

FAMILY STATUS UNDER NORMAL, RELIEF
AND W.P.A. ECONOMIES

N.J.State emergency relief administration,
1936

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STATE OF NEW JERSEY EMERGENCY RELIEF ADMINISTRATION
FAMILY RESOURCES
UNDER NORMAL, RELIEF AND WPA ECONOMIES



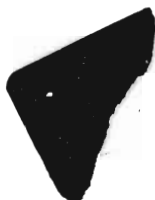
APRIL
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State of New Jersey
Emergency Relief Administration

FAMILY STATUS UNDER NORMAL, RELIEF
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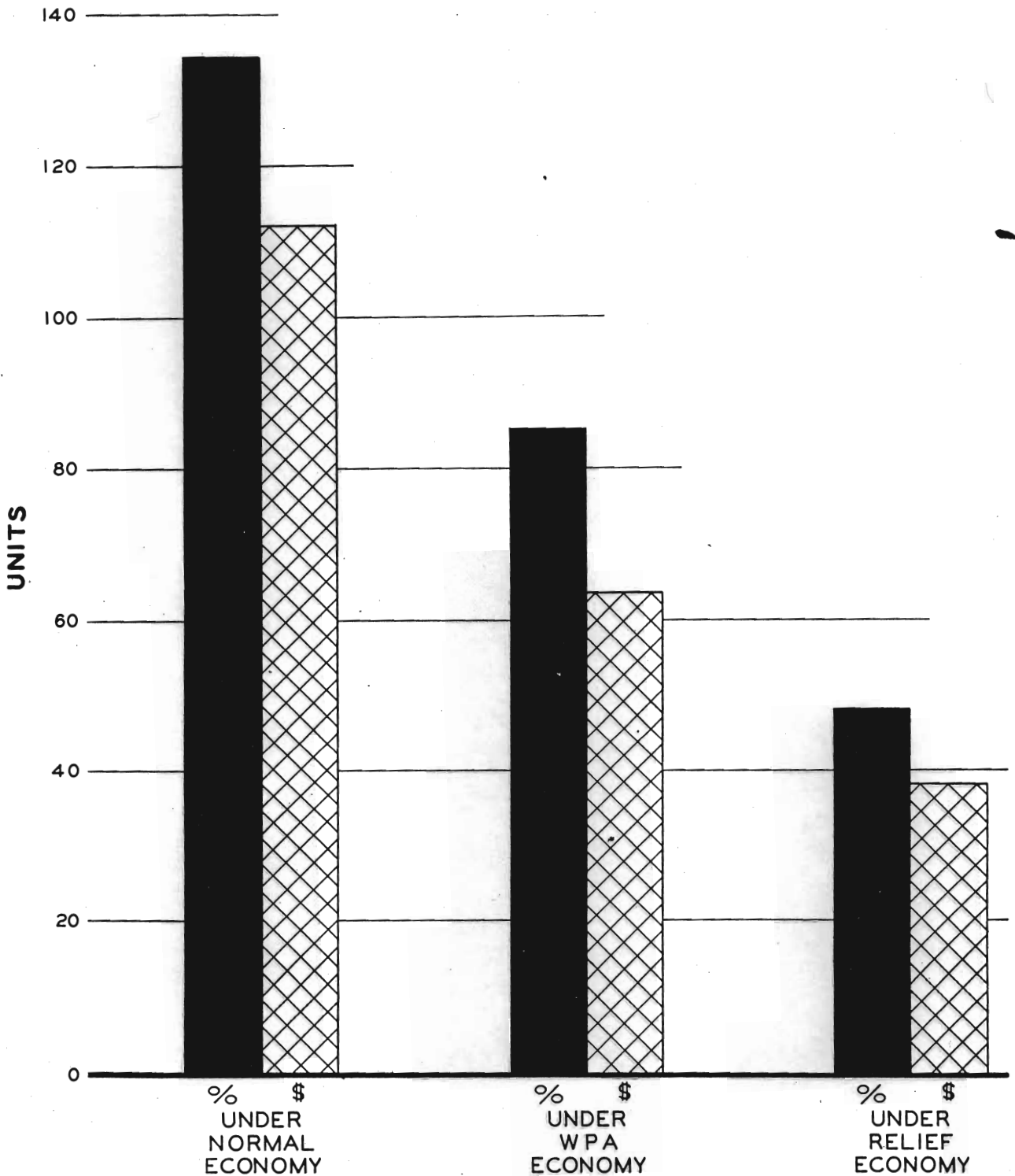
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April, 1936

CHART 1
COMPARISON OF MEDIAN MONTHLY INCOME AND
MEDIAN PERCENT OF MINIMUM BUDGET MET
UNDER NORMAL, WPA AND RELIEF ECONOMIES.



FAMILY RESOURCES UNDER NORMAL, RELIEF
AND W.P.A. ECONOMIES

Introduction

The objective of the Study of Family Resources under Normal, Relief and W.P.A. Economies is to indicate in terms of a broad trend, whether family resources were greatest when families were completely self-sustaining, when they were receiving emergency relief, or when receiving W.P.A. wages.

The study was undertaken at the request of Governor Hoffman, embodied in his letter of December 18, 1935, quoted below:

"STATE OF NEW JERSEY
Executive Department

December 18, 1935

Dear Mr. Hedden:

The Emergency Relief Advisory Board of Elizabeth has written me a letter calling attention to the fact that out of the first 750 cases put to work in Elizabeth under W.P.A., approximately 60 families are suffering hardships in the form of curtailed fuel, milk, and other essentials to health.

It occurs to me that it might be well for the research division of the Emergency Relief Administration to make a rapid survey similar to that recently undertaken in Philadelphia and touching three or four cities in New Jersey. Such a survey should be pointed in the direction of determining incomes of families considered prior to their going on the relief rolls, the allotments to them while receiving relief, the amount of wages paid them by W.P.A. and an analysis of what this means in terms of adequacy or inadequacy of present compensation.

I would be very glad to have you consider the possibility of making such a survey of an unselected group of cases in each of three or four of the larger cities.

Very truly yours,

(signed)

Harold G. Hoffman
Governor"

However, before Governor Hoffman's letter was received, the Welfare and Research Divisions were already discussing the need for such a study and had been urged to undertake it by Dr. Ellen C. Potter of the Department of Institutions and Agencies. Similar studies by the Philadelphia Board of Public Welfare also influenced the decision to undertake the study.

