

# COST OF BUILDING MATERIALS HAS INCREASED AS AMERICA SHOWS AN INCREASE

**WAGES HAVE RISEN WITH EVERY BOOST; UNION SCALES HOLD**

Efficiency of Building Trades Labor Improves In Some Quarters.

**PRICE CUT SCOUTED**

Eighteen Months at Present Level Is Forecast By Experts.

There are three general divisions of the cost of finished buildings:

1. Material cost.
2. Building trades wages.
3. Efficiency of building trades labor.

Since March of this year, building materials cost has been increasing. The March index figure of the United States Department of Labor is 155, referred to the average of the year 1913 as 100. In April the index rose to 156; May, 160; June, 167; and the July figure was 170. This makes a fifteen-point rise since March. The primary reason for this increase has been the demand brought about by the large volume of building which always accompanies an upward swing in the business cycle. A secondary cause for this increase in material cost has been the coal strike. Brick and steel, and in fact every other building material dependent upon coal in manufacturing, have been raised very considerably over the figures that would have obtained if the coal miners had been at work since last April.

With the very great increase in building during the last six months, wages in the building trades have stiffened where not fixed by definite agreement with the unions. Where union agreements are observed, a number of new schedules have been made, or are pending, which will raise the current hourly rates.

The efficiency of building trades labor improved in the estimation of some authorities 100 per cent between the spring of 1929 and last winter. In the face of the very large demand for building trades labor which now exists, a certain slackening in morale is sure to result, and a lessening of efficiency may well be expected.

It can be, therefore, clearly seen that the first two elements of construction costs are increasing, and the third element, that of efficiency, is not going to tend to lower costs for the present.

The general public has schooled itself during the last two years to go without a great many necessities in anticipation of lower prices to come. This so-called "buyers' strike" has incalculable general attitude of thrift. This has always been the case during periods of business depression. Although many owners are thoroughly aware of their need for new buildings, they are still trying to get along with what they have in anticipation of lower building costs next year. As shown in the foregoing paragraph, however, the tendency is for costs to rise rather than fall during the next year.

There are three general fluctua-

**New York Rents Set Pace in U. S.**

Housings in New York cost more in September than at any time since December, 1914, according to statistics of the United States Department of Labor, as printed in the bulletin of the Building Managers' and Owners' Association of New York. They show that the scale of prices for housing was 54.2 per cent above the normal scale of 1914. Cost of housing prevailing in December, 1914, was 4.5 per cent above normal. A year later the scale had increased to 23.4 per cent above 1914, in December, 1920, it was 38.1 per cent; December, 1921, it was 53.7 per cent; March, 1922, 54.5 per cent; June, 1922, 55.7 per cent, and September, 56.2 per cent. The aggregate cost of living for September, however, was lower than it had been for several years.

**ASSINIBOIA HOME COMBINES BEAUTY AND DURABILITY**

Initial Cost Reduced by Low Expense of Upkeep.

While prettiness and coziness, combined with a good plan, are all necessary to a successful and comfortable house, thoughtful people are beginning to see that in addition to having good looks a house should have qualities which make it economical in upkeep and a good investment for the family savings.

Too many people have made bad bargains in the past simply because they were carried away and "sold" on the appearance of some of the minor non-essentials of a house. "Give them something fancy in fixtures and decorations and they won't look too closely at the real construction" is the thought that guides too many who build houses to sell, even yet.

To buy such a house is like buying a suit of clothes for the buttons alone. While artistic furnishings are necessary and desirable, the real essentials of home construction should not be lost sight of.

"What are the foundations and walls built of?" should be the first question. The size of floor joists and rafters should be the next, for scant floor joists mean a floor with excessive vibration.

"Is the house properly freestopped so that fire can only spread slowly?" is another vital question. Most of these questions, it will be observed, apply to parts of the house that do not come under notice of a casual observer. Even when the house is apparently built of brick, the buyer should be cautioned that sometimes a thin shell of brick is built outside of and attached to walls of non-permanent construction, and a house so built has the appearance of a real brick house but is not substantial.

