

## CONFIDENTIAL

Press Conference #196,  
Executive Offices of the White House,  
April 17, 1935, 10.36 A. M.

MR. DONALDSON: All in.

THE PRESIDENT: I do not think there is any particular news. I just suggested to Senator Young that a little later on, when it gets a little bit warm, we might have some of these Conferences out on the porch and then we will be able to see each other a little better.

Q In that connection, do you propose to revive the White House mint bed, over which you are now sitting?

THE PRESIDENT: By God, that is true, too. It was right under here. I think it has been adequately taken care of. I will make immediate inquiries because that is something of great importance.

Q Do you care to comment on the setting up of state agencies to supervise Public Works expenditures?

THE PRESIDENT: The only thing I can do is to tell you exactly what happened since last Wednesday. We have gone ahead and made some very rapid progress in the working out -- giving all kinds of --

Q (interposing) I was thinking of in Louisiana there is some thought of setting up a state agency to supervise the expenditure of Public Works projects.

(Laughter)

THE PRESIDENT: That is a different matter. I don't think I need to comment on that.

I might just as well go on with what I am talking about, Public Works. We made great progress in the past few days and I might just as well give you an illustration. Yesterday, Mr. Ickes came in and reported on the new information that we will require on every application for a municipal

or local project. In other words, either grant and loan or grant or straight loan, any one of those three, where the work is to be done by the locality itself rather than by a department of the Government. In the past, in making allocations, we have never required certain data that we will need from now on. For instance, the actual number of men who can be used by the project from the relief rolls and, secondly, whether it can be definitely finished by a certain date. It is information of that kind and we are getting the set-up all ready so that within a few days we will be able to tell all the municipalities and other local organizations that make applications exactly what information they have to give us before there is a chance of getting it approved.

Then, to give you another example, Mr. Hopkins is working out three things and they are very nearly finished. The first is an absolutely definite list of the unemployed everywhere. The second, which will take up probably another month or six weeks before we get it in final form -- it has been done in a majority of the places in the country already -- is to be a rechecking of those lists so as to be certain that as far as you can reasonably accomplish it, we will only have people on those lists that are in need of immediate work relief. The third thing is districting the country so that when projects come in we will be able to say that in this region -- not just merely in this particular township or county, but in this region -- there are such and such a number of people on the unemployment rolls who are employable, and we will look at that project from the point of view of the region.

Now, those regions in the heavily populated areas will be comparatively small geographically and in the sparsely populated areas they will be fairly large geographically.

On the whole, the progress has been very excellent and probably, on

what must be considered a more or less minor point, we will have something more for you in a few days on the actual administrative set-up.

I can tell you this on the actual administrative set-up and I think it may be useful in writing stories: There are two functions that should be treated entirely separately. The first is the function of allotment and, in the last analysis, that responsibility rests on me. I am going to get the best information possible in making those allotments by creating some kind of a round table conference where a great many different people will sit in. The object of that, of course, is a very simple one. This money will be spent in so many different ways that we want to be sure that every possible method of spending it has a fair hearing. If I limited the allotments to the information that I got from three or four people, obviously the people with much smaller projects would not get a chance to be heard. That is why we will have some kind of a round table conference from time to time with all the different agencies of government and whoever will report to us on applications from the outside, so that they will have a chance to be heard. If some man in some department of the Government has an awfully good idea or plan for spending \$250,000, he ought to have his chance to be heard so that the huge projects won't be the only ones to be given consideration. This will be a clearing house, in a sense, and if the smaller project seems to be a very excellent one, it won't be crowded out by the bigger projects.

I suppose it is a fair guess that the total applications for projects will run from sixteen to twenty billion dollars. We will have a very large selection to choose from.

Now, that is the allotment thing. After allotments are made, and of course that has to be my final decision, you come to an entirely different field, which might be called simply the engineering or building

field. That means that various agencies and departments of the Government will go ahead and carry out the work or, if it is the case of a municipality that is doing the work, there will be some department of the Federal Government which will check up and see whether the municipality is living up to the timetable and the costs.

I hope you will get those differences in mind. They are completely separate functions. One is the allotment function and the other is the carrying out of projects. We are getting ahead with both of these and probably in the course of the next few days we will draw some kind of a chart for you.

Q How will you deal with that, around the table, like you did with the first one?

THE PRESIDENT: No, the second one -- suppose the City of Washington wants a new schoolhouse. That would be allotted in the Allotment Board and then, let us say, it is a loan proposition. The division which handles loans will -- of course, that would obviously be Secretary Ickes' division of municipal loans -- will make that loan to the District and he would be responsible, from that time on, for seeing that the District built that schoolhouse according to the time, on schedule, and at the same time Mr. Ickes would report back to me as to whether that schoolhouse was being built in accordance with the schedule.

Q There is one fundamental policy that seems not to have been announced. Are there going to be direct grants to states or loans?

THE PRESIDENT: In so far as possible, loans.

Q But you do expect --

THE PRESIDENT: No, I would not put it that way. I don't know whether we will have any grants at all, state grants. We want to get as much money as we can back. It will depend a good deal.

Q No definite formula?

THE PRESIDENT: No, no definite formula. It depends on circumstances of the individual municipality. That will be a trading proposition because they will try to get as much in the way of grants as they can and I will try to get as much in the way of loans as I can.

Q This is a detail but you spoke of Washington which has a tremendous proportion of pick and shovel men on relief. It is very difficult to prove what type of public works could keep a large proportion of the labor at work in this district. Has that come to your attention?

THE PRESIDENT: Yes and I think on that Commissioner Allen has a number of plans which will actually take care of these pick and shovel men. The District has a pretty good plan -- I do not know whether it has been released or not. Certain states have plans which should be sufficient to choose from to put everybody on the relief in those states to work. For example, the State of Alabama has a very excellent preliminary plan; the State of New Jersey has a good preliminary plan and the State of Wisconsin has a good preliminary plan, and other states are bringing them in fairly fast.

Q Mr. President, if the coal case is not settled this week, will you direct the Attorney General to prosecute them?

THE PRESIDENT: I am not familiar with it. I have not heard anything from it since last week.

Q Will the National Administration follow a hands-off-policy in the Kentucky gubernatorial primary?

THE PRESIDENT: I have nothing to do with primaries and cannot take part in them.

Q Getting back to work relief, will you give us an idea of the size of the districts, or will it be determined by population and by the number of the unemployed?

THE PRESIDENT: You cannot lay down a hard and fast rule. For example, you take out in the rather sparsely settled prairie country you get as big an area as is practical to administer. Now, that might be -- if you put it on a population basis, it would be an enormous area. It would be so big that you could not handle it. Therefore we have to cut it down to the practical geographical size which, because it is sparsely settled, would have comparatively few people in it. On the other hand, the City of New York, for example, would be an area all by itself, very small geographically, but seven million people in it.

Q I take it that no attention whatever will be paid to Congressional district lines?

THE PRESIDENT: Oh, no, not at all; not necessarily.

Q Do you contemplate recommending Congressional legislation in connection with the organic acts of Puerto Rico?

THE PRESIDENT: Not that I know of, but you had better not say I am not going to because I do not know anything about it.

Q About public works, the people are very much interested in knowing or trying to find out when dirt will begin to fly on the new projects?

THE PRESIDENT: It depends entirely on the projects.

Q A town that has a good project won't have to wait for the rest of the country?

THE PRESIDENT: No, except this, that of course you cannot start in -- there are practically no projects which will be started immediately because the engineering is not completed and they have not the materials on the job. Nobody can expect to start a project without materials. It may take a couple of months to get things ready. Of course, on the CCC Camps we will take in some people by the first of May.

Q What is your attitude toward those projects designed primarily to provide

educational or cultural opportunities?

THE PRESIDENT: That is the old question about the white collar men. All I can say is that we are going to do the best we can.

