

Part II: Provision is made for the establishment of special settlements or garden suburbs for public servants. Any incorporated society of officers in the permanent employment of the Crown may apply to the Minister for the approval of a scheme for the formation of such a settlement. The rate of interest is fixed at not exceeding 5 per cent., the maximum period of repayment of loans shall not exceed thirty years, and the amount of loan may be as much as 90 per cent. of the estimated value of the land and improvements. Otherwise the Act does not lay down any conditions upon which such a settlement may be established, leaving such matters to arrangement between the society and the Minister. For example, the scheme may either propose the sale of the dwellings to the members of the society, or it may provide that the settlement shall belong to the society and that the dwellings shall be leased by it to the proposed occupants. The scheme may also include such proposals as may be desired for the general control and development of the settlement. It is understood that inquiries are being made, and that advantage will be taken of these provisions at an early date.

Part III provides that the Governor-General may at any time publish a notice in the *Gazette* that this part of the Act shall apply to any named industry, and thereupon any employer in that industry may apply to the Minister for financial assistance towards the provision of dwellinghouses for any workers permanently employed by him in connection with that industry. If the application is approved an advance may be made by the Minister for the purpose up to 75 per cent. of the value of the security offered, at a rate of interest not exceeding 5 per cent. The meat-freezing, coal-mining, and dairy manufacturing industries have been gazetted. Only four applications have so far been received: one has been granted, one withdrawn, and the remainder are under action.

Under Part IV of the Act a Harbour Board is now empowered to erect dwellings for workers in its employment on any land owned by the Board and not held in trust for any special purpose.

Part V enables local bodies to obtain loans from the State Advances Office for the purpose of housing of workers.

Part VI amends the State Advances Act, bringing the maximum income of a "worker" eligible under that Act from £200 into line with that prescribed by Part I of the Housing Act, and increases the maximum amount of loan from £450 to £750.

By Part VII the war legislation that fixes the maximum rent of dwellinghouses and restricts the right of the landlord to eject a tenant has been further extended by giving a Magistrate power to refuse to make an order of ejectment if he is of opinion that undue hardship would be caused to the tenant if such an order were made.

Finally, Part VIII empowers banking companies to use their funds for the purpose of providing dwellinghouses for their employees.

ADMINISTRATION.

Immediately upon the passing of the Act the administration of Parts I, II, and III was placed in the hands of the Department of Labour, and a conference of the Department's Inspectors was convened. The Act was fully explained, and instructions were given as to the method of administration.

It might be mentioned here that the workers-dwellings system, as instituted by the Acts of 1905 and 1910, was at first of an experimental nature until it was shown whether the building of houses to be sold on the small security of £10 to workers of small earnings could be safely undertaken by the State. It is obvious that such a scheme as this could not be regarded as successful if the instalments could not be promptly collected from week to week, or if any of the dwellings became vacant through being given up by the occupants, who would have little to lose by so doing. Special attention has therefore been given by the Department to this aspect of the question. It is pleasing to be again able to say that, as shown on page 6, there is almost nothing in arrear.

Since it took over the administration of these Acts the Department has endeavoured to establish such an organization as will on the one hand ensure the financial stability of the undertaking, and on the other be capable of coping with any increased demand for the erection of houses as has now set in; so that while in 1915-16, for example, contracts were let and some 200 houses were built, the erection of any multiple of that number—say, 1,000 or more—could be carried out with the same organization, including, of course, the requisite addition to the staff.

In order to cope with the extra work anticipated, and in order that the officers concerned should concentrate on their duties in this connection, it was decided that a separate "Housing Branch" of the Department should be formed. This was accordingly done, and separate offices were provided. An additional Housing Architect with experience of modern house-construction and town-planning was appointed, who has completed a tour of the various towns to acquaint himself with the work in progress and in view, and to inspect the land available. In addition eleven Housing Inspectors with a knowledge of the building trade and of property-values were appointed and stationed in the various districts to deal with the applications as they were received, to advise applicants as to the provisions of the Act, and generally to assist in the administration. These officers were appointed in the usual way by the Public Service Commissioner, and commenced their duties in February and March. Arrangements are now being made for the appointment of a Superintending Overseer to co-ordinate the construction-work of the Department throughout New Zealand. An important part of his duties will be to ascertain from time to time the sources of supply throughout the Dominion of such building-materials as are not readily obtainable in the towns where they are required.

With the establishment of such a branch of the Department it was anticipated that arrangements could be made for the erection of as many dwellings as was desired (having regard to the amount of finance available) by the calling of tenders and the letting of contracts in the usual way. Great difficulty has, however, been experienced in obtaining satisfactory tenders, chiefly on account of the shortage of materials. This difficulty is dealt with later on in this report.