

APR 13 1936

THE WORKS PROGRAM

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--Works Progress Administration--

For release in Afternoon Newspapers  
of Monday, April 13, 1936.

### Hopkins Makes Public Works Program Progress Report

A detailed accounting of the manner in which the Federal Government has discharged its obligation to care for 3,500,000 of its unemployed and destitute citizens is contained in a report made public today by Works Progress Administrator Harry L. Hopkins.

The report covers the operations of each of the forty-four governmental bureaus and divisions operating in whole or in part under the Emergency Relief Appropriation Act of 1935, the combined activities of which in providing jobs for the unemployed compose the Works Program. The report generally embraces the period through December, 1935, although some items are carried to March 1, 1936.

While principal emphasis is placed on the Works Progress Administration, since it provided approximately 80 percent of the jobs, separate sections of the report are devoted to the Public Works Administration, Emergency Conservation Work, the Resettlement Administration, and the Bureau of Public Roads. The remaining agencies cooperating under the Works Program are treated in a single chapter.

The basis of the relief policy to which the Government has com-

mitted itself is stated in the opening paragraph of a summary which precedes the report proper. It reads, in part, as follows:

"The program is based on the concept that aid to the destitute unemployed should be given in the form of useful work instead of relief grants. Work provided under the program has taken the place of Federal grants for direct relief to a large part of the destitute unemployed who are able to work. \* \* \* \*

"Relief requirements arising from unemployment are primarily nation-wide in scope. Because the causes of unemployment are not of local origin or within the bounds of local control, and because state and local financial resources are not geared to meet the needs arising from large scale industrial unemployment, Federal assumption of responsibility for aid to the employable destitute becomes imperative. \* \* \*"

Total employment under the Works Program as of February 29 is shown to be 3,853,000. The 3,039,000 employed by the WPA represent approximately 80 percent of the whole, while another 12 percent, or about 459,000 persons, were in Emergency Conservation Work (CCC), and the remaining 8 percent, or 355,000 workers, were employed on projects under the supervision of other Federal agencies. The report states that the February 29 figures probably represents the peak of employment under the program, since seasonal work in agriculture, construction, and other industries are expected to take a large number of workers from the rolls.

An intensive study of the occupational characteristics of the people on relief in March, 1935, has served as a guide in the setting up of projects adapted to the skills and abilities of the people to be employed. A chart contained in the report compares these characteristics with those of the total population of gainful workers as determined by the census of 1930. Thus, 79.5 percent of the people on relief are manual workers as compared with 58 percent of the people as a whole. White collar workers constitute 11.2 percent of the people on relief and 30.3 percent of the total worker population. Farmers are 9.3 percent

in the former group and 11.7 percent in the latter.

"In addition to the employable persons with previous work experience," the report states, "a large number of inexperienced but employable persons are found on the relief rolls. This inexperienced group which makes up about a sixth of the total employable persons on relief is composed predominantly of young persons between 16 and 25 years of age who have reached working age during the depression but have never found employment. The remainder of the employable persons with no work experience are women--largely housewives forced upon the labor market by economic necessity."

The financial aspects of the Works Program cannot be determined by consideration of the \$4,880,000,000 Emergency Relief Appropriation of 1935 alone, the report says, adding:

"It is estimated that \$250,000,000 will be contributed by local sponsors of projects conducted by the WPA, and a like amount by local sponsors of PWA projects. Further, PWA will provide almost \$150,000,000 from prior appropriations as loans to assist in financing its projects. It is evident that funds provided by the Act will be augmented by an additional two-thirds of a billion dollars from local sources and from previous appropriations \* \* \*"

As of December 31, 1935, allocations under the Act (Federal monies only) stood as follows:

