

of agricultural science, distribution of plants and seeds for experiment, and the establishment of local boards of agriculture in different parts of the State. Lectures are given by the experts from time to time, and useful information and knowledge is diffused by means of the monthly gazette published by the Council, and also by means of special bulletins. There are no agricultural colleges nor experimental farms, and practically no agricultural teaching is given in the elementary schools.

## § 20. Government Loans to Farmers.

1. **Introduction.**—All the Australian States have established systems under which financial aid is rendered to agriculturists by the Government. The principle upon which such aid is founded was probably first practically applied in Germany, viz., in the year 1770, when the *Landschaften Bank* was created. The establishment of the *Crédit Foncier* somewhat later in France was a creation of a similar character. This latter institution was designed to enable house and land owners to raise money on mortgage at a low rate of interest, with facility for repayment by an annuity including redemption of the capital. It dates from 1852, but the mortgage bank known as the *Caisse Hypothécaire*, which, after a struggling existence, was finally liquidated in 1846, was based essentially on the same principle. Over the operations of the *Crédit Foncier*, created under governmental patronage and invested with such special privileges as to virtually constitute it a monopoly, the Government exercised a direct control, viz., by appointing its governor and its two deputy-governors. The *Crédit Foncier* was empowered to lend money only on a first mortgage, and to the amount of one-half of the estimated value of houses and farms, and one-third that of vineyards, woods, and other plantations and the commission charged could not exceed six-tenths per cent. The system developed and adopted in the Commonwealth, with the object of assisting farmers to make improvements or to develop or utilise the agricultural or pastoral resources of the land, is analogous. Particulars of advances made under the Closer Settlement and similar Acts are dealt with in the section on Closer Settlement. (See page 321.)

2. **Particulars of Transactions in each State, 1905 to 1908.**—The subjoined table gives particulars of transactions in each State in which advances to farmers are made, for the years 1905 to 1908, inclusive. Tasmanian figures are not available :—

### STATE GOVERNMENT ADVANCES DEPARTMENTS.—PARTICULARS OF LOANS TO FARMERS, 1905 to 1908.<sup>1</sup>

State.	TOTAL ADVANCED TO DATE.				BALANCE DUE.			
	1905.	1906.	1907.	1908.	1905.	1906.	1907.	1908.
	£	£	£	£	£	£	£	£
New South Wales	563,596	647,623	702,099	a	406,405	411,208	420,531	a
Victoria ...	1,890,299	2,021,333	2,111,308	2,254,488	1,350,515 <sup>3</sup>	1,328,547 <sup>3</sup>	1,225,805 <sup>3</sup>	1,202,785
Queensland ...	39,378	98,484	129,361	153,238	38,417	94,268	112,216	119,344
South Australia ...	925,071	1,011,110	1,109,362	1,233,264	582,214	602,365	613,730	631,413
Western Australia	297,600	394,164	525,177	a	250,503	323,464	420,534	a
Commonwealth ...	3,715,944	4,172,714	4,577,307	...	2,628,064	2,759,852	2,792,816	...
	ANNUAL PROFITS.				ACCUMULATED PROFITS.			
	£	£	£	£	£	£	£	£
New South Wales <sup>2</sup>	...	...	...	...	...	...	...	...
Victoria ...	7,330	7,260	6,430	6,751	48,507	55,768	62,198	68,949
Queensland ...	53	444	1,051	1,326	...	246	1,237	2,623
South Australia ...	3,116	3,314	3,598	3,797	18,669	21,984	25,582	29,380
Western Australia	2,409	3,754	3,988	a	5,433	9,187	13,557	a
Commonwealth <sup>4</sup> ...	12,908	14,772	15,067	...	72,609	87,185	102,634	...

1. Compiled from figures furnished by the Government Savings Bank of Victoria. 2. Returns not available. 3. Balance after deduction of special principal payments in advances (see section 41, sub-section 7, of the Savings Banks Act, 1896). 4. Exclusive of New South Wales and Tasmania.