Q Quite a few articles have been written on the Wagner Labor Disputes Bill, specifically on the White House attitude, et cetera, and especially since the conclusion of the hearings. Can you tell us what the White House attitude is on it?

THE PRESIDENT: That is too speculative. Literally there isn't any news on this end.

Q Can the Copeland Merchant Marine Subsidy Bill be considered an Administrative measure?

THE PRESIDENT: There isn't anything on that.

Q Any truth to the news that you are sending a bonus bill to the Congress?

THE PRESIDENT: Nothing new on that.

Q This is an "if" question: In the event a bonus bill is approved, that will permit the veterans to cash their certificates, and the veterans are on relief, will that automatically mean that the cash in hand would not permit them to draw relief any more?

THE PRESIDENT: I do not know. You see, we are trying to get away from relief, trying to get work relief. You can only change that question by framing it to say, Would they still be on work relief? I do not know; it is something I never thought about.

Q Has there been any grouping of kinds of public works to be covered by these, such as grade crossings, with a definite table of the allotment?

THE PRESIDENT: No. You have to take an example. It will take more time than any other for grade crossings. Some states and some railroads have got plans immediately available; some states and some railroads know exactly how the land can be bought but, in other states and on other roads, there

has been nothing down on it except the vaguest kind of a survey and, therefore, we cannot take a definite sum at the present time and allot that to grade crossing elimination. We can make a pretty good guess that in the course of the next month we could allot such and such a sum to cover grade crossings, holding back some for a month from now and holding back some to the middle of June. Grade crossings will be one of the slowest because it involves getting land and materials. We hope to get the grade crossing program under way by the fall.

Q A part of it could be gotten under way very shortly?

THE PRESIDENT: In a few cases, yes.

Q Regarding non-Federal projects of a self-liquidating character, has it been determined what proportion will be a grant?

THE PRESIDENT: No, it depends on the value of the applications as they come in. They have got, in Public Works, I think somewhere around \$900,000,000 of applications at the present time. That does not mean that they have \$900,000,000 worth of good projects.

Q Anything new on the textile situation, please, sir?

THE PRESIDENT: Yes, there is. The day before yesterday I got from the NIRB (National Industrial Recovery Board) this large blue report which has been in process of working out over two months. It is a careful study -- there is another volume -- two volumes -- a study made by NRA in regard to bleached cotton cloth importations and three days ago I received it with the following recommendation from the National Industrial Recovery Board, a complaint under Section 3-E of NIR, addressed to me by the Cotton Textile Institute, Inc. I might say there were half a dozen other formal complaints made too. They just chose that as the one to go up on. It has been filed with the NRA and alleges that bleached cotton cloth has been imported into the United States in such amounts as to seriously

endanger the Code of Fair Competition. After examination of the complaint NIRB finds that the facts seem to be such as to warrant further investigation in accordance with Section 3-E of the Act and recommends that I ask the United States Tariff Commission to conduct an immediate investigation of the facts, give reasonable notice, hold public hearings and make recommendations in regard to the tariff on imported bleached cotton cloth. That I sent over to the State Department and the Secretary of State -- I got last night a letter from him that, in substance, wants the recommendation that the matter be referred to the Tariff Commission for investigation. I see no reason why it should not be made and it will go over to the Tariff Commission this morning to make a recommendation.

Q What is the principal source of these imports?

THE PRESIDENT: I do not know. I guess I had better keep out of that.

(Laughter) They are just imports.

Q Mr. President, going back to Public Works, did you mention a check-up? I take it that refers to the check-up of the unemployed on relief rather than a census of the unemployed. The Government has never made that census.

THE PRESIDENT: No. I can tell you what we are studying. I think something may come of it in regard to the census of the unemployed. There has been a terrific amount of very, very loose statement in regard to the number of people unemployed. You take the Labor Department figures, you take the Federation of Labor figures, you take the people on relief rolls, and somebody multiplies it by five and gets twenty million people, and then somebody, like Frank Kent, multiplies it by six and gets thirty million people. (Laughter) The result is a real confusion and we have been very much concerned about it. We have talked about it before. We are seriously considering using the white collar people -- that is a very good example, they are going to be difficult to place anyway -- on a census of the un-

employed. We haven't decided on it yet, but we have been thinking of a real, honest-to-God census to be taken on a given date, and it has got to be taken on a given date because it moves around so much. We can probably do it for somewhere around twelve or fifteen million dollars. It is one of the projects under consideration, and it would be, in effect, a complete tally of the unemployed.

Furthermore, it will do this: It will separate into some very, very essential classifications of the people who are unemployed. For instance, here is an example. Some private organization, or even some Government organization, may go around in a given block to take a census or so-called census of the unemployed, and they will ring somebody's doorbell and say, "How many people are unemployed in this family?" It may be a family of a father, a mother and two girls. The mother takes an occasional job. The two girls may take occasional jobs. The father is definitely out of work. The figures may show the four unemployed in the family. Now, it is a great question as to whether that is a fair statement. In other words, if the old man had a steady job, the family would not be on relief, also it would not be an absolutely necessary thing for the Government to give all four of them work.

What we are trying to do is to get away from this everlasting dole business to keep people from starving. If we can give that man a definite job, his family is going to be taken off the relief rolls and that is why we have to start classifying them.

Q Would unemployed mean anybody unemployed or people on the relief rolls?

THE PRESIDENT: I am talking about people on the relief rolls.

Q Would that census include our territories and possessions?

THE PRESIDENT: I think -- we are checking on it now. We don't know exactly.

Q How long would it take to complete a job like that?

THE PRESIDENT: It means preparation, quite a lot of preparation.

Q But the actual census would be taken in a 24-hour period?

THE PRESIDENT: I don't know now about census-taking, but it has to be as of a date.

Q Have you any figures as to how many that would employ?

THE PRESIDENT: No.

Q Have you any figures as to the number of unemployed today on the relief rolls?

THE PRESIDENT: Hopkins has got that. I think he will give them to you.

(The Press Conference adjourned at 10.50 A. M.)

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**CONFIDENTIAL**

Press Conference #197,  
Executive Offices of the White House,  
April 19, 1935, 4.05 P. M.

MR. DONALDSON: All in.

Q Mr. President, did you take up the New England textile situation at the Cabinet meeting?

THE PRESIDENT: Yes. I am appointing -- I have not written it down here -- I am appointing a committee consisting of the Secretary of State, the Secretary of Agriculture, the Secretary of Commerce and the Secretary of Labor to supervise the study and investigation of the whole situation relating to the cotton industry. These studies should include two main lines, first the emergency problem and secondly plans for the future. The matter of the emergency problem, the chief phases seem to be the following: There are four phases -- tell me if I am going too fast.

Q Much too fast.

THE PRESIDENT: First, the relationship of the processing tax to the present emergency and consideration as to whether there is some other way in which the processing tax can be levied with greater effectiveness and less disturbance to the industry.

Secondly, the wage differentials as between Northern and Southern operators.

Every child should be taught shorthand. (Laughter)

(The President was waiting for the Press to catch up.)

Third, whether imports are exercising an injurious effect on the immediate industrial situation and

Fourth, the prevailing price of raw cotton and its possible effect on domestic consumption.

To illustrate that last point, it was stated in the conferences that were held between these members of the Cabinet and the New England representatives, that many of the mills are piling up a large inventory of goods day after day because the retailers of goods are waiting to make substantial purchases with the hope that they can get them at lower prices.

Then on the second, the broad study, the long-time plan, there are among the subjects two, first an analysis of the physical conditions of plants to establish the degree of obsolescence and its effect on operating efficiency -- and this is the real meat in the coconut that I am telling you about now -- with a consideration of plans for establishing proper credit for needed or justified replacements in plants.

Secondly, a thorough analysis of foreign trade over a long-term period.

So that will start that Committee making this study and the appointment of that Committee meets with the approval of the entire Democratic New England delegation. There are the names.

Q That is the Congressional delegation?

