

Added to the previous shortfalls in the volume of new housing built within the reach of moderate- and low-income families, this deficiency has resulted in a far-reaching imbalance in America's economic development.

Consider this performance against these basic facts of urban life confronting us today:

Our population is growing by about 2½ million or more per year. And each year, hundreds of thousands of people move off the farms and out of the rural areas, seeking homes and jobs in the cities.

From a largely rural country of fewer than 36 million people less than 100 years ago, America is now a nation of 194½ million. In the past 20 years since the end of World War II, the population grew by 55 million.

Approximately 70 percent of all Americans now live in 212 metropolitan areas that occupy less than 10 percent of the surface of the country. By 1985, only 20 years from now, the population is expected to reach 250 million, and about 80 percent will live in metropolitan areas.

The rapid growth of our increasingly urban population has been developing great pressures on available facilities. The cities have exploded into unplanned metropolitan areas with water shortages, air and water pollution, and inadequate mass transit, as well as shortages of schools, health-care facilities, recreational areas, and cultural facilities.

The central cities have increasingly become slum ghettos and decaying areas with concentrated populations of the poor, the elderly, and minority groups. At the same time, the spread of sprawling suburbs and highways is gobbling up millions of acres, with little, if any, planning for metropolitan area-wide needs.

Close to 15 million dwelling units—most of them in urban areas—are still substandard. With an annual residential construction rate of only 1½ million units a year—including the annual construction of merely some 30,000 low-cost public housing units—it is clear that the Nation's housing needs are not being met. Moreover, the continuing rapid growth of our urban population in the next 20 years will require millions of new housing units, supplemented by improved and expanded community facilities and public services.

The immediacy and the urgency of this problem is underscored by the developments that are right upon us. In the fiscal year 1967, starting next July 1, according to a census estimate, basic population factors should increase the rate of household formation by 180,000. This increase alone calls for a corresponding increase in housing starts. A much greater step-up in starts is necessary not only to redress the accumulated deficits of previous years, but also to make possible the rehousing of families living in slums and substandard homes and those doubled up in overcrowded tenements. This relates to the fact that we have had a lag in housing construction, and this has persisted during the past 2 years. Even this last January the 1,700,000 rate is far below the minimum rate of 2½ million housing units a year that we should be building right now. That is the unit we should aim at. And we have a deficit of housing at the moment.

I would like now to turn to the major legislation before you, the Demonstration Cities Act of 1966.