PSF:WPA file

This report is important for
Mr. Jones. He needs a
human being at the focal point.

Joe JEP.
Mr. W. F. A.

August 5, 1931

Dear Mr. Employment Administrator,

I have been in New York state a little more than a week. I spent several days in Albany, visited Troy, Schenectady, Schenectady, and have been in Syracuse since Saturday. I have also been in New York state a little more than a week. I spent several days in Albany, visited Troy, Schenectady, Schenectady, and have been in Syracuse since Saturday.

After all that—

I shall tell you about today, while it is still fresh in my mind. After a week or so of listening to ads from the TWA office and the Employment Bureau, I started around visiting factories, looking for work. I found that the prices of milk have been lowered, and that the farmers will not be able to make up for the loss by increased sales. Also, the government is deciding to help the poor farmers with their crop. I visited several factories and found that they were all still open, and I got a lot of work there. I started working for a large company and made a good wage. I am happy to be able to support myself now.

Yours truly,

[Signature]
I've seen plenty of what the neighbors insisted was "shovel-leaning." Somehow, before, I was always able to see around it--so to speak. But today--well, it really was shovel-leaning. I couldn't get away from it.

At one place on the ditch project, a dozen men were supposed to be at work. Only one of them, an old Italian who couldn't speak English, was shoveling dirt. Slowly, but keeping at it. Six or eight of them were just doing nothing at all, standing or sitting around, smoking and talking. The rest would occasionally move, like figures in a slow motion picture.

At the quarry, there was more activity, but certainly nobody was killing himself.

On the park project I saw half a dozen men and youngsters sitting in a little group on the grass, in the shade. Some of them seemed to be picking at the grass. I thought maybe they were hunting for four-leaf clovers. It seems they were supposed to be pulling weeds.

And this, I'm afraid, is what's got the wolves after us. The superintendent and the foremen tell me it has been getting worse and worse for months. On the ditch project, the superintendent told me he tries to get 60 percent--a little better than half--of the efficiency that would be expected on a regular city job or a private contract job. He can't get it.

You should have seen the sullen, hangdog expression on the faces of those clients. And more and more, when they try to get them to do a little work, foremen receive the answers:

"I don't have to work here. Go ahead and fire me. The city's got to take care of me."

This spirit, I'm told, has spread all through the work program. At lunch today, the city welfare commissioner, head of the home relief setup, admitted it. And so, this afternoon, did one of the best and most intelligent social workers I've met in a long, long time. She has charge of the intake here. Unlike most of the social work crowd, she thinks that it is highly important that we get these people away from ease working, budgets, supplementary relief, and these damnable abnormal "jobs." as soon as possible. She thinks we're going to ruin them all, forever, if we don't.

From all of which I gather that this work program is coming in just the nick of time.

Certain things stand out in my mind as I think over today's conversations.
The job under the new program—to my dismay I found the clients referring to it, and some of them sarcastically, as "the new deal"—must be made as nearly like jobs in private industry as possible.... That means, first of all, discipline. Under the new program, men can be allowed to tell their boss to go ahead and fire him that the city will have to take care of him. This sounds harsh, but, by gosh, it's for the good of their own souls. A job must be a job, something to be valued, respected.

For God's sake, let the same thing happen on this that happened in OPA. You know, a few weeks' work, then a cut in wages. Then weeks of uncertainty, with glowing predictions from Washington. Finally a prolonged fiasco. We're promising every man under this new program a job for a year. We've simply got to make good that promise. And if we do, my social worker tells me—and I can't help thinking she's right—we'll do wonders to rehabilitate these people. Why, anything else we could possibly devise. But there must be some of this business of working a few weeks and then being laid off.

We've got to cut them loose from the relief agencies. Complete in many cases, it's going to be brutal. But it's got to be done. There must be no running to the welfare office for supplementary food orders, coal, clothing. They've got to be on their own and it's new or never.

This budget business is going to make a lot of trouble for me. But we'll have to take it and get through it somehow. You see, some chickens are coming home to roost. Chickens that hatched out of the idea that, in running a work program, you could place a premium on the size of a man's family rather than on his ability and his willingness to earn enough money to support that family. And so you're going to have an Italian laborer with nine or ten children whose budget calls for twice as much as he earns under the new program. What a squawk you're going to get from him. They're all budget-minded now, you know. And you're not going to get much support either from the social workers. Most of them are going around bleating like a lot of sheared sheep. Local officials—with local elections coming off this fall—can't see it. Either. And even the hard-headed businessmen on the Wicks committees think we're wrong, although they would like to see the cost cut down.

There's one way out, if you want to take it. In a family where the budget is, say, twice as much as the head of the family's security wage will be, you might give two jobs.

Well, that's going to be a "headache," as Mr. Allen, head of the relief committee in Schenectady, was put it. But cheer up. It will affect probably less than a fifth of the locals.
4----------Mr. Hopkins----------

sent of the clients will be getting more, under the new program, than they were getting now. There won't be any rioting over that.

While on the subject of the security wage, I'll add that apparently, outside of New York City, all is fairly quiet on the AFOZ front in this state. I haven't heard at all the kind of stuff I heard down in Pennsylvania. In Albany the other day I had a talk with John O'Halloran, secretary of the State Federation of Labor. They're having their annual convention about the middle of this month, and he said he expected there'd be some talk— but that was about all. There's been some discussion in Rochester and Buffalo, but nothing very much. Nothing at all here. The WPA chief here has taken on a former president of the Central Labor Union to deal with labor for him. I'm going to see him Wednesday, I think.

On the whole, the feeling about the security wage is much better up here than it is down in Pennsylvania.

One thing I notice—and I don't know but that it's healthy—is a kind of skepticism on the part of everybody toward the new work program. At least, they aren't going to expect too much of it and then be disappointed.

On the other hand, one basis for that skepticism is going to make it tough for Mr. Herzog. They all suspect him of playing politics. Too bad he's tied up with the O'Connell gang in Albany's Out and around the state the feeling seems to be that no good can come out of anyone who has ever had any connection with the O'Connell's.

It's a kind of "whispering campaign" against Mr. Herzog, and in some places it has roused a good deal of bitterness.

The feeling seems to extend even into the Governor's office. Governor Lehman remarked to me the other day, in a rather guarded fashion, that TERA had always been kept out of politics as much as it was humanly possible to keep it out and hinted that he hoped Mr. Herzog would do likewise. From that I gathered that the Governor was not exactly enthusiastic about the appointment of Mr. Herzog. It may be that he feels a little hurt. Most of the TERA people, I'd say, seem to regard the appointment of Mr. Herzog as a reflection on the job they've been doing. The Governor's remark may also have had some political significance. I don't suppose the breach with the O'Connells was ever really healed, any more than was the breach between Al Smith and the President.

In Cohoes (And isn't THAT a town?) there's a great deal of bitterness. It seems there's a Democratic leader of ill repute there, an O'Connell henchman, named Mike Smith. Mike bossed the town for years,
should say

I will only describe the Paras and the canonical phase of the...
Your friend, Horace, recently attended a town car and I want to come.

I understand that you have been working on the problem of finding a good son. Your solution, to work on the same problem with some patience, seems to be a good one. The problem of finding a good son is not easy, but with patience and hard work, it can be solved.

I hope you are making progress in your work and that you are finding some encouragement. The Federal Government and the President are doing all they can to help solve the problem of finding a good son. I hope you will continue to work hard and that you will succeed.

About the weather, it appears to be cloudy and there may be a chance of rain. So, it is best to stay inside and enjoy the comfort of home.

I hope you have a good day.
Krauskopf

alised to be too tough on the relief clients. Due to ignorance
For instance, he pulled that on you hear everywhere you go—
"you can't get a maid in Albany." Told me he thought most of
the women he's got to take care of on his women's projects ought
to be working as domestics. By golly, I wish he had to take a job
as a domestic himself for a few weeks. He's all set on that. It's
seeing employment people wherever I go, and the story is all the
same—plenty of jobs for women as domestics if they'll work for their
room and board. For instance, today the head of the employment bureau
in the Syracuse welfare department (they set up their own because,
they say, they couldn't get cooperation from the state employment
office) got a call from a woman who wanted a maid for $2 a week.
She had four children, expected the maid to do all the washing and
cooking, part of the cleaning, live in, and stay with the kids three or four nights week, and she hung up, sore as
Hell, when he refused to send her a maid for $2 a week.

And again I call your attention to the need of strengthening
the public employment service. By and large, it needs it badly. It's
going to have to withstand an awful lot of stress. Especially if
an attempt is made to extend the spoils system into the relief
cause load. The employment agency will assign the relief clients to
the jobs. They'll be the boys under pressure. Besides, we ought to
be educating the public—big private employers—to apply there for
labor. But they MUST give good services. We ought to have there the
best personnel we can lay our hands on. As far as possible, trained
people.

