

1926.

NEW ZEALAND.

RURAL CREDITS

(REPORT OF ROYAL COMMISSION ON).

Presented to both Houses of the General Assembly by Command of His Excellency.

COMMISSION.

GEORGE THE FIFTH, by the Grace of God of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas, King, Defender of the Faith, Emperor of India: To our trusty and loving subjects, PERCY HARPER COX, Esquire, of Wellington; Colonel JAMES JACOB ESSON, C.M.G., of Wellington; and WILLIAM JOHN POLSON, Esquire, of Wanganui: Greeting.

WHEREAS it has been proposed that legislation should be passed for the purpose of affording further or other financial assistance to farmers than exists at present: And whereas it is expedient that inquiry should be made regarding the necessity or expediency of such proposed legislation and the form thereof:

Now know ye that We, reposing special trust and confidence in your knowledge, integrity, and ability, do hereby constitute and appoint you, the said—

PERCY HARPER COX,
JAMES JACOB ESSON, and
WILLIAM JOHN POLSON,

to be a Commission to inquire into and report as to the following matters, namely:—

1. The financial assistance afforded to farmers in countries and States of Europe, Egypt, and America, by means of land mortgage bonds, or through land credit associations, or in any other manner howsoever:
2. The legislation in force and the methods adopted by the Governments of such countries and States to afford such financial assistance as aforesaid:
3. The means by which such financial assistance as aforesaid is afforded to farmers, and in particular—
 - (a.) The nature of the security given by farmers, the periods for which loans are advanced, the rates of interest payable, and the provisions for amortization of debt;
 - (b.) The provisions for realization of securities in cases of default;
 - (c.) The margin of security required, its sufficiency or otherwise, and the means adopted for valuing securities;
 - (d.) The restriction or otherwise of loans to defined and limited purposes, such as improvements to farms, additions, or purchases of stock, and the means by which any such restrictions are enforced;
 - (e.) The extent to which members of any group of borrowers are liable for the default of any one of them: