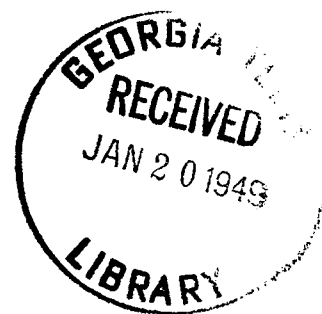


Georgia School of Technology  
STATE ENGINEERING EXPERIMENT STATION  
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The economic growth of the Atlanta Metropolitan area is being slowly strangled by a lack of housing more serious than exists in any other metropolitan area, with the possible exception of Memphis. This is the opinion of Joseph B. Hosmer, industrial economist at the Georgia Tech Experiment Station, released by Dr. Gerald A. Rosselot, director of the Experiment Station, in a statement summarizing an analysis of recent census estimates.

The estimated population of Metropolitan Atlanta as of April, 1947, is placed by the census at 498,109. The proportion of population over 14 years of age in the labor force is 61 per cent--the highest ratio reported except 63 for Washington, D. C., where a smaller proportion of children and a higher proportion of unmarried distort the ratio. If the Atlanta labor force ratio had been 58 per cent (a more typical figure) the total population would have been increased by about 25,787 to provide the estimated labor force of 234,151 in

April. This would have meant a population total of about 523,896--fairly close to the level anticipated by most recent estimates of expected growth.

The "strangling" effect, which prevented these 25 thousand coming to Atlanta, Mr. Hosmer points out, results from a combination of two causes: (1) a high demand for workers, and (2) a low rate of increase in the number of housing units resulting from the relative inefficiency of construction employment, and is emphasized by four other figures: (1) the highest figure for doubling up, (2) one of the lowest percentages of households with "0.5 or less persons per room" and one of the highest percentages for "over 1.5 persons per room," (3) the second highest per cent of persons over 14 years in the labor force, coupled with a low unemployment rate, and (4) a rate of population increase which is below the average for both, Southern Metropolitan areas and all Metropolitan areas.

Mr. Hosmer's conclusion is based on the following comparisons dug out of estimates of population, labor force and housing as of April, 1947, just issued by the Census for 34 Metropolitan areas. The comparisons are with the 1940 census.

There is more doubling up in Metropolitan Atlanta than in any other area except Memphis. In April, 1947, 15% of the married couples in both cities were without homes of their own and, in consequence, were living in some other household. In 1940 these two cities each had only 9% of all married couples who were forced to share living quarters. Tables which Mr. Hosmer prepared show that for most Metropolitan areas the per cent of married couples sharing in another household ranges down to 5 with 10 per cent as the median figure, while in 1940, when Atlanta and Memphis had 9 per cent the median figure was 6 per cent. In 1947 only 26 per cent of Atlanta households had 0.5 persons or less

per room, while 10 per cent had more than 1.5 persons per room. The Atlanta figure of 26 per cent was the same as San Antonio, and they only exceeded New Orleans (25%), Birmingham (24%), and Memphis (20%). At the other end of the scale, New Orleans likewise had 10 per cent of households with over 1.5 persons per room and Atlanta and New Orleans were exceeded by Birmingham (13%), Memphis (15%), and San Antonio (16%).

The figures for the persons per room underline the same point. These comparisons are indicative of extreme crowding, Mr. Hosmer points out, since in eight of the Metropolitan areas studied, Allentown-Bethlehem; Lowell - Lawrence-Haverhill; Columbus, Ohio; Rochester; Philadelphia; Toledo; Scranton-Wilkes-Barre; and Portland, Oregon, forty per cent or more of the families are in households where there is 0.5 or less persons per room. The highest figure is for Allentown-Bethlehem, 45 per cent. Other Metropolitan areas with per cents above Atlanta's 26 are: Akron, San Francisco and Worcester 39, Seattle 38, Los Angeles 37, New Haven, Youngstown and Baltimore 35, Denver and Detroit 34, Tulsa 33, Dallas 32, Minneapolis-St. Paul 31, Norfolk-Newport News 30, Pittsburgh and Washington 28, and St. Louis and Salt Lake City 27.

