

With regard to the industrial area, I have to report the sale of the whole of the land on the Petone side of the Hutt River at very satisfactory prices. A scheme for the subdivision of the industrial area lying to the south of White's Line has now been prepared, and the Department is in a position to negotiate for the disposal of areas suitable for factory and other sites.

Additional areas have been set aside under the housing scheme, and great strides have been made by the Special Committee in the erection of houses and the settlement of families therein. The 31 acres originally set aside under the housing scheme is now carrying well over one hundred families, and it is a real pleasure to visit this area, which a little over twelve months ago was an unsurveyed old market garden, and see not only the completed occupied homes, but also the garden development made by the occupiers in the short time they have been in possession.

Although it is not yet twelve months since the first residential sections were offered to the general public, I feel safe at this stage, taking into account the keen demand already evidenced, in predicting the ultimate success of the whole scheme.