

1920.

NEW ZEALAND.

HOUSING ACT, 1919

(STATEMENT OF THE HOUSING SUPERINTENDENT RELATING TO THE).

Presented to both Houses of the General Assembly pursuant to Section 35 of the Housing Act, 1919.

IN pursuance of section 35 of the Housing Act, 1919, I have the honour to present the following statement of the Housing Superintendent relating to the operations of the Act during the year ended 31st March, 1920.

W. H. HERRIES,
Minister of Labour.

PROVISIONS OF THE HOUSING ACT, 1919.

During the period under review the Housing Act, 1919, was passed, the provisions of which are divided into eight parts, as follows:—

Part I, which takes the place of the Workers' Dwellings Act, 1910, is intended primarily to apply to workers with limited income who do not possess sections of their own. Any such person may apply to the Housing Branch of the Department to purchase the necessary land and erect a dwelling, to be disposed of on a deposit of £10 and an agreement to purchase extending over a period not exceeding 30 years in the case of a wooden dwelling (formerly 25½ years), or 36½ years in the case of a brick or concrete dwelling. The rate of interest is 5 per cent., reducible to 4½ per cent. for prompt payment (formerly 5 per cent. in all cases).

There are two conditions to qualify an applicant for a dwelling under this Act: he or she must be a worker whose normal income must not exceed £300 per annum (including the income of the wife or husband, as the case may be), except in the case of a person having more than two dependants (other than wife or husband), when £20 per annum extra is allowed for each dependant in excess of two. The limit of earnings under the former Act of 1910 was £175, which, in view of the increases in wages and cost of living since that year, had become much too low.

It may be interesting to show the estimated total weekly cost of a dwelling erected under the Act. Assuming that the maximum allowed by the Act is expended, the cost would be as follows:—

Concrete House, 36½-year Term. (Statutory Maximum, £850.)

Interest and principal = 6 per cent.; but the diminishing portion that covers interest is reducible by ½ per cent. for prompt payment: the average throughout the whole period is therefore approximately 5¾ per cent.	£	s.	d.
Rates (according to locality) about	5	0	0
Fire insurance (£400 only required at 3s. 4d. per £100)	0	13	4
Maintenance (about)	3	6	8
Total	£57	17	6

Approximately £1 2s. 3d. per week; equals approximately 6¾ per cent.

Wooden House, 30-year Term. (Statutory Maximum, £775.)

Interest and principal approximately 6½ per cent., reducible as above: average, 6¼ per cent.	£	s.	d.
Rates (as above) about	5	0	0
Fire insurance, £650 at 10s. 8d.	3	9	4
Maintenance	6	0	0
Total	£62	18	1

Approximately £1 4s. 3d. per week; equals 8½ per cent.