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by James K. W. Atherton—The Washington Post

President Nixon gestures as Mrs. Nixon looks on during his address to the U.S. Chamber of Commerce.

## Nixon Planning Measures To Boost Housing Industry

By Peter Milius

Washington Post Staff Writer

President Nixon said last night he will announce steps next week to shore up the sagging housing industry, a key to his hope that the economy can snap out of its doldrums in the next several months.

The President also called on the nation's businessmen and labor leaders not to take advantage of the ending of government controls — they expired at midnight last night — to jack up prices and wages.

"On this day a great responsibility is placed on the business community and on the leaders of labor as well," Mr.

Nixon said in a speech last night before an applauding audience of 3,200 at the annual convention here of the U.S. Chamber of Commerce.

The country needs not more controls, "but less," he told his listeners. But he added that if inflation continues strong there will be a demand for renewed controls "in the country and in Congress."

The President made no reference in his speech to Watergate, nor to the House Judiciary Committee's exploration of his possible impeachment.

He dwelt instead on his administration's diplomatic efforts and accomplishments, and on the country's economic



prospects. "Our economy is the envy of the world," he said, and "the prospects of building world peace are good."

He did allow himself to say at one point that "except for the United States" and "its leadership," there is "no chance to build a lasting peace. An America that is strong is essential."

The President gave no indication of what steps he will propose to stimulate the housing industry. Residential construction, about 5 per cent of the Gross National Product, has been at a depressed level for months, and is being further jeopardized by rising interest rates.

The Federal Reserve Board is tightening the money supply and driving up interest rates in an effort to slow down borrowing demand and thus inflation. That policy's side effect is to postpone an upturn in production.

Mr. Nixon was greeted with a prolonged standing ovation when he appeared in the ballroom of the Washington Hilton Hotel. His speech to the friendly audience of businessmen was interrupted a dozen times or more with applause.

The President acknowledged that the economy has lately

been through "a difficult period, much of it energy related, much of it caused by worldwide inflation."

But "the economy basically is strong," he said. He predicted, as the White House has before, "a leveling-out" of the first-quarter downturn in production in the present second quarter, and "an upturn" over the rest of the year.

Beyond that, he said, the country will have "a very good year in 1975, and the best in our history in 1976."

The President ended his

speech with a warning to the businessmen that the country "can be militarily strong and economically strong," yet can "still fail if it is not strong in its character."

The media, he said, as he often has before, "tend to emphasize things that are wrong."

"I have faith in this country, faith in this system," he went on. There is, he said, "nothing wrong with the heart of America."