THE PRESIDENT: Yes.

Q Will you send a reply to Congressman Connery?

THE PRESIDENT: Well, he was the first fellow that knew this.

Q He is the Chairman of the New England delegation.

THE PRESIDENT: What do you mean, will I send a reply to him?

Q Reply to his petition.

THE PRESIDENT: I suppose the announcement is a reply.

Q Have there been any exchanges or communications with the Japanese Government on this textile situation?

THE PRESIDENT: Not that I know of. The Acting Secretary of State did not

mention it. I don't think so.

Q Are you sending up a report --

THE PRESIDENT (interposing): I don't know. We are doing for the first time what should have been done about 1890. We are making an investigation on what they call "obsolescence".

Q A lot of that has accumulated.

THE PRESIDENT: Yes.

Q Can the RFC make loans for plant replacement or just for working capital?

THE PRESIDENT: I think they can make it for plant replacement.

Let me talk off the record for a minute on this cotton thing.

As you know, I am somewhat slow to get upset, and I am not upset now, but what does a fellow do when he picks up papers and reads -- well, here is the story: "The following mills in New England, cotton mills, have closed", and then there is a list of 90 or 100. I did not count them, it was about four or five inches of mills that had closed. That list contained mills that closed as far back as 1923. The majority of those mills were closed before 1930. The majority of that list, mind you, and yet that list was put out with the deliberate intention of fooling the American people. Actually, the number of old spindles that were put out of use and mills closed started in 1923 and ran through to 1932 at a very heavy rate -- I am wrong, 1931. Most of the mills were closed before the 1929 panic. Now, those are simple facts. I can list a dozen names right now of mills I know inside and out that were closed in 1923, 1925, 1927 and 1929, and yet the public is being deliberately misled into believing that these mills have been closed in the last six weeks or six months or two years.

Actually, the closing of mills slowed down in 1931. Actually there were very, very few mills that closed between 1931 and 1933.

In 1933, a number of mills opened up again that had been closed for a long time and they ran pretty steadily until this time.

Now, of course, the actual fact is that in New England especially they have not taken care of the problem of obsolescence, and mill after mill has had to close because they had machinery which was not up to date. A very large proportion of Japanese production today is being made on spindles that were bought from closed New England mills. That is an interesting fact. They can afford to use older spindles in Japan for the very good reason that they do not pay the labor. Now they are trying to sell goods made on New England spindles back to this country.

At any rate, whether they are in official or private life, it is deliberate falsification of the record and you are getting it right straight along.

Q Can we use your later reference there as to the effect of obsolescence?

THE PRESIDENT: Yes.

Q It is an active factor?

THE PRESIDENT: Yes, an active factor, that is absolutely right.

And then, of course, there is another thing, again talking off the record, a thing that anybody who knows New England knows. There were fine old New England families that started cotton production in 1830 or 1840 or along there. The first generation was 100% and worked. They got out on the road and sold their own goods and kept things up to date. There must be at least a hundred families in New England with that kind of history. Then it came down to the second generation, and the second generation were pretty good too.

And then the third generation came along. They took very large salaries and bonuses and spent most of their time and money in Europe.

That is a fact. The original founders kept the mills going and kept them modernized. Did any of that third generation ever get on the road selling goods? Not on your life. They preferred Paris.

Now, that is half the story of all this New England trouble. I cannot say that on the record, but it is a fact. (Laughter)

Q Mr. Wallace said something like it.

THE PRESIDENT: Did he? He doesn't know anything about New England, I do. Half of me comes from there.

Q Do you have, also, a petition from Southern Senators asking for a cotton textile investigation, something along the same line?

THE PRESIDENT: I don't know; I haven't got it here.

Q The Congressional Record today carries a letter which says that 71 mills have closed since August employing 22,000 workers in New England and the South.

THE PRESIDENT: Yes, and the mills closed in the summer and Spring of 1934, too. They closed because there were so many, so much cotton goods on the shelves of the department stores and of Sears Roebuck and of everybody else that they were so overstocked that the only thing to do was to close down. In other words, the cotton industry is always either overproducing or closing down. That is the difficulty with the industry. As an industry it has been thoroughly dumb in its productive methods. That is off the record, too. (Laughter)

Q Mr. President, that Committee of the four Cabinet Officers is to study the whole cotton situation and not merely New England?

THE PRESIDENT: Oh, yes.

Q Is there any truth in the report that you are going to send a bonus message to Congress?

THE PRESIDENT: Not that I know of.

Q Are you going to send any oil message?

THE PRESIDENT: Not that I know of.

Q Is there anything going to be done to place regulation of all forms of transportation in the Interstate Commerce Commission?

THE PRESIDENT: Well, I have thought so. I think it ought to be. I think I stated that away back in 1932, in my Salt Lake City speech. I don't believe we can differentiate between different forms of transportation. It is much better to have a central body that will consider the relative problems of all forms of transportation. Of course, in seeking that, you run up against the special interests of individual types of transportation. A lot of the aviation people look rather askance at having the Interstate Commerce Commission, which knows more about railroads than about aviation, having anything to do with aviation. They would like to be regulated by aviation people.

The shipping people would not want to be regulated by aviation, they would want shipping people. But, after all, the subject is so coordinated -- water transportation, inland canals, things like that -- I don't believe it is the wrong theory or principle to have them all embodied in one body. They can see the relative merits better than if you have a whole lot of unrelated commissions.

Q The reason why I asked that question is because coordination seems to be apparent to everybody else except on the Hill where they are proposing a Maritime Authority and an Aviation Authority.

THE PRESIDENT: I know. Well, I don't think I have changed my thought of it.

Q Have you decided when you will send your transportation message?

THE PRESIDENT: Not any particular date. Some time, I suppose, in the next couple of weeks.

Q Has Secretary Hull submitted as yet the State Department report on neutrality?

THE PRESIDENT: No; I don't think he is going to. I don't know.

Q They were drawing up a report and they told us the other day that they might send it.

THE PRESIDENT: I don't know.

Q Any possibility of the processing tax with respect to cotton being extended to other commodities?

THE PRESIDENT: No, this just related to cotton textiles.

Q I wondered if on this other matter, you can lift the tax on one commodity?

THE PRESIDENT: You mean lifting the processing tax without imposing another tax? It is not a case of lifting, it is a case of getting a substitute, and if you get a substitute for one tax there will be a substitute for every tax, and you know how popular that will be.

Q Will you talk on the Copeland-Bland Ship Subsidy Bill?

THE PRESIDENT: I am not in a position to. I have got it in the basket.

Q On transportation again, if regulation should be centralized in the ICC, do you believe that statutory reorganization of the Commission would be necessary, or that the Commission could adapt itself?

THE PRESIDENT: That is a debatable question. I am not familiar enough with it. You had better check with Congressman Rayburn. He thinks the present statute is sufficiently broad to allow them to reorganize to take care of all methods of transportation. Other people think that legislative authority is needed to give them the right to reorganize.

Of course, that brings up a question which is not a frightfully important one but may take a week's debate in the Senate -- don't say that on the record -- as to whether it should be a smaller commission or a commission of the same size or a larger commission. That is a thing that the columnists could write columns about because personalities are involved. Actually it is of very, very small importance as to whether it is handled by six or eight people or eleven or fifteen people.

Q In view of this Georgia and Louisiana situation, have you anything to say about kicking politics out of relief?

THE PRESIDENT: No, except we will try to keep politics out of relief.

Q Did you discuss the Colt case?

THE PRESIDENT: Colt?

Q Colt.

THE PRESIDENT: Except the Secretary of Labor said that they were getting on well and hoped to get a settlement quickly.

Q Anything about work relief plans?

THE PRESIDENT: No, nothing at present.

MR. STORM: Thank you, Mr. President.

(The Press Conference adjourned at 4.15 P. M. )

## CONFIDENTIAL

Press Conference #198,  
Executive Offices of the White House,  
April 24, 1935, 10.40 A. M.

