FEDERAL WORKS AGENCY
WORK PROJECTS ADMINISTRATION

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"MUNICIPAL CO-OPERATION WITH THE WPA"

The following address was delivered by Colonel F. C. Harrington, Commissioner, Work Projects Administration of the Federal Works Agency, before the American Municipal Association, 1 P. M., Central Standard Time, Thursday, November 2, 1939, Chicago, Illinois.

I am glad to have this opportunity to discuss problems which concern us equally. The problems of cooperation are of course not new to any of us. A close working relationship has existed for more than four years between the municipalities that you represent and the Work Projects Administration.

The WPA has also had the privilege of cooperating with the American Municipal Association, together with several other national organizations, in carrying out the recent United States Community Improvement Appraisal, which was in effect a report on our WPA work from the point of view of local officials. I wish to express my hearty appreciation of the active interest taken in the Community Appraisal by your Executive Director, Earl D. Mallory, and the able participation of your past president, Morton D. Wallerstein, in the preparation of the final Community Appraisal report.

I want to say, further, that because of the helpful information and candid criticism given by your municipalities, we in the WPA profited a great deal from the Community Appraisal. There is no need for me to go into detail with you gentlemen about the results of that survey. But we learned from the Community Appraisal the points at which our program needed to be strengthened, as well as the respects in which WPA work is satisfactory in the view of our communities.

The activities of the WPA are of course governed by the legislation which is enacted from time to time by Congress. In our last Appropriation Act there were a number of new requirements to which we must now conform.
Some of these concern your municipalities directly and others only indirectly, but they are all of interest to you. I am going to touch briefly upon four of the most important of these new requirements.

First, new WPA wage schedules had to be set up. The new schedules have been in effect in your municipalities since the first of September, but I believe that a word of explanation concerning them will not come amiss.

These new wage schedules were set up in compliance with a specific provision requiring that regional variations in WPA wages should not be greater than was justified by regional differences in the cost of living. Since the law required that the national average wage should not be substantially changed, this, in effect, meant raising WPA wages substantially in the South or lowering them in other regions.

I attempted to apply this legislation with judgment and common sense and to consider the intent of the Congress as shown by debate rather than by a rigid interpretation of the legislative language. By increasing the national average wage approximately $2.50 per month it was possible to make the required increases in southern wages without any sharp decreases in the north and west. This could be done because a considerable numerical majority of our workers were in the areas which were already receiving the higher wages.

Incidentally, our wage schedules have been greatly simplified. Instead of 4,000 different WPA wage rates, there are now only sixty. These sixty rates cover five wage classifications, in four classes of counties (according to the population of the largest city), in three wage regions. I am aware that such a simplification may seem arbitrary to one locality or another, but we have sought to carry out the will of Congress in such a way as to serve the best interests of everybody concerned.

I now come to a matter of more direct concern to the municipalities that you represent. The new Appropriation Act requires, after January first, that sponsors' contributions on projects average 25 per cent over each State.

The question of the proper and rightful amount of the sponsor's contribution on each WPA project has quite naturally been a subject of frequent
discussion between you and the representatives of WPA. We have often thought
that you should contribute somewhat more, while you have often thought that you
should contribute less. But we have usually been able to come to a satisfactory
understanding. We on our part had a considerable degree of administrative
discretion, which permitted us to take into account the different needs of com-

munities and the different financial capacities of local sponsors. At first
when communities had only begun to recover from the depression, our requirements
were low. As the financial condition of communities improved, we asked for
larger local contributions.

It is obvious that the new law governing sponsors' contributions is one
which definitely limits our administrative discretion. It is not, however, an
inflexible provision, in so far as individual projects are concerned. We are not
required to apply the 25 per cent requirement arbitrarily to individual projects
or sponsors. At the same time, the necessity for keeping up to the average 25
per cent requirement for each State as a whole will naturally make us reluctant
about accepting contributions of only 10 or 15 per cent from any sponsor. We
shall have to be convinced in every case that contributions of less than 25 per
cent are amply justified. And I am constrained to say that the natural desire of
city officials to keep their budgets at rock bottom will not appear to us to be
sufficient justification for a small sponsor's contribution.

