"The very large number of different house designs owned by the Department have been thoroughly overhauled, and only the most economic designs are being retained for general use. Further close studies are being made with the object of introducing greater standardization than in the past without sacrificing to any appreciable extent the variety of design which has so far been such an outstanding characteristic of the schemes carried out by the Department of Housing Construction during the past

Flats.—In several towns the Department has erected a small number of pensioners' flats. These flats are grouped in buildings comprising from four to eight units. In addition, the Department has under construction at Berhampore, Wellington, a large block of flats comprising 50 dwelling

units, ranging in size from two to five rooms with conveniences.

Elimination of Poles.—In all the Department's schemes, particularly in those areas which are being subdivided and developed by the Department, every effort has been made to eliminate unsightly and dangerous poles. In some cases the Department has been successful, with the result that the appearance of the streets is very greatly enhanced.

'Erection of Fences, Sheds, and Garages.—The erection of fences, sheds, and garages is carried out after the tenants have entered into occupation of the houses. This work, in a number of places where the shortage of houses is very acute, has been purposely delayed to ensure that all skilled labour available is mainly devoted in the meantime to the actual construction of new dwellings.

"Planting of Hedges and Trees.—The planting of hedges and trees on occupied sections is carried out at the suitable time, and tenants are encouraged to provide lawns and improve their gardens. It is appropriate to place on record that the majority of tenants throughout the country

have done wonderful work in this respect.

Shortage of Labour and Materials.—The progress of most of the housing contracts throughout the country has been retarded by the shortage of skilled labour, and, to a secondary degree, by the shortage of materials.

'The average number of artisans employed by the contractors per house under construction dropped from 1.88 at the 31st March, 1938, to 1.55 at the 31st March, 1939. It is quite obvious from these figures that the country's resources of skilled building labour are being completely The figures also indicate that any appreciable expansion in house-building can only be achieved by increasing the existing supplies of skilled labour. The position was recognized by the Government, and arrangements were made for the importation of artisans from Australia and Great Britain.

"With regard to the shortage of materials, the main difficulty experienced has been with the supplies of dry timber. If building is to continue at the same rate or a greater rate in the future it is most essential that more timber-drying kilns should be made available throughout the country. Certain steps have been taken with the object of bringing about such an increase.

"Expenditure.—Up to the 31st March, 1939, the total net payments in respect of the purchase of land, provision of services, erection of joineryfactories, erection of houses, and all administration charges amounted to £5,510,503.

"Liabilities and commitments at this date amounted to £2,522,066.

The net expenditure for the year under review was £3,974,107. "Administration Costs.—The total cost of administration of the Department of Housing Construction from its inauguration to the 31st March. 1939, is £163,966, of which sum £103,359 represents the expenditure for the financial year 1938-39.

"It will be seen that the administration charge is a remarkably low one, being 3 per cent. of the Department's net expenditure, excluding administration, since the commencement of operations, and only 2.67 per

cent. for the financial year under review."