

under the Trustees to manage such farm on such terms and under such conditions as may be agreed to. The services of any Supervisor may be dispensed with by the Trustees with the approval of the National Efficiency Board.

An inventory of all the soldier's assets and a statement of his liabilities should be prepared on the proposal for the formation of a trust. If on investigation it should be found that the financial position of the farmer appears to be unsatisfactory to the National Efficiency Board, the management of the farm should be declined. If it should be found by the National Efficiency Board that the estate is one suitable for management by Trustees, then a general agreement shall be arrived at between the soldier (farmer) and the Trustees as to the lines upon which the farm is to be run. Such agreement shall be subject to the approval of the National Efficiency Board. The Supervisor shall manage the farm under the direction of the Trustees. It is recognized that one of the chief difficulties that will be met with is that of obtaining labour, but it is believed that in many cases considerable assistance can be economically arranged for from the neighbours.

Proper accounts and returns, in prescribed form, shall be furnished by the Supervisors, and shall be rendered to the Trustees monthly.

The Trustees shall appoint duly qualified professional accountants, approved by the National Efficiency Board, to keep the books of all soldiers' estates. The accountants shall issue half-yearly statements as on the 30th September in each year, and an annual report and balance-sheets as at the 31st March, and a final statement on completion of the trust. Certified copies of all statements, reports, and balance-sheets, after adoption by the Trustees, must be supplied to the member of the National Efficiency Board for the district. Such balance-sheet shall be duly audited by a nominee of the National Efficiency Board.

Upon the recommendation of the National Efficiency Board the Government may remove Trustees from office, accept the resignation of Trustees and appoint others to succeed them, alter or amend the conditions of their appointment, or alter and amend the terms of any agreement entered into between the Trustees and the soldier.

Where funds accumulate which in the opinion of the National Efficiency Board are not required for use in connection with the farm, the Trustees, on the written request of the soldier contained in the primary agreement or otherwise, may invest moneys on his behalf in such securities as are provided by law for the investment of trust funds; or where no definite instructions have been given by the soldier for the disposal or investing of any moneys which may accumulate in the hands of the Trustees on his behalf, or in the event of the death of the soldier when no will exists, the Trustees shall hand such funds over to the Public Trustee for investment.

The Trustees shall continue in office until the discharge of the soldier from the Expeditionary Force, and where necessary for a term of three months thereafter, but this term may be extended at the request of the soldier and by the consent of the Trustees and the National Efficiency Board.

The question of recommending the Government to purchase soldiers' farms where either (a) the soldier is unable to satisfactorily arrange his own affairs, or (b) management by a Board of Trustees, as proposed herein, is not arranged for, presents many difficulties, but the matter has received careful consideration. The State has purchased and, we understand, is still acquiring considerable areas of land for settlement purposes by returned soldiers and others. In our opinion this policy, with necessary qualifications, should be applied to farms of soldiers where it may be preferable for the State to purchase the property, rather than that Trustees should accept management. There will be probably numerous cases where the soldier desires that his estate should be wound up, and it would be in the general interest that facilities to enable this to be done should be afforded.

In all such cases we strongly recommend that a scheme should be devised by which prompt action could be taken under which the farms or, at the option of the Government, farms and stock could be purchased by the State for utilization for settlement purposes.

Having regard to the fact that in these cases the owner of the land is being taken away compulsorily for military service and is not therefore in a position to freely negotiate for the disposal of his land, we strongly recommend that a somewhat different system from that now operating through the Land Purchase Board should be adopted, and we think that the method which would give the greatest satisfaction to the soldier and to the public, and at the same time prove fair to the State, would be one under which the soldier would have the privilege of nominating a valuer, the State to have the same privilege, and both parties to appoint an umpire in the usual way.

Businesses.

The practical difficulties in respect to businesses appear to be greater and more diversified than those in relation to farms, partly owing to the nature of many businesses, and partly to the almost entire dependence of small businesses on the personal efforts of the individual owner. While it may be equally just and reasonable to endeavour to protect the interests of those engaged in business as it is those of the farmer, yet it is obvious that many cases of hardship must arise. The farming interests must be deemed primarily essential to the State: for that reason a general policy as recommended hereinbefore appears to be fully warranted. On the other hand, many businesses cannot be deemed to be essential, and in that respect from the national standpoint a vital difference exists between farming and business interests respectively. It is therefore in our opinion impossible to lay down any definite lines upon which to proceed in dealing with soldiers engaged in business. We therefore consider that each case must be dealt with strictly upon its merits. We recommend that the principle of Boards of Trustees for soldiers' businesses be adopted; that such Boards be suitably constituted in the same manner as those already recommended for farms; that such Boards of Trustees have the services of Supervisors; and that the relation of the Trustees and the Supervisors to the National Efficiency Board be the same as that proposed in connection with farms.