

farmers, who did not easily have access to the banks, had not credit facilities necessary to make a success of their occupation. Recommendations were, therefore, made covering both the long term and short term credit and were incorporated into an act of parliament, which was passed July 31st, 1923.

Provisions under Act, July 1923, for Long Term Loans

Under this Act, power is given to the Public Works Loan Commissioners to lend money to associations created for the purpose of making advances upon farm mortgages at any time within five years after the passing of the Act, the total amount to be subject to the approval of the Treasury and under conditions which the Treasury may prescribe. The borrower must be a person who had agreed to purchase the land comprised in the mortgage not earlier than the 5th day of April, 1917, and not later than the 27th June, 1921. The object of this is to cover the period of inflated land prices.

The land comprised in the mortgage must be wholly or mainly agricultural land.

The amount of the loan must not exceed 75 per cent of the value ascertained to the satisfaction of the Commissioners, or exceed an amount equal to thirty times the annual value of the land as ascertained for income tax purposes.

The rate of interest is to be fixed by the Treasury.

The loan is repayable in sixty years by yearly instalments of the principal advanced, together with interest charges.

The land must be free-hold or copy-hold land.

The advance is made by the Commissioners to an Approved Association, which, in turn, secures the mortgage on the property.

"For the purpose of the Act, the expression 'Approved Association' means an association which is approved by the Treasury for the purposes of this Act and which does not trade for profit and by its constitution or otherwise is restricted in relation to the rate of interest on loan capital and the distribution of profits among its members, so as to comply with regulations made in that behalf by the Treasury."

The sections of the act referring to Long Term Credit, as previously stated, are designed to assist recent purchasers of land.

Provisions under Act, 1923, for Short Term Loans

The Act further calls upon the Minister of Agriculture and Fisheries to "take such steps as are practicable to promote the formation or extension of Agricultural Credit Societies, that is to say, societies approved by the Minister and registered under the Industrial and Provident Societies Act, 1893, having for their object or one of their objects, the making of advances to members of the society repayable within a period not exceeding five years for such agricultural purposes as may be approved by the Minister."

The Minister of Agriculture and Fisheries is authorized at any time within three years after the passing of the Act, or during such additional period as the Treasury may prescribe to make advances to such societies to an amount equal to the amount of shares held by members of the society and of which at least 25 per cent has been paid up. This is clearly an effort to create a greater interest in the Agricultural Credit Societies mentioned earlier in this section.

The Act is made, subject to certain modifications, to apply to Scotland.

The Act is cited as the "Agricultural Credits Act of 1923."

In this report I have not taken cognizance of special Acts for the purchase of land from landowners, such as the enactments for the purchase of land in Ireland.

It is expected that, under the stimulation of government assistance, the Credit Societies will have a rapid development, especially among small farmers. The overcoming of the individualistic tendencies of the British farmer, however, is likely to be a slow process.