Q (Mr. Storm) We came well equipped with paper and pencils today. Steve  
(Mr. Early) warned us last night.

THE PRESIDENT: We will get out the cigarettes and sit back and talk.

MR. DONALDSON: All in.

THE PRESIDENT: Well, what is the news?

Q That is what we want to know.

Q We heard that a new ambassador has been appointed.

THE PRESIDENT: Not to my knowledge.

Q There is a big piece in the Post (The Washington Post) yesterday that  
Mac (Mr. McIntyre) is ambassador to the cotton men without portfolio.

THE PRESIDENT (laughing): Well, knowing Mac, you know that he is going  
down to that party.

Q Mr. President, if you are not going to make any announcement about the  
relief bill, may I ask a question that may clear up something in our  
minds? What part are you personally going to play in the administra-  
tion of this bill?

THE PRESIDENT: The best answer is to read the Constitution.

Q I haven't it with me.

THE PRESIDENT: In other words, don't believe fish stories. The Constitution  
says that I am the head of the Executive Branch of the Government.  
I suppose that answers it partly. I think the rest of the answer will  
come to you when I tell you the next step in the Works Relief pro-  
gram because it all ties in together. I think then you will see ex-  
actly where I fit in. I think you were told that there will be a series

of announcements. I am trying to make this orderly so that the public as a whole will understand what it is all about. Partly because of the debates in the Senate and House and partly because of the fool stories in the Press, there is a rather confused impression on the part of the public. It is a perfectly orderly procedure, the use of this four billion dollars. It is not five billion dollars it is just four billion dollars. As I have said before, the figure five keeps turning up.

The first step, announced yesterday, was the organizing of what might be called the "intake" bureau, an application bureau and information bureau, so that people will know where to go. As I said in last night's statement, that division of applications and information will receive not only the new projects that people have to suggest, but also a great many, several billion dollars worth of suggested Government projects brought in by different departments or suggested from the outside. I suppose the easiest way to do it is to bore you to death by reading to you a five-page list, which may not even be complete, of projects that may be constructed under authority of the Emergency Relief Appropriation Act of 1935. They fall into -- they are listed here -- about eight different headings. The first heading is highways. I think this appeared in the Congressional Record, although I am not certain, and if it has not there is no reason why it should not be mimeographed just for your guidance. It shows the wide variety of work that can be carried on. Let me read you two or three of these eight headings to give you an idea. Under "Highways, roads, streets and grade crossing elimination" you have the following potential activities:

"Acquisition of land, any interest therein, and

adjoining territory  
 Bridges, culverts, tunnels, and other crossings, etc.  
 Construction of routes to avoid congested areas  
 Express highways  
 Farm to market, feeder, and secondary roads  
 Grade crossing eliminations  
 Highways  
 Grading, landscaping and beautification  
 Parkways  
 Reconstruction of existing grade crossing structures  
 Repair, maintenance, widening, extension, improvement  
 and relocation of highways, roads, streets, causeways,  
 parkways, approaches and other traffic facilities  
 Roads"

that are not big enough to be classed as highways,

"Sidewalks, paths and gutters  
 Streets  
 Construction of facilities to mitigate existing hazards  
 to pedestrian or vehicular traffic  
 Surveys and plans for projects under this general classification"

You see, there are all kinds of factors that come in there. Let's take  
 for example -- well, somebody always asks about white collar workers.  
 Here is one subdivision, "Assistance for Educational, Professional and  
 Clerical Persons."

Under that heading you have this:

"This general class is intended to give employment to  
 large numbers of professional and clerical workers  
 on the relief rolls, such as:  
 Art projects  
 Charts and graphs  
 Dramatics"

What is that new word that was invented?

Q Boondoggling.

THE PRESIDENT: That is right, boondoggling.

"Education work such as student aid, adult education,  
 workers' education, literacy classes, nursery  
 schools, vocational training and rehabilitation  
 Mapping  
 Nursing and other public health work  
 Orchestras

There is a chance for the White House Quartet.

"Planning work  
Record keeping  
Research and special surveys  
Surveys of unemployment and population problems"

that is where your census comes in --

"Traffic studies."

And here is another classification:

"Loans or grants, or both, for projects of States, Territories, Possessions, including subdivisions and agencies thereof, municipalities, and the District of Columbia, and self-liquidating projects of public bodies thereof."

Those are non-federal projects.

"(To fall within this class, it is not necessary that the State, Territory, Possession, District of Columbia, the subdivision or agency thereof, or the public body contribute any monies in order to render the same as a non-federal project.)"

"Airports  
Auditoriums  
Bridges  
Canning of garden products and agricultural commodities"

that is to take care of people on the local relief rolls, in other words the unemployables --

"Dams  
Demolition  
Drainage  
Eradication and control of disease bearers, pests and poisonous plants  
Flood control  
Hospitals  
Incinerators  
Irrigation  
Landscaping  
Land acquisition  
Levees  
Malaria control  
Markets  
New construction or improvement or maintenance of public properties or publicly owned facilities  
Park buildings  
Playgrounds  
Projects for the generation, production, transmission or distribution of electric energy in town and urban areas

- Public buildings
- Publicly owned utilities
- Purchasing, processing and distribution of agricultural commodities or products thereof or of other commodities
- Recreational facilities
- Reservoirs
- Sanitation
- Schools
- Self-help cooperatives
- Sewerage systems
- Sewerage disposal
- Sewing rooms
- Swimming pools
- Terminal facilities
- Warehouses
- Water conservation
- Water lines
- Water works
- Wells
- Waterways and navigation aids
- Any projects of a character heretofore constructed or carried on either directly by public authority or with public aid"

Now, I have only read to you three out of eight different headings but it gives you an idea of the tremendous scope of the program.

Q What are the chapter headings?

THE PRESIDENT: The first heading is "Highways, roads, streets and grade crossing elimination."

Q Any proposed major project would have to clear through Walker (Mr. Frank C. Walker) before finally coming through you?

THE PRESIDENT: They go in through him.

Q They must go through him before they come to you?

THE PRESIDENT: Of course eventually they come to me.

The second subdivision is:

"Rural rehabilitation and relief in stricken agricultural areas, and water conservation, trans-mountain water diversion and irrigation and reclamation"

Under that heading come, "Rural Rehabilitation," "Rural Industrial Communities," "Subsistence homesteads," "Relief in stricken agricultural areas," "Prosecution of work projects for destitute persons

in rural areas."

These are all subheadings -- I mean, there are four or five or ten under each one of these (headings).

The third heading is "Rural Electrification."

Q Does soil erosion come in the second one?

THE PRESIDENT: I am trying to find where it is. Yes.

Now, your third heading is "Rural Electrification," which has no subdivision because it is all one subject.

The fourth heading is "Housing." That is for low-cost housing in urban and rural areas. That includes reconditioning and remodeling.

The fifth heading is the white collar one that I have read -- "Assistance for Educational, Professional and Clerical Persons."

The sixth heading is "Civilian Conservation Corps," which has a lot of subheads under it. The reason I hesitated a moment on soil erosion, for example, is that it is really a question as to whether that does not partly belong under CCC, because the CCC boys will do a very large part of the soil erosion work although the objective of soil erosion falls under the other heading.

On the seventh (heading) "Loans or grants, or both," -- that is the one I read for political subdivisions.

The eighth (heading), which also includes soil erosion, the title of the eighth heading is "Sanitation, prevention of soil erosion, prevention of stream pollution, sea coast erosion," -- that is to keep your favorite beach from washing away during the winter time -- "reforestation, forestation, flood control, rivers and harbors and miscellaneous projects."

Well, that gives you an idea of the scope of the work.

Now, I am trying to take these up in an orderly way. Who does the

work? That, really, is the important part of this particular conference today, in my judgment. Who does the work? We checked on that and Steve (Mr. Early) has a mimeographed copy of this (indicating copy of release). It is, at least, a space-filler for you.

