

quately be met without some expansion of local offices or itinerant services, especially in nonurban areas.

Developments in the early period of the defense program appear to support this observation. Between June 30, 1940, and June 30, 1941, the number of full-time local offices increased from 1,492 to 1,498, the number of itinerant offices from 3,115 to 3,159. A much more important gain was shown in the number of local office personnel which increased from 16,355

to 19,056.⁴⁰ This growth suggests that the number of both local offices and of local office personnel were inadequate to cope with the increased placement activities. Moreover, it must be remembered that there has been a very considerable acceleration of the defense activity since June 1941.

⁴⁰ Information obtained from the Reports and Analysis Division, Bureau of Employment Security, Social Security Board. The number of regular personnel increased from 15,561 to 18,056 and that of temporary staffs from 794 to 1,000.

WORK PROGRAMS FOR THE UNEMPLOYED

The justification for public provision of work for the unemployed as against the less costly direct relief has run partly in terms of the utilization of available labor supplies for productive purposes and the accomplishment of socially useful work.⁴¹ The provision of work has been primarily justified, however, as a means of preventing, or at least alleviating, the deterioration that employable persons undergo when forced to subsist on direct relief.

Work Projects Administration

This viewpoint has been most consistently expressed in the federally aided work-relief programs provided through the Work Projects Administration and its forerunners. These programs have also been the most significant in terms of the numbers employed. The discussion in this section will be concerned primarily with the WPA, which has embodied and further developed these objectives of the earlier work programs.⁴²

When the establishment of a Federal works program was proposed in 1935, considerable emphasis was placed upon the superiority of public work over the "dole" in preserving the morale of the unemployed. The President, in his message to Congress, stated that:

The lessons of history, confirmed by the evidence immediately before me show conclusively that continued dependence upon relief induces a spiritual and moral disintegration fundamentally destructive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit * * * Work must be found for able-bodied but destitute workers. I am not willing that the

⁴¹ For an account of the physical accomplishments of the work programs, see ch. XII.

⁴² Emergency public works, such as the Public Works Administration program, have the dual purpose of reducing and relieving unemployment. The broad economic objectives intended to reduce unemployment include the increase in purchasing power and the provision of indirect employment and stimulation of industry through the purchase of equipment and materials. The Civil Works Administration, while designed primarily as a program to provide mass employment quickly, also aimed to "inject a vast quantity of purchasing power into the [economic] system," pending the time when the WPA program would take over this recovery objective. (Gill, Corrington, "The Civil Works Administration," in *Municipal Year Book, 1937*, Chicago, The International City Managers' Association, 1937, p. 420.)

vitality of our people be further sapped by the giving of cash, of market baskets, of a few hours of weekly work cutting grass, raking leaves, or picking up papers in the public parks. We must preserve not only the bodies of the unemployed from destitution but also their self-respect, their self-reliance and courage and determination.⁴³

In view of this formulation of the objectives of work relief, the following pages will inquire into the extent to which the WPA has been able to preserve the morale, work habits, and skills of the unemployed, both in terms of the adequacy of coverage of the group experiencing a need for work and in terms of the conditions affecting project employment.

Availability of Project Employment

Between the beginning of the WPA program in the summer of 1935 and June 1940, it is estimated that the WPA alone has employed approximately 7,800,000 different persons.⁴⁴ The amount of employment at any one time has, however, fluctuated considerably. After November 1935, when the program went into full operation, it ranged from 1,454,000 in September 1937 to about 3,330,000 workers in November 1938. From this peak the number had by June 1940 been reduced by over 47 percent to 1,734,000. These are large numbers,

⁴³ *Address of the President of the United States Delivered Before a Joint Session of the Two Houses of Congress, January 4, 1935, House Doc. No. 1, 74th Cong., 1st sess., Washington, 1935, p. 4.*

Similar arguments were advanced in Congress during the debates on the Emergency Relief and Construction Act. See, for instance, *Congressional Record*, vol. 72, pt. 11: June 23, 1930, to July 3, 1930, Washington, 1930: pp. 12243 and 12247; and vol. 75, pt. 6: March 12, 1932, to March 29, 1932, Washington, 1932, p. 6550. The preference for work relief was also advanced strongly in the hearings and debates concerning the Federal Emergency Relief Administration and the Civil Works Administration. For typical statements, see *Federal Emergency Relief and Civil Works Program, Hearings before the Committee on Appropriations, U. S. Senate, 73d Cong., 2d sess., Washington, 1934, pp. 8, 9, and 20.* (Publication referred to subsequently by title only.)

The constructive aspects of work as opposed to direct relief are similarly emphasized in publications of the WPA; for example, "Since the beginning of the program about 7,800,000 different individuals have worked * * * on WPA projects. This statistical fact can be translated in terms of the economic value of the individual workers' skills and the maintenance of the total labor resources of the country. It can also be translated in terms of * * * the preservation of health and morale in the families of the Nation's productive workers." (*Report on Progress of the WPA Program, June 30, 1940, Washington, 1940, p. 8.*)

⁴⁴ *Ibid.*, p. 40.

ESTIMATED UNEMPLOYMENT AND WPA EMPLOYMENT 1936—1940

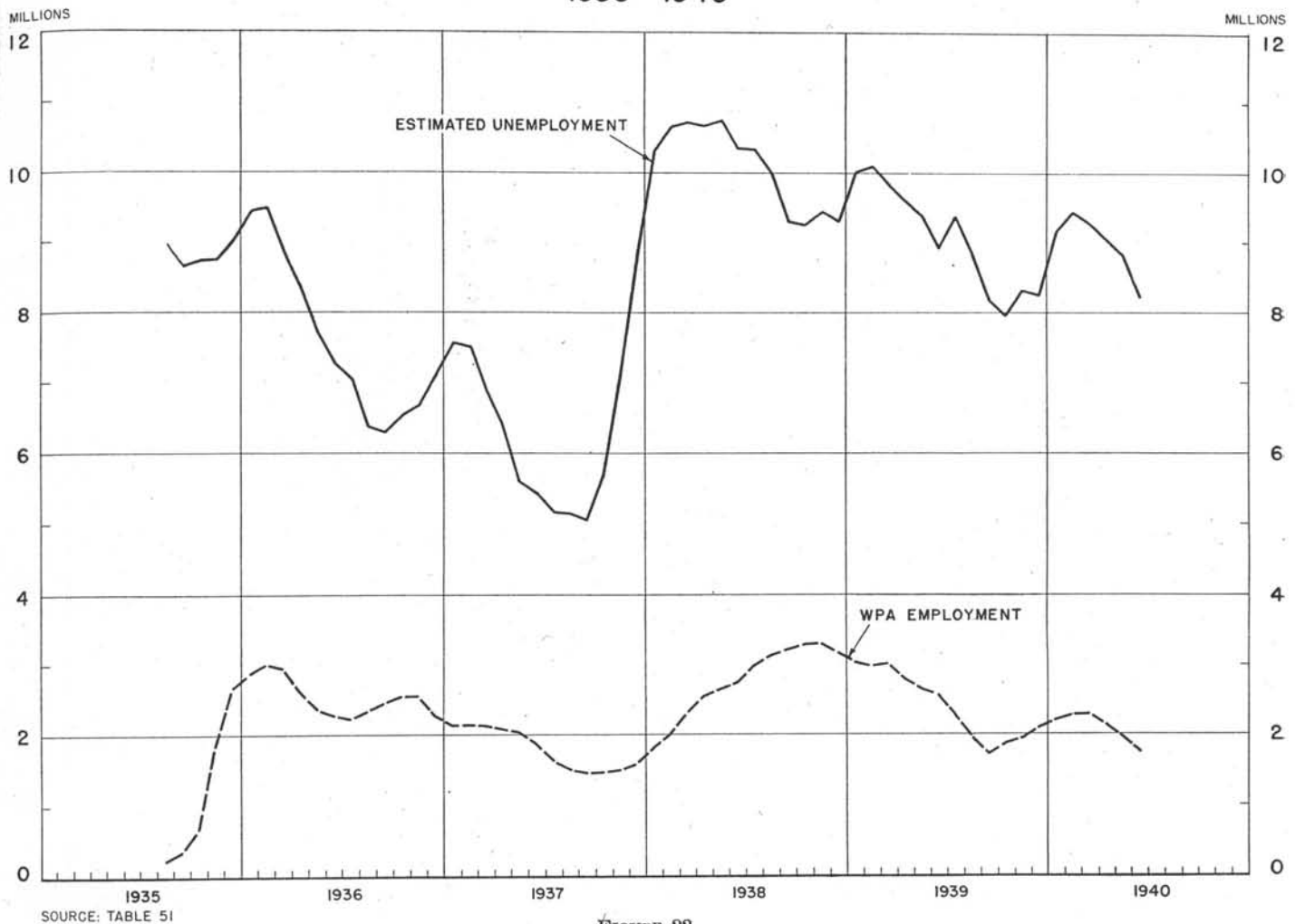


FIGURE 22.

and it is doubtful whether any other country has developed a program capable of providing work on so large a scale. Yet, great as the American demonstration of the potentialities of public provision of work has been the fact remains that the Nation has not succeeded in providing jobs either for all the unemployed or even for the smaller group of the unemployed who are in need.

The most significant, although admittedly rough, measure of the extent to which work has been available is the ratio of the volume of project employment to estimated total unemployment. This ratio, as is evident from Table 51 and Figure 22 has fluctuated considerably from month to month. The high point (39.1 percent) was reached in October 1936, the low point in January 1938 (17.4 percent). It is noteworthy, however, that since the fall of 1938 the proportion of the unemployed who have secured project employment has

consistently declined. While in general the amount of project employment has followed the course of unemployment, there have been significant variations. Broadly speaking, project employment has lagged during periods of rising unemployment and has declined faster than unemployment when the latter was decreasing. Thus from September 1937 to March 1938, when unemployment increased sharply, the numbers employed on WPA increased less than proportionately, and the ratio shown in Table 51 fell to its lowest point. Similarly, during the early part of the fiscal year 1940, although unemployment declined, WPA employment was curtailed even more sharply. From June to September 1939 the number of employees was reduced by 857,000. The rate of this reduction was 33 percent, compared with a 10-percent decrease in unemployment during the same period.

TABLE 51.—Ratio of WPA employment to total unemployment, by month, August 1935–June 1940

Month and year	Total unemployment	WPA employment ¹	Ratio of WPA employment to total unemployment
	Thousands	Thousands	Percent
1935:			
August.....	8,947	220	2.5
September.....	8,640	374	4.3
October.....	8,729	705	8.1
November.....	8,737	1,815	20.8
December.....	9,099	2,667	29.3
1936:			
January.....	9,434	2,880	30.5
February.....	9,479	3,019	31.8
March.....	8,883	2,960	33.3
April.....	8,346	2,626	31.5
May.....	7,705	2,397	31.1
June.....	7,296	2,286	31.3
July.....	7,034	2,245	31.9
August.....	6,393	2,332	36.5
September.....	6,294	2,449	38.9
October.....	6,521	2,548	39.1
November.....	6,676	2,546	38.1
December.....	7,120	2,243	31.5
1937:			
January.....	7,574	2,127	28.1
February.....	7,507	2,145	28.6
March.....	6,865	2,125	31.0
April.....	6,431	2,075	32.3
May.....	5,585	2,018	36.1
June.....	5,441	1,874	34.4
July.....	5,155	1,628	31.6
August.....	5,134	1,509	29.4
September.....	5,066	1,454	28.7
October.....	5,691	1,460	25.7
November.....	7,175	1,501	20.9
December.....	8,841	1,594	18.0
1938:			
January.....	10,328	1,801	17.4
February.....	10,687	2,001	18.7
March.....	10,721	2,319	21.6
April.....	10,680	2,538	23.8
May.....	10,754	2,638	24.5
June.....	10,352	2,741	26.5
July.....	10,347	2,996	29.0
August.....	10,023	3,122	31.0
September.....	9,314	3,209	34.5
October.....	9,244	3,282	35.5
November.....	9,429	3,330	35.3
December.....	9,304	3,156	33.9
1939:			
January.....	10,012	3,016	30.1
February.....	10,105	2,990	29.6
March.....	9,800	3,004	30.7
April.....	9,595	2,786	29.0
May.....	9,382	2,638	28.1
June.....	8,933	2,570	28.8
July.....	9,384	2,279	24.3
August.....	8,838	1,967	22.3
September.....	8,192	1,715	20.9
October.....	7,969	1,867	23.4
November.....	8,337	1,946	23.3
December.....	8,257	2,109	25.5
1940:			
January.....	9,163	2,203	24.0
February.....	9,424	2,293	24.3
March.....	9,269	2,294	24.7
April.....	9,017	2,125	23.6
May.....	8,822	1,963	22.3
June.....	8,225	1,734	21.1

¹ Represents average weekly number of persons employed during month on projects operated by the WPA. For July 1938 and subsequent months, includes persons employed on Federal agency projects financed by transfer of WPA funds.

Sources: Appendices 1 and 9.

On the other hand, in a few instances WPA employment has increased despite declining unemployment, owing to emergency situations. Increased employment in the drought areas in the last 6 months of 1936 sustained the ratio even though unemployment decreased during part of this time. Employment of tenant farmers in the summer and fall of 1938 and the New England hurricane in September 1938 also increased WPA employment during a period of falling unemployment in the country as a whole.⁴⁵

⁴⁵ For a fuller description of the changes in WPA employment see *ibid.*, p. 38.

The changing significance of project employment is due to several factors, foremost among which have been the financial appropriations made for the program. Administrative policies and changes in statutory eligibility requirements have also at times played an important role. The increase in unemployment that began in the fall of 1937 was for some time not followed by increased appropriations, and, as stated above, in January 1938 the proportion of the unemployed employed by WPA fell to 17.4 percent.

After a rise during the latter part of 1938, curtailments of the program during 1939 again reduced the numbers employed on WPA projects more rapidly than unemployment declined until the fall of that year. During the fiscal year 1940, operations were further curtailed, averaging 2,054,000 workers, or about a third less than during the preceding fiscal year, and the ratio of project employment to total unemployment fell to 21.1 percent by June 1940. The lowered level in 1940 is in part due to the "smaller appropriation made for the operation of the program in 1940 as a consequence of increasing private employment."⁴⁶

The influence of administrative and policy changes is also revealed by the monthly figures. For instance, the fall in the ratio in August and September 1939 was chiefly a result of the requirement in the Emergency Relief Appropriation Act of 1939 that workers employed continuously for 18 months or longer be separated from the program.

More significant than the fluctuations from month to month is the fact that never since 1935 has the Nation provided project work on the WPA for as many as 40 percent of the unemployed. Furthermore the proportion employed on project work has decreased each year. The annual ratio of WPA employment to total unemployment "declined from 33½ percent during the calendar year 1936 to 28 percent during 1937, 27 percent during 1938, and 26½ percent during the calendar year 1939. During the first half of the calendar year 1940, the ratio was 23½ percent."⁴⁷

Some part of the decline in the percentage of the unemployed engaged on WPA project work is of course due to the evolution of other programs providing more appropriate types of aid for specific groups of the unemployed. Thus the CCC and the NYA have made available special types of work to young people, while since 1938 unemployment compensation payments have been available in all States for covered workers during the first few weeks of their unemployment. Yet even when allowance is made for these developments, the fact remains that there has been at all times a substan-

⁴⁶ *Ibid.*

⁴⁷ *Ibid.*, p. 4.

tial proportion of unemployed persons whose need for work has not been satisfied. If the total numbers of NYA and CCC youth and of unemployment compensation beneficiaries are deducted from the estimated monthly totals of the unemployed the extent of project employment available to the remainder still remains small. During 1939 and the first half of 1940, WPA employment amounted to between 26 percent and 35.4 percent of this reduced total. In the different months of this period, between 55.9 percent and 64.3 percent of all the unemployed were neither benefiting from special measures, such as the youth programs or unemployment compensation, nor engaged on project work.⁴⁸

The most important factor accounting for the wide discrepancy between the extent of project employment and the volume of unemployment is the limited objective of the major work program, the WPA. *Public policy has aimed to provide work only for the employable unemployed who are in need.* The President, in his message to Congress in January 1935, had stated that the Federal Government would assume the responsibility of providing work for the 3½ million employables on relief:

This group was the victim of a Nation-wide depression caused by conditions which were not local but national. The Federal Government is the only governmental agency with sufficient power and credit to meet this situation. We have assumed this task and we shall not shirk from it in the future. It is the duty dictated by every intelligent consideration of national policy to ask you to make it possible for the United States to give employment to all of these 3½ million employable people now on relief, pending their absorption in a rising tide of private employment.⁴⁹

The extent of Federal responsibility thus originally limited to employable persons *on relief* was later defined to include not only those employable persons on relief in May 1935 but also persons found eligible for relief after that date. Since the beginning of the program, therefore, statutes and administrative practice have required that all but a very small percentage of project workers be either on the relief rolls or eligible for relief.⁵⁰ The needs requirements have been fur-

ther refined since 1939 with the establishment of priorities according to "relative needs."⁵¹ The needs restriction upon the eligibility of WPA workers, initially applied by the local public-welfare agencies which refer workers to WPA, has meant that there are many persons who might benefit from WPA work who cannot obtain it because they still have sufficient resources to make them ineligible for relief.

