

RECORD OF PROCEEDINGS AT A MEETING OF THE  
ADVISORY COMMITTEE HELD ON 24th NOVEMBER, 1942.  
IN THE BOARD ROOM OF THE NATAL BUILDING SOCIETY. JHB.

PRESENT:

|         |                 |                   |               |
|---------|-----------------|-------------------|---------------|
| Messrs. | P.J. Edginton   | (Natal)           | In the Chair. |
|         | E.F.K. Tucker   | (S.A. Permanent). |               |
|         | L.A. Downie     | (Alliance).       |               |
|         | S. Miller       | (Johannesburg).   |               |
|         | R.B. Brown      | (Rand Provident)  |               |
|         | J. Flemming Orr | (St. Andrews).    |               |
|         | A.E. Basden     | (Standard)        |               |
|         | J.R. Du Bourg   | (United).         |               |

RETURNED SOLDIERS HOUSING SCHEME.

Consideration of this matter was referred to the Advisory Committee at the General Purposes Committee Meeting held on the 15-10-42

The Committee was unanimous that, since the request to consider a Returned Soldiers' Housing Scheme had come from the Government, a scheme should be submitted by the Association, on the understanding however, that participation in the Scheme would be at the discretion of each Society.

After a lengthy discussion, it was agreed to recommend to the General Purposes Committee of the Association a Scheme based on the additional Housing Act No.41 of 1937.

The Additional Housing Act Scheme was recommended in view of the fact that (a) the machinery was available for immediate operation (b) both the Central Housing Board and the Building Societies were already familiar with the details of operation of the scheme.

It was pointed out that the question of the rate of interest was satisfactorily dealt with under this Act, and would probably be as follows:-

At the Costal Centres & the Orange Free State 4-1/3%  
i.e. 2/3 of the Existing lending rate (5%)  
1/3 of the Rate at which money would be  
made available by the Government (say 3%)

In the Transvaal. 4-2/3%

Certain amendments to the additional housing Act & Regulations would be required to provide inter alia, (i) that loans should be granted on buildings already erected as well as on buildings to be erected; (ii) that loans should be granted up to 100% of the value of the Security, plus the amount of transfer costs and costs of obtaining the loan; (iii) that "Returned Soldier" should be defined; (iv) that a returned soldier should only be eligible for a loan if the Department of Defence furnishes a certificate that his military service has been satisfactory and (v) that he is in fixed employment for three months prior to the date of his application, or produces satisfactory evidence that he has fixed employment to go to. (vi) The maximum amount of any loan to be limited to an amount on which the monthly repayments based on a 20 year term shall not exceed 25% of the applicants income at the date of granting the loan.

Two further Schemes were considered, but the Committee decided to make no recommendation in connection therewith.

The Schemes were (a) The purchase by a Society of a property to be sold under deed of sale to the returned Soldier, transfer being given when the amount owing had been reduced to (say) 75% of the valuation and (b) the appointment of Building Societies as the agents of the Government who should furnish the whole of the amount to be lent

The/.....

The committee expressed its appreciation of the work of Mr. E.F.K. Tucker who prepared in great detail a memorandum on this subject together with an addendum to provide amending legislation, both of which documents were of great assistance to the Committee in its deliberations.

The Meeting terminated at 4.15. p.m.

Consideration of this matter was referred to the Advisory Committee at the General Housing Committee Meeting held on the 18-10-1957. The Committee was unanimous that, since the request to consider a Returned Soldiers' Housing Scheme had come from the Government, a scheme should be submitted by the Association, on the understanding however, that participation in the scheme would be at the discretion of each State. After a lengthy discussion, it was agreed to recommend to the General Housing Committee of the Association a scheme based on the additional Housing Act No. 41 of 1957. The additional Housing Act scheme was recommended in view of the fact that (a) the machinery was available for the Government's cooperation (b) both the General Housing Board and the Building Societies were already familiar with the details of operation of the scheme. It was pointed out that the question of the word of interest was satisfactorily dealt with under this Act, and would probably be as follows: At the Central Bank & the Orange Free State 4-1/2% 1/2% of the existing lending rate (3%) 1/2% of the rate at which money would be made available by the Government (say 3%) in the Transvaal. Certain amendments to the additional housing Act & Regulations would be required to provide inter alia, (i) that loans should be granted to buildings already erected as well as on buildings to be erected; (ii) that loans should be granted up to 100% of the value of the property; (iii) that the amount of transfer costs and costs of obtaining the loan; (iv) that "Returned Soldiers" should be defined as (v) that a returned soldier should only be eligible for a loan if the Government of his province has provided a certificate that his military service has been satisfactory and (vi) that he is in fixed employment for three months prior to the date of his application, or produced satisfactory evidence that he has fixed employment to go to (vii) The maximum amount of any loan to be limited to an amount not exceeding 5% of the applicant's income at the date of granting the loan. Two further schemes were considered, but the Committee decided to make no recommendation in connection therewith.