all premiums paid on life assurance in Ireland during that year. It may therefore be concluded that the value of all policies outstanding in Ireland, against non-Irish as well as Irish companies, was about £33 million, rather than the £17.5 million shown in Table III.⁴¹

The estimate for cash in 1953-55 comprises about £3 million for "cash in the house" and about £107 million for "cash in the bank". It has already been observed that it is manifestly improbable that this element of the estate-duty returns should attain any high degree of accuracy. British estimates suggest that private currency holdings would be about 15 per cent. of the total currency in circulation outside the banking system;⁴² on this basis one would have expected personal currency holdings in 1953-55 to be about £10 million—i.e. something over three times the figure suggested by the estate-duty returns. The scope for evasion would seem to be much less with bank deposits. No data on personal holdings of deposits are available, but if it is assumed that half of all bank deposits are in personal hands, the total for end-1954 would be about £150 million. To this would be added some £78 million deposited in the Post Office and Trustee Savings Banks, all of which could be assumed to be in personal hands. This would give a total of some £220-£230 million, compared with the £107 million shown in Table III, again suggesting a large proportionate under-estimate.⁴³

An under-estimate of far greater magnitude is clearly visible for the item "Farm stock". Taking even the four main categories of livestock alone and valuing the mid-1954 estimated numbers on farms by average 1954 values, a total value of some £230 million is obtained—and this without any allowance for crops, farm machinery and so on.⁴⁴ The contrast between this and the figure of £44 million implied

by the estate-duty statistics is too great to require comment. A true valuation at market prices would probably put Irish farm stock at something of the order of £300 million.

Independent checks are impossible for the other items shown in Table III, accounting for about 18 per cent. of the gross total. Assuming that these are not significantly under—or over—valued, it is clear that a true total for Irish personalty (and especially a realistic valuation of farm stock) would add perhaps £400 million, or about 60 per cent., to the gross total shown in the Table.⁴⁵

Bearing this fact in mind, a comparison between the distribution of gross personalty in the Republic of Ireland, Northern Ireland and Britain, using the unadjusted totals derived from the estate-duty returns, is nevertheless of some interest; such a comparison is provided in Table IV. It is rather unexpected to find that not only is the proportionate importance of securities as a whole significantly different in the three communities (about 52 per cent. of the gross total in the Republic of Ireland compared with about 62 per cent. in Northern Ireland and 59 per cent. in Britain) but—by contrast—corporate securities are a somewhat bigger proportion of total personal security holdings in the Republic (about 73 per cent. compared with about 64 per cent. and 59 per cent. in Northern Ireland and Britain respectively.) This would not have seemed likely on *a priori* grounds in such a comparison between predominantly agricultural Ireland and highly industrialised Britain. Curiously enough Northern Ireland—which is perhaps midway between the Republic and Britain so far as industrialisation is concerned—is also about midway in the relative importance of corporate, as opposed to gilt-edged, securities.

A second feature revealed in Table IV is the greater relative importance of "trade assets" in the Republic of Ireland than in Britain and Northern Ireland, again at first sight a rather surprising difference. On further investigation, however, much of this difference is explicable by the greater importance of agriculture in the Irish economy. Of total trade assets, farm stock amounted to 69 per cent. in the Republic but only 35 per cent. in Britain and 39 per cent. in Northern Ireland; trade assets other than farm stock amounted to 2.8 per cent of

⁴¹Data from *Assurance Companies*, year ending 31 December, 1955, (Pr. 3640), Tables V and XIX.

⁴²Morgan, *op. cit.*, Table 30, p. 74.

⁴³It is interesting to note that an exhaustive investigation into the distribution of property in Britain succeeded in accounting for only a little more than a half of the total bank deposits known to be in existence—Morgan, *op. cit.*, chap. 12, pp. 162-3.

⁴⁴The details of the calculation for livestock are shown in Table G of Appendix II.

⁴⁵It is perhaps some consolation to discover that the difficulty of attaining a realistic valuation of farmstock for estate-duty purposes appears to be international. Confining the estimate again to the four categories of livestock listed above, a market valuation would put the British total for 1954 at about £800 million; the valuation implied by the estate-duty statistics for 1953-55 was £198 million.

total gross personalty in Ireland compared with 1.4 per cent in Britain. No doubt the value of farm stock is grossly understated in all the returns, but in view of the greater proportionate importance of agriculture in the Irish economy, a correction for this would probably accentuate, rather than reduce, the contrast between Britain and Ireland in this respect.

These differences apart, the contrasts shown in Table IV are little more than one would expect from the smaller average size of personal estates in the Republic than in Britain and, to a lesser extent, than in Northern Ireland also—the greater relative importance of non-earning assets such as household

goods and cash, and the smaller relative importance of securities as a whole, and of bills and bonds and similar assets.

6. Realty

The main categories of personal real estate are shown in Table V.⁴⁶ There are no major structural changes discernible in the table except perhaps the

⁴⁶The correction for the age-distribution of assets referred to in footnote ³³ above would suggest that, for Britain at any rate, the estate-duty returns tend to overstate the importance of land and buildings in comparison with other realty and (more especially) deductions from gross realty. This latter point links up with what was said in footnote ⁴⁰ about the effect of the growth of mortgages secured by life insurance policies.