WPA eligibility requirements, as defined by Executive order, have also limited employment to one member of a family group, usually the economic head. This limitation too is consistent with the needs requirement in that it spreads work opportunity and limits the income of each family unit, although, as will be shown below, such a method of limiting access of the work program denies work opportunity to many whose need for employment is great.

The scope of the Federal work program has been further restricted by legislative requirements. From 1936 onwards, restrictions have been placed upon the employment of aliens, reaching a complete prohibition by 1939.⁵² In the following year Congress required

recent years to about 5 percent. Employment of nonrelief workers on projects operated by other Federal agencies but financed from WPA appropriations has been restricted by Statute to 10 percent of the total.

Executive Order No. 7046, May 20, 1935, provided that, except with the specific authorization of the WPA, a minimum of 90 percent of all project employees should be taken from public relief rolls. Executive Order No. 7060, June 5, 1935, provided that preference be given to persons receiving relief in May 1935; and that after exhausting this group, persons later becoming eligible for relief be considered. In the fall of 1935, when it became apparent that the set maximum employment of 3½ million would not absorb all the certified employable persons, an administrative ruling provided that persons not receiving relief prior to November 1, 1935, could not be assigned. (From information supplied by the WPA.)

This arbitrary limit, which worked great hardship in certain cases, was eliminated in the Emergency Relief Appropriation Acts in 1936 (Public, No. 739, 74th Cong., approved June 22, 1936, title II), 1937 (Public Resolution No. 47, 75th Cong., approved June 29, 1937, title I), and 1938 (Public Resolution No. 122, 75th Cong., approved June 21, 1938, sec. 10), by the provision that persons in need, not previously on relief, should have equal eligibility with those already on the rolls. The deficiency appropriation act of 1939 (Public Resolution No. 1, 76th Cong., approved February 4, 1939, sec. 1) required an immediate review of current need. The Emergency Relief Appropriation Act of 1939 (Public Resolution No. 24, 76th Cong., approved June 30, 1939, sec. 16f) and the next Emergency Relief Appropriation Act, that for fiscal year 1941 (Public Resolution No. 88, 76th Cong., approved June 26, 1940, sec. 15g) provided for a periodic review of need.

⁴⁸ The Emergency Relief Appropriation Act of 1939 (sec. 16a) required preference and retention in employment on the basis of relative needs. The three original needs categories established by WPA regulations in this connection gave first preference to members of families with no income; second, to members of families with insufficient income for maintenance on a subsistence level; and third, to persons without dependents. In January 1940 the last category was dropped, since it was found to cause undue hardship to single persons in many areas, and single persons were provided for among the other categories. (From information supplied by the WPA.)

⁵² The Emergency Relief Appropriation Act of 1935 (Public Resolution, No. 11, 74th Cong., approved April 8, 1935) contained no provision about citizenship. The Act of 1936 (title II) provided that the WPA should not knowingly employ aliens illegally in the country. The Emergency Relief Appropriation Acts of 1937 (sec. 3) and 1938 (sec. 11) retained this provision and provided that preference be given first to veterans, second to citizens, and third to aliens who had declared their

⁴⁸ Between February 1939 and June 1940 the monthly numbers employed on the CCC ranged from 255,000 to 296,000. The corresponding figures for these months on the NYA out-of-school work program were 207,000 to 336,000. Unemployment compensation beneficiaries varied from 502,000 to 1,269,000. (Social Security Board, *Social Security Year Book, 1939*, Washington, 1940, pp. 119, 173; and Social Security Board, *Social Security Year Book, 1940*, Washington, 1941, pp. 233, 273.)

⁴⁹ *Op. cit.*, p. 5. Local responsibility for the unemployables on relief was proposed on the grounds that "such people, in the days before the great depression, were cared for by local efforts * * * It is my thought that in the future they must be cared for as they were before * * * The security legislation which I shall propose to the Congress will, I am confident, be of assistance to local effort in the care of this type of cases." (*Ibid.*)

⁵⁰ The upper limit on nonrelief employment has been set by administrative order. Administrative practice has limited the number in

that no Communists or members of Nazi Bund organizations be employed by the WPA.⁵³ Finally, in 1939 a limit was set to the duration of continuous employment on work projects. All workers, with the exception of veterans, who have been continuously employed for more than 18 months must be dismissed and can be reassigned only if otherwise eligible after a period of 30 days. This requirement caused the dismissal of over a million project workers within a few months, the great majority of whom continued to be in need.⁵⁴

In fact, however, the work program has never been able to offer employment even to the more restricted group of needy eligible workers. Although the objective of employing 3½ million persons was achieved by January 1936, there were even at that time many able-bodied heads of households on relief whom WPA was not able to absorb, and many more who were in need but not yet on the relief rolls.⁵⁵ The various subsequent curtailments in the program, to which reference has been made above, further increased the discrepancy between eligible workers and the extent of project employment. The administrators of the program have frequently admitted that WPA has not been able to provide work for all employable heads of families who are so eligible.⁵⁶ Beginning with 1938, various estimates have been made by the WPA of the number of persons throughout the country who are eligible for project employment but have not received it. *The number actually certified for employment but awaiting assignment has ranged from over 500,000 to almost 900,000 persons at any given time.* These figures, however, considerably understate the actual numbers eligible for assignment. Many local public-

intention of becoming citizens prior to the enactment of the Act. Subsequent appropriation acts have limited employment to citizens of the United States.

⁵³The Emergency Relief Appropriation Act, fiscal year 1941 (sec. 15f), effective July 1, 1940. The Act further required that all persons employed by WPA execute an affidavit to the effect that they were not Communists, members of Nazi Bund organizations, or aliens.

⁵⁴This provision first appeared in the 1939 Act (sec. 16b) and was continued in the Act for the following year (sec. 15b). From July 1, 1939 to February 1, 1940, 1,089,000 certified project workers were dropped in accordance with this provision, of whom 783,000 were dismissed before September 1, 1939. By February 1, 1940, 54.1 percent of these 783,000 dismissed workers had been reassigned to WPA, and an additional 11.6 percent were receiving direct relief. (Inadequate local relief in many areas and reduced WPA quotas, however, prevented many from obtaining aid.) The proportion with private employment by February was about 13 percent, and about half of these were receiving less than their former WPA wage. (Works Projects Administration, Division of Research, *Effects of the 18-Months Provision (Section 16(b)) of the 1939 Relief Act*, Washington, 1940, p. 1.)

⁵⁵Even during the CWA program, which reached an employment peak of over 4 million, including some 2 million persons not on relief, it was admitted by Administrator Hopkins that "we could not put everybody to work." (*Federal Emergency Relief and Civil Works Program*, p. 15.)

⁵⁶For example, Deputy Administrator Williams stated, in 1938, "with funds now available the WPA has not been able to give employment to all eligible families in need." (*Supplemental Appropriation, Relief, and Work Relief, Fiscal Year 1938*, Hearings before the Committee on Appropriations, U. S. Senate, 75th Cong., 3d sess., Washington, 1938, p. 13. Publication referred to subsequently by title only.)

welfare agencies are reluctant to incur the expense of making additional investigations and referrals to the WPA unless jobs for these applicants are actually available. Large numbers of eligible persons, moreover, do not even apply to local agencies in the many areas where general-relief funds are inadequate when there seems to be little likelihood that they will receive either relief or WPA jobs in the immediate future. *From early 1938 to early 1941, the number of eligible persons who were not employed on project work has been estimated by WPA to total from 600,000 to 1,330,000.*⁵⁷

Many reasons account for the failure of the program to provide even for all the needy employable unemployed. *The limited appropriations to which reference has already been made have been of predominant importance.* While Congress has not infrequently been reluctant to grant the appropriations requested, or at best has granted them for a limited period only with an indication that a deficiency appropriation might be considered, the administrators, probably for tactical reasons, have on occasion also failed to request the full appropriations that would be necessary to provide for all eligible persons.⁵⁸

⁵⁷*Work Relief and Public Works Appropriation Act of 1938*, Hearings before the Committee on Appropriations, U. S. Senate, 75th Cong., 3d sess., Washington, 1938, p. 150; *Investigation and Study of the Works Progress Administration*, Hearings before the Subcommittee of the Committee on Appropriations, House of Representatives, 76th Cong., 1st sess., Washington, 1939, pt. 1, p. 12; *Work Relief and Relief for Fiscal Year 1941*, Hearings before the Subcommittee of the Committee on Appropriations, House of Representatives, 76th Cong., 3d sess., Washington, 1940, p. 550, table 45; and *Urgent Deficiency Appropriation Bill Fiscal Year 1941*, Hearings before the Subcommittee of the Committee on Appropriations, House of Representatives, 77th Cong., 1st sess., Washington, 1941, p. 7. (Publications referred to subsequently by title only.)

On the basis of replies to a questionnaire, the American Association of Social Workers estimated the extent to which WPA employed those certified or presumptively eligible in various States and cities, in the spring of 1940 as follows: Arkansas, 50 percent; California, 48 percent; Iowa, 50 percent; Michigan, 80 percent; Southeast Texas, 66 percent; Chicago, 20 percent; Cleveland, 70 percent; and Philadelphia, 40 percent. (American Association of Social Workers, *Appraisal of Trends in Recent Legislation and Administrative Policy in the Public Social Services*, New York, 1940, ms., p. 32.)

⁵⁸At one time WPA officials held that appropriations were adequate to provide for the needy employable unemployed. Thus an assistant WPA administrator stated to the Byrnes Committee in January 1938, "It is our opinion that it [the WPA] is taking care of all employable persons who are in need of relief at the present time," while Administrator Hopkins stated, "I think we have, substantially over the country, given work to most of the employable people in need of relief." (*Unemployment and Relief*, Hearings before a Special Committee to Investigate Unemployment and Relief, U. S. Senate, 5th Cong., 3d sess., Washington, 1938, vol. I, p. 51, and vol. II, p. 1374. (Publication referred to subsequently by title only.) However, Administrator Harrington specifically stated before the subcommittee of the House Committee on Appropriations in 1940 that the appropriation he was requesting was not sufficient to put all needy employables on WPA for the period of the fiscal year. He estimated that the sum necessary to achieve this objective would be about \$2¼ billion, whereas he was seeking an appropriation of only \$1½ billion. (*Work Relief and Relief for Fiscal Year 1941*, p. 724.) For an analysis of the reasons which may have caused administrators to refrain from emphasizing the inadequacy of appropriations to provide for all eligible persons, see Macmahon, Arthur W., Millett, John D. and Ogden, Grace, *The Administration of Federal Work Relief*,

In certain areas the incomplete coverage of eligible workers has been due to the policies of local referral agencies. The administration has attempted to prevent restrictions other than those imposed by the eligibility conditions but has often not been in a position to do so.⁵⁹ Certain local agencies have refused to certify applicants because of failure to meet residence requirements within the State or locality.⁶⁰ There has also been a tendency on the part of the State Works Projects Administrations as well as the referral agencies not to assign single persons, regardless of need, or to assign them only after persons with dependents have been assigned.⁶¹ Refusals to certify have also been charged on the ground of politics and race, and there appears to be some evidence of discrimination in the case of Negroes.⁶² It is not possible to provide any

Chicago, Public Administration Service, 1941, pp. 131-33, 140-142, 174, and 180.

⁵⁹ Section 29 (b) of the Emergency Relief Appropriation Act, fiscal year 1941, states that: "it shall be unlawful for any person to deprive * * * any person of any employment * * * on account of race, creed, color or any political activity" (except with regard to certain political affiliations, as specified elsewhere in the Act). This prohibition against discrimination had been contained in several previous Acts and is affirmed in the rules and regulations of the WPA. It was not until 1939, however, that the WPA attempted to reach formal agreements with the referral agencies. WPA administrative regulations provide for written agreements between the approved referral agencies and the State WPA administrations.

For an account of the difficulties experienced by the WPA in controlling the referral practices of local relief agencies, see *Work Relief and Relief for Fiscal Year 1941*, pp. 442-443, and 604-605.

⁶⁰ Difficulty with regard to residence requirements has been encountered, particularly in California and Arizona. During the winter and spring of 1938, a group of several thousand migrant cotton-pickers were stranded in Arizona. They were refused both relief and certification to WPA because they had not resided in the State for 3 years. The State finally agreed to certify members of this group who had been in the State for a year or more.

A similar situation was encountered in California. While the relief agency in that State had been willing to certify persons who had resided in the State for a year or more even though they had not resided in the State for 3 years as required by the legal-settlement law, a law recently enacted required the State relief agency to certify only relief persons who had lived there 3 years or more. During 1938, the problem of migratory workers in California became increasingly acute. A special quota was given to the State for the purpose of employing migratory workers. Since the relief agency was unwilling to certify persons who were not residents of the State, arrangements were made in certain communities for WPA to make its own certifications.

Section 7 of the WPA Operating Procedure E-9 provides that persons otherwise eligible shall not be refused certification because legal settlement or residence has not been established. There is no exact information available concerning the States or localities that refused certification to nonresidents prior to July 1939 and no basis for an estimate of the number affected. In accordance with Sec. 8 of Operating Procedure E-9, each State has submitted a manual governing certification for WPA employment, which is subject to the approval of the Washington office. So far as these manuals show, no agencies except in California and Arizona are refusing certification to nonresidents. (Information supplied by the WPA.)

⁶¹ This tendency was enforced by the relative-need categories in effect from July 1939 to January 1940. (See footnote 51 above.)

⁶² The FERA forbade racial discrimination. (See Smith, Alfred Edgar, "The Negro and Relief," in *Monthly Report of the Federal Emergency Relief Administration, March 1 through March 31, 1936*, Washington, 1936, p. 14.) The essential elements of policy in this respect are unchanged in the WPA. However, the WPA reports that some racial discrimination does occur with regard to certification, classification, assignment, and sponsorship encouragement. Some Negro workers have been discouraged in their attempts to secure certification in a great many

TABLE 52.—Practices of agencies certifying for WPA employment, February 1938

State	Referrals made—	Policies affecting certification
Alabama.....	Continuously....	Single persons and those not actually receiving relief not certified.
Arizona.....	do.....	
Arkansas.....	do.....	
California.....	do.....	Certification of single persons restricted; refuse persons eligible for special public assistances and 2d member of family if normal wage earner cannot be assigned in own classification.
Colorado.....	Upon requisition only.	Certification of single persons and small families restricted; refuse persons eligible for special public assistances.
Connecticut.....	do.....	Persons eligible for special assistances not generally accepted.
Delaware.....	Continuously....	Must be unemployed at least 2 weeks.
District of Columbia.....	do.....	
Florida.....	do.....	Persons eligible for special assistances accepted on individual basis.
Georgia.....	do.....	Do.
Idaho.....	do.....	Refuse to certify member of family when other member is eligible for special assistances.
Iowa.....	do.....	Persons eligible for special assistances accepted on individual basis.
Kansas.....	do.....	
Louisiana.....	do.....	
Maine.....	Upon requisition only.	Persons eligible for special assistances not generally accepted.
Maryland.....	Continuously....	Do.
Massachusetts.....	Upon requisition only.	
Minnesota.....	Continuously....	Certification of single persons restricted; refuse certification unless person has been unemployed 30 days.
Mississippi.....	do.....	
Montana.....	Upon requisition only.	
Nebraska.....	Continuously....	Certification of single persons restricted; for brief periods single persons worked half time.
Nevada.....	do.....	
New Hampshire.....	Upon requisition only.	Persons eligible for special assistances not generally accepted.
New Jersey.....	Continuously....	Certification of single persons restricted. Single persons and small families given last preference in employment.
New Mexico.....	do.....	
New York State.....	Upon requisition only.	
New York City.....	do.....	Persons eligible for special assistances generally accepted; relief a prerequisite to certification.
North Carolina.....	Continuously....	
North Dakota.....	do.....	Must be relief recipient at least 21 days.
Oregon.....	do.....	
Pennsylvania.....	do.....	
Rhode Island.....	Upon requisition only.	Persons eligible for special assistances not generally accepted; must be relief recipient.
South Carolina.....	Continuously....	Persons eligible for special assistances accepted on individual basis only.
South Dakota.....	do.....	
Tennessee.....	do.....	
Texas.....	do.....	Persons eligible for old-age assistance not certified.
Utah.....	Upon requisition only.	Single persons and those eligible for special assistances not certified; 2d member of family not certified if normal wage earner is working in private employment.
Vermont.....	Continuously....	Persons eligible for special assistances not generally certified.
Virginia.....	Upon requisition only.	Persons eligible for special assistance not certified; or when a member of family is eligible for aid to dependent children.
Washington.....	Continuously....	
West Virginia.....	do.....	Persons eligible for special assistances not generally certified; receiving relief a prerequisite.
Wisconsin.....	do.....	Certification of single persons and small families restricted; certification for persons eligible for special assistances made on individual basis; 2d member of family not certified if other member is eligible for special assistances.
Wyoming.....	do.....	