3. **New South Wales.**—(i.) *Initial Legislation.* New South Wales adopted the principle of advances to settlers on 4th April, 1899, when the Advances to Settlers Act received assent. The objects of this Act were to authorise the raising of a loan for making temporary advances to settlers; to provide for the making and repayment of such advances; and for purposes incidental to, or consequent on, those objects. In order to provide the funds necessary for the carrying out of this Act, the Colonial Treasurer was authorised to sell inscribed stock, secured upon the Consolidated Revenue, to an amount not exceeding £500,000, to be sold in amounts of £10 or some multiple of £10, and bearing interest at the rate of  $3\frac{1}{2}$  per cent. per annum, payable half-yearly. A board, consisting of not more than three members appointed by the Governor, called the Advances to Settlers Board, was appointed to deal with applications for loans and to decide whether they should be granted. The maximum amount that was authorised to be advanced to any one person was £200, and was to be repaid in full, together with interest at the rate of 4 per cent., within ten years of the making of the loan, but on no account was a loan to be granted except on the recommendation of the Board and when the security given was deemed satisfactory. An Amendment Act was passed in 1902, by which the advance limit of £200 was increased to £500, and the period within which repayments were to be made was extended to thirty-one years. In the latter part of the same year a further Amendment Act came into force. Under the provisions of this Act, the amount of inscribed stock was increased to £1,000,000, and the maximum amount of advance to any person was raised to £1500, interest on the latter being payable at the rate of not less than 4 per cent. per annum.

(ii.) *Legislation now in Force.* The above Acts were all repealed by the Government Savings Bank Act of 1906, which received assent on 21st December of that year. All property held by the Advances to Settlers Board was to be vested in three Commissioners appointed under this Act, who were styled "The Commissioners of the Government Savings Bank of New South Wales." An Advances Department of the Savings Bank was constituted, and debentures to the amount of £305,000 (that being the amount of stock issued under the Advances to Settlers Acts and held at the beginning of this Act) were issued, an equivalent amount of Government Stock transferred to the Savings Bank Department being, at the same time, cancelled. All moneys, securities, documents, property, etc., held by or on behalf of the Advances to Settlers Board were transferred to, and became vested in, the Commissioners, and were carried to the Advances Department of the Savings Bank.

(iii.) *Security on which, and Objects for which, Advances are made.* The Commissioners are authorised to issue debentures to the amount of £2,000,000, bearing interest at a rate not exceeding 4 per cent. per annum. They may lend moneys from the Advances Department (a) upon mortgage of an estate of inheritance in fee simple in any land in the State; (b) upon mortgage of conditional purchases with or without associated conditional leases, homestead grants or selections, settlement leases or purchases, or conditional purchase leases; and (c) on deposit at call or short notice in the Treasury on any bank of issue in the State, or on deposit in the Savings Bank Department. Loans may be made for any of the following purposes:—(a) To pay off existing encumbrances or to purchase the land; (b) to pay off money to the Crown in respect of the land; (c) to make improvements or to develop the agricultural or horticultural resources of the land; and (d) to build homes on the land.

(iv.) *Amount and Repayment of Loans.* No loan to any one person may amount to less than £50 or more than £2000, and applications for loans not exceeding £500 have priority over those of a larger amount. In no case does the amount of the advance exceed 80 per cent. of the Commissioners' valuation of the security. Advances may be made up to two-thirds of the value of the interest of the borrower in the land, buildings and improvements, except where the land is held as a conditional lease, homestead grant, settlement lease, homestead selection, settlement purchase, or conditional purchase as to which the first five years' certificate has not issued, in which cases the amount advanced may not exceed one-half of the holder's interest in the improvements. Loans are made

only in respect of first mortgages, and except in the case of loans on the security of freeholds or certificated conditional purchases, are repayable by equal half-yearly instalments within such period, not exceeding thirty-one years, as the Commissioners think fit. Loans granted on the security of freeholds and certificated conditional purchases are repayable either in the same manner as loans on other securities just mentioned, or at the expiration of a fixed term not exceeding five years, during which period interest only is payable.