Field workers of the Welfare Division visited district offices and copied data from case records to a summary sheet prepared by the Research Division to embody the information believed to be pertinent to the study. Upon receipt of these schedules from the field, they were analyzed in the Research Division. The total number of schedules received was 2,027, distributed as follows:

Total	2,027
Essex	733
Atlantic	278
Passaic	250
Middlesex	220
Union	153
Burlington	97
Bergen	96
Gloucester	51
Mercer	50
Monmouth	50
Warren	49

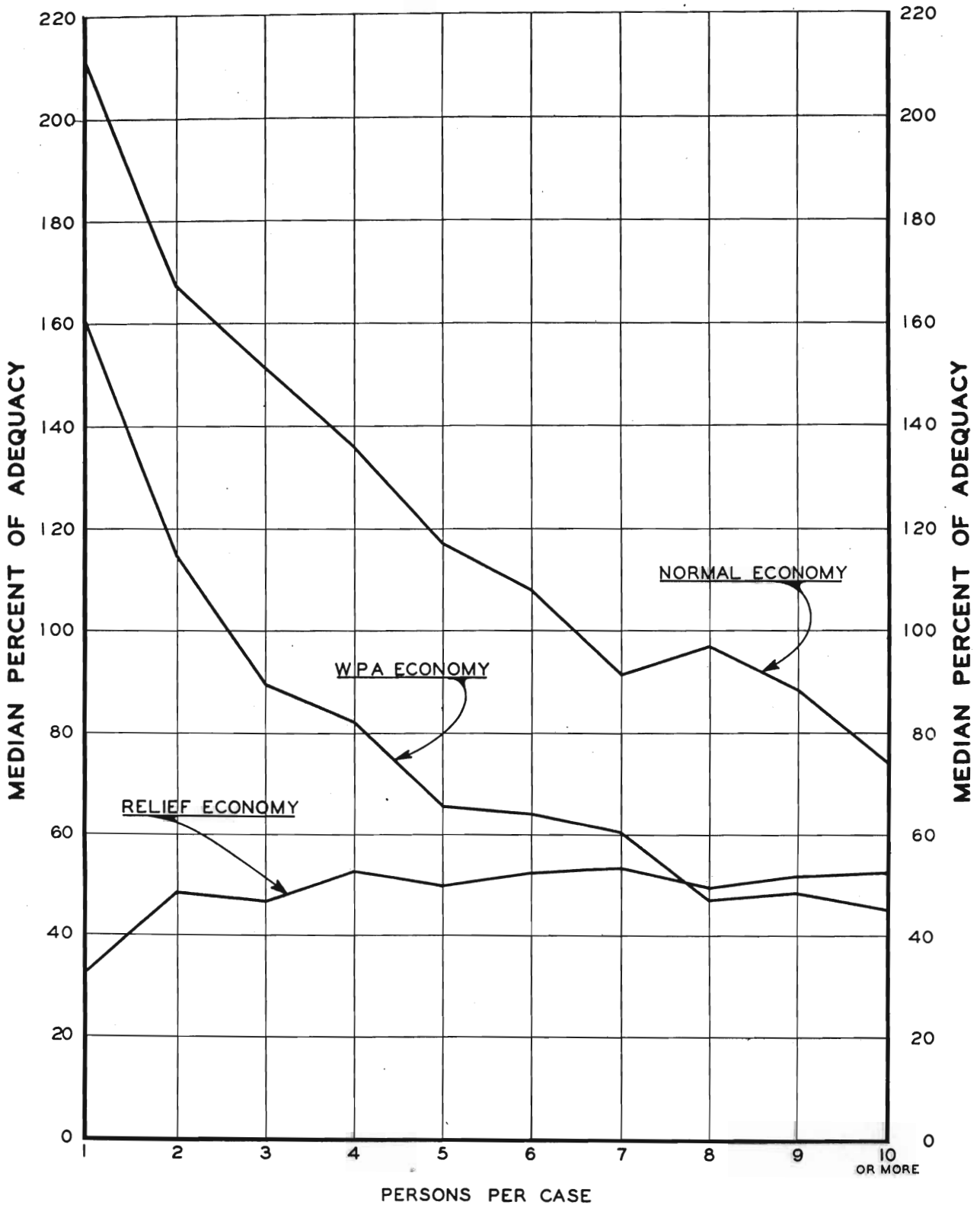
All cases studied were selected at random, except that an effort was made to have the distribution by number of persons representative of the actual distribution by number of persons per family among cases eligible for assignment to W.P.A. Cases receiving relief in November which were closed in December because of transfer to W.P.A. were selected.

It is important to remember that the term "income" as used in this report refers to income from all sources. Thus, income under relief includes not only the relief allowance, but any other income which the relief may supplement. Similarly, an industrial wage or a W.P.A. wage may not be a family's sole source of income. This study has been conducted in terms of total income. Relief expenditures on account of health services were excluded.

In order to obtain a fair estimate of the comparative adequacy of the income under normal, relief, and W.P.A. conditions, a uniform base was needed. The proposed May, 1935, Family Budget was selected, by agreement between the Welfare Division and the Research Division, as representing a working basis, although not a wholly satisfactory one, for estimating minimum subsistence costs. Since costs of living vary

CHART 2
MEDIAN PERCENT OF ADEQUACY OF FAMILY INCOME
UNDER NORMAL, WPA AND RELIEF ECONOMIES.

CLASSIFIED BY NUMBER OF PERSONS PER CASE



from year to year, the budget figure for each family was computed for the current period and **adjusted** for the period when the family was on a "normal" base.

Summary of Findings

As a result of the study, it was found that the 2,027 cases fall into five broad classes:

Group I There were 1,418 cases, or 70.0%, who received their largest financial return under a normal economy; the second largest under W.P.A.; and the least while on relief.

Of these 1,418 cases, 963 were families of four or less persons, representing 77.3% of all cases of four or less persons. 455 were families of five or more persons, representing 58.2% of all such cases.

There were 155 non-family cases in this category, representing 68.3% of the 227 non-family cases studied.

In this group there were 1,194 cases where the W.P.A. worker is the male family head (husband or father in most instances), representing 72.0% of the 1,659 cases where the male family head was the person assigned to W.P.A. work.

However, of the total of 141 cases where, due to the unavailability of the male family head, the W.P.A. worker is the female head or a junior member, there were but 69, or 48.9%, in Group I.

The proportion of the total found in Group I varied substantially in the counties, being 70.0% of the total sample, and 67.9% in Essex. The highest percentage, 86.9%, was found in Union County, and the lowest, 60.0%, in Passaic County.

Group II There were 262 cases, or 12.9%, who received their largest income while on W.P.A. Of these, 211 had a larger income normally than they had while on relief; while in 51 cases the income while on relief exceeded their normal income.

Of these 262 cases, 192, or 73.3%, were families of four or less persons, while 70 cases, or 26.7%, were families of five or more persons.

These 262 cases represent 12.9% of the total sample. There was variation in the counties, the highest percentage, 16.8%, being found in Middlesex County, and the lowest, 8.5%, in Union. Essex County, where the largest sample was drawn, showed 11.2%.

58 out of 262 non-family cases, or 22.1%, fall in this category.

