

NOTES ON BUILDING MATERIALS SUPPLIES

Housing
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Statements have appeared in the press and trade journals recently, indicating that the current demand for building materials is pressing hard upon available supplies. The National Association of Real Estate Boards reported in a survey of some 300 cities that "New construction is using up building materials as fast as present factory capacity can produce them." Specific materials reported in short supply in from one-half to two-thirds of the cities were cast iron soil pipe, hardwood flooring, plumbing equipment, rock lath, mineral wall board, and mill-work.

Further indication of the pressure of demand for building materials on supply is given by the Plumbing and Heating Industries Bureau, spokesman for the combined industries, which revealed that although production of plumbing equipment this year will probably be the highest on record, demand is continuing so strong that supplies are still inadequate.

Local building materials dealers in the Washington area report that nails, rock lath, lumber, brick, mortar, and cement are the items in shortest supply. The local shortages of cement and lumber reflect not only strong demands of the construction industry but also the freight car shortage.

The building material shortage has revived the "black or 'premium' market." A local dealer has reported receiving offers of several thousand kegs of nails at from \$12 to \$15 a keg when

the "legitimate market price" was \$8.95 a keg. Lumber prices have risen to new high levels with dealers willing to pay premium prices for quick delivery. As one West Coast lumerman reported, "Prices are determined these days by adding something to the last rumored price of a competitor. Buyers seem to be willing to pay any price." This felling is reflected, for example, in the price of two by fours at West Coast mills, now selling for \$72.50 per thousand board feet, double the last OPA ceiling price and compared with \$40 last May and \$60 in August.