(v.) *Advances on Purchases of Farms.* To facilitate close settlement on private estates suitable for the purpose, the Commissioners are authorised to make advances in order to assist persons in purchasing land. In the case of such advances the title to the land must be either freehold or a certificated conditional purchase, and the amount advanced may not exceed 80 per cent. of the Commissioners' valuation.

(vi.) *Particulars of Advances to Farmers, 1904 to 1907.* The following table shews particulars of the advances made up to the 30th June in each year from 1904 to 1907, inclusive:—

**PARTICULARS OF GOVERNMENT ADVANCES IN NEW SOUTH WALES TO FARMERS, 1904 to 1907.**

Particulars.	1904.	1905	1906.	1907.*
Total applications received... No.	9,572	10,431	11,188	12,397
Total amount applied for ... £	1,420,001	1,581,581	1,718,431	2,166,901
Total applications refused or withdrawn... No.	4,415	4,611	4,927	5,138
Total applications approved ... No.	5,194	5,646	6,178	6,856
Total amount advanced ... £	502,828	563,596	647,624	789,334
Average amount advanced per loan ... £	97	100	105	115
Repayments { of principal ... £	110,083	157,191	236,415	365,823
{ of interest ... £	31,620	48,043	68,646	†

\* Year ended 31st December, 1907. † Figures not available.

4. **Victoria.**—(i.) *Legislation.* The Advances Department of the Government Savings Bank of Victoria was established by the Savings Bank Act of 1896, amended in 1901 and again in 1903. The funds for the purpose of making advances are raised by the issue of mortgage bonds, the total amount of which is limited to £3,000,000.

(ii.) *Security on which Advances Granted.* In order to assist farmers, graziers, market gardeners, or other persons employed in agricultural, horticultural, viticultural, or pastoral pursuits, the Savings Bank Commissioners are empowered to make advances, either by instalments or otherwise, upon the security of any lands held by such person either (a) in fee simple, or (b) under a Crown lease in which the rent received is taken by the Crown in part payment of the lands demised. Security must be, in every case, a first mortgage. A loan may be either in cash or in mortgage bonds at par face value at the option of the Commissioners.

(iii.) *Amount of Advances.* The limits of the advances are £50 and £2000, as in New South Wales, applications for advances under £500 having also similar priority. In the case of land held in fee simple or under lease as specified in (b) above, the amount of the advance which may be made must not exceed two-thirds of the actual value of such land at the time of advance, which is reduced by the amount of all rent payable in respect of the land, previous to the issue of a Crown grant, for such. If the person appointed by the Commissioners as valuator of any land certify that the improvements effected thereon increase the productive power of the land and exceed £2 per acre, the Commissioners may make, notwithstanding anything contained above, an advance of fifteen shillings for every acre so improved.

(iv.) *Special Provision for Vineyards, Orchards, etc.* In the case of land which has acquired a special value by reason of being cultivated as vineyards, hop-grounds, orchards,

fruit-growing plantations, and other similar purposes, advances may be made on the following terms :—(a) The total amount which may be at any time advanced upon any such land may not be more than £100,000 in the whole. (b) The amount of two-thirds of the actual value referred to above may be increased by one-quarter of any special increase in value, but such increase is in no case to be considered as greater than £30 an acre. (c) No advance may be for a longer period than fifteen years.

(v.) *Purposes for which Advances Granted.* Advances are made for the following purposes only :—(a) To pay off existing liabilities; (b) to pay off money owing to the Crown in respect of the land; (c) to make improvements or to improve and develop the agricultural, horticultural, viticultural, or pastoral resources of the land.

