Discharged Soldiers Settlement Loans Act, 1919.

This Act validated the previous raising of an amount exceeding £1,500,000, and authorized the Minister of Finance to borrow further amounts not exceeding £12,500,000 for the purpose of settling discharged soldiers on Crown and private lands, and assisting them with advances. The Minister of Finance was also empowered to borrow an amount not exceeding £2,000,000 for each of the years ending on the 31st March, 1920 and 1921, and not exceeding £1,000,000 for every year thereafter, for the purpose of acquiring land under the Land for Settlements Act, 1908, or section 5 of the Discharged Soldiers Settlement Act, for the settlement of discharged soldiers.

Regulations.

During the past year various amendments to the regulations issued under the Discharged Soldiers Settlement Act have been made by Orders in Council. The principal amendments referred to are as follow: The Minister is authorized to increase the advances that may be made for improvements on bush lands up to £1,000, or, in special cases, up to £1,250; authority is given for increasing the amount that may be advanced for buildings in special cases from £250 to £350; provision is made whereby an advance not exceeding £500, and in exceptional cases not exceeding £750, can be made for buildings on rural holdings not exceeding 21 acres; authority is given to reduce or dispense with valuation fees in the cases of further applications from applicants whose former applications for advances have been declined; provision is made for the making of advances, in such cases as may be approved, for the purpose of enabling discharged soldiers to pay stamp duty due on any transfer, &c., of land to them under section 2 of the Discharged Soldiers Settlement Act, 1917. Regulation fixing scale of costs and fees for mortgages.

During the current year further amendments have been made in the regulations, the principal of which are as follow: Authority is given to grant to discharged soldiers a rebate of 10 per cent. on the interest portion of instalments payable for advances made under section 2 of the Discharged Soldiers Settlement Act, 1917; provision is made for the granting of loans for shorter terms than originally prescribed in regulations; in such special cases as may be approved advances can be made for a term of ten, fifteen, or twenty years.

Lands opened.

During the year just ended an area of approximately 299,435 acres, comprising Crown land and private estates acquired under the Land for Settlements Act, was balloted for by discharged soldiers, and as in the majority of cases competition was very keen, practically every section was taken up. These lands were subdivided into 577 holdings, and included two pastoral runs in Hawke's Bay, one pastoral run and nine small grazing runs in Canterbury, five pastoral runs and one small grazing-run in Otago. All these runs were readily selected.

By reference to Table 2 it will be seen that the lands allotted under the Discharged Soldiers Settlement Act, 1915, during the year totalled 403,891 acres, cut up into 932 holdings, of which an area of 326,197 acres was selected under the special tenures provided by section 4 of the Act. This area comprised 801 farms.

Lands for Future Disposal.

At the 1st April last sixty-four private estates purchased for settlement, covering an area of 216,186 acres, were being prepared for disposal, and these will be offered, in addition to other estates which are being secured from time to time, as soon as the essential surveying and other preliminary work can be completed.

Furthermore, large areas of virgin Crown land, particularly in the Auckland and North Auckland districts, are being surveyed and roaded preparatory to being placed on the market. A considerable portion of the land to be made available in the Auckland District comprises pumice area, for the development of which cheap manures and easy facilities for the carriage of produce and farming-materials are necessary. Exploration and subdivisional surveys are being pushed on over large tracts of partially unexplored and in some parts forest-clad country lying between Te Kuiti and Taumarunui, and drainage operations on the Hauraki Plains and other parts of the district are being expedited to enable these fertile lands to be brought into cultivation as soon as possible. In the Otago District the licenses of several pastoral and grazing runs have expired, and these are being subdivided with a view to offering without delay. Some twenty runs will thus be available, as well as eight small farms.

It need scarcely be repeated that the Department has used and will continue to use all means in its power to adequately provide land for all classes of returned men who are willing to settle thereon.

Dealings with Houses and Farms.

As already stated, the Department has assisted 6,363 discharged soldiers to acquire residential properties in towns, and undoubtedly this has been very much to the benefit of the soldiers, and has enabled them to secure comfortable homes within reasonable distance from their employment. There is, however, one feature of such purchases that is somewhat disquieting..

Under the Act and regulations an advance may be made up to £1,000 to enable a soldier to acquire a residence. In many cases properties have been secured at what is bedrock value owing to the care exercised by Land Boards in seeing that they are well worth the money paid by the purchaser. In some cases, however, it has been noticed that already the soldiers are selling the houses at a profit to civilians or men not entitled to benefits under the Discharged Soldiers Settlement Act, and arranging for the repayment of the Government loans. The latter procedure is, of course, necessary when the purchaser is not a discharged soldier; but it is regrettable that the efforts of the Government to provide soldiers with homes of their own are not more appreciated, and that the pur-