

1967

VICTORIA

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ANNUAL REPORT

OF THE

RURAL FINANCE AND  
SETTLEMENT COMMISSION

FOR THE

YEAR ENDED 30TH JUNE, 1967

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PRESENTED TO BOTH HOUSES OF PARLIAMENT PURSUANT TO SECTION 26 OF THE RURAL  
FINANCE AND SETTLEMENT COMMISSION ACT 1961.

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*[Approximate Cost of Report.—Preparation, not given. Printing (225 copies). \$265.]*



1966-1967  
annual report  
of the  
rural finance and  
settlement commission  
for the year ended 30th june, 1967

presented to both houses of parliament pursuant to  
section 26 of the rural finance and settlement commission act 1961

**summary  
of  
results  
1966/67**

	During Year	Total	Amounts Outstanding
<b>RURAL FINANCE LENDING</b>			
Loans to Primary Industry	\$3,637,427	\$43,004,485	\$20,353,703
Loans to Secondary Industry	598,829	9,216,299	4,266,205
<b>Total</b>	<b>\$4,236,256</b>	<b>\$52,220,784</b>	<b>\$24,619,908</b>
<b>GOVERNMENT AGENCY LOANS</b>			
Loans to Primary Industry	\$208,279	\$1,523,980	\$802,797
Loans to Secondary Industry and Tourist Industry	43,397	813,322	550,422
<b>Total</b>	<b>\$251,676</b>	<b>\$2,337,302</b>	<b>\$1,353,219</b>
<b>SOLDIER SETTLEMENT</b>			
Single Unit Loans	—	\$23,917,339	\$8,830,641
Assistance Period Allowances	\$1,462	2,432,592	—
Commonwealth Agricultural Loans	—	3,593,702	40,375
Advances for Stock Plant Equipment Working Expenses, etc.	9,118	12,566,142	86,870
Purchase Leases Granted	381,716	57,319,404	37,559,356
Mortgages under Sec. 67A	454,260	1,430,100	1,078,901
<b>LAND SETTLEMENT</b>			
Advances for Stock Plant Equipment Working Expenses, etc.	\$187,498	\$1,064,115	\$225,470
Purchase Leases Granted	3,923,001	7,818,632	7,683,709
<b>RURAL FINANCE NET PROFIT FOR YEAR</b>			<b>\$75,475</b>
<b>RURAL FINANCE AND SETTLEMENT INSURANCE FUND</b>			
Increase in Fund during year			\$152,382
<b>RURAL FINANCE AND SETTLEMENT FUND</b>			
INCREASE IN ASSETS DURING YEAR			\$1,217,604
TOTAL ASSETS			\$25,936,762

### **the honourable the treasurer**

The Rural Finance and Settlement Commission has the honour to submit to you pursuant to Section 26 (3) (c) of the Rural Finance and Settlement Commission Act 1961 the Annual Report of its activities, and the balance sheets and statements of accounts in relation to its various functions for the year ended the 30th June, 1967.

### **administration**

In May, 1967 the Honourable Sir William McDonald became Minister of Lands and Soldier Settlement and the Commission would like to record its welcome to Sir William and at the same time express its appreciation of the close and helpful relations it had with the previous Minister, the Honourable, J. C. M. Balfour, M.L.A.

During the year under report, the Commission moved from the State Public Offices in Treasury Place, Melbourne, to new accommodation in Embank House, 325 Collins Street, Melbourne. The move of personnel and records was effected without disruption of daily activities and without known inconvenience to the Commission's clients.

### **general**

At the close of the financial year the rural scene was one of considerable uncertainty. Seasonal conditions generally were unfavourable although some southern areas had sufficient rainfall and generally experienced a mild winter.

The wheat growing areas and a large portion of the grazing districts in Western Victoria experienced a very dry period and there were signs of a serious position arising through drought conditions. However, stock were in surprisingly good condition and the market, particularly for meat, had been sustained.

Moreover, the new approach by the British Government to join the European Common Market countries is causing uncertainty and pessimism in some quarters as to the different effects it would have on the primary industries that rely more heavily on the British market.

Notwithstanding these uncertainties land prices are being maintained at the high level which prevailed in more optimistic and favourable circumstances. There has been a continued request for loans to secondary industry in country districts, with the lead coming from existing industries seeking to further expand in suitable locations.

There is still considerable investment and reorganisation going on within the dairying industry where the general pattern is tending towards amalgamation and a reorganisation and specialisation of processing. In addition there has been considerable expansion in the capacity of canneries in the Goulburn Valley in which the Commission was keenly interested because of the number of its settlers in the industry.

Similarly there have been considerable increases in this area in the cool store capacity to meet the increasing production of chilled fruit for the overseas market. It is clear that the fruit and dairying industries in Victoria have benefited from the installation of modern specialised handling and processing facilities which allow for the efficient production of a high quality product and maximum possible diversification to meet the demands of the market.

During the year the Chairman at your Government's request submitted a report on matters relating to proposals for the establishment of an additional fruit cannery in the Goulburn Valley.

### **insurance**

Details of the Rural Finance and Settlement Insurance Fund are set out in the accompanying statements. Storms in several areas caused considerable damage and increased claims, but the overall position of the Fund continues to be satisfactory.

### **rural finance act part iii advances**

The demand by primary producers for financial assistance from the Commission for the purchase or development of farm properties, improvements and, to a limited extent, seasonal requirements was sustained at a level equal to that of the previous year.

The total amount advanced was \$3,637,427 of which \$2,404,163 was for farm purchase and the remaining \$1,233,264 was for the other purposes mentioned.

Secondary industry advances absorbed a further \$598,829.

In keeping with recent trends, the Commission is finding that the average loan required is larger than was the case some years ago. This is due in the main to the prices which rule today for land in all areas of the State. As a long term lender, the Commission feels obliged to exercise a degree of restraint, at the same time trying to face the realities of the younger person who wishes to buy a farm.



Secondary industry  
in a country area.

### secondary industry

Loans totalling \$598,829 were made to approved country secondary industries for the expansion of existing facilities and the establishment of new industries.

New clients include industries which have been operating successfully in Melbourne for a number of years and now find it advantageous to locate a significant part of their manufacturing plant in suitable country areas.