(vi.) *Repayment of Advances.* The rate of interest charged on loans, originally fixed at 4½ per cent. per annum, may, by the Amendment Act of 1903, be altered by the Commissioners with the approval of the Governor-in-Council, up to but not beyond 5 per cent. per annum. All advances, together with interest, must be repaid by sixty-three half-yearly instalments, or such smaller number as may be agreed upon between the borrower and the Commissioners.

(vii.) *Particulars of Advances to Farmers, 1904 to 1908.* The following table gives particulars as to the loans raised and repaid by the Advances Department, the number and amount of applications received and granted, and the amounts advanced and repaid for each financial year from 1904-5 to 1907-8, inclusive :—

**LOANS TO FARMERS.—TRANSACTIONS OF ADVANCES DEPARTMENT OF GOVERNMENT SAVINGS BANK, VICTORIA, DURING EACH FINANCIAL YEAR, 1904 to 1908.**

Particulars.	1904-5.	1905-6.	1906-7.	1907-8.	Total to the 30th June, 1908.
Loans raised ...	£ 200,000	100,000	100,000	100,000	2,283,600
„ repaid ...	£ 30,325	79,675	104,675	79,500	673,750
„ outstanding ...	£ ...	...	...	...	...
Applications received ...	No. 689	788	550	704	11,009
„ „ Amount, £	323,352	319,650	217,572	344,703	5,235,890
Applications granted ...	No. 370	371	295	390	5,852
„ „ Amount, £	147,140	143,515	98,840	162,615	*2,477,855
Amounts advanced ...	£ 140,890	131,034	89,975	143,180	2,254,488
„ repaid ...	£ 109,226	152,626	189,547	168,800	1,029,057
„ outstanding ...	£ ...	...	...	...	1,202,785

\* Of this amount £2,254,488 has been actually paid over to borrowers, a further sum of £12,770 being in course of settlement; the balance represents applications withdrawn or lapsed, or amounts offered but not accepted.

The number of loans at the 30th June, 1908, was 3030, and the average balance of each loan was £404 8s. 8d. The falling-off in the number of applications and amount of advances during the year 1906-7 was due, no doubt, partly to the fact that farmers had been favoured with good seasons during several years past, and partly also to the gradual fall in the rates charged for loans by other lenders. The number of repayments by farmers which became due during the year 1907-8 was 6763, representing amounts of £56,080 for interest and £27,765 for principal. These instalments have been well met, and on 30th June, 1908, there were only twenty farmers in arrear, the amount of principal in arrear amounting to £136, and of interest to £210.

(viii.) *Seed Advances Acts.* In 1896 and 1903, Acts were passed to enable seed and fodder to be advanced on certain terms to cultivators of land. These measures applied only to the season in which they were passed. Under the first-mentioned Act the Treasurer was authorised to pay out of the Consolidated Revenue a sum not exceeding £15,000, but no cultivator was to receive such quantity of seed as would sow more than 100 acres, and he had to give a preferable lien over the produce of all crop harvested within twelve months. By the Act of 1903, the amount authorised to be lent was

£100,000, in sums not exceeding value of £65 where granted on the security of a mortgage or license lien, or £40 where granted on the security of a preferable lien on crops. The borrower was required to give, as security, a mortgage over his farm or a license lien over the improvements thereon, and also, if required, a preferable lien on crops somewhat similar to that laid down in the previous Act. In 1904 an Act was passed to enable seed and manure to be advanced on certain terms to cultivators of land within the area controlled by the Carrum Irrigation and Water Supply Trust.

5. **Queensland.**—(i.) *Legislation.* The Queensland Government was authorised, under the Agricultural Bank Act of 1901, to establish a bank for the purpose of promoting the occupation, cultivation, and improvement of the agricultural lands of the State, and a body of three trustees was appointed to administer the Act. The Government was empowered to raise a sum not exceeding £250,000 by the issue of debentures, bearing interest at a rate of not more than 4 per cent. The original Act was amended in 1904 and again in 1905, the latter amendment specifying that no advance be made to any alien.

