

**FEDERAL HOUSING ADMINISTRATION**  
**WASHINGTON, D. C.**

May 23, 1938

Residential Construction

The Bureau of Labor Statistics residential building permits figures for April indicate an increase of 10.8 per cent over March of this year but a decrease of around 32 per cent from April 1937. The attached chart shows the extent to which April of last year represented the peak in residential construction with a drop of almost 30 per cent in the following month. Applications for insurance in our field offices are averaging as high in the first three weeks of May this year as the peak weeks in April, and the percentage of these each week representing homes to be constructed is still around 53 per cent.

Employment in the residential construction field as indicated by the Bureau of Labor Statistics series showed an increase in April of 5.8 per cent over March and a decrease of approximately 25 per cent from April 1937.

Many business series are showing slight upward trends in May as compared with April, and our own series on mortgage insurance do not indicate that the seasonal spring peak in building this year is in a declining phase.