<u>Department of Agriculture</u>	
Bureau of Public Roads.....\$	500,000,000
Other.....	75,399,043
<u>Department of Commerce</u> .....	10,452,944
<u>Department of Interior</u>	
Puerto Rico Administration.....	35,487,920
Reclamation.....	84,150,000
Other.....	6,432,337
<u>Department of Labor</u> .....	9,334,605
<u>Navy Department</u> .....	17,554,625
<u>Treasury Department</u> .....	51,241,066
<u>War Department</u> .....	146,634,754
<u>Civilian Conservation Corp.</u> .....	523,479,450
<u>Public Works Administration</u>	
Housing.....	102,739,050
Non-Federal.....	343,669,712
<u>Resettlement Administration</u> .....	181,070,000
<u>Rural Electrification Administration</u> .....	11,536,517
<u>Veterans Administration</u> .....	1,269,120
<u>Works Progress Administration</u> .....	1,162,688,914
<u>Employees Compensation Commission</u> .....	28,000,000
<u>Federal Emergency Relief Administration</u> .....	935,930,085
<u>Other governmental agencies</u> .....	9,911,500
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Total allocations.....\$	4,236,981,642
Balance -- unallocated but earmarked for work relief projects.....	322,518,358
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Total available for allocation.....\$	4,559,500,000
Previous deductions.....	320,500,000
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Total appropriations.....\$	4,880,000,000
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With less than a third of a billion dollars of the original fund remaining unallocated as of February 29, actual expenditures on that date-- checks actually issued by the Treasury--come to \$2,210,000,000, or approximately

one-half of the total sum allocated. The bulk of these expenditures had been made by three agencies, the FERA, WPA, and CCC. More than three-quarters of the total Works Program expenditures charged against the regular executive departments of the Government were made by the Department of Agriculture and the War Department.

The purposes to which these funds had been put is shown in a tabulation as of December, 1935, in which highways, roads, and streets led the list with 31.8 percent; emergency conservation work (CCC), 18.8 percent; conservation work (other than CCC), 10.9 percent; construction and additions to public buildings, 10.6 percent; water and sewer systems, 6.3 percent; housing, 5.1 percent; and playgrounds, parks and other recreations facilities, 4.3 percent, to list the most important types of projects.

The agencies which have contributed most to the major Works Progress objective of putting 3,500,000 persons from the relief rolls into useful jobs are discussed in detail under separate chapter headings in the report.

#### WORKS PROGRESS ADMINISTRATION

The Works Progress Administration was established by executive order of the President on May 6, 1935, and charged with the "honest, efficient, speedy, and coordinated execution of the work relief program as a whole, and for the execution of that program in such a manner as to move from relief rolls to work on such projects or in private employment, the maximum number of persons in the shortest time possible." In addition to these coordinating powers, it was given authority to carry on small, useful projects to provide employment not furnished on projects operated by other agencies.

Under the prescribed procedure, projects originate with local authorities in the states and communities and are submitted in application form to the WPA organization within the state. The applications are forwarded to Washington for further legal, engineering, financial, and employment scrutiny, and if deemed acceptable, and placed before the President for final approval or rejection. Approved applications then go through the office of the Comptroller General, and if there adjudged eligible for the expenditure of Federal funds, the Treasury is authorized to make the necessary advances.

The earlier months of the WPA were devoted to the creation of its administrative machinery, and it was not until July that the first projects were actually approved, and August that the first workers were employed. The first big increase in project approvals occurred during September, when the total value of such approvals rose from approximately \$500,000,000 to \$2,000,000,000. Approximately thirty days elapsed before this was reflected in the employment index, but in November the number of persons at work rose from slightly less than 1,000,000 to approximately 2,500,000 and by the end of the following month was only a little short of the 3,000,000 mark.

Nearly 163,000 projects were available by January 15, 1936, for operation under the various state organizations of the WPA, a panel that would require about \$4,580,000,000 of Federal funds if all were to be prosecuted. Only \$1,117,688,914 had actually been allocated, however, the excess of approved projects being provided to allow flexibility in selection to conform to available labor supplies, cost, working conditions, weather, and other contingencies.

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From this reservoir of available projects state administrators selected those on which their forces should engage. It is from this list of selected projects that the most accurate picture can be obtained of the current workings of the WPA. Such a list as of December 31 shows that the greatest proportion of funds, 39.5 percent, was being devoted to highway, road, and street projects. Other important types in order of total cost were as follows: parks and playgrounds, 11.6 percent; water supply and sewer systems, 9.6 percent; educational, professional, and clerical projects, 7.3 percent; goods projects (production of goods for use by the unemployed, such as in sewing rooms), 6.6 percent. Generally speaking, projects fall into two broad classifications--construction and non-construction. The former classification constitutes more than 80 percent of all the work being done by the WPA.