The youth problem keeps bobbing up. Several people have pointed
out that we ought to be training these youngsters for something—that,
when industry does pick up, there's going to be a serious
lack of skilled machinists, mechanics, skilled labor of all kinds.
On the work projects, they were telling me today, they have their
worst troubles with the youngsters—sent out to earn the family budget.
Those kids hate it like poison. Their attitude is somewhat like that
of prisoners on a rock pile. Of course they don't take any interest—
don't want to work. It's putting an awful strain on family affection.
Mister. What they want is to get started doing something—or learning
to do something—in which they have some future. And there
seems to be no place for them to get any training. What because of
our idea of putting them into shops and factories as apprentices?
They've apparently gone now on the CCC idea, too. Can't get 'em to
enlist. They feel it isn't going to get them anywhere.

I had an awfully tough time in Schenectady the other night. The
relief committee got me out on Howard Wright's front porch, and went
after me, hammer and tongs. I tried not to say much, but kept telling
'em, over and over, that the Federal Government was going to get out
of the direct relief picture by November 1—that from then on it would
Mr. Hopkins!

I imagine my chagrin when I picked up a paper in Utica the next day and read a statement, that seemed to emanate from the White House, that we'd not be out of the direct relief show before the first of the year—if then! Incidentally, the reaction of those gentlemen to the idea of the Federal Government getting out of direct relief was: "Sal! Then we don't have to maintain any longer these absurdly high standards the Federal Government has imposed upon us."

Yesterday I got a ride with a state trooper from Ithaca, Marathon, Trumansburg, Mountour Falls, Watkins Glen. They're pretty well cleaned up, but there is still plenty of evidence of the savagery of that flood. Almost unbelievable. And yet—I can't see why it should be up to the Federal Government to rebuild those towns. Perhaps that's because I come from a country—Dakota and Minnesota—where they have disasters "as is disasters." Tornadoes—Forest fires. Why, the whole northern half of Minnesota burned up in 1918! But even out there now—they yell for Santa Claus.

From what I saw yesterday, I should say that Governor Lehman's pathetic picture of farms all covered with rocks and debris was a trifle exaggerated. Driving all afternoon—and we went on back roads as well as main roads—we saw certainly not more than a dozen farms where debris had washed down to any extent. And in most of these it was confined to barnyards. I didn't see a single field entirely covered with debris, and, for the most part, the crops didn't appear to have been damaged much. They were telling me today about a demand that came from the Binghamton area for 500 men to go out and straighten up the corn that had been flattened down! By hand, apparently, stalk by stalk! Of course I may get a different picture next week, when I go down to Painted Post, Harwell, Elmira, and Binghamton. But certainly yesterday I didn't see any debris that a farmer couldn't clean up by himself without much trouble. I should think we're getting to be such a nation of city babies, dammit! There's no doubt that the damage in the towns we saw was simply terrific, but certainly not until recently would they have expected the Federal Government to clean it up.

Tomorrow I'm going up to Watertown. I'll be here Wednesday, in Rochester Thursday, Friday, and Saturday morning; Buffalo from Saturday night until the following Wednesday, when I go down through the Southern Tier on my way into Washington.

"Cordially yours," as they say in refined circles.

P.S. I've been thinking a lot about Pennsylvania, and, the more I think, the more I wonder if the rift isn't really between Joe Guffey and Dave Stormer? There's something funny somewhere, anyhow.
April 22, 1936

The President
The White House

Dear Mr. President:

Reference is made to your memorandum of April 17, 1936, asking my opinion as to what should be done about the people who are working on the Florida Ship Canal in the event that operations on the project are stopped.

I am informed that if no further funds are made available for the canal, the people from relief rolls who are now employed will be released approximately as follows:

<table>
<thead>
<tr>
<th>Month</th>
<th>Number</th>
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<tbody>
<tr>
<td>April</td>
<td>330</td>
</tr>
<tr>
<td>May</td>
<td>2589</td>
</tr>
<tr>
<td>June</td>
<td>1514</td>
</tr>
<tr>
<td>July</td>
<td>490</td>
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</tbody>
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These people were drawn from all over the state of Florida and in some cases were reluctant to accept work on the canal. They were informed that they must accept that employment or none. I therefore feel that there is a distinct obligation on the part of the Works Progress Administration to take care of them if the canal operations shut down.

By June 30, 1936, the Works Progress Administration employment quota for Florida is to be reduced by about 25 percent of the maximum which was attained in that state. I believe that a corresponding reduction should be made in the number of people from the canal who are given Works Progress Administration employment. On this basis, the Works Progress Administration can undertake to provide employment for approximately 3750 canal workers who came originally from relief rolls.

I believe that this information should be announced in Florida as soon as it is definitely known that no further funds are to be available for the canal.

Respectfully yours,

Administrator
To: The President of the United States.

From: The Acting Executive Director.

Subject: Florida Ship Canal.

I would suggest that as soon as convenient some kind of an announcement be made at the site of the work as to what employment in the immediate future is likely to be. The Canal now has some 6,000 employees, at least two-thirds of whom reside in other parts of Florida or nearby states. If work there is stopped without adequate notice, some hardship will be sustained by the employees which otherwise might be avoided if notice were had of such impending stoppage. The fact seems to be now that most employees think that the work will continue at full pace and relatively few are making any provision for any other contingency.

My point simply is that conditions affecting employees there will be ameliorated if they are advised as soon as reasonably possible what they may expect.

Lyde T. Alverson,
THE ACTING EXECUTIVE DIRECTOR.
March 9, 1937

The President
The White House

Dear Mr. President:

I am enclosing a memorandum from Mr. Corrington Gill which will be of interest to you.

Respectfully yours,

[Signature]

Administrator

ENC
AVAILABLE INFORMATION ON EMPLOYMENT, UNEMPLOYMENT AND RELIEF

A vast amount of information on employment and unemployment is already available in the Federal Government. We probably have as much information on the needy unemployed as any country in the world. The more important items available are summarized in the following outline.

A. Employment

Monthly figures are available for most industries showing changes in:

- Employment
- Payrolls
- Weekly earnings of workers
- Hours worked

This information, provided by the Department of Labor, is based on monthly reports covering approximately 3,850,000 workers, and is supplemented periodically by detailed studies covering nearly 40 industries.

Substantially complete figures on most items above are available periodically through Censuses of Manufacturing, Mines and Quarries, Agriculture, Distributive Industries, Hotels, and Construction, taken by the Bureau of the Census.

Annual figures on children granted work permits are available, as are also monthly statistics on strikes and other labor disputes.

B. Unemployment and Relief

1. Unemployed registered for jobs

Monthly figures covering 6,500,000 active registrations with the employment service. These reports include at least three-fourths of all unemployed workers. Figures can be secured for each State or county, showing for all workers:

- Age, sex and color
- Occupation and industry
- Duration of Unemployment

Detailed work histories are available in local offices.

Similar figures are available monthly for all persons placed in jobs and for all new applicants for jobs.

2. Workers Receiving Relief

Monthly figures on Works Program employment and on number of cases and persons receiving State or local relief. Data are also avail-
able on the earnings of these workers, hours worked and occupations at which employed.

For 1935 and 1936 complete censuses of more than 6,000,000 workers eligible for Works Program employment, showing for each county:

- Age and sex
- Occupation at which experienced

The 1935 Census also shows:

- Color
- Industry
- Education
- Size of family
- Number of workers in family

Detailed work histories and experience records on the Works Program are available in local offices.