Among the 34 Metropolitan areas the per cent of the labor force in the construction industry ranges from 4 per cent to 8 per cent. The typical figure is 5 per cent. For the Atlanta area the per cent in the construction industry is 6, but the per cent increase in housing units is only 15, a figure which appears low since the nine other Metropolitan areas with 6 per cent of their labor force in construction had increases of from 13% to 23%.

The detailed figures for comparison of the per cent of labor force in the construction industry and the per cent of increase in housing units follows; the parenthetical figures are the increase in housing units in April, 1947, over the 1940 census.

Construction labor force 4 per cent: Akron (24%), Chicago (0%), Detroit (24%), Pittsburgh (11%), Rochester (14%), Scranton-Wilkes-Barre (0%), Worcester (0%), Youngstown (8%), New York (8%).

Construction labor force 5 per cent: Allentown-Bethlehem (10%), Birmingham (27%), Columbus (0%), Denver (27%), Minneapolis-St. Paul (10%), New Haven (15%), Norfolk-Newport News (61%), St. Louis (15%), Toledo (12%), Washington, D. C. (40%).

Construction labor force 6 per cent: Atlanta (15%), Baltimore (26%), Boston (13%), Memphis (22%), New Orleans (15%), Philadelphia (21%), Seattle (23%), Salt Lake City (22%), Tulsa (17%).

Construction labor force 7 per cent: Portland, Oregon (32%), San Antonio (35%), San Francisco (37%).

Construction labor force 8 per cent: Dallas (30%), Los Angeles (28%).

Obviously, numerous other factors enter into these comparisons the principal one being illustrated by Norfolk-Newport News where a 61 per cent increase in housing occurs in the face of a 5 per cent labor force. It would seem clear in such a case that the labor which built the housing was either otherwise engaged in 1947, or was no longer employed in the area.

The "inefficiency" of the construction labor force, Mr. Hosmer points out, probably results from several related causes such as the material scarcities which developed during the war, and the deterioration of quality in materials, particularly lumber, all of which have resulted in delays which consumed labor without producing finished housing. All of these causes have compounded in

increased costs for inferior construction which greatly exceed the increases which are to be expected from the indexes of material and labor costs.

The blame for the excessive and continued housing shortage in Atlanta, Mr. Hosmer adds, cannot be placed completely on any one group, all concerned probably have a share.

The remedies are neither obvious nor easy, Mr. Hosmer thinks. Costs for new construction remain out of line both with the general picture and with the index of building costs. Building codes reflect outmoded methods of construction and probably make some otherwise acceptable methods of cutting costs difficult to apply. Financing of sales has improved over the past quarter century, but appears to be currently more difficult for small contractors. Then small contractors appear to be "carpenter minded" and as a result have limited knowledge of masonry construction which currently has an easier material situation and suprisingly sometimes costs less. Part of the answer may be found in the consolidation of groups of small contractors, part in the simplification of sales methods and part in open-minded planning by material dealers, contractors and real estate operators with a willingness to recognize that some of the basic patterns have altered. Ten years ago, for example, the quick formula for the monthly rental value of an unfurnished detached house was one per cent of the value, today rentals show much more variation. They appear to range from one-half to three-quarters of one per cent. The lower level of interest rates appears to be the controlling factor in this situation which on the whole has tended over six years with rising sales prices to move rental property into the sales market.

To achieve a balanced housing condition would require the addition of sufficient new housing units to accomodate at least half of the 19,000 married

couples who were sharing a dwelling unit with others, plus other units for the slightly over seven thousand families who represent the 25,787 population increase which appears to be missing. This makes a theoretical need of about 16,500 housing units whose lack is limiting Atlanta's natural growth.

