6. *Soldiers' Financial Assistance.*—In 1940 the Soldiers' Financial Assistance Board was appointed to provide a channel through which financial aid could be obtained by members of the Armed Forces, or their dependants, in cases where the military income was insufficient to meet reasonable commitments entered into in civil life. To facilitate the investigation of applications, the staff and branch organization of the Corporation were made available to the Board, and by this means a rapidly increasing number of applications has been dealt with. The increase has been particularly noticeable during the past financial year, during which greater numbers of married men have joined the Forces. Hereunder is a statement showing the number of cases considered by the Board and the total amount of grants approved during the last three years:—

	Number	Grant.
		£
1940–41	2,815	43,092
1941–42	3,375	149,081
1942–43	11,877	350,205
Total	18,067	£542,378

All grants made by the Board are reviewed at least once a year, and during the past year 6,479 of such earlier cases came up for consideration. The allowances approved by the Board are paid by the State Advances Corporation from funds provided from War Expenses Account.

7. *Assistance to Industries.*—Section 29 of the State Advances Corporation Act, 1936, makes provision for the granting of loans to industrial concerns in need of further capital to enable them to establish or develop industries necessary to the Dominion's national economy, and the war has given rise to increased activity under this section, as manufacturers who have been called upon to assist in the production of munitions, &c., have found it necessary to expend additional moneys on their capital undertakings. To date loans aggregating £53,765 have been approved by the Board of Management under this authority.

8. *Uneconomic Farm Securities: Amalgamation of Areas.*—Following the transfer to the Corporation of the investments under administration by the State Advances Department and the Lands Department, consideration was given to the general question of improving the position of various farmer borrowers whose inability to meet commitments arose mainly from the insufficiency of the area under their control. On making a survey of these cases it was found that in a number of settlements this difficulty was fairly general, and as many of the settlers concerned were ex-servicemen from the Great War it was decided that the whole problem should be considered by a committee consisting of representatives of the Lands Department as lessor, the Corporation as mortgagee, and a member of the executive of the New Zealand Returned Services' Association. In suitable cases the Pensions Department were also called into consultation. The problem appeared to arise more frequently in the Canterbury area than elsewhere, and the first committee to operate was established in that province. Altogether the committee had under consideration the cases of 234 settlers, and by a process of amalgamation the individual holdings were reduced to 136. In arranging the amalgamations an effort was made to retain on the land the farmers who through experience and physical ability had the best prospects of success, and those who retired from their holdings were settled in some other way, either by transfer to employment in other districts or into industries to which they were suited. Those men who vacated farms to enable this scheme to proceed were provided with suitable housing accommodation in other localities if they required it. It was necessary also to have the pensions of some of the ex-soldiers reviewed. In addition, in suitable cases a cash grant was paid to the outgoing occupier in consideration of the surrender of his interest in the improvements or stock on the mortgage security. The mortgage debts were adjusted where necessary to enable settlers remaining on the land to recommence farming on the larger areas on an economic basis. The total amount of mortgage debts written off under this scheme was £38,934, and payments made to the mortgagors vacating their property amounted to £22,358. The majority of the cases where adjustments have been made have now been working on the amended basis for over twelve months, and it is satisfactory to record that all these men are now able to meet their commitments in full and are making satisfactory progress with their new holdings. This policy of amalgamating uneconomic areas will be continued and further cases dealt with as they are brought under notice.