From its dealings with a wide range of industries, the Commission has found that a reasonable expectation of profitability is the main reason which influences an organisation to transfer all or part of its operations from the Melbourne metropolitan area to a country location, and that capable management is a most important factor behind successful expansion in the country.

### rural rehabilitation fund

The fund which at the commencement of the financial year stood at \$4,076,314, can only be used for Compositions and Schemes of Arrangement with the creditors of farmers who could not otherwise carry on. This is due to the limitations imposed by the Commonwealth Loans (Farmers' Debts Adjustment) Act 1935.

During the year, repayment of loans made pursuant to the Farmers' Debts Adjustment Act 1935 and the Rural Finance Act increased the Fund by \$122,852 to \$4,199,166 at 30/6/67.

### government agency

Pursuant to Section 35 of the Rural Finance Act 1958, the Treasurer of Victoria may direct the Commission, subject to conditions he may impose, to take charge of the administration of any money provided from the Public Account for any special purpose.

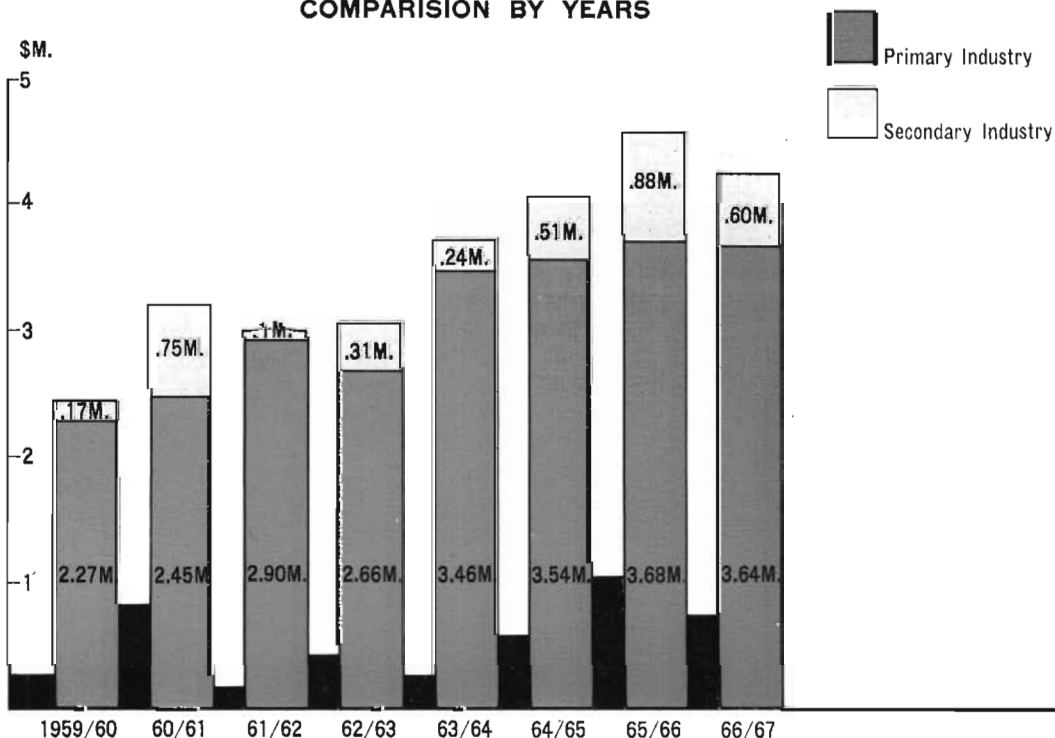
Since 1956 loans totalling \$2,337,302 have been made by the Commission, of which \$1,554,080 was advanced to primary industry and \$783,222 to secondary industry.

Primary industry advances totalling \$208,279 were made in the year under report and a proportion of this represented further payments for restoration of improvements and the like to farmers who suffered in the 1965 bush fires. Further advances were also made to some dried fruit growers who suffered frost damage towards the end of 1965.

In the Christmas-New Year period, there were heavy hail storms in the Sunraysia area and other parts of the State, a severe storm in the Cobram area in January 1967 and flooding in the north eastern portion of the State early in the same month.

Approval was given for assistance under Agency conditions to a number of dried fruit and canning fruit growers. Some apple growers were also assisted in this way.

### RURAL FINANCE LENDING EXCLUDING AGENCY COMPARISON BY YEARS





Constructing deliver channels on irrigation project.

The effects of flooding in the north east were not as serious as were originally expected and special assistance has not been considered warranted.

### single unit farm advances

Of a total of 2,878 ex-servicemen assisted to purchase farms of their own choosing, 1,601 have now repaid in full and of the \$23,917,339 advanced, the balance now outstanding is \$9,132,696 with \$302,055 standing against this in Mortgageors' Credit Accounts.

### assistance period

One soldier settler, being the last expected to receive this benefit, was granted a free living allowance contributed by the Commonwealth pursuant to the War Service Land Settlement Agreement. Total expenditure since the inception of the scheme is \$2,432,592 and 3,173 settlers have been assisted.

### advances pursuant to part viii soldier settlement act (for stock, plant, equipment, etc.)

A further \$9,118 was advanced during the year whilst repayments amounted to \$63,884 leaving a balance still outstanding of \$86,870.

### general

A considerable number of settlers who have been established on their farms for some years are exercising their right of sale which involves discharging the total liability under Purchase Lease. This is to be expected as the years go by and will no doubt continue at an increasing rate.

The Commission is also finding that more settlers are taking advantage of the legislation which enables a settler, who desires to be free of the restrictive covenants of his lease, to freehold his farm pursuant to Section 67A of the Act by giving the Commission a first mortgage over the Crown Grant to secure repayment of the balance of the capital debt which would have been payable under the lease. This involves an increase in interest payable from the 2% concessional rate to long-term Bond rate (at present 5½% per annum).

In all, 101 settlers have made this move and of these, 20 have subsequently repaid the total liability. The amount secured by mortgage under this provision is \$1,078,901.