Table I

Per Cent Changes in Population, Housing and  
Labor Force for Metropolitan Areas,  
April 1947 over 1940

Metropolitan Area	Per Cent Gain in Population	Increase in Employed	Increase in Dwelling Units	Married Couples Sharing Housing With Others, Per Cent of Total	
				1947	1940
Akron, Ohio	21	59	24	10	6
Allentown-Bethlehem, Pa.	4	20	10	13	7
Atlanta, Georgia	13	28	15	15	9
Baltimore, Maryland	25	35	26	13	7
Birmingham, Alabama	23	43	27	13	8
Boston, Mass.	8	24	13	8	5
Chicago, Illinois	3	22	n.c.	11	6
Columbus, Ohio	18	38	22	10	7
Dallas, Texas	25	35	30	10	7
Denver, Colorado	23	49	27	7	4
Detroit, Michigan	18	36	24	10	7
Los Angeles, California	35	51	28	8	4
Lowell-Lawrence-Haverhill	4	30	11	10	5
Memphis, Tennessee	21	34	22	15	9
Minneapolis-St. Paul	10	30	10	9	3
New Haven, Conn.	14	29	15	9	4
New Orleans, Louisiana	11	26	15	13	8
New York-NE New Jersey	9	26	8	11	6
Norfolk-Portsm.-Newp. News	43	46	61	10	6
Philadelphia, Pa.	16	38	21	12	7
Pittsburgh, Pa.	5	32	11	10	5
Portland, Oregon	31	47	32	6	3
Rochester, New York	13	39	14	10	5
St. Louis, Missouri	16	33	15	9	5
Salt Lake City, Utah	20	46	22	7	4
San Antonio, Texas	31	56	35	11	6
San Francisco-Oakland	39	59	37	6	2
Scranton-Wilkes-Barre	-15	15	n.c.	12	8
Seattle, Washington	33	43	23	5	2
Toledo, Ohio	12	42	12	10	6
Tulsa, Oklahoma	13	25	17	7	n.a.
Washington, D. C.	33		40	14	10
Worcester, Mass.	1	23	n.c.	11	4
Youngstown, Ohio	2	33	8	13	8

Source: Current Population Reports, Bureau of the Census, April, 1947, Population Characteristics, Labor Force, and Housing.

n.c. - No change.

n.a. - Not available.

Table II

Occupancy of Dwellings and Number of Households  
for Metropolitan Areas

City	All Ordinary Occupied Dwelling Units 1947	Per Cent Oc- cupied by Stated Persons per Room			Total Private Households	
		0.50 or less 1947	0.51 to 1.50 1947	1.51 or more 1947	1947	1940
Akron, Ohio	118,400	39	58	2	118,474	95,460
Allentown-Bethlehem	92,411	45	53	2	92,442	82,900
Atlanta, Georgia	136,899	26	64	10	137,186	119,640
Baltimore, Maryland	354,526	35	61	3	354,732	273,780
Birmingham, Alabama	135,356	24	63	13	135,432	107,000
Boston, Mass.	710,550	38	60	2	710,550	606,300
Chicago, Illinois	1,334,025	37	60	3	1,334,025	1,246,620
Columbus, Ohio	123,697	43	54	3	123,902	99,860
Dallas, Texas	144,276	32	60	8	144,716	108,920
Denver, Colorado	145,508	34	61	4	148,412	114,880
Detroit, Michigan	750,182	34	63	3	753,797	598,100
Los Angeles, California	1,236,000	37	58	4	1,242,750	928,180
Lowell-Lawrence-Haverhill	98,487	44	55	1	98,487	88,360
Memphis, Tennessee	111,383	20	65	15	111,662	92,420
Minneapolis-St. Paul	286,741	31	64	4	287,378	260,620
New Haven, Conn.	97,340	35	63	2	97,340	82,940
New Orleans, Louisiana	167,440	25	65	10	167,664	146,400
New York, NE New Jersey	3,600,891	29	68	3	3,601,854	3,181,460
Norfolk, Portsm.-Newp.News	133,292	30	65	5	133,433	82,860
Philadelphia, Pa.	939,057	42	56	2	939,930	764,080
Pittsburgh, Pa.	556,645	28	67	5	557,134	505,780
Portland, Oregon	179,478	40	55	4	181,012	135,380
Rochester, New York	133,414	43	56	1	133,414	114,960
St. Louis, Missouri	461,846	27	66	8	462,616	384,360
Salt Lake City, Utah	68,061	27	67	6	68,166	55,200
San Antonio, Texas	112,778	26	58	16	113,118	84,240
San Francisco-Oakland	646,875	39	58	3	650,187	459,860
Scranton-Wilkes-Barre	145,324	42	57	1	145,324	148,000
Seattle, Washington	194,370	38	60	3	194,898	154,040
Toledo, Ohio	108,664	42	55	3	108,766	94,840
Tulsa, Oklahoma	64,848	33	60	7	64,974	n. a.
Washington, D. C.	343,440	28	67	6	345,030	237,660
Worcester, Mass.	80,852	39	59	1	80,881	78,620
Youngstown, Ohio	99,355	35	62	3	99,355	91,720