TABLE IV: DISTRIBUTION OF GROSS PERSONALTY, REPUBLIC OF IRELAND, NORTHERN IRELAND AND GREAT BRITAIN, 1953-55 (a)

% of total

	Republic of Ireland	G.B.	Northern Ireland
1 Govt. and municipal securities	14.1	24.1	22.3
2 Corporate securities	38.1	35.1	39.7
3 Mortgages	—	1.7	0.6
4 Bills, bonds, etc.	0.4	7.6	5.5
5 Household goods	4.2	2.5	2.5
6 Insurance policies	3.0	3.2	3.6
7 Cash	18.9	17.7	16.4
8 Trade assets	11.0	2.1	4.3
9 Other	10.3	6.0	5.1
TOTAL	100	100	100

(a) Sources: for Great Britain, Morgan, *op. cit.*, chap. 6, Table 29, pp. 72-3; for Northern Ireland, estate duty returns for 1954 (estates over £2,000 only).

TABLE V: ESTIMATED REAL PROPERTY

ASSET	£ million			% of total net realty		
	1923-25	1937-39	1953-55	1923-25	1937-39	1953-55
Land	81.5	83.5	215.8	75.4	77.9	78.5
Houses & business premises	37.7	49.3	98.1	34.9	46.0	35.7
Other	10.6	3.4	5.9	9.8	3.2	2.2
TOTAL GROSS REALTY	129.8	136.2	319.7	120.1	127.1	116.4
Deductions:						
Mortgages	20.1	27.9	44.5	} 20.1	27.1	16.4
Other	1.6	1.2	0.6			
TOTAL NET REALTY	108.0	107.1	274.6	100	100	100

decline in the relative importance of "other" real property—especially yearly tenants' interests or rights and ground rents. This no doubt reflects the operation of the various Land Purchase Acts. It will be recalled that the analysis of personal property revealed a very sharp decline in mortgage loans as a personal asset. Table V, on the other hand, suggests that, from the liability side, mortgages have roughly doubled in absolute magnitude during the 30 years considered, although their relative importance in 1953–55 was somewhat less than in 1923–25. Comparatively speaking, therefore, Irish real property seems to be rather freer of mortgage charges than it was 30 years ago.

Once again, it is necessary to consider very critically the extent to which the values shown in the table accord with what would be expected from other data. In 1949 total farm holdings in Ireland amounted to some 14.5 million acres;⁴⁷ the value of £215.8 million shown in Table V for 1953–55 would thus imply an average value of about £15 an acre. When it is remembered that the estate-duty valuation of agricultural land would include houses and buildings on it, it is clear that this average is much too low to be convincing.

There would appear to be two causes at work here. In the first place, the number of cases involving land shown in the estate-duty returns is distinctly smaller than would be expected. Prior to 1951, all estates of more than £100 net value were assessable for duty and it is difficult to believe that many agricultural holdings in excess of 1 acre would fail to come into this category. During the five years before the minimum was raised to £2,000 however, the numbers of estates involving land shown in the returns were as follows:—

1945–46	4,834
1946–47	5,022
1947–48	4,861
1948–49	4,880
1949–50	4,596

This gives an annual average of about 4,840. Now ignoring altogether the owners of land included in these figures who could not be described as farmers, it is known that in 1946 there were some 191,430 farmers of the age of 45 or over.⁴⁸ Applying the general mortality rate for the over-44 age group

⁴⁷All the agricultural statistics used in this section are drawn from Tables 1–3 of *Agricultural Statistics, 1934–1956*, (Pr. 4335), C.S.O. 1960.

⁴⁸*Report of the Commission on Emigration and other population problems*, (Pr. 2541), Statistical Appendix, Table 20, p. 308. The total excludes 2,768 farmers whose age was not specified and 43 with holdings of less than one acre.

shown in Table D of Appendix II, it would be expected that about 6,510 of these would feature each year in the statistics—i.e. over one-third more than in fact appear in the returns. It is probable, therefore, that a substantial number of farms are not included in the estate-duty assessments at all.⁴⁹

The second cause is the exception made in estate-duty valuation for certain categories of agricultural holdings. Generally, the basis of valuation is market value, but it is permissible to use as an alternative a sum not exceeding twenty-five times the annual value of the land, *minus* the redemption value of any purchase annuities outstanding against it at the time of death, if the effect of this is to bring the net capital value of the estates below £1,000. An estimate of the extent to which this alternative basis is adopted in land valuations for estate-duty purposes involves some fairly intricate calculations and it has been thought better to relegate the detail of these to an appendix.⁵⁰ It is only necessary to record here the conclusion that about 90 per cent. of the land currently included in the estate duty returns is probably valued on this highly artificial basis at an average value which appears to be as low as £8 per acre. Only 10 per cent or less is assessed at market value, the average price per acre (including farmhouses and other buildings) apparently being in the region of £44.⁵¹

It might be suggested that it would be an over-estimate to apply this "average market value", derived as it is from the valuation of larger holdings, to all of the 14.5 million acres in agricultural holdings in 1949. This is by no means necessarily the case, however, since it is usually true to say that the cost-per-acre of a farm will vary inversely with its size. It is probable, therefore, that a fairly conservative estimate would be given by assuming an average value of £35 to £40 per acre (including buildings); this would yield a total capital value of some £500 to £600 million—i.e. more than double the total implied by the estate duty statistics.