The Treasury Department -- I would not take all this down because Steve has this copied for you. In the Treasury Department the following agencies are involved -- regular agencies of the Government:

"Commissioner of Accounts and Deposits: Clerical help in handling works program disbursements."

Obviously, they have to have a lot of people to handle it in that bureau.

"Office of the Treasurer of the United States: Preparation of checks for paying all employees."

That takes a lot of people.

"Bureau of Customs: Clerical help for preservation of records."

That is a project.

"Bureau of Internal Revenue: Clerical help in connection with increasing tax collections."

That is a project.

"Bureau of Engraving and Printing: Printing checks for paying works program employees."

"Bureau of Public Health Service: Supervision of certain projects dealing with public health."

"The Coast Guard: Coast Guard stations and cutters."

"Procurement Division" --

because one of the very important factors in this is supervision of purchasing for a large proportion of all these jobs and also construction of public federal buildings.

"Bureau of the Budget: Supervision of administrative personnel and expenditures."

The War Department -- mind you, these are all existing agencies of the Government -- that is the point I am trying to make:

"Office of the Quartermaster General: Supervision of projects relating to new buildings, reconstruction of buildings and other improvements in military reservations, posts, forts, camps, cemeteries, or fortified areas.

"Office of the Chief of Engineers: Projects relating to rivers and harbors, flood control and other non-military operations now under the supervision of the Chief of Engineers.

"DEPARTMENT OF JUSTICE: Supervision of projects relating to federal prisons and to studies of parole and recidivism.

"DEPARTMENT OF THE NAVY: Projects for new buildings, reconstruction of buildings and other improvements in naval reservations, work at yards and docks, etc.

"DEPARTMENT OF THE INTERIOR:

"General Land Office: Clerical help for preservation of records in land office.

"Bureau of Indian Affairs: Projects on Indian Reservations

"Office of Education: Clerical assistance in connection with educational research.

"Geological Survey: Topographic maps.

"Bureau of Reclamation: Irrigation and reclamation projects.

"National Park Service: Projects for roads, fire lanes and other developments of national park areas.

"DEPARTMENT OF AGRICULTURE:

"Soil Erosion Service" --

that has to go on as we get these new areas developed.

"Office of Experiment Stations: Projects for buildings and grounds of agricultural experiment stations.

"Bureau of Agricultural Economics: Clerical help in connection with agricultural research.

"Bureau of Animal Industry: Projects relating to prevention of animal diseases.

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"Bureau of Biological Survey: Wild life reservations and predatory animal and rodent control.

"Bureau of Dairy Industry: Projects relating to buildings and grounds of dairy research laboratories.

"Bureau of Entomology and Plant Quarantine: Projects for the control of insects and plant diseases.

"Forest Service: Projects relating to the development of the national forests.

"Bureau of Plant Industry: Projects relating to experimental work and buildings and grounds.

"Bureau of Public Roads: Highway projects.

"DEPARTMENT OF COMMERCE" --

I guess Danny (Secretary Roper) will get some money out of this before he is through --

"Bureau of Air Commerce: Airport projects.

"Bureau of the Census: Projects similar to those usually performed by the Bureau of the Census.

"Bureau of Foreign and Domestic Commerce: Projects relating to business surveys.

"Bureau of Fisheries: Projects relating to development of fish culture."

For instance, eradicating the oyster disease and things like that.

"Bureau of Lighthouses: Projects pertaining to lighthouse establishments.

"DEPARTMENT OF LABOR:

"Bureau of Labor Statistics: Statistical projects relating to labor, employment, and prices.

"United States Employment Service: Assistance in placing employees under the works program."

That is a very important factor.

Then you come to a whole lot of other divisions of the Government, all more or less connected.

"UNITED STATES EMPLOYEES' COMPENSATION COMMISSION: Pay-

ment of compensation claims to injured employees under program.

"FEDERAL POWER COMMISSION: Research projects dealing with power.

"VETERANS' ADMINISTRATION: Projects relating to Veterans' hospitals.

"TENNESSEE VALLEY AUTHORITY: Projects relating to the program of the Tennessee Valley Authority.

"FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS: Projects involving loans to States, municipalities or subdivisions thereof.

"FEDERAL EMERGENCY RELIEF ADMINISTRATION: Relief problems

"EMERGENCY CONSERVATION WORK: Conduct of the Civilian Conservation Corps."

Now, right there you will see at once that there are -- I have not counted them up -- about fifty or sixty probable agencies of the Government who are going to carry on this work. So the great bulk of the work will be carried on by existing agencies.

Q What does housing come under?

THE PRESIDENT: I am coming to that in a minute.

Now, we have gone over that first list of possible projects I read and we have gone over the second list, showing the existing Government agencies that are capable of carrying on the work and what do we find? We find that with three exceptions in all this enormous list -- in only three cases do we need to set up new agencies. Now, that is a very interesting thing.

Well, put it this way: I suppose there are on that first list, I suppose there are 200 classifications of work and all but three of them can be done by existing Government agencies. Now, what are the three that we have to set up, the new agencies? The first is to take care of the new problem of grade crossings. Now, the Highway Bureau

in the Department of Agriculture has always left the grade crossings entirely to the states. As a matter of fact, we have not been providing federal money for grade crossings. They have only been handled by some of the states, and not even all of the states, so the general thought is that at the present time we will set up a Grade Crossing Elimination Division in the Bureau of Highways of the Department of Agriculture.

The second of the three relates to the problem of rural resettlement. As you know, we have had three or four different agencies working during the past year, very largely on an experimental basis on rural housing. Well, of course, rural housing falls into a great many different categories and different departments have experimented with the different categories and sometimes they have -- you will find two departments going along the same type of work. Therefore, I am going to call it Rural Resettlement. That involves running it down the scale -- the individual family who is in an impossible location at the present time, from the point of view of making both ends meet, resettling him on a place where he can make both ends meet -- that is the individual case. Then you come down to the next case, which is the resettlement of a group of people who want to move out of a location and go somewhere else. Well, a very good example of that is the families up in the Northwest who flocked in and begged to be allowed to go up to Alaska and start life anew in Alaska. Then, the third example is the case of the -- I have forgotten the technical term for it, the broken-down community where all the industries have left -- what is the word for it?

Q Stranded communities.

THE PRESIDENT: Yes, stranded communities. We will move them to a better

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place where they will be able to do a certain amount of farming and at the same time do a certain amount of industrial work to make both ends meet.

Then, the fourth type is what we call the satellite city -- in other words, where you have a serious slum condition in the city and, instead of moving them out of the slums but keeping them in the city, a lot of them would like to go outside the city and start a new community where they will have a certain amount of land, enough for a garden. They would not be farmers but at the same time they would have industries so that it would be a small city in itself. Now, all of that, the actual work, lies outside of cities and therefore comes under the general term of rural resettlement, and I am setting up a new division to take care of that. That will be headed by the Under Secretary of Agriculture, Mr. Tugwell.

Q Pardon me, will Mr. Tugwell take care of all rural resettlement?

THE PRESIDENT: Yes, all rural resettlement, except that there is one exception in there, which is a matter to be worked out with relief. It is the case of the man who needs to be restarted where he is now. In other words, a small loan, a cow and a few pigs and a few chickens and a few tools and maybe a mule would get that fellow started again in the same place he is now. We have not decided yet whether that remains under what is left of the Relief Administration or whether it will go in this new division, but that is a very small thing.

Q I understand that this new division will take over the existing Subsistence Homestead and all other agencies?

THE PRESIDENT: Yes; it has been too scattered, as you know. Subsistence Homesteads have been doing it, <sup>[FERA ?]</sup> FERA has been doing it, AAA has had something to do with it and there have been altogether too many agencies.

We put them in one place.

Q Would that be a new division in the Agricultural Department?