Source: Information supplied by the WPA. The following States are omitted because no report was received: Illinois, Indiana, Kentucky, Michigan, Missouri, Ohio, Oklahoma.

communities in both the North and the South, women being told that domestic work is always available. Complaints that some Negro workers without previous farm work experience have been dismissed from the WPA rolls to work at crop harvesting seem to have some basis. Sewing and other types of projects intended for employment of Negro workers apparently have been allowed to lapse in some communities. (Information supplied by the WPA.)

quantitative estimate of the numbers of persons who have been excluded from WPA employment for these and other technical reasons. A rough picture of the extent of these practices during 1938 is shown in Table 52. There is some evidence that many of these practices were still in effect in 1940.⁶³

Distribution of Available Project Employment

It is evident from the preceding section that project employment has at no time been adequate to provide work even for all the needy unemployed. It is reasonable to ask, therefore, whether the limited volume of project employment has nevertheless been allocated in such a way as to provide work to those whose needs for employment experience are relatively greatest or for whom employment on work projects is more appropriate than other types of public aid.

Public policy formulations have indicated a general intent to restrict work programs to employable persons and to provide for unemployable persons by other programs. It is important, therefore, to inquire whether the limited amount of project work has actually been confined to employable persons and whether significant proportions of persons for whom other programs would be more appropriate have been given project work.

It has already been pointed out that "employability" is a relative concept. The mere fact that WPA employees as a group are relatively older than private employees as a whole or contain a larger proportion of groups with other characteristics which place them at a disadvantage in competing for private employment (see Chapter V) does not necessarily indicate that the WPA gives employment to unemployable persons. Many of these handicapping characteristics, such as race, are quite irrelevant to the ability to perform useful and efficient work. And furthermore, it would be inconsistent with the aims of a public work program to employ only persons who meet the rigid specifications laid down by employers in periods of general unemployment, since employers themselves relax these specifications in periods of rising employment.

Insofar as the ability to secure private employment is a rough index of employability, it is significant that in the late fall of 1940, about 90 percent of WPA project workers were estimated to be experienced workers as compared with about 80 percent of other un-

⁶³ The American Association of Social Workers (*op. cit.*, p. 32) reports that: "Preference is usually given to persons with large families. In one state veterans, whether single or not, are given preference over all others. In some communities only persons on relief are assigned. Single men and childless married persons are commonly discriminated against." A few examples of eligibility practices are the following: Louisville, discrimination seemingly against partially unemployed, and also against domestics, especially Negroes; Chicago, only persons actually receiving relief eligible; Buffalo, no single person assigned.

employed workers.⁶⁴ Furthermore, of those who had held private jobs, approximately one-half had work histories showing an employment connection lasting more than 5 years with one employer. Only one-eighth reported their longest job to have lasted 1 year or less.⁶⁵

No legislative definition of "employability" has been formulated. Congress provided specifically in 1939 that ability to work should be determined by the WPA.⁶⁶ The WPA regulations have from the first provided that no person whose age or physical condition is such as to make his employment dangerous to his health or safety or to the health or safety of others may be employed on a work project. This regulation is not construed to operate against the employment of physically handicapped persons who are otherwise employable, where such persons may safely be assigned to work which they can perform.

In fact there are three points at which employability is reviewed: (1) By the referral agency; (2) by the WPA when the referral is accepted or rejected and the applicant is occupationally classified (WPA reserves the right to reject workers referred to it for employment by the local welfare agency); (3) by the WPA when applicants awaiting assignment are assigned to projects in accordance with their occupational qualifications. The initial tests of employability which are applied by WPA are, however, often very rough. No physical examinations are required and in many cases workers with unskilled labor experience are assigned on the basis of work histories without interviews,

⁶⁴ From information supplied by the WPA, based on a special survey covering a national sample of over 18,000 WPA workers in active assignment on October 30, 1940, in 50 representative urban, rural, and metropolitan counties. In March 1935, only 4 percent of all economic heads on relief were inexperienced workers. (Hauser, Philip M., *Workers on Relief in the United States in March 1935*, Works Progress Administration, Division of Social Research, Washington, 1938, vol. I, p. 90, table 5.) In January 1936, of the economic heads eligible for the works program, 1.5 percent of the men and 15.5 percent of the women were inexperienced. (See ch. V, table 8.)

⁶⁵ Information supplied by the WPA. Cf. evidence presented by the WPA before the subcommittee of the House Committee on Appropriations in May 1939, wherein it was stated that 97 percent of WPA workers had been regularly employed in private industry before their first WPA assignment. (*Work Relief and Relief for Fiscal Year 1940*, Hearings before the Subcommittee of the Committee on Appropriations, House of Representatives, 76th Cong., 1st sess., Washington, 1939, p. 23. Publication referred to subsequently by title only.) Reference was made at the same time to a survey by *Fortune* published in October 1937 which indicated that 7 out of 10 of the relief workers studied had held their longest steady job more than 5 years and that a fifth had been employed at the same job for 20 years or more.

⁶⁶ The Emergency Relief Appropriation Act of 1939 (sec. 16c), provided that:

"In considering employment of persons upon work projects prosecuted under the appropriations contained in this joint resolution, the agency providing the employment shall determine whether such persons are able to perform the work on work projects to which they can be assigned and no person shall be employed or retained for employment on any such project whose work habits are such or work record shows that he is incapable of performing satisfactorily the work to which he may be assigned on the project."

The early WPA regulations contained no very specific provisions

owing to the lack of sufficient administrative funds to provide adequate interviewing staff.⁶⁷ The tendency is for the local referral agency to define employability loosely in those communities where WPA is frequently the only available type of aid. *The concept of employability therefore varies in different areas and at different periods. These procedures may operate to prevent disqualification of persons who might not meet private hiring requirements in areas where the WPA is the only available type of aid and where there is a tendency on the part of the agencies to define employability very loosely.*

It seems likely too that there have been on the WPA rolls a certain number of workers for whom, because of usual occupation or age, more appropriate assistance might have been provided from other types of programs. As of November 1940, some 92 percent of all project workers surveyed with previous work experience were formerly wage earners, clerical, or professional workers. Aside from workers previously employed in industry, the largest category of WPA workers with previous work experience (8.5 percent) consisted of farmers and farm managers. Because of their usual occupation, assistance through Farm Security Administration programs would seem to have been more appropriate for some of these farmers than WPA employment.

*It is also known that a small proportion of project workers have been persons who could more suitably have been provided for by the special types of public assistance.*⁶⁸ Persons 65 years of age and over formed 2.9 percent of all project workers in November 1937, 1.6 percent of project workers in February 1939, and 2.4 percent of project workers in April 1941.⁶⁹ In the spring of 1940 it was estimated that there were currently employed some 25,000 persons who were eligible for old-age assistance.⁷⁰

The question has often been asked as to whether or not WPA employs women who are not normally wage earners and who have family responsibilities which are such that a cash benefit through aid to dependent children or other programs would be more

appropriate. This question is difficult to answer on the basis of available data. To the extent that women are economic heads of families and would seek employment if any were available, their employment on a work program with the objectives as stated above raises no serious question of social policy.⁷¹ However, on the basis of fragmentary evidence, it appears that a relatively high proportion of women on WPA projects are either inexperienced or have not been employed at their usual occupations for a considerable number of years. Many of these women may have been forced to enter or reenter the labor market as the result of the depression.⁷² In February 1939, some 91,000 families of WPA workers were presumably eligible for aid to dependent children, of whom more than a third were in six States in which such programs were not in operation.⁷³ In the spring of 1940 it was estimated that some 55,000 project employees were eligible for aid to dependent children, a considerable proportion of whom resided in States in which no program was in operation.⁷⁴

*The presence on the WPA program of a small proportion of workers for whom other types of public aid would be more appropriate must be attributed in large measure to the combined work and relief objectives of the WPA and to the inadequate development of other types of aid.*⁷⁵ With relative need playing a major role in determining eligibility, it was

⁷¹ In March 1935, women accounted for a little over 13 percent of the economic heads of families on relief, while the number of women on WPA has fluctuated between 12.1 and 18.2 percent of all project workers between December 1935 and June 1940. (Cf. Hauser, *op. cit.*, vol. I, p. 89, table 2; and *Report on Progress of the WPA Program, June 30, 1940*, p. 40, table 9.)

In 1939 it was estimated that slightly more than 1 percent of WPA workers were women without previous work experience, "most of whom have been forced to become economic heads of families because the usual breadwinner is ill or disabled, has deserted the family, or has died." (*Work Relief and Relief for Fiscal Year 1940*, p. 24.)

⁷² Particular attention has been directed toward women employed on WPA sewing projects, who constitute the majority of women on WPA. Unfortunately, many of the specific studies of the employability and previous occupation of such women are fragmentary and contradictory.

Thus, a survey of a sample of 392 women (one-third of all women employed) on the Pittsburgh, Pennsylvania sewing project in May 1939, showed that 83 percent had been employed prior to their WPA assignment, with an average length of 4 years at their usual jobs. Most of the women were heads of families, and one-half were under 40 years of age. Some ailment or physical disability was reported by about 20 percent, of whom only one-tenth were under 35 years of age, whereas one-third of the whole sample were under 35. However, nearly half of all the women had not worked for 6 years, and almost three-quarters had not had private employment of any consequence since the beginning of the WPA program in 1935.

Investigations made by WPA in a number of areas during 1937 reported that a fairly large proportion of women on sewing projects were inexperienced. Thus, in Fayette County, Pennsylvania, less than 10 percent of the women on sewing projects were reported to have had previous work experience. (Based on information obtained from the WPA.)

⁷³ *Report on Progress of the WPA Program, June 30, 1939*, Washington, 1939, p. 104.

⁷⁴ *Work Relief and Relief for Fiscal Year 1941*, p. 484.

⁷⁵ For further discussion of this problem in relation to farmers, see the concluding section of this chapter.

regarding employability. Not until the issuance of Operating Procedure E-9 in July 1939 was an attempt made to define employability in more specific terms.

⁶⁷ See Work Projects Administration, Division of Employment, *Manual for Occupational Classifiers*, Washington, 1940, pp. 2 and 4.

⁶⁸ The deficiency appropriation act of 1939 (sec. 1) specifically prohibited the rejection of applicants for WPA employment who were 65 years of age and over and of women with dependent children.

⁶⁹ *Work Relief and Relief for Fiscal Year 1941*, p. 741; and *Work Relief and Relief for Fiscal Year 1942*, Hearings before the Subcommittee of the Committee of Appropriations, House of Representatives, 76th Cong., 1st sess., Washington, 1941, p. 149. (Publication referred to subsequently by title only.) The 1939 figures relate to certified workers whose names appeared on the February WPA pay rolls and who were certified in the review of need for continued employment.

⁷⁰ *Work Relief and Relief for Fiscal Year 1941*, p. 44.

probably inevitable that, in errors where the other programs failed to provide for their own eligible clientele, there should have been strong pressure to place such persons, if employable at all, on the WPA pay rolls.

The problem of distributing a limited amount of project employment among the eligible employable and needy workers obviously presents real difficulties, not the least of which is the selection of criteria for the socially most desirable distribution. It seems not unreasonable to assume, however, that since the principle of providing unemployment compensation for the short-period unemployed has been accepted as part of public policy, and since project employment is a form of public aid that is both more costly and preferred by the needy population, preference on project employment should in the main have been given to the long-period unemployed. Broadly speaking, this appears to have been done. As was shown in Chapter V, in August 1937 the average duration of unemployment for project workers in urban areas was 37.4 months and in rural areas was 19.1 months.⁷⁶ In November 1940, the average duration of unemployment of WPA workers, excluding those who never held a full-time job, was from 4 to 5 years, and it was even longer since jobs had been held at usual occupations. Unemployed workers not on WPA projects had been out of work, on the average, less than a year.⁷⁷ There is, however, a certain proportion of workers on WPA, especially in rural areas, who have been unemployed for shorter periods.⁷⁸

No serious attempt has been made to ration the opportunity for project works among the unemployed by adopting any system of rotation of work. It is true that since July 1939 workers continuously employed more than 18 months are discharged.⁷⁹ But the proviso that after the lapse of 30 days workers who can prove need are again eligible for project

employment prevents the 18-months rule from operating as a rotation system. In fact, a substantial proportion of those laid off have been shortly reassigned to project work.⁸⁰

It should be noted, too, that some of the developments to which attention was called in the preceding section operate also to deny project employment to workers in certain parts of the country. Thus the requirement of a sponsor's contribution of 25 percent not only prevents total project employment from being as high as it otherwise would be but also tends to prejudice the chances of securing project employment of workers in the poorer communities.⁸¹ Similarly, the varying practices of local certifying authorities place at a disadvantage workers in areas where authorities are ill-equipped to carry out these functions or where restrictive policies are adopted. It also seems probable that the informal method of assigning employment quotas results in some geographical inequalities.⁸² Some indication of the unequal availability of

⁷⁶ By March 1, 1940, 77.3 percent of workers dismissed during July and August 1939 had been recertified for project employment, and nearly 57.8 percent had been reassigned to projects. (*Work Relief and Relief for Fiscal Year 1941*, p. 436.)

⁷⁷ Commissioner Harrington testified before the subcommittee of the House Committee on Appropriations that "it is generally true that in areas where unemployment and need are greatest, public agencies are in such financial condition as to be least able to meet the 25-percent requirement. In other words, this requirement creates a tendency to move employment out of the poor communities where the need for it is most acute." (*Work Relief and Relief for Fiscal Year 1941*, p. 420.)

State Work Projects Administrators are unable to schedule projects carrying lower percentage contributions unless correspondingly larger contributions can be obtained on other projects. The 25-percent provision, therefore, limits the extent to which exemptions can be extended to financially distressed sponsors, does not recognize that nonconstruction projects as a group do not involve sufficient nonlabor costs to warrant sizable percentage contributions, and does not permit excess contributions in any State to be used as an offset against the low contributions of a State with limited financial resources. In addition to the requirement that 25 percent of the total cost of nonfederal projects be borne by the States, the sponsors are also required to agree to liquidate all pledges. (Information supplied by the WPA.) Cf. Emergency Relief Appropriation Acts of 1938 (sec. 5), 1939 (secs. 1d and 11c), and fiscal year 1941 (sec. 10c).

⁷⁸ Employment authorizations are made each month to the several States. In arriving at these authorizations the two major factors considered are the latest figures on unemployment and the latest figures on population. Adjustments are made in these figures to take into account seasonal changes in employment, basic shifts in employment trends, employment expected from defense orders, payments of unemployment compensation, and such special local conditions as drought, flood, unusual relief needs, and the availability of suitable projects. Recommendations from the regional offices are considered on the basis of evidence presented relative to the particular situation of the region or State. The use of an informal basis for assignment of quotas has many justifications. It does, however, permit such extraneous factors as relative pressure from the different regions to affect the amount of employment. (From information supplied by the WPA.) In fact there is very little information concerning the manner in which employment quotas have been distributed. (Cf. Macmahon, Millett, and Ogden, *op. cit.*, pp. 222-223.)

In 1940, Commissioner Harrington stated that in assigning quotas equal weight was given to population and the distribution of unemployment and that 80 percent of the quota for any one month was distributed on that basis. The remaining 20 percent was distributed on the basis of the recommendations made by regional directors after consultation with State administrators. (*Work Relief and Relief for Fiscal Year 1941*, p. 620.)

⁷⁹ See table 11. Duration of unemployment is measured from the date of leaving the last job in any occupation, whether or not the usual occupation of the applicant.

⁷⁷ From information supplied by the WPA. Similar results were obtained in a 3-city survey made in March 1939, which found that Works Program workers had been unemployed from three to six times as long as the other unemployed. (Webb, John N. and Bevis, Joseph C., *Facts about Unemployment*, Work Projects Administration, Social Problems No. 4, 1939, Washington, 1940, pp. 5 and 15.)