The total value of projects selected for operation as of the above date was \$1,169,650,880. Included in this amount is \$221,918,153 of contributions by the sponsors, representing 19 percent of the whole. This contribution was predominantly (86.4 percent) in the form of materials, supplies, and equipment, although contributions of direct labor came to 13.6 percent. Of Federal funds expended on projects, 78.7 percent go for wages and 21.3 percent for materials, supplies, and equipment not furnished by sponsors.

Total purchases of materials, supplies, and equipment on WPA projects through December amounted to more than \$46,000,000. The bulk of these purchases, 52.9 percent, were for construction materials exclusive of iron and steel. Iron and steel products, exclusive of machinery, accounted for 20.8 percent; petroleum products for 15.2 percent; machinery and equipment for 3.1 percent; office supplies and equipment for .7 percent; and miscellaneous items for 7.3 percent.

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The petroleum products listed are largely bituminous paving materials and mixtures. Highways, roads, and streets absorbed 40 percent of the materials purchased, while parks and playgrounds took 15.7; public buildings, 14.7, and water supply and sewer systems, 14.5 percent.

Among the types of projects included under WPA state work programs, farm-to-market road work is outstanding both in its relative scope and in resultant economic and social benefits. It is estimated that about 65 percent of the nation's farms are situated on unimproved dirt roads. Consequently, a large portion of the 20,000,000 people who reside on these farms are periodically subject to being marooned in bad weather.

Farm-to-market road projects constitute approximately 14 percent of all the projects selected for operation in the states as of December 31. The total cost of such projects, either actually started or ready to get under way as of that date, was \$159,000,000, of which 27 percent was being contributed by the sponsors. In degree of sponsor contribution--a fairly accurate criterion of project popularity with local officials--farm-to-market roads are exceeded by only five other types of projects, all much less important in terms of estimated cost.

The National Youth Administration was set up as a part of the WPA by executive order of the President on June 26. Its functions broadly were to provide employment for as many as possible of the 2,875,000 people on relief between the ages of 16 and 25, and to take over the student aid program then operating under the FERA. Total allocations to this agency through December were \$47,156,268, of which \$27,056,268 was earmarked for the student aid program. The remaining sums are being devoted to the employment of young people from re-



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lief families on projects in which the element of job training plays an important part, such as community development and recreational leadership, rural youth development, public service, training, research, etc. Provision is also made for the employment of young people on a part-time basis on regular projects of the WPA in which their services can be advantageously used.

Other important phases of NYA activity are job guidance and placement, through the facilities of the National Reemployment Service, apprentice training in cooperation with the Federal Committee on Apprentice Training of the Department of Labor, and community activities for young people. The report states that 289,000 persons were benefiting under the student aid program in February, and that project employment had been given to 100,000 others.

#### PUBLIC WORKS ADMINISTRATION

The introduction to this section states, "The Federal Emergency Administration of Public Works, established under Title II of the National Industrial Recovery Act, and continued by the Emergency Relief Appropriation Act of 1935, has been authorized to make loans and grants for non-Federal construction projects of states, counties, cities, territories, and possessions, and to conduct Federal demonstrations of slum clearance and low rent housing." Projects in the non-Federal group, it is set forth, are to be financed by direct grants for a part of the cost, and by local funds or Federal loans for the balance. Housing projects are to be financed entirely by Federal funds.

The PWA program consisted of 4,149 non-Federal projects as of December 26 involving \$333,181,748 in grants and \$154,647,148 in loans, or a total outlay in Federal funds of \$487,828,896. Actual construction on the projects is

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under the jurisdiction of the local bodies but in conformity with rules and regulations set down for the entire Works Program. The work is done largely on a contract basis at prevailing wages rate with preference for employment going to qualified persons on the relief rolls.

The construction of schools and other educational buildings is the predominant type of work undertaken by the PWA, 51 percent of all projects being of this type. Water systems are the second largest group, representing 14 percent, and buildings other than schools are third, with 11 percent. Total employment on PWA non-Federal projects stood at 14,000 persons on December 28. It is anticipated that this number will increase rapidly during the spring of 1936, reaching a peak of about 290,000 persons receiving direct employment on projects in July.

