

THE SHORTAGE OF HOUSES.

A calculation as to the shortage of houses was then made. The Board of Health, of which Mr. W. Ferguson was Chairman, is reported to have stated in August, 1919, that the requirements to make up the shortage of houses in the Dominion was 20,000 houses. I find that the Board's report has been somewhat misconstrued, and have therefore had the data carefully examined, and submit the following estimate of the actual shortage:—

Based on the Board of Health's standard of $1\frac{1}{2}$ persons per room, the table below sets forth the estimated shortage in 1916 (census year), 1919, and 1922 (the years dealt with in their report):—

(1)	(2)	(3)	(4)	(5)	(6)
	Houses.	Estimated as being built.	Estimated Demolitions and Fires.	Net Replace- ment.	
(a.) October, 1916 ..	Shortage of houses ..	4,100	-4,100 (shortage).
(b.) During 1917-18-19	Requirements for the increase in population (including return of soldiers)	8,100	7,800	3,000	4,800
	Totals ..	12,200			-7,400
(c.) During 1920-21-22	Estimated requirements for in- crease in population	6,550	14,000	4,000	10,000
(d.) Gross totals	18,750*	21,800	7,000	14,800
					-3,950 (shortage in 1922).

* This is not far short of the 20,000 mentioned in the Board of Health's report.

Explanation of Table.

Column 2, (a). 4,100 houses is computed on the Board of Health's basis that there should not be more than $1\frac{1}{2}$ persons in a room, or, $7\frac{1}{2}$ persons to a five-roomed house. The 1916 census showed this number of houses where there were more than that number of occupants.

Column 2, (b). 8,100 is the actual computation of the Government Statistician's Office.

Column 2, (c). 6,550 is arrived at first from the normal increase during the pre-war period and then adding 2,000 extra immigrants requiring houses.

Column 3, (b). 7,800 is arrived at from the actual number of houses built in the sixteen principal towns of the Dominion and calculating the rest of the Dominion at slightly less than the same rate (according to population).

Column 3, (c). 14,000 is computed by taking the pre-war rate of building of houses for three years and adding 25 per cent. We also find from returns received from boroughs and town districts that during the past six months the actual number of new houses commenced is about 2,400. If this rate of building is continued for the rest of the three years (1920, 1921, and 1922) the total would be 14,400 new dwellings.

Column 4, (b) and (c). After consultation with the Chief Fire Inspector and the State Fire Department we estimate 3,000 and 4,000 for fires and other demolitions. This is considered to be well on the safe side, being probably more than the actual number.

Columns 5 and 6 are merely the results obtained from columns 2, 3, and 4.

I might mention that in making the calculation of 20,000 houses the Board of Health's report estimated that that number would be required not at the time of the report, but at the end of three years—namely, by August, 1922—which period, it was estimated, should be allowed to carry out any extensive building programme. Moreover, the report itself stated that the estimate made no allowance for the houses that had actually been built from the last census in 1916 till August, 1919, nor for the estimated number that would be built from the latter date until August, 1922. My estimate, made on the same basis, shows a present shortage of 7,400 houses—column 6, (b)—but that with the estimated building operations that will be carried on by private enterprise, and allowing for the estimated increase of population, including increased immigration—see line (c)—the shortage at the end of 1922 will be reduced to 3,950—see column 6, (d).

If, therefore, arrangements can be made under the Housing Act—namely, by the Department's Housing Branch, by local bodies, by employers (under Part III), and by Harbour Boards (under Part IV)—for the building of, say, 1,300 houses per annum, the shortage should be largely overcome at the end of 1922. Page 5 of this report shows the number that this Department alone should have under way in a few weeks' time.

The number of applications received up to the 30th June, 1920, was 1,044. In view of the small amount of deposit—viz., £10—careful inquiry has been necessary in each case to ascertain whether the applicant is eligible for a dwelling according to his earnings, and whether he is of good character and likely to carry out the financial and other obligations of a purchaser of a dwelling.

DIFFICULTIES EXPERIENCED IN CARRYING OUT BUILDING OPERATIONS.

I have already called your attention to the difficulty of our erecting workers' dwellings within the present statutory maxima of £775 for wooden houses and £850 for concrete and brick houses, each including sections. It is suggested that, as the earnings of workers generally have increased by 50 to 90 per cent., and as the maximum cost of a worker's dwelling was increased in the new Act by only 13 per cent. (namely, from £750 to £850), a further increase might be made to £900 in the case of a wooden dwelling, and £1,000 in the case of a brick or concrete dwelling. It is possible that the present cost of erecting dwellings may decline, but as the need for houses is so urgent some risk on this account must, I presume, be taken. If the dwellings are of good design and in a suitable locality the risk is to some extent minimized. Moreover, the maximum amount could no doubt be reduced again if thought necessary. In this connection I would repeat what was stated last year—that this Department has been able to provide dwellings for amounts up to £150 less than is usual in the ordinary market, owing to the saving effected in the cost of land, erection, in legal and administration expenses, and to the fact that no profits are charged. For this reason, and also because our purchasers would have paid some-