The Assiniboia type of home is not only charming, but is designed for a really permanent economical home. Even though the contract price for its construction might be a few hundred dollars more than if built of less permanent material than brick, it will cost its owner less by the time his title is clear, for it is evident that upkeep cost until the house is entirely paid for is really part of the original cost.

**BUILDER OF CONGRESSIONAL COUNTRY CLUB IS WORKER**

Michael Seretto Came to America as Laborer Twenty-two Years Ago.

A contract was awarded Michael Seretto recently for the erection of the new Congressional Country Club to be built a few miles from the District of Columbia line.

The club, when completed, is expected to be the final word in modern club structures. In place of the ordinary country club idea, and this is embodied in the golf courses, the tennis courts, hunt club pack and mounts, the large lake well stocked with fish, and other features, the Congressional Club will have a thoroughly city club aspect.

There will be a full-sized gymnasium 50 by 100 feet square, exercise rooms in addition, a regulation swimming pool, four bowling alleys, a billiard and pool room, cardrooms and 1,500 lockers separated for men and women.

The club dining room will accommodate 400, the grill will take care of 300, while the banquet room will provide for 150.

Overlooks Potomac Valley.

There will be a main clubroom with an inclosed porch and promenade and a balcony commanding a view of the course, the lake, and surrounding country. The club will take care of 2,000 persons for entertainment.

A terrace, 240 feet long and 45 feet wide, looks over one part of the course.

There will be fifty bedrooms and bathrooms, a woman's lounge, the Presidential suite, as well as complete cardrooms. In addition to the quarters for members and guests will be complete servants' quarters, bedrooms, kitchen and dining room, a laundry, and servants' lockers.

Work on the structure will be completed as rapidly as possible.

The estate upon which the new clubhouse is being constructed is situated upon a high plateau, commanding a sweeping panorama of the Potomac. Three perfect roads approach the club from Washington, via the Conduit road, the River road, and the Rockville road. Encircling the property will be fine approaches.

**Biography of Seretto.**

A brief outline of Seretto's life is interesting and well worth reading. Born in Italy in 1881; came to this country when he was 18; started work as a day laborer; while working at day studied at night. We can imagine from his present position and accomplishments what everlasting perseverance will do. He began attending night school upon his arrival in this country; then took a course at the Burdette Business College, and then attended the Northeastern College from which he graduated with high honors, receiving LL. D. and Bachelor of Laws.

Seretto performed the first construction of the Cape Cod Canal; built the Mohawk Trail for the State of Massachusetts, also 500 miles of road for steam and electric roads in New England. Built 100 miles of State highways throughout New England and also millions of dollars of general construction in the past fifteen years for navy, army, and U. S. Treasury. Also State highway of Massachusetts and Maine. Seretto has under contract for 1922 about \$4,000,000 of business.

He employs about 2,000 men and

**BANKER DECLARES TAXES OF NATION MUST BE SLICED**

Bailey Says People Are Tired of Carrying Heavy Burdens.

"It is all right to render unto Caesar the things which are Caesar's, but Caesar is now taking more than his right," said Frank Bailey, vice president of Title Guarantee and Trust Company, recently speaking of increasing Federal and municipal taxation.

"It would be astounding if it were not portentous to hear the universal cry of the people for relief," he explained. "As some one has tersely put it, the government has taken half of the property of the rich and left it with the owners to manage in behalf of the government. The principle demonstrated by the Soviet administration of Russia, that capitalism is necessary for civilization, as it now exists, seems not yet to have permeated the public mind in its entirety.

"Our government faces a deficit of \$550,000,000, and instead of reducing expenses is groping for more taxes. Is all this money well spent? Taxpayers are asking this and demanding where is the burden to end. Must a citizen work for the State entirely, reserving enough only for a living for himself and family? If capital cannot be increased in the hands of the individual, then the advancement of the world is going to be retarded and civilization, as we have known it, will go 'boio.' Perhaps the new civilization will be better than ours; those who are living in Russia do not think so.

