way, was the first concrete road out of any city in New Zealand. Then the Motor-omnibus Act came along, and the City took over the companies' buses in the anticipation, I suppose, of making a lot of money. The city said the companies were doing well, and they wanted the money. The City Council altered the service, made part of it a feeder service, and part of it ran through the city. They increased the fares approximately 20 per cent., and managed the business in a way which was quite unsatisfactory to the district. In March last their successors abandoned the service and granted a license to the Auckland Omnibus Co. During the period under review certain things happened in the district, and I have tried to tabulate them in some way. I may say that the Auckland Omnibus Co. is giving better service than that of the city and the subsequent Transport Board, but it is seriously handicapped by being debarred from handling traffic within the city boundaries, the natural result being a less frequent service and a 16·6 per cent. increase in fares. This, coupled with the knowledge that under the Act no improvement was possible, resulted in a very definite arrest of settlement in the districts and a transfer of population to the city. In this connection I would refer to the activity in cheap flat buildings in the crowded city areas, where building permits have been fairly constant for the last four years. I have the figures for the years 1925 to 1928—I mean the value of the building permits issued in Auckland and New Lynn—and they are as follows :—

	Auckland (City).	New Lynn.
	£	£
1925	1,244,863	56,695
1926	1,188,049	55,745
1927	1,298,281	42,251
1928	1,148,675	25,207

I have already stated that during the period 1920 to 1925 the increase in population in New Lynn was 83 per cent. I am not sure, but I think there is included in the last amount of the New Lynn building permits the cost of the new post-office. It will be seen that during the period given the drop in New Lynn was equal to about 54·5 per cent., as against 1 per cent. in the City of Auckland.

Mr. Harris.] In the value of new building permits ?—Yes. I have the figures for New Lynn, Henderson, and Glen Eden. In those districts there are 110 empty houses to-day, and that, of course, reflects on the land-values also. I think I am very conservative in saying that there has been a drop in land-values in those districts of 25 per cent. I have taken out some particulars in connection with land-values. In 1926 a man named Davis, holding 4½ acres in the centre of New Lynn, appealed to the Government valuer for a reduction, and was assessed at £1,400 ; in 1927 he appealed again, and was assessed at £1,300 ; in 1928 he again appealed, when the assessment was £1,240 ; and in 1929 he appealed and got a reduction to £940. The total reduction in his case was approximately 33⅓ per cent. Another section, 3¼ acres, on the corner of Great North Road and Linwood Road, was valued in 1926 at £1,395, and it was sold on the 29th August last for £925. Then a complaint was made that the State Advances Department was not treating New Lynn fairly in the matter of advances for building homes. An appeal was made to me, and I put it this way : I said, " The Department is right. I think so much damage has been done to the district by these motor-bus regulations that the valuer is quite right. He realizes that the value is not there, owing to the absence of transport facilities, and it is not safe for him to make advances." In that connection I do not think I can do better than read a letter which I found on my files, written by G. Lawrence Taylor. The letter is as follows :—

" The Chairman, Town Board, New Lynn. " Auckland, 21st March, 1929.

" Dear Sir,—

" It seems to be definitely established that the Advances Department is turning down all applications for Government loans at New Lynn, and this is placing a very severe handicap on the progress of the district. I helped to finance the building of twenty-one homes on Melwynn Estate. Most of the purchasers put in applications for Government loans over a year ago. The first five of the applications were considered by the Loans Board a few weeks ago, and all were refused, no reasons being given. Loans are being granted at Avondale (City) and other suburbs in great numbers, but New Lynn is being left out. Take a concrete example : Mr. Witham, Section II, Great North Road, New Lynn, a very suitable applicant in every way, and house well built—loan refused. Exactly similar houses, built by the same firm, and of identical design and specification, have during the past month had loans granted as follows : Mr. Bryant, Avondale, loan of £850 granted ; Mr. Grant, Chatham Avenue, Mount Albert, loan of £950 granted ; Mr. Asquith, Margaret Avenue, Mount Albert, loan of £900 granted. One would suspect that it is probably want of confidence over transport that is causing the Department to treat New Lynn in this manner, but you can realize what a handicap it is to many of the new people in the district where they have erected homes, depending on the Government loan. Many of these people will have to leave their homes and lose what money they have put in. Surely it would have been fairer for the Loans Board to have granted smaller amounts for similar houses at New Lynn than in suburbs nearer town, and protect their securities in that manner. I should esteem it a favour if you would get the Town Board to send a protest on to the Prime Minister, and I am sure he would do something to relieve the position ; at any rate, he would tender a reason for the injustice. I am afraid it would be no use writing to the Advances Department.

" Yours faithfully,
" G. Lawrence Taylor."