Describing the metamorphosis of Federal housing policies, the report has the following to say:

"At the beginning of its operation, the Housing Division concentrated on a policy of loans to private dividend corporations. For a number of reasons this proved impractical in operation, and in January, 1934, \*\*\* the Division was compelled to adopt for the time being a policy of constructing such projects directly. Approximately \$140,000,000 had been allotted from National Industrial Recovery Act funds. In December, 1934, \$110,000,000 of this amount was impounded. The Housing Division was therefore unable to enter into contractual obligations on a large scale until after the passage of the Emergency Relief Appropriation Act of 1935; and the final allocations from this source were not made until October, 1935 \* \* \*."

As of December 31, 1935, the PWA Housing Division had 38 active projects in its files involving total expenditures of \$101,373,050. They were located in 29 cities of the continental United States and one each in Puerto Rico and

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the Virgin Islands. These 38 projects will embrace 17,759 family units to house 74,588 persons. Throughout the course of construction, they will provide direct employment for an estimated 36,927 workers.

#### EMERGENCY CONSERVATION WORK

Emergency Conservation Work came into being through an act of Congress in March, 1933. While the Civilian Conservation Corps is its major functioning unit, it is also concerned with conservation work by Indians on Indian reservations, and with conservation work in the territories of Alaska, Hawaii, Puerto Rico, and the Virgin Islands. It had received a total of \$763,077,515 for its operation prior to the passage of the Emergency Relief Appropriation Act of 1935, and from the latter source it has been allocated a total of \$523,479,450.

To the War Department is delegated the responsibility of enrolling and conditioning camp members and of handling the general administrative functions of the camps. Enrollees are actually selected by the Department of Labor from among men between the age of 17 and 28, in good physical condition, whose families are on public relief rolls. They must agree to return a substantial portion of their basic \$30 a month pay to their families, but this allowance does not preclude any other member of the family from being employed elsewhere under the Works Program. War veterans, without regard to age, are also eligible for CCC enrollment.

The departments of Agriculture and Interior have been given the responsibility of selecting, planning, and executing the majority of work pro-

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jects under Emergency Conservation Work. Ten general types of work have been pursued. They are structural improvements, transportation improvements, erosion control, flood control, forest culture, forest protection, landscape and recreation work, range, and wild life protection, and miscellaneous activities. Among the major specific jobs which were completed in the period from April 1 to September 30, 1935, the following: 2,457 vehicle bridges, 236 foresters' lookout houses and towers, 301 impounding and large diversion dams, 7,938 miles of new truck trails, 492,188 soil erosion check dams, 114,635,500 forest trees planted, 5,332 miles of fire breaks, tree and plant disease control on 885,996 acres, and rodent control on 5,035,615 acres.

Total employment in Emergency Conservation Work from April through December, 1935, fluctuated from 389,000 to 593,000 persons. Of the December total of 519,000, of whom about 10 percent were war veterans, 447,000 were in barrack camps in continental United States, 8,449 Indians on Indian reservations, and 4,036 in the territorial possessions.

#### RESETTLEMENT ADMINISTRATION

This unit of the Works Program was formed in April, 1935, through the amalgamation of four previously constituted branches of other governmental agencies--the Land Program of the FERA, the Subsistence Homesteads Division of the Department of the Interior, the Land Policy Section of the AAA, and the Rural Rehabilitation Division of the FERA. Its purpose is to assist destitute farm families by means of loans and grants; to aid them, if they so desire, to move from poor to better farming areas; to administer a program of land utilization projects; and to develop housing projects in the vicinity of large cities.

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The administration had been allotted a total of \$196,070,000 as of December 15, of which nearly \$100,000,000 was to be used for the following work projects: \$7,000,000 for completion of homesteads; \$31,000,000 for suburban developments; \$15,000,000 for land development, and \$47,000,000 for construction on resettlement projects. Of the remainder, \$44,000,000 was allotted for rehabilitation; \$7,420,000 for the relief of stricken agricultural areas; \$22,000,000 for the purchase of land; \$2,000,000 for farm debt adjustment, and \$20,650,000 for administration. Projects under the administration were employing 16,861 persons as of December 28, the greater part of whom were at work on land utilization projects and suburban development.