THE PRESIDENT: No, just a new division. I do not know where it will be.

Q Will Tugwell continue as Under Secretary of Agriculture?

THE PRESIDENT: Oh, yes. Then, No. 3 --

Q (interposing) That new division would remain under the jurisdiction of the Department of Agriculture, would it not?

THE PRESIDENT: Well, yes and no. In other words, it will be under Tugwell.

He will be responsible and the Secretary of Agriculture won't. It is to be his child.

Q Will this require confirmation by the Senate?

THE PRESIDENT: No. (Laughter)

Q Are we to understand that the taking care of the white collar people will bring a great many into the existing agencies of the Government and that they must be expanded to do all this work?

THE PRESIDENT: In other words, is the Government pay roll going to go up enormously?

Q Yes, that is it.

THE PRESIDENT: No, the Government pay roll is not going to go up, unless you say that every man that is paid out of this four billion dollars is a Government employee, which is not quite fair. In other words, if you want to build a sewer and you put a thousand men to work digging the sewer -- now, they are manual laborers, but you have to have somebody who will keep the accounts and do the clerical work. We take that person off the relief rolls and they are just as much a part of the relief job as the fellows actually digging the ditch. In other words, we are not going to increase the Government pay roll.

Q There will be an increase in the administrative pay roll, will there not?

THE PRESIDENT: Well, that is a part of relief.

Q They will get their money from the appropriations?

THE PRESIDENT: Nearly all, with very few exceptions, would be people off relief.

Q The Treasurer of the United States, for example, would have to have new people to handle checks?

Q They will be additions to the present pay roll?

THE PRESIDENT: No, they will not. That is exactly the point. They should not be considered as part of the permanent pay roll of the Government. They are part of this four billion dollars.

Q They are a project?

THE PRESIDENT: And as soon as the project is done, they go too.

Q Approximately what proportion of the fund will be allotted Mr. Tugwell?

THE PRESIDENT: Oh, I have no idea, but very, very small. It is very small.

Q Will he participate in the other rural rehabilitation projects?

THE PRESIDENT: They are all in this. What do you mean? What other?

Q Like soil erosion?

THE PRESIDENT: No, that is not rural rehabilitation.

Q He won't have anything to do with that?

THE PRESIDENT: No.

And the third is very much needed, a new division in charge of the program of rural electrification. The Government has never done anything like that before and I have not made up my mind as to who will head it. Probably it will be a separate division, not under any department.

Q Will that be like the TVA?

THE PRESIDENT: No, because TVA is a permanent agency of the Government. This is purely an educational thing.

Q That won't fit in the Federal Power Commission?

THE PRESIDENT: No. This is to put people to work. The Federal Power Commission is a quasi-judicial body.

Q Have you made up your mind who will head the Grade Crossing Elimination?

THE PRESIDENT: I do not know yet.

Q Who have you in mind for this Rural Electrification?

THE PRESIDENT: I have not talked to anybody about it. I have nobody in mind as yet.

Q On your Grade Crossing Division, it will work under MacDonald of the Bureau of Public Roads?

THE PRESIDENT: Yes, it will be a division under MacDonald.

So, you see, those are the only three divisions created, the Rural Electrification, the Rural Resettlement and Grade Crossings.

Q Will low-cost housing remain under Secretary Ickes?

THE PRESIDENT: It will remain under Hackett.

Q And Moffett's setup will continue as it has been, except for a change?

THE PRESIDENT: Moffett's setup?

Q Yes.

THE PRESIDENT: That hasn't anything to do with this -- that is a financial setup.

Q What part does the President of the United States play in this thing?

THE PRESIDENT: Exactly the part that I played in the \$3,300,000,000.

Q As President of the United States?

THE PRESIDENT: Yes. (Laughter)

Q Mr. President, what happens to the FERA and Mr. Hopkins under this?

THE PRESIDENT: The FERA, of course, goes on in certain functions, such, for instance, as taking care of the employables in communities where, after this program is going, we are not able to take care of all the

employables.

Q He still remains in charge of whatever relief there is?

THE PRESIDENT: Yes and, of course, relief, as such, is tapering off. The non-dole end of relief is being transferred to this program.

Q There will be no work relief in the FERA? That is, the work projects will be taken up by separate agencies?

THE PRESIDENT: Well, there are certain things that may come up -- that may be taken up. For example, we have 100,000 women today who are on work relief making mattresses and doing all kinds of sewing. They are making cotton clothes for the destitute and sheets and things of that kind, edging blankets, and these 100,000 women are being run by one of the divisions in FERA at the present time. Probably we have to look after these 100,000 women until they get private work and we will probably continue that division, because they have been handling it in a satisfactory way, rather than transfer them to some new agency. There are a few things like that that may be kept going.

Q Will Mr. Hopkins' division become relatively less important by next November?

THE PRESIDENT: Oh, wait until you see tomorrow's and the next day's statement.

Q The Soil Erosion Service being transferred from Interior to Agriculture -- won't Tugwell handle that part of soil erosion?

THE PRESIDENT: Only the fact that he is Under Secretary of Agriculture. It does not come under this Division of Rural Resettlement.

Q What becomes of slum clearance?

THE PRESIDENT: That stays where it is, under Mr. Hackett.

Q PWA?

THE PRESIDENT: Under Hackett.

Q The white collar workers who are added to the regular establishment because of expanding activities -- what wages will they receive? Will they be comparable to those who are doing similar work there now?

THE PRESIDENT: I do not know; I have not thought about it at all.

Q What becomes of the Public Works Administration under this new setup?

THE PRESIDENT: They continue exactly what they are doing now. In other words, the City of Louisville puts in a request for a sewer and they say, "We can pay for it at such and such a rate of interest over such and such a number of years." And that goes right where it goes today.

Q The only thing there being Subsistence Homesteads?

THE PRESIDENT: Yes.

Q Does that go through Walker first?

THE PRESIDENT: Yes, it all clears through there, and they are to be lined up by areas.

Well, a very good example was -- I won't mention any names -- somebody came in the other day with a project for a perfectly good dam, flood control, irrigation, et cetera, a project that cost \$36,000,000. Well, the first objection was that it would take three years to build it, so that that violates one of the canons right away. We cannot give \$36,000,000 because that would tie up two-thirds of it, \$24,000,000 into the next year. What we are trying to do is to put people to work. And the second thing it violated was that there are not enough unemployed to spend the \$12,000,000 in that one year.

Q Under that premise, do you eliminate this proposed cross-Florida ship canal?

THE PRESIDENT: I do not know; we have not studied it from that point of view yet. That is one of the things we are going to do.

Q How do you go about shifting men from relief rolls to jobs? Who will that clear through?

THE PRESIDENT: To private jobs?

Q To jobs under this program?

THE PRESIDENT: That originates from present relief rolls under FERA and, of course, they are combing them pretty carefully and eliminating a lot of names that have no right to be on the relief rolls. Once we get what might be called a certified relief roll -- take any given area, the District of Columbia: we have a certified relief roll and the District Commissioners have two approved projects and the Federal Government has another two approved projects in the District of Columbia. Both of them go to somebody that we set up here who will be in charge of that relief roll, and both the District people who are doing the project and the Federal people who are doing the project go to him and say, "I want so many men of such and such a type" and the man in charge of the certified relief roll provides the men to the project within the area.

Q This certified relief roll, are you going to get that as the result of the census or something of that sort?

THE PRESIDENT: Well, they are practically completed now. They will be all done by the summertime.

Q Are you ready to go just as soon as you get your organization set up?

THE PRESIDENT: Ready to go, except, of course, it would not be correct to say that everybody will be at work next Monday morning.

Q But, I mean, the projects are approved?

THE PRESIDENT: Oh yes.

Q Do you care to give any hint as to their nature?