3. Problems Relating to Re-employment

Figures are available to show, for various periods of 1935 and 1936:

- Number of cases leaving relief for private employment, their ages, the occupations and industries to which they are going, and their earnings.
- Extent of private employment in relief families
- Supplementation of private earnings by relief
- Prevailing wage rates in different occupations
- Extent of technological displacement of labor
- Extent of labor shortages
- Extent of job refusals by relief workers
- Duration of unemployment of relief workers
Memo for Mr. W. F. Dwight

Wheatland Reservoir Project

Near Wheatland, Wyoming, where at two minute stop will be made at 11:15 today, the WPA has constructed a reservoir on the Laramie River to provide supplementary water storage for 50,000 acres of farm land. 4000 families are benefitted, the cost of storage is extremely low. The project was spons.
WORKS PROGRESS ADMINISTRATION
WASHINGTON

Issued by the Wheatland Irrigation District.
Cost:

Federal $325,000
Sponsor 75,000
Total $400,000

J.M. Harrington
9/24
Chief Engr. WPA.
That in order to continue to provide relief, and work relief on useful public projects, in the United States and its Territories and possessions (including projects heretofore approved for the Works Progress Administration which projects shall not be subject to the limitations hereinafter specified in this section), there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until June 30, 1938, and to be used in the discretion and under the direction of the President, $1,500,000,000 together with such unexpended balances, as the President may determine, of appropriations made by (a) the second paragraph of the Emergency Relief Appropriation Act of 1936, as supplemented by the First Deficiency Appropriation Act, fiscal year 1937, and (b) section 1 of the Emergency Relief Appropriation Act of 1935, including the unexpended balances of appropriations referred to therein: Provided, That this appropriation shall be available for the following classes of public projects, Federal and non-Federal, and the amounts to be used for each class shall not, except as hereinafter provided, exceed the respective amounts stated, namely: (a) Highways, roads, and streets, $415,000,000; (b) public buildings, parks and other recreational facilities, including buildings therein, public utilities, electric transmission and distribution lines or systems to serve persons in rural areas including projects sponsored by and for the benefit of nonprofit and cooperative associations, sewer systems, water supply and purification, airports and other transportation facilities, flood control, conservation, eradication of insect pests, and miscellaneous work projects, $330,000,000; (c) assistance for educational, professional, and self-help, and clerical persons and women's projects, $360,000,000; and (d) National Youth Administration, $15,000,000: Provided further, That no portion of the funds hereby appropriated shall be allocated or used for any purpose except to provide relief or work relief for persons in need: Provided further, That not to exceed 5 per centum of the amount allotted or used by any department or agency may be expended for administration of such relief or work relief; except that this provision shall not apply to allocations made to the General Accounting Office, the Department of Justice, the Treasury Department, the Employees' Compensation Commission, the United States Employment Service of the Department of Labor, the Bureau of Air Commerce of the
Department of Commerce, the National Emergency Council, the Reconversion Administration or to the Prison Industries Reorganization Administration, for administrative expenses in performing functions for or on behalf of the relief or work-relief program:

Provided further, That the amount specified for any of the foregoing classes may be increased proportionately in accordance with the amount of such unexpended balances as the President transfers for the purposes of this section from the appropriations made by (a) the Emergency Relief Appropriation Act of 1935 and (b) the Emergency Relief Appropriation Act of 1936, as supplemented:

Provided further, That the amount specified for any of the foregoing classes may be increased by not to exceed 15 per centum thereof by transfer of an amount or amounts from any other class or classes in order to effectuate the purposes of the foregoing appropriation:

Provided, That no Federal construction project shall be undertaken or prosecuted under this appropriation unless and until there shall have been allocated and irrevocably set aside Federal funds sufficient for its completion; and no non-Federal project shall be undertaken or prosecuted under this appropriation unless and until the sponsor has made a written agreement to finance such part of the entire cost thereof as is not to be supplied from Federal funds. This appropriation shall be available for expenditure by the Reconversion Administration for such loans, relief, and rural rehabilitation for needy persons as the President may determine, including such cost of administration as the President may direct:

Provided, That no person employed on work projects and certified as in need of relief who refuses a bona fide offer of private employment under reasonable working conditions which pays as much or more in compensation for the same length of service as such person receives or could receive under this appropriation and who is capable of performing such work, shall be retained in employment under this appropriation for the period such private employment would be available:

Provided further, That any person who takes such private employment shall at the expiration thereof be entitled to immediate resumption of his previous employment status under this appropriation if he is still in need of relief and if he has lost his private employment through no fault of his own.

The funds herein appropriated shall be so appropriated and distributed over the twelve months of the fiscal year ending June 30, 1936, and shall be so administered during such fiscal year, as to constitute the total amount that will be furnished during such fiscal year for relief purposes.

Sec. 2. In carrying out the purposes of the foregoing appropriation the President is authorized (a) to prescribe such rules and regulations as may be necessary and to utilize agencies within the Government and to empower such agencies to prescribe rules and regulations to carry out the functions delegated thereto by the President: Provided, That the rates of pay for persons engaged upon projects under the foregoing appropriation shall not be less than the prevailing rates of pay for work of a similar nature in the same locality as determined by the Works Progress Administration with the approval of the President; and (b) to accept and utilize voluntary and uncompensated services, and utilize, with the consent of the State, such State and local officers and employees as may be necessary, and prescribe their authority, duties, and responsibilities:

Provided, however, That in the employment of persons, applicants in actual need whose names have not heretofore been placed on relief rolls shall be given the same eligibility for employment as applicants whose names have heretofore appeared on such rolls: Provided further, That in order to insure the fulfillment of the purposes for which the foregoing appropriation is made and to avoid competition between the Works Progress Administration and other Federal or non-Federal agencies in the employment of labor on construction projects of any nature whatsoever, financed in whole or in part by the Federal Government, no relief worker shall be eligible for employment on any project of the Works Progress Administration who has refused to accept employment on any other Federal or non-Federal project at a wage rate comparable with or higher than the wage rate established for similar work on projects of the Works Progress Administration:

Provided further, That any relief worker who has been engaged on any Federal or non-Federal project and whose service has been regularly terminated through no fault of his own shall not lose his eligibility for restoration to the relief rolls or for reemployment on any other Federal or non-Federal project on account of such previous employment:

Provided further, That the fact that a person is entitled to or has received either adjusted-service bonds or a Treasury check in payment of an adjusted-compensation certificate shall not be considered in determining actual need of such employment.

Sec. 3. The departments, agencies, or establishments having supervision of projects for which funds from the foregoing appropriation are made available shall not knowingly employ on such projects aliens illegally within the limits of the United States or aliens who have not filed declaration of intention to become citizens, and they shall make every reasonable effort consistent with prompt employment of the destitute unemployed to see that such aliens are not employed, and if employed and their status as such alien is disclosed they shall thereafter be discharged: Provided, That preference shall be given to American citizens who are in need of relief in employment by the Works Progress Administration and next those aliens who are in need of relief and who have declared their intention to become citizens prior to the enactment of this joint resolution: Provided further, That veterans of the World War and Spanish War who are in need of relief shall be given preference for employment by the Works Progress Administration.

Sec. 4. Any Administrator or other officer named to have general supervision at the seat of government over the program and work contemplated under the foregoing appropriation and receiving a salary of $2,500 or more per annum from such appropriation, and any State or regional administrator receiving a salary of $2,000 or more per annum from such appropriation shall be appointed by the President, by and with the advice and consent of the Senate: Provided, That the provisions of section 1761 of the Revised Statutes shall not apply to any such appointee and the salary of any person so appointed shall not be increased for a period of six months after confirmation.
Sec. 5. Appointments to Federal positions of an administrative or advisory capacity under the foregoing appropriation in any State shall be made from among the bona-fide citizens of that State so far as not inconsistent with efficient administration.

So far as not inconsistent with efficient administration no part of the sums appropriated by this joint resolution shall be available to pay the compensation of any officer or employee of the United States who holds an administrative, executive, or supervisory position under the joint resolution, if the position is in any office located outside the District of Columbia or is on any project prosecuted in any place outside the District of Columbia, unless such person is an actual and bona-fide citizen of the State, Territory, region, or district in which the office or project is situated, but this provision shall not apply to the temporary and emergency assignment of any person to a position where the period of service in such position does not exceed sixty days.

Sec. 6. No part of the foregoing appropriation shall be used to pay the salary or expenses of any person who is a candidate for any State, district, county, or municipal office (such office requiring full time of such person and to which office a salary or per diem attaches), in any primary, general, or special election, or who is serving as a campaign manager or assistant thereto for any such candidate.

Sec. 7. Hereafter, so far as not inconsistent with efficient administration, all appointments of persons to the Federal Service for employment within the District of Columbia, under the provisions of this joint resolution, whether such appointments be within the classified Civil Service or otherwise, shall be apportioned among the several States and the District of Columbia upon the basis of population as ascertained at the last preceding census.

In making separations from the Federal Service, or furloughs without pay to last as long as three months, of persons employed within the District of Columbia, under the provisions of this joint resolution the appointing power shall give preference, as nearly as good administration will warrant, in retention to appointees from States that have not received their share of appointments according to population; Provided, however, That soldiers, sailors, and marines, who themselves are not qualified, but whose wives are qualified to hold a position in the Government Service, shall be given preference in retention, in their several grades and classes, where their ratings are good or better.