It is more difficult to test the realism of the estimate for housing in private ownership. It is known that there were some 650,000 houses in Ireland in 1946, and around 5,000 new houses were built privately during 1947–49. Of this total of 655,000, however, about 250,000 can be assumed

⁴⁹One reason for this is given in section 1 of Appendix I.

⁵⁰See section 2 of Appendix I.

⁵¹It is worth noting that the estimated capital value of land revealed by the British estate-duty statistics in 1953–55 was £927 million, or almost exactly £30 per acre for all land under crops and grass in Britain—double the corresponding Irish figure.

to be farm houses included along with "land"⁵² while about 130,000 represented dwellings provided by local authorities.⁵³ How many of the remaining 275,000 or so non-agricultural, non-local authority houses were in personal ownership is impossible to say, but the 1946 census suggested that about 30 per cent. of all dwellings were occupied by their owners. Allowing for rented houses in personal ownership, this would suggest that around 95,000 houses outside the agricultural sphere were owned by persons, rather than corporations. To this must be added the personal share of the 50,000 or so commercial and business premises in Ireland,⁵⁴ especially the small shops, although a very large number of these would also have residential accommodation and thus be already included in the housing total. A grand total of about 100,000 is probably of the right order of magnitude, which in conjunction with the value of £98.1 million shown in Table V would imply an average value of around £1,000 each. Such an average is perhaps on the low side but not entirely unrealistic.

On the face of it, then, while the valuation of houses and business premises is probably reasonable enough, the estimated total for real property is almost certainly at least £250 million too low because of the absence of a substantial proportion of farms from the returns and because of the under-valuation of the bulk of the land which is included. If this bias towards understatement were constant in degree over time, it would not seriously affect the comparisons with 1923-25 and 1937-39. In actual fact, however, the relative importance of the under-valuation has in all probability increased over this period. The effect of the non-assessment of a substantial proportion of farms would no doubt be of roughly constant relative importance; the effect of the use of annual values as the assessment basis, however, would not. The 1920s were some 30 years closer to the date on which the assessment underlying the annual values were originally made, so that their unreality *vis-à-vis* current market values was probably smaller than today, even allowing for the higher value of annuities then outstanding. Similarly, the estate-duty returns themselves apparently contain internal evidence

⁵²There were 235,000 farmers in Ireland in 1951, while some allowance must be made for workers' cottages on farms.

⁵³Data supplied by Department of Local Government.

⁵⁴The 1949 Census of Production distinguished 4,605 enterprises and the 1951 Census of Distribution 37,628 retail establishments and 2,180 wholesale trade establishments. There were also 272 cinemas. The number of office buildings is unknown. A total of 50,000 is probably an over-estimate for all of these industrial and commercial buildings and a large proportion is undoubtedly in institutional hands.

suggesting that the fall in land values consequent on the "economic war" of the late 1930s kept market and annual values relatively close together. There can be no doubting the gross artificiality of valuations based on annual values at the present time, however.

The under-valuation of land must obviously be borne in mind also when an international comparison is attempted, such as that with Great Britain and Northern Ireland shown in Table VI. The difference in the importance of land in total real property held by persons becomes even more striking however,

TABLE VI: DISTRIBUTION OF GROSS REALTY, REPUBLIC OF IRELAND, GREAT BRITAIN AND NORTHERN IRELAND, 1953-55
% of total

	Republic of Ireland	G.B.	Northern Ireland 1954 (a)
Land	60.3	14.8	42.5
Houses and business premises	37.4	82.2	} 57.5
Other	2.2	3.0	
TOTAL ..	100	100	100

(a) Estates over £2,000 only.

in view of it. It is primarily a reflection of the urbanised nature of the United Kingdom, and to a lesser extent of Northern Ireland, which inevitably raises the comparative importance of industrial buildings and dwellinghouses in the structure of real property. The difference is no doubt also due, in lesser degree, to the smaller extent of institutional ownership of land in the Republic of Ireland.

7. The geographical distribution of assets

The location of assets is a matter of peculiar interest to Ireland in view of the close integration of its monetary system with that of the United Kingdom. The estate-duty statistics provide an impression of the magnitude of the external assets of Irish residents "clean" of property belonging to non-residents which, as was explained earlier, may appear in the general totals. Non-resident property can be included in the returns only if it is located in the Republic of Ireland; *external* assets owned by non-residents would not in general be included.⁵⁵

⁵⁵The only exception to this rule would be presented by external property passing on the death of a non-resident life tenant of an Irish settlement. While this category may have been of some importance in the 1920s, the sums involved nowadays would certainly be of very small comparative significance. The estate-duty returns for 1953-54, for example, reveal that settled property situated outside the Republic passing that year amounted to only £520,000 net, or something under 3 per cent. of the total net value of all personalty included in the returns that year, and the greater part of this would undoubtedly have been held in any case by Irish residents.