⁷⁸ In May 1939 it was reported that some 250,000 farmers in the Southern States were put on the WPA program in the preceding 12 months for those periods during which they were not needed for the cultivation of their farms, "the intention being to supplement their cash income in those low-income areas with work to the extent of giving them about \$125 apiece of cash income * * *." (*Work Relief and Relief for Fiscal Year 1940*, p. 43.)

⁷⁹ The report of the Committee on Appropriations accompanying House Joint Resolution 326 (*Appropriations for Work Relief, Relief, and for Loans and Grants for Public Works Projects, Fiscal Year 1940*, House Report No. 833, 76th Cong., 1st sess., Washington, 1939, p. 23) states "Section 16 (b) provides for rotation in Work Projects Administration employment by spreading it among a larger number of needy persons."

probably inevitable that, in errors where the other programs failed to provide for their own eligible clientele, there should have been strong pressure to place such persons, if employable at all, on the WPA pay rolls.

The problem of distributing a limited amount of project employment among the eligible employable and needy workers obviously presents real difficulties, not the least of which is the selection of criteria for the socially most desirable distribution. It seems not unreasonable to assume, however, that since the principle of providing unemployment compensation for the short-period unemployed has been accepted as part of public policy, and since project employment is a form of public aid that is both more costly and preferred by the needy population, preference on project employment should in the main have been given to the long-period unemployed. Broadly speaking, this appears to have been done. As was shown in Chapter V, in August 1937 the average duration of unemployment for project workers in urban areas was 37.4 months and in rural areas was 19.1 months.⁷⁶ In November 1940, the average duration of unemployment of WPA workers, excluding those who never held a full-time job, was from 4 to 5 years, and it was even longer since jobs had been held at usual occupations. Unemployed workers not on WPA projects had been out of work, on the average, less than a year.⁷⁷ There is, however, a certain proportion of workers on WPA, especially in rural areas, who have been unemployed for shorter periods.⁷⁸

No serious attempt has been made to ration the opportunity for project works among the unemployed by adopting any system of rotation of work. It is true that since July 1939 workers continuously employed more than 18 months are discharged.⁷⁹ But the proviso that after the lapse of 30 days workers who can prove need are again eligible for project

employment prevents the 18-months rule from operating as a rotation system. In fact, a substantial proportion of those laid off have been shortly reassigned to project work.⁸⁰

It should be noted, too, that some of the developments to which attention was called in the preceding section operate also to deny project employment to workers in certain parts of the country. Thus the requirement of a sponsor's contribution of 25 percent not only prevents total project employment from being as high as it otherwise would be but also tends to prejudice the chances of securing project employment of workers in the poorer communities.⁸¹ Similarly, the varying practices of local certifying authorities place at a disadvantage workers in areas where authorities are ill-equipped to carry out these functions or where restrictive policies are adopted. It also seems probable that the informal method of assigning employment quotas results in some geographical inequalities.⁸² Some indication of the unequal availability of

⁷⁶ By March 1, 1940, 77.3 percent of workers dismissed during July and August 1939 had been recertified for project employment, and nearly 57.8 percent had been reassigned to projects. (*Work Relief and Relief for Fiscal Year 1941*, p. 436.)

⁸¹ Commissioner Harrington testified before the subcommittee of the House Committee on Appropriations that "it is generally true that in areas where unemployment and need are greatest, public agencies are in such financial condition as to be least able to meet the 25-percent requirement. In other words, this requirement creates a tendency to move employment out of the poor communities where the need for it is most acute." (*Work Relief and Relief for Fiscal Year 1941*, p. 420.)

State Work Projects Administrators are unable to schedule projects carrying lower percentage contributions unless correspondingly larger contributions can be obtained on other projects. The 25-percent provision, therefore, limits the extent to which exemptions can be extended to financially distressed sponsors, does not recognize that nonconstruction projects as a group do not involve sufficient nonlabor costs to warrant sizable percentage contributions, and does not permit excess contributions in any State to be used as an offset against the low contributions of a State with limited financial resources. In addition to the requirement that 25 percent of the total cost of nonfederal projects be borne by the States, the sponsors are also required to agree to liquidate all pledges. (Information supplied by the WPA.) Cf. Emergency Relief Appropriation Acts of 1938 (sec. 5), 1939 (secs. 1d and 11c), and fiscal year 1941 (sec. 10c).

⁸² Employment authorizations are made each month to the several States. In arriving at these authorizations the two major factors considered are the latest figures on unemployment and the latest figures on population. Adjustments are made in these figures to take into account seasonal changes in employment, basic shifts in employment trends, employment expected from defense orders, payments of unemployment compensation, and such special local conditions as drought, flood, unusual relief needs, and the availability of suitable projects. Recommendations from the regional offices are considered on the basis of evidence presented relative to the particular situation of the region or State. The use of an informal basis for assignment of quotas has many justifications. It does, however, permit such extraneous factors as relative pressure from the different regions to affect the amount of employment. (From information supplied by the WPA.) In fact there is very little information concerning the manner in which employment quotas have been distributed. (Cf. Macmahon, Millett, and Ogden, *op. cit.*, pp. 222-223.)

In 1940, Commissioner Harrington stated that in assigning quotas equal weight was given to population and the distribution of unemployment and that 80 percent of the quota for any one month was distributed on that basis. The remaining 20 percent was distributed on the basis of the recommendations made by regional directors after consultation with State administrators. (*Work Relief and Relief for Fiscal Year 1941*, p. 620.)

⁷⁶ See table 11. Duration of unemployment is measured from the date of leaving the last job in any occupation, whether or not the usual occupation of the applicant.

⁷⁷ From information supplied by the WPA. Similar results were obtained in a 3-city survey made in March 1939, which found that Works Program workers had been unemployed from three to six times as long as the other unemployed. (Webb, John N. and Bevis, Joseph C., *Facts about Unemployment*, Work Projects Administration, Social Problems No. 4, 1939, Washington, 1940, pp. 5 and 15.)

⁷⁸ In May 1939 it was reported that some 250,000 farmers in the Southern States were put on the WPA program in the preceding 12 months for those periods during which they were not needed for the cultivation of their farms, "the intention being to supplement their cash income in those low-income areas with work to the extent of giving them about \$125 apiece of cash income * * *." (*Work Relief and Relief for Fiscal Year 1940*, p. 43.)

⁷⁹ The report of the Committee on Appropriations accompanying House Joint Resolution 326 (*Appropriations for Work Relief, Relief, and for Loans and Grants for Public Works Projects, Fiscal Year 1940*, House Report No. 833, 76th Cong., 1st sess., Washington, 1939, p. 23) states "Section 16 (b) provides for rotation in Work Projects Administration employment by spreading it among a larger number of needy persons."

project work may be secured from estimates presented by the WPA Administrator in 1940. While for the country as a whole it was estimated that project employment was given to 65.5 percent of the persons who would seem to be eligible, the percentage varied from 55.5 percent in Arizona to 84.2 percent in North Dakota.⁸³

Finally, the practices and character of the local relief agencies who certify workers in the first instance also tend to discriminate against certain types of unemployed workers. As is evident from Table 52 above, single persons are refused certification or discriminated against in some States. Negroes also appear to be discriminated against in certain States.⁸⁴

Maintenance of Skills and Work Habits

There is general agreement, even among those who severely criticize certain aspects of WPA, that the provision of work is preferable to direct relief.⁸⁵ Among the advantages of the provision of work, the maintenance of skills and the preservation of work habits as well as the maintenance of morale have been given prominent importance. It is clearly vital to

⁸³ In 14 States project employment was given to over 70 percent of those estimated to be eligible for it; on the other hand, in 11 States less than 62 percent of eligible workers secured employment. (Computed from *Work Relief and Relief for Fiscal Year 1941*, p. 550, table 45.)

⁸⁴ Between September 1937 and February 1939, the proportion of Negro women among all women on WPA projects declined from 28 to 16 percent. Data available for September 1937 indicate an underrepresentation of Negroes in the Southern States in relation to their numbers in the total population and also in comparison with persons on relief and eligible for WPA employment. In that month Negroes accounted for 22 percent of the WPA working force in 12 southern States: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia. (Based on information obtained from the Division of Statistics, Work Projects Administration.) On the other hand, Negro families represented over 28 percent of all families in these States in 1930, and Negroes accounted for almost 30 percent of all economic heads of families on relief in March 1935. (*Fifteenth Census of the United States, 1930*, Population, VI, Washington, 1933, p. 33, table 40; and Hauser, *op. cit.*, vol. I, p. 102, table 19). In May 1940, in 11 of these States, (excluding Oklahoma), Negroes represented 22.9 percent of the WPA working force. (Information from the Division of Statistics, Work Projects Administration.)

⁸⁵ See, for instance: Gilboy, Elizabeth W., *Applicants for Work Relief*, Cambridge, Harvard University Press, 1940, pp. 203-34; Chapin, F. Stuart and Jahn, Julius A., "The Advantages of Work Relief over Direct Relief in Maintaining Morale in St. Paul in 1939," in *American Journal of Sociology*, XLVI (July 1940), 13-22; State of New York, Governor's Commission on Unemployment Relief, *Work Relief in the State of New York; A Review of its Characteristics, Functioning and Value*, Albany, 1936, p. 22; and Bakke, E. Wight, *The Unemployed Worker; A Study of the Task of Making a Living Without a Job*, New Haven, Yale University Press, 1940, pp. 345-425.

The National Appraisal Committee received almost 5,000 answers from State and local public officials in reply to the question: "Is work relief better than the dole for the employable unemployed?" of which 92.3 percent were affirmative or favorable, and only 1.2 percent negative or unfavorable. "The benefits to the community from WPA and the maintenance of the self-respect of the worker were the chief reasons given for preferring work relief." (National Appraisal Committee, *U. S. Community Appraisal; A Report on the Work Program of the Works Progress Administration*, Washington, 1939, pp. 15 and 23.)

any evaluation of public policy to determine how far these objectives have been attained.

The maintenance of skills.—So far as legal limitations have permitted, the WPA has attempted to assign workers to project work according to their previous training and experience.⁸⁶ *The extent to which diversified projects have been developed to utilize the variety of occupational and even professional skills of the unemployed is indeed remarkable, especially when it is recalled that it has been necessary to develop a large number of small projects adapted to the circumstances and needs of a variety of localities.*⁸⁷ Yet it cannot be pretended that the Nation has as yet succeeded in providing employment which precisely parallels the previous occupational experience, or even the general level of skills, of project workers.

Although the types of WPA projects have been considerably more diversified than were those of earlier work-relief programs or the more recent local relief-work projects to be discussed shortly, construction work has been of major importance throughout the entire period. At the end of June 1940, about three out of every four project workers employed by the WPA were working on construction projects, of whom the largest portion (42.5 percent) were employed on highway, road, and street work. About 400,000 persons, or roughly one WPA worker in every four, were employed on professional or service projects, of whom about half were women working on welfare projects.⁸⁸ It is obvious from these figures that WPA projects, although

⁸⁶ Project work is classified by reference to some 250 standard job classifications. Each worker is given his project assignment on the basis of a work history, in some cases accompanied by an interview. See Works Projects Administration, *Manual for Occupational Classifiers*, p. 57, and WPA Operating Procedure No. E-9, Appendix A, sec. 8, revised May 20, 1940.

⁸⁷ Cf. Macmahon, Millett and Ogden, *op. cit.*, pp. 3-9. For an account of the administrative collaboration involved in developing so diversified a system of projects see *ibid.*, pp. 303-330.

⁸⁸ *Report on Progress of the WPA Program, June 30, 1940*, pp. 44, 45. The percentage distribution of persons employed on WPA projects, for selected periods, was as follows:

	Building, construction, and conservation	Professional and service	Miscellaneous
March 1936 (last half).....	76.7	21.0	2.3
March 1937 (last half).....	73.1	25.0	1.9
March 30, 1938.....	79.2	19.9	.9
March 22, 1939.....	78.1	20.5	1.4
March 27, 1940.....	73.1	24.9	2.0

Calculated from *ibid.*, p. 45, table 13. Construction projects include highways, roads, and streets, public buildings, recreational facilities, sewer systems and other utilities; airports and airways, conservation and sanitation. Professional and service projects include community service, research and records, sewing, welfare and others. Percentages for "professional and service" and "miscellaneous" groups for March 1936 are not comparable with later periods, since the latter includes certain types of work subsequently classified as "professional and service.")

providing for a variety of different jobs have not approximated the former occupations of many workers, particularly factory operatives, miners, farmers, and those of many other skilled and semiskilled workers. *By and large, only some of those workers usually employed in the building trades and other construction work and a relatively small number of professional, technical, and white-collar workers could continue their usual type of work while on WPA.* The production projects, such as sewing and canning, have provided jobs for some semiskilled and skilled factory workers at their usual work.⁸⁹ The possibilities, of course, have varied greatly in different areas, depending upon the major industries and the usual attachments of the workers. It is clear that in rural areas, where large numbers of unskilled manual workers have been employed at road work, the problem is very different from that of providing suitable work to unemployed coal miners in a depressed area. In centers of manufacturing and mining where unemployment is most acute, the heavy emphasis upon construction has meant that it has been practically impossible to employ most persons at their usual occupations.⁹⁰ Similarly, in metropolitan areas such as New York, characterized by a high proportion of workers engaged in wholesale and retail trades or working with insurance or financial businesses, the proportion of such workers engaged on

project work similar to their former occupations has been relatively small.⁹¹

*Nor has the WPA as yet been able to provide work for all project employees of the same general degree of skill as their usual occupations. Real progress has been made with the growth of experience in developing projects which utilize a greater proportion of the skilled unemployed workers.*⁹² Yet throughout the program, some two-thirds to three-fourths of the workers have been assigned in the unskilled wage class.⁹³ Studies of the usual occupations of WPA workers have shown that a far smaller proportion were previously engaged in unskilled work.

The latest information on usual occupations, a cross-section study in November 1940, found that nearly one-fifth (19.5 percent) of all experienced WPA workers had in the past been attached to skilled trades, whereas in September 1940 only 13 percent of WPA workers were employed in this wage group.⁹⁴ On the other hand, unskilled work accounted for 25.1 percent of the previous usual occupations of all project workers (excluding farm laborers and foremen), whereas 63.4 percent of the project workers were in the unskilled wage class.⁹⁵ In certain cases, furthermore, the employment

⁸⁹ *Reports on Public Assistance*, p. 156.

⁹⁰ In January 1936 a study of the usual occupations of economic heads of families eligible for the work program showed that about 11 percent were nonmanual and professional workers, 15 percent skilled, 24 percent semiskilled, and 34 percent unskilled. About 6 percent were farm operators, and in 6 percent of the cases the occupation was unknown. (See ch. V, table 8.)

In December 1935, however, about 85 percent of the certified workers on WPA, exclusive of New York City, were assigned to unskilled work, 6 percent to skilled work, and 2 percent to supervisory professional and technical work. (Data supplied by the WPA.)

A study of WPA workers in Pennsylvania during May 1936 found that "excepting only the professional and technical group, the greatest percentage of each regular occupation class had been assigned to unskilled jobs. Ninety-two percent of the farmers, over 80 percent of both the semiskilled and the regularly unskilled, over 60 percent of the proprietary and the skilled groups, over 40 percent of the office workers, and 17 percent of the professionals, were working on projects in occupations that required relatively little skill." (Pennsylvania Committee on Public Assistance and Relief, *The Relief Population of Pennsylvania, 1936*, p. 109.)

Similarly, a sample study of workers transferred from the general-relief rolls to WPA in 13 cities during July-December 1935 found that only 6 percent shifted upward, while 45 percent shifted downward. Seventy-one percent of the nonmanual, 81 percent of the skilled, and 86 percent of the semiskilled were employed at occupations on a lower occupational level than their usual ones. (Carmichael, F. L. and Nassimbene, R., *Changing Aspects of Urban Relief*, Works Progress Administration, Division of Research, Washington, 1939, p. 88, table 77.) By November 1937 the proportion of project workers employed as laborers or on related unskilled manual jobs had fallen to 55 percent, while skilled occupations had increased slightly to 7.6 percent of the total. (Works Progress Administration, *Assigned Occupations of Persons Employed on WPA Projects, November 1937*, Washington, 1939, p. 2.)

⁹³ March 1936-June 1940. (Data from Work Projects Administration, Division of Statistics, *WPA Statistical Bulletin, July 1940*, p. 20.)

⁹⁴ Information supplied by the Work Projects Administration.