171 out of 1,659 cases where the male family head is the W.P.A. worker, or 10.3%, fall in this category.

33 out of 141 cases where the W.P.A. worker is a family person, but not the male family head, or 23.4%, fall in this category.

This indicates that female family heads and adolescent workers who are the persons assigned to W.P.A. employment, are likely to receive a greater wage, even when working at an unskilled category, than they could command in the open labor market.

However, in four of these 33 cases, there is a male head available for employment or otherwise employed.

Group III There were 217 cases, or 10.7%, where the W.P.A. income was less than the normal income and the relief income. Of these, the normal income exceeded the relief income in 203 cases, while in 14 cases the relief income was larger than the normal.

Naturally, this class is chiefly found among the large families, there being no non-family cases and only 23 cases of four or less persons. Thus, there are 194 cases of five persons or more whose W.P.A. income is less than either their relief or normal incomes.

The proportion of such cases increases as the number of persons in the family group increases, being 14.0% of families of five persons; 22.5% of families of six persons; until a maximum of 45.6% of families of 10 or more persons is found.

This group of cases represents 10.7% of the state total, and 13.0% in Essex County. The largest proportion of such cases was found in Atlantic County, 14.0%; and the smallest, 3.3%, in Union County.

In 211 cases, the W.P.A. worker is the male family head. In six cases the W.P.A. worker is another family person.

Group IV There were 12 cases, six-tenths of one per cent of the total, where the W.P.A. income was greater than the normal income, but was less than relief income.

Five of these cases were found in Essex County, four in Atlantic.

Ten of the cases were families of five or more persons.

Two were families of three persons.

There were no non-family cases in this category.

In all 12 cases, the W.P.A. worker is a male family head.

Group V In 118 cases, or 5.8%, it was impossible to obtain adequate information concerning normal income. In 95 of these cases, the W.P.A. income exceeded relief. There were 23 cases where the relief exceeded W.P.A. This proportion is generally comparable with the total sample.

General Data

NORMAL ECONOMY

In any study of this kind, certain terms come into use which are clear and useful to the author of the study, but which are likely to need definition before general use of the material can wisely be made. More than any other term in this report, the term "Normal Economy" is most likely to cause confusion.

For purposes of this study, normal economy has been applied to that period in the history of the families studied, as nearly as can be determined from the case record, when their affairs were most stable and when they were living at a consistent level for a more or less extended period. The workers in the family are then engaged at the occupations which they consider "usual." Thus there is no one time selected at which all cases were simultaneously functioning on a normal economy. In the table which follows, the families are classified according to the year in which normal economy ended.

Families Classified According to Year
in Which Normal Economy Ended

<u>Normal Economy Ended</u>	<u>Number</u>	<u>Per Cent</u>
All Cases	2,027	
Year Not Available	118	-
Year Available	1,909	100.0
1926	34	1.7
1927	35	1.7
1928	85	4.5
1929	194	10.2
1930	340	17.8
1931	379	19.9
1932	280	14.7
1933	202	10.6
1934	233	12.2
1935	127	6.7

The normal monthly income of these 2,027 families is classified in the following table. It is important to remember that the term "income" refers to income from all sources. Wages form the chief, but not the exclusive, source of income.

Families Classified by Normal Monthly Income

<u>Income per Month</u>	<u>Number</u>	<u>Per Cent</u>
Total	2,027	-
Income Data Not Available	149	-
Income Data Available	1,878	100.0
Less than \$25.00	5	.3
\$25.00 to 50.00	72	3.8
50.00 to 75.00	238	12.7
75.00 to 100.00	368	19.6
100.00 to 125.00	532	28.3
125.00 to 150.00	233	12.4
150.00 to 175.00	161	8.6
175.00 to 200.00	84	4.5
200.00 to 225.00	76	4.0
225.00 to 250.00	35	1.9
250.00 and over	74	3.9
Median Income		\$112.03

No attempt was made in this study to obtain a detailed occupational classification of all workers in these families. However, the occupations of the principal worker in each family were broken down into four major categories, as follows:

<u>Class of Usual Occupation of Principal Worker*</u>	<u>Number</u>	<u>Per Cent</u>
Total	2,027	100.0
Unskilled	803	39.6
Intermediate	570	28.1
Skilled	472	23.3
Professional	182	9.0

*WPA Circular #2, and WPA Bulletin #25, source of classification plan.

The adequacy of the normal income which these families received to meet family needs requires measurement. For this purpose, as already discussed, the research staff computed the minimum monthly needs of each family, exclusive of unanticipated, non-recurring items, such as medical care and other health services, using as a base the minimum subsistence budget prepared by the Family Welfare Division and the Research Division in May, 1935. The computed individual budget was then adjusted on the basis of the cost of living index of the National Industrial Conference Board for the specific period of normal economy used for each family.

As the monthly income under a normal economy depends chiefly on earning capacity and not upon the number of persons in the family, the income is proportionately less adequate as families increase in number of persons, as the following table suggests:

Median Per Cent of Minimum Family Budget
Met Under a Normal Economy

<u>Persons per Family</u>	<u>Median Per Cent as Above</u>
All Cases	134.3
1 Person	210.8
2 Persons	167.1
3 Persons	151.6
4 Persons	136.0
5 Persons	118.1
6 Persons	108.3
7 Persons	91.6
8 Persons	96.9
9 Persons	88.6
10 or More Persons	74.4

The minimum subsistence budget, of course, represents a low scale of living. In studies utilized by Brooking's Institution in "America's Capacity to Consume," it is clearly indicated that non-farm families whose yearly income was between \$1,000 and \$1,500 were incurring deficits, or at best were just about breaking even, and that families of incomes of less than \$2,500 possessed only limited security.

While the tabulations of this study do not lend themselves to precise comparison with the Brooking's report, it may be noted, in passing, that only 185, or 9.8% of the cases for whom normal income could be computed, received incomes in excess of \$2,400 and were thus outside this marginal area. Furthermore, 478, or 25.5% of the cases, received incomes from between \$1,500 and \$2,400; 900, or 47.9% of the cases, received incomes from between \$900 and \$1,500; while 315, or 16.8% of the cases, received incomes of less than \$900 a year under the normal economy reported.

It should be noted that the normal economy reported may not have been the highest level of family maintenance, as the periods covered by the study gave the last three steady jobs of the main worker in the family. In the last six years a man could have had three steady jobs, but they may not have brought in as high an income as jobs held previous to the depression.

Furthermore, an age distribution of the case heads studied showed that 26.4% of the male family heads are now less than 35 years of age and, therefore, included in these are many who, previous to the depression, probably were not in a position, or were not called upon, because of their youth, to maintain a family.

Less than one-half of one per cent of the cases studied had female family heads. In normal times these families may have been headed by a male head of greater earning capacity than the present head. This small percentage of female heads is not true of the relief case load in general. Families under W.P.A. have few female heads because of the very nature of the Works Program.