The estate-duty returns themselves include an analysis of estates by region of location of assets, and the grossed-up estimates of total external assets held by Irish citizens derived from this official analysis are shown in Table VII. Unfortunately these estimates are subject to qualification in that the definition of location for the purposes of estate-duty may not always accord with the most meaningful definition from an economic point of view. So far as the classification adopted in the estate-duty returns is concerned, an asset is located in that place where transfer of title is effected. In the case of securities—easily the most important asset in the present context—this will normally mean the place where the register for that particular security is kept. Thus assets located within Ireland, on this definition, would include British Government securities recorded in registers maintained in Dublin by the Bank of Ireland;⁵⁶ they would also include shares in an overseas company which happened to have a registered office in Ireland.⁵⁷ Both categories would clearly be foreign assets from an economic point of view, however, being claims on an external economy.⁵⁸ *Per contra* (though clearly of less practical significance) foreign assets, on the official definition, would include holdings by Irish citizens of claims

on Irish enterprises which chanced to be registered abroad.

It is therefore worthwhile approaching the problem from another angle—i.e. to list assets which are external by their nature, regardless of their location for administrative purposes. Certain assets are self-selecting: British, Dominion and foreign government and municipal securities, bonds and shares issued by overseas companies and mortgages distinguished as "outside Ireland". Insurance policies may or may not be external assets, depending on the country in which the funds concerned are invested by the companies concerned. In their study of estates in Northern Ireland, Isles and Cuthbert assume all insurance premiums collected there to be invested outside.⁵⁹ This would probably be much less true for the Republic; on the other hand, it has already been suggested that the estate-duty values of insurance policies are themselves significant under-statements of the true totals for the living population. The rough compromise has therefore been adopted of retaining the estate-duty totals and assuming their complete external investment. Some substantial element of "cash in the bank" may also represent external investment, but it is impossible to discover the magnitude of this and it is best disregarded.⁶⁰ The

⁵⁶It is known that British Government securities on the Dublin register of the Bank of Ireland amounted to £27 million in 1959 and as much as £67 million in 1945—see *Statistical Abstract of Ireland in 1960*, (Pr. 5492), Table 279, p. 283, and *Statistical Abstract 1947-48*, (Pr. 8926), Table 200a, p. 163.

⁵⁷Irish shareholdings in various British companies maintaining a share register in Ireland were estimated at £54 million in 1947—T. K. Whitaker, *op. cit.*, p. 198.

⁵⁸The assets held in Ireland by such companies would, of course, be an external liability, but this consideration applies with practically all forms of asset. In other words, the present investigation can deal only with *gross* external assets.

⁵⁹*Op. Cit.*, Appx. B, pp. 462-4.

⁶⁰The deposits at issue here, of course, would be those in banks other than those located in Ireland. A proportion of funds deposited in Irish banks could be treated as corresponding to the banks' external assets, but it is advisable to count these separately and to avoid double-counting by treating deposits in Irish banks as purely internal assets. In a sense, of course, *all* Irish marketable assets (including cash) could be treated as external assets, since the law requires that Irish currency must be freely convertible into sterling in London on demand. The sterling provided in such circumstances, however, would have to be supplied by the Irish economy, so that there would be no net gain of London funds by the economy as a whole. Only claims on some *external* authority can provide this.

TABLE VII: ANALYSIS OF PERSONALTY BY LOCATION OF ASSET

LOCATION	£ million			% of total		
	1923-25	1937-39	1953-55	1923-25	1937-39	1953-55
Great Britain	92.8	96.3	118.1	34.4	28.7	22.8
Northern Ireland	2.2	3.0	1.0	0.8	0.9	0.2
British Dominions	2.2	1.3	3.6	0.8	0.4	0.7
Other overseas	1.6	2.3	3.6	0.6	0.7	0.7
TOTAL FOREIGN	98.7	103.0	126.3	36.6	30.7	24.4
Domestic	171.0	232.6	391.4	63.4	69.3	75.6
TOTAL	269.7	335.6	517.8	100	100	100

"foreign" element in other assets is also undiscoverable but unlikely to be very significant.

The estimates for foreign assets defined in this way—i.e. holdings of overseas securities, the value of all insurance policies as derived directly from the estate-duty statistics, and non-Irish mortgages—are given in Table VIII. It will be seen that the resulting estimates for total external assets are substantially higher than those obtained by following the official definition of location; for 1953-55 the difference is of the order of 25 per cent.⁶¹ Nevertheless the broad impression left by the two series is much the same; a slow growth in terms of current values—rather more substantial in magnitude according to the official definitions of location—but unquestionably a decline in relative importance and, equally, in real terms. The major shift has clearly been the fall in Irish holdings of British government

and municipal bonds between 1937-39 and 1953-55, a decline which is considerably greater than could be accounted for by changes in security prices alone. The rise in the value of holdings in British companies during the same period, on the other hand, is less than one would have expected in view of the rise in equity prices which was occurring; some decline in "real" terms seems probable.

It may be of some interest to compare the international distribution of personal assets (on a non-official definition similar to that used in Table VIII) with the distribution of estates assessed in Northern Ireland. This is done in Table IX, using the statistics for Northern Ireland compiled by Isles and Cuthbert. All personal estate is assumed to be

TABLE IX: GEOGRAPHICAL DISTRIBUTION OF NET PERSONALTY, REPUBLIC OF IRELAND AND NORTHERN IRELAND (a)

(% of total net personalty)

Location	1937-39		1953-55 (b)	
	Republic of Ireland	Northern Ireland	Republic of Ireland	Northern Ireland
Internal ..	55.3	42.5	69.9	48.6
Great Britain (c)	43.8	50.8	29.4	47.0
Elsewhere	0.9	6.7	0.6	4.3
TOTAL ..	100	100	100	100

(a) Data for Northern Ireland taken from Isles and Cuthbert, *op. cit.*, Appx. B, Table i (b), p. 461.

