

Increased  
pensions.

In effecting a more equitable distribution of the national income, the legitimate claims of those who have contributed to the Dominion's wealth in the past have not been overlooked. I refer to the old-age and war pensioners, and in these cases, together with those of widows' and other forms of pension, the "cuts" were restored, and in some cases further increases were given and conditions of eligibility made more generous. The additional cost has been well worth while, and, as in the case of wages increases, has had an important influence in increasing the demand for primary and secondary products.

At this point it cannot be too strongly emphasized that increased production of the commodities and services that will be in demand from the increased wages and salaries is essential to a permanent improvement in standards of living.

### HOUSING.

Housing  
survey.

A more just distribution of the national income is linked up with the provision of adequate housing facilities. The problem of slums does not arise to the same extent as in the older countries, nevertheless the problem of proper housing standards in New Zealand has assumed major importance.

As honourable members are aware, a national housing survey is at present in progress, but the results will not be available for some months. Apart from this information, it is obvious that for some time past an acute shortage of suitable housing-accommodation has prevailed in the Dominion.

Building operations have suffered a particularly severe setback during the past twenty years. The general improvement in economic conditions during the past year, together with an increase in the marriage-rate, has intensified the demand to such an extent that the Government felt fully justified in proceeding as quickly as possible with the erection of houses throughout the Dominion. The problem had assumed such pressing importance that the method of relying on private enterprise was considered inadequate to meet the situation, and it became necessary for the Government to act promptly.

Housing  
Department.  
Construction

Accordingly, under the provisions of the Housing Act, 1919, and the State Advances Corporation Act, 1936, a Housing Construction Department was set up under the immediate direct control of the Parliamentary Under-Secretary to the Minister of Finance. With commendable promptitude the Department, in addition to utilizing land already owned by the Government, purchased suitable areas in different centres of population, and within a comparatively short time contracts for the erection of houses had been let. By purchasing areas of this description for subdivision and arranging contracts on a large scale the Government have been enabled to effect substantial savings in capital costs. In order to ensure that the houses should measure up to a high standard both practically and aesthetically, the following principles are being adhered to:—

- (a) In the initial stages the majority of the houses are to be individual units.
- (b) No two houses in any particular area are to be of the same design.
- (c) As far as practicable materials are to be produced or manufactured in New Zealand.
- (d) The quality of construction is to be of a high standard, and the internal facilities are to be modern and complete.

These houses are not intended for sale, as investigations have shown that the housing shortage is being experienced most acutely by those who for various reasons are unable or unwilling to finance the purchase of a property. Every encouragement is being given to local authorities to undertake similar housing-schemes, and for this purpose money has been made available at an interest-rate of 3 per cent. per annum.

Contracts for  
erection of  
houses.

Up to the 15th September last the Housing Construction Department had let contracts in twenty-six different towns in the Dominion for 1,118 houses. In anticipation of the early completion of 385 houses in the Wellington District, a ballot was taken, and arrangements have been made for the tenants to enter into possession in the very near future. Houses will shortly be available in the Auckland, Wanganui, Palmerston North, Christchurch, Dunedin, and Invercargill Districts, to be followed by further houses in other centres as completed.