

New Investments To be spent
and in calendar
Expenditures year 1940
(Millions of dollars)

A. Projects which are in part or in whole self-liquidating:

1. Extension of the United States Housing program	500.00	200	<i>yes</i>
2. Reduction of F.H.A. maximum interest from 5 to 4 percent on houses costing less than \$6000	800.00		
		200	<i>yes</i>
3. Temporary Dwelling Authority for a 4-year private enterprise program involving an appropriation for administration and subsidy costs of \$500,000,000 if the 10 billion dollar program is completed	10,000	2,000	<i>no</i>
4. Expansion of Farm Tenancy Program, self-liquidating portion alone (in addition to present program of 165 million, of which 110 million are self-liquidating)	530	400	<i>yes</i>
5. Loans to farmers and cooperative groups for purposes of soil conservation (terracing, drainage, forest station and prevention of soil erosion) - loans at 1 percent interest amortized over 20 years - (project being explored by the Department of Agriculture)	100	100	<i>no</i>
6. Expansion of rural electrification program. (This program of \$110 million is in addition to the present program of \$40 million)	110	110	<i>yes</i>
7. Rural telephone administration	100	15	<i>no</i>

160 50

8. Non-Federal public works program made possible with the assistance of annual grants in form of half the servicing charges (similar to the present PWA)

1,000

500

yes

9. Non-Federal public works program of self-financing type at low rates of interest (projects not eligible for PWA grants)

10. Federal works program which can be treated as self-liquidating only if service charges are financed by special tax

2,000

500

no

11. Federal toll authority (self-liquidating toll roads, canals, bridge projects)

1,000

~~200~~

yes

12. Extension of short-term and long-term loans for the purpose of promoting foreign trade

500

300

yes

13. Recreation camps and hostels (partly self-liquidating)

200

50

no

14. Railroad equipment program
(a) Loans to railroads by RFC for purchase of equipment

200

50

or

(b) Federal corporation to purchase and lease equipment to the railroads

1,000

500

15. Government acquisition, control and operation of bankrupt railroads (being investigated)

5,000

3,000

no

B. Projects which are not self-liquidating:

16. Rapid expansion of the Food Stamp Plan for distributing surplus commodities to all communities and extension to cover more commodities, including cotton textiles, clothing and dairy projects

150

150

yes

The present appropriation asked for (113 million added to \$90 million otherwise available) will leave \$100 million available for the Food Stamp Plan for the fiscal year 1940. This program asks for \$150 million more. The \$250 million which would then be available for the Food Stamp Plan would take care of the bulk of the eligible persons now receiving some form of public assistance.

17. Expansion on a nation-wide basis of the self-help cooperatives, now successfully operated in Washington, D. C., Richmond and many Eastern States. (Appropriation covers expenditures for fiscal years 1940 and 1941)

200

100 *no*

18. Farm tenancy program involving direct relief to the extremely low income groups and medical and dental care for these families, and camps for migratory farm laborers

150

150

Total

23,040

6,625

The above program of expenditures and investments totals roughly \$25 billion and covers from one to four years of operation, depending upon the item.

Of this \$25 billion program, about \$8 billion can be expended during the calendar year 1940.

These sums are not all employment-creating expenditures. Of the \$8 billion additional expenditures called for under this program for 1940, from \$4 to \$5 billion would be expended directly or indirectly on additional employment. That would mean an absorption of from two to three million unemployed and, both direct and indirect, from four to six million persons during 1940.

We believe that this program, if adopted in its entirety, would assure an increase in the National Income of \$10 billion during the calendar year 1940.

HDW:HG:mh
6/13/39