Rehabilitation Agency: General

It will be apparent from what has already been recorded that the introduction of this new type of lending and the increasing volume of business handled on behalf of the Rehabilitation Board entails a considerable amount of additional and specialized work, both by the clerical and field officers employed by the Corporation.

The following brief description of the various types of loans available to eligible ex-servicemen will be helpful :—

Farm Loans.—Up to £5,000 for a dairy farm and £6,250 for a sheep or mixed farm (in both cases including land and stock), with interest at the rate of 3 per cent., reducible to 2 per cent. for the first year.

House Loans.—Up to £1,500, with interest at the rate of 3 per cent., reducible to 2 per cent. for the first year.

Business Loans.—Normally up to £500, but with authority to vary the maximum in appropriate cases up to a limit of £1,500, interest being at the rate of 4 per cent., reducible to 2 per cent. for the first year.

Furniture Loans.—Up to £100, free of interest.

Tools of Trade Loans.—Up to £50, free of interest.

Special provision is made in respect of rehabilitation loans for the granting of supplementary interest-free loans on property within the limits stated, where considered necessary, having regard to the cost of the proposition in relation to normal rental and resale values, and the total amount of the supplementary loans already granted under this authority up to 31st March, 1946, was £667,523.

In dealing with applications from returned servicemen it is necessary to give consideration to the purchase-price and the general suitability of the proposition to the needs of the serviceman concerned. For example, in an application for the purchase of a farm property a comprehensive report is furnished in regard to all factors affecting the present and future productive capacity of the property and its suitability for the applicant in view of his experience and physical ability. All these factors are of special importance in settling ex-servicemen borrowers, as many of them are being provided with 100 per cent. of the finance required to purchase both land and stock. In these circumstances it is essential that the returns that may be obtained from the farm under normal conditions should be sufficient to meet the borrower's living and working expenses, and to cover the charges under the rehabilitation loan.

Following the approval of a loan to an ex-serviceman who is being settled on the land, he is assisted by the Corporation in arranging all the necessary detail of acquiring stock and plant, in carrying out further improvements and additions to the farm, and generally in establishing himself in his new venture. This service is to continue for as long as may be necessary to ensure that the serviceman is able to manage and develop his property and deal with incidental financial matters by himself. Although it is the policy of the Rehabilitation Board to defer the settlement of ex-servicemen seeking farm loans until such time as they can be graded as competent to undertake farming on their own account, it is not infrequently found that through the break in the applicant's farming experience caused by his mobilization with the Forces, or perhaps because of his transfer from one locality to another, he is not fully experienced in all branches of the type of farming which he has undertaken, and it is here that the expert knowledge of the Corporation's field officers proves of invaluable assistance. Regular visits are paid to the farms by the Farm Appraisers wherever that is possible having regard to the pressure of work in other directions, and it is pleasing to note that in the large majority of cases there is the closest co-operation between the borrower and the field officer concerned.

A somewhat similar position arises in regard to the men financed in businesses, and in these cases a friendly contact is maintained by the Accounting Officers of the Corporation, or by public accountants or other business men who have offered their assistance to the ex-servicemen with the same objective.