(b) 1951 for Northern Ireland.

(c) Includes Dominion and Northern Ireland securities for the Republic of Ireland.

⁶¹That these latter estimates are probably nearer the truth than those shown in Table VII is suggested by their striking similarity to estimates presented some years ago by Mr. T. K. Whitaker. These were based primarily on an assumed capitalisation rate of income flows and gave for external assets held outside the official and banking sectors totals of about £159 million for 1939 and £163 million for 1947—Whitaker, *op. cit.* Tables X and XI, pp. 203-4. An entirely independent piece of corroborative evidence is provided by the results of an investigation into the overseas ownership of British companies, some details of which have been kindly supplied to me by Mr. J. R. S. Revell. These indicate that total overseas holdings of quoted British corporate securities in 1957 amounted to £475 million, and that in a sample of 28 of the largest companies, accounting for £355 million overseas holdings, securities amounting to £56 million were held by persons resident in Ireland and a further £2 million were registered in the names of banks or nominee companies with an obvious Irish connection. On a proportionate basis, this would put total Irish holdings in British quoted companies at about £80 million, which is certainly consistent with a figure of £99 million for holdings in non-quoted and quoted British companies and Dominion companies.

TABLE VIII: EXTERNAL ASSETS HELD BY PERSONS

	£ million			% of total		
	1923-25	1937-39	1953-55	1923-25	1937-39	1953-55
U.K. and Dominion Govt. & municipal securities	53.9	53.1	35.9	20.0	15.8	6.9
U.K. & Dominion Corporate securities	70.3	77.6	99.1	26.1	23.1	19.1
Other foreign securities	6.2	3.1	3.1	2.3	0.9	0.6
Non-Irish mortgages	0.7	0.5	0.1	0.3	0.1	—
Insurance policies	13.8	15.8	17.5	5.1	4.7	3.4
TOTAL "foreign" assets	144.9	150.1	155.7	53.7	44.7	30.1
Other net personalty	124.8	185.5	362.1	46.3	55.3	69.9
TOTAL	269.7	335.6	517.8	100	100	100

invested internally except securities and mortgages specifically identified as foreign. Insurance policies in both cases, and non-Irish mortgages in the case of the Republic of Ireland, are attributed to Great Britain.

The contrasts are fairly clear. In 1937-39 the proportion of personalty in the Republic which was invested in Great Britain was already lower than the corresponding proportion for Northern Ireland, but not markedly so; by 1953-55 the difference had become much more substantial. On the other hand, the investment of personalty outside the United Kingdom was trivial in magnitude for the Republic both before and after the second World War; for Northern Ireland, the proportion of private capital invested in countries other than in Britain, although showing some decline during the past 15 years, is by no means entirely insignificant.

8. Conclusion

As has already been stated, the aim of the present exercise has been to arrive at estimates rather than to comment on their significance. It seems preferable to confine the essay to this broad aim, even at this concluding stage.

Bearing in mind the many qualifications expressed at the outset concerning both the techniques of estimating from estate-duty statistics in general and its application to Irish data in particular, the following general conclusions may be said to emerge:—

- (a) The estate-duty statistics themselves suggest that personally-owned property in Ireland has probably grown from about £127 per head in the early 1920s to about £268 per head in recent years.
- (b) Largely because of a serious undervaluation of agricultural land and stock—the former having statutory authority and the latter a more pragmatic basis—and of an incomplete coverage of farms, the total value of about £790 million for personal capital suggested by the estate-duty returns for 1953-55 is probably something of the order of £600 to £700 million too low. The receipts from death duties no doubt suffer a corresponding deficiency.
- (c) Although a substantial growth in personal property in real terms probably occurred in Ireland during the inter-war years, since that

time it appears to have done little more than to keep up with the rise in prices generally, even if allowance is made for the (probably increasing) under-valuation referred to in (b).

- (d) Although corporate securities represent a rather large proportion of total personal capital in the Republic, the distribution of Irish private estates is in general more towards non-earning assets than in Britain and Northern Ireland.
- (e) Although total net personalty grew by an estimated £180 million between 1937-39 and 1953-55, foreign assets held by Irish citizens were virtually unchanged in value; this certainly implies a substantial decline in the real value of external holdings.

The inadequacy of the data in some important respects must be stressed yet again by way of final warning. In the first place, the lack of an analysis of estates passing each year by age-groups prevents the processing of the statistics in the way which could be expected to yield the most accurate results feasible in an exercise of this kind. Secondly, more knowledge is needed on the question of the extent to which the official statistics include property owned by non-residents, and of the degree to which the relative importance of such external ownership has changed in recent years. Finally, the imperfections evident in the valuation of certain specific items discussed in the text make the existing estate-duty statistics as a whole indicators of relatively limited reliability. If the present exercise generates some interest in the potentialities of the estate-duty returns, and hence stimulates some improvement in these various aspects, however, it may have served some useful purpose.

