

the enlistment of many young men who otherwise would doubtless have been married and set up homes for themselves, but the unsettled conditions and the rising tendency in the cost of building in comparison with rental values, has no doubt also had an effect on this aspect of the community life. Loans to farmers to develop or improve properties has continued to be one of the principal features of the Corporation's lending business. The new loans granted during the year were as follows :—

					£
Urban	..	..	..	..	1,101 for 988,289
Rural	..	..	..	..	409 for 442,744
Total	..	..	..	..	<u>1,510</u> <u>£1,431,033</u>

The total authorizations from the date when the Corporation commenced lending in 1935 up to the 31st March, 1941, were :—

					£
Urban	..	..	..	..	13,094 for 9,993,480
Rural	..	..	..	..	4,356 for 7,590,484
Total	..	..	..	..	<u>17,450</u> <u>£17,583,964</u>

INTEREST RATES AND TERMS OF LENDING.

The Corporation has maintained its lending rate at $4\frac{1}{8}$ per cent, and the system of table mortgage which has been adopted is one of the most attractive features of the Corporation's loans and is obviously appreciated by borrowers, particularly those building homes for themselves. Terms up to forty-five years are granted in suitable circumstances on farm securities, and with loans on town securities there are tables suitable for the various types of structure, the length of term depending, of course, largely on the nature of material used in the building.

TRADE AND INDUSTRY IN NEW ZEALAND.

The climate during the past productive season has mostly been favourable for the primary producer, the spring being mild in most districts followed by moderate summer conditions. It will be seen from the comparative figures supplied hereunder that the quantity of meat and dairy-produce exported has shown an increase over the previous period, and although there is a small reduction in the quantity of wool the value has increased. The restricted shipping facilities have naturally created difficulties in regard to the export of some of our produce, but for the past season this has not to any great degree affected the producer himself. Some reorganization of the farming community and industry is, however, inevitable to meet the changing conditions that will arise from time to time. Of particular concern to the dairy industry has been the request for greatly increased cheese output, and the change-over from butter-manufacture to cheese has already had some attention. It is hoped that a further extension of this operation, which is now under consideration, will have the effect of increasing the cheese output by more than 50 per cent. This will, of course, involve considerable expenditure on equipment and plant, and the reorganization of the labour requirements to meet the needs of the cheese-factories will add to the difficulties of the industry. The Government, however, has indicated that financial assistance will be provided in appropriate cases. From an investigation of the trading accounts of our farmer current account clients for the past season we anticipate that the average farmer will have been able to meet his commitments for the period in full without difficulty.

STATEMENT OF FARM-PRODUCE EXPORTED FOR 1940-41 SEASON.

(Figures for previous season in brackets.)

Commodity.	Quantity. Cwt.	Value. £
Meat	6,966,702 (6,233,210)	19,122,292 (16,433,551)
Dairy-produce ..	5,124,804 (4,326,498)	27,735,687 (22,889,893)
Wool	781,525 (789,990)	15,120,578 (12,639,725)
Skins and hides ..		3,368,735 (2,498,006)
Other farm produce ..		879,302 (969,796)