

allotted to applicants whose income does not exceed £520 a year, exclusive of overtime earnings, family benefits, and cost-of-living allowances. Among those who are eligible the policy will be, all other factors being equal, to give preference to people in the lower-income groups.

State houses are allocated to ex-servicemen applicants by local Rehabilitation Committees, and to civilian applicants by independent citizen Allocation Committees. In some towns allocations are made jointly by combined committees, and it is the Government's policy to encourage amalgamation of committees as far as possible. Allocation Committees have wide discretionary powers, and their system of making allocations allows for such factors as housing hardship, separation from families, health, and date of application.

Transit Housing

Soon after the war New Zealand, like several other countries, began to build transit houses as interim measure until the building industry could cope with the swollen demand for permanent housing. More than 1,200 transit houses were quickly built in thirty-six towns, meeting some of the most desperate calls for housing. Subsequently New Zealand has completed a record number of permanent houses each year, a quarter being State rental houses, but even this has not overtaken the demand.

Transit houses are justified for the sake of people without other prospects of being housed in a reasonable time, but only if their standard is limited so as not to interfere with the erection of permanent houses. In any case, the difference in materials, labour, time, and costs between permanent and transit housing is too small to warrant the building of temporary houses for any but the most urgent cases.

Transit accommodation, however, is essential to the Government's assisted immigration scheme. The Government must arrange suitable temporary accommodation for assisted immigrant families not otherwise provided for, and this accommodation is being planned.

This year's Housing Construction estimates provided for 200 transit units in the four main cities, but only 50 may be completed before 31st March, 1951. The Labour and Employment estimates provided £172,000 for accommodation for single persons, mainly in workers' camps, miners' hostels, Maori youth hostels, and dental nurses' hostels. Another £144,000 was set aside for immigrants' housing, for both married and single quarters, but there may be unavoidable delays in construction.

Rural Housing

While the shortage of housing in urban areas is a major national problem, the associated problem of building houses in rural districts is in some respects a more difficult and important one.

In the towns the demand for housing is mainly a continuing one and is easily assessed. In the country, however, it is difficult to assess the continuing nature of the demand; contractors are harder to secure and costs are higher.

Present assistance sponsored by the Government for rural housing includes :

(a) *Loans to Individual Farmers Through the State Advances Corporation.*—These are made on economic farms within the usual lending limits. In special cases loan finance is also offered on a separate building section, provided collateral security is given over the farm from which the section has been separated.

(b) *Loans to Farmers Through County Councils.*—The State Advances Corporation advances finance at 3 per cent. to County Councils, which re-lend to farmers at 3½ per cent. Although this is an excellent way to help farmers wishing to build houses for themselves or their employees, only one-third of the County Councils have taken advantage of the scheme. To encourage fuller use of the scheme, the Government recently increased the loan limit for each house to £2,000, and extended the maximum repayment term from twenty-five to thirty-five years.