The objective of the rural rehabilitation program is to assist 525,000 destitute farm families throughout the country to again become self-supporting on the land. This is being accomplished through loans for the purchase of such stock, seed, fertilizer, equipment, work animals, etc. as the individual family may require in order to carry on its life on the farm. In addition to giving security for the loan, the family agrees to be guided by a budget and agricultural plan worked out for it by rehabilitation officials. On November 30 there were 333,193 cases under care. Loans and grants from all funds under the rural rehabilitation program came to \$15,268,000, as of December 15, of which about \$7,500,000 came from Works Program funds.

In addition to the farm families who are to be given assistance at the place where they now reside, it is proposed to assist 20,000 farm families in moving from their present locations to places better suited to agriculture. Approximately one-half of these families are living on land which is to be purchased for the land utilization projects. The majority of the families to be moved

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will be settled in new communities which will be constructed by the Resettlement Administration.

The program for land utilization involves the purchase of lands unsuited to agriculture, withdrawing them from this use, and converting them to the purposes of forestation, grazing, wild life protection, and the like. Ten million acres of land had been selected for purchase under the program in December and actual commitments had been made on 6,000,000. As of December 15, work was under way on 90 land utilization projects.

The Suburban Resettlement Division has been charged with the two-fold task of finishing the former Subsistence Homesteads projects which have been approved for completion, and of developing low-cost suburban communities in the vicinity of selected large cities. Sixteen of these subsistence homestead projects had been completed on December 15 while 12 others were still under way. Presidential approval has been granted for nine suburban community developments the total estimated cost of which is \$68,500,000. Allotments for the work amounted to \$31,000,000. Five of the projects have been selected for operation and four were under construction in December.

#### BUREAU OF PUBLIC ROADS

Half a billion dollars from the Emergency Relief Appropriation Act of 1935 has been made available to this agency to be expended in the following manner; \$200,000,000 for the construction of highways, roads, and streets; \$200,000,000 for grade crossing elimination, and \$100,000,000 to cover highway work previously provided for and begun under the Hayden-Cartwright Act of 1934.

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These funds were allotted to the states on the basis of a formula involving area, population and road mileage.

As of December 31, highway contracts valued at \$53,657,761 had been awarded out of a total of \$85,818,370 which had been approved by the Bureau. Grade crossing contracts valued at \$28,474,929 had been awarded out of an approved total of \$51,157,633. Employment under these programs came to 73,353 persons on December 28.

#### OTHER AGENCIES

##### Department of Agriculture

Eleven bureaus of the Department of Agriculture, in addition to the Bureau of Public Roads, have cooperated under the Works Program in providing employment at security wages for persons formerly on the relief rolls. Total allocations to these agencies come to \$75,399,043. Among the bureaus participating are Agricultural Engineering, Animal Industry, Biological Survey, Chemistry and Soils, Dairy Industry, Extension Service, Forest Service, Plant Industry, and Weather Bureau.

Allocations totalling \$16,559,817 have been made to the Bureau of Entomology and Plant Quarantine for projects which primarily are concerned with the extension of its regular work in control or eradication of insect pests and noxious plants. Among the first of these projects to get under way was one for the eradication of Dutch Elm disease in New Jersey, New York, and Connecticut. Another project of importance seeks the elimination of wild currant and gooseberry bushes which are responsible for blister rust in large areas of white pine forests.

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The gypsy moth and common barberry bush have also come under the Bureau's ban and allocations of \$2,000,000 each have been set up for their eradication.

The Soil Conservation Service is among the most active of the Department of Agriculture bureaus in its participation in the Works Program. It has been allotted \$21,000,000 for the establishment of practical demonstration projects, 144 of which are now operating in 41 states. These are supplemented by research and survey work, and nursery projects established for experimentation with various types of soil binders. The demonstration projects are set up in representative soil and agricultural areas where erosion has already caused much damage or threatens to do so. Their purpose is to demonstrate to farmers in the areas how they may protect their land against destruction by flood, dust storms, and other natural hazards.

#### Department of Commerce

Four bureaus of this department--Census, Fisheries, Lighthouses, and Standards--have received allocations totaling \$10,452,944 to facilitate extension of their regular activities, largely through increased personnel taken from the relief rolls.