Sec. 8. The provisions of the Act of February 15, 1934 (48 Stat. 351), relating to disability or death compensation and benefits shall apply to persons (except administrative employees qualifying as civil employees of the United States) receiving compensation from the foregoing appropriation for services rendered as employees of the United States and to persons receiving assistance in the form of payments from the United States, under the National Youth Administration created by Executive order of June 28, 1933. Provided, That hereafter the monthly compensation in any individual case heretofore or hereafter coming within the purview of said Act of February 15, 1934, shall not exceed the rate of $80, exclusive of medical care: Provided further, That so much of the foregoing appropriation or the United States Employees' Compensation Commission, with the approval of the Director of the Bureau of the Budget, may be set aside in a special fund to be administered by the Commission for such purposes: and after June 30, 1938, such special fund shall be available for such purposes annually in such amounts as may be specified therefor in the annual appropriation Acts: Provided further, That this section shall not apply in any case coming within the purview of the worker's compensation law of any State or Territory, or in which the claimant has received or is entitled to receive similar benefits for injury or death.

Sec. 9. Subject to the limitations of section 1 of this joint resolution so much of the foregoing appropriation as may be determined by the President to be necessary for administrative expenses of any department, establishment, or agency of the United States for additional work incident to carrying out the purposes of such appropriation or the provisions of section 5 of the Emergency Relief Appropriation Act of 1938, or as may be necessary for administrative expenses of the National Resources Committee, may be allotted therefor by the President, and the funds so allotted shall be available until June 30, 1938, for expenditure in the discretion of the President for the purposes and in accordance with the provisions of the first paragraph of section 2 of said Act.

Sec. 10. In carrying out the purpose of the foregoing appropriation the President is authorized to prescribe rules and regulations for the establishment of special funds in the nature of revolving funds for use, until June 30, 1938, in the purchase, repair, distribution, or rental of materials, supplies, equipment, and tools: Provided, That the requirement in section 1 hereof that no Federal construction project shall be undertaken unless and until there have been allocated and irrevocably set aside sufficient funds for its completion shall not apply to flood-control and water-conservation projects authorized by other law and prosecuted heretofore.

Sec. 11. The provisions of section 3700 of the Revised Statutes (U. S. C. title 41, sec. 5) shall not apply to any purchase made or service procured in connection with the foregoing appropriation when the aggregate amount involved is less than $500.

Sec. 12. Any person who knowingly and with intent to defraud the United States makes any false statement in connection with any application for any project, employment, or relief aid under the foregoing appropriation, or diverted, or attempts to divert or assist in diverting, for the benefit of any person or persons not entitled thereto, any portion of such appropriation, or any services or real or personal property acquired thereunder, or who knowingly, by means of any fraud, force, threat, intimidation, or boycott, or discrimination, deprives any person of any of the benefits to which he may be entitled under such appropriation: or 1935: Provided, That any person who shall be deemed guilty of a misdemeanor and fined not more than $2,000 or imprisoned not more than one year, or both.

Sec. 13. The Works Progress Administrator hereby authorized and directed to liquidate and wind up the affairs of the Federal
Emergency Relief Administration established under the Act of May 25, 1933, as amended, and funds available to said Federal Emergency Relief Administration shall be available for expenditure for such purpose until June 30, 1938.

Sec. 14. A report of the operations under the foregoing appropriation, including a statement of the expenditures made and obligations incurred by classes and amounts, shall be submitted by the President to Congress before the 15th day of January in each of the next two regular sessions of Congress.

Sec. 15. No part of the funds made available in this joint resolution shall be loaned or granted, except pursuant to an obligation incurred prior to the date of the enactment of this joint resolution, to any State, or any of its political subdivisions or agencies, for the purpose of carrying out or assisting in carrying out any program or project of constructing, rebuilding, repairing, or replanning its penal or reformatory institutions, unless the President shall find that the projects to be financed with such loan or grant will not cause or promote competition of the products of convict labor with the products of free labor.

Sec. 16. Title 1 of this joint resolution may be cited as the "Emergency Relief Appropriation Act of 1937".

TITLE II

Sec. 203. The Federal Emergency Administration of Public Works (herein called the "Administration") is hereby continued until July 1, 1939, and until such date is hereby authorized to continue to perform all functions which it is authorized to perform on June 29, 1937. All provisions of law existing on June 29, 1937, and relating to the availability of funds for carrying out any of the functions of such Administration are hereby continued until July 1, 1939, except that the data specified in the Emergency Relief Appropriation Act of 1938, prior to which, in the determination of the Federal Emergency Administration of Public Works (herein called the "Administrator"), a project can be substantially completed is hereby changed from "July 1, 1939" to "July 1, 1939".

Sec. 205. The funds available to the Administrator for the making of loans or grants or loans and grants may be used for projects (in addition to other purposes for which funds may be used) of the following classes, in amounts not to exceed the sums specified for such class: (a) for school projects (other than those included in subdivisions (b) and (c) of this section) to replace, eliminate, or amend existing school facilities or conditions which, in the determination of the Administrator, are hazardous to the life, safety, or health of school children, $80,000,000 for grants and $11,000,000 for loans; (b) for projects which have been authorized, or for the financing of which bonds or other obligations have been authorized, at elections held prior to the date of enactment of this joint resolution, or for projects for which an authority or board constituting an independent corporation without taxable power has specifically created by a State legislature prior to such date, $70,000,000 for grants and $90,000,000 for loans; (c) for projects for which appropriations have been made by the legislatures of the States, $18,000,000 for grants and $2,000,000 for loans; (d) for projects to be financed, except for the grant, by the issuance to contractors of tax or assessment securities at not less than their par value: Provided, That an allotment shall not be made for any such project unless the applicant has, in the determination of the Administrator, made or incurred substantial expenditures or obligations in contemplation of receiving an allotment, $5,000,000 for grants; (e) for projects for which funds have been tentatively earmarked by the Administrator but for which formal allotments have not been made, $4,000,000 for grants and $80,000,000 for loans: Provided, That the grant for any such project shall not exceed the amount tentatively earmarked as a grant for such project; Provided further, That the amount specified for any of the foregoing classes may be increased by not to exceed 15 per centum thereof by transferring an amount or amounts from any other class or classes to any class in order to effectuate the purposes of this title.

Sec. 206. No new applications for loans or grants for non-Federal projects shall be received or considered by the Administration after the date of enactment of this joint resolution.

Sec. 207. Title II of this joint resolution may be cited as the "Public Works Administration Extension Act of 1937".

Approved, June 29, 1937, 11 p. m.
AN ACT

To amend section 5d of the Reconstruction Finance Corporation Act, as amended, to authorize loans to public agencies, to provide credit facilities for business enterprises and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5d of the Reconstruction Finance Corporation Act approved January 22, 1932, as amended (U. S. C., title 15, ch. 14), is amended to read as follows:

"SEC. 5d. For the purpose of maintaining and promoting the economic stability of the country or encouraging the employment of labor the Corporation is authorized and empowered, under such terms, conditions, and restrictions as the Corporation may determine, to make loans to, or contracts with, States, municipalities, and political subdivisions of States, with public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States, and with public corporations, boards, and commissions, to aid in financing projects authorized under Federal, State, or municipal law, such loans or contracts to be made through the purchase of their securities, or otherwise, and for such purpose the Corporation is authorized to bid for such securities. The Corporation is further authorized and empowered to purchase the securities and obligations of, and to make loans to, any business enterprise when capital or credit, at prevailing rates for the character of loan applied for, is not otherwise available; Provided, That all such purchases of securities and obligations and all such loans shall be, in the opinion of the board of directors, of such sound value, or so secured, as reasonably to assure retirement or repayment; may be made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate in the purchase of participations, or otherwise; shall be made only when, in the opinion of the board of directors, the business enterprise is solvent; and shall be made under such terms, conditions, and restrictions as the Corporation may determine; Provided further, That in carrying out the provisions of this section, the Corporation may purchase securities and obligations, and may make loans, with such maturities as the Corporation may determine, notwithstanding any other provision of law.

The powers granted to the Corporation by this section shall terminate on June 30, 1939, or on such earlier date as the President shall determine, but no provision of law terminating any of the functions of the Corporation shall be construed to prohibit disbursement of funds on purchases of securities and obligations, or loans, or on commitments or agreements to make such purchases or loans, made under this section prior to the close of business on June 30, 1939, or on such earlier date, or (2) to affect the validity or performance of any agreement to participate in any purchase or loan authorized by this section.

"Nothing in this section shall be construed to authorize the Corporation (1) to purchase, or to make any commitment or agreement to purchase, any securities or obligations of any railroad engaged in interstate commerce the obligations of which may be purchased or guaranteed by the Corporation under section 5 of this Act only with the approval of the Interstate Commerce Commission, or (2) to make any loan, or any commitment or agreement to make a loan, to any such railroad or to any receiver or trustee thereof."

Passed the Senate January 5 (calendar day, April 1), 1938.

Attest: EDWIN A. HALSEY, Secretary

Passed the House April 8, 1938.