THE PRESIDENT: Not yet. You know certain things from the bill as it passed. You know, for example, that \$600,000,000 was earmarked for

CCC. Well, it is a good case. You know, also, that the Public Works Administration has got applications in -- I think Secretary Ickes announced that several times -- for over a billion dollars of projects that have been studied. Well, now, there are two pretty good-sized items right there.

Q Will you expect the municipalities to put up something in connection with urban improvements, like grade crossings, et cetera?

THE PRESIDENT: Grade crossings?

Q Inside the cities, to build them at public expense?

THE PRESIDENT: Yes, unless, of course, the city wants to go further than we do on a given grade crossing.

Q Do you contemplate any change in the percentage of rate on grants and loans in PWA, from 30-70 perhaps to 50-50, or anything of that kind?

THE PRESIDENT: No, we have not worked it out. It depends so much on the case itself. It probably is a sounder thing in the long run to make it a straight loan of a hundred per cent, without any grant, and then reduce the interest all we possibly can and extend the time of payment -- in the long run.

Q There had been a proposition in the past to make it a straight matching proposition?

THE PRESIDENT: No.

Q Care to comment on the anti-lynching bill?

THE PRESIDENT: No.

Q How many people may be affected by this rural resettlement proposition of Tugwell?

THE PRESIDENT: How many people? You are a little bit early. Ask me in about a month.

Q Using the certified relief rolls, will there be any political inter-

ference in relief?

THE PRESIDENT: I hope to goodness there will not be.

Q Can you tell us whether the Railroad Coordinator's Office will be extended after June sixteenth? It expires then.

THE PRESIDENT: Does it expire on the sixteenth of June? I will have to check on it.

Q I will take my lunch into the phone booth. (Laughter)

Q Thank you, Mr. President.

**CONFIDENTIAL**

Press Conference #199,  
Executive Offices of the White House,  
April 26, 1935, 4.00 P. M.

MR. DONALDSON: All in.

THE PRESIDENT: You have all got the last installment of the serial.

Does anybody want to ask any questions about anything that is not clear?

Q Mr. President, will you talk to us a little bit about the relative positions of importance and otherwise of the three units, the Walker unit, the Ickes unit and the Hopkins unit? As I understand it, the three are on the line.

THE PRESIDENT: Yes. In other words, the Einstein theory does not apply. There is no relativity. (Laughter)

Q In connection with that question, several newspapers would like to print diagrams, if possible, like along the line of genealogical charts. Can you help us with that?

THE PRESIDENT: I think so. I thought a little bit about preparing a diagram myself. I suppose I have written out on paper, in longhand, about fifty or eighty different diagrams in the past six months. I have not prepared anything. I don't know if it is physically possible to talk a diagram without a blackboard, but I will try it.

Q We will appreciate it.

THE PRESIDENT: If I were doing it I would take a piece of paper and at the bottom of the piece of paper I would put somewhere around fifty or sixty little circles, all on a line. Now you have on the bottom of the piece of paper a line of fifty or sixty little circles. Each one of those little circles, all except three, each one of them is an old circle. Remember that. There are only three new circles. Each

one of those fifty or sixty circles represents an existing Government administrative agency for actually carrying on the work, certain types of work, of those classifications I gave you the other day, 280 or 300 of them. All of those 280 or 300 classifications fit into one or more of those fifty or sixty little circles at the bottom of the page.

Then, about halfway up the page you will put three big circles, and the one on the left-hand side -- because this thing marches from left to right on the picture -- that is the easiest way of putting it.

(Laughter)

Q Anything symbolic? (Laughter)

THE PRESIDENT: And the further right you go the redder it is. (Laughter)

Now, that is awfully confusing, isn't it? It is perfectly true, though. (Laughter)

Now these three big circles, taking the one on the left of the page, into that circle there goes recommendations for projects that may originate in some of these sixty little circles at the bottom. In other words, some existing Government agency may have a project. Well, for example, the CCC is a little circle at the bottom. No Congressman, Mayor or anybody else originates these CCC projects. They originate in the CCC organization and they bring up the projects to the big circle on the left-hand side.

Also, there feeds into that circle on the left-hand side, which is Walker's organization, projects coming from the outside. Now, they may come from individuals with a happy thought or they may come from Government organizations, like states or cities or Congressmen. I don't know whether you would call a Congressman a government organization, but I think that is all right.

So, into the Walker circle, the division of applications and information, go all these projects. The ones that come from the outside, in almost every case, have to be referred down to one of the sixty circles at the bottom for study and information, and then they go back to the Walker circle after that is done. The ones that originate down in the sixty circles at the bottom will probably go up to the Walker circle with full information and, therefore, won't have to be referred back for study and information, engineering, et cetera.

Then, out of the big circle on the left-hand side come a series of envelopes. Each regional unemployment area gets an envelope and into that envelope go all local projects within that unemployment area. And then, of course, there will have to be another envelope for what might be called general projects. Well, again, the CCC Camp is a general project because it takes people from every community in the country and spreads them all over the country.

These things go into the second circle of which Mr. Ickes is Chairman and they sift them in accordance with certain necessary rules. I have told you about those rules beforehand in regard to the projects, whether the individual project has enough direct labor in it, whether it will be finished within a reasonable time, which ones are self-liquidating and which are not, and so forth and so on, and whether, in the given area, all of the suggested projects will take up all of the slack. That is to say, whether it will take everybody or reasonably everybody off the relief rolls. That second circle I call the round table conference because the idea of making it large is that the little fellow has a right to be heard and it will enable us to be fair to the little projects as well as the big projects.

From there we will go up the page, to me, right above. I will receive the recommendations for allotments, and then, when I make up my mind on the allotments, I approve a certain list. I may change the list, you cannot tell, but of course in most cases the Allotment Board -- not every case by any means -- but the Allotment Board list as a general proposition, having been carefully studied, the great majority of them I will approve because they will be in accordance with the general objective.

Q Will they have been approved and recommended by Ickes' group when they reach you?

THE PRESIDENT: Yes. Then, when I have made up my mind and make the allotment in accordance with the law -- the law says I have got to do the allocating -- where does that approval of mine go? It goes two ways. First, down to the sixty circles at the bottom. That means, to the sixty circles at the bottom, "Here is your project, it has been approved. The allotment has been made. Get busy and carry it out." They are the people who do the work. That is authority for them to proceed with the work. At the same time, a copy of that list of allotments goes over to the big circle on the right, the third big circle, which is Hopkins' circle. Thereby he is informed that these projects have been sent to these various bureaus.

Then he has under him certain machinery which I outlined in the statement today.

The Bureau down at the bottom of the page, concerned with a given project, wants to buy a lot of cement for the project. It goes to the Procurement Office. Like all the other sixty bureaus, it says, "I want so much cement for this job." The Procurement Division lumps all of this cement and then tries to get a reduced price on the

cement because of the volume. In other words, it is just practically what it does today on a much smaller scale.

At the same time, the circle at the bottom says to the division in the Hopkins circle, that has to do with the names of people who are employable on the rolls, "This particular project is in unemployment area number 57. Please give us the list of the unemployed in that area so that when we start the job we will get people to work from that list." Then the representative of the U. S. Employment Service is notified and when these people in the unemployment area actually go to work, the U. S. Employment Service man, who is in touch with all the private employers in that district, says to them, "If you need people and cannot get them for your private work, you can come to the U. S. Employment Service and we will certify the people to you who are now engaged on a Government project."

Then, finally, every one of these lower circles, the sixty circles, will report very frequently to the progress division on whether the job that has been assigned to them is proceeding in accordance with schedule because every project that comes up through the allotment division to me will have attached to it a schedule of the speed with which they propose to employ people and the number of people that they propose to employ, month by month, on each job. The Progress Division will have a copy of that and the fellow at the bottom, in charge of the carrying out of the work, will report every week or every month, depending on the particular job, to the Progress Division as to whether he is living up to his proposed schedule and, of course, if he is not living up to it, he has to explain why.

Q Does that apply also to state projects?