Source: Current Population Reports, Bureau of the Census, April, 1947, Housing, Table 2; and Population Characteristics, Table 9



Table III

Per Cent of Labor Force in Industry  
Types for 1947 and 1940

Metropolitan Areas	Construction		Manufacturing		Transportation, Communication, Other		Utilities		Wholesale and Retail Trade		Service Industries		All Other Industries		Industry Not Reported
	1947	1940	1947	1940	1947	1940	1947	1940	1947	1940	1947	1940	1947	1940	
Akron, Ohio	4	3	56	49	6	6	16	17	15	19	4	4	—	1	
Allentown-Bethlehem	5	4	53	52	7	6	15	15	15	17	5	5	—	1	
Atlanta, Georgia	6	6	17	19	11	10	25	22	30	35	9	6	1	1	
Baltimore, Maryland	6	5	32	32	10	10	21	19	24	25	7	7	—	2	
Birmingham, Alabama	5	4	28	27	9	8	20	18	26	28	11	13	—	1	
Boston, Mass.	6	5	32	28	9	8	23	22	23	29	7	7	—	2	
Chicago, Illinois	4	4	40	35	11	10	20	22	20	24	5	4	1	1	
Columbus, Ohio	5	5	28	24	11	11	21	22	24	28	10	9	1	2	
Dallas, Texas	8	7	18	17	10	9	27	26	30	35	7	6	—	1	
Denver, Colorado	5	6	18	15	12	11	26	26	28	31	11	9	1	2	
Detroit, Michigan	4	4	50	48	7	6	18	17	16	20	4	4	—	1	
Los Angeles, California	8	6	26	20	7	7	22	24	29	32	8	10	—	1	
Lowell-Lawrence-Haverhill	4	3	54	53	6	5	15	15	17	18	5	5	—	1	
Memphis, Tennessee	6	6	20	19	10	10	26	24	29	32	8	7	1	1	
Minneapolis-St. Paul	5	5	29	22	11	10	25	26	24	29	6	7	1	1	
New Haven, Conn.	5	5	43	39	10	8	18	18	19	23	4	5	—	2	
New Orleans, Louisiana	6	6	18	18	16	14	25	23	27	32	7	6	1	1	
New York-NE New Jersey	4	5	34	25	10	9	20	20	26	32	5	5	—	3	
Norfolk-Portsmouth-Newsp. News	5	5	20	26	12	13	22	18	23	26	17	11	—	1	
Philadelphia, Penna.	6	5	37	37	9	7	19	19	22	25	7	5	1	2	
Pittsburgh, Penna.	4	4	40	36	10	8	18	18	19	21	9	12	—	1	
Portland, Oregon	7	6	21	19	12	11	26	26	25	28	8	8	1	2	

Table III - Per Cent of Labor Force in Industry Types for 1947 and 1940 - con't.

