

following table indicates the total loans authorized from the inception of the Act and those authorized during the year :—

	Authorized from Inception of Act.		Authorized during Year.	
	Number of Returned Soldiers.	Amount authorized.	Number of Returned Soldiers.	Amount authorized.
Section 6, Discharged Soldiers Settlement Act, 1915— Advances on Current Account	5,017	£ 4,863,584	99	£ 199,991
Section 2, Discharged Soldiers Settlement Amendment Act, 1917—Advances towards purchase of farms, market gardens, orchards, and discharged mortgages	5,511	8,966,773	4	28,023
Section 2, Discharged Soldiers Settlement Act, 1917— Purchase of dwellings, &c.	11,955	8,659,946	54	53,997
Totals	22,483	22,490,303	157	282,011

In addition to the 5,017 soldiers to whom advances were made for improvements, stock, &c., 5,551 soldiers to whom loans were granted under section 2 also participate in similar loans, the total, therefore, reaching 10,411.

Curtailment of Advances.—Owing to the limited capital available in the account and the necessity that exists for conserving as much as possible of the receipts for loans to develop and stock farms, with a view to increasing production and place settlers on a sound footing, it is regretted that applications for loans to erect houses could not be considered beyond assisting a few T.B., wounded, and other disabled men.

At no time has the Department been unable to accept applications for advances on Current Account to assist in the purchase of stock or for effecting improvements to farms with a view to ultimately increasing production. It has, however, only just been possible to keep pace with these applications, as will be demonstrated by the fact that the cash balance in the account at the end of the year was only £115,000, which is already fully committed.

Current Account Advances.—Loans under this heading are granted to assist in the improvement and stocking of farms, and at the end of the year the balance outstanding was £3,042,786. As indicated last year, it was considered that the time had arrived when Current Account loans for improvements should be transferred to table mortgages in order to provide for the gradual redemption thereof, and although little has been done in this direction an effort is now being made to place development loans on a more satisfactory footing.

The time is rapidly approaching when the bulk of those settlers who have been and are still being assisted on Current Account should be in a position to carry on without further financial assistance. The Department does not aim at finding the whole of the capital required to fully develop farms. With thrift and economy the undeveloped portions of a number of farms should be improved gradually out of the farm revenues, thereby building up a better future than would be the case with everything encumbered. Prior to the advent of the Discharged Soldiers Settlement Act settlement had gone along these lines, and equities had been created by settlers, making their ultimate success more assured. More attention should be given to maintaining the areas now in grass rather than ambitious efforts to bring in large areas beyond the finance that is available to fully develop, fence, and stock same. Increase in the pasture area should be brought about gradually once sufficient pasture to carry on with has been established.

Dwellings.—As previously stated, applications for assistance under this heading are now only being accepted from badly wounded or T.B. men. The number of loans authorized during the year was—Number of loans, 54; amount authorized, £53,997.

From the inception of the Discharged Soldiers Settlement Act to the end of the year the amount provided for the housing of Discharged Soldiers on urban, suburban, and rural lands was as follows—

	Number.	Amount.
Erection of dwellings on farms	4,856	£ 1,495,648
Urban and suburban—		
Erection of dwellings	4,420	3,723,074
Purchase of dwellings	7,535	4,936,872
		<u>£10,155,594</u>

SETTLERS PROSPECTS.

Now that settlers have had the benefit of revaluation of their properties by the Dominion Revaluation Board it is considered that they should be in a position to withstand any temporary depressions which might eventuate, and with reasonably stable prices the Department expects prompt payment of accruing charges. Current Accounts are at present under review by the Dominion Revaluation Board in accordance with the Discharged Soldiers Settlement Amendment Act, 1924, and when this task is completed settlers as a whole should have little cause for complaint.