⁹⁵ The complete distribution of project employees according to their usual previous occupations as compared with their distribution according to the character of WPA jobs is as follows:

⁸⁹ As of June 26, 1940, approximately 124,000 persons, or 7.8 percent of all project workers, were engaged in the direct production of goods. The corresponding figures for March 27, 1940 were 201,000, or 9.1 percent. (Work Projects Administration, Division of Statistics, *WPA Statistical Bulletin, July 1940*, Washington, 1940, p. 13.)

⁹⁰ A sample study of workers transferred from relief to WPA in 1936 found that professional and public-building projects were the most successful in employing workers in their usual skill groups. Skilled and semiskilled factory operatives were less well-off than skilled building-trades workers. While they were best used in the production-of-goods projects, even on such projects "four-fifths of them were employed at jobs requiring less skill than required in their usual occupations." (Works Progress Administration, Division of Social Research, *Survey of Cases Certified for Works Program Employment in 13 Cities*, Research Bulletin, Series IV, No. 2, Washington, 1937, p. 5.)

The difficulties of matching skills even in an area of diversified industry is well illustrated in New York: "About 40 percent of the gainfully employed population of the city in 1930 was engaged in trade, domestic and personal service, transportation and communication; occupations in which it is difficult for WPA to provide work." (New York [City] Works Progress Administration, Advisory Council, *Reports on Public Assistance to the Administrator, Works Progress Administration, City of New York*, New York, 1939, p. 154. Publication referred to subsequently as *Reports on Public Assistance*.)

The particular difficulties of matching skills in certain areas were reported by WPA investigators during 1937. For example, in Schenectady, New York, where 90 percent of the workers were employees of the General Electric and American Locomotive companies, it was not possible to provide work similar to the previous occupations of the unemployed, and it was reported that ex-company employees over 40 were suffering a deterioration of skills. Similarly in an automobile producing center it was not possible to match skills of displaced automotive workers on available building and construction projects. In another area, the semiskilled workers, who formerly worked in the shoe industry, were particularly disadvantaged; skilled workers were better off, since they came largely from the building trades. (Information supplied by the WPA.)

proportion of skilled, semiskilled, and professional unemployed workers parallel those in which they were previously employed, thus enabling them to maintain or enhance their skills, should moreover occasion no surprise in view of the conditions under which the program has operated. Quite apart from difficulties of initiating so vast a project, the lack of experience derived from any previous program on the same scale, and the shortage of trained administrative personnel,⁵ the ability of the WPA to match jobs and men has been definitely restricted by legislative and financial provisions. The WPA has been prevented by Statute, as well as by general policy, from competing directly with private enterprise.⁶ In addition, it has been required that projects should not be of a character to benefit private interests, and that the projects sponsored by governmental agencies should not involve types of work carried on by these agencies in the exercise of their normal continuing responsibilities.⁷

The undesirability of conferring direct private benefit by the expenditure of public funds and of encouraging local governments to evade their normal responsibilities by utilizing federally subsidized relief labor need not be questioned. But the fact remains that in a period of acute depression these limitations, together with the prohibition of competition with private enterprise, severely restricted the variety and representative character of the projects that could be developed. For many types of unemployed workers, especially the skilled, semiskilled, and white-collar groups, it has been impossible to provide employment at their usual occupations. Further limitations on the types of work which can be provided have been effected by Congress, such as the limitation on the costs of buildings and the prohibition of certain kinds of projects.⁸ The financial limit on Federal nonlabor expend-

itures per worker imposed from 1938 onwards and the restriction of Federal financial responsibility to three-fourths of the total cost of non-Federal projects since January 1940 have placed further obstacles in the way of developing projects of a type which would require substantial expenditures on equipment or materials.⁹ These financial restrictions have been especially significant in areas of heavy unemployment when the resources of the potential sponsors are limited.

Finally, the use of the work program as a relief agency during a period in which the funds have at no time been adequate to provide work even for all the needy unemployed, let alone the wider group of unemployed people, has fostered attempts to spread the available funds by giving as large an amount of direct employment as possible from a given appropriation.¹⁰ In these circumstances, the development of projects requiring considerable machinery or expensive materials was hardly to be expected.

Maintenance of work habits.—The difficulties of developing under existing limitations projects which would parallel the previous occupations and skills of the unemployed have led to an increasing tendency to emphasize the maintenance of work habits as a major objective of the program. Probably no aspect of the work program has given rise to greater differences of opinion than the question of the extent to which this objective has been attained. Unfortunately, while there is a plethora of generalizations, usually based upon observation of individual cases, there have been very few comprehensive and scholarly studies.

A detailed and continuing study of the adjustments and reactions of a sample group of unemployed in New

included in the Emergency Relief Appropriation Acts of 1939 (sec. 8) and of fiscal year 1941 (sec. 34).

⁹ During the fiscal year 1940, only 15.7 percent of all funds (WPA and sponsors') were spent for the purchase of materials, supplies, and equipment and 9.2 percent for the rent of equipment. Expenditures for these purposes were almost three-fourths of all sponsors' contributions, and less than 8 percent of WPA funds expended. (*Report on Progress of the WPA Program, June 30, 1940*, p. 60, table 26.)

The requirement that sponsors provide one-fourth of the total cost in each State is an additional limiting factor on the type of work. It is relatively difficult for sponsors to provide such a proportion on projects with particularly low nonlabor costs, such as on nonconstruction work. During the fiscal year 1940, sponsors provided about 40 percent of all costs of airport and airway projects and about 30 percent of the costs of public-building projects, but only about 18 percent of the costs of professional and service projects. (*Ibid.*, pp. 63-64.)

¹⁰ In congressional discussions in 1935 an attempt was even made to write into the appropriation act a requirement that a specific proportion of the total cost of projects in certain categories should be spent upon labor. Cf. Macmahon, Millett, and Ogden, *op. cit.*, pp. 60-62.)

The Division of Applications and Information of the National Emergency Council in its early instructions required that projects should expend a considerable proportion of the total cost as wages for labor. (*Ibid.*, p. 89.) Furthermore, the objective announced in 1935 of employing 3½ million workers from the available appropriations implied an average man-cost per year so low as to be feasible only for projects with a relatively low materials cost and a high proportion of labor costs.

⁵ For an account of the initial difficulties attributable to lack of appropriate personnel in New York City, see *ibid.*, pp. 168-171.

⁶ Sec. 33 of the Emergency Relief Appropriation Act, fiscal year 1941, forbids the use of Federal funds "to purchase, establish, relocate, or expand mills, factories, stores, or plants which would manufacture, handle, process, or produce for sale articles, commodities, or products * * * in competition with existing industries." However, certain projects have produced clothing, canned goods, and furnishings for distribution to relief clients. The largest categories of WPA work, such as highways, roads, and streets, are capital improvements and services which for many years have been regarded as public, rather than private, responsibilities. (See ch. XII, table 86.)

⁷ For an analysis of the difficulties in project planning to which these restrictions gave rise see Macmahon, Millett, and Ogden, *op. cit.*, pp. 305-308.

⁸ For example, in the Emergency Relief Appropriation Act, fiscal year 1941 (secs. 11 and 24) Congress limited Federal funds which might be used for a public building to \$100,000 and forbade use of Federal funds for theater projects and motion-picture films.

The Emergency Relief Appropriation Act of 1935 (sec. 1) had prohibited the use of work-relief funds for the construction of military implements. Although dropped in the Emergency Relief Appropriation Acts of 1936, 1937, and 1938, the prohibition was reinstated in the supplementary relief appropriation of February 1939 (sec. 8) and was

Haven, undertaken by the Yale Institute of Human Relations, concluded on the basis of the experience of WPA workers in 1938 that "there was ample evidence in the testimony of the unemployed that the daily work routine, the necessity for using one's muscles, and the outdoor life were beneficial in maintaining the worker's general health and physique except during the most severe weather."¹¹

In the absence of other evidence based upon the testimony of workers themselves, evaluation of the extent to which the Federal work program has maintained the work habits of the unemployed must be based upon judgments of the efficiency of project workers.

A sample study of the quality of performance of over 1,400 skilled workers in 1937, and of the quantity of output of over 1,200 such workers, rated more than three-fourths of the group as passable or better on the basis of both the quantity and quality of the work completed. Nearly 40 percent were rated "excellent" as to quality; almost 30 percent were so rated as to quantity. Only 9 percent and 8 percent respectively were rated as definitely inferior by both criteria.¹²

The quality of workmanship was also generally approved by the public officials whose opinions were sampled in the Community Appraisal survey during 1938. Of the officials answering, 6,033 (84.5 percent) indicated their opinions were favorable.¹³ The survey reported that "the judgment 'fairly satisfactory' is perhaps more frequent than either 'poor' or 'good' * * * Many reports speak of a certain proportion of workers as too shiftless for useful employment * * * Many other reports assert * * * that it is lack of proper working facilities that creates loafing in practically every case."¹⁴

Again, an investigation of the WPA in New York in 1939 reported:

There is little question but that the quality of the work done by the WPA in New York City has been satisfactory. Though it may be possible to find some shoddy work, what has been done has met the customary standards in the construction industry. All work is subject to inspection by city or State inspectors as well as Federal, and is done under the management of competent engineers. On the whole, the number of faults found and rejections made by the inspectors has been

¹¹ Bakke, *op. cit.*, p. 413. For an account of the scope of the study and the methods adopted by the investigators, see the preface.

¹² Curtis, William R., Klein, Walter A. and Berman, Edward, *The Skill of Brick and Stone Masons, Carpenters, and Painters Employed on Works Progress Administration Projects in Seven Cities in January 1937*, Works Progress Administration, Division of Research, Statistics, and Records, Washington, 1937, pp. III, 1-3. The study covered 1,444 skilled workers in selected crafts in January 1937, of whom 1,258 had been regularly employed prior to 1930 at the same occupation. Each worker was rated independently by an examiner from WPA and by a member of the international union of the craft.

¹³ National Appraisal Committee, *op. cit.*, p. 15.

¹⁴ *Ibid.*, p. 23.

low compared with what is customarily encountered in contract work.¹⁵

A more limited and indirect indication of the extent to which project employment has maintained efficient work habits can be derived from evaluations of the costs of work projects as compared with similar work done under other auspices. In view of the difficulties of making precise comparisons because of the special conditions governing project operations, it is not surprising that here too there are relatively few data in recent years.¹⁶ Nevertheless, a study of 202 typical WPA construction projects in representative areas during the last half of 1939 found that the cost of WPA projects was approximately 13 percent higher than the estimated cost of constructing the same projects by ordinary contract methods. Material and other nonlabor costs were lower. The higher total costs were accounted for by the fact that WPA provided jobs on the construction site in the ratio of 3.8 to 1 as compared with private-contract methods.¹⁷

These evaluations of the character of the work performed by project workers are especially significant when the conditions under which the program has operated are recalled. For many of these conditions are not conducive to the efficient accomplishment of work.¹⁸ It would indeed be unreasonable to expect a program whose workers are often of the type whom employers dispense with first, to compare favorably in terms of efficiency with private employment. The restrictions on nonlabor costs and other conditions of operation have also handicapped WPA efficiency.

Perhaps the most important single influence has been the attempt to combine the dual objective of work and relief. In addition to restrictions on the use of equipment, the relief objective imposes the necessity of rapid shifts in the scale of project opera-

¹⁵ *Reports on Public Assistance*, p. 160. "The work habits of the WPA employees varied from bad to excellent."

¹⁶ During the winter of 1934-35, a study was made of 599 work-relief construction projects conducted under the FERA program in New York State. The study concluded that the projects achieved an over-all efficiency of 74.8 percent in comparison with the efficiency achieved under private contract. More than four-fifths of the projects were found to follow approved engineering and construction practice. The quality of the work was rated as very good in 23 percent of the projects and as satisfactory in an additional 72.2 percent. (State of New York, Governor's Commission on Unemployment Relief, *Work Relief Projects of the Public Works Type in the State of New York*, Albany, 1935, pp. 13, 16, 83.) It was found that the "lowest efficiency ratings commonly were associated with projects upon which efficiency had obviously been sacrificed in order to provide work opportunity for a maximum number of persons." (*Ibid.*, p. 77.) Although the study was made by qualified engineers, it has the shortcomings of being a "spot" investigation; estimates were made by an inspection of each project during part of a single day.

¹⁷ From information supplied by the WPA.

¹⁸ For general discussion of the limiting conditions under which the WPA has operated see Gilboy, *op. cit.*, (pp. 206-207), and Bakke, *op. cit.*, pp. 386-425.

tions to meet sudden changes in relief needs. Many outdoor construction projects must continue operations under adverse winter weather conditions.¹⁹ The relief objective has also influenced the composition of the labor force. The fact that project workers must pass a test of need means that many of them will have already undergone a substantial period of unemployment with an accompanying deterioration of skills and work habits. The principle of giving preference to heads of households selects a group that is on the average older than the working population as a whole. The operation of employers' preferences tends to drain away from the program both the most efficient and the younger workers. On the other hand, when curtailment of projects is necessary, preference in retention in employment is given on the basis of relative needs and veteran's status. Thus those who remain tend, as was shown in Chapter V, to be in general both the older and the longer unemployed, and to some extent also the less efficient.²⁰

The relief objective of the program also to some extent inhibits the prosecution of a policy of vigorous insistence on high standards of performance and discharge for inefficiency. For the knowledge that discharge from project employment would in many cases mean a return of the family to destitution cannot fail to temper the policies of supervisors and foremen in areas where alternative forms of public aid are inadequate or not available.

Certain WPA employment policies have also proved to impede maximum efficiency, again primarily as a result of the conflict between work and relief aims. Prior to the summer of 1939, the payment of prevailing hourly wage rates resulted in very irregular hours of work. Since each worker was employed at the locally prevailing hourly rate for only sufficient hours to earn the amount of the monthly security wage, workers of different degrees of skill were on the job for different numbers of hours per month. As an example of the operating problems that arose under such an arrangement, Commissioner Harrington cited a building-construction project in Pittsburgh. Brick-

layers were permitted to work only 48½ hours per month; hodcarriers worked 63½ hours, building-trades laborers 89 hours, and unskilled laborers 120 hours. On the same project, a plumber was limited to 50 hours, while his helper was scheduled for 71½ hours.²¹ The Emergency Relief Appropriations Act of 1939 and subsequent acts have required all workers to work 130 hours per month, regardless of skill.

A striking example of the extent to which employment policies can disrupt efficiency is found in the consequences of the 18-month rule that was first contained in the Emergency Relief Appropriation Act of 1939. The dismissal of over a million workers in the course of a few months had a serious effect upon the efficiency of project operations.²²

Finally there appears to be general agreement that, where full and efficient performance is not achieved, inadequate supervision must bear some share of the responsibility.²³ The WPA has experienced real difficulties in obtaining competent supervisory personnel for projects. This situation was partly due to the fact that the WPA could not offer rates of remuneration that would attract the type of personnel required to administer what have often been substantial undertakings.²⁴ In part it was due to the fact that supervision was often supplied by local sponsors; where the quality of supervision was inadequate, the WPA was not always in a position to insist upon change.²⁵ Finally in certain cases poor supervision appears to have been attributable to political influences.²⁶ Although real efforts have been made to improve the quality of supervision through the institution of training for supervisors and in other ways, incompetency in

¹⁹ *Work Relief and Relief for Fiscal Year 1940*, pp. 19-20.

²⁰ "In some areas the July and August [1939] dismissals amounted to 40 percent of all those employed on July 1. For the country as a whole the proportion was nearly one-third. This high turnover in the working load resulted in operating difficulties. State Administrators have reported that the immediate effect was an increase in administrative costs and a reduction in project efficiency. In some areas the loss of skilled key personnel caused the suspension of some types of projects and badly hampered the operation of others." (Work Projects Administration, Division of Research, *Effects of the 18-Months Provision (sec. 16 (b)) of the 1939 Relief Act*, p. 1.)

²¹ Many of the public officials sampled in the Community Appraisal Study agreed that the degree of efficiency depended upon the quality of supervision. "Some inefficiency is blamed on local sponsors, some on WPA regulations, and some on the supervisors." (National Appraisal Committee, *op. cit.*, p. 19.) Cf. *Reports on Public Assistance*, p. 168: "Good superintendents and foremen are vital to the success of any production organization. Securing satisfactory supervisory personnel has been the outstanding problem of WPA administrations both in New York City and throughout the country."

²² For an account of the difficulties experienced in New York City for this reason, see *ibid.*, pp. 168-169.

²³ For a discussion of the difficulties ensuing from the divided responsibilities, as they affected project supervision, see Macmahon, Millett, and Ogden, *op. cit.*, pp. 311-312.

²⁴ "Foremanship positions, workers believe, are under the control of the politicians so that no amount of good work or demonstration of unusual ability would lead to advancement on the job." (Bakke, *op. cit.*, p. 402.) Cf. also *ibid.*, pp. 404-409.