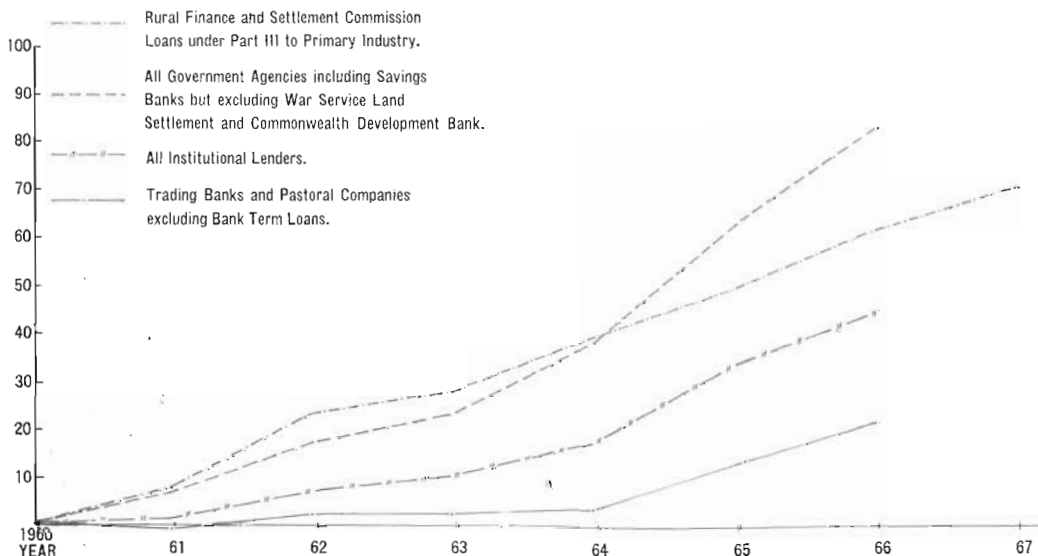
### commonwealth re-establishment and employment act

With the repayment during the year of \$20,580 the balance now outstanding has been reduced to \$40,375. The total advanced originally was \$3,593,702.

settlement  
under the  
soldier  
settlement  
act

## AUSTRALIA

PERCENTAGE INCREASE IN INDEBTEDNESS OF FARMERS TO MAJOR INSTITUTIONAL LENDERS  
BASE 30.6.1960.





*Primary ploughing operations at Heytesbury.*

#### valuation of allotments

At the commencement of this financial year there were 27 holdings without Purchase Leases. During the year 23 settlers took up Purchase Leases, three were granted Interim Leases and one holding was sold under Contract of Sale.

To the 30th June, 1967, a total of 803 Purchase Lease settlers have repaid their liabilities in full thus obtaining Crown Grants in respect of their holdings. Of this number 126 repaid during the year covered by this report.

#### commonwealth contribution to excess costs of settlement

In accordance with the arrangement made with the Commonwealth in July 1951, the Commission has continued to lodge interim claims for excess costs of settlement. Further final claims have also been lodged with the Commonwealth in respect of Estates where all settlers hold Purchase Leases. In accordance with the original agreement of 23rd November 1945 between the Commonwealth and the State of Victoria, these claims are on the basis of one half the total excess costs.

As at the 30th June 1967, total claims amounting to \$17,267,563 had been lodged. In respect of these claims the Commonwealth had contributed an amount of \$12,981,204, the amount withheld at that date being \$4,286,359. Of this amount, a sum of \$124,776 has been acknowledged by the Commonwealth and will be paid early in the coming financial year but no agreement has yet been reached in respect of the remaining \$4,161,583.

The basis of the Commonwealth contribution towards excess costs to date as agreed in July 1951, was to apply to interim claims but there was an understanding that the Commonwealth would review the basis of its contribution on the submission of final claims. Despite continuing requests by the Commission Commonwealth acceptance has not been forthcoming. In view of the virtual completion of the Soldier Settlement Scheme this matter now becomes urgent and this point has been pressed with the Commonwealth. The Commission believes that the successful implementation of soldier settlement in Victoria, which in the final analysis is a Commonwealth responsibility as part of the rehabilitation of ex-servicemen, justifies a more realistic and sympathetic assessment from the Commonwealth than has been forthcoming.

## settlement under the land settlement act

#### acquisition of land

During the past twelve months, an additional 80 acres of freehold land was purchased by the Commission for incorporation in the Heytesbury Project. In addition, a further area of 3,359 acres of freehold land has been purchased in connection with the new irrigation project being established at Rochester. Of this area, one property comprising 948 acres, was acquired by compulsory process, the compensation being determined by the Court, and negotiations for the purchase of the remainder of the sixteen properties to be purchased for this project have now reached an advanced stage.

The total area of land acquired pursuant to the Land Settlement Act now stands at 23,928 acres, purchased at a total cost of \$1,863,415. There has been no change in the area of Crown lands set apart for settlement under the Land Settlement Act, which stands at 106,681 acres.

#### allocation of farms

During the year under review a further three groups of dairy farms were made available on the Heytesbury Project and 39 holdings were allocated.

Since the inception of this form of settlement under the Land Settlement Act 1959 the number of farms allocated is 460. This number comprises 295 dairy farms under rainfall conditions, 86 irrigation dairy farms, and 79 soft fruit orchard holdings.

The number of applicants applying for holdings under the legislation continues to rise with a good proportion of applications coming from prospective farmers making initial applications.

The allocation of holdings at Heytesbury to the young sons of farmers was again well received. Five dairy farms were allocated in this manner during the year.

It is appropriate in this context to point out that while the Commission realises its responsibility to select for development, land which has a reasonably safe potential under average management, the degree of success achieved by the settler to whom the land is allocated depends on his individual calibre.

The Commission's method of choosing settlers who are capable of both farm and financial management is not claimed to be infallible. It has, however, contributed in no small measure to the establishment of efficient farming communities. This is particularly true in areas where competition for farms has been strongest.





Clearing operations  
at Heytesbury.

### heytesbury

During the year, 2,905 points of rain were registered at Simpson, 2,263 of them between July and December, and only 642 between January and June. The average annual rainfall over the previous five years was 3,400 points.

The large rainfall in the first half of the year caused a slow-down of operations at times, particularly in December. However the area cleared was maintained, and favourable autumn weather allowed the sowing of 7,941 acres, an increase of 1,567 acres over the previous year. Despite the dry autumn, newly sown pasture has come away well.

Progress totals of land preparation and sowing operations are set out in the following table.

