

THE POVERTY-LINE AND WARTIME SOCIAL POLICY

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It is now fifty years since Charles Booth invented the poverty-line, as a rough and ready yardstick for calculating how many members of a community fall below a minimum standard of adequacy, and why. He brought social science to the service of social policy. Today the guesses of the social scientist can be checked against the guesses of the nutritionist. But the poverty-line remains a rough, though handy, tool; it is not a social micrometer.

Following a long series of British social surveys, Sir William Beveridge set his British poverty-line at not less than £2 a week for a couple and 10s for each child. With adaptations from the Toronto Welfare Council's minima, Leonard Marsh has drawn a broad Canadian poverty-band between \$45.00 and \$70.00 a month for a couple and \$14.50 and \$18.00 for the average child. Budgets prepared by our Illinois Public Aid Commission and Department of Public Welfare suggest that the poverty-band at Rockford, Illinois, would lie between \$55.00 and \$80.00 a month for a couple and \$14.50 and \$20.00 for the average child. The poverty-line thus interpreted is a broad band, not a slender streak.

This urbanized county with 120,000 inhabitants, of whom 40,000 are now employed—two-thirds of them on "essential" work—contains nine categories of people who live in or near this poverty-band.

First, come substandard wage-earners in intrastate commerce. Illinois has a mandatory minimum wage only for laundresses (\$10.00 a week) and beauticians (\$16.50). The state legislature has refused to consider a 30¢ minimum. In the absence of a state minimum wage law, our state department of labor is not concerned with collecting any information on substandard wages. The number of intrastate wage-earners at Rockford receiving about \$20.00 a week or less is estimated at about 4000. To eliminate these conditions, we need first, a state law compelling the department of labor to

find out and publicize the facts; secondly, a state law empowering the department to fix minimum wages and then adjust them to keep pace with changing living costs.

Next come substandard wage-earners in interstate commerce. Under the National Fair Labor Standards Act of 1938, these must receive a statutory minimum of 30¢ an hour unless their trade has a wage order minimum of 40¢. Under a 1941 contract, the trade union minimum in the Rockford furniture industry is 42½¢. The number of interstate wage-earners at Rockford whose earnings are near these minima is estimated at 1,500-2,000. What we lack is national administrative adjustment of these minima to meet rising living costs. Where 40¢ seemed necessary in 1938, 50¢ is needed to-day.

Third come temporarily unemployed wage-earners. Those who did not earn \$225 in Illinois during the past twelve months are ineligible for insurance benefits; we therefore have no opportunity to count them. Actual recipients, however, of Unemployment Insurance benefits in Winnebago County have fluctuated between 250 in February and 27 in April 1943. The benefit they receive ranges between \$7.00 and \$18.00 a week, and may last 16 to 20 weeks. Here we need legislation modifying the \$225 rule, which operates against substandard wage-earners; national legislation eliminating state residence qualifications, which penalize labor mobility; legislation lengthening the benefit-period, in readiness for post-war unemployment; legislative raising of the minimum benefit rate, so as indirectly to reinforce the floor beneath wage-levels; and administrative authority to adjust the benefit scale to changes in living costs.

Fourth come social insurance beneficiaries. We seem to have about 800 old-age insurance annuitants and nearly 800 who draw survivors' benefits. These 1600 persons probably represent nearly 1000 units.

Fifth come citizens awarded long-term state assistance because their private means do not suffice to meet a "budget" of minimum needs as estimated by the state department of public welfare. This state assistance budget is more adequate than the local relief budget at Rockford, though not at Chicago; but its food calculations are nearly one year and its clothing calculations nearly two years out-of-date. Awards are made to 1800 elderly citizens enabling many of them to reach this comparatively adequate budget, although a couple awarded the otherwise adequate maximum of \$80.00 may have to go on township relief for hospitalization. But aid awarded to 140 families with 350 dependent children is inadequate, because the legislature has limited it to \$18.00 in respect of the first child, \$12.00 in respect of each subsequent child, and nothing for the guardian. Four-fifths of the ADC families do not reach the state's budget standards, and one quarter of them fall so far short that their ADC has to be supplemented from township poor relief. The legislature ought to provide for the young as adequately as for the old; and the administration ought to keep its budgetary standards up-to-date.

Sixth come recipients of township general relief. Rockford township, with more than five-sixths of the population of the county, now gives home relief to only 250 cases or 500 persons a month, compared with 5,000 cases or 12,500 persons—one-tenth of our population—five years ago. About four-fifths of this improvement is due to increased employment and one-

fifth to social security. Easy administrative cooperation between state and township has raised the budget for a couple at home from \$45.69 two years ago to \$54.57 to-day—an admirable example of flexibility. Unfortunately such a couple is not really given 20 per cent more with which to meet the 20 per cent increase in the cost of living, because the closing of the surplus commodities depot deprives them of an average of \$6.00 of supplies a month.

Seventh come a growing number of soldiers' and sailors' dependents. They get the inadequate allowance of \$50.00 a month for a wife, \$12.00 for the first child, and \$10.00 for each subsequent child. They are beginning to apply for ADC. Congress ought to make their allowances adequate.

Eighth come the miscellaneous recipients of small annuities, pensions, and alimony.

Ninth and last come aged and invalid people who to-day depend on the private charity of their families, but in bad times will again become dependent on public charity.

From this prima facie evidence, I estimate that at least one-tenth and perhaps one-fifth of Rockford's inhabitants are living on, near, or below the poverty-line at a time of full employment. I conclude that full employment shows no sign of remedying inadequate living standards, without further legislative and administrative action.

Freedom from want is one of the great ends for which we fight; but the means to this end have yet to be perfected.