Provided, that for the purpose of relieving railroad unemployment and of ensuring the safety and proper maintenance of the national railroad system the Corporation may with the approval of the Interstate Commerce Commission make loans to any railroad engaged in interstate commerce or to any receiver or trustee thereof to pay wages to employees of such borrower."
SEPARATE STATUTE FOR WPA

For the purpose of relieving railroad unemployment and of ensuring safety and proper maintenance of the national railroad system, the Administrator of the Works Progress Administration is authorized until ___________ 193_

1. (out of funds available for relief or work relief)

2. (to finance by loans or grants with or without security)

2. (to make available funds for)

works projects which may be undertaken by or for railroads engaged in interstate commerce.

(1. There is hereby appropriated, for the purposes of this statute, out of any money in the Treasury not otherwise appropriated, $___________.)

Matter in brackets with the same number is alternative.
January 18, 1938

MEMORANDUM FOR: The President.

Mr. Aubrey Williams reports that the Works Progress Administration has practically used up the whole of the increase of 350,000 jobs.

He is now working on a housing program in connection with the Reconstruction Finance Corporation which he will shortly present to Chairman Jesse Jones.
February 3, 1938

The President
The White House

My dear Mr. President:

I am attaching a proposed message to the Congress we discussed yesterday.

Sincerely yours,

[Signature]

Aubrey Williams
Deputy Administrator
MESSAGE FROM THE PRESIDENT TO THE CONGRESS

The Emergency Relief Appropriation Act of 1937 provides that the funds therein appropriated shall be so apportioned, distributed and administered during the 12 months of the fiscal year as to constitute the total amount that will be required for relief purposes during the fiscal year. The Works Program has up to this time been administered in accordance with this provision of the Act so as to insure the availability of a sufficient amount of funds to meet estimated relief needs during the latter part of the fiscal year.

However, during the past few months, the amount of unemployment in the country has increased to an extent not foreseen either by the President or by the Congress at the time the relief appropriation was made. Hundreds of thousands of needy unemployed persons have recently applied for relief work for whom no jobs could be provided. It has become clear to me that the needs of our citizens cannot be met unless employment on the Works Program is immediately increased.

I have instructed the Works Progress Administrator, therefore, to increase the employment to such an extent as may be necessary to take care of the needy unemployed. This will necessitate a corresponding drastic reduction in April, May and June in addition to the sharp reduction which had already been planned. This means that unless there is a very marked increase in private employment during the coming months Congress undoubtedly will find it necessary at a later date in order to take care of the relief needs of the country, to make an additional appropriation for this fiscal year.
May 2, 1938

My dear Mr. President:

I am enclosing a memorandum from Mr. Niles relative to the Madison meeting.

It seems to me that your best cue is to sit tight and watch for the present.

Very sincerely yours,

[Signature]

Administrator.

The President,
Aboard SS Philadelphia.
May 2, 1938

CONFIDENTIAL MEMORANDUM

TO: Mr. Hopkins

FROM: David E. Niles

This is just a brief report of the Progressive conference at Madison last Thursday.

I arrived at Madison in the morning and went immediately, at Phil's request, to his home and found him in a little better mood toward the Executive than he was two weeks ago. He had a copy of his speech all ready to be mimeographed and told me that I would be satisfied; that he was not going to be personal but that he would go to town on the two political parties. He then asked me to sign the incorporation papers of the National Progressive party and I signed my name directly under his. Bob LaFollette's name was signed at the top and Elizabeth Brandeis' underneath. The platform of principles seemed innocuous enough but I thought I had better sign it so that they could not have any meeting of these incorporators without including me.

The meeting itself was a great show. I was struck with the similarity and technique used at this meeting as a build up with the techniques that I know have been used by Der Fuehrer; plenty of patriotic music, drum corps, and a color guard marched around the auditorium several times; Phil came in just as they were marching around, which was the play, with spotlights on the platform, etc. There was a very definite religious atmosphere about it all; there was an opening prayer long enough to have been delivered by a Methodist clergymen, although I don't know his denomination. Judge Reis was the chairman and made a nice speech, pointing out the Republican party was born not very far from Madison and elected Abraham Lincoln six years from the time of its birth. His reference to the President was fine and received tremendous applause from the very large audience. He pointed out that Roosevelt would not be President forever, which seemed to be the mood of the evening. Phil was introduced, read his speech but did it very dramatically. He explained the meaning of the symbol which was on a big banner hanging on the rear wall of the platform. A group of us met with Phil at his home after the meeting.
I pointed out to him and Mrs. La Follette that there did not seem to be as much enthusiasm as I had expected and which would have greeted that kind of a dramatic speech in New York and their explanation was that this was a very serious audience which had come together for a very serious purpose and that the audience was impressed with the solemnity of the occasion. I sat directly in front of Congressman Amlie. Before the meeting I asked him what he thought about it all and he replied that he knew very little but had some definite reservations. I noticed, however, that he applauded and seemed much more enthusiastic at the end of the speech than he was at the beginning. He went on to talk to me further about it. Apparently all the Progressive Congressmen from Wisconsin, with the exception of Congressman Amlie have already been enrolled as members and have the button. I pointed out to Phil at the first conference that the symbol was too much of a cross and it might offend a lot of people; that it could very easily be turned into a swastika. In the intervening two weeks he apparently had discovered that he could call this cross the "mark on the ballot". He did not have that explanation at the first conference a few weeks ago. This is just in passing.

Phil says that they have applied for a charter in thirty-five states; that he is going to tour the country, and he asked me about calling a conference for him in New England very soon. I made no commitment.

I talked to many people before and after the meeting in Madison, Chicago, Boston and New York. Very few gave the conference enthusiastic approval, seemed a little bit bewildered but were unanimous in saying that they would not be in favor of any movement that was anti-Roosevelt. Among those with whom I talked were Deck, Head of Labor's Non-Partisan League of Illinois; Charney Vladeck of New York City; Bialas, Vice President of Amalgamated; Padway, General Counsel of the American Federation of Labor. John Lapp was, however, very enthusiastic about it all and seemed to think that it was the answer to everything he had been fighting for and released a story to that effect to the Press. My personal belief is that it should be watched very carefully; that any time the President wants to take most of this crowd away he can. As a matter of fact, my feeling that the masses of our people are with the Executive was strengthened rather than weakened by this conference. I think that as Phil senses this his tactic will be to lay off the Executive and center his attack on the political parties.

The special representative of the Mayor of New York, with whom I spent considerable time, revealed without intending to, I think, that the Mayor has some ideas of his own about who should be the saviour in 1940. He came to the conference with the Mayor's proxy but there was no opportunity for its use. I think the Mayor's strategy is also that of an observer to make sure that Phil does not get too far in front of him.
I want to repeat that if we use our heads all this can advance the aims and purposes of the New Deal and its leadership, now and in 1940. Some Congressmen will be elected this fall and will feel they owe their election to this new party. We should do something about this.
September 21, 1938.

Dear Miss LeHand:

Harry has asked me to get some word to the President regarding the situation he found in California with respect to Senator McAdoo. With his defeat, according to sources close to the situation, McAdoo has now no strength whatsoever and is of no importance in the coming fight one way or the other.

Creel will go along and while he may not actively support the ticket, he will do nothing to embarrass them.

Harry also wanted the President to know that Frank McLaughlin is no friend of ours but is in the Merriam camp completely.

Sincerely yours,

[Signature]

Miss Marguerite LeHand
Personal Secretary to the President,
The White House.
HEARD SPEECH ON TRAIN. DEWEY IS VULNERABLE AND DOUBLED TELL 
DIANA I STILL LOVE HER AND WILL BE THERE SUNDAY FOR 
EARLY MASS =
HARRY.
THE WHITE HOUSE
WASHINGTON

Warm Springs, Ga.,
November 25, 1938.

MEMORANDUM FOR
HON. HARRY L. HOPKINS

Will you speak to me
about this?