	Total for Year 1966/67 Acres	Progress total to 30/6/67 Acres
Area cleared . . . . .	7,800	84,256
Area ploughed . . . . .	6,400	82,515
Area sown to pasture . . . . .	7,941	78,836

Commission plant has continued with the difficult operation of clearing windrows, log heaping and burning despite some delay to the latter operation caused by high fire danger in mid-season. This work permits the incoming settler to proceed quickly to the task of bringing his farm into top production.

Aerial topdressing, carried out under contract in eleven flying days, was completed on 26,000 acres of sown but unallotted areas.

The underground grass caterpillars have proved themselves to be hardy annuals and another heavy infestation in the autumn made spraying of unallotted pasture areas necessary. In the last report it was mentioned that new plant was being developed for this work. This has been completed and the new units put into operation, with the result that spraying has been carried out more efficiently. Approximately 6,000 acres were treated and the preparation now in use is Chlorfenvinphos (Birlane) as recommended by the Department of Agriculture.

Whilst dealing with the developmental side of this project, it is of interest to note that the Commission has provided employment for a substantial number of men at Heytesbury since the project commenced in 1956. The number employed varies between approximately 80 and 130 throughout the year and much of the labour is drawn from the surrounding locality and this in itself is another way in which this developmental undertaking has had a beneficial influence on the district generally.

Looking on the settlement side of this project 39 farms were allotted during the year and are now occupied by the selected settlers. This brings the total of farms allotted and occupied to 265.

Previously allotted holdings are consolidating well with production at a very satisfying level, which further demonstrates the development and production potential of this area. It is of interest to note that the average gross income in 1966/67 of the 36 settlers who went into occupation of their holdings in the autumn of 1962 was approximately \$12,000 each.

The undermentioned table sets out structural improvements made during the year, with progress totals:

	Total for Year ended 30th June, 1967	Progress Total to 30th June, 1967
Houses . . . . .	39	273
Dairies . . . . .	39	270
Utility Sheds . . . . .	31	284
Haysheds . . . . .	36	236
Fencing . . . . .	246 miles	1,183 miles

### east goulburn

With the exception of two irrigation dairy farms and one canning fruit orchard, all holdings are occupied by settlers in varying stages of tenancy.

Canning fruit orchards, more especially those planted in the early years of development, produced very satisfactory crops. In some cases yields were much above average, and with the favourable harvesting weather, fruit generally was of good canning quality. In isolated instances, unfortunately, some storm damage to fruit was experienced.

The sub-surface drainage system laid down some two years ago on the one unallocated orchard is proving beneficial in every way; not only are its results informative to growers and the industry generally, but much improvement is shown in tree health and vigour.

The two unallotted dairy farms which were the subject of special grading because of contours are now sown out to basic areas of pasture and have been irrigated for one and two seasons respectively, with a very satisfying result. Both have been made the subject of a sharefarming agreement for a period to ensure that their consolidation is complete before allocation is considered. The irrigation dairying holdings at East Goulburn are showing themselves capable of generating sufficient income to support the claim that the area is rapidly becoming one of the top production areas in the Commonwealth.

#### **rochester**

Mention was made in the previous report of the new irrigation settlement being planned in this area, which is to be served with irrigation water from the Eppalock Reservoir and it is pleasing to report that its development is now proceeding. Further land has been purchased within the proposed settlement area and the work of farm design is progressing satisfactorily.

Two farm houses and two farm utility sheds have been erected during the year and these farm houses are being used initially to house members of the Commission's developmental staff.

Sowing of basic areas of pastures under irrigation on the first five settlement farms has been commenced. Due to the abnormally dry autumn conditions experienced, final land preparation work and sowing were delayed longer than was expected. However, satisfactory falls of rain enabled this work to proceed and the sowings to date have been carried out under favourable conditions.

In areas of these five farms which have not been sown to pasture, oats have been sown for fodder conservation.

In instances where land purchased has not been immediately required for settlement development, it has been leased to the former owners or sharefarmed for cereal growing. Where possible some grading has been carried out on this land while it is under fallow. This operation will make final land preparation easier, as soil will have had a longer period of consolidation at the time the irrigation layout is taking place.

Thought has been given to varying the allocation procedure in this area. The proposal is for our own staff to carry out the first season's irrigation. The farms would be allocated at the end of the irrigation season and not at the beginning, as has previously been the case. In the interim, the Commission would graze pastures with its own stock.

The coming year should see a stepping up of the developmental tempo in this area with land preparation and building programmes much in excess of the year under review.

#### **division 6 advances**

Assistance to settlers with limited capital to enable them to purchase essential stock and plant and seasonal requirements has continued to be a feature of the Commission's activities under the Land Settlement Act.

The total of advances made is now \$1,030,889 and repayments account for \$815,714 leaving a balance outstanding of \$209,655. \$5,520 has been written off.

In the East Goulburn Irrigation Settlement Area, returns received by fruitgrowers were, in the main, good and this enabled many of the settlers to consolidate.

Assistance in the area by way of seasonal advances in connection with the production of the next crop has continued but on a reduced scale in terms of the number of growers assisted and the total of advances.

Of \$33,226 advanced to settlers to enable them to purchase shares in the co-operative fruit grading venture, \$17,411 has been repaid and \$15,815 is still outstanding.

#### **grant of purchase leases**

During the year under report, the grant of Purchase Leases was approved for a further 120 cases, making a total of 253 such leases granted under the Land Settlement Act.

The Land Settlement Act provides that excess costs of development (if any) over the Purchase Lease liabilities are to be transferred to and borne by the State. Pursuant to this provision, excess costs amounting to \$2,621,793 have been written off. Of this amount \$1,298,299 related to interest capitalised which accrues during early development and particularly during the first years of a settler's occupancy when concessional rentals are charged. The Commission has been relieved of liability for this amount of interest. The balance of \$1,323,494, which has been transferred to the State Account, comprises excess costs of development including expenditure on main roads to which the Commission is a substantial contributor.

## **staff**

The Commission again wishes to record its appreciation of the manner in which its staff have carried out their duties.

It also wishes to express thanks to those other Departments and Instrumentalities from which it has received advice and co-operation.

The Commission also acknowledges the helpful way in which its views have been received by the Returned Servicemen's League, the Graziers' Association, the Australian Primary Producers' Union and kindred bodies with an interest in farmers and farming matters.