The following table shows age distribution and sex of the case head.

Present Age of Individual Who Is Case Head

<u>Age in Years</u>	<u>Total</u>		<u>Male</u>		<u>Female</u>	
	<u>Number</u>	<u>Per Cent</u>	<u>Number</u>	<u>Per Cent</u>	<u>Number</u>	<u>Per Cent</u>
Total	2,027		1,929		98	
Age Data Not Available	6		6		-	
Age Data Available	2,021	100.0	1,923	100.0	98	100.0
Under 25	67	3.3	64	3.3	3	3.1
25 - 29	178	8.8	174	9.1	4	4.1
30 - 34	282	13.9	270	14.0	12	12.2
35 - 44	592	29.3	568	29.5	24	24.5
45 - 54	531	26.3	502	26.1	29	29.6
55 - 59	149	7.4	142	7.4	7	7.1
60 - 64	116	5.7	109	5.7	7	7.1
65 - 69	76	3.8	68	3.5	8	8.2
70 and over	30	1.5	26	1.4	4	4.1

The following table indicates the range of adequacy of normal income in terms of percentages of the minimum subsistence budget.

Per Cent of Minimum Subsistence Budget
Met Under a Normal Economy*

<u>Per Cent of Budget</u>	<u>Number</u>	<u>Per Cent</u>
All Cases	2,027	
Income Not Available	118	
Total Cases with Income Reported	1,909	100.0
0 - 25% of Budget	1	**
25 - 50% of Budget	37	1.9
50 - 75% of Budget	168	8.8
75 - 100% of Budget	311	16.3
100 - 125% of Budget	343	18.0
125 - 150% of Budget	255	13.4
150 - 175% of Budget	234	12.3
175 - 200% of Budget	144	7.6
200 - 225% of Budget	117	6.1
225 - 250% of Budget	82	4.3
250 - 275% of Budget	62	3.2
275 - 300% of Budget	41	2.1
300% of Budget and over	114	6.0
Median Per Cent of Budget		134.3

*From this table and the preceding data drawn from the Brooking's Institution's findings, it may be inferred that the minimum subsistence budget used in this report represents a scale or level of living from one-third to one-half below the normal standard of American workmen.

**Less than one-half of one per cent.

RELIEF ECONOMY

The term "relief economy" has been applied to a system of life under which the community comes to the aid of those who are unable to obtain, through their own efforts, the necessities of life.

It is not necessary that the persons who are aided be completely without resources for self-support. They may work at their usual occupations or at substitute occupations; they may receive rents, interest, dividends. So long as the total income falls short of meeting family needs, they are eligible for relief.

There are two schools of thought concerning the policy of giving relief to families with an income. The first group believes that relief for all cases should be given on an equitable basis, that is, when the family needs are budgeted, all income and credits, if any, should be deducted and a fairly constant per cent of this deficit should be met as a relief allowance. The second group believes that a worker in a supplementary relief case should be allowed to keep a portion of his wages for personal use and not have that portion deducted from the budget deficit, in order that no premium may be put upon idleness and subterfuge, and so that initiative and resourcefulness may be stimulated and the will to work protected.

Perhaps the most important difference between a relief economy and a normal economy is that under a relief economy income depends upon needs, not upon skills. Relief income increases as the need increases. Therefore, relief tends to remain at a fixed ratio to budgetary requirements regardless of the number of persons per family. As an ideal, for a long term program, the income under a relief economy should approximate 100% of a minimum subsistence budget (conventionally known as the budget deficiency plan).

These remarks apply generally to relief economies. Relief under the New Jersey Emergency Relief Administration, as revealed by this and other studies, conforms to these principles, with certain exceptions.

Lack of funds and administrative tradition have prevented the giving of relief on a budget deficit basis, so that the Administration has attempted to give adequate food relief and adequate health services, and has provided other types of assistance only as emergent needs dictated.* Consequently, the percentage adequacy of the income under a relief economy must fall far short of 100%.

*Health services are not provided for in the minimum subsistence budget used here. In December, 1935, studies indicated the following estimated degree of adequacy of family income from relief and all other sources, in terms of the March 1934 minimum subsistence budget.

Food (Order and Cash Basis)	99.8%	Shelter	26.9%
Fluid Milk	48.6	Utility Services	23.8
Fuel	45.4	Clothing	9.7
		Other	7.8

In determining the amount of food relief and health services to be allowed relief clients, family visitors follow certain definite policies in budgeting family needs. In families where sons and daughters who are not the normal chief support of the family have full or part-time employment, after deducting amounts needed for lunches, carfare and union dues, these workers are expected to turn in two-thirds of the remainder to the amount available for family maintenance.

In this study no deductions were made in the per cent of budget met under relief economy for such personal exemptions from childrens' earnings.

It is the policy of the Emergency Relief Administration not to give supplementary relief to any case where the head or major worker of the family is receiving wages from full-time employment.

Median Per Cent of Minimum Subsistence Budget
Met Under a Relief Economy

<u>Persons per Family</u>	<u>Median Per Cent</u>
All Cases	48.1
1 Person	32.6
2 Persons	48.5
3 Persons	46.9
4 Persons	52.5
5 Persons	49.9
6 Persons	52.7
7 Persons	53.4
8 Persons	49.7
9 Persons	51.8
10 or more Persons	52.4

While this table shows that the income under a relief economy is fairly consistently meeting about 50% of the minimum subsistence budget, except for non-family cases, there is a great deal of variation indicated in the detailed tables from which this is compiled.

Per Cent of Minimum Subsistence Budget
Met Under a Relief Economy

<u>Per Cent of Budget</u>	<u>Total</u>		<u>Supplementary Relief</u>		<u>Non-Supplementary Relief</u>	
	<u>Number</u>	<u>Per Cent</u>	<u>Number</u>	<u>Per Cent</u>	<u>Number</u>	<u>Per Cent</u>
All Cases	2,027	100.0	583	100.0	1,444	100.0
0- 25% of Budget	207	10.2	14	2.4	193	13.4
25- 50% of Budget	873	43.1	151	25.9	722	50.0
50- 75% of Budget	727	35.9	276	47.3	451	31.2
75-100% of Budget	186	9.2	113	19.4	73	5.1
100-125% of Budget	24	1.2	19	3.3	5	.3
125-150% of Budget	7	.3	7	1.2	-	-
150% of Budget and over	3	.1	3	.3	-	-
Median Per Cent of Budget	48.1		61.5		43.3	

Families who are receiving supplementary relief, that is, relief in addition to income from other sources, on an average more nearly approximate a minimum subsistence income than do those families who have no income other than that received from relief.

The extent of variation noted in the table above is reasonably constant if broken down by number of persons per family and by county in which they reside.