¹⁹ " * * * it is well known that private contractors do not find it possible to undertake extensive construction of roads and similar outdoor work in the cold weather. Since * * * it becomes necessary for the government to undertake its projects during just those times when on the whole private enterprise finds it difficult to continue efficiently and profitably * * * Government work is bound to be less efficient than that which is undertaken under private contracting." (*Ibid.*, pp. 402-403.)

²⁰ The fact that many WPA workers have been unemployed for a considerable length of time has an important bearing upon the WPA aims of preserving morale, skill, and efficiency, since in many cases these attributes may have undergone considerable deterioration before employment on the program. In the study of 202 WPA construction projects mentioned above, undertaken during the winter of 1939-40, the supervisors of 35 projects included the presence of incompetent or aged labor among the factors lowering efficiency. (From information supplied by the WPA.)

this field has in certain areas remained a source of inefficiency.

Work Relief and Morale

The last of the aspects of the work program that calls for consideration is the extent to which morale has been maintained. It is generally accepted that loss of work, with consequent physical hardships and idleness, lowers morale in the sense that it results in apathy, bitterness, deterioration of family and community relations, and loss of self-respect.²⁷ There appears to be almost unanimous agreement that work relief as it has operated under Federal leadership is less demoralizing than direct relief.²⁸ As compared with direct relief, the later Federal work relief assists in the maintenance of the individual's sense of welfare and self-respect as a citizen and as a worker in many ways. In general, Federal work relief has afforded the worker's family a higher standard of living than could have been secured from direct relief, except in the case of larger-than-average families.²⁹ The fact that the payment received is a return for work performed has not merely removed the sense of dependence upon public or private charity, so repugnant to the vast majority of people, but has also given the unemployed worker a renewed sense of independence, for he has been answerable to no one for the way in which he spends the income he has thus earned.³⁰ Finally, in giving a worker the opportunity to participate in normal productive activity and to conform to the mores of the society in which he lives, work relief

has helped sustain the worker's sense of self-respect as a worker and a citizen.³¹

But while Federal work relief has thus undoubtedly proved superior to direct-relief payments which offer the worker no opportunity to perform useful work, the extent to which morale has thereby been enhanced must not be overestimated. For, while work relief enhances the unemployed worker's sense of self-respect as a citizen, certain aspects of the work program as it has operated in the past have limited the measure of achievement. The restriction of eligibility to persons in need means that the average project worker must have experienced a period of demoralization before securing project work.³² In the words of Dr. Bakke, "Work relief as at present administered, therefore, gives him an opportunity for a 'comeback' rather than an opportunity to maintain unbroken his position as a worker in the community."³³ Moreover, for the worker whose unemployment is of long duration, the extent of this "comeback" is in turn limited. For, after separation on account of 18 months' continuous employment, workers are eligible only if again certified as in need by the local relief agency. Studies of the subsequent history of workers separated on account of the 18-months rule show that the majority experienced a considerable decline in living levels, while a considerable proportion of them, although still unemployed, were not reassigned to work projects even after the lapse of several months.³⁴

The extent to which a man's sense of self-respect as a worker is maintained by project employment is likely to be in direct proportion to the extent to which project work parallels private employment in regard both to the conditions of work and remuneration and to the demands which are made upon him.³⁵ From this point of view, certain conditions of project employment compare favorably with private employment. Thus project workers are assured protection of their right to organize in unions of their own choosing and to have

²⁷ See, for example, Rice, Stuart A., "Psychological Effect of Unemployment on the Jobless Man," *American Labor Legislation Review*, XV (March 1925), 45-49; Hall, Milton O., *Attitudes and Unemployment*, Archives of Psychology, No. 165, (March 1935), 24-55; Chapin and Jahn, *op. cit.*; a forthcoming study by Ginzberg, Eli, and associates, *What Unemployment Does to People*; and Bakke, *op. cit.*, *passim*.

²⁸ "Families subsisting upon home relief frequently acquire unpleasant manners, unreliable behavior, and other undesirable qualities. They often become crestfallen. They are likely to brood, and to lose faith in themselves, their families and their country. Their whole confidence is seriously impaired. Although work relief cases also undergo impairment, the important fact is that their condition is superior to that of the home relief families, as a group, and that occasionally their morale level approaches that of normal times and environment. The salutary effect of work relief is actually traceable by means of the changes manifested in families transferred from home relief, or vice versa." (State of New York, Governor's Commission on Unemployment Relief, *Work Relief in the State of New York* * * *, pp. 22-23.) See also Chapin and Jahn, *op. cit.*, p. 22; Hall, *op. cit.*, pp. 24-55; National Appraisal Committee, *op. cit.*, pp. 15 and 23; and Bakke, *op. cit.*, pp. 343-425.

²⁹ See ch. VII, section on Federal work programs. Cf. Bakke, *op. cit.*, pp. 392-394.

³⁰ Cf. *ibid.*, pp. 410-411: "The fact that after the first investigations men on work relief were free of the constant interference of the investigator in their private affairs was a matter which made work relief a form of benefit much preferred * * *. On work relief, of course, one receives what looks like normal wages. He receives a check just as he does on any ordinary job. The contrast of this with the grocery order or even the relief check for which one has to stand in line is so obvious as indicating the extent of a man's control over his own expenditures as to need no further explanation."

³¹ See, for example, *ibid.*, pp. 386-425 and contrast the findings with those of previous chapters which exhaustively analyze the effect of general relief upon the morale of the unemployed.

³² See discussion of this point in ch. VIII. Also, see Bloodworth, Jessie A. and Greenwood, Elizabeth J., *The Personal Side*, Works Progress Administration, Division of Research, Washington, 1939.

³³ *Op. cit.*, p. 399.

³⁴ A survey made in March 1941 of the employment experience of workers separated from WPA projects during September and October 1940 found that, although 55 percent had been employed at some time following their separation, only 29 percent were employed at the time of the interview, 40 percent had been reassigned to WPA, and 31 percent were completely unemployed. Thirty-one percent of those who found employment during the separation period earned less than their former WPA wages. (Data supplied by the WPA.) See also ch. VII.

³⁵ "If the work-relief project is worth while, if the supervision of the workers is adequate, and if management of the work is efficient so that the worker himself knows, whatever the general public may think, that he is participating in a valuable and effectively managed job, the status that he derives from such work will be proportionately high." (Bakke, *op. cit.*, p. 398.)

their grievances adjusted through committees of their own choice. Administrative officials, including all supervisors and foremen, are forbidden by WPA regulations to interfere in any way with the right to form unions. Moreover, grievances not adjusted to the satisfaction of workers may be appealed to the Washington office for final adjudication.³⁶ Finally, project workers are covered by workmen's compensation against accidents incurred during the course of employment.

On the other hand, certain of the characteristics of project work to which reference has been made in earlier sections operate against the maintenance of morale. Thus, as pointed out in Chapter VII, the "security wage," although often higher than the payment that would be made from general relief, is for many workers insufficient to meet elementary need and has required supplementation from general relief. And for a large proportion of project employees it is definitely below the incomes that could be obtained from private employment. Where the work performed closely parallels in character and usefulness that undertaken by workers in private or regular public agencies, the receipt of less-than-prevailing wages on work relief cannot fail to be demoralizing to the project worker.³⁷ Again, although for many workers project employment offers a greater security of tenure than private industry, the constant uncertainty as to the extent of Federal appropriations in the last 5 years has detracted from this sense of security, for both the continuance of project work and the conditions of work and wages have been an unknown quantity from year to year.³⁸

Men who are employed on work which is of a lower level of skill than that to which they are accustomed, or who find themselves performing work which they know from experience could be more efficiently done by the use of machines or equipment, can scarcely be expected to take that degree of pride in the job which is essential to the maintenance of self-respect as a worker. Similarly, the instincts of workmanship are likely to be thwarted if the standards of performance required are significantly lower than those to which the worker has been accustomed in private industry.³⁹

Finally, the morale of the project worker is directly

³⁶ For an account of the arrangements for handling grievances, see *Work Relief and Relief for Fiscal Year 1940*, pp. 70-72.

³⁷ Perhaps the most serious of these invidious comparisons are likely to be made by project workers who since 1940 have been employed on defense projects.

³⁸ Bakke, *op. cit.*, p. 411. An illuminating discussion of the effects upon the workers of changing quotas and administrative lay-offs is presented in Millett, John D., *The Works Progress Administration in New York City*, Chicago, Public Administration Service, 1938. See especially pp. 60-65.

³⁹ Cf. Bakke, *op. cit.*, pp. 414-420.

influenced by the standing of project employment in the eyes of the community. It is undeniable that, in certain parts of the country and on the part of certain individuals, there is still a disposition to disparage the WPA workers as such. Yet despite the fact that prejudice against the hiring of WPA workers is known to exist among some private employers,⁴⁰ there appears to have been a distinct enhancement of the social status of the project worker.⁴¹ This change of attitude has been in no small measure due to an increased appreciation of the value of the work performed, which in turn has reflected a more mature experience of administration and a more careful planning of projects. It is significant that the word "boondoggling" has almost fallen into disuse.

The National Appraisal Committee, to which reference has already been made, received responses overwhelmingly favorable to the character of the WPA projects. "Of all the reports from the communities, large and small * * * 93 percent state that the work performed was badly needed and of benefit; 90 percent, that it was of permanent value * * * 90 percent, that work-relief had been better than the dole, both for individuals and communities, * * * 90 percent that community improvement had been advanced."⁴² In 1939, Mayor LaGuardia in representing the United States Conference of Mayors, stated that the following was representative of their experience: "Any proposal which involves either directly or indirectly abandonment of the accepted American system of providing work instead of the dole to able-bodied needy unemployed will be opposed generally by the cities and the unemployed recipients of aid."⁴³ The committee, composed of private citizens with extensive business experience, which studied the WPA program in New York City in 1939, reported that "during the past 2 years there has been a definite change from work of the odd-job type to worthwhile projects of some magnitude on which better supervision and results are possible. The emphasis has been on projects of an utilitarian type."⁴⁴ This improvement was attributed in large measure to more careful planning and job estimating.⁴⁵

⁴⁰ See chs. V and XII.

⁴¹ " * * * the first year of WPA may be said to have improved the status of the unemployed worker in the eyes of the community * * * our associations with the unemployed of this period leave little doubt that * * * the unemployed workers could hold their heads up as normal citizens aware that the community looked upon them as such." (Bakke, *op. cit.*, p. 323.)

⁴² National Appraisal Committee, *op. cit.*, p. 7.

⁴³ *Additional Appropriation for Work Relief and Relief, Fiscal Year 1939*, Hearings before the Subcommittee of the Committee on Appropriations, House of Representatives, 76th Cong., 1st sess., Washington, 1938, p. 150.

⁴⁴ *Reports on Public Assistance*, pp. 155-156.

⁴⁵ *Ibid.*, pp. 165-167.

The foregoing analysis suggests that the attempt to maintain morale through work projects encounters a real dilemma:

The demands of morale-producing work are such that the jobs must be made to approximate in income and in working conditions, in general usefulness and in the value of the project to private employment. The closer they approximate to this, the more it is possible for these jobs to provide men with the degree of self-respect and support for their morale permitted by our normal industrial relations. * * * The dilemma consists of the fact that in order to do the best possible job from the point of view of morale building we have to make the job sufficiently attractive so that there is a reduced chance that private employment of a marginal sort will rate comparatively high in the estimation of relief workers.⁴⁸

Local Work Programs⁴⁷

In addition to the WPA projects, some work is provided for the unemployed in connection with the local general-relief programs. Such relief work had existed in the United States since early Colonial days,⁴⁸ but with the inception of Federal programs the majority of State and local units confined their relief activities to the provision of direct relief. A marked trend toward local relief work appeared, however, in 1939 and 1940. Detailed information is lacking on the extent and coverage of these projects, but it is known that the development has been widespread and has affected an increasing number of workers.⁴⁹

⁴⁸ Bakke, *op. cit.*, pp. 424-445. Cf. the conclusion of the New York study of work relief prior to WPA: "Obviously the morale preservation values of any form of work relief are in no respect equal to those of real normal employment * * *. It is indeed a vexatious paradox that the morale value of work relief should be greatest in the venture which most nearly approaches normal conditions, and that the same conditions should afford the least incentive for the workers to seek self-sustaining employment." (State of New York, Governor's Commission on Unemployment Relief, *Work Relief in the State of New York*, pp. 23-24.)

⁴⁷ Basic data for this section were obtained from the following sources: (1) An unpublished study made by Phil D. Flanner, of the American Public Welfare Association, in early 1940, with detailed data on Kansas, Pennsylvania, and the city of Detroit, Mich.; (2) information obtained from the Division of Research, Work Projects Administration regarding legislative provisions for administrative and financial responsibility and regarding operation of local work programs in 1940, based on field studies in Illinois, Minnesota, Ohio, Pennsylvania, and Rhode Island; and (3) to a lesser extent, material obtained from an administrative study of general relief as of January 1940, made by the Division of Public Assistance Research, Bureau of Research, and Statistics, Social Security Board (see appendix 22).

⁴⁸ For a description of early relief work, see Feder, Leah H., *Unemployment Relief in Periods of Depression; A Study of Measures Adopted in Certain American Cities, 1857 through 1922*, New York, Russell Sage Foundation, 1936; and Colcord, Joanna C., *Unemployment Work Relief as Carried Out in Twenty-Six American Communities, 1930-1931*, New York, Russell Sage Foundation, 1932.

⁴⁹ In Pennsylvania, for instance, where the program was inaugurated in August 1939, the number of projects increased from 666 to 2,954 by December 1940 and the number of cases from 1,612 to 19,702, or from 0.6 to 14.4 percent of the general-assistance caseload. From October 1939 through June 1940 the number of relief-work cases increased from 12,350 to 25,675, although the average general-assistance case load declined from 253,145 to 165,062 during this time. Between July and December 1940, however, the proportion of relief-work to all cases declined from 16.1 to 14.4 percent. (Commonwealth of Pennsylvania, Department of Public Assistance, Bureau of Research and Statistics,

In early 1940, relief-work programs were in operation in at least 24 States, while 9 States had legislation authorizing them.⁵⁰ Complete information is not available on details of operation in 8 States, but in the 16 States from which data are available some 120,000 persons were estimated to be employed on local relief-work projects.⁵¹

The extent of local provision for relief work varied considerably from State to State. In the 25 States surveyed by the WPA, the number of counties or municipalities operating programs ranged from State-wide programs (Pennsylvania and Rhode Island) to a program operating in only one city (North Dakota). The proportion of all general-relief families employed on such relief work ranged from less than 2 percent in Virginia to over 25 percent in Kansas.

Objectives of the Programs

With only a few exceptions, the local work activities appear to have originated with such local officials as county commissioners, town and city councils, and township supervisors.⁵² One reason for this develop-

Pennsylvania Public Assistance Statistics, Summary 1932-1940, Harrisburg, p. 48, table 6, and p. xxx, appendix table XVIII.) The State department reported to the American Public Welfare Association that the proportion of employables on relief employed on projects varied from 100 percent to approximately 11 percent in different counties.

In California also the State Relief Administration work program showed a considerable increase. The SRA in June 1939 reported a rapid growth in its special work projects during the preceding 8 months. (*Unemployment Relief in California* [State Relief Administration of California], (June 1939), 35.) From June 1939 to March 1940 the number of workers showed a steady increase from 8,022 to 11,240. While the number subsequently declined to 8,029 in May 1940, the general case load decreased proportionately. (*Monthly Statistical Summary* [California State Relief Administration, Division of Planning and Research], I, July 1939-May 1940.)

The reports of other States in 1940 further indicate that, although only relatively small proportions of the relief cases were employed, the numbers were increasing. In Toledo, Ohio, the number of relief-work cases increased from 391 in February 1940 to 747 in May of that year. (Information from Toledo, Ohio, Department of Public Welfare.)

In Cleveland, Ohio, the increase was from 179 to 4,248 cases during the same period. (*Monthly Statistical Report* [Department of Public Health and Welfare, Cleveland, Ohio, Emergency Division of Charities and Relief], II (February 1940), 5, and (May 1940), 6.)

In Wisconsin in June 1939, local work projects accounted for only 3.7 percent of the general-relief program in both cases and costs. However, 51 counties reported some relief work, and the sum of \$45,730 paid as local relief-work wages was the largest for this purpose since the Federal Works Program became effective. (*Wisconsin Public Welfare Review* [Wisconsin Public Welfare Department], (June 1939), 10-11.)