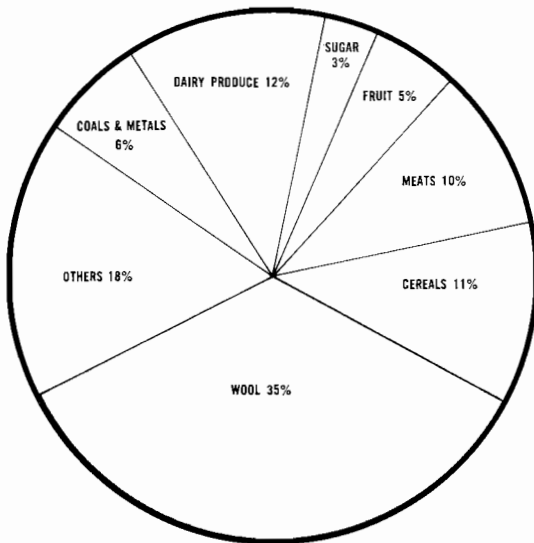
I. K. MORTON, Chairman

C. O. HARRY, Deputy Chairman

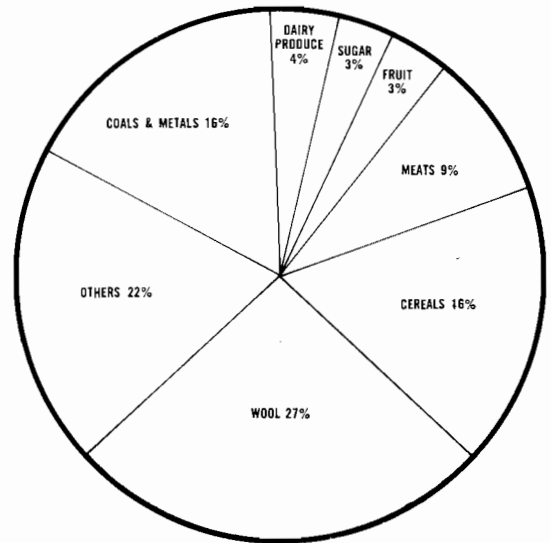
L. L. BEARDSSELL, Member

M. J. CRONIN, Secretary

## AUSTRALIAN EXPORTS PRINCIPAL COMMODITIES

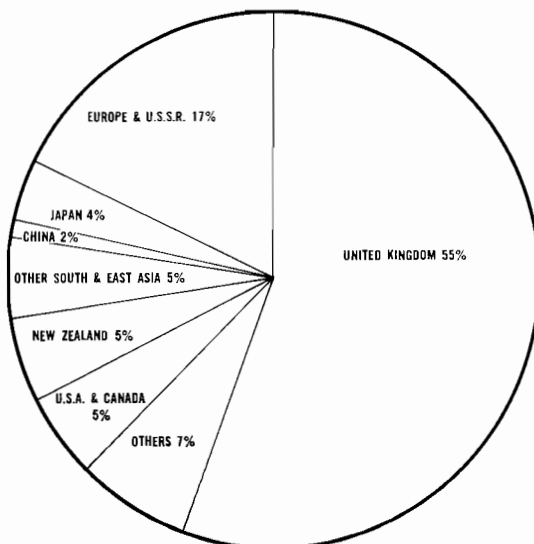


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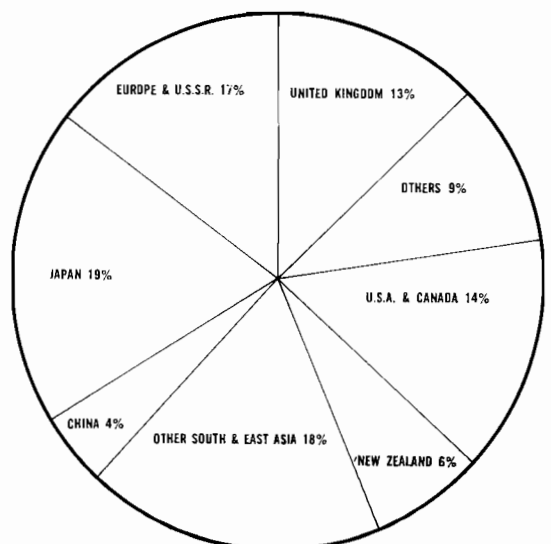


1966-67

## AUSTRALIAN EXPORTS COUNTRIES OF DESTINATION



1938-39



1966-67

**RURAL FINANCE AND SETTLEMENT COMMISSION  
RURAL FINANCE AND SETTLEMENT INSURANCE FUND  
YEAR ENDED 30th JUNE, 1967**

1966 \$		1967 \$
1,135,906	<b>Balance brought forward 1st July, 1966:</b>	1,198,122
	Less: Certified Surplus as at 1st July, 1966 transferred to Rural Finance and Settlement Fund, Pursuant to Section 29 (12) of Act 6846 as amended	
135,906		198,122
1,000,000		1,000,000
201,766	Add: Premiums	204,143
57,406	Interest on Investments	56,779
1,259,172		1,260,922
28,249	Less: Claims Admitted	67,554
19,623	Fire Authority Contributions	23,004
13,178	Administration Expenses	17,982
61,050		108,540
1,198,122	<b>Balance carried forward 30th June, 1967:</b>	1,152,382
	Represented By:	
11,666	Cash	13,267
1,170,162	Investments	1,153,390
17,543	Accrued Interest	13,890
13,350	Debtors for Premiums	11,559
1,212,721		1,192,106
14,599	Less: Claims admitted but not paid	39,724
1,198,122		1,152,382
	<b>RURAL FINANCE ACTS</b>	
	<b>PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30th JUNE, 1967</b>	
1966 \$		1967 \$
1,345,920	Interest	1,447,390
22,496	Application and Legal Fees, etc.	25,545
1,368,416	<b>Total Income</b>	1,472,935
970,737	Less: Interest on Loan Indebtedness	1,050,796
50,775	Interest on Redeemed Securities National Debt Sinking Fund	57,870
125,780	Administration:	137,309
34,544	Salaries	43,372
8,365	General Expenses	4,209
3,245	Depreciation of Residences	3,438
19,322	Provision for Long Service Leave	35,216
19,322	Provision for Superannuation	35,216
1,212,768		1,332,210
155,648	<b>Operating Profit for Year:</b>	140,725
11,632	Add: Surplus on Sale of Residences	4,483
167,280		145,208
56,106	Less: National Debt Sinking Fund Contribution	59,139
18,570	Discounts and Expenses on Loans including Renewals	9,496
19,321	Bad and Doubtful Debts	1,098
93,997		69,733
73,283	<b>Net Profit for Year, Transferred to Rural Finance and Settlement Fund Profit and Loss Appropriation Account:</b>	75,475