These variations may be accounted for in part by the giving of certain emergent classes of aid to families in special need for such assistance. Clothing grants will run up the percentage adequacy figure for any month. The cost of an important item of clothing, such as a coat or a suit, may throw the budget out of balance temporarily, as may a clothing order given periodically to cover a family's needs for several weeks. In a study based on one isolated month, it is not possible to reveal how these exceptional relief commitments are averaged out over a period of months.

The income under relief of the 2,027 families studied is classified in the following table. This income includes not only the relief given by the Emergency Relief Administration but also income from wages and from any other sources.

Families Classified by Monthly Income
Under Relief Economy

<u>Income per Month</u>	<u>Number</u>	<u>Per Cent</u>
All Cases	2,027	100.0
Less than \$25.00	580	28.6
\$25.00 to 50.00	821	40.5
50.00 to 75.00	426	21.0
75.00 to 100.00	148	7.3
100.00 to 125.00	40	2.0
125.00 to 150.00	6	.3
150.00 to 175.00	5	.3
175.00 and over	1	*
Median Income	\$38.20	

*Less than one-half of one per cent.

W.P.A. ECONOMY

It will be recalled that one purpose of the W.P.A. program was to give employable persons receiving relief a chance to work at a return which would be greater than the return under relief, but would be sufficiently low as not to afford a barrier to the acceptance of normal employment.

Furthermore, it was the aim of the W.P.A. program to provide employment for persons in occupations for which they were normally fitted. The following table indicates the extent to which the W.P.A. program has been able to place workers according to degrees of skills of the workers.

Relationship of Degree of Skill of Workers under Normal Economy
and Assignment to W.P.A.

<u>Normal Occupation</u>	<u>W.P.A. Assignment</u>									
	<u>Total</u>		<u>Unskilled</u>		<u>Inter- mediate</u>		<u>Skilled</u>		<u>Profes- sional</u>	
	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>
Total	2,027	100.0	1,949	96.2	29	1.4	42	2.1	7	.3
Unskilled	803	39.6	796	39.3	2	.1	5	.2	-	-
Intermediate	570	28.0	557	27.5	7	.3	5	.2	1	*
Skilled	472	23.4	439	21.7	6	.3	26	1.4	1	*
Professional	182	9.0	157	7.7	14	.7	6	.3	5	.3

* Less than one-half of one per cent.

W.P.A. wage rates were set according to degree of skills required for the various jobs, and varied according to the district in the State in which the workers resided. The rates varied from a high in industrial counties, where unskilled workers were paid \$60.50 a month; intermediate workers, \$71.50; skilled workers, \$85.00; and professional workers, \$94.00; to a rural county where unskilled workers were paid \$44.00 a month; intermediate workers, \$49.50; skilled workers, \$55.00; and professional workers, \$61.00.

The difficulties which would be encountered in placing all persons according to their occupational skills in such a large and quickly executed program are obvious. Furthermore, the compiling of an accurate occupational classification of all persons on relief who might be eligible for a works program would require the employment of a group of persons highly skilled in making such a classification. This was impossible and the classification was made by persons not specifically trained in such a type of work. Therefore, at best, the resulting classification was an imperfect one.

Nevertheless, it is interesting to note how more nearly the program would have fulfilled its initial aim if it had been possible to place all workers according to their occupational skills, as reported in this study. The results of the classifications in this study compare very closely with the results of the Federal Occupational Classification of Relief Clients made in April, 1935, and used as a basis for assignment to W.P.A. employment.

The following table shows the monthly income under W.P.A. economy of the cases studied, contrasted with the estimated monthly income of cases if workers had been placed on W.P.A. according to their

reported occupational skills. This income includes not only W.P.A. wages but also income reported from all other sources. In 1,581, or 78.0% of the cases studied, W.P.A. wages were the sole income of the families, while in 446, or 22.0% of the cases, W.P.A. wages supplemented other income.

Families Classified by Monthly Income Under W.P.A. Economy
and If Workers Had Been Placed
According to Reported Occupational Skills

<u>Income per Month</u>	<u>Under</u> <u>W.P.A. Economy</u>		<u>If Workers Had Been Placed</u> <u>According to</u> <u>Reported Occupational Skills</u>	
	<u>Number</u>	<u>Per Cent</u>	<u>Number</u>	<u>Per Cent</u>
Total	2,027	100.0	2,027	100.0
Less than \$25.00	-	-	-	-
\$25.00 to 50.00	206	10.2	88	4.4
50.00 to 75.00	1,469	72.5	1,104	54.5
75.00 to 100.00	235	11.6	651	32.1
100.00 to 125.00	67	3.3	116	5.7
125.00 to 150.00	33	1.6	45	2.2
150.00 to 175.00	12	.6	14	.7
175.00 and over	5	.2	9	.4
Median Income	\$63.74		\$70.96	

As the monthly income under a W.P.A. economy depends chiefly on a set wage rate for unskilled, intermediate, skilled and professional workers, and not upon the number of persons in the family, the income under a W.P.A. economy is proportionately less adequate as families increase in number of persons, as the following table of median W.P.A. incomes of families of from one to ten or more persons suggests:

Median Percentage of Minimum Family Budget
Met Under a W.P.A. Economy

<u>Persons per Family</u>	<u>Median Per Cent as Above</u>
All Cases	85.5
1 Person	160.2
2 Persons	114.5
3 Persons	89.4
4 Persons	82.3
5 Persons	65.8
6 Persons	64.5
7 Persons	60.7
8 Persons	47.2
9 Persons	48.9
10 or more Persons	45.4

The following table indicates the range of adequacy of income under W.P.A. economy, in terms of percentages of the minimum subsistence budget, contrasted with the range of adequacy of income if workers had been placed according to reported occupational skills.

Per Cent of Median Subsistence Budget Met Under W.P.A. Economy
and If Workers Had Been Placed According to
Reported Occupational Skills

<u>Per Cent of Budget</u>	<u>Under W.P.A. Economy</u>		<u>If Workers Had Been Placed According to Reported Occupational Skills</u>	
	<u>Number</u>	<u>Per Cent</u>	<u>Number</u>	<u>Per Cent</u>
All Cases	2,027	100.0	2,027	100.0
0- 25% of Budget	1	*	-	-
25- 50% of Budget	161	8.0	107	5.3
50- 75% of Budget	609	30.1	412	20.3
75-100% of Budget	580	28.6	540	26.7
100-125% of Budget	327	16.1	402	19.8
125-150% of Budget	121	6.0	211	10.4
150-175% of Budget	201	9.9	196	9.7
175-200% of Budget	20	1.0	92	4.5
200-225% of Budget	4	.2	44	2.2
225-250% of Budget	3	.1	20	1.0
250-275% of Budget	-	-	2	.1
275-300% of Budget	-	--	1	*
Median Per Cent of Budget		85.5		97.9

*Less than one-half of one per cent.

