

## Outline of Proposed Message

*7  
Autatone*

1. The long-continued lag of housing construction behind the general economic recovery since 1933 is one of the most urgent problems that business and government have in common.
2. The sudden downturn of housing construction in April of this year, when a steady rise through summer had been widely anticipated, was one of the major factors precipitating the current business recession.
3. The President has consulted with men both within and outside the government who have given much practical thought to the broad economic aspects of housing, and has sought their assistance in devising an integrated and comprehensive program.
4. The program is designed to give the utmost encouragement to private enterprise in the entire field of housing construction, and to facilitate construction financing and mortgage financing through all types of lending institutions and investors.
5. The program provides mechanisms that will make it practicable for private enterprise to produce housing on a large scale at prices and rents within the reach of the mass of the people.
6. The real success of the program will depend upon the cooperation of industry and labor in producing housing at costs that are within the means of the consumer to pay.
7. The sudden unseasonal downturn in construction last April was the direct result of the rapid increase in building wages and material prices between the preceding September and March.
8. The goal that both industry and labor have to aim at is sustained large-scale production that will, as the direct result of lowering costs to the consumer, give a larger volume of employment and income to labor and a larger volume of output and income to industry.
9. The practical means of accomplishing this is, on the part of industry, a readjustment of those building material prices that are still being maintained at unduly high levels--some have already been appreciably lowered--and, on the part of labor, a willingness to establish a "wholesale" rate of pay where employment is adequately assured on a long-term rather than an hourly or weekly basis.
10. The President will undertake shortly a series of conferences with representatives of industry, labor, and finance with a view to establishing mutual understandings that will give the housing program a vigorous impetus, not only for the benefit of the building industry and its workers, but in the interest of the national economy as a whole.