Next, I wish to say a few words about the "18-months" clause in the
recent Appropriation Act. Under this Congressional requirement, we had to dismiss
over 700,000 workers who had been on our WPA rolls continuously for 18 months or
longer. The WPA had no choice in this matter. We were obliged to discharge these
workers without any regard to their needs, and without regard to the availability
of private employment for them. It was presumably the belief that they would find
private employment, but we have reason to believe that private jobs were not
available for the great bulk of them. Many of them are persons of 45 years of
age and over, whom private industry refuses to employ when younger workers are
available. You in your municipalities are aware of the hardships which have re-
sulted from this requirement.
I believe that it was a mistake to adopt this 18-months clause in the rigid form in which it was written into law. There is logic in the viewpoint that those persons who have been on the WPA rolls for long periods should not be permitted to retain their places indefinitely at the expense of other equally needy and employable persons who have been certified for WPA employment but have not received assignments due to quota restrictions. I recommended to the Congress a provision that preference should be given to the latter class over the former, but by language which would have permitted administrative discretion in making removals from the rolls to provide the necessary vacancies. I regret that the Congress did not see fit to adopt this recommendation, as I believe that it was preferable to the provision which was written into the Appropriation Act.

There is only one other legislative change affecting the WPA that I wish to mention here. It concerns the hours put in by WPA workers. And at the outset I wish to say that this change corresponds to my own recommendations to Congress.

You are probably familiar with the fact that the original plan for WPA wages as adopted in 1935 was that a monthly security wage should be paid to all workers. In the 1936 Act this was changed to a plan by which workers in the various categories received a prevailing hourly rate and worked the number of hours per month that was necessary in order to earn the security wage at this rate. Endless administrative difficulties resulted from this plan.

I have no criticism to make of the motives of anyone responsible for that arrangement. But we all had sufficient experience to find it a severe drag upon the efficiency of WPA operations. In addition, I think I am right in saying that it was responsible for creating a great deal of emotional hostility against the WPA. People who work regular hours could hardly be expected to understand or approve an arrangement which apparently put WPA workers in a privileged position so far as hours of work were concerned. And, since these shorter hours were the privilege of only a minority of WPA workers, the arrangement was certainly not approved by the bulk of the WPA workers themselves. It was one more thing which differentiated our WPA work from ordinary work, and made it difficult to maintain good morale on our projects.

For all those reasons I was convinced that the existing arrangement as to
WPA hours of work was undesirable. It was in my view necessary to establish a regular WPA work month which should apply to all employees. The 130-hour work month set up by Congress is, I think, a reasonable arrangement. It makes possible a much greater degree of efficiency on WPA projects, it is cutting down project costs, and it will enable us to bring our project operations to a conclusion without vexations delays.

I am fully in accord with the governmental policy of paying prevailing hourly rates on its regular construction operations whether carried on by contract or by force account. I do believe, however, in so far as the WPA is concerned, that the requirement of a uniform 130 hours of work per month for the security wage is a reasonable one. Not only does it diminish your difficulties and facilitate your planning, but we have found that it has caused some workers who were not actually in need of WPA assignments to leave our rolls because they no longer found WPA employment attractive when the security wage could not be earned by working 50 to 80 hours per month.

And now, in addition to these legislative changes, there is something else affecting the WPA program that I wish to speak about — and that is the European war. During the first few weeks of the war we all heard many extravagant assertions as to the gains which American business would make because of it. But since then more sober voices have been raised, and I think the American people are beginning to realize that we shall suffer business losses as well as make business gains on account of the international situation. But I am afraid that many are still expecting too much from the war, especially in the matter of new employment.

I do not wish to minimize any possibilities of increased private employment from any source. In the last two months, employment has increased by more than half a million. That is fine. But I should like to point out that the total number of workers for whom new jobs have been provided by this war-time boom still falls short of the number of workers who were dismissed from WPA employment this summer under the 18-months clause. I sincerely hope that private employment will continue to increase next year. But let us also bear in mind that next year there
all be about 600,000 new young workers entering the labor market in excess of
those older workers who leave it. And, finally, let us not forget that there
are a good many millions of unemployed workers who are not on the WPA. However
large our new war-time employment, there will still be millions of unemployed in
his country. And we shall still need a public work program to provide jobs and
wages for the neediest of them.