(ii.) *Security on which and Purposes for which Advances are made.* Advances may be made to owners of agricultural lands or to occupiers of Crown lands held either as agricultural farms or homesteads, grazing farms or homesteads, unconditional selections, or miners' homestead leases, and may be for any of the following purposes:—(a) The payment of existing liabilities; (b) agricultural, dairying, horticultural, or viticultural pursuits on the holding; (c) making improvements or adding to improvements already made; (d) the purchase of stock, machinery, or implements. Advances are only made on the security of first mortgages.

(iii.) *Amount and Repayment of Loans.* No advance may exceed ten shillings in the pound of the fair estimated value of the holding in the cases of (a) and (b) above, while in the other cases the limit of the amount of the advance is twelve shillings in the pound of such value, and the advance at any time must not exceed £800. Applications for amounts not larger than £200 have priority over those for a larger amount. During the first five years following the date of the loan the borrower must pay interest at the rate of 5 per cent. per annum. After the expiration of that period the loan, together with the interest, must be repaid by half-yearly instalments within twenty years, the amount of such half-yearly instalment being £4 0s. 3d. for each £100 advanced. In the case of advances for the purposes of paying off existing liabilities or of buying stock, machinery, or implements, the loan must be repaid by equal half-yearly instalments of the amount of £3 11s. for every £100 advanced within twenty-five years from the date of its granting.

(iv.) *Transactions of Agricultural Bank, 1904 to 1908.* The subjoined table shews particulars of the transactions of the Agricultural Bank for each year from 1904 to 1908, inclusive:—

**PARTICULARS OF TRANSACTIONS OF THE AGRICULTURAL BANK, QUEENSLAND,  
DURING EACH FINANCIAL YEAR, 1904 TO 1908.**

Particulars.	1904.	1905.	1906.	1907.	1908.
Loans raised ... £	*	*	*	*	*
„ repaid ... £	*	*	*	*	*
„ outstanding ... £	*	*	*	*	*
Applications received ... No.	157	699	834	503	512
„ „ Amount, £	21,069	108,667	120,256	69,472	70,107
Applications granted ... No.	116	296	558	313	319
„ „ Amount, £	12,195	35,233	69,178	36,357	36,706
Amounts advanced ... £	14,628	18,358	59,106	30,877	23,868
„ repaid ... £	650	311	3,229	12,908	16,716
„ outstanding ... £	20,370	38,417	94,268	112,216	119,344

\* Information not available.

6. **South Australia.**—(i.) *Legislation.* Under the State Advances Act of 1895, amended in 1896 and 1901, a State Bank has been established in South Australia for the purpose of making advances (i.) to farmers and other producers, (ii.) in aid of industries on the security of lands held in fee simple or under Crown leases, and (iii.) to local authorities upon the security of their rates. The bank, managed by a board consisting of five trustees appointed by the Governor, has funds raised by the issue of mortgage bonds, carrying interest at a rate not exceeding 4 per cent., to an amount not greater than the total amount due to the bank for State advances, and in any case not greater than £3,000,000. Several Acts have, from time to time, been passed dealing with seed wheat advances. These were, in the main, similar to those enacted in Victoria, referred to in 4. (viii.) above.

(ii.) *Amount and Repayment of Loans.* No advance to farmers or to other producers, or in aid of any industry, may exceed three-fifths of the unimproved value of the fee simple of the land and permanent improvements thereon, and if the land has acquired a special additional value by reason of cultivation as a vineyard or orchard, *plus* one-third of such special additional value. If the advance be on the security of a Crown lease, the amount of the loan may not exceed one-half the selling value of the lease, including the interest of the holder in any improvements on the land. The amount lent to any one person at any time may not exceed £5000. Advances are repayable by half-yearly instalments, the rate of interest, up to the limit of 5 per cent. per annum, being a matter of arrangement between the bank and the borrower.

