

(4) The determination of rentals and the method of selection of persons to whom dwellings may be disposed of will be at the direction of the Minister of Finance.

(5) The Government will approve all local-body schemes for erecting houses for which loans are to be made out of the Housing Account.

The organization of the Director of Housing Construction has rapidly expanded in order to cope with the great volume of work involved in the construction programme.

5. *Report of Director of Housing Construction.*—The following general report on the operations up to 31st March, 1937, is submitted by the Director of Housing Construction :—

“ *Purchase of Land.*—In the inauguration of a comprehensive housing-scheme the first step to be taken is obviously the purchase of suitable land on which to erect blocks of houses. For the first two schemes it was decided to take over from the Lands and Survey Department substantial areas of suburban land situated at Lower Hutt, Wellington, and at Orakei, Auckland, and to utilize some ninety suburban sections at Miramar, which had been purchased for the housing-schemes inaugurated under the 1919 Act.

“ As soon as it was known that active steps were being taken to commence housing-schemes owners of land in practically every corner of the Dominion offered to sell to the Government and the amount of correspondence resulting from this influx of offers proved most embarrassing to the new organization in its initial stages, and severely hampered its development.

“ It was necessary to obtain detailed reports upon land which it was considered might be suitable, and in this respect the services of the Lands and Survey Department were utilized. By the end of the financial year suitable areas had been inspected and reported upon in approximately forty centres throughout the Dominion, and in about twenty-five cases negotiations were practically completed at the 31st March, 1937. When the recommendations of the Lands Department are received the most favourable areas are invariably inspected by the Town-planning Officer attached to the Housing Construction Branch before the actual purchase is made. All purchases of land have, as a matter of principle, been approved by Cabinet.

“ It is appropriate that reference should be made to the important part played by the respective Commissioners of Crown Lands in the selection of suitable areas and in the subsequent negotiations for their purchase. These officers have proved efficient and helpful.

“ *Erection of Houses.*—Certain cardinal principles were decided upon by the Government in connection with the types of houses to be erected. These may briefly be summarized as follows :—

“ (1) In the initial stages the majority of the houses to be individual units.

“ (2) No two houses in any particular area to be of the same design.

“ (3) Houses as far as practicable to be built of materials produced or manufactured in New Zealand.

“ (4) Quality of construction to be of a high standard, and internal facilities to be modern and complete.

“ The preparation of suitable designs for large scale construction presented special problems. The Government was most anxious that construction operations should be commenced with a minimum of delay, not only because of the acute housing-shortages which were reported simultaneously from all parts of the Dominion, but also because it was realized that the building of homes would absorb a large amount of labour both directly and indirectly. It was decided at an early stage that the