

As in previous years, a return is appended showing arrears under rehabilitation loans as at 31st March, 1948. In last year's report unfavourable comment was made on the large number of furniture and tools of trade accounts in arrear, and, unfortunately, the position shows no improvement. Since this type of loan carries no interest charge and the principal repayments are modest in amount it is reasonable to expect a very low percentage of accounts in arrear. The reverse, however, appears to be the case, and it would seem that it is because they are interest-free that the borrowers concerned display a lesser sense of responsibility for the repayment obligations they have entered into. When viewed in relation to the average family income there is little justification for such a large percentage being in arrear and recommendations with a view to improvement in the position have been made to the Rehabilitation Board.

(1) Arrears as at 31st March, 1948, on Farm and Residential Loans

	Accounts.		Arrears.		Percentage in Arrears to Number of Accounts.
	Number.	Principal Outstanding.	Number.	Amount.	
		£		£	
Farm	4,285	15,914,870	156	18,728	3·6
Residential	14,287	16,125,565	392	5,590	2·7
	18,572	32,040,435	548	24,318	2·9

(2) Arrears as at 31st March, 1948, on other Rehabilitation Loan Accounts

	Accounts.		Arrears.		Percentage in Arrears to Number of Accounts.
	Number.	Principal Outstanding.	Number.	Amount.	
		£		£	
Furniture	23,295	1,418,594	2,371	20,030	10·2
Tools of trade	334	4,805	108	902	32·3
Business	3,061	1,733,252	327	26,088	10·7
Miscellaneous	176	45,649	28	367	15·9
	26,866	3,202,300	2,834	47,387	10·5

Losses written off after realization of securities in respect of loans granted to returned servicemen under the rehabilitation scheme up to the 31st March, 1948, are shown hereunder :—

				For Year ended 31st March, 1948.			Total to Date.		
				Number.	Amount.		Number.	Amount.	
					£	s. d.		£	s. d.
Farm	..	..	..	14	2,235	7 9	33	4,770	8 2
Residential	..	..	..	1		5 14 5	1		5 14 5
				15	£2,241	2 2	34	£4,776	2 7
					£	s. d.		£	s. d.
Business	..	..	..	25	3,782	13 10	52	7,182	5 7
Furniture	..	..	..	15	454	3 8	37	1,075	17 5
Tools of trade	..	..	..	5	17	10 1	12	109	4 3
Miscellaneous	..	..	..	..		..	1	14	0 0
				45	£4,254	7 7	102	£8,381	7 3