In a word, the Federal government and the municipalities you represent
will still have the same need as in the past to cooperate on a work program.

It will be our responsibility to put to work as many needy and employable
persons as possible with the funds appropriated by Congress. It will be our
responsibility to administer a program of the best possible quality, within the
limitations established by Congress. Upon your municipalities will rest a good
any responsibilities. The most important of all will be the responsibility for
initiating projects of acceptable quality and of demonstrable local usefulness.

have no doubt that we shall continue to work together as harmoniously as in the
past, and it is my hope that in the future the results of our work will be of
greater use and value to the nation.

That may have sounded like a peroration. But I still have a few other
things to say to you.

A great deal is being said nowadays about planning. We all believe in
planning. And we all know that there is a great deal more talk about planning
than there is actual planning. Since the future of WPA is uncertain, I realize
that I live in a glass house, and am not entitled to throw many stones. Neverthe-
less, I think I will take the risk of tossing a few pebbles.

I know that the temporary and emergency character of our WPA program makes
municipal planning difficult. We could plan our program much better if we were
established on a permanent basis, and could count on funds for a few years ahead.
Overhead we have to make the best of our situation. And you also have to make
so best of your situation. And that is just what I think a great many munici-
palities fail to do.

Your municipalities are not, like the WPA, officially regarded as temporary
affairs, mere emergency set-ups, here today but perhaps gone tomorrow. You confidently expect your cities and towns to be in existence fifty years from now. But how many of your towns and cities carry your planning so far as to set up budgets for capital improvements five or six years ahead?

The setting up of that kind of budget is not beyond the powers of any American municipality. In fact, I understand that the adoption of such a long-term budget is now being done as a demonstration project in half a dozen or more American cities.

The six-year budget of Winchester, Massachusetts, and that of Nashville, Tennessee, have already been published; and similar budgets are now in preparation in Kalamazoo, Michigan; Dallas, Texas; Fargo, North Dakota; Spokane, Washington; and Sacramento, California. I have not had the pleasure of listening to the other addresses on your program here, and it may well be that you know more about these projects than I do. Nevertheless, it marks such a significant development in American municipal planning that I am sure none of us can hear about it too often.

The six-year budget, as experimentally set up in these municipalities, not only sets forth their plans for capital improvements during that period, but works out the order of their priority in detail, and shows the financial relation of these plans to estimated tax values and borrowing capacity. I need not say how inestimably helpful such long-term plans would be to any governmental agency, such as the WPA, or the other departments of the Federal Works Agency, which are engaged in cooperating with localities in the planning and execution of public improvements.

I earnestly hope that long-term municipal planning will become general throughout the United States within a few years. In the meantime, I can say that we shall be glad to give all the assistance we can to capital improvements surveys in your municipalities. And for the immediate future I want to express the hope that such planning will become more general.

In connection with the financing of the projects which we carry out jointly with municipalities, I wish to make it clear that our cards are on the table for everyone to see. The amount of our appropriation is a matter of public record, as is the cost of the wages which we pay to relief workers on projects.
Nothing is hidden on our side of the table.

One of the chief points at issue in our joint endeavors is sponsors' contributions; or to put it another way — the proportion of the cost of projects which can be borne with Federal funds. You know, of course, that the WPA is primarily an agency for providing work for the needy unemployed. This means that the bulk of our expenditures must be in the form of wages paid to project workers. There is, in fact, a considerable school of thought to the effect that the WPA should put all of its funds into wages for the unemployed and that sponsors should be required to bear the entire cost of materials and equipment.

Under our present Appropriation Act the WPA is permitted to expend an average of not to exceed $6 per worker per month in each State for non-labor purposes. Incidentally I think this method of control is much preferable to a control by a percentage of sponsors' contributions, which naturally vary with variations of wage scales in different areas. Our $6 per worker per month is placed at the disposal of the Administrator in each State, who is required to average it out on his state program. Since he is only required to maintain the average, it is obvious that he can accept some projects which require more than $6 per man-month in non-labor costs provided he has other projects in the state program calling for lesser non-labor expenditures. However, the extent to which high non-labor cost projects can be accepted is quite limited because sponsors in general will demand equal treatment. It follows, therefore, that expensive projects — that is, those upon which large expenditures for materials or equipment are required, — must come to us with a high proportion of sponsors' contributions in money or in kind if we are to give them favorable consideration. I wish that I might disabuse sponsors of the idea that we have some hidden kitty of funds about which they know nothing but which can be used to finance expensive projects at Federal expense if sufficient pressure is applied to us.