1966 \$	RURAL FINANCE AND SETTLEMENT FUND PROFIT AND LOSS APPROPRIATION ACCOUNT YEAR ENDED 30TH JUNE, 1967	\$	1967 \$
115,866	Balance brought forward 1st July, 1966		90,656
135,906	Add: Transfer from Rural Finance and Settlement Insurance Fund Surplus as at 1st July, 1966		198,122
112,000	Transfer from General Reserve		75,475
73,283	Net Profit Rural Finance Acts year ended 30th June, 1967		558,000
460,000	Amount Received from Consolidated Revenue Pursuant to Section 25 (12) Rural Finance and Settlement Act 1961 as amended		922,253
<hr/> 897,055			
285,064	Less: Costs of Administration Soldier Settlement Acts	298,209	
189,335	Costs of Administration Land Settlement Acts	265,011	
	Final Provision for Contingent Liability for Superannuation Taken Over 1st July, 1963	—	
172,000	Appropriation to Loan Equalization Account	235,000	
160,000			
<hr/> 806,399			798,220
<hr/> <u>90,656</u>	<b>Balance carried forward 30th June, 1967</b>		<hr/> <u>124,033</u>

A. J. A. GARDNER  
AUDITOR-GENERAL  
26/9/1967

I. K. MORTON, Chairman.  
C. O. HARRY, Deputy Chairman.  
L. L. BEARDELL, Member.  
G. McG. BAKER, Deputy Secretary.  
D. H. LIVINGSTON, Accountant.



**RURAL FINANCE AND SETTLEMENT COMMISSION  
RURAL FINANCE AND SETTLEMENT FUND  
BALANCE SHEET AS AT 30TH JUNE, 1967  
ASSETS**

1966		1967
\$		\$
1,164	<b>Current Assets:</b>	
3,956	National Debt Sinking Fund Cash	3,785
422,149	Inter Fund Adjustment Account	1,303
5,056	Interest Due and Accrued	455,483
51,972	Prepayments	1,489
500,000	Cash — At Bank and On Hand	40,576
	— At Call	500,000
984,297		1,002,636
1,268,527	<b>Investments At Cost On Account of Reserves and Provisions</b>	1,442,602
2,252,824		2,445,238
	<b>Less Current Liabilities and Provisions:</b>	
25,478	Trust Account — Amounts in Suspense	46,767
63,578	Settlers' Proceeds Held	15,981
3,523	Sundry Creditors	4,644
50,540	Provision for Long Service Leave	41,477
555,853	Provision for Superannuation	704,182
698,972		813,051
1,553,852		1,632,187
23,486,589	<b>Loans Under Part III Rural Finance Acts</b>	24,619,908
477,831	<b>Less:</b> Provision for Doubtful Debts	478,930
23,008,758		24,140,978
11,888	Amounts Owing under Contracts of Sale	10,150
	<b>Fixed Assets At Cost Less Depreciation:</b>	
28,995	Furniture and Office Equipment	34,726
34,587	Motor Vehicles	33,496
81,078	Residences and Offices	85,225
144,660		153,447
24,719,158	<b>Total Assets</b>	25,936,762
	<b>REPRESENTED BY:</b>	
	<b>Loan Liability to Treasurer of Victoria:</b>	
23,413,539	Amounts Applied from Loan Fund	24,323,034
1,286,008	Less Securities Redeemed National Debt Sinking Fund	1,442,632
22,127,531		22,880,402
	<b>Capital Reserves and Accounts:</b>	
1,287,172	National Debt Sinking Fund Reserve	1,446,417
520,000	Loan Equalization Account	755,000
1,807,172		2,201,417
	<b>Revenue Reserves and Accounts:</b>	
693,799	General Reserve	730,910
90,656	Profit and Loss Appropriation Account	124,033
784,455		854,943
24,719,158		25,936,762

NOTE: Commitments on Loans under Part III Rural Finance Act 1958, approved but not paid as at 30th June, 1967 amounted to \$1,910,396.

The accounts of the Rural Finance and Settlement Commission in respect of the Rural Finance and Settlement Fund have been audited for the year ended 30th June, 1967, and, in my opinion, the Balance Sheet is a correct statement of the financial position of the Fund at the close of the period, and the Profit and Loss Account correctly summarizes its operations during the year.

A. J. A. GARDNER  
Auditor-General  
26/9/1967

I. K. MORTON, Chairman.  
C. O. HARRY, Deputy Chairman.  
L. L. BEARDSSELL, Member.  
G. McG. BAKER, Deputy Secretary.  
D. H. LIVINGSTON, Accountant.

RURAL FINANCE  
RURAL REHABILITATION FUND AND FARMERS' DEBTS ADJUSTMENT

1966	LIABILITIES	1967
\$ 13,081	Treasurer of Victoria for Advances Farmers' Debts Adjustment Act, 1943 — Less Repayments	\$ 12,202
4,702,692	Funds provided by Grant under Commonwealth Loan (Farmers' Debt Adjust- ment) Act, 1935 — Including Interest on Mortgages — Less Amounts Written Off	4,702,692
4,715,773		4,714,894

1966	RECEIPTS	1967
\$ 101,534 250,000	Cash in Hand Brought Forward 1st July, 1966 Funds Provided by Treasurer of Victoria from Loan Fund	\$ 91,566 125,000
103,099	<b>Repayments by Borrowers</b>	
51,702	Principal	97,583
	Interest	62,919
154,801		160,502
506,335		377,068

1966	STATEMENT OF BALANCE	1967
\$ 2,177,192	Treasurer of Victoria:— Funds Provided Administration of Loans Taken Over	\$ 2,302,192 43,397
832,806	Less: Repayments	2,345,589
37,694	Bad Debts Written off	930,389 53,694
870,500		984,083
1,306,692		1,361,506

\*Including Balance of \$43,397. Administration of Loan Taken Over.

The Statement of Receipts and Payments correctly summarizes the transactions of the Agency Account of the Rural Finance and Settlement Commission for the year ended 30th June, 1967. All payments from the Account in that period were made for the respective purposes for which the funds were provided by the Treasurer of Victoria.