⁵⁰ During 1939 approximately a dozen States enacted or reenacted provisions relating to local relief work. By May 1940, 25 States had some statutory provision relating to relief work in connection with general-relief programs. In 10 of these 25 States, available information indicates that relief officials had not utilized these provisions. It is probable that States which do not define in detail the form of relief to be granted could establish relief-work programs under the old poor-relief laws without resorting to further legislation. (From information obtained from the Division of Research, Work Projects Administration.)

⁵¹ Another estimate placed the number somewhat higher. "At most, the total will not exceed 180,000 or about 8 percent of present total WPA employment." (Gill, Corrington, "Local Work for Relief," *Survey Mid-monthly*, LXXVI (May 1940), 157.)

⁵² In California and Rhode Island, the programs developed as continuations of the FERA work-relief projects. (Information from the

ment appears to have been the inability of the WPA to provide jobs for all the needy unemployed. Considerations of economy have also played an important role, particularly in localities in financial straits. Relief work makes it possible to furnish needed governmental services and improvements cheaply and receive some return for the relief dollar. Furthermore, the cost of relief work may compare favorably with the cost of sponsoring and maintaining WPA projects. This is particularly true in areas with low relief grants and in localities where the State provides financial aid toward relief expenditures.⁵³

There is considerable evidence that in many communities the emphasis has not been on the needs of the unemployed for work opportunity, but on some form of a "work-test" in which the applicant must work to prove his "worthiness" to receive aid.⁵⁴ Some

WPA.) In Pennsylvania, the relief-work program was authorized by the Pierson Act (Act No. 401, 1939) and was initiated by the State Department of Public Assistance.

⁵³ An editorial in *Public Management* commenting on the programs states that "some municipal officials stoutly defend their local work relief program and other programs under which it is possible for the city to save money. A few cities claim that their relief-work programs cost considerably less than the WPA program. * * * These officials say that they are practically forced to use relief labor wherever possible because of tax limits or other difficulties in securing revenue to provide regular municipal services." (*Public Management*, XXII, (May 1940), 130.)

The American Public Welfare Association study reported that in Detroit "the city, as a fiscal entity * * * finds that less money is required of it through its own wage work than through WPA. The city and the State together, however, will spend less if cases are employed by WPA. Improvements of and additions to the city's physical facilities possible through WPA may be subordinated by the city to the necessities of its current cash position." (The average monthly relief grant was about \$33, of which the State provided half, while the average WPA sponsor's contribution per man approached \$20 a month.) In some rural counties in Kansas, similarly, the low average relief grant (about \$14.50 a month) plus the fact that the State provided partial reimbursement for relief expenditures, made WPA projects relatively expensive.

⁵⁴ The Pennsylvania Department of Public Assistance, for example, explains the relief-work program as follows: "* * * the new plan places employable persons on general assistance rolls under obligation to make a work return for their weekly assistance grants and offers the services of such persons to State and local governing bodies and other tax supported agencies as a simple and economical means of carrying on useful work." The payment to the relief worker is described as a "work return for his assistance * * * He is, of course, exempt from any liability for future repayment of the assistance for which he makes the work return. If he fails to report or to continue at assigned relief work without reason deemed justifiable by the local county board of assistance, he and his dependents are denied further assistance." (*Pennsylvania Public Assistance Statistics, Summary, 1932-40*, pp. 46-47.)

This attitude is even more directly expressed in the policies of the Cincinnati city government, which were stated to include: "That no unworthy person shall receive relief" and that "every able-bodied adult shall prove his worthiness by working for the relief furnished his family." (Sherrill, Clarence O., "Solving the Relief Problem," *Harvard Business Review*, XVIII (Autumn 1939), 48.)

The American Public Welfare Association reported that the "work or else" policy was prevalent, "but most agencies insist that relief is denied in relatively few cases, only a small proportion of those assigned failing to report * * *." In Kansas, some counties were found to refuse aid to those who did not work as assigned, and a general "work due" approach prevailed. In Detroit "wage work was instituted in order that idleness might be replaced and that the unemployed might have a chance to prove themselves worthy of the public's consideration and care."

communities claim, however, that their work programs have had value in maintaining the morale and skills of the unemployed.⁵⁵

Eligibility for local relief work has usually been confined to persons on the general-relief rolls.⁵⁶ In general, local welfare agencies making the assignments have not applied any special tests of employability.⁵⁷ The standards of employability often appear to be questionable and seem to be particularly likely to be stretched in communities which have a financial incentive for providing work.⁵⁸

The terms "programs" and "projects" can scarcely be applied to much of the relief work carried on by State and local governments. In many of the communities the work has been informal in character, with men being assigned to various regular city and county departments. Formal planned projects have been comparatively rare. In January 1940, the Social Security Board found that there were 19 States in which some relief agencies organized and systematically operated projects solely for the purpose of providing work for persons in need. In all of these States but Rhode Island, and in an additional 12 States where the work was otherwise organized, the activities were described as "work for relief," in which work in return for the relief grant was performed in carrying out ordinary governmental functions such as highway maintenance or the ordinary operations of the relief agency.⁵⁹ With the exception of California, Pennsylvania and Rhode Island, there was little, if any, project planning or review. In Pennsylvania, projects

⁵⁵ The California State Relief Administration for instance stated that the objectives of the work program included "conservation of the morale of workers and their families by eliminating idleness" and "conservation and improvement of skills and work habits of persons * * * receiving relief." (*Unemployment Relief in California*, (June 1939), 20.)

⁵⁶ It has been reported to the WPA that the policy in various counties in Nevada is to require all employable men in need of relief to work on county road-repair gangs for a certain number of days a month. They do not appear on the county rolls as relief clients, but as workmen. Similarly, in St. Louis County, Minnesota, partial employment on relief-work programs is given to persons not yet on relief to keep them off the rolls.

⁵⁷ In Kansas, it is reported by the American Public Welfare Association, doubtful cases have usually been resolved by considering the case employable, although medical examinations have been used to determine employability in some cases. In Detroit, the social-service division, which determines employability, has applied a broader definition for local work relief than that determining WPA certifications, and therefore a number of cases on the program would not be acceptable to WPA.

⁵⁸ "In at least one State the local units are reimbursed by the State for a part of the funds spent on work relief but not for funds spent on direct relief. Consequently, there is a constant temptation for the local unit to put people to work without too much thought as to their fitness. In the wintertime, poorly clad men are put to work shoveling snow because the State will pay part of the cost." (*Public Management*, *loc. cit.*)

⁵⁹ Data from the Division of Public Assistance Research, Bureau of Research and Statistics, Social Security Board.

The American Public Welfare Association study reports further that "as a rule the welfare agencies have little responsibility for the work and are not much concerned beyond assignments, the work tending to be merged into what the public department using relief workers is doing as its assigned function."

were given final approval by the county boards of assistance, while the State department acted only in an advisory capacity. In practically all other States in the spring of 1940, relief work was apparently subject to no State controls or standards.

Character of the Work

The work provided by the localities has been limited in character, usually minor repair work on county and township roads and city streets, maintenance of municipal and State parks, cleaning and making minor repairs on public buildings, shoveling snow, collecting garbage, cleaning sewers, and similar activities associated with or replacing regular governmental functions. Wood-chopping and maintenance work have been particularly prevalent. This situation is the almost inevitable result of the lack of standards and controls, the existence of dual work programs, and the general absence of planning and supervision.⁶⁰ Even in the case of the few State-wide programs where the work has been somewhat more diversified than in the smaller units, the greatest number of workers have been employed at unskilled labor, primarily maintenance work. In California, for example, in August 1939, some 4,000 persons, estimated as between 40 and 50 percent of the clients assigned to State Relief Administration projects, were employed on maintenance and service work, of whom about 1,600 were assigned to projects in the State relief administration offices.⁶¹ In Pennsylvania certain restrictions were established by the act authorizing the program, which included the limitation that work "must in no way substitute for work which might be carried on under any Federal work program or through any normal governmental employment."⁶² Of projects proposed in approved relief-work applications from August 1939 to January 1940, "the work most frequently proposed was 'maintenance and repair,' whereas only a small minority of the project applications called for any form of im-

provement." The proposed work, according to sponsors' statements accompanying the applications, "was in general within the sponsors' normal sphere of activity, but had been dispensed with or curtailed because of lack of funds."⁶³

Obviously these limited activities have not afforded much possibility for matching the previous skills of workers or for training. Indeed in most communities, there does not appear to have been any serious attempt to fit assignments to the skills of the unemployed. Workers have been, in general, selected on the basis of available jobs.⁶⁴

While it is apparent that the type of work described cannot improve or maintain skills, there is abundant evidence that most of the programs cannot even lay claim to maintaining work habits or generally rehabilitating the relief workers. The reports which are available uniformly indicate minimum expenditures for materials, poor supervision, and unplanned, sporadic work. This situation, while particularly true of the programs of smaller units of government, appears to be true also of the State-wide programs. In California, for instance, where the local units of government sponsored the projects, the report of the Governor's Commission on Reemployment stated that "a much more constructive program, better planned and more efficiently administered than now exists in SRA, is very urgent."⁶⁵ In most of the programs, the supervisors of work have been the personnel of the local government departments. Thus in Kansas the operating departments were responsible for work continuity, and the work was not organized in a project sense but was merged with the regular department duties. In Detroit, where the employing departments have had complete responsibility for the direction and

⁶⁰ *Ibid.*, p. 31. An analysis of Pennsylvania work projects as of January 3, 1940, revealed that of 1,886 projects about 1,600 were for the maintenance of buildings and grounds, improvements and minor repairs and construction, while only 25 provided white-collar work. (From information supplied by the WPA.)

The State Department of Public Assistance submitted answers to a questionnaire presented by the American Public Welfare Association. In answer to the question "Are they [the projects] normal activities of local governments?—or special jobs?" the agency stated: "With few exceptions, the activities are what should be classed as normal functions of local governments. Some special jobs have been accomplished, such as special surveys of over-hanging street signs and special job finding campaigns."

⁶¹ The American Public Welfare Association reported that in Kansas "attempts at occupational classification are noticeably absent, largely because the work requires little, if any skill," while in Detroit "the use of skills is notably absent throughout the wage work program" and "except for light-labor, occasional clerical work, and work for women, no attempt is made at selection on the basis of an occupational classification."

Even in Pennsylvania, where a State program operated, in November 1939, an inventory of available relief labor indicated that "only 37.6 percent of the employable persons on relief were unskilled workers, yet 88 percent of the persons employed on relief were working as unskilled common laborers." (Gill, "Local Work for Relief," pp. 157-158. Cf. *Pennsylvania Public Assistance Statistics*, (February-March 1940), 26.)

⁶² *Op. cit.*, p. 57.

⁶⁰ A memorandum of the New York State Board of Public Welfare (*Memo Re Work Relief*, February 2, 1940) discussing the conditions for a local work program in New York points out that: "Full utilization of WPA should exhaust desirable projects. Accordingly, only remaining work for relief will be 'boondoggling' or substitution for regular budgetary functions of local government. Available information relative to similar programs in 17 States indicates that our fears are well founded. Regular employees have been replaced with relief workers to reduce taxes; the type of work being done is unsatisfactory to worker and community * * *"

⁶¹ State of California, Governor's Commission on Reemployment, *Reemployment; Report of the Governor's Commission on Reemployment*, Sacramento, 1939, pp. 56-57. The limited nature of the work is partly accounted for by the SRA policy that work "must not compete with regular governmental operations or with WPA." (State of California, State Relief Administration, *A Résumé of State Participation in Unemployment Relief*; 1938, pp. 13-14.)

⁶² *Pennsylvania Public Assistance Statistics* [Commonwealth of Pennsylvania, Department of Public Assistance], (February-March 1940), 18. Projects are reviewed by the county boards of assistance for eligibility.

supervision of "wage work," as local relief work is called, and for maintaining continuity of work except for occasional informal checks with the Department of Public Welfare, estimates of efficiency have not been favorable.⁶⁵ In Chicago, it has been a regular procedure to promote relief workers to foremen's jobs and then demote them if they were unsatisfactory. In some rural counties there has been no regular supervision whatever.⁶⁷

Conditions of Work

The general conditions of work on most of the local work programs have been such that it is difficult to see how the activities could in any way serve to improve the morale of the recipients. Wages have usually been paid on a budgetary-deficiency basis, and the workers have been required to work at an hourly rate for sufficient time to earn the amount of assistance granted. Payments have averaged about the same as direct relief. Despite the additional expenses incident to work, such as transportation, only California and a few of the larger cities have paid an additional amount over the direct-relief grant to relief workers. The difference between WPA earnings and payments on local relief-work programs is considerable and accounts largely for the relative "cheapness" of local relief work.⁶⁸ According to *Public Management*, "the city is in the position of being able to take full advantage of a depressed labor market in order to get various types of work done at a rate of pay that will barely support life on a subsistence basis."⁶⁹ Except in California, Pennsylvania, Rhode Island, and the larger cities, the prevailing method of payment has been in kind (groceries, fuel orders, etc.).

The hourly rates paid relief workers have varied widely. The policy in California, Pennsylvania, and Rhode Island has been to pay the prevailing hourly rates.⁷⁰ In Pennsylvania this practice resulted in an average rate of 50 cents.⁷¹ In other States, where the

programs were operated locally, the hourly rates paid relief workers in the large cities have been considerably below the prevailing standards for the same type of work.⁷² Where, as was often the case, these workers were engaged on maintenance and other work normally carried out by regular local government employees, demoralization of the relief workers was inevitable.⁷³

In some communities limits were set on the work period. In Pennsylvania, workers were employed 7 hours a day at the hourly rate, while the number of days varied according to the grant, but no recipient was required to work more than 40 hours in any 1 week. In Cincinnati and Chicago the working time was limited, and the difference in the grant was provided through direct relief. Reports received from some rural areas indicate that local officials have paid little attention to an exact determination of the number of hours recipients should work.⁷⁴ In at least one city, there was a requirement that a man be willing

lowest prevailing wage rate determined by any county board of assistance was 20 cents per hour (in one rural county for charwomen); the highest was \$1.75 for plasterers. At the end of March, 86 percent of all persons working on projects throughout the State were working at rates within the range of 40-65 cents per hour. (*Ibid.*, pp. 25-26.)

⁷² In Cincinnati, for instance, relief workers received only 25 cents an hour, regardless of the type of work performed. The rate in Chicago was 50 cents an hour, while regular city employees performing similar common labor were paid from 68 to 75 cents an hour. (Information supplied by the WPA.)

The American Public Welfare Association reports that in Detroit all "wage work" without exception was at the rate of 60 cents an hour, the basic common-labor rate of the departments. Hourly rates in Kansas varied from 12½ cents in some rural counties to 38 cents in Topeka. Frequently the rates paid were below the community's prevailing common-labor rate.

⁷³ In Pittsfield, Massachusetts, the Taxpayers' Association, which conducted a study of local relief, reported to the mayor and city council that: "Despite the fact that work relief labor has been performing the duties of regular employees of the Park Commission and Public Works Department during the past 2 years, there are few examples of such labor being hired on the pay rolls of these departments. Under such circumstances, work relief labor is practically frozen to the welfare rolls * * *. Under such circumstances, it is altogether natural that the morale of the work relief group should generally deteriorate. It has been found necessary for the Welfare Commissioner to warn work relief laborers repeatedly regarding the fulfillment of jobs assigned to them. Instances of men failing to report to their assigned work recur time and again. The slightest indication of rain is enough to cause the abandonment of work for the day * * *. In the final analysis, this decline of morale cannot be blamed upon the work relief recipient. The condition arises, logically enough, from the nature of the work relief program." (Letter to the honorable mayor and city council from the Pittsfield Taxpayers' Association, undated, mimeographed.) The Association was instrumental in having some of the relief workers hired as regular employees of the Public Works Department. (*Taxtalk* [Massachusetts Federation of Taxpayers Associations], VIII (June-July 1940), 6.)

⁷⁴ From information supplied by the WPA. The WPA further reports that in Cincinnati, relief clients whose budgetary deficiency was \$12 a month must work six 8-hour days. If the budgetary deficiency was over \$12 and under \$24, the difference was made up in relief orders. For a deficiency of \$24 a month or more, the recipient must work twelve 8-hour days to earn \$24 and received the rest in relief orders. In Chicago, relief workers must work one 30-hour week to earn \$15, and two 30-hour weeks to earn \$30. If the amount granted was between \$15 and \$30, or over \$30, the difference was provided by direct-relief checks. A resolution of the State Board of Public Assistance established the 40-hour maximum in Pennsylvania. (*Pennsylvania Public Assistance Statistics* (February-March 1940), 21.)

⁶⁵ For example, 100 relief workers were engaged at the Detroit airport, whereas it was estimated that from 12 to 15 full-time employees could perform the same services.