The Bureau of the Census has been granted \$9,881,948 for the execution of three individual projects: an alphabetical index of the census of 1900, a census of business enterprise of 1935, and a survey of retail trade, the last two subsequently combined. Need for the alphabetical index of the 1900 census is a result of recent security legislation on the part of the several states and the Federal Government, since the Bureau will be called upon to furnish the age of individuals applying for old age benefits. The surveys of business enterprise



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and retail trade will furnish the first comprehensive data on all lines of business and extend in important directions the information already compiled by the Government.

Department of Interior

With allocations aggregating \$126,070,257, the regular activities of ten bureaus and commissions in this Department are being materially extended under the Works Program. The divisions participating include the Alaska Road Commission, Bituminous Coal Commission, Geological Survey, National Park Service, Office of Education, Office of Indian Affairs, Puerto Rico Reconstruction Administration, Bureau of Reclamation, St. Elizabeth's Hospital (a Government-owned institution for mental diseases in Washington, D. C.), and the Temporary Government of the Virgin Islands.

The Puerto Rico Reconstruction Administration, replacing the relief administration established there in 1933, is effecting a program of rehabilitation, forestation, slum clearance, rural electrification, school building and other construction for the residents of this territory with allocations totaling \$32,152,380. The diversified program made up by these projects is designed to contribute to the agricultural, industrial, and social welfare of the island. Employment had reached 14,000 by the end of December, and with the expansion of the rehabilitation program after the first of the year, an even greater increase is expected.

The Bureau of Reclamation is charged with the construction and operation of irrigation developments, and the supervision of the settlement and improvement of irrigated lands. Thirty projects, involving allocations amount-

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ing to \$82,650,000, have been approved, all of which are located in states west of the Mississippi River. Notable projects operated under this program are the Grand Coulee Dam in Washington, the All-American Canal in California, and the Central Valley Irrigation Project in California.

#### Department of Labor

The Immigration and Naturalization Bureau and the United States Employment Service are the only two branches of this department functioning under the Works Program. Allocations totaling \$9,334,605 have been made them for extensions of their normal operations. Grants to the Immigration and Naturalization Bureau were solely for repairs to four of its immigration stations. Two research projects have been provided for by the United States Employment Service with grants of \$550,000 and \$350,100 each.

The United States Employment Service, which supervises in general the placement of workers on Works Program projects, has received an allotment of slightly more than \$8,000,000. Since this operates as an administrative unit of the Works Program, the United States Employment Service is not described in the main body of the report, which is devoted exclusively to agencies furnishing employment on projects.

#### Navy Department

The Bureau of Yards and Docks has been allotted \$17,554,625 of Works Program funds for projects concerned with general rehabilitation and improvements to yards and docks, water front grounds, marine barracks, and other

properties of the department.

#### Treasury Department

The Coast Guard, Bureau of Internal Revenue, Procurement Division, Public Health Service, and Secretary's office have received allocations totaling \$51,241,066 for extensions to their regular services. The Bureau of Internal Revenue is operating three tax surveys which are expected to yield in tax collections a sum considerably in excess of the \$5,083,487 cost of the studies. The \$3,450,000 grant to the Public Health Service is being used to conduct a house-to-house survey in selected cities for studies in chronic diseases, occupational mortality and morbidity, and of hospital facilities.

#### War Department

The Corps of Engineers and the Quartermaster Corps have received allocations under the Works Program totaling \$146,634,754. The majority of the work undertaken by the Corps of Engineers has been initiated by its Division of Rivers and Harbors and is concerned with flood control; dredging and other improvements to navigable streams; and dam, dike, and reservoir construction. Ninety projects of this nature have been approved, all but three of which have been started.

The Quartermaster Corps had received approval as of December 31 on 227 projects involving repairs and improvements to Army posts, National Guard camps, and National cemeteries.

Rural Electrification Administration

This agency, established by executive order in May, 1935, has as its responsibility the initiation and administration of projects for the distribution of electrical energy to rural areas. With allocations of \$8,577,012, its principal function is to make loans to private corporations or cooperative associations for the construction of electric lines and generating plants. As of December 28, construction work had started on three projects which involved approximately 265 miles of transmission lines.

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The report contains an appendix giving certain statutory and technical aspects of the Works Program, a recapitulation of developments and progress from January 1 to February 29, and a statistical supplement containing various tables on employment, allocations of funds, status of funds, etc.

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