

8. *Laws and regulations*

The U.S. Housing Act of 1937, as amended, constitutes the basic authorization for the federally aided public housing program. Appropriation bills have (among other things) imposed varying limitations on program activity in the several fiscal years since passage of the U.S. Housing Act of 1949.

PART II. DATA BEARING ON ECONOMIC ASPECTS AND IMPACTS OF THE PROGRAM

9. *Economic effects*

The economic effects of the public housing program administered by this agency may be measured directly by the impact of the planning, construction, and operating activity involved. There is an indirect economic impact of low-rent public housing that is much more difficult to measure, but that is much more significant. This is the economic effect of providing good housing at rents within the financial resources of low-income persons and families, and includes such elusive matters as the economic value of improved physical health, mental health, and social health.

Depending upon the quality of the local operation, and supporting social services brought to bear by local agencies, the short- and long-term effects upon the lives of public housing tenants and their neighbors will vary. The inevitable tendency of these operations, however, is toward the reduction of morbidity and death rates, increase in school attendance rates, decrease in fire and police call rates, and the heightening of the tenants' awareness that their community is concerned about their welfare—without regard to race, color, or economic condition.

Based on a construction rate of 35,000, and a rehabilitation rate of 15,000 units a year, it is estimated that the Public Housing Administration program will provide some 58,000 man-years of on- and off-site employment, and a payroll of \$340 million for the construction and/or rehabilitation of dwellings, in 1 year.

10. *Economic classification of program expenditures.* (See table 2.)

Program: Public Housing Administration.

Department or agency, and office or bureau: Department of Housing and Urban Development.

TABLE 2.—*Economic classification of program expenditures for fiscal year 1965*
(In millions of dollars)

Federal Government:	
Purchases of goods and services:	
Wages and salaries.....	13.6
Other.....	4.0
Grants to State and local governments.....	206.3
Loans to State and local governments.....	11.3
Interest on Treasury borrowings.....	.2
Receipts and reimbursements in excess of other expenditures.....	—5.2
Total Federal expenditures ¹	230.1
Non-Federal expenditures financed by local housing authorities ²	263.8
Total expenditures for program.....	493.9

¹ Refers to net expenditures. Gross expenditures for the PHA were \$790,100,000.

² Estimated.