

November 17, 1936

[Statement on Unemployment]

FDR Speech File

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WORKS PROGRESS ADMINISTRATION

WALKER-JOHNSON BUILDING  
1734 NEW YORK AVENUE NW.  
WASHINGTON, D. C.

HARRY L. HOPKINS  
ADMINISTRATOR

November 16, 1936

Dear Steve:

The President asked me yesterday to prepare for him a draft of a press release, or at any rate a memorandum which he could use at the press conference tomorrow. It is herewith enclosed.

I know the President will want to go over this carefully, and obviously, it will have to be re-written in the first person.

Very sincerely yours,



Administrator.

Mr. Stephen Early,  
The White House,  
Washington, D. C.

Re-employment has been going on rapidly during the last year. Reports from industry show that further large gains in employment can be expected during the coming year.

Unemployment relief has reflected this improvement in employment. From the peak of 5,316,000 unemployed families and single persons in January 1936, the number declined 28 percent to August 1936.

Despite this decline a large number of unemployed remain on the WPA and other governmental agencies.

These workers are to a large extent unskilled and a disproportionately large number are older workers---40 years and over. The sharpest revival in employment has been among skilled workers and relatively young workers. The unskilled and the older workers have been passed by to a large extent.

In the relief message to Congress on March 18, 1936, private business was asked "to extend its operations so as to absorb an increasing number of unemployed." Private business has responded---but much remains to be done.

Industry must continue its re-employment efforts. To reduce substantially the unemployment relief rolls, industry must hire a larger number of the older workers and the unskilled workers. This problem must be recognized by industry. It is widely known that many of the largest industries will not hire workers over 40 years of age. To a large extent this policy is responsible for

the relatively large number of older workers on relief. Leaders of business must recognize the consequences of this hiring age policy---it condemns this group of workers to permanent unemployment.

It is scarcely necessary to point to the seriousness of this policy to the unemployed. Long continued unemployment for the older workers results sooner or later in unemployability. The non-employment of unskilled workers likewise leads to unemployment---and this means a permanent problem of support. And the burden of support is carried ultimately by industry itself.

It is to the best interests of industry to recognize its responsibility, not only by substantially increasing employment but by employing those groups now supported by public funds. Industry can adjust its hiring policies so as to cause the speediest reduction in the real social burden of unemployment. This means giving a fair share of the new jobs to the workers over 40 and to expand opportunities for the hiring of unskilled workers.

In the relief message of March 18, 1936, it was stated that "Only if industry fails to reduce substantially the number of those now out of work will another appropriation and further plans and policies be necessary." Industry has increased its employment but not sufficient to permit the Government to withdraw its aid to the unemployed. Moreover, the severe drought of this summer required the use of a large sum of money which would otherwise

be available for unemployment relief. As a consequence, Congress will be asked to appropriate enough funds to carry the program through the fiscal year 1937.

The relief appropriation and plans for the fiscal year 1938 will be made known later. It is as true now as it was last March when the relief message stated: "The ultimate cost of the Federal works program will---be determined by private enterprise. Federal assistance---can be terminated if industry itself removes the underlying conditions."

Miss Lilly;

Do you keep statements  
of this kind which  
have the President's  
handwriting on them—  
PLS

HOLD FOR RELEASE

HOLD FOR RELEASE

HOLD FOR RELEASE

November 17, 1956

CAUTION: The attached statement by the President must be held in confidence until released.

NOTE: Release in the afternoon editions of newspapers of Wednesday, November eighteenth.

STEPHEN EARLY  
Assistant Secretary to the President

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Re-employment has been <sup>increasing</sup> ~~going on~~ rapidly during the last year, <sup>and</sup> Reports from industry <sup>are to the effect</sup> ~~show~~ that further ~~large~~ gains in employment can be expected during the coming year.

Unemployment relief has reflected this improvement in employment. From the peak of 5,316,000 unemployed families and single persons in January 1935, the number declined 28 percent to August 1936.

Despite this decline a large number of unemployed remain on the WPA and other governmental agencies.

These workers are to a large extent unskilled and a disproportionately large number are older workers---40 years and over. The sharpest revival in employment has been among skilled workers and relatively young workers. The unskilled and the older workers have <sup>shared in this revival to a much less</sup> ~~been passed by to a large extent.~~

In the relief message to Congress on March 18, 1936, <sup>I asked</sup> private business ~~was asked~~ "to extend its operations so as to absorb an increasing number of unemployed." <sup>Many</sup> Private business <sup>is not</sup> ~~responding~~ <sup>ing</sup>---but much remains to be done.

Industry <sup>should</sup> ~~must~~ <sup>and increase</sup> continue its re-employment efforts. To reduce substantially the unemployment relief rolls, industry must hire a larger number of the older workers and the unskilled workers. <sup>will, I hope,</sup> This problem ~~must~~ <sup>n</sup> be recognized by industry. It is widely known that many of the largest industries will not hire workers over 40 years of age. To a large extent this policy is responsible for



the relatively large number of older workers on relief. Leaders of business must recognize the consequences of this hiring age policy---it condems <sup>many</sup> this group of workers to permanent unemployment.

It is scarcely necessary to point to the seriousness of this policy to the unemployed. Long continued unemployment for the older workers results sooner or later in unemployability. The non-employment of unskilled workers likewise leads <sup>eventually</sup> to unemployment---and this means a permanent problem of support. And the burden of support is carried ultimately <sup>in large measure</sup> by industry itself.

It is to the best interests of industry to recognize its responsibility, not only by substantially increasing employment but by employing those <sup>in groups where many are</sup> ~~groups~~ now supported by public funds. Industry can adjust its hiring policies so as to cause the speediest reduction in the real social burden of unemployment. This means giving a fair share of the new jobs to the workers over 40 and to expand opportunities for the hiring of unskilled workers.

In the relief message of March 18, 1936, ~~it was~~ stated that "Only if industry fails to reduce substantially the number of those now out of work will another appropriation and further plans and policies be necessary." <sup>Obviously not yet</sup> ~~Industry~~ has increased its employment ~~but not sufficient~~ to permit the Government to withdraw its aid to the unemployed. Moreover, the severe drought of this summer required the use of a large sum of money which would otherwise

<sup>general</sup>  
be available for unemployment relief. As a consequence, Congress  
will be asked to appropriate enough funds to carry the program  
through the fiscal year 1937.

The relief <sup>estimates</sup> ~~appropriation~~ and plans for the fiscal year  
1938 will be made known later. It is as true now as it was last  
March when the ~~relief message~~ <sup>message</sup> stated: "The ultimate cost of the  
Federal works program will,---be determined by private enterprise.  
Federal assistance---can be terminated if industry itself removes  
the underlying conditions."

I am glad to note  
an increasing spirit of mutual helpfulness,  
and of recognition of the ~~fact~~ fact  
that the way to end unemployment  
relief is to give work