(iii.) *Transactions of the State Bank, 1904 to 1907.* The following table shews particulars of the transactions of the State Bank for each year from 1904 to 1907 inclusive:—

**SOUTH AUSTRALIA.—PARTICULARS OF TRANSACTIONS OF THE STATE BANK  
FOR EACH YEAR ENDED 31ST MARCH, 1904 TO 1907.**

Particulars.	1904.	1905.	1906.	1907.
Loans raised ... .. £	58,285	23,675	46,015	57,165
„ repaid ... .. £	32,195	36,560	38,465	50,515
„ outstanding ... .. £	346,030	333,145	340,695	347,345
Applications received ... .. No.	362	225	271	260
„ „ Amount, £	107,159	63,340	94,794	111,609
Applications granted ... .. No.	230	126	180	146
„ „ Amount, £	61,530	24,865	56,181	67,420
Amounts advanced ... .. £	55,507	24,529	51,826	58,060
„ repaid ... .. £	31,940	37,200	39,531	51,265
„ outstanding ... .. £	349,532	336,861	349,156	355,951

7. **Western Australia.**—(i.) *Legislation.* By the Agricultural Bank Act of 1894 the Governor of Western Australia was empowered to establish a bank for the purpose of promoting the occupation, cultivation, and improvement of the agricultural lands of the State. This Act was amended from time to time until a consolidating Act was passed in the year 1906 repealing all previous enactments on the subject. Under this last Act the bank was placed under the control of three trustees, appointed by the Governor, in whom is vested the whole of the bank property. The necessary funds are provided for by the issue of mortgage bonds bearing interest at a rate not exceeding 4 per cent. per annum. The amount authorised to be raised was £1,000,000, but by an Amendment Act in 1907 this sum was increased to £1,500,000.

(ii.) *Purposes for which Advances may be made.* The bank is authorised to make advances for (a) ringbarking, clearing, fencing, draining, or water conservation; (b) for discharging any existing mortgage; or (c) for the purchase of stock for breeding purposes.

(iii.) *Amount of Loans.* Advances may be made to an amount not exceeding £300 up to the full value of the improvements proposed to be made. Further advances may be

made to an amount not exceeding £200 up to half the value of additional improvements proposed to be made. No advance, however, for the purpose of discharging existing mortgages may be made to an amount exceeding three-quarters of the value of improvements already made, and the total advances to any one person may not at any time exceed £500. Not more than £100 may be advanced to any person for the purpose of purchasing stock. Advances are made only on a first mortgage, but a second mortgage may be taken as collateral security.

(iv.) *Repayment of Loans.* During the five years following the date of the loan the borrower pays interest only, at the rate of 5 per cent. per annum. After the expiration of that period the amount advanced, with interest at 5 per cent., must be repaid within twenty-five years by equal half-yearly instalments. In the case of advances for the purpose of buying stock the bank fixes the time and manner of repayment.

(v.) *Particulars of Transactions of Agricultural Bank, 1904 to 1906.* Under the previous Acts, now repealed, loans up to three-fourths of the estimated value of proposed improvements were paid over by the bank in progress payments as the improvements were completed. The following table gives particulars of transactions under these Acts for each year from 1904 to 1906, inclusive. Particulars of transactions under the Act of 1906 are not yet available.

**PARTICULARS OF TRANSACTIONS UNDER THE AGRICULTURAL BANK ACTS,  
WESTERN AUSTRALIA, 1894 to 1905, FOR EACH YEAR FROM 1904 to 1906,  
INCLUSIVE.**

**AMOUNTS ADVANCED FOR WHICH IMPROVEMENTS HAVE BEEN EFFECTED—**

Year ended the 30th June.	Amounts Advanced	Improvements Effectuated.							Total.
		Clearing.	Cultivating.	Ring-barking.	Fencing.	Drain- ing.	Wells and Reser- voirs.	Build- ings	
	£	£	£	£	£	£	£	£	£
1904	215,000	243,870	60,454	10,787	17,265	1,675	9,861	33,168	377,080
1905	297,600	310,602	67,342	12,454	21,243	2,012	12,355	44,203	470,211
1906	394,164	398,376	86,837	17,044	30,805	2,596	15,482	57,005	608,145