APPENDIX I

1. A note on the lag in the assessment of estates.

The assumption that the average estate is assessed for duty three months after the death of the testator has not been statistically tested. It is possible to derive some idea of its reliability, however, from an examination of the number and value of small estates appearing in the Irish statistics before and after 1951-52. As from May 3rd 1951, estates of less than £2,000 were freed from liability to duty, so that estates of less than this size appearing in the statistics for 1952-53 onwards relate to deaths before May 1951 and obviously invalidate the three-month lag assumption.

During the years prior to 1951-52, the number and value of estates on which duty was paid and whose net value lay between £100 and £1,000 were as follows (separate statistics were not provided for the £1,000-£2,000 category):—

	Number	Value £000
1945-46	2,941	1,788
1946-47	2,895	1,683
1947-48	2,811	1,794
1948-49	2,741	1,702
1949-50	2,956	1,918
1950-51	2,790	1,764

Both series are reasonably stable, and it would be justifiable to assume that, had the minimum level at which liability commenced remained unchanged, there would have been during 1951-52 about 2,860 estates in the £100-£1,000 net category with a total value of about £1,780,000. (In fact, during 1951-52 the statistics revealed 1,834 estates of this size and a total value of £1,410,000.)

Apart from estates on which duty was paid in the second half of 1951-52, it is clear that estates of this size included in subsequent years *must* have passed before May 1951. In the five subsequent years the totals were in fact:—

	Number	Value £000
1952-53	725	593
1953-54	554	441
1954-55	403	329
1955-56	398	283
1956-57	324	262
TOTAL	2,404	1,908

It would appear, then, that the three-month assumption is strongly at variance with the facts in this particular case, but it must be remembered that the estates in the £100-£1,000 category shown above would relate to deaths at *any* time prior to May 1951, and not merely those occurring in 1951-52. Hence the figures are not necessarily inconsistent with the assessment in 1951-52 of three-quarters of the deaths occurring in that year.

What of the estates of more than £1,000? At first sight it might seem likely that the delay in assessing larger estates would be greater, rather than less, than for small estates. In general, however, this is probably not the case. Where an estate includes a substantial proportion of personality—and personality increases in relative importance the larger an estate—the grant of probate is essential before the assets can be disposed of. Delay is therefore not likely. An estate consisting only of a small farm and effects, however, may be retained for years without any need for probate (e.g. until a sale is involved). The small estate may thus be the most troublesome of all from the point of view of this time-lag assumption, although its relative importance in total

capital values is fairly small. As indicated in the text, the practical significance of this is in any case much reduced by the fact of fairly slow-changing annual totals and the use of three-yearly averages.

2. The valuation of agricultural land.

The problem is essentially to estimate what proportions of the cases involving land in the estate-duty returns are based on market value, on the one hand, and on the "alternative valuation" (i.e. maximum of 25 times annual value *minus* outstanding annuities) on the other, there being a strong presumption that the latter will be adopted whenever the effect is to bring the net value of estates below £1,000. The annual value of different groups of agricultural holdings can be calculated fairly easily. For mid-1950 the details from Table 2 of *Agricultural Statistics* are as follows:—

Valuation of holding	No. of holdings	% of total	Assumed A.V.	Total A.V. (1) × (4)	Gross E.D. value (5) × 25
£ (1)	000 (2)	% (3)	£ (4)	£000 (5)	£000 (6)
—2	59.9	15.8	1	60	1,500
2-4	51.6	13.6	3	155	3,875
4-7	46.6	12.3	5.5	256	6,400
7-10	37.6	9.9	8.5	320	8,000
10-15	46.1	12.2	12.5	576	14,400
15-20	33.0	8.7	17.5	578	14,450
20-30	38.5	10.1	25.0	963	24,075
30-50	31.6	8.3	40.0	1,264	31,600
50-100	22.7	6.0	75.0	1,703	42,575
100-200	8.8	2.3	150.0	1,320	33,000
200+	3.0	0.8	250.0	750	18,750

The next problem is to estimate the Land Purchase annuities which could be offset against these gross annual values. It is known that in mid-1954 the total value of advances still outstanding under the various acts was £40.5 million (including about £3.25 million advanced under the Labourers Acts and Land Reclamation Act), and this can be taken as an approximation to the annuities deductible. If it is assumed that this total was distributed in the same proportions as the holdings shown in Col. (3) above, the maximum "net estate-duty valuation" can be arrived at. The *average* valuation for holdings in each category can then be calculated. The results are as follows:—

Valuation of holding	No. of holdings	Gross E.D. value of all holdings	Estimated Annuities	Net E.D. valuation	Average net E.D. valuation
£	000	£000	£000	£000	£
0-20	274.8	48,625	29,362	19,263	70
20-30	38.5	24,975	4,090	19,985	519
30-50	31.6	31,600	3,362	28,238	894
TOTAL					
0-50	344.9	104,300	36,814	67,486	196
50-100	22.7	42,575	2,430	40,145	1,769
100+	11.8	51,750	1,256	50,494	4,279

It will be seen that the dividing line, so far as concerns the critical figure of £1,000 above which the "alternative valuation" becomes inadmissible, occurs after the the £50 annual value category. Allowing for other net assets, it seems likely that most of the holdings having an annual valuation of up to £50—i.e. about 90.0 per cent. of all holdings in Ireland—would be eligible for the alternative valuation. The remaining 9.1 per cent. would not.

