

DISCHARGED SOLDIERS SETTLEMENT AMENDMENT ACT, 1921-22.

As the result of experience gained during the administration of the Discharged Soldiers Settlement Act, 1915, and with the object of making provision for contingencies which have recently become apparent, it was deemed advisable to pass the above enactment.

The greater part of this Act—sections 2 to 13—prescribes the procedure to be followed in realizing properties mortgaged under the principal Act, which come into the possession of the Crown through foreclosure. The procedure thereby prescribed is briefly as follows :

Where, by virtue of a right conferred on him by a mortgage securing moneys advanced under section 6 of the principal Act, or section 2 of the Discharged Soldiers Settlement Amendment Act, 1917, His Majesty acquires the mortgagor's interest in any property so mortgaged, the interest so acquired does not merge in any other interest possessed by His Majesty, but enures as a separate estate or interest. If the latter is freehold the land may be disposed of either on renewable lease for periods of thirty-three years, or by way of sale for cash or on a method of deferred payments for periods not exceeding thirty-six and a half years. If the estate or interest acquired by His Majesty is leasehold administered by a Land Board, provision is made whereby the lease can be transferred on payment of the amount of the Crown's equity in such leasehold interest.

If such leasehold is not administered by a Land Board it may be assigned by His Majesty at a rent to be fixed by the Minister, or an underlease can be granted at an annual rent not less than the rent payable under the head lease, together with a sufficient amount to produce during the term of the underlease or any renewal thereof the amount paid in buying in the head lease together with costs. Such freehold or leasehold interests may be offered by public auction, public tender, or private contract, as may be determined by the Land Board with the approval of the Minister.

Provision is made whereby in special cases such interests can be disposed of to persons who are not discharged soldiers, in which cases the interest on mortgages given as security for unpaid purchase-money is fixed at 5½ per centum per annum instead of 5 per centum as charged to discharged soldiers. Provision is also made whereby, with the approval of the Minister, the Commissioner of Crown Lands is empowered to grant licenses to occupy temporarily any properties acquired as aforesaid by His Majesty which cannot be otherwise readily disposed of.

Section 14 of the Act has been framed for the purpose of placing obstacles in the way of others than discharged soldiers obtaining the benefit of the concessions conferred by the Discharged Soldiers Settlement Act. It provides that no person shall be entitled to convey, transfer, underlet, or dispose in any way of his interest in any land mortgaged under the said Act unless with the consent of the Minister of Lands, and directs District Land Registrars not to register such disposition of lands unless where such consent is previously obtained.

In cases where such interest is disposed of without such consent being obtained the Crown is empowered to call up and compel payment at once of all moneys owing under the mortgage.

Section 15 gives power whereby a deferred-payment license for a term of nineteen years granted under the principal Act can be exchanged for a renewable lease for periods of sixty-six or thirty-three years, as the case may be, thus enabling a discharged soldier to have the benefit of a tenure which will make less of a demand on his present financial resources, and to apply any credit established by his deferred-payment license to the rental reserved by the renewable lease received in exchange.

Section 16 empowers the Minister of Lands to postpone for a period not exceeding three years the due date of any payments by discharged soldiers of instalments of principal and interest due under their mortgages, a concession which is being freely taken advantage of.

Section 17 empowers the Governor-General, by Proclamation approved in Council, to declare that on and after such date as may be therein mentioned such benefits of the principal Act as may be specified therein may be conferred on South African veterans. Owing to the prevailing financial stringency, effect has not yet been given to this provision.

Section 18 provides that in any case where a discharged soldier is the lessee of any reserve, endowment, or other lands of which a local authority is the lessor, such local authority may accept a surrender of the lease, and grant a new lease for the remainder of the term at such reduced rent as it may determine.

REGULATIONS UNDER THE DISCHARGED SOLDIERS SETTLEMENT ACT, 1915.

During the year several amendments were made to these regulations, the principal provisions being as follow :—

In cases where lands held by discharged soldiers on deferred payments are proclaimed as subject to the provisions of section 127 of the Land Act, 1908, all exemptions from payment of rent thereby granted for periods of two, three, or four years, as the case may be, are deemed to be extended to payments of interest due on instalments of the price during the periods specified in such Proclamation.

The Minister of Lands is empowered, when he is of opinion that special circumstances arising out of the general financial stringency justify such a course, to increase to such amount as he may see fit the maximum amount of £750 or £1,250, as the case may be, that can be advanced to one person on current account, provided that before such additional advance is made an amount not exceeding 75 per centum of the value of the improvements effected by the mortgagor, or not exceeding £250 (whichever is the less), is discharged from the current account mortgage, and a mortgage executed for the amount so discharged. Readvances can then be made against the credit so established.

Where two or more discharged soldiers acquire land, advances may be made to the partners only to the amount that one of them is entitled to receive individually, instead of to the aggregate amount that each would be entitled to receive on a separate holding.

In cases where advances have been made to two or more discharged soldiers as tenants in common, and the interests of one or more of such persons is transferred to one or more of the other partners, power is given by which the liability of any outgoing partner under any mortgage or bill