F. D. R.

Letter to the President from the Secretary of the Interior dated Nov. 22nd, enclosing copy of letter he wrote Harry Hopkins in re the proposed airport in Chicago off the shore of Lake Michigan.
# EMPLOYMENT SCHEDULE
**UNDER DEFICIENCY APPROPRIATION OF $725,000,000 TO THE WORKS PROGRESS ADMINISTRATION**

Assuming that reductions prior to April 1 are limited to 5 percent of present employment

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<tr>
<th>Month</th>
<th>Employment on specified dates (thousands)</th>
<th>Average employment (thousands)</th>
<th>Cost at $61 per employment worker (millions)</th>
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<td>183</td>
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<tr>
<td>February</td>
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<tr>
<td>March</td>
<td>2,925</td>
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<tr>
<td>April</td>
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<tr>
<td>June</td>
<td>1,850</td>
<td>1,850</td>
<td>82</td>
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**January 20, 1939**
<table>
<thead>
<tr>
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<tr>
<td>Feb</td>
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</tr>
<tr>
<td>Mar</td>
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</tr>
<tr>
<td>Jul</td>
<td>1,050,000</td>
</tr>
</tbody>
</table>

PSF: WPA: 725,000,000

Grand Total: 36,500,000
JOINT RESOLUTION

Making an additional appropriation for work relief and relief for the fiscal year ending June 30, 1939.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

That in order to continue to provide work relief on useful public projects, and relief, as authorized in the Emergency Relief Appropriation Act of 1938, and subject to all of the provisions of such Act, there is hereby appropriated to the Works Progress Administration, out of any money in the Treasury not otherwise appropriated, the sum of $725,000,-000, which amount shall be added to the $1,425,000,000
appropriated to that Administration in section 1, subsection (1), of such Emergency Relief Appropriation Act of 1938 and shall proportionately increase the amounts specified in limitations (1), (2), and (3), of (d) of subsection (1) of section 1 of such Act: Provided, That the provisions of section 2 of such Act prescribing February 28, 1939, as the end of the period over which the funds appropriated to the Works Progress Administration shall be apportioned and distributed are hereby amended so as to prescribe June 30, 1939, as the end of such period: Provided further, That notwithstanding any of the provisions of section 2 of the Emergency Relief Appropriation Act of 1938, the amount herein appropriated shall be so apportioned by the Works Progress Administration as to cover the entire period from the date of the approval of this Act until June 30, 1939: Provided further, That prior to April 1 there shall be no administrative reduction of more than 5 per centum in the number of employees upon Works Progress projects and that the funds available for the remainder of the fiscal year shall be apportioned in the discretion of the Administrator: Provided further, That should there arise an emergency which in the opinion of the President would require the submission of an estimate for an additional appropriation, the President in submitting such estimate shall submit a statement as to the facts constituting such emergency: Provided further, That the Administrator shall
immediately cause to be made an investigation of the rolls of
employees on work projects and eliminate from such rolls
those not in actual need: Provided further, That the limitation
of $60,000,000 in section 3 of such Act, on the amount
that may be allocated to other Federal departments, establish-
ments, and agencies is hereby increased to $83,000,000:
Provided further, That the words "and prior to February
28, 1939," are hereby deleted from section 23 of such Act:
Provided further, That the provisions of Executive Order
Numbered 7916, dated June 24, 1938, shall not apply to
positions the compensation of which is payable from appro-
priations contained in the Emergency Relief Appropriation
Act of 1938 or from the amount appropriated in this joint
resolution, and such appropriations shall not be available for
the compensation of the incumbent of any position placed
in the competitive classified civil service of the United States
after January 10, 1939, but this proviso shall not apply to
positions the compensation of which is payable from the
appropriations made in subsections (5), (6), (7), and (8)
of section 4 of the said Emergency Relief Appropriation Act
of 1938: Provided further, That no money herein appro-
priated shall be available to pay salary, remuneration or
benefit to any person who shall hereafter in any way attempt
to influence the vote of any person or persons receiving
any salary, remuneration or benefits hereunder: Provided
further, That the appropriations herein made shall not be available unless and until rates of pay of employees of the Works Progress Administration are so fixed by appropriate administrative order as to eliminate differentials in rates of pay of workers of the same general class exceeding 25 per centum of the maximum rates as between workers employed in different States or different areas of the same general type in the several States: Provided further, That not later than thirty days following the approval of this joint resolution and notwithstanding any other provision of law, the Works Progress Administration shall so determine and fix the hourly rates of pay of employees of the Works Progress Administration engaged on projects at the security wage, so that there will be no greater differential than 25 per centum in the hourly rates of pay between workers in the same occupation in areas of the same general type in the several States: Provided further, That no part of the money herein appropriated shall be paid to anyone who is not a citizen of the United States of America: Provided further, That no requirement of eligibility for employment under such Emergency Relief Appropriation Act of 1938, as amended, shall be effective which prohibits the employment of persons 65 years of age or over or women with dependent children: Provided further, That no money herein appropriated shall be used to pay the compensation of any supervisor, foreman,
Provided further, that no funds herein appropriated shall be used by any Federal agency to establish mills or factories which would sell articles or materials in competition with existing industries.

SEC. 2. No alien illegally within the limits of the United States, and no alien who has not, prior to June 21, 1938, filed a declaration of intention to become an American citizen which is valid and has not expired, shall knowingly be given employment or continued in employment on any project prosecuted under the appropriations contained in the Emergency Relief Appropriation Act of 1938 or this joint resolution: Provided, That preference in employment on such projects shall be given in the following order: (1) Veterans of the World War and the Spanish-American War and veterans of any campaign or expedition in which the United States has been engaged (as determined on the basis of the laws administered by the Veterans' Administration) who are in need and are American citizens; (2) other American citizens, Indians, and other persons owing allegiance to the United States who are in need; and (3) those aliens in need whose declarations of intention to become American citizens were filed prior to June 21, 1938, and are valid and have not expired.
Sec. 3. (a) It shall be unlawful for any person, directly or indirectly, to offer or promise any employment, position, work, compensation, or other benefit, provided for or made possible by the Emergency Relief Appropriation Act of 1938 or this joint resolution, to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in any election.

(b) It shall be unlawful for any person employed in any administrative or supervisory capacity by any agency of the Federal Government, whose compensation or any part thereof is paid from funds authorized or appropriated by the Emergency Relief Appropriation Act of 1938 or this joint resolution, to deprive, attempt to deprive, or threaten to deprive, by any means, any person of any employment, position, work, compensation, or other benefit, provided for or made possible by the Emergency Relief Appropriation Act of 1938 or this joint resolution, on account of any political activity, support of, or opposition to any candidate or any political party in any election.

(c) Any person who violates any provision of this section shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisonment for not more than one year, or both.
Sec. 4. (a) It shall be unlawful for any person employed in any administrative or supervisory capacity by any agency of the Federal Government, whose compensation or any part thereof is paid from funds authorized or appropriated by the Emergency Relief Appropriation Act of 1938 or this joint resolution, to use his official authority or influence for the purpose of interfering with an election or affecting the results thereof. All such persons shall retain the right to vote as they please and to express privately their opinions on all political subjects, but they shall take no active part in political management or in political campaigns.

(b) Any person violating the provisions of this section shall be immediately removed from the position or office held by him, and thereafter no part of the funds appropriated by the Emergency Relief Appropriation Act of 1938 or this joint resolution shall be used to pay the compensation of such person.

Sec. 5. (a) It shall be unlawful for any person to knowingly solicit, or be in any manner concerned in soliciting, any assessment, subscription, or contribution for the campaign expenses of any individual or political party from any person entitled to or receiving compensation or employment provided for by the Emergency Relief Appropriation Act of 1938 or this joint resolution.
(b) Any person who violates any provision of this section shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

Sec. 6. Section 21 of the Emergency Relief Appropriation Act of 1938 is hereby amended by striking out the word "projects", from the statement therein required to be submitted to Congress.

Sec. 7. No person in need who refuses a bona fide offer of private employment under reasonable working conditions which pays the prevailing wage for such work in the community where he resides and who is capable of performing such work shall be employed or retained in employment on work projects under the funds appropriated in the Emergency Relief Appropriation Act of 1938 or this joint resolution for the period such private employment would be available: Provided, That any person who takes such private employment shall at the expiration thereof be entitled to immediate resumption of his previous employment status with the Works Progress Administration if he is still in need and if he has lost the private employment through no fault of his own.

Passed the House of Representatives January 13, 1939.

Attest: SOUTH TRIMBLE, Clerk.
JOINT RESOLUTION

Making an additional appropriation for work relief and relief for the fiscal year ending June 30, 1939.

JANUARY 16, 1939
Read twice and referred to the Committee on Appropriations

JANUARY, 1939
Reported with amendments
MATTERS SERIOUSLY AFFECTING WORKS PROGRESS ADMINISTRATION

HOUSE JOINT RESOLUTION 826

Major Importance

1. Transfer of $125,000,000 to the Public Works Administration. (Lines 4 to 7 on page 2.)

2. Limitation of $25,000 on projects for the construction of public buildings. (Section 12 on page 15.)

3. The creation of a Board to administer the Work Projects Administration. (Subsection (g) of Section 1, page 5.)

4. Enforced furloughs for project workers who have been on the rolls for 18 months or more. (Subsection (b) of Section 16, page 17.)