These conclusions can now be applied to the capital values of properties actually shown in the estate-duty returns. In the years 1948-49 to 1950-51—i.e. the last three years before the minimum for liability was raised to £2,000—the number and value of lands assessed were as follows:—

	Capital value £000	Number of cases
1948-49	4,368.7	4,861
1949-50	4,362.7	4,880
1950-51	4,094.9	4,596
TOTAL	12,826.3	14,337

If these 14,337 were a random selection, 90.1 per cent.—say 12,917—could have been assessed at the average net "alternative" value of up to £196 giving a maximum total value of £2.53 million. It would follow that the remaining 1,420 were valued at a minimum of about £10.3 million, or at least £7,250 each.

What would this mean in terms of value per acre? It seems safe to assume that these "top" 34,500 holdings shown above as being ineligible for the "alternative value" would be found amongst the largest holdings. In 1949, there were 29,100 holdings of over 100 acres each in Ireland, covering about 5,355,000 acres; the remaining 5,400 holdings were presumably in the 50-100 acre category, the average size in which was 70 acres. Altogether, then, these 34,500 holdings would probably cover a total of 5.7 million acres, giving an average size of around 166 acres. Applying this to the value of £7,250 arrived at above, an average of about £44 an acre emerges. This is certainly a more convincing figure than the £15 an acre referred to in the text. By contrast, the 90 per cent of holdings assessed on the maximum "alternative valuation" would cover some 8.9 million acres and would be valued for estate-duty purposes at about £67.5 million—an average of something under £8 an acre.

APPENDIX II: DETAIL TABLES

TABLE A: NET CAPITAL VALUE OF ESTATES
LIABLE TO DUTY 1942-57
(Years ended March 31st)

Year	£000	% change on previous Year	Year	£000	% change on previous Year
1942	15,857	+5.9	1950	25,662	+9.3
1943	16,449	+3.7	1951	23,351	-9.0
1944	17,024	+3.5	1952*	21,436	*
1945	18,592	+9.2	1953	20,757	-3.2
1946	20,388	+9.7	1954	22,012	+6.0
1947	21,970	+7.8	1955	22,656	+2.9
1948	23,608	+7.5	1956	23,919	+5.6
1949	23,475	-0.6	1957	21,573	-9.8

*Minimum level at which duty payable raised from £100 to £2,000 in this year.

Sources: All the Irish data presented in this study are drawn from the annual reports of the Revenue Commissioners for the years concerned. Specific references are therefore given only when data have been drawn from other sources.

TABLE B: THE STRUCTURE OF SMALL
ESTATES, 1953-55
(Estates of £100-£2,000)

	Included in Estate Duty statistics (Annual average)		Added to Estate-duty statistics
	£000	% of total	£000
PERSONALTY:			
1. Government and municipal securities ..	26	10.6	118
2. Corporate securities ..	23	9.4	104
3. Mortgages, bonds bills, etc. ..	1	0.4	4
4. Household goods ..	33	13.5	150
5. Insurance policies ..	6	2.5	28
6. Cash ..	64	26.1	290
7. Trade assets ..	146	59.6	662
8. Other ..	27	11.0	122
TOTAL GROSS PERSONALTY:	326	133.1	1,478
9. Deductions (a) ..	81	33.1	367
TOTAL NET PERSONALTY	245	100	1,111
REALTY:			
1. Land ..	736	108.5	3,342
2. Houses and business premises ..	132	19.5	600
3. Other ..	8	1.2	37
TOTAL GROSS REALTY ..	876	129.2	3,979
4. Deductions ..	198	29.2	899
TOTAL NET REALTY ..	678	100	3,080
NET PERSONALTY ..	245	26.5	1,111
NET REALTY ..	678	73.5	3,080
TOTAL NET ESTATE ..	923	100	4,191

(a) Only total deductions are shown for this group in the official statistics. This total has been allocated between personality and realty in the proportions $V_p D_p / V_r D_r$, where V =gross value of small estates in 1953-55, D =ratio of deductions to gross value, all estates 1953-55 and the subscripts p and r denote personality and realty respectively.

TABLE C: ESTIMATES OF PERSONAL ESTATES IN GREAT BRITAIN, 1953-55
(Estates over £2,000)

£ million

	1953	1954	1955	Average 1953-55
1. Value of estates assessed ...	751.2	849.5	758.1	786.3
2. Above grossed up by mortality rate amongst :—				
(a) Total population ...	66,243	74,978	65,129	68,783
(b) Over 19 years ...	49,584	55,888	48,379	51,284
(c) Over 24 years ...	45,226	50,990	44,178	46,798
(d) Over 34 years ...	35,568	39,995	34,887	36,817
(e) Over 44 years ...	26,183	29,765	25,865	27,271
(f) Over 54 years ...	17,437	19,820	17,222	18,160
3. "True" estimate (Morgan) ...	27,108	27,201	26,355	26,888
4. 2(e) as % of 3 ...	96.6	109.4	98.1	101.42

Sources : Line 1, *Annual Abstract of Statistics*, No. 97 1960, H.M.S.O. London 1960, Table 304 p. 259 ; mortality rates for 2a-f based on deaths and population by age-groups, *ibid.*, Table 25 p. 26, and Table II, p. 12 ; line 3 from Morgan, *op. cit.*, Chap. 6 Table 29, p. 73.

