

1936.
NEW ZEALAND.

RURAL INTERMEDIATE CREDIT BOARD

(REPORT OF THE) FOR THE YEAR ENDED 30TH JUNE, 1936.

*Presented to both Houses of the General Assembly in accordance with Section 76 of
the Rural Intermediate Credit Act, 1927.*

SIR,—

Wellington, 7th October, 1936.

In accordance with the provisions of section 76 of the Rural Intermediate Credit Act, 1927, I have the honour, on behalf of the Rural Intermediate Credit Board, to submit a report on its operations for the year ended 30th June, 1936.

1. During the year loan-moneys advanced by the Board under all headings totalled £66,932, as compared with £84,952 for the year ended 30th June, 1935, and £78,417 for the year ended 30th June, 1934. The reduction recorded may be ascribed partly to the large volume of funds held by banks and other financial institutions for advances on suitable securities at a reasonable rate of interest and partly to the uncertainty regarding the future administration of the system.

2. The total amount advanced by the Board from the inception of the scheme to the 30th June, 1936, was £1,217,064 0s. 2d., and the net investments at that date were £205,967 2s. 0d. Over a period exceeding eight years, therefore, borrowers repaid the sum of £1,011,096 18s. 2d., or more than 83 per cent. of the amount advanced. Arrears of interest at the 30th June, 1936, were £522 9s. 11d. only, and this amount was subject to reduction shortly after that date from distributions under pooling arrangements in force with regard to certain of the borrowers. The Board has placed on record its appreciation of the extent to which borrowers have met their obligations, and of the unremitting attention given by the Board's officers to the collection of interest and instalments of principal and the administration of the system generally.

3. When the financial returns from farming operations commenced to decline some years ago the Board recognized that some variation of the terms of repayment fixed when the prices obtained for primary produce were higher would be necessary, and it has granted concessions in this respect where they have been