



Planning for Permanence: the Speeches of J.C. Nichols
[Western Historical Manuscript Collection-Kansas City](#)

Statement Accompanying Code of Fair Competition
for The Association of Home Builders in Kansas City, Missouri
Washington, D.C. 1933

1. The Association of Home Builders of Kansas City, Missouri, represents approximately 90% of all those engaged in the erection of homes in Kansas City and immediately adjacent residential areas. The employees of the members of this Association constitute a large percent of all the men engaged in the building industry in the territory above described.

2. There has been a constant decline in this region since 1925 in home building activities, as follows. Practically every builder in this Association has been operating at a large and increasing loss. Many of them have been forced into bankruptcy or forced out of the building industry. During the past two or three years all members of this Association have been compelled to greatly reduce their operations. A large number of them have courageously endeavored to carry on some work simply to give their old employees some employment, and in almost every case, it has been at a loss to the builder. However, since early Spring of this year, there has been a slight improvement in the number of new homes being erected until the past month when the erection of new homes in Kansas City and adjacent territory has almost completely ceased. This cessation of the building of homes has thrown a great many men out of work and it is our fear that upon the completion of the new home building jobs now under way, the number of unemployed in the home building industry in Kansas City will be greatly increased. This situation multiplied throughout the United States in the home building industry may increase the unemployed by some two to three million men. We estimate that the members of our Association in normal times give employment to many thousand men. This number of course, is greatly increased by the number of men given employment in the construction of new streets and other utilities made possible as a result of home building activities.

3. During normal times, numbers of this Association have been able to give practically continuous employment to their employees throughout the year. The climate in Kansas City being such that it is possible by carefully timing the beginning of the erection of homes to provide a large amount of inside work even during the coldest months of January and February. In fact it is frequently possible to carry on outside work during even these months. Most members of our Association have a large number of employees who have been with them continuously for twenty years or more with little loss of time. In comparison with the construction of large office or factory buildings, when the work of the various crafts is completed, they are unemployed until other large building jobs are available, the members of our Association having a number of homes

under construction at various stages of completion, are able to make it possible to move the various crafts from one job to another without loss of time.

4. It is estimated that at least 90% of the homes built in this region in the past two years have been financed with both first and second mortgages. During the last four years, it has been increasingly difficult to obtain first mortgages and at this time very little money is available for this purpose and there is no market at all for second mortgage paper. The lending companies have in many instances taken large losses on first mortgage loans placed on a very conservative basis during the high cost period and, we believe, will be hesitant to again enter the market for first mortgage loans on any basis helpful to home builders, after any considerable increased costs in home building. The few homes that have been erected during this year have been largely financed by the builders themselves or by an occasional owner who is in position to pay all cash.

5. The members of our Association are finding it impossible to procure new building contracts without giving an outside guaranteed cost to their clients. The erection of a home being a long time operation, we are confronted with the possibility of constant and rapid increase in building costs, thereby making it impractical to erect homes for sale as well as impossible to procure said building contracts.

6. During the past 4 years there has been a constant increase in the number of homes lost under foreclosure and at the present time the number of distress sales are greater than ever before. A very large number of these homes are being offered today at a price far below that of reproduction cost. This makes it extremely difficult and hazardous for a builder to procure a building contract or to proceed to erect a new home for sale in competition with this class of used houses.

7. Many of the new homes now under construction by the members of our Association are being built at the earnest request of their employees, who have voluntarily offered to work for a scale of wages considerably below that suggested in the following code, it being their desire to co-operate with the builder in an effort to procure an opportunity of employment. The relations existing between the members of the Association and their employees are most cordial and co-operative, both having the confidence of one another and are mutually desirous of working together to increase employment which is the intention at the National Industrial Recovery Act, rather than decrease employment.

8. The scale of wages that is now being paid to both skilled and unskilled laborers in the above described region for the last two years is much less than that suggested in the following code. It is the earnest desire of our Association to co-operate in every possible way to carry out the purposes of the National Industrial Recovery Act in the increasing of employment and reducing the number of unemployed men. It is our unanimous opinion that if the minimum scale suggested in the following code is increased at this time, it will simply further increase the number of unemployed in our region and greatly curtail the market for building materials and prevent the good purpose of the National Industrial Recovery Act. It will be our purpose to reasonably increase the minimum scale of wages provided in the following code as rapidly as may be justified by new activities in the home building industry. Many of our members are carrying large tracts of vacant land completely improved with street improvements and utilities upon

which we are most desirous of being able to erect homes. Many of us have architectural plans prepared and accepted by the clients for the erection of homes under building contracts, provided we are able to give an assurance of a reasonable cost for such construction at the present time. We realize that many building material companies have been selling their products at below the cost of production and that much labor has been employed at less than reasonable wage. It is our desire to co-operate in every possible way to bring about a fair and gradual increase in building material prices and wages of the employees in the home building industry. We earnestly hope, however, that the transition from the low cost of building materials and wages will in our industry, be so gradual as to not nullify the very purposes of the National Industrial Recovery Act and bring about a large amount of unemployment in the home building industry in the United States.

The J.C. Nichols Company Records (KC106) – Speech JCN021

Arguably Jesse Clyde Nichols (1880-1950) was the single most influential individual to the development of metropolitan Kansas City. Moreover his work, ideas, and philosophy of city planning and development had far-reaching impact nationally – so much so that the Urban Land Institute has established the J.C. Nichols Prize for Visionary Urban Development to recognize a person or a person representing an institution whose career demonstrates a commitment to the highest standards of responsible development.

Nichols' objective was to “develop whole residential neighborhoods that would attract an element of people who desired a better way of life, a nicer place to live and would be willing to work in order to keep it better.” The Company under Nichols and his son, Miller Nichols (1911-), undertook such ventures as rental housing, industrial parks, hotels, and shopping centers. Perhaps the most widely recognized Nichols Company developments are the Country Club District and the Country Club Plaza Shopping Center, reportedly the first shopping area in the United States planned to serve those arriving by automobile rather than trolley car.

The J.C. Nichols Company Records (KC106) contains both personal and business files concerning J.C. Nichols' private and business life. Included are personal correspondence, family related material, and speeches and articles written by him. Business and financial files pertain to actions of the Company, including information about different developments and the securing of art objects; and printed materials produced by and about the Company.