A. J. A. GARDNER  
AUDITOR-GENERAL  
26/9/1967



LEMENT COMMISSION

S CAPITAL BALANCE SHEET AS AT 30TH JUNE, 1967

1966 \$	ASSETS	1967 \$
13,081	Advances Farmers' Debts Adjustment Act, 1943	12,202
626,378	Advances under Farmers' Debts Adjustment Act, 1935 and Part IV Rural Finance Act, 1958	503,526
4,076,314	Held by Treasurer of Victoria — Rural Rehabilitation Fund	4,199,166
<u>4,715,773</u>		<u>4,714,894</u>

AGENCY DEPARTMENT

FOR THE YEAR ENDED 30TH JUNE, 1967

1966 \$	PAYMENTS	1967 \$
	<b>Loans and Advances:—</b>	
	Hail Damage—Dried Fruit Areas	34,930
	Hail and Storm Damage—Orchardists	17,100
	Frost Damage Relief—Dried Fruit Growers	116,671
	Drought Relief	875
	Bush Fire Relief	38,703
259,968		<u>208,279</u>
	<b>Repayments to Treasurer of Victoria:—</b>	
103,099	Principal	97,583
51,702	Interest	62,919
<u>154,801</u>		<u>160,502</u>
91,566	Cash in Hand carried forward 30th June, 1967	8,287
<u>506,335</u>		<u>377,068</u>

AS AT 30th JUNE, 1967

1966 \$	Loans and Advances under Approved Schemes:—	1967 \$
		<b>Total Expenditure</b>
		<b>Balance Outstanding</b>
237,216	Lake Corangamite Flood Relief	443,600
40,400	Rehabilitation of Peach Growers	106,130
48,005	Capital Improvements—Dried Fruit Areas	160,156
1,983	Assistance to Apiarists	13,872
2,917	Hail Damage—Dried Fruit Areas	151,458
24,383	Hail and Storm Damage—Orchardists	106,703
—	Frost Damage—Dried Fruit Growers	116,671
5,188	Drought Relief	6,063
304,284	Bush Fire Relief	345,934
—	Assistance to Tobacco Growers	44,993
—	Tourist Development	30,100
22,500	Miscellaneous	28,400
528,250	Secondary Industry	*783,222
<u>1,215,126</u>		<u>2,337,302</u>
91,566	Cash on Hand 30th June, 1967	8,287
<u>1,306,692</u>		<u>1,361,506</u>

I. K. MORTON, Chairman.  
 C. O. HARRY, Deputy Chairman.  
 L. L. BEARDSSELL, Member.  
 G. McG. BAKER, Deputy Secretary.  
 D. H. LIVINGSTON, Accountant.

RURAL FINANCE  
SOLDIER SETTLEMENT ACTS PROFIT

1966		1967
\$		\$
3,076,528	Interest on Loan Liabilities .....	2,966,043
	Costs of Administration —	
247,602	Salaries and General Expenses .....	244,154
5,012	Provision for Long Service Leave .....	4,650
29,840	Provision for Superannuation .....	47,635
241	Remissions of Rent and Interest — less Recouped .....	301
3,359,223		3,262,783

BALANCE SHEET

1966	LIABILITIES	1967
\$	<b>Loan Liability Treasurer of Victoria —</b>	\$
116,592,113	Amounts issued and applied from Loan Fund .....	116,619,858
54,438,895	Less Repayments Loan Fund Credit Account .....	58,152,858
62,153,218		58,467,000
20,535,254	Less Amounts Transferred and Borne by State under Section 53 Reduced by Claim on Commonwealth Government for Capital Contributions ..	18,773,463
41,617,964	Loan Liability to Commonwealth Government .....	39,693,537
13,547,120	Liability for Crown Lands Taken Over and set apart for Settlement .....	13,425,798
177,931	Liability to Consolidated Revenue for Interest Capitalized during development period less amounts paid to Consolidated Revenue and Interest Relieved under Section 53 .....	147,655
60,595	Amount Due to Rural Finance and Settlement Fund for Capital Expenditure ..	88,411
363		—
55,403,973		53,355,401
18,623,650	Amounts provided by Consolidated Revenue for Interest and Costs of Administration less amounts paid to Consolidated Revenue .....	19,607,162
877,148	Amounts provided by the Rural Finance and Settlement Fund for Costs of Administration .....	1,175,357
74,904,771		74,137,920

The accounts of the Rural Finance and Settlement Commission in respect of Soldier Settlement under the Soldier Settlement Act 1958, have been audited and, in my opinion, the balances shown in the Balance Sheet properly disclose the position in relation to the said Soldier Settlement as at 30th June, 1967, and the Profit and Loss Account correctly summarizes the relevant transactions during the year ended 30th June, 1967.

A. J. A. GARDNER  
AUDITOR-GENERAL  
26/9/1967

SETTLEMENT COMMISSION  
 DEBIT ACCOUNT YEAR ENDED 30th JUNE, 1967

1966		1967
\$		\$
1,086,997	Interest and Rents Earned	1,019,815
1,016	Fees, etc.	814
1,494	Recoup of Payments in lieu of Shire Rates less payments	3,307
910,964	Interest on Loan Liability Transferred and Borne by State	922,881
—( 7,639)	Interest Capitalized during Development Period	17,796
1,366,391	Net Loss for year transferred to Accumulated Deficiency	1,298,170
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3,359,223		3,262,783
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30th JUNE, 1967

1966	ASSETS	1967
\$		\$
128,574	Estates (including Development and Improvement) not yet disposed of	7,942
483,958	Contracts of Sale for disposal of unsuitable land	337,601
	Land and Improvement under Interim Lease Part 6 Division 2 less Interim Credit Accounts	83,334
1,350,993	Land and Improvements under Purchase Lease Part 6 Division 3 less Purchase Lease Credit Accounts	37,559,356
39,325,365	Land and Improvements under Mortgage Section 67A Part 6 Division 3	1,078,901
781,265	Mortgages under Part 7 Single Unit Loans less Credit Accounts	8,830,641
9,557,682	Advances Part 8	86,870
141,636	Building, Working Plant and Expense not Allocated	—
1,853	Commonwealth Government for Balance of Share of Excess Costs	4,286,310
2,562,946	Capital Expenses not borne by Estates — Discounts and Expenses on Loans including Renewal Loans, etc.	1,084,446
1,069,701		
<hr/>		<hr/>
55,403,973		53,355,401
291,179	Interest due and accrued	274,730
19,209,619	Accumulated Deficiency	20,507,789
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74,904,771		74,137,920
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NOTE: The Accumulated Deficiency shown above is due mainly to the provisions of the Agreement between the Commonwealth and State Governments and of State Legislation designed to assist the establishment of Discharged Soldiers on the Land.

