

Inquiry Boards.—Owing to the slump in the values of farm-products, resulting in settlers' inability to pay on existing liabilities, Inquiry Boards composed of men thoroughly experienced in farming and the valuation of properties were appointed (one Board for each land district) to investigate and report on all matters pertaining to soldier settlement, and to make such recommendations as they consider necessary to afford relief. All soldier settlers were requested to submit statements of the position of their farms, finance, and prospects. The reports had not been received at the end of the year.

General.—Although advances were not of the same volume as in previous years, yet the turnover of business on Current Account was heavy, and will continue to be so until the Current Account mortgages are discharged. Advances and readvances under this heading have always formed a most difficult part of the administration, and, as it is intended to give every soldier farmer who acquires his own property an opportunity of obtaining loans to stock farms, it is anticipated that the work during the ensuing year will show a substantial increase under Current Account advances.

It must be recognized that with a capital of £20,036,905, and over thirty thousand mortgages of all classes, and other collateral securities, the administration of the soldier-settlement business forms the most important feature of the Department. The volume of business going through the various offices is naturally heavy, and the work, which is intricate and important, demands constant attention and the utmost care. A glance at the statement at the foot of this page will show that the administration extends to funds totalling £27,350,271.

Summary.—A summary of the principal points is as follows:—

	£
Loans raised	20,036,905
Advances authorized	21,278,221
Balance outstanding on mortgage, 31st March, 1923 (including instalments in arrears and postponements)	18,100,371
Arrears—	
Instalments of principal	91,637
Interest	449,488
Postponements—	
Instalments of principal	11,679
Interest	55,485
Loss on realization of securities	38,623
(which is 0·205 per cent. of capital invested on mortgage or in properties owned by Crown, £18,817,362, or 4·066 per cent. of revenue earned, £949,844).	
Administration expenses (including travelling-expenses of Supervisors and Inquiry Boards)	45,829
(which is 0·241 per cent. of capital invested or 4·825 per cent. of revenue earned).	
Net loss on Revenue Account to 31st March, 1923.. .. .	122,047
(which is 0·649 per cent. of capital invested, or a cost of £5 13s. 1d. per man settled).	
Properties acquired by Crown	523,783
Securities in course of realization	150,242
Advances paid out during year	1,225,753
Repayments of advances during year	716,667
Interest received	649,463
Interest paid by Discharged Soldiers Settlement Account on loans raised	869,158

Statement showing various Funds provided for the Purpose of Settlement under the Discharged Soldiers Settlement Act.—In addition to advances authorized to be made on mortgage out of the Discharged Soldiers Settlement Account—namely, £21,278,221—the sum of £3,058,050 has been borrowed for the purchase of lands for the Discharged Soldiers Settlement Branch of the Land for Settlements Account, and rents, recoveries, &c., amounting to £44,379 were accounted for last year. Other lands to the value of £2,514,000 were acquired under the provisions of the Land for Settlements Act and proclaimed for discharged-soldiers-settlement purposes. Native-land purchases of an approximate value of £500,000 were proclaimed and settled by soldiers. The capital, therefore, provided from all sources for discharged-soldier settlement totals approximately £27,350,271.

Arrears of rent under leases held by soldiers amount to £307,198, while postponements amount to £92,905.

The remarks made in the earlier part of the report regarding arrears and postponements in respect of instalments due under mortgages apply with equal force to arrears of rent in respect of Crown and settlement leases held by returned soldiers.

The following table shows the total amount *authorized* by the Government for assistance to returned soldiers, either by lending money to assist them in their own private purchases or in the purchase of lands direct by the Crown for settlement purposes:—

	£
Advances authorized out of Discharged Soldiers Settlement Account..	21,278,221
Loans raised for the purchase of land under the Discharged Soldiers Settlement Branch of the Lands for Settlement Account ..	3,058,050
Purchase of lands under Land for Settlements Act and proclaimed for settlement under the Discharged Soldiers Settlement Act ..	2,514,000
Purchases under Native Land Act	500,000
	<u>£27,350,271</u>

The statement of accounts attached to this report discloses the extent of the financial authorities issued and the actual transactions on the Discharged Soldiers Settlement Account.