

Housing Costs Skyrocket

RALEIGH - The average North Carolina worker has been priced almost completely out of the market for the average new single-family home, according to N.C. Labor Commissioner John C. Brooks following a review of monthly building permits issued in February by 38 North Carolina cities of more than 10,000 population.

"The average estimated construction cost of single family homes authorized in February was \$37,738, up 22.6 percent from February 1978, when the average cost was \$30,775," said Brooks.

"This information tells us that the cost of becoming the owner of an average new home has simply gotten out of reach of the majority of North Carolina's 2,554,300 workers," said Brooks.

"If the old rule-of-thumb is still working, which says that a family should be able to afford a home that costs to-and-a-half times its annual income, a family would have to earn an annual income of approximately \$20,000 in order to buy an 'average' home in today's market," he added.

Yet the average annual wage of our largest single group of workers, the more than 800,000 factory production employees, is currently less than \$9,500. This situation compels that there be at least two adult wage earners in many North Carolina families seeking to own their own homes," said the labor commissioner.

In other housing-related news, a leading home builder told Congress that

tax exempt mortgage revenue bonds represent the last opportunity for many moderate income families to purchase a home.

Herman J. Smith of Ft. Worth, Tex., vice president of the National Association of Home Builders, testified last week against a proposal to remove the tax exempt status from earnings drawn from the bonds.

Bond financing is one of the steps being promoted in North Carolina to provide for more low and moderate-income housing. The North Carolina Association of Minority Public Officials earlier this year backed such housing bonds. Local officials have also looked at enabling legislation that would allow the city of Winston-Salem to float housing revenue bonds.



Meeting the Press

Black publishers William O. Walker of the Cleveland Call and Post, John I. Procope, New York Amsterdam News; Alfred L. Morris, Philadelphia Tribune; and John H. Sengstacke, Chicago

Defender, met here with RJR Chairman J. Paul Smith and other Reynolds Industries executives to discuss what the South's largest firm is doing for minorities.



Speaker

Earl T. Shinhoster (above) regional director of the NAACP, will be the featured speaker during the Annual Freedom Day Dinner at the local branch of the NAACP Friday, June 8 at the Benton Convention Center. Tickets may be purchased at the NAACP office in the Jetway Shopping Center.

Neal Questions Project

WASHINGTON - Rep. Stephen L. Neal, D-N.C., is considering an attempt to block the U.S. Export-Import Bank's proposed additional financing of the Inga Shaba power project in the Central African nation of Zaire.

The Eximbank has announced plans to boost its Inga-Shaba commitments by \$93 million to a total of \$397.8 million so that the project can be finished.

If the project is not completed, Zaire will not be able to increase its production of copper and cobalt enough to revive the nation's economy, and the Eximbank will have little chance of collecting on its earlier loans, guarantees and insurance.

The Inga-Shaba project, which would transmit power from western Zaire to the Shaba copperbelt in southeastern Zaire, 1,100 miles away, was first scheduled to be completed in 1977, but the new target date is 1982.

It has been delayed by civil war (including the 1978 invasion by rebels from neighboring Angola), by construction problems and by shortages of materials.

Neal, chairman of the House Banking Subcommittee on International Trade, which oversees the Eximbank, raised questions about the Zaire project during subcommittee hearings on the bank's export financing activities. Neal suggested that the Eximbank, which already has committed more than \$300 million to the project, perhaps should "put a stop to this now to cut your potential losses...instead of throwing good money after bad."

The \$93 million in new commitments to Zaire (half direct loans, half guarantees) would finance the purchase of American goods and services for completion of the power line.

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