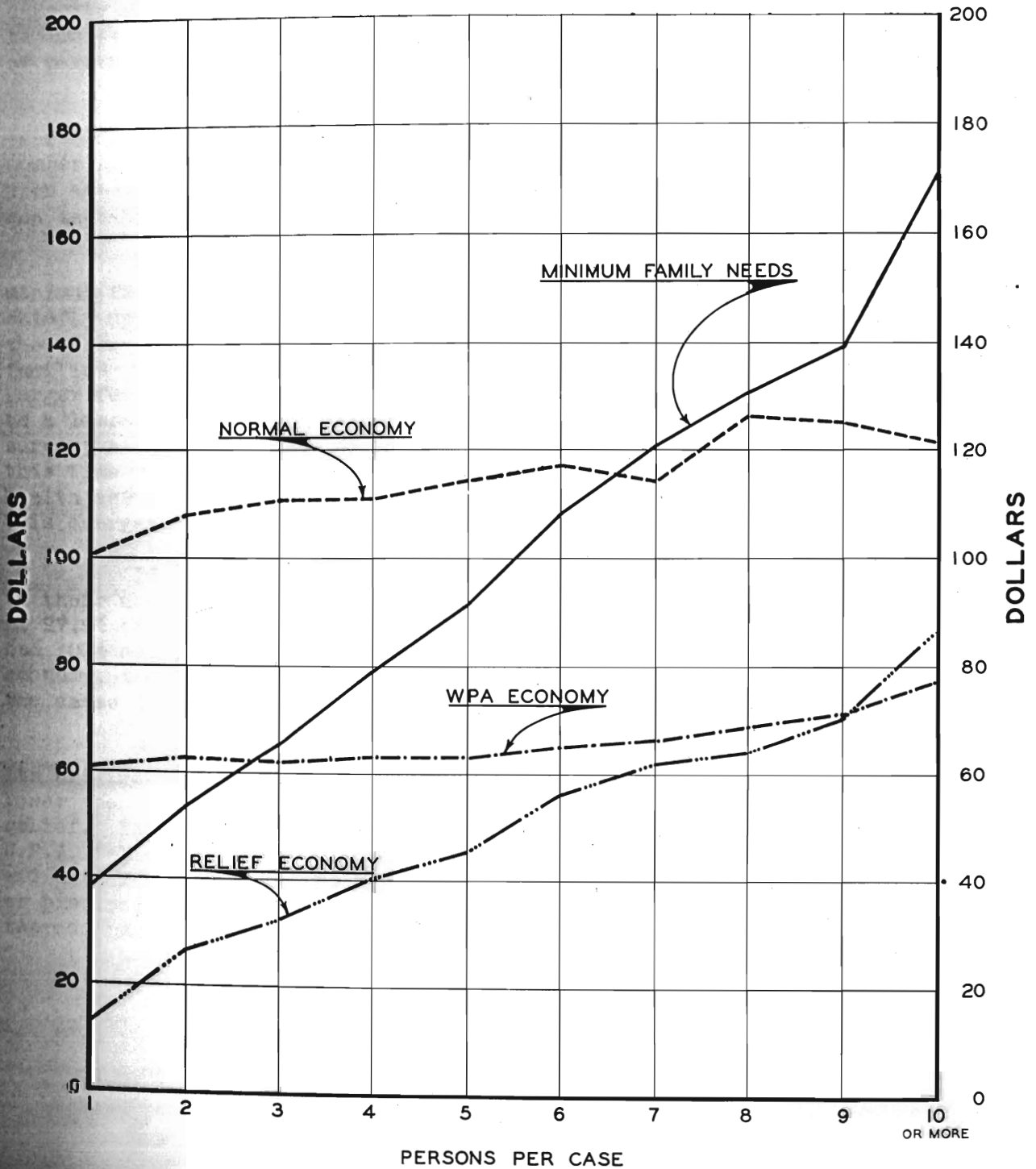
It may be seen that in relatively few instances does the W.P.A. worker receive an income greatly in excess of a subsistence budget. However, he is known to be working and creditors very humanly attempt to collect their debts, where the knowledge that a man is out of work and on relief has heretofore deterred them. The pressure is difficult to meet and causes great worry. In many cases reported to the Adjustment Section, and referred to the Research Division as background for the study, there is evidence of genuine hardship where insistent creditors have talked W.P.A. clients into paying so much on account of back bills that current needs cannot be met. The same experience may be expected when workers return to normal employment, and it is perhaps reasonable to consider the bill collector as a hazard of normal life. However, the W.P.A. employee is less well equipped to cope with this hazard than is the worker in industry.

Under a normal economy, the average worker is able to obtain health services for himself and for his dependents as they are needed, either through private physicians to whom he may or may not pay full fees, or through community institutions equipped to render service without regard for the immediate ability of the patient to pay. The Emergency Relief Administration has stood back of the physicians and community agencies to see that necessary facilities are maintained during the period of relief. The W.P.A. worker theoretically is in the same position as the worker in a normal economy. But few W.P.A. workers have any margin over a subsistence budget to pay medical bills. Neither physicians nor community health facilities are financially in a position in 1936 to meet the health needs of the marginal worker as adequately as in 1929. Because of reduced funds available for relief, it has been impossible to attempt at this time to finance this type of health service from Emergency Relief funds.

It is, therefore, reasonable to assume that there is a decrease in security under W.P.A. insofar as health services are concerned. These disadvantages do not reflect on the operation of the W.P.A., but are simply a result of the continued depression against which the W.P.A. worker has an inadequate defense. This decreased security may not be reflected immediately in refusals to treat dependents of W.P.A. workers but rather in an overload now upon the community health facilities which communities cannot meet successfully over any protracted period.

CHART 3
MEDIAN MONTHLY INCOME
UNDER NORMAL, RELIEF AND WPA ECONOMIES
AND AVERAGE MINIMUM FAMILY NEEDS
UNDER RELIEF ECONOMY.

CLASSIFIED ACCORDING TO NUMBER OF PERSONS PER CASE



Conclusion

In conclusion, it may be seen that among the cases studied, the majority of the families possessed only limited security under a normal economy, as 64.7% of them received a yearly income of less than \$1,500. Inasmuch as their normal incomes depended chiefly upon earning capacity and not upon the number of persons in the family, the income became proportionately less adequate as families increased in number of persons.

Under a relief economy, these families had incomes which tended to remain at a fixed ratio to budgetary requirements regardless of the number of persons per family, because a relief economy income depends upon needs and not upon skills. Nevertheless, on an average, families had less than 50% of their minimum subsistence budget met while on relief.

