

of houses increases. Up to the close of the past financial year, 14,619 State rental house units had been handed over by the Construction Department, and, adding the other houses which are held for letting, there is now a total of 15,563 State rental tenancies under the Corporation's control. The number of new houses coming forward during the past year has been on a considerably reduced scale owing to the need for utilizing material and labour on defence works, but maintenance of the existing dwellings is engaging the Corporation's field staff to a greater extent than in the early stages of the scheme, particularly as the time has arrived when the first houses erected under the present scheme require repainting. Notwithstanding the difficult labour position, satisfactory progress has already been made with this work, and painting contracts are being arranged in sizes to suit both small and large firms.

The selection of tenants for the new houses becoming available and for those that are vacated by existing tenants presents greater difficulties under present conditions, as the slow delivery of the new dwellings due to war conditions has caused an accumulation of applications, many of which call for urgent attention. The policy of the allocation committees which deal with these applications in the various centres is to give priority to those applicants whose need is the greatest, subject, however, to the applicants of earlier date being given first consideration, provided their circumstances justify this. During the past year it was decided by the Government that special consideration should be given to the applications of ex-servicemen discharged after their return from overseas, and it was agreed that 25 per cent. of all the houses becoming available should be reserved for men in this class. To date 573 houses have been allocated to ex-servicemen, and there are on hand a further 619 applications from families eligible for preference under this special arrangement. In view of the increasing number of this class of applicant, the Government has again reviewed the matter, and it has been decided that the percentage reserved for them should be increased to 50 per cent. It has also been decided that as the housing of ex-servicemen is a matter over which the Rehabilitation Board should have some jurisdiction, the selection of tenants in this class should be placed under the general control of the Rehabilitation Board. The management of the tenancies will, of course, continue with the Corporation.

Applications from civilians which have not yet been satisfied now number 23,630. As soon as staff conditions become normal it is proposed to re-investigate the unsatisfied applications, when it will no doubt be discovered that owing to changes in circumstances a percentage of them will have lapsed.

Balance-sheet and Accounts.—The Revenue Accounts are presented in the usual form, which enables the result of the various sections of the Housing Act to be readily ascertained. It will be observed that the rented properties (new) represent the greatest portion of the capital invested, and the result of the year's trading in that section is a profit of £6,256. Under each section provision has been made for the various cost items, some of which—*e.g.*, maintenance and insurance—are calculated on the estimated annual accruing cost. This has been done with a view to stabilizing the expenditure over the life of the various assets. The combined Profit and Loss Account results in a net profit of £15,972. With the approval of the Minister of Finance a residue of interest charges amounting to £113,346, which accumulated over the period from 1919 to 1942 in respect of loan-moneys provided for housing schemes inaugurated prior to 1935, has now been written off. The inability of the Housing Account to meet the full interest accruing on these loan-moneys has arisen from the fact that the net revenue derived from the relative assets has been insufficient to cover the annual charge at the rate fixed. This has now been adjusted. The credit balance carried forward in the Profit and Loss Account is £17,933.

The following statistical information is submitted in accordance with section 35 of the Housing Act, 1919:—

(1) Amount expended for the year ended 31st March, 1943, on—	
(a) Erection of dwellings, including administration and supervision	£ 1,001,047
(b) Acquisition of land and preparation of same for dwellings	489,738
(2) (a) Payments received during the year	1,243,269
(b) Amount of arrears outstanding at the end of the year	46,308

A. D. PARK, Chairman of Directors.

T. N. SMALLWOOD, Deputy Chairman of Directors.

B. C. ASHWIN

D. BARNES

R. G. MACMORRAN

} Directors.