

FEDERAL WORKS AGENCY
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\$120,000,000 IN WPA PROJECT WAGES REACHING BUSINESS MONTHLY

Private business is being benefited to the extent of \$120,000,000 a month from the wages paid by the Federal Government to WPA project workers, according to an analysis made public today by Colonel F. C. Harrington, Commissioner of Work Projects.

This amount represents the estimated average monthly wages paid to project workers by the Federal government from January through March of this year. Practically the entire amount is spent with individuals and concerns engaged in the production and distribution of consumers' goods and in services.

The monthly wages, according to the analysis, are being spent approximately as follows:

\$50,000,000, or 42 per cent, for food.

\$24,000,000, or 20 per cent, for housing.

\$12,000,000, or 10 per cent, for household expenditures as heat, light, gas, ice and supplies.

\$11,000,000, or nine per cent, for clothing.

\$6,000,000, or five per cent, for transportation.

\$5,000,000, or four per cent, for medical care.

\$12,000,000, or 10 per cent, for other items such as house furnishings, kitchen and laundry equipment, personal care and recreation.

"While the bulk of these expenditures is large, it should be remembered that about 2,250,000 workers, with their dependents, are living on WPA wages," Colonel Harrington said. "They must spend all they earn and would, if deprived of these jobs, either stand in line for a dole or turn for help to others, too

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often in the lowest income brackets.

"Practically all the money paid out as wages goes promptly to neighborhood merchants and other local businessmen, who pass it on in the course of trade and thus increase orders to distributors. This not only provides private employment in the immediate community but also helps to create jobs in the manufacturing, producing and transportation industries."

The analysis was based on a National Resources Planning Board report, "Consumer Expenditures in the United States." The distribution of expenditures given in this publication for families and single persons with incomes of between \$500 and \$750 a year, averaging \$673, was applied to the families of WPA project workers, whose incomes average about \$648 a year or \$54 a month and the range of whose incomes falls for the most part in the \$500-\$750 bracket.

On the basis of the NRPB's findings, the average WPA worker would be expected to spend \$23 a month on food for himself and family. His monthly rent bill would be \$11. Each member would have \$14.50 a year for clothing. For such items as heat, light and household supplies the family would spend about \$5.50 a month. Transportation costs would be \$2.75, medical care \$2.20 and other items about \$5.50.

Colonel Harrington pointed out that the earnings and the expenditures of individual WPA workers vary considerably from these averages in the various communities and areas of the country because of differences in WPA wages and living costs.

(A table summarizing the estimated distribution of expenditures from WPA wages follows:

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ESTIMATED EXPENDITURES FROM WAGES RECEIVED BY WPA PROJECT WORKERS

Item	Percent Distribution A/	Estimated Average per month Jan. 1940-March 1940
Total WPA wages	100	\$120,000,000
Estimated Distribution of Expenditures		
Food	42	50,000,000
Housing	20	24,000,000
Household Operation B/	10	12,000,000
Clothing	9	11,000,000
Transportation	5	6,000,000
Medical Care	4	5,000,000
Other Items C/	10	12,000,000

A/ Based on distribution of expenditures of families and single persons with incomes of \$500-\$750, as estimated in National Resources Planning Board's report, "Consumer Expenditures in the U. S."

B/ Includes heat, light, gas, and other fuels, ice, refrigeration, household supplies, etc.

C/ Includes such items as house furnishings, kitchen and laundry equipment, personal care, recreation, etc.

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