

The following is an analysis of the dwellings expenditure :—

—	1929.	Per Dwelling.	1928.	Per Dwelling.	Variation.	Variation per Dwelling.
	£	£ s. d.	£	£ s. d.	£	£ s. d.
Maintenance ..	54,670	16 4 11	56,543	17 14 5	—1,873	—1 9 6
Depreciation ..	33,612	9 19 10	30,918	9 13 9	+2,694	+0 6 1
Interest ..	77,380	22 19 11	70,742	22 3 5	+6,638	+0 16 6
Insurance ..	4,411	1 6 2	4,060	1 5 5	+ 351	+0 0 9
	170,073	50 10 10	162,263	50 17 0	+7,810	—0 6 2

The decrease in maintenance is due to heavy expenditure incurred last year, renovating houses taken over from the Architectural Branch and built five years previously. The increase of £9,683 for depreciation, interest, and insurance is due to increased capitalization.

It is hardly to be expected that our housing will be a source of revenue to the Department, but it does seem that the cost to the Department in the way of the loss on the housing of the staff has grown to a magnitude that calls for serious consideration. There are also anomalies in connection with the charging of rents, more especially as between the more recently erected houses and those of the older type, and these anomalies give rise to some dissatisfaction among the various members of the staff. I propose to give consideration to this matter during the coming year, with a view to seeing whether something cannot be done to meet the position without imposing any undue burden on the staff who occupy departmental dwellings.

During the year 50 houses were cut at the Frankton Junction House-factory, 91 which had been cut the previous year were on hand on the 1st April, 1928, and 96 were under erection (incomplete) on the 1st April, 1928, making a total of 237.

For the Department 177 houses were erected during the year, for the Hutt Valley Housing Committee 27, and for the Public Works Department 16, making a total of 220.

The number of houses in course of erection and incomplete at the 31st March, 1929, was—Departmental, 12; non-departmental, nil: total, 12. Since the inauguration of the housing scheme the total number of houses erected is—Departmental, 1,277; non-departmental, 314: total, 1,591.

A number of hot and cold water services have been provided, and electric light and sewerage installed where available.

The house-factory and sawmill adjacent thereto at Frankton Junction, which were established in 1923 for the primary purpose of enabling houses to be constructed for the staff, have, with the completion of the housing programme, been closed. As much of the machinery as can be made economical use of is being transferred to the workshops, and the Realization Account in respect of the factory and sawmill is being credited with the value thereof. Some machinery that cannot be transferred to the workshops will still remain and will require to be realized upon to the best advantage. Similar considerations apply also to the land and buildings.

It seems inevitable that there will be a debit to be disposed of when the accounts of the factory and sawmill are finally wound up, and this will principally fall on the Housing Branch. This will make the debit on account of our housing operations as above set out rather greater than appears at present.

LAND BRANCH.

The number of leases registered during the year was 536, the aggregate annual rental of these amounting to £4,584 16s. 11d. The total number of leases current on the 31st March, 1929, was 6,910, the total annual rental being £54,348 6s.

The total fees for preparation of deeds, dealing with documents, and for supplying advices to the Valuation Department was £780 16s.

The number of Proclamations, Orders in Council, notifications, and other documents issued taking and giving up land was 47. The number of transactions purchasing land by certificate of title was 23, the compensation paid for the land acquired totalling £40,999 5s.

During the year the work of reviewing our leases of railway land has been carried on, and in a great number of cases improved leases have been arranged under the legislation that was passed in this connection in 1928. This has given lessees a better tenure of the lands and has enabled them to use the land to better advantage. The change undoubtedly will work to the benefit both of the Department and of its tenants.

An investigation into the use of lands that are lying idle has also been carried on during the year, and, where possible, the lands have been let. It is fully realized that even when it is necessary to let lands at a very low rental it is better to have them in occupation than lying idle. We are experiencing some difficulty in this connection, however, owing to the state of the law in regard to rating. Many of our lands, by reason of their being in boroughs, become liable for rates that render them an uneconomical proposition to prospective tenants. We find ourselves in many cases unable to give a tenancy that would warrant the use of the land for building purposes, and the amount of the rates renders them unprofitable for farming purposes. Within the limits, however, of the difficulties we encounter in the various places we are aiming to have all railway lands made some use of.