"In any event, even to the unthoughtful, it is extremely important for rising governmental expenditures to stop and stop quick. This is the cry of the citizens of every land. People, some time or other, will be tired of being sacrificed for votes."

**U. S. FIRE LOSSES EXCEED QUARTER OF NEW BUILDING**

More Than Half Billion Annually Goes Up In Flames.

Fire losses in the United States in 1931 were more than \$500,000,000.

Fire loss adjustments made by insurance companies in the United States and Canada during the past fourteen years amounted to \$3,616,782,800. The average yearly loss was \$24,625,200. The loss for 1929 was \$230,823,925.

Losses from fire in the United States average \$3 per capita per year. France has a per capita loss of 49 cents; Great Britain, 33 cents; Germany, 28 cents; and Holland, 11 cents.

During the past fourteen-year period our fire losses were 23.1 per cent of the value of new building construction. In 1929, although an abnormal amount of building was done, the fire losses were 25.5 per cent of the value of new buildings.

Startling as these losses are, they do not tell the whole story. They represent only the actual insurance adjustments made. They do not take into account losses by the fact that buildings are seldom insured for more than 50 per cent of their full value, nor do they include losses not covered by insurance. The insurance adjustments made probably do not exceed 10 per cent of actual fire losses, including both insured and uninsured.—National Real Estate Journal.

**MUNICIPAL HOMES IN BUENOS AIRES**

The municipal council of Buenos Aires has sanctioned a project for constructing 10,000 dwelling houses for employees and workmen.

The Compania de Construcciones Modernas is to undertake the construction of these houses at the rate of 1,000 a year as a minimum. This should be of interest to American manufacturers of builders' hardware, says Consul General Robertson, Buenos Aires.

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**Advertising is the voice of American business. Don't close your ears to it.**

**LUMBER ORDERS SHOW INCREASE**

Production and Shipments Decline Slightly During Week of Nov. 4.

On the face of the reports from the regional lumber manufacturing associations, says the National Lumber Manufacturers' Association, lumber declined substantially during the week ending November 4. Shipments also declined, but new business increased slightly. However, as only 394 mills reported, as compared with the revised number of 416 for the preceding week, it is not likely that there was a significant if any decline in the volume of production and shipments. The increase in orders is, however, emphasized by the fewer reporting mills.

New business is again in excess of its volume at this time last year. Shipments are substantially less and production much greater. It is a guaranty of trade stability and a sane market that the steady production despite discouraging shipping facilities has now brought the cost of production for the year almost to the total business booked during the year. Production is well above the average for November in recent years. Shipments are 74 per cent and orders 82 per cent of production for all eight reporting associations. For the five of them, with 284 mills reporting, that have a normal production figure established for the week—it being 231,739,723 feet—production was 98 per cent the past week, shipments 71 per cent and orders 79 per cent of normal production.

Comparisons between regions have been somewhat distorted of late because of the fact that the West Coast Lumbermen's Association had added about twenty-five or thirty mills to its list of those that report weekly. This is partly accountable for the increased volume of business shown by that association, though the access of the most of its mills to water transportation has been an important factor of late, as about one-third of West Coast business moves by water.

**U. S. Paint Sales Break Records**

More paint and varnish were used in the United States in 1932 than in any previous year, according to estimates made by the Save the Surface campaign, the co-operative organization of the paint and varnish industry, which has its headquarters in Philadelphia.

While figures for the year are still incomplete, information received from individual manufacturers indicates that practically all of them will show greater sales tonnage than ever before.

Figures as nearly official as possible will be presented to the trade at the paint congress to be held in Atlantic City November 13 to 17, which will be the most important gathering that the trade has yet held. Two hotels, the Ambassador and the Ritz Carlton, will be required to accommodate the delegates. It is expected that more than 1,000 persons will assemble in Atlantic City for the deliberations of the congress, and they will represent every phase of the paint manufacturing and distributing industries.

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