5. Limitation on administrative expense. (Subsection (e) of Section 1, page 5.)

6. Prohibition of changes in compensation. (Subsection (c) of Section 22, page 23.)

Lesser Importance

1. The elimination of the Federal Theatre Project with the requirement that the other Arts Projects must be locally sponsored after August 31, 1939. (Subsections (a) and (b) of Section 25, page 25.)

2. The reduction of the permissible non-labor expenditure from $7 to $6 per man-month. (Subsection (d) of Section 1, page 4.)

3. The prohibition against the transfer of funds to Federal Agencies for projects. (Subsection (c) of Section 15, page 16.)

4. The requirement that in employing or retaining for employment on projects preference shall be determined on the basis of relative needs. (Subsection (a) of Section 16, page 17.)

5. The provision that persons eligible for Social Security benefits shall not be employed on the program is made provisional on the availability of funds to enable the payment of such benefits to them, which largely defeats the purpose of this provision. (Subsection (e) of Section 16, page 19.)
June 21, 1939.

Dear Senator Byrnes:

I have your letter of the 19th in which you ask my position as to the provision of the "Work Relief and Public Works Appropriation Act of 1939" as passed by the House of Representatives (H.R. Res. 326) which would allot $125,000,000 to the Public Works Administration for loans and grants for non-Federal public works.

I am opposed to this provision. It means simply that 165,000 men who are badly in need of work will have to be dropped from the Works Progress Administration rolls; men who in the great majority of cases are the sole support of families whose subsistence depends on this slender income. What will happen to most of these men is that they will be forced onto already overburdened direct relief rolls of cities, towns and counties, or, if these are insufficient to care for them, onto private charity.

I believe there is a better way to accomplish the laudable purposes of this bill. The great majority of people of this country have come to realize that there are certain types of public improvements and betterments which should be undertaken at times when there is need for a stimulus to employment. At such times the Federal Government should furnish funds for projects of this kind at a low rate of interest, it being clearly understood that the projects themselves shall be self-liquidating and of such a nature as to furnish a maximum of employment per dollar of investment.
There seems no reason why there should not be adopted as a permanent policy of the Government the development and maintenance of a revolving fund fed from the earnings of these government investments and used to finance new projects at times when there is need of extra stimulus to employment. Such times will recur in the future, as they have in the past, and there will always be need for public facilities and improvements in our natural resources which can be most profitably met by the use at times of greatest need of employment of the accumulated receipts of such a revolving fund.

At my suggestion, various departments and agencies of the Government have canvassed the situation to find projects which will meet genuine public needs - projects that can be put under way quickly and, of great importance, will be self-liquidating. They have found a variety of such projects which have stood the test of careful scrutiny and which hold the promise of a great volume of productive expenditure and employment. I believe this is a much sounder method of dealing with the problem than the diversion of $125,000,000 of work-relief funds. All can be financed through the issuance of guaranteed securities by Government agencies with good prospect of repayment of both principal and interest through earnings.

I have caused estimates to be made of the extent of the field for investment of funds in revenue earning channels on a self-liquidating basis and in no way competitive with private enterprise. The estimates are, I believe, conservative. The types of projects I have in mind are listed below, together with the sums which, it is estimated, can be put to work to provide employment for men and
machines in diverse lines of industry within the coming fiscal year.

These projects are in addition to programs already submitted.

<table>
<thead>
<tr>
<th>Program duration (years)</th>
<th>Total Amount Program</th>
<th>Loan disbursements fiscal year</th>
</tr>
</thead>
</table>
| I. Federal Works Agency -
  (a) Non-Federal public works:
    Projects of the self-financing type to be financed by loans at sufficiently low rates of interest to stimulate borrowing for this purpose. The type of projects would be water-works, sewage disposal plants, bridges, hospitals, and other municipal projects. | 2 | $350M | $150M |
| (b) Express Post-Roads:
    Self-liquidating toll roads: bridges, high-speed highways and city by-passes. | 4 | 750 | 150 |
| (c) Railroad Equipment:
    Authority to purchase all types of railroad equipment which is to be leased to railroads at a rate which will return the cost to the United States over a period of years. Carriers would have the option to buy the leased equipment. | 3 | 500 | 100 |
| II. Department of Agriculture -
  (a) Rural Electrification:
    Expansion of present rural electrification program to reach a maximum of 1½ million rural families not now receiving electric service nor likely to receive such service in the near future. | 7 | 460 | 20 |
(b) Farm Tenant Program:
Expansion of the self-liquidating portion of the program of the Farm Security Administration for tenant farm purchases, rehabilitation program, loans for minor improvements and repairs, loans to resettlement cooperatives, and loans for water facilities.

III. Foreign Loans

Extension of short and long-term loans to foreign governments for the purpose of promoting our foreign trade. The proceeds of these loans would be spent in the United States and would be used for development and reconstruction purposes in the foreign country.

<table>
<thead>
<tr>
<th>Program duration (years)</th>
<th>Total amount of program</th>
<th>Loan disbursements fiscal year 1940</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>$500M</td>
<td>$250M</td>
</tr>
</tbody>
</table>

TOTALS

$3,060M $870M

This program would stimulate a greater amount of productive expenditure than is indicated by the total estimated loan disbursements of $870 millions for the fiscal year 1940. Some parts of it will involve additional local expenditures not financed by Federal funds, and other indirect expenditures will be generated.

To give effect to the program outlined above, some supplementary legislation will be necessary. As a part, however, of the whole program for stimulating productive employment, I include another proposal which will not require legislation in addition to that now pending. This is the expansion of the public housing program of the
United States Housing Authority through extending its borrowing power by $800,000,000. I have already indicated my approval of this legislation.

If you think well of such a program as I have outlined I shall be glad to confer with you and your colleagues and with Members of the House of Representatives. I am sending copies of this letter to the Chairman of the Appropriations, Finance and Banking and Currency Committees of the Senate and to the Chairmen of the Ways and Means, Banking and Currency and Appropriations Committees of the House.

Sincerely,

(Signed) Franklin D. Roosevelt

Honorable James F. Byrnes,
United States Senate.
Senator Glass
Senator Harrison
Senator Wagner
Senator Barkley
Vice President
Cong. Steagall
Cong. Taylor, Chairman Appropriations Committee
Cong. Doughton
Cong. Rayburn
Speaker of the House
Honorable Franklin D. Roosevelt

Washington, D.C.

Dear Mr. President:

The resolution passed by the House on the 16th., making an appropriation for work relief, provides that of the amount appropriated one hundred and twenty-five million dollars shall be transferred to the Public Works Administration.

You did not submit to the Congress an estimate for an appropriation for the Public Works Administration. I wish you would advise me what effect, in your opinion, this transfer will have upon the number of persons to be furnished employment during the next fiscal year, and whether or not you believe the transfer wise.

Very respectfully,

[Signature]

JAMES F. BYRNES.
MEMORANDUM FOR THE PRESIDENT:

It develops that the rough draft of a memorandum prepared by Tommy Corcoran to show Harrington for his signature, was never shown him and got in your basket by mistake.

Harrington made me promise to tell you that the sentiments expressed therein were not in accord with his views, and that he considered them, as shown by his memorandum attached hereto, as both illegal and unwise.

E. M. W.
E. M. W.
THE WHITE HOUSE
WASHINGTON

July 25, 1939.

MEMORANDUM FOR
GENERAL WATSON

Will you check with Colonel Harrington and see if he wants this done now or if he feels it would be better to let it ride for a little while?

F. D. R.
THE WHITE HOUSE  
WASHINGTON  
July 25, 1939.

MEMORANDUM FOR GENERAL WATSON:

I never saw the document which is attached to the President's memorandum to you of July twenty-fifth, although my name is penciled at the bottom of it.

I am not at all in accord with using any device to return to the payment of prevailing wages which I believe to be both unwise and illegal.

F. C. HARRINGTON
Dear Mr. President:

The refusal of skilled workers in certain sections of the country to work for less than the prevailing hourly rate, has created a very serious situation with respect to the preservation of the value of government property.

In some instances where, for instance, construction has been finished upon a building for all purposes except to complete the roof, the costs of delay impose a greater financial burden upon the government than it would have to bear to complete these projects immediately through the payment of the prevailing hourly rate. This is true in the case of a large number of projects which have been interrupted a substantial way through to completion.

I should appreciate it very much if I might have the benefit of an opinion by the Attorney General letting me know whether I can fairly proceed with the completion of projects of this kind, so as to protect the existing government investment in the work already done, under the emergency powers conferred upon me under Section 15(b) of the Relief Appropriation Act of 1939.

Harrington
My dear Jim:

Attached hereto is the letter I spoke to you over the phone about this morning. I will appreciate your getting this in to the President.