**LOANS APPROVED FOR WHICH IMPROVEMENTS WERE IN PROGRESS—**

Year ended the 30th June.	Amounts Approved	Improvements in Progress.							Total.
		Clearing.	Cultivat- ing.	Ring- barking.	Fencing.	Drain- ing.	Wells and Reser- voirs.	Build- ings.	
	£	£	£	£	£	£	£	£	£
1904	95,650	78,018	23,314	2,488	6,079	897	7,857	11,234	129,887
1905	91,306	75,268	22,025	3,984	8,363	741	6,771	11,996	129,148
1906	117,511	110,126	33,297	7,469	15,008	695	7,969	14,313	188,877

The following table gives particulars as to the amount of loans raised and repaid, the number and amount of applications received and granted, and the amounts lent and repaid for each year from 1904 to 1907, inclusive :—

**WESTERN AUSTRALIA.—PARTICULARS OF TRANSACTIONS OF THE AGRICULTURAL  
BANK FOR EACH FINANCIAL YEAR, 1904-5 to 1906-7.**

Particulars.				1905.	1906	1907.
Loans raised	...	...	£	*	*	*
" repaid	...	...	£	*	*	*
" outstanding	...	...	£	*	*	*
Applications received	...	No.		971	1,270	1,970
" "	...	Amount, £		140,275	171,750	278,625
Applications granted	...	No.		795	1,078	1,604
" "	...	Amount, £		102,875	127,725	211,675
Amounts advanced	...	£		83,479	95,782	131,271
" repaid	...	£		22,586	23,917	34,201
" outstanding	...	£		251,600	323,465	420,535

\* Information not available.

8. *Tasmania.*—(i.) *Legislation.* Under the State Advances Act 1907, assented to 22nd November of that year, authority is given to make advances to persons holding land on credit purchase. Three persons called "the Trustees of the Agricultural Bank of Tasmania" have power to administer the provisions of the Act. Funds were raised by the issue of debentures or inscribed stock for a sum not exceeding £50,000, interest at 4 per cent. per annum being payable on same.

(ii.) *Purposes for which Advances may be made.* Loans may be granted for any of the following purposes:—(a) payment of liabilities already existing on the holding; (b) carrying on agricultural, dairying, grazing, or horticultural pursuits; (c) making or adding to improvements.

(iii.) *Amount of Loans.* The minimum amount of any loan must not be less than £25, and the maximum not greater than £500. No advance may exceed one-half of the amount actually paid to the Crown in respect of the land held by the borrower under purchase upon the credit system, plus one-half of the present value of any improvements upon such land.

(iv.) *Repayment of Loans.* Interest at the rate of 6 per cent. per annum is payable on all advances made. After five years the borrower must begin to pay off the principal in fifty half-yearly instalments, but the advance may, at the option of the borrower, be repaid at any time sooner than is provided, and in larger instalments.

Particulars of the operations of the Agricultural Bank are not yet available.

## § 21. Graphical Representation.

1. *Areas of Principal Crops.*—A graphical representation of the areas in the Commonwealth devoted to each of the leading crops from 1860 to the present time is furnished on page 445.

(i.) *Wheat.* In the case of wheat, the Commonwealth's principal crop, the graph indicates that the forty-seven seasons under review divide themselves naturally into five distinct periods, three of moderate and fluctuating increases and two of extremely rapid increases. Thus, between the seasons 1860-1 and 1875-6, a moderate rate of increase was in evidence, the area increasing from 640,000 to 1,420,000 acres. During the five succeeding seasons a very rapid increase took place, the total in 1880-1 amounting to over 3,000,000 acres. For fifteen years thereafter the increase in area was not large, and in two seasons, viz., 1885-6 and 1890-1, marked decreases were experienced. The total increase for the fifteen years was about 700,000 acres, the total for 1895-6 being rather