Metropolitan Area	Construction		Manufacturing		Transportation, Communication, Other		Public Utilities		Wholesale and Retail Trade		Service Industries		All Other Industries		Industry Not Reported	
	1947	1940	1947	1940	1947	1940	1947	1940	1947	1940	1947	1940	1947	1940	1947	1940
Rochester, New York	4	4	52	42	6	6	18	18	17	17	22	22	4	5	—	2
St. Louis, Missouri	5	5	37	33	11	9	19	21	21	21	25	25	6	5	—	1
Salt Lake City, Utah	6	6	13	15	13	13	26	25	26	26	26	26	14	13	—	2
San Antonio, Texas	7	7	12	12	9	7	26	28	29	29	35	35	18	10	—	1
San Francisco-Oakland	7	6	20	21	12	11	24	23	27	30	30	30	10	7	1	2
Scranton-Wilkes-Barre	4	3	25	17	9	8	17	18	19	20	28	28	25	3	—	2
Seattle, Washington	6	6	21	20	11	11	26	26	27	27	28	28	9	8	—	1
Toledo, Ohio	5	4	44	36	10	10	19	21	17	17	23	23	5	5	1	1
Tulsa, Oklahoma	6	6	18	17	11	8	26	24	26	24	31	31	12	14	1	1
Washington, D. C.	5	*	8	*	8	*	19	*	26	*	26	*	32	*	1	*
Worcester, Mass.	4	4	47	46	7	5	17	16	20	16	21	21	5	5	—	3
Youngstown, Ohio	4	3	53	51	7	6	17	17	16	17	18	18	3	4	—	1

Source: Current Population Reports, Bureau of the Census, April 1947, Labor Force Characteristics, Table 4.

\* Information not yet received.

Table IV

	Percent of Population over 14 yrs. in Labor Force				Percent of Labor Force Unemployed					
	April 1947		March 1940		April 1947		March 1940			
	Total Male	Female	Total Male	Female	Total Male	Female	Total Male	Female		
Washington, D. C.	63	84	45	60	81	42	4	9	10	9
Atlanta, Georgia	61	85	41	58	81	39	3	12	12	12
Rochester, New York	61	84	40	54	78	32	3	14	15	11
Memphis, Tennessee	60	86	38	58	84	35	5	6	14	13
Chicago, Illinois	59	84	35	56	82	32	3	14	15	13
Dallas, Texas	59	85	36	58	83	37	3	2	12	12
Lowell-Lawrence-Haverhill	59	81	40	56	76	36	3	19	20	16
New York-NE New Jersey	59	84	36	56	81	33	7	6	17	15
San Francisco-Oakland	59	85	36	54	78	30	5	5	13	13
Baltimore, Maryland	58	85	35	55	80	31	5	6	10	9
Detroit, Michigan	58	87	30	56	84	27	5	6	14	15
Philadelphia, Penna.	58	84	35	55	80	31	7	5	18	17
Toledo, Ohio	58	84	32	53	80	28	2	2	19	16
Akron, Ohio	57	86	30	52	80	25	2	2	19	17
Allentown-Bethlehem	57	85	30	54	80	28	3	2	13	10
Minneapolis-St. Paul	57	82	35	54	78	32	2	2	16	13
New Haven, Conn.	57	83	34	56	80	33	3	3	13	11
Portland, Oregon	57	82	34	54	79	29	6	6	15	13
Seattle, Washington	57	81	33	54	78	29	6	5	14	11
St. Louis, Missouri	57	83	34	55	82	30	4	4	15	13
Denver, Colorado	56	81	33	51	76	29	3	3	15	12
Tulsa, Oklahoma	56	82	32	54	80	30	4	3	13	13
Worcester, Mass.	56	80	34	52	76	29	4	3	15	14
Birmingham, Alabama	55	84	30	53	81	28	4	5	16	17
Boston, Mass.	55	81	33	53	77	31	6	4	17	14
Columbus, Ohio	55	79	33	51	75	29	3	3	13	11
Los Angeles, California	55	80	32	52	77	28	6	5	14	13
New Orleans, Louisiana	55	82	32	55	81	32	6	6	19	17
Norfolk-Portsm.-Newp.News	55	85	30	54	80	29	5	6	10	9
Salt Lake City, Utah	55	81	30	49	76	23	3	3	14	11
Youngstown, Ohio	55	83	27	52	80	23	3	3	20	21
Pittsburgh, Penna.	53	82	26	51	78	23	5	4	20	20
San Antonio, Texas	53	81	30	51	77	28	5	6	18	16
Scranton-Wilkes-Barre	51	79	27	52	78	26	10	12	32	29

Source: Current Population Reports, Bureau of the Census, April 1947, Labor Force Characteristics of Metropolitan Districts—Summer Report. Table 2.