

GENERAL REVIEW.

DISCHARGED SOLDIERS SETTLEMENT ACCOUNT.

Loans authorized during the year numbered 817, involving a total amount of £134,183, as follows :—

	New Loans.		Additional Loans.	
	Number.	Amount.	Number.	Amount.
		£		£
Advances on current account	60	24,040	534	83,819
Advances on farms, &c.	2	580	22	7,434
Advances on dwellings	7	2,374	192	15,936
	69	26,994	748	107,189

The accounts published at the end of this report reflect the troublous times the Dominion has been passing through, and a great part of the administration has centred round problems connected with keeping settlers on their farms. The prevailing unemployment and reduction in incomes has in many cases raised difficulties in the matter of payment of instalments by those mortgagors holding residential properties, but where the circumstances have justified relief the Department has endeavoured to ease the burden as much as possible by suspending for a time the payment of the principal part of instalments falling due or by readjusting mortgages in the direction of extending the term for repayment on a lower instalment basis.

As might be expected, the amounts outstanding on sundry debtors and postponement accounts have increased, having risen from £447,271 at 31st March, 1931, to £661,651 at 31st March, 1932. Cash receipts for the year have also fallen by £158,246 below those of the previous year. The comparative figures of cash receipts on Capital and Revenue Accounts for the last five years are :—

	1927-28.	1928-29.	1929-30.	1930-31.	1931-32.
	£	£	£	£	£
Capital ..	1,067,392	1,205,892	1,054,123	749,090	668,396
Revenue ..	755,586	757,761	727,703	604,988	527,436
Total ..	1,822,978	1,963,653	1,781,826	1,354,078	1,195,832

The reports received from the various land districts show that our soldier settlers are meeting the difficulties of the times with an admirable spirit, and are as a rule doing their best with their land in an endeavour to meet their obligations and to better their own position. It may be thought by some that the administration of discharged soldier settlement should now be more or less a routine matter. This is, however, very far from being the case, and the Department holds the opinion that soldier settlement is as yet a long way removed from the stage where the role to be played by the controlling authority becomes principally that of a collector of rent and interest. It would seem, indeed, that the State's obligation to many of these men and their families has not been met by placing them on the land and by carrying on up to the present point. Sympathetic guidance and control will be needed for years yet in a great many cases if the great work which was begun by the passing of the Discharged Soldiers Settlement Act of 1915 is to be completed in a fitting manner. The Department has gained an intimate knowledge of the special problems of soldier settlers through long and close association with their affairs, and is endeavouring to use that knowledge in the best interests of the settlers and the State.

The administration of soldier current accounts still presents considerable difficulties. Where advances have been made for improvements and chattels, transfers have been made to table mortgage of such part of the account as has been considered advisable in order to provide for the gradual repayment of advances. The current account has, however, still been retained against security of stock and chattels for the balance of the advances not so transferred to table mortgages. The operation of current accounts in general is fairly well known, but there is considerable difference between those operated by a firm which is fundamentally interested in trading in stock and produce, and those dealt with by the Department on behalf of discharged soldiers. The Department has assisted these men from the commencement; has helped them to develop their farms; to build up their flocks and herds; and to cultivate their land for crops. This has been done not with any idea of profit, but with the primary purpose of establishing returned men in homes on the land. The Department's interest (financial and otherwise) extends further than that ordinarily obtained from farm trading. Its field officers are available to help and to report on all aspects relating to the farm, its maintenance, possible development, &c. Being in the position to control farm revenues, and, through its local officers, to view the situation as a whole from the standpoint of landlord or land and stock mortgagee, the Department is able to decide to what extent each of the accounts of any settler may be improved without impairing the efficiency of the farm, and with the least interference and worry to the settler. Advances have been made in most cases without any great margin of security. Many of the accounts are not yet too sound, and many others cover one-man farms where there is in ordinary times little more than a bare living, so that a constant and close watch over them and the farming methods adopted is necessary.