

(b) Country workers should be assisted to build homes of their own in closely settled country districts in the same way as workers are assisted in towns—viz., a 95-per-cent. advance on a table mortgage, with a limit of £1,250. This would enable a country worker to acquire a suitable area in a closely settled district and build a home on it.

(c) The Lands Department when it acquires properties for settlement purposes in closely settled districts should include in their subdivision a certain number of workers' sections to be balloted for by workers. The successful applicants could then erect homes, obtaining advances from the State Advances Department on table mortgage up to 95 per cent. of security value.

These country workers' homes should be on areas ranging in size from, say, 1 to 10 acres, according to the quality and value of the land and proximity to a town or township.

The idea behind the country worker's home proposal as set out in (b) and (c) should be that the worker should have enough land to carry from, say, one to three cows, and have enough ground for a vegetable-garden, pigs, and poultry. Such a home would provide many of the necessities of life unobtainable from a small town section. Its owner in a settled district would be almost sure of full employment during probably eight months of the year, and if during the winter season he was short of work he could put in his time on his own section, where he could live more cheaply than in a town, and could do work on his own place that would add to its productiveness. The owner of a country worker's home would never be amongst the unemployed.

We understand that the State Advances Department has not looked with favour upon advances on workers' homes situated in the country, on the ground that in the event of any of the houses falling into the hands of the Department they would not be as easily sold as houses situated in a town. The departmental officers are quite right in taking every precaution. Their chief duty is to safeguard from loss the funds under their care. We hardly think, however, that our proposals involve much risk. In any case, the cost of unemployment is a heavy charge on the public funds, and it is worth taking some risk in any direction that promises to reduce unemployment. Prior to the passing of the State Advances Amendment Act, 1923, advances on workers' homes were limited to 75 per cent. of the value of the security. This Act provided for advances up to 95 per cent. of the security value. Many competent men in the financial world thought that the State in doing this was taking a great risk and that losses would be heavy. The view of the Legislature was that the shortage of houses was so acute that some risk was worth taking if it would help the position. Since 1923 there has been a considerable fall in the cost of building, and this fall would tend to depreciate the value of the houses on which advances have been made. Notwithstanding this unfavourable condition, the experience of these 95-per-cent. advances has been, on the whole, satisfactory, and a most useful purpose has been served. We are satisfied that the experience with country workers' homes would also prove satisfactory, and in addition the provision of these homes would help materially to reduce unemployment, and at the same time substantially help farm production.

(NOTE.—Mr. Hunt here wishes to record that he cannot agree to the proposal that advances to farmers for the purpose of erecting workers' cottages should be limited to 75 per cent. of the value of the security. He is of opinion that farmers for the purpose mentioned should have the same limit as workers. He cannot understand why it should be considered that it is in the interests of the State to advance up to 95 per cent. to enable country workers to obtain homes and that it is not in the interests of the State to make a similar advance to a farmer to enable him to house a country worker and at the same time assure him of permanent employment.)

In presenting this report we wish to say that we have not attempted to deal exhaustively with the whole complex problem of unemployment relief, which would require consideration of many other factors. We propose, therefore, to investigate and report, amongst other subjects, on the following:—

- (1) Land-settlement, involving (a) financial aid, (b) cutting up into smaller holdings large farms in first-class districts, (c) settlement of Crown and Native lands, (d) development of lands generally.
- (2) Development of new branches of industry connected with land by providing direct encouragement and assisting to remove difficulties which may be at present retarding development.
- (3) Development of secondary industries by direct encouragement and assisting to remove difficulties which may be at present retarding development.
- (4) Vocational education.
- (5) Immigration.