A great deal of municipal energy is continually expended in trying to get the WPA to undertake projects which we ought not to undertake, or on terms which we cannot justifiably accept. I wish that the same energy could be put into wise and farsighted municipal planning. I simply cannot believe that the best interests of any municipality are served by the effort to keep down the local share
nd increase the Federal share of every project. That may appear for the moment to be good local policy, but it is far from the kind of planning that will increase the welfare and prosperity of a community over any period of years.

The benefits that any community can get from the kind of assistance we have to give will depend essentially upon wise local planning. Such planning should include a reasonable effort to finance the average non-Federal share of project costs. Uncertainty concerning the next Federal appropriation should not be made an excuse for lack of budgetary provision for the local share of WPA program costs. Underlying this planning there will be a recognition of the considerable net saving to the sponsor that is effected through not having to provide direct relief to those unemployed workers who are receiving Federal wages on WPA projects. And, conversely, it should be clear to local budget-makers that the unwillingness of a sponsor to participate adequately in the financing of projects may result in the readjustment of WPA quotas away from that locality. In a word, cooperation with the Federal government is not a one-way proposition.

But the sponsor's contribution is not the only point at issue in our cooperative efforts. Another point is that of the social value and usefulness of the projects. I know how unjustly the WPA has been criticized for some of its projects. But the criticism is not always unjust. Sometimes it is well founded. And when WPA projects are open to criticism, it is sometimes we of the FA who are to blame. But not always. Not by a long shot.

Among the applications for WPA projects which come to us in Washington, there are many that we must reject. And it is often with great reluctance and regret that we reject them. They may be of outstanding social use and value, and yet fail to meet some necessary requirement. But I don't mind telling you that there are some project applications which it is a pleasure as well as a duty for me to reject. Gentlemen, the things that some people can think up for us to spend our money on stagger the imagination.

And unquestionably, among the projects that we have no reason to disapprove there are certainly many which do not do justice to the communities that ask for them and get them. They could have had something much better for their money,
something more useful, something they would long be proud of having, and that we ourselves would be proud of cooperating upon.

But, on the other hand, there are a great many projects that we are proud to point to as examples of WPA work. You know how it is in families, with a man and his wife and their children. When the children are good children, they are My children — and when they are bad children they are your children. I think, in all fairness, that we must give your municipalities the main credit for our best projects. And the fact that our WPA program has been able to make really important contributions to community welfare is certainly due to the civic spirit, the planning, and the administrative capacity of the local governments you represent.

Whatever our separate virtues and faults may be there is no question about the fact that your municipalities and the Federal government have been engaged in a remarkable kind of cooperation. I think it can truthfully be described as the largest and most successful example of peace-time cooperation in the history of our nation.

However, I am not going to expand upon the record of our past joint cooperative achievements. You gentlemen do not need to be reminded of how many roads, bridges, schools, hospitals, parks, and airports we have built together. But I should like to speak briefly, in conclusion, about our future.

I know that there are some people who hope and believe that this kind of cooperation on public work for the relief of unemployment will soon come to an end. I do not agree with them, for two reasons. In the first place, it is now evident that large-scale unemployment is going to be with us for years to come. In the second place, there is still a vast amount of public work that needs to be done in every community. For those two substantial reasons I am convinced that our cooperation through the WPA or some similar agency will continue.

In closing I would like to make it clear that I do not for a moment believe the WPA program as now operated is the final answer to Federal participation in the solution of the problem of unemployment. The WPA is in a continual
state of evolution, and many improvements have been made in the four years of its existence. However, I regard it as one of my main responsibilities to search for further improvements and increased efficiency. In this endeavor I solicit your cooperation and assistance, as the municipal officials who have sponsored projects with us are among those persons who are best fitted to make constructive suggestions for the improvement of the program.