Under W.P.A. economy, cases had a median of 85.5% of their minimum family budget met. Because, again, the monthly income depends chiefly upon skills and not upon the number of persons in the family, the income under W.P.A. economy is proportionately less adequate as families increase in number of persons. Therefore, in general, the larger families are under a slight disadvantage. Furthermore, there may be a lessening of security for families under W.P.A. because of a pressure upon them to pay debts from wages, and because it is impossible at this time for the Emergency Relief Administration to attempt to finance health services for W.P.A. workers, who themselves are unable to meet this emergent expense because of insufficient income.

If it had been possible for W.P.A. to place workers according to their normal occupational skills, the cases would have had a median of 97.9% of their minimum family budget met. While 33.3% of the cases had 100% or more of their minimum subsistence budget met under a W.P.A. economy, the number, it is estimated, would have increased to 47.7% of the cases if the workers had been placed according to occupational skills.

The W.P.A. has been able to achieve to a remarkable extent its original and stated intention of maintaining its clients on a level lower than their normal economy but, on a whole, distinctly better than relief. Furthermore, in basing wages on skill rather than need, the W.P.A. follows the normal economy pattern of employment in this country, and although this pattern may not satisfy the individual family's needs as precisely as might a relief economy, it has the virtue of more nearly reproducing the conditions of normal life.

APPENDIX

The following detailed tables,
upon which the statistical data
in this report have been based,
are appended for reference.

TABLE I

SUMMARY OF COMPARATIVE INCOME LEVELS UNDER NORMAL, RELIEF AND WPA ECONOMIES CLASSIFIED BY NUMBER OF PERSONS PER CASE

COMPARATIVE INCOME LEVELS	TOTAL CASES	PERSONS PER CASE									
		1	2	3	4	5	6	7	8	9	10 OR MORE
TOTAL	2,027	227	335	338	345	257	191	146	87	44	57
INCOME UNDER WPA GREATER THAN UNDER NORMAL AND RELIEF ECONOMIES (SEE NOTE A)	262	58	61	32	41	18	12	18	10	6	6
INCOME UNDER WPA LESS THAN UNDER NORMAL BUT GREATER THAN UNDER RELIEF ECONOMY	1,418	155	251	281	276	188	117	76	39	17	18
INCOME UNDER WPA GREATER THAN UNDER RELIEF ECONOMY. NORMAL INCOME NOT ASCERTAINABLE	95	14	23	19	7	8	12	1	7	2	2
INCOME UNDER WPA LESS THAN UNDER RELIEF ECONOMY. NORMAL INCOME NOT ASCERTAINABLE	23			1	1	4	5	4	2	2	4
INCOME UNDER WPA LESS THAN UNDER RELIEF BUT GREATER THAN UNDER NORMAL ECONOMY	12			2		3	2	3		1	1
INCOME UNDER WPA LESS THAN UNDER RELIEF ALSO LESS THAN UNDER NORMAL ECONOMY (SEE NOTE B)	217			3	20	36	43	44	29	16	26
NOTE A:											
INCOME UNDER WPA GREATER THAN UNDER NORMAL AND RELIEF ECONOMIES	262	58	61	32	41	18	12	18	10	6	6
INCOME UNDER NORMAL EXCEEDS INCOME UNDER RELIEF ECONOMY	211	57	56	25	31	12	10	11	6		3
INCOME UNDER RELIEF EXCEEDS INCOME UNDER NORMAL ECONOMY	51	1	5	7	10	6	2	7	4	6	3
NOTE B:											
INCOME UNDER WPA LESS THAN UNDER RELIEF AND ALSO LESS THAN UNDER NORMAL ECONOMY	217			3	20	36	43	44	29	16	26
INCOME UNDER RELIEF EXCEEDS INCOME UNDER NORMAL ECONOMY	14					1	1	4	1	2	5
INCOME UNDER NORMAL EXCEEDS INCOME UNDER RELIEF ECONOMY	203			3	20	35	42	40	28	14	21

TABLE 2

SUMMARY OF COMPARATIVE INCOME LEVELS UNDER NORMAL, RELIEF AND WPA ECONOMIES CLASSIFIED BY SUPPLEMENTATION

<u>COMPARATIVE INCOME LEVELS</u>	<u>TOTAL</u>	<u>ERA ONLY IS SUPPLEMENTARY</u>	<u>WPA ONLY IS SUPPLEMENTARY</u>	<u>ERA AND WPA ARE SUPPLEMENTARY</u>	<u>ERA AND WPA ARE NOT SUPPLEMENTARY</u>
TOTAL	2,027	146	9	437	1,435
INCOME UNDER WPA GREATER THAN UNDER NORMAL AND RELIEF ECONOMIES (SEE NOTE A)	262	11	2	105	144
INCOME UNDER WPA LESS THAN UNDER NORMAL BUT GREATER THAN UNDER RELIEF ECONOMY	1,418	89	5	260	1,064
INCOME UNDER WPA GREATER THAN UNDER RELIEF ECONOMY. NORMAL INCOME NOT ASCERTAINABLE	95	6	1	30	58
INCOME UNDER WPA LESS THAN UNDER RELIEF ECONOMY. NORMAL INCOME NOT ASCERTAINABLE	23	6		3	14
INCOME UNDER WPA LESS THAN UNDER RELIEF BUT GREATER THAN UNDER NORMAL ECONOMY	12	2		4	6
INCOME UNDER WPA LESS THAN UNDER RELIEF ALSO LESS THAN UNDER NORMAL ECONOMY (SEE NOTE B)	217	32	1	35	149
NOTE A:					
INCOME UNDER WPA GREATER THAN UNDER NORMAL AND RELIEF ECONOMIES	262	11	2	105	144
INCOME UNDER NORMAL EXCEEDS INCOME UNDER RELIEF ECONOMY	211	7	1	73	130
INCOME UNDER RELIEF EXCEEDS INCOME UNDER NORMAL ECONOMY	51	4	1	32	14
NOTE B:					
INCOME UNDER WPA LESS THAN UNDER RELIEF AND ALSO LESS THAN UNDER NORMAL ECONOMY	217	32	1	35	149
INCOME UNDER RELIEF EXCEEDS INCOME UNDER NORMAL ECONOMY	14			3	11
INCOME UNDER NORMAL EXCEEDS INCOME UNDER RELIEF ECONOMY	203	32	1	32	138

TABLE 3

TOTAL INCOME UNDER NORMAL ECONOMY CLASSIFIED BY NUMBER OF PERSONS PER CASE

INCOME UNDER NORMAL ECONOMY	PERSONS PER CASE										
	TOTAL	1	2	3	4	5	6	7	8	9	10 OR MORE
TOTAL	2,027	227	335	338	345	257	191	146	87	44	57
LESS THAN \$25.00	5	4	1								
\$25.00 - \$50.00	72	14	19	20	11	3	2	2	1		
50.00 - 75.00	238	37	50	46	45	27	9	11	7	3	3
75.00 - 100.00	368	48	57	54	67	47	41	29	9	7	9
100.00 - 125.00	532	52	78	83	101	79	48	47	19	10	15
125.00 - 150.00	233	20	32	37	30	30	30	24	16	6	8
150.00 - 175.00	161	10	32	25	36	15	12	11	8	4	8
175.00 - 200.00	84	9	14	10	11	12	7	6	5	6	3
200.00 - 225.00	76	10	6	14	15	12	10	4	3	2	
225.00 - 250.00	35	1	6	10	5	4	2	1	2	2	2
250.00 AND MORE	74	4	9	14	14	13	11	3	4		2
NOT ASCERTAINABLE	149	18	31	25	10	14	19	8	13	4	7