1. Remissions of Rent and Interest — During the early stages of occupation referred to in the Agreement as the Assistance Period, all Interest and Rent Charges are remitted. The Cost is shared equally by the Commonwealth and State Governments. The Victorian Government Share to date is 378,359
2. Concessional Interest Rate — The Act fixed the rate to be charged to settlers at 2% per annum. Having regard to the rate of interest payable on Loan Moneys the reduced rate amounts to a statutory concession of 14,882,056
3. Administration Costs. The Costs of Administration of the Acts have also been borne by the State either directly or from 1st July 1963 through the Rural Finance and Settlement Fund — Costs to Date are 6,331,596

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21,592,011

I. K. MORTON, Chairman.  
 C. O. HARRY, Deputy Chairman.  
 L. L. BEARDSSELL, Member.  
 G. McG. BAKER, Deputy Secretary.  
 D. H. LIVINGSTON, Accountant.

RURAL FINANCE  
LAND SETTLEMENT ACTS PROFIT AND LOSS ACCOUNT

		1967
1966		\$
885,846	Interest on Loan Liability .. .. .	1,007,954
	Costs of Administration	
165,973	Salaries and General Expenses .. .. .	218,340
3,359	Provision for Long Service Leave .. .. .	4,150
20,003	Provision for Superannuation .. .. .	42,521
9,390	Payments in lieu of Shire Rates .. .. .	5,198
<u>1,084,571</u>		<u>1,278,163</u>
915,168	Accumulated Deficiency brought forward 1st July, 1966 .. .. .	977,300
62,132	Net Loss for Year ended 30th June, 1967 .. .. .	381,724
—	Temporary Lease Rentals to 30th June, 1966 transferred to the Credit of Estates (See Note Below) .. .. .	562,653
<u>977,300</u>		<u>1,921,677</u>

		BALANCE SHEET
1966	LIABILITIES	1967
\$	<b>Loan Liability Treasurer of Victoria</b>	\$
21,006,539	Amounts issued and applied from Loan Fund .. .. .	23,709,677
1,435,173	Less: Repayments to Loan Fund Credit Account .. .. .	2,156,620
<u>19,571,366</u>		<u>21,553,057</u>
932,845	Less: Amounts transferred and Borne by State Section 41 .. .. .	1,329,014
<u>18,638,521</u>		<u>20,224,043</u>
100,000	Grant from Commonwealth Government .. .. .	100,000
78,189	Liability for Crown Lands taken over and set apart for Settlement .. .. .	74,019
	Liability to Consolidated Revenue for Interest Capitalized in the Development period less amounts paid to Consolidated Revenue and Interest Relieved under Section 41 .. .. .	1,403,465
2,025,608	Amounts due to Rural Finance and Settlement Fund for Capital Expenditure .. .. .	1,303
3,593	Settlers' Credit Accounts .. .. .	323,290
198,267		<u>22,126,120</u>
<u>21,044,178</u>		<u>22,126,120</u>
396,541	Amounts provided by Consolidated Revenue for Interest and Costs of Administration less amounts paid to Consolidated Revenue .. .. .	897,895
524,986	Amounts provided by Rural Finance and Settlement Fund for Costs of Administration .. .. .	789,997
<u>21,965,705</u>		<u>23,814,012</u>

The accounts of the Rural Finance and Settlement Commission in respect of Land Settlement under the Land Settlement Act 1959, have been audited and, in my opinion, the balances shown in the Balance Sheet properly disclose the position in relation to the said Land Settlement as at 30th June, 1967, and the Profit and Loss account correctly summarizes the relevant transactions during the year ended 30th June, 1967.

A. J. A. GARDNER  
AUDITOR-GENERAL  
26/9/1967

LEMENT COMMISSION  
 NT YEAR ENDED 30th JUNE, 1967

1966		1967
\$		\$
340,988	Interest and Rents Earned .. .. .	230,742
640,956	Interest Capitalized during Development Period .. .. .	608,080
40,495	Interest on Loan Liability Transferred and Borne by State .. .. .	57,617
62,132	Net Loss for Year transferred to Accumulated Deficiency .. .. .	381,724
1,084,571		1,278,163
314,815	Accumulated Profits on Livestock Trading to 30th June, 1967 .. .. .	432,965
662,485	Net Accumulated Deficiency carried forward 30th June, 1967 .. .. .	1,488,712
977,300		1,921,677

h JUNE, 1967

1966	ASSETS	1967
\$		\$
16,067,751	Estates (including Development and Improvement) not yet disposed of .. .. .	13,226,093
83,580	Contracts of Sale for Disposal of unsuitable land .. .. .	271,790
3,818,470	Land and Improvements under Purchase Lease under Division 4 .. .. .	7,683,709
363,214	Advances to Settlers Division 6 .. .. .	225,470
92,287	Plant Materials and Services to be allocated .. .. .	46,926
618,876	Buildings and Working Plant at Cost less Depreciation .. .. .	672,132
21,044,178		22,126,120
129,210	Interest and Rents Due and Accrued .. .. .	73,860
129,832	Livestock on Estates at Valuation .. .. .	125,320
662,485	Accumulated Deficiency .. .. .	1,488,712
21,965,705		23,814,012

NOTE: Rentals received from Settlers, between allocation of Allotments and granting of Purchase Lease amounting to \$562,653 were to the 30th June, 1966 credited to Profit and Loss Account. This amount of \$562,653 has now been transferred to the Credit of Estates as a reduction of Interest Capitalized as required by Act 6534.

J. K. MORTON, Chairman.  
 C. O. HARRY, Deputy Chairman.  
 L. L. BEARDSSELL, Member.  
 G. McG. BAKER Deputy Secretary.  
 D. H. LIVINGSTON, Accountant.