⁶⁷ Information supplied by the WPA. See also Gill, "Local Work for Relief," for a general discussion of the problems involved in efficient conduct of work programs.

⁶⁸ For instance, relief grants in Cincinnati and in Chicago averaged about \$31 a month, while WPA wages in Cincinnati (Hamilton County) and Chicago (Cook County) averaged \$65 and \$67.50 per month respectively. In rural Ohio, relief grants averaged about \$12 a month compared with average WPA wages of about \$45. In downstate Illinois, monthly relief grants averaged \$17.50; WPA wages, \$55. (Gill, "Local Work for Relief," pp. 158-159.) In Cincinnati the cost per case for direct and work relief in 1938 was \$282 a year, or about one-third of WPA costs. (Sherrill, *op. cit.*, p. 46.)

⁶⁹ *Loc. cit.*

⁷⁰ Information supplied by the WPA.

⁷¹ *Pennsylvania Public Assistance Statistics* (February, March 1940), 22. The average refers to the period August 1939-March 1940. The

to work 6 full days a week for the relief he received, regardless of the amount.⁷⁵

Other conditions of work have compared equally unfavorably with private or WPA employment. In most cases, no workmen's compensation was provided, and there were no formal arrangements for the adjustment of grievances.⁷⁶ Since the workers were on the general-relief rolls, they were often subject to frequent reinvestigations of eligibility. In Cincinnati, all relief cases were required to reapply every 3 months.⁷⁷ In Pennsylvania reinvestigation of each case was made approximately every 3 weeks.

Evaluation of Local Work Programs

The local work programs thus appear to have contributed little to the preservation of skills or the maintenance of work habits or morale. It is also evident that unplanned projects with negligible use of materials and poor supervision can hardly be of tangible value to the community.⁷⁸ Moreover, the widespread practice of using relief workers to perform the regular operations of local departments, at relief wages instead of standard pay, creates a situation demoralizing not only to the relief workers but also to the regular employees whom they may actually replace.⁷⁹

The conclusion appears inescapable that, on the whole, local relief-work "programs" have been of little real value either to the workers or to the communities. The major argument in favor of the programs, their apparent cheapness, seems to be a short-sighted economy which may actually create unemployment, and which in any case can be achieved only at the expense of worthwhile results, particularly at the expense of the relief workers themselves.⁸⁰ If the programs are corrected so as to

⁷⁵ *Public Management*, loc. cit.

⁷⁶ Workmen's compensation was not present in the programs in many communities. In the Rhode Island State-operated program, no workmen's compensation was provided. (From information supplied by the American Public Welfare Association.) In Pennsylvania, an exception to the general situation, the State agency provided that sponsors should carry workmen's compensation, and that no project should assign relief recipients to replace workers involved in a labor dispute. (From information supplied by the WPA.) A proposed agreement between the California State Relief Administration and each individual California County provided that "persons working out relief * * * as such are not employees of either party and are not entitled to workmen's compensation, medical or hospital, or death benefits under the labor code of the State." (Reported in the *Sacramento Union*, Sacramento, California, April 20, 1940.)

⁷⁷ Sherrill, *op. cit.*, p. 42.

⁷⁸ Cf. Gill, "Local Work for Relief," p. 159.

⁷⁹ *Public Management* has stated "the municipality that cannot afford to pay regular wages for the regular municipal activities had better discontinue certain services or cut down on the amount of service rather than demoralize regular employees and establish unfair labor practices." (*Loc. cit.*)

⁸⁰ In Pittsfield, relief workers were employed at 40 cents an hour and regular departmental laborers at 60 cents an hour, while it was stated that in general it was necessary to employ 2 work-relief men to accomplish the work of 1 regular employee. "The Taxpayers Association concluded that under the present set-up the city is paying 80 cents an hour for questionable employment." (Letter quoted in footnote 73 *al. ovc.*)

improve working conditions and accomplishments, the "economy" disappears.⁸¹

Self-Help Cooperatives

Among the special unemployment relief measures adopted by the Federal Emergency Relief Administration was the provision of financial aid to self-help cooperatives.⁸² Advocates of the self-help associations have emphasized their value in providing work, training, and rehabilitation for persons who would otherwise have been dependent on relief.

These organizations of the unemployed and the underemployed have taken different forms at various times and in different places. The majority of the self-help production cooperatives have been of the relief type, usually operating under the supervision of the State relief administration. The greater part of the products have been exchanged among the groups and distributed to members. As a rule the products are not sold in the open market, although a small portion may be sold to the local relief agency to reimburse the cash costs of operation.

Other groups have aimed to operate on a full-time self-supporting basis by selling their products on the open market and often paying wages to their members. Yet a third type is the community self-help exchange formed by committees of local citizens, with a membership of persons in need of a small supplementary income or those who are unemployable. All products are distributed to the members, and the stress is on individual rehabilitation rather than efficiency in production. Although these cooperative enterprises of the unemployed received Federal aid for only a short period and never developed beyond a limited scale, they are of significance as one means of providing income to the unemployed and underemployed through voluntary work rather than direct relief.

Between 1931 and the end of 1938, over half a million families had been affiliated with some 600 cooperative associations in 37 States. The nature and scope of the organizations underwent many changes during this period. Most of the self-help groups or-

⁸¹ The New York State Board of Social Welfare, in presenting arguments both for and against local relief-work programs, indicated that among the conditions such a program produces are: Increased administrative costs (over general relief), more than 15 percent for materials, equipment and supervision, uniform wage payments unrelated to budget deficits, and higher work-relief wages than home-relief grants. (*Op. cit.*, pp. 3-4.)

⁸² "A self-help production cooperative may be defined as a democratic association of the unemployed and underemployed who have organized to obtain the necessities of life through their own production of goods. Self-help cooperatives in the early days of the movement also engaged in the collective barter of surplus labor for surplus products, exchange of services among members, and procuring donations from business and government." (Kerr, Clark, and Harris, Arthur, *Self-Help Cooperatives in California*, University of California, Bureau of Public Administration, 1939 Legislative Problems, No. 9, Berkeley, 1939, p. 1.)

ganized in 1931 and 1932 began spontaneously as barter associations and scrip exchanges of the unemployed, who exchanged their labor for surplus farm produce and other goods and services.⁸³ When Federal funds became available, about 200 of the early barter groups became production cooperatives, and approximately 100 new groups were formed. These production cooperatives reached a peak of 225 associations with 12,000 working members in the summer of 1935.⁸⁴ At the close of the FERA program Federal funds were withdrawn, with the result that the production program came to an end in many States, and the membership declined to about 10,000 by December 1936. The Pacific Coast has been the strongest center of cooperative growth, particularly California and Washington, where more than half of the units were located between June 1933 and June 1938.⁸⁵ At the close of 1938 there were 140 self-help organizations in the United States, with about 5,500 members. These organizations were found in 18 States, the District of Columbia, the Virgin Islands, and Puerto Rico.⁸⁶ Only 31 of the 140 organizations were barter groups, and all but 2 of these were in California.

During the FERA period, the cooperatives were given grants for working capital and assistance in solving their operational problems through the FERA Division of Self-Help Cooperatives, together with the State emergency relief administrations. In all, public funds amounting to \$4,730,000 were expended on the self-help cooperatives during the period 1933-38. Of this, about \$3,190,000 represented Federal grants, mainly during the years 1934 and 1935. Only eight States and the District of Columbia contributed financial support.⁸⁷ The average net cost to public funds

of benefits received by participants in 27 States during the period 1933-36 has been estimated to be 33 cents for each dollar of compensation.⁸⁸

Federal regulations required that the groups be democratic associations, autonomous of government relief agencies. However, the production of goods not to be used by members was confined to products which would not overload a competitive market. Most of the groups specialized in a single project, selling their products to relief agencies or exchanging them with other units, and providing their members with goods and, in some cases, cash. The most common activities were sewing, baking, canning, and gardening. Among the other activities engaged in were wood-cutting, dairying, raising of livestock and poultry, production of furniture, clothing, soap, and cosmetics, and the operation of laundries, cafeterias, beauty shops, and other enterprises.

In general, cooperatives functioned best in the smaller communities with access to farming areas or in cities such as Los Angeles where the organization of a number of groups served to facilitate exchange. The membership was composed of some persons on relief who needed supplementary income, part-time workers, and other low-income persons. The average remuneration of members, other than key and supervisory personnel, has been estimated to amount to about 25 cents an hour but varied widely in different units.⁸⁹ *Average monthly compensation during the period 1934-36 was approximately \$7.50 for all States combined, indicating that in most cases self-help income was supplementary to other sources.*⁹⁰ During the first 10 months of 1935, employment of self-help members averaged only 14.3 hours per person per week.⁹¹

Even during the period of Federal aid, the self-help cooperatives faced serious difficulties, basically due to their economic position. In the face of highly unfavorable market conditions during the depression years, the cooperatives were further handicapped by inadequate capital and fundamental difficulties of operation. While competition in the open market was limited or unprofitable, sales to relief agencies did not

⁸³ Barter and scrip-exchange cooperatives reached their peak in the spring of 1933, when there were more than 400 groups with 75,000 active members. As relief and employment on public works became more readily available, the number declined.

⁸⁴ During the period August 1933-July 1935, there was a cumulative total of 176 active associations in 29 States and Territories and the Tennessee Valley Authority, with a membership of about 14,000, who had worked about 10 million man-hours and received goods and services valued at about \$2.8 million. (Kerr, P. A., "Production-for-Use and Distribution in Work Relief Activities," in *Monthly Report of the Federal Emergency Relief Administration, September 1 through September 30, 1935*, Washington, 1936, p. 14, table A-5.)

While the number of groups increased during this period, the total membership decreased considerably. Thus at the end of 1933 grants from public funds had been made to 29 associations with a combined membership of nearly 60,000; at the end of October 1935 there were 215 grant groups having a membership of about 15,000. This contraction in membership was the result of specialization in production and efforts to increase efficiency. (See U. S. Department of Labor, Bureau of Labor Statistics, *Activities of Federally Aided Self-Help Cooperatives during 1935*, Serial No. R. 361, Washington, 1936), reprinted from *Monthly Labor Review*, XLII (March 1936).)

⁸⁵ Kerr, Clark, *Productive Enterprises of the Unemployed, 1931-1938*. Ph. D. dissertation, University of California, ms., pp. 24, 31, and 33.

⁸⁶ "Self-Help organizations in the United States, 1938," *Monthly Labor Review*, XLIX (December 1939), 1335.

⁸⁷ California, Idaho, Iowa, Minnesota, Missouri, Nebraska, Utah, and Washington. (*Ibid.*, p. 1336.)

⁸⁸ *Ibid.* In California it was estimated that, over the period July 1934-October 1938, every dollar of benefits received by cooperative members had cost the Federal and State Governments 74 cents, of which one-third was spent on administration. (Kerr, Clark and Harris, Arthur, *op. cit.*, p. 1.)

⁸⁹ Federal Emergency Relief Administration, Division of Self-Help Cooperatives, *Final Report*, Washington, 1937, ms., p. 10. (Average hourly earnings in some States ranged from 20 to 30 cents, in others from 10 to 55 cents. A wide range in payments resulted from the variety in types of production and in comparative efficiency. These statistics are not completely accurate, since accounting was often inadequate and reports incomplete, and since the compensation was seldom paid in cash.)

⁹⁰ Kerr, Clark, *Productive Enterprises of the Unemployed*, p. 865.

⁹¹ U. S. Department of Labor, Bureau of Labor Statistics, *op. cit.*, p. 2.

provide a sufficient market to meet cash needs, and barter arrangements with other groups, even when geographically possible, were clumsy and often inadequate to meet the consumer needs of the members. While the groups were therefore essentially dependent upon subsidies to furnish operating capital, equipment, and cash needs, public grants were not adequate to permit efficient functioning, and periods of enforced inactivity occurred between grants.⁹² Owing to these difficulties, the cooperatives were generally able to provide only part-time or seasonal employment and supplementary support to their members. Efficiency was further impaired by the difficulty of obtaining good management, by the very high turn over in personnel,⁹³ and by the caliber of the workers. Members were accepted who were marginal workers, handicapped by age or inexperience, while the most efficient workers were frequently the first to leave the cooperatives for private employment or work-relief assignments.⁹⁴ In addition to these difficulties there have been some instances of business opposition to the competition of cooperatives, which might well become an important factor if the cooperatives were to be more efficient producers.⁹⁵

Both the values to the unemployed and the limitations of the cooperatives are well illustrated in California, where conditions were particularly favorable for the self-help movement.⁹⁶ In all, 262 units were organized during the period 1932-38, with an active membership of approximately 100,000 individual family heads. Many of the groups began as labor exchanges in 1932-33, and barter units predominated until July 1934, when access to Federal aid encouraged the development of productive groups. During 1931-38 over half (59 percent) of the units were located in the city of Los Angeles.⁹⁷

The importance of outside aid in maintaining a cooperative movement is evident in California, where

⁹² Kerr, P. A., *op. cit.*, p. 15.

⁹³ For instance, California studies in 1934 and 1935 indicated that about half the membership worked only a few months and then left. (Kerr, Clark, *Productive Enterprise of the Unemployed*, p. 386.)

⁹⁴ "The cooperative * * * took marginal workers. The age of self-help members, approximately 15 years over that of the average employed person, and their lack of necessary skills, have been basic difficulties facing self-help associations." (Kerr, Clark, and Harris, Arthur, *op. cit.*, p. 23.)

⁹⁵ See, for instance, *ibid.*, p. 24.

⁹⁶ For an account of the experience of self-help cooperatives in two other areas, see "Activities of the Washington (D. C.) Self-Help Exchange," *Monthly Labor Review*, LIII (July 1941), 35-49; and "Self-Help Cooperatives in Utah, 1935-41," *Monthly Labor Review*, LIII (August 1941), 438-443.

⁹⁷ Barter groups reached a peak of 176 units and about 30,000 members in June 1933, and thereafter steadily decreased in importance to 29 groups in December 1938. The height of production groups (176 associations) was reached in December 1934 and had dwindled to 70 by December 1938. (Kerr, Clark, and Harris, Arthur, *op. cit.*, pp. 3, 4, 7, and 8.)

*public aid in various forms was almost continuously available.*⁹⁸ Prior to the Federal grants, Los Angeles authorities furnished gasoline and some funds to meet needs which could not be provided through barter. In 1935, the State relief administration was given legislative authority to extend aid, and a division of self-help cooperatives was established. Public funds expended by the Federal and State Governments for the California production program from 1934 through 1938 totaled \$2,208,520.⁹⁹ Even with Federal and State aid, the economic position of the groups was precarious. While the State relief administration prohibited the grant-aided production groups from selling in the open market, cash sales to relief agencies were not sufficient to meet operating costs.¹ During 1934-36, monthly compensation averaged approximately \$15; and in later years between about \$20 to \$30 a month per member, and 25 to 30 cents an hour.² As in other States, the cooperatives accepted marginal and older workers; in 1934 over 60 percent of the male workers were 45 years and over, and another 10 percent were 65 and over. Despite the handicaps, it was reported that observers, managers, and private producers during 1934 and 1935 estimated that members worked from 60 to 70 percent as efficiently as the average employee in comparable private employment.³ As in the case of work relief, however, it must be remembered that direct comparisons with efficiency of private employment may be misleading.

One objective of the self-help movement, that of keeping its members independent of direct public aid, was achieved to some extent during the earlier period. In June 1935, 53.7 percent of the active members of grant-aided cooperatives were entirely self-supporting (through income from the cooperatives and personal sources), while the remaining 46.3 percent received some relief to make up their budgetary deficiencies.⁴ However, after Federal aid was withdrawn, the State relief administration adopted a policy of strong control over the cooperatives and required that a very large percentage of the membership be on or eligible for relief. In 1939, about 25 percent of the members were WPA workers, over one-third were State relief

⁹⁸ An official report in 1939 points out that "a considerable amount of working capital must be advanced by the State" to achieve some economic success. (State of California, Governor's Commission on Reemployment, *op. cit.*, p. 151.)

⁹⁹ Kerr, Clark, and Harris, Arthur, *op. cit.*, p. 14. Of this sum \$580,900 was contributed by the Federal Government. The net assets of the program were estimated to amount to \$988,000 in October 1938. This figure included merchandise in warehouses, deliveries made to other State agencies and not paid, assets in the local cooperatives, and miscellaneous assets.

¹ *Ibid.*, p. 6.

² *Ibid.*, p. 12.

³ Kerr, Clark, *Productive Enterprises of the Unemployed*, p. 394.

⁴ U. S. Department of Labor, Bureau of Labor Statistics, *op. cit.*, p. 13.