THE PRESIDENT: You mean projects we are making loans on?

Q Yes, sir.

THE PRESIDENT: It does, to this extent. If we loan ten million dollars to the City of New York in accordance with the schedule of employment that they have filed with us, which shows that they are going to put so many people to work on the first of September and so many on the first of October and so many on the first of November, and so on through, we will make a loan to them for that sewage disposal plant and they have to report to us. If they fall behind on that schedule, we make that fact public, with their explanation if you like. That is the fault of the local subdivision in the same way that it would be the fault of the local Federal agency, unless they have a perfectly good explanation.

Q Would you require such a schedule as a pre-requisite for making a state or municipal loan?

THE PRESIDENT: Oh, yes. In other words, that is the only way we can find out as to the probability of the money being spent inside of a year or fourteen months.

Q Will there be any forfeiture condition in the loans in case a municipality falls far behind its schedule?

THE PRESIDENT: I don't know, Charlie (Mr. Hurd).

Q That will be a little difficult to work out.

THE PRESIDENT: Probably it will work out a little bit the way it has worked out already in PWA. They have had a number of cases where moneys have been allotted to municipalities and the municipalities have done nothing about it, and then we have cancelled the allocation. In other words, it is a case of rescinding.

Q Mr. President, what will be the first point at which we can get news on

specific projects?

**THE PRESIDENT:** News will come -- I think the easiest way is for the news to come through the Information Division of Walker. Now, of course, here is something I want to say off the record. It will be a perfectly easy thing, especially in the allocating period, to go around to some one of these sixty agencies of the Government to get a perfectly grand story of somebody that wanted one hundred million dollars and only got ten million dollars. He will consider that he was much more entitled to one hundred million dollars than somebody else in the Government. You may be able to get that sort of story from somebody in Washington who has possibly been down here for many years in a subordinate position. You can get lots of fellows to give you stories of conflict and friction between the separate departments. Each one, you know, would like to build up and it is a grand opportunity to build up his department, even at the expense of the one next door. You will have plenty of opportunities to write that kind of a story, if you want to.

I don't think those stories amount to very much because, after all, it is only human that they should try to do that if it is going to help them. In the long run, when these allocations are made, they are not going to be foolproof, but at least they will represent the judgment of a good many people and we are going to do the best we can.

**Q** Are you able to estimate about how long it will be before you put these projects actually in operation?

**THE PRESIDENT:** You can't write that one. It is physically impossible.

A simple example is this: The CCC Camps are beginning, I think, on the 15th of May to start certain construction work for new camps.

They may get some new camps ready for occupancy by the 15th of June.

We are taking that figure out of the air. Another project that requires more engineering and more materials on the job may not put any workmen to work until July. There are still others that require more engineering or materials or planning or the purchase of land, for example, where you may not get people on the job until Fall. There is no fixed date. We are going to do it with reasonable speed. That is the only promise I can give.

Q Ickes has told us from time to time, particularly in those periods when he has had no money to distribute, that they have processed about a hundred million dollars worth of projects. Will it be necessary for those projects to be referred to Walker?

THE PRESIDENT: Yes, for this reason, because they have been processed under the old method where we did not ask for a schedule of the number of people who could be put to work and the dates when they will go to work. Of course they have been passed on for usefulness and they won't have to do that again. The only thing they will have to check on is how many people will go to work and when.

Q These old projects have been requested on the basis of 70-30?

THE PRESIDENT: Yes.

Q What becomes of that proposition? Do I understand you won't have grants?

THE PRESIDENT: It is much better to avoid grants if we can possibly do it. A good many will be willing to go through with it. We can extend the time of payment and reduce the rate of interest so that the annual out-of-pocket to the city will be the same thing as under the 70-30 plan.

Q Have you finished your chart?

THE PRESIDENT: I think so. The easiest way to put it is with the sixty circles at the bottom and the three half-way up the page.

Q Is Mr. Tugwell among the sixty?

THE PRESIDENT: Yes.

Q Did you deal with the Tugwell circle?

THE PRESIDENT: He is one of the sixty. Of course, some of those down among the sixty will spend an awful lot of money. For instance, CCC, as you all know, will spend well over six hundred million dollars and yet that is one of the sixty.

Q Mr. President, to get to another topic: I understand that Senator Harrison told his Committee that a majority favors an extension of NRA in its present form until March first next because they feel that a majority of the legal cases should be disposed of first.

THE PRESIDENT: I don't know about it.

Q Has the application of this Public Works Bill to the Islands been straightened out?

THE PRESIDENT: Mr. Gruening thinks it has, but I told him to try to check with, I think it was the Attorney General -- oh, I know, the Comptroller General.

Q The Act says, "the states and territories and possessions". Is the question that has to be looked up, does that involve the way in which it can be done most effectively and with least waste, and so forth, or what is the question?

THE PRESIDENT: Of course we want it to apply to Puerto Rico and the Virgin Islands and Hawaii and so on, and all I know is that Gruening thinks it does and I told him to make sure and see General McCarl.

Q Can you tell us anything about regional organizations?

THE PRESIDENT: On this set-up?

Q Yes.

THE PRESIDENT: No, except that of course we will probably have, in some

cases, employment areas and in some cases states. For example, probably a state like Nevada that has fewer people in it than Dutchess County, New York, would be handled on a state-wide basis, but in each either state or unemployment area there will be some Federal person who will act as coordinator of the various jobs being done in the particular district.

Q They won't administer the work?

THE PRESIDENT: No.

Q Will those individuals be under Hopkins?

THE PRESIDENT: Yes. He is the progress man. You see?

Q Have the boundaries of any of these districts been worked out?

THE PRESIDENT: Practically, nearly all of them.

Q Is it likely that an unemployment area will be less than a state?

THE PRESIDENT: Oh, heavens, yes.

Q There will be several unemployment areas within a state?

THE PRESIDENT: Yes.

Q How many unemployment areas will there be?

THE PRESIDENT: I don't know. I haven't seen a map for a month. You take New York City. That is within the State of New York. It will probably include New York City and maybe Nassau and maybe Suffolk and maybe Westchester Counties. There is an example.

Q Will Walker's outfit have that map when it is ready to give out?

THE PRESIDENT: Yes.

Q How will Hopkins determine the amount of security wages to be given in each area?

THE PRESIDENT: I don't know; that is his job.

Q Do you expect there will be a great deal out of this conference tonight?

THE PRESIDENT: What?

Q Out of this work relief conference tonight?

THE PRESIDENT: Oh, we will talk over what we have talked over here today.

Q Do you care to comment on the price of silver or the future course of the silver buying program?

THE PRESIDENT: You will have to ask the Treasury and I don't believe they will tell you. (Laughter)

Q How about projects such as housing? Will they be considered on the time limitation basis?

THE PRESIDENT: Yes.

Q In other words, you won't want to build houses that will take more than a year to construct?

THE PRESIDENT: All done by next Summer, if I can.

Q Jesse Jones told us this morning that he talked generally about railroad loans. I wonder if you could add anything to that?

THE PRESIDENT: Jesse was in for half an hour this morning and never mentioned them. (Laughter)

Q Who will be actually doing the employment among those who will come within the sixty circles?

THE PRESIDENT: They will not be employing people but will be taking them off the relief rolls.

Q In the event that McCarrl rules that the territories are included, will the applications follow the same rule?

THE PRESIDENT: Just like a state; exactly like a state.

Q Richberg told the Munitions Committee that the Justice Department and the Labor Board did not hold the Company as being in violation of 7-A and therefore won't prosecute.

THE PRESIDENT: That's beyond me. I used to be a lawyer but I am not any more.

Q Will the states have to get their material, like cement, from the Procurement Division?

THE PRESIDENT: No, they won't have to get it from them. If a state can get its cement for highways at a dollar sixty-five, naturally we are going to kick if they pay \$2.10.

(The Press Conference adjourned at 4.15 P. M.)