

easily be influenced not only by wages in the construction industry but also in other industries.

Employment effects in the manufacturing industries were not as definite or consistent as in agriculture and construction. Only general statements could be made about the effects of the various types of shifters on manufacturing employment.

In general, changes in product prices, technology levels, and wages in other industries led to decreased labor employment within a given industry. Water and sewer investments by the FHA resulted in employment increases, particularly in rural areas. Investments in water resource projects appeared unimportant in influencing employment changes within the manufacturing industries analyzed. Changes in firm numbers were consistently a major factor influencing employment changes in the manufacturing industries.

LIMITATIONS

Problems in obtaining and transforming data into forms suitable for empirical application of the theoretical model represent a major limitation of the empirical results of this study. The data used in this study included both investment information provided by the administering agency and published data of the type found in census publications. The time period under study was 1960 to 1970. Data sometimes were reported for periods that did not coincide. For example, data from some census sources were from 1959 to 1969. There also occurs some deviation from the theoretical definition of variables. Private investments and their employment effects in the same areas were not measured. Regardless of these shortcomings, the best possible data sources were utilized.

Another major limitation concerns the application of the research results. Employment of firm number effects that occur as the result of a resource investment may occur for each individual project. This analysis suggests that in general the results as reported will occur for the given type of area. No definite statement can be made that the same effect will absolutely occur for an individual project.

Finally, the long term effects of water resource investments may be of quite a different magnitude and distribution than those resulting during and as a direct result of the construction phase of projects. Many of the long term effects would have escaped measurement in the study.