

In dealing with loans for the purchase of businesses the important factors considered are—

- (a) The training and experience of the applicant ; and
- (b) The prospects of the business which he desires to purchase.

The concessions in interest rates, especially the additional ones granted at the discretion of the Board, should give borrowers additional margin for working expenses in the earlier period during which they are consolidating their position. Each case will be closely watched, and should difficulties arise, further concessions may be granted for an extended period. The scheme should be directed towards the re-establishment of these men in industry in the widest sense, and no effort should be spared in seeing that their rehabilitation is completed.

Ex-servicemen suffering war disabilities have been found to require special and continued assistance and supervision, and where men in this category are granted financial assistance the terms of such loans are arranged having full regard to the state of health of the borrower.

Loans granted.—Table IX of the Appendix gives details of the loans granted by the Corporation under the rehabilitation scheme since its inception.

(ii) REHABILITATION GRANTS

The Rehabilitation Board is empowered to make grants of up to £50 in special cases to ex-servicemen or deceased servicemen's dependants.

The provision made for sick and wounded ex-servicemen and their dependants by means of war pensions, Rehabilitation Allowances, and employment has fortunately rendered very slight the need for assistance by way of grants.

(12) LAND-SETTLEMENT AND FARM TRAINING

(i) LAND SETTLEMENT

The Board has been impressed with the importance of ensuring that the settlement of ex-servicemen on farm properties is carefully planned from every aspect, and it early established a Lands Committee, composed of the farmer members of the Council and the Board and a representative of the Returned Services' Association, to investigate all phases of this question.

From the outset the Board has been concerned at the possibilities of failure that lay in the settlement of men on holdings, the capital cost of which has, by stress of war circumstances, been raised to such an extent as to be out of reasonable relationship to the long-term productive value of the properties in question. In this regard the Board has made certain recommendations to the Government which, if given effect to, will go far towards preventing the transfer of land at inflationary prices, and will also ensure that the best possible land is used for soldier settlement.

The Government's policy is to fully develop and stock farms before allotting them to selected candidates, and it has been provided that the requirements of ex-servicemen settlement shall have priority as far as possible as soon as developmental materials are again available.

It will therefore be appreciated that the Rehabilitation Board has not been able to make all the progress desired, but this does not imply that the Board has been inactive. On the contrary, far reaching plans for land settlement on sound and practical lines have been formulated and a sure foundation has been laid. To this end the Land Settlement Board has been constituted, and a representative of the Rehabilitation Board and of the Returned Services' Association sit in association with the Board.

Research work of an extensive nature has been carried out by the Lands Committee of the Rehabilitation Board in conjunction with the Agriculture and Lands and Survey Departments. The following brief summary covers the main topics that have received close attention :—

Legislation.—When the Rehabilitation Board was constituted the Small Farms Amendment Act, 1940 had already been enacted. This Act made certain provision for the settlement of ex-servicemen, and gave them absolute preference over all other applicants for land made available for selection under the Small Farms Act, 1932-33. The Act contains authority to purchase privately owned land by negotiation, to take land compulsorily, to set apart Crown land, and to develop any land required or set it apart in readiness for settlement.

A thirty-three-year lease with a rental at the rate of $4\frac{1}{2}$ per cent. on the *unimproved* value with a $\frac{1}{2}$ per cent. rebate is provided for. There is a perpetual right of renewal, and if the lessee disagrees with the Land Settlement Board's estimate of the unimproved value, on which the renewal rental is to be based he has the right to have it fixed by arbitration. If stock and chattels are allotted to the settlers from blocks under development by the Crown, they are charged to his Current Account at market value. If they are purchased specially for him on the open market, they are charged at cost. The Current Account interest rate is 5 per cent. flat rate, and the security taken is a bill of sale with a collateral Current Account mortgage. Care is taken to see that, despite the cost of the land and improvement to the Crown, the areas are allotted at not more than their productive value.

Development of Partly Improved and Unimproved Land.—On behalf of the Board the Land Settlement Board has completed the purchase of a number of properties for the purpose of ex-servicemen settlement, a few of which are sufficiently developed for immediate settlement. Other properties are semi-improved, but on account of the shortage of essential materials obstacles stand in the way of a progress programme of work to put them in a fit state of settlement.

Offers of Properties for Acquisition.—The Rehabilitation Board has from time to time referred to the Land Settlement Board offers of properties for acquisition and subdivision, and these have been thoroughly investigated with a view to purchase. A register of farm properties available for private purchase as single unit farms is kept by the State Advances Corporation, and the fullest information available is placed at the disposal of ex-servicemen desirous of purchasing the fee-simple with the aid of financial assistance provided by the Corporation.

Purchases by ex-Servicemen by Private Negotiation.—The Rehabilitation Board has afforded every encouragement to ex-servicemen possessing adequate farming experience to acquire by private treaty suitable farm properties with financial help from the State Advances Corporation. These purchases have been dealt with in other portions of this report covering the forms of financial assistance made available by the Board.

Purchase of Stock.—The Board has given serious consideration to the various problems arising out of the provision of stock, and close co-operation between the Departments concerned has been arranged. Sources of supply may comprise stock from developmental areas under administration by the Land Settlement Board and stock available from farms acquired by purchase. Where it will be necessary to purchase stock on the open market, the responsibility will be entrusted to accredited officers.