TABLE D: CORRECTED MORTALITY RATES

Year	Number of deaths : Persons aged 45 and over		Total population aged 45 and over ooo	Mortality Rate		Multipliers : reciprocal of Col. (6)
	Total ooo	Average ooo		Crude	Corrected : ((5) × 1.0142)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1923 1924 1925	27.47 29.85 29.03	} 28.8	834.2(a)	.03452	.03501	28.56
1937 1938 1939	32.47 28.56 30.88	} 30.6	869.7(b)	.03518	.03568	28.03
1953 1954 1955	28.01 30.29 31.82	} 30.0	891.2(c)	.03366	.03414	29.29

(a) 1926

(b) 1936

(c) 1951

Sources : Cols. (2) and (4) from *Statistical Abstract of Ireland*.

TABLE E: ESTIMATED VALUE OF PERSONALTY

£000

	1923-25	1937-39	1953-55
1 <i>Government and municipal securities</i>			
a Irish	3,145	31,317	44,259
b U.K. & Dominion ...	53,878	53,052	35,852
c Foreign	2,314	1,198	2,314
TOTAL	59,337	85,567	82,425
2 <i>Corporate securities</i>			
a Irish	36,691	55,715	122,086
b U.K. & Dominion ...	70,280	77,621	99,092
c Foreign	3,880	1,893	761
TOTAL	110,851	135,229	221,939
3 <i>Mortgages</i>			
a Irish	4,423	2,181	176
b Other	702	517	58
TOTAL	5,125	4,698	234
4 <i>Money on bonds, bills, etc.</i>	1,349	1,678	2,168
5 <i>Household goods</i>	8,631	6,711	24,312
6 <i>Insurance policies</i>	13,755	15,771	17,516
7 <i>Cash</i>			
a In the house	1,104	1,605	3,340
b In the bank	46,905	68,190	106,590
TOTAL	48,009	69,795	109,930
8 <i>Trade assets</i>			
a Farm stock	14,260	11,068	44,025
b Other	10,284	9,736	20,123
TOTAL	24,544	20,804	64,148
9 <i>Other assets</i>	29,938	27,851	60,193
TOTAL GROSS PERSONALTY ...	301,539	368,104	582,568
10 <i>Deductions</i>	31,826	32,549	65,085
TOTAL NET PERSONALTY ...	269,713	335,555	517,780

TABLE F. ESTIMATED VALUE OF REALTY

	1923-25	1937-39	1953-55
1 Land	81,458	83,454	215,758
2 Houses and business premises	37,705	49,280	98,067
3 Other	10,588	3,428	5,888
TOTAL GROSS REALTY	129,751	136,162	319,713
4 <i>Deductions</i> :—			
a Mortgages	20,130	27,871	44,493
b Other	1,585	1,161	586
TOTAL	21,715	29,032	45,079
TOTAL NET REALTY	108,036	107,130	274,634

TABLE G. MARKET VALUE OF MAJOR ITEMS OF LIVESTOCK ON IRISH FARMS, 1954

Category	Number 000s	Average price £	Total estimated value £000
1 <i>Cattle</i> :—			
Bulls	20.9	46.01(a)	962
Milch Cows	1,203.6	52.53	63,225
Heifers in calf	99.4	58.16(b)	5,781
<i>Other cattle</i> :—			
3 years old & over	354.8	63.50(c)	22,530
2-3 years old	799.6	56.30(c)	45,017
1-2 years old	989.1	44.71(c)	44,223
Under 1 year	1,036.6(d)	21.00	21,769
TOTAL			203,506
2 <i>Sheep</i> :—			
Rams	43.7	4.64(e)	202
Ewes	1,281.1	4.93(f)	6,316
Others, 1 year & over	457.3	6.05(g)	2,767
Others, under 1 year	1,330.8	4.73	6,295
TOTAL			15,580
3 <i>Pigs</i> :—			
Under 3 months	459.5	5.63	2,587
Over 3 months	498.8	7.89	3,936
TOTAL			6,523
4 <i>Poultry</i> :—			
Chickens	13,462.1	0.39	5,250
Ducks	748.9	0.38	285
Turkeys	1,220.0	1.24	1,513
Geese	631.1	0.89	562
TOTAL			7,609
TOTAL			233,218

(a) Average price of cows and bulls

(b) Average price of springers

(c) Average of store and fat cattle

(d) Three-quarters assumed to be under 6 months

(e) Store Sheep over 2 years old

(f) 1 to 2 years old including breeding ewes

(g) Average of fat sheep 1 to 2 years and 2 years and over.

Sources : *Statistical Abstract of Ireland*, 1960, (Pr. 5492), Tables 328-9, pp. 312-3, and *Agricultural Statistics*, 1934-1956, (Pr. 4335), Table 15, pp. 62-5.

Printed by
Cahill & Co. Ltd.,
Parkgate Printing Works, Dublin