Sincerely yours,

[Signature]

Mr. James H. Rowe
Administrative Assistant to the President
The White House
The President
The White House

My dear Mr. President:

I am informed that they are again moving to try some more people in connection with the Minnesota WPA strike of last July. It is difficult to understand why this should be done. It was bad enough that the original trials were ever held on the grounds of conspiracy to violate a provision of the Relief Act which was originally intended to protect the workers.

What makes the matter more unseemly at the present time is that none of those convicted in these trials have to this date been sentenced, indicating that even the judge seems to feel that the whole thing has descended to a level of persecution. There is also considerable evidence that even the conservative papers are using adverse opinion to show the persecution character of the trials.

What also makes the Minnesota situation difficult to understand is that a similar series of incidents occurred in New York City at the same time with the whole matter being dismissed by the district attorney of that jurisdiction.

It is difficult to escape the feeling that the entire matter is being handled in such a way as to bring discredit upon this Administration as well as create distrust and hatred of collective bargaining agencies.

It ought to be pointed out also that 14 of the last 25 convicted were women, which doesn't help the matter very much.

Sincerely yours,

[Signature]

Aubrey Williams
Administrator
For The President.

J.H.R.
J.H.R.

Personal
THE WHITE HOUSE  
WASHINGTON  
January 19, 1940

Memorandum For The President.

Minnesota W. P. A. Cases

You told me to tell Frank Murphy, then Attorney General, to stop the W.P.A. prosecutions in Minnesota, which I did. Murphy said he would.

However, Murphy instead told Schweinhaut, head of the Civil Liberties Section, to discuss these cases with me and by the time he did Murphy was no longer Attorney General.

Schweinhaut feels ten more defendants should be tried (over the protest of the Minnesota District Attorney who wants to try at least twenty-five). Schweinhaut feels that this ten are as guilty as those already convicted. My answer was that probably all of the 170 indicted are just as guilty, and the prosecutions might as well stop now rather than after ten more.

There was undoubtedly violence, fomented by certain labor leaders who are "bad actors". Some of the strikers undoubtedly should have been punished with a fine and a few days in jail. The Federal Judge will probably be lenient with those already convicted. There is a definite cleavage in sentiment in Minnesota. The business groups and labor groups are both outraged for obviously different reasons. Both Senators are doing everything they can to keep out of the situation.

The original jury was a "blue ribbon" jury, selected from Chamber of Commerce lists and not one laboring man was even on the panel. This probably outraged labor more than anything else, but Murphy refused to have the panel dismissed. Judge Devaney, who once discussed these cases with me, emphasized that it is an extremely dangerous precedent for the future to have a labor case tried by a "blue ribbon" jury and acquiesced in by a liberal administration. In the same situation in New York, John Cahill refused to use this conspiracy and felony statute for what is, after all, no more than a misdemeanor.

I dislike bringing the question back to you after getting my orders once, but Murphy evidently wanted you to have these facts. Also his withdrawal from Justice rather puts Jackson "in a spot". Whatever action is taken, Jackson will now be criticized for something over which he had no responsibility.

May I tell Schweinhaut these cases should be dismissed?

May I have him explain to the District Attorney and other interested parties (not publicly unless necessary) that this was one of Murphy's last orders before leaving the Department of Justice? This will afford Jackson some protection.

James Rowe, Jr.
January 20, 1940

My dear Mr. President:

You were great last night. There is no one anywhere who compares with you. You really made the conference successful. God, I don’t know what’s to become of us when you go!

I am going to the west coast (Montana, Oregon, Washington, Idaho) for 10 days. I hope I can have a moment with you when I get back.

Devotedly,

[Signature]

The President
The White House
March 7, 1941.

Dear Howard:-

That is very generous of you to say about Mr. MacDougall, but, while he may be all that you say, his qualifications to run the WPA are not as good as your own.

I know of all the sacrifices you have made since 1933, but yours has been a splendid record in every way, and I personally want very much to send your name to the Senate as Administrator and have you continue the fine work that is being done.

My best wishes to you,

As ever yours,

(Signed) Franklin D. Roosevelt

Hon. Howard O. Hunter,
Acting Commissioner of Work Projects,
Work Projects Administration,
1734 New York Avenue, N.W.,
Washington, D. C.
THE WHITE HOUSE
WASHINGTON

March 6, 1941

MEMORANDUM FOR THE PRESIDENT:

I think Hunter is by all means the best bet for the appointment at W.P.A. in spite of the letter which he has sent you.

H.L.H.
RESPECTFULLY FORWARD TO THE PRESIDENT:

[Signature]

S. A. M.
March 4, 1941

PERSONAL AND CONFIDENTIAL MEMORANDUM FOR:

Brigadier General E. M. Watson
Secretary to the President

Dear Pa:

Attached to this is a very personal letter to the President which I would sincerely appreciate your getting to him immediately.

Sincerely yours,

[Signature]

Howard O. Hunter
Acting Commissioner
March 4, 1941

The President
The White House

My dear Mr. President:

I want to recommend the appointment of Mr. Robert L. MacDougall of Georgia as Commissioner of the Work Projects Administration.

Mr. MacDougall is at present a Regional Director of the Administration, and he was previously State Administrator in Georgia. He was also Chief Engineer for Georgia under the Civil Works Administration, and he has been in service under the Federal work and relief programs continuously except for a short time when he was Director of the Atlanta Housing Authority.

It is important that a Commissioner of the Work Projects Administration be appointed now. I have carried on as Acting Commissioner since Colonel Harrington's death last fall, and in fact since last July when Colonel Harrington became seriously ill. During this period the WPA organization has made a good record of public service and efficient performance of responsibilities given to it by the Congress.

Following a critical investigation of the WPA by the House of Representatives, we have come through a national political campaign without a single serious charge against us; we have secured a supplemental appropriation for the balance of the present fiscal year on the exact terms recommended by you; we have increased employment on important national defense projects to a half-million WPA workers, and the work being done by these WPA workers has received strong approval from the Army and Navy. Local and state projects in addition to defense work are receiving increasing support and approval, and the public acceptance of your program of providing useful work for needy unemployed persons is better today than ever before.

The intensive development of the total national defense effort is to some extent increasing opportunities for private employment. Many thousands of WPA workers are going back into private industry. It is true that at present there is a backlog of about a million employable American citizens who cannot find private jobs and who are eligible for WPA employment. Nevertheless, in line with the total economic improvement, WPA employment is decreasing. One of the major activities of the WPA administrative organization is the development of a comprehensive
reservoir of needed and useful public projects which will be on hand here in Washington, with engineering and financing plans, and which can be pulled out in a hurry for use in the event there is a sudden stoppage of industrial activity. When defense emergency activities slow up, these projects will be available for the employment of any number of persons who may be thrown out of jobs.

I know that your purpose is along these lines, and that your policy is to continue a program of work for unemployed persons rather than require them to depend upon the vagaries, and often indecencies, of an uncertain local system of doles.

Consequently, I think that a permanent appointment of a Commissioner of the Work Projects Administration should be made at this time. My recommendation of Mr. MacDougall is carefully considered. He is an able administrator and engineer. He has the respect and confidence of the leaders in the WPA organization. He has had excellent public relations. Feeling that it is absolutely essential that the new Commissioner be someone connected with and thoroughly familiar with the WPA program, I strongly recommend Mr. MacDougall for this appointment.

As you know, I personally do not want to continue as Commissioner for this program. I have been in service continuously since 1933 with the federal relief and work programs, and consider this as time given to the greatest and most important peace-time effort in the history of the nation. A very large number of the leaders in state and regional WPA organizations and many important public officials, local and national, have urged me to continue here but for strictly personal reasons about which you know, I have not agreed to this except insofar as staying here until certain important legislative and administrative matters are settled.

If my recommendation is accepted you can be assured that I expect to be on call for any work you may want me for, either now or in the future.

Respectfully yours,

[Signature]

Acting Commissioner
May 17, 1941

MEMORANDUM FOR

HON. JOHN CARMODY

I know nothing of the merits of the recent newspaper controversy concerning certain bids for asphalt let for the paving of a runway on some airport in Florida. I understand, however, that the two agencies concerned are WPA and the Procurement Division, both of which are under your direction.

I have even heard it stated that these agencies plan to make it difficult for the Georgia contractor who after much protest secured one contract, because he "kicked up a stir" in the newspapers. As I say, this may be just gossip. In these particular days, I have, as you know, too many problems to devote myself to the problem of an asphalt bid. However, there may be something to all this conversation. I wish you would look into the matter, to make sure there is no "whitewash" of any one concerned.

I will, of course, rely upon your discretion to take whatever measures are necessary. I need hardly point out the bad effect on public confidence in our defense program if this sort of thing is true. I need hardly add I have no idea whether it is true or not.

F. D. R.