

APPENDIX B.

YEARLY STATEMENT BY THE RIGHT HON. THE MINISTER OF LABOUR PURSUANT TO SECTION 18 OF THE WORKERS' DWELLINGS ACT, 1910.

In pursuance of section 18 of the Workers' Dwellings Act, 1910, I have the honour to present the following statement of the Superintendent of Workers' Dwellings relating to the operations of the Act during the year ended 31st March, 1919.

W. F. MASSEY,
Minister of Labour.

The number of workers' dwellings erected and purchased during the year was only fourteen, the high cost of materials and scarcity of labour making it impossible to accept tenders for the erection of a larger number. The number of dwellings provided under the Act to the 31st March was 654, while three others were in course of erection on that date, making a total of 657. Now that the war is over it is hoped that this branch of the Department will be enabled to resume its activities, and immediately erect a large number of dwellings to meet the great demand that has set in.

The limit placed by the Act in defining a "worker" as one whose earnings do not exceed £175 per annum has also had the effect of greatly restricting the number of applicants, as there are now few workers whose earnings do not exceed that amount. It is suggested that an amendment be approved by Parliament during the coming session raising the limit to £225, with an extra £20 for each dependant over two in number and under sixteen years of age, but with a maximum of £305. In support of this amendment it is urged that workers with several children should receive extra encouragement in obtaining houses. The alteration would permit of the following scale being adopted:—

	Earnings not to exceed
Married man, wife, and two children or other dependants under sixteen years of age ..	£225
Married man, wife, and three children or other dependants under sixteen years of age ..	£245
Married man, wife, and four children or other dependants under sixteen years of age ..	£265
Married man, wife, and five children or other dependants under sixteen years of age ..	£285
Married man, wife, and six or more children or other dependants under sixteen years of age	£305

In response to the great demand throughout the Dominion, preparations have already been made for the erection of 200 dwellings in various parts of the Dominion at the earliest opportunity, and if the requisite labour is forthcoming and the tenders are not too high the question of erecting additional dwellings can no doubt be considered.

Some idea of the probable requirements of the Dominion in regard to the number of houses that will be needed each year may be gathered from the fact that in 1916 out of a total of 238,066 dwelling-houses in the Dominion 108,916 were occupied by tenants. It is estimated that at an average life of forty years for wooden houses 2,723 new dwellinghouses will be required by tenants per annum to replace those needing demolition. It is also estimated that about 250,000 male workers of the Dominion over twenty-one years of age earn less than £250, and it may be assumed that most of them are unable to provide their own homes. Of the four-, five-, and six-roomed dwellings, which number 162,942, it is estimated that, assuming that these houses have respectively not more than three bedrooms in four-roomed dwellings, and four bedrooms each in five- and six-roomed dwellings, there were 5,134 cases where the bedrooms were each occupied by three or more persons.

It is worthy of note that the Department has been able to provide homes for its applicants at a cost which is as much as £150 less than is usual in the ordinary market. This amount is made up of the reduced cost of the section, cost of erection, and legal and administration expenses (including architect's services).

Our occupants have an additional advantage in that the rate of interest charged by private builders and speculators would be about 6 per cent., against 5 per cent. charged by the Department. The Department's experts anticipate further that by erecting the dwellings in much larger numbers, of two or three standard designs, the cost could be further reduced to a considerable extent. Monotony of appearance can be avoided by building only two or three on any one site, and by varying their front exteriors slightly. It is therefore believed that even if the cost of building in the open market should fall to the extent of £150 during the next two years, which seems unlikely, the Government would run no great risk in proceeding now at the present prices. Moreover, in two years' time the Department's occupant-purchasers will have paid £43 or more off the principal. In this connection an interesting suggestion is made by the British Housing Financial Assistance Committee of the Ministry of Reconstruction in reporting on its investigation of the housing question in England, where the difficulty is much more acute than in New Zealand. This Committee urges, in answer to the statement that the cost of building will probably fall during the next two or three years, that the need for houses is so urgent that the provision of them should nevertheless be proceeded with, and that