TABLE 4

PER CENT OF MINIMUM FAMILY BUDGET MET UNDER A NORMAL ECONOMY CLASSIFIED BY NUMBER OF PERSONS PER CASE

PER CENT OF BUDGET	TOTAL	PERSONS PER CASE									10 OR MORE
		1	2	3	4	5	6	7	8	9	
TOTAL	2,027	227	335	338	345	257	191	146	87	44	57
0 - 25	1		1								
25 - 50	37	2	3	4	4	1	3	7	6	4	6
50 - 75	168	6	11	14	18	19	23	35	12	10	20
75 - 100	311	1	18	32	61	62	46	43	24	11	13
100 - 125	343	12	45	54	63	56	45	32	22	6	8
125 - 150	255	26	35	55	51	39	25	11	4	6	3
150 - 175	234	23	63	48	45	24	13	8	6	3	1
175 - 200	144	21	31	30	37	16	6	3			
200 - 225	117	36	27	22	20	7	4		1		
225 - 250	92	11	27	17	16	5	5		1		
250 - 275	62	18	17	10	8	7	2				
275 - 300	41	9	11	11	3	5	1	1			
300 AND OVER	114	48	23	24	11	4	1	1	2		
NOT AVAILABLE	118	14	23	20	8	12	17	5	9	4	6
MEDIAN PER CENT OF BUDGET	134.3	210.8	167.1	151.6	136.0	118.1	108.3	91.6	96.9	88.6	74.4

TABLE 5

PER CENT OF MINIMUM BUDGET MET BY TOTAL INCOME UNDER NORMAL ECONOMY RELATED TO THE PER CENT MET BY TOTAL INCOME UNDER RELIEF ECONOMY

NORMAL INCOME IN PER CENT OF BUDGET	TOTAL	RELIEF INCOME IN PER CENT OF BUDGET						
		0-25	25-50	50-75	75-100	100-125	125-150	150 AND OVER
TOTAL	2,027	207	873	727	186	24	7	3
0 - 25	1		1					
25 - 50	37	6	13	13	4	1		
50 - 75	168	9	71	74	12	2		
75 - 100	311	25	131	122	30	2	1	
100 - 125	343	28	151	129	31	3	1	
125 - 150	255	26	102	99	22	5		1
150 - 175	234	23	119	68	19	3	2	
175 - 200	144	12	68	45	16	2		1
200 - 225	117	19	51	33	14			
225 - 250	82	12	31	35	4			
250 - 275	62	8	33	17	3	1		
275 - 300	41	8	19	9	3	1	1	
300 AND OVER	114	23	47	33	9	1		1
NOT AVAILABLE	118	8	36	50	19	3	2	

TABLE 6

TOTAL INCOME UNDER RELIEF ECONOMY CLASSIFIED BY NUMBER OF PERSONS PER CASE

<u>INCOME UNDER RELIEF ECONOMY</u>	TOTAL	<u>PERSONS PER CASE</u>									
		1	2	3	4	5	6	7	8	9	10 OR MORE
TOTAL	2,027	227	335	338	345	257	191	146	87	44	57
0 - \$25	580	214	157	116	49	23	9	8	4		
\$25 - 50	821	13	166	186	197	129	66	33	19	8	4
50 - 75	426		11	33	88	86	77	67	36	17	13
75 - 100	148		1	3	8	16	35	27	23	9	24
100 - 125	40				2	2	2	10	4	8	12
125 - 150	6				1	1	1	1		4	1
150 AND OVER	6						1		1	1	3

TABLE 7

PER CENT OF MINIMUM FAMILY BUDGET MET UNDER A RELIEF ECONOMY CLASSIFIED BY NUMBER OF PERSONS PER CASE

<u>PER CENT OF BUDGET</u>	<u>PERSONS PER CASE</u>										
	TOTAL	1	2	3	4	5	6	7	8	9	10 OR MORE
TOTAL	2,027	227	335	338	345	257	191	146	87	44	57
0 - 25	207	82	31	23	19	18	12	10	7	1	4
25 - 50	873	104	145	167	139	111	74	54	37	20	22
50 - 75	727	36	108	109	147	97	87	66	37	14	26
75 - 100	186	4	43	31	36	26	15	14	5	8	4
100 - 125	24	1	6	5	1	4	2	2		1	1
125 - 150	7		2	2	2	1					
150 AND OVER	3				1		1		1		
MEDIAN PER CENT OF BUDGET	48.1	32.6	48.5	46.9	52.5	49.9	52.7	53.7	49.7	51.8	52.4

TABLE 8

PER CENT OF MINIMUM FAMILY BUDGET MET UNDER A WPA ECONOMY CLASSIFIED BY NUMBER OF PERSONS PER CASE

PER CENT OF BUDGET	<u>PERSONS PER CASE</u>										
	TOTAL	1	2	3	4	5	6	7	8	9	10 OR MORE
TOTAL	2,027	227	335	338	345	257	191	146	87	44	57
0 - 25	1							1			
25 - 50	161					1	17	36	49	23	35
50 - 75	609			22	120	202	135	84	20	12	14
75 - 100	580		36	255	181	38	28	15	13	6	8
100 - 125	327		227	36	32	10	7	9	3	3	
125 - 150	121	46	41	20	5	6	2		1		
150 - 175	201	165	27	2	4		2	1			
175 - 200	20	13	4	1	2						
200 - 225	4	2			1				1		
225 - 250	3	1		2							
MEDIAN PER CENT OF BUDGET	85.5	160.2	114.5	89.4	82.3	65.8	64.5	60.7	47.2	48.9	45.4

TABLE 9

CASES CLASSIFIED ACCORDING TO MEMBER ASSIGNED TO WPA

WORKER ASSIGNED TO WPA	CASE STATUS OF WPA WORKER													
	TOTAL CASES		SINGLE PERSON CASE		MALE FAMILY HEAD		FEMALE FAMILY HEAD OR WIFE		SON		DAUGHTER		OTHER CASE MEMBER	
	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%
TOTAL	2,027	100.0	227	11.2	1,659	81.8	42	2.2	81	4.0	7	.3	11	.5
NON-FAMILY SINGLE PERSON	227	11.2	227	11.2										
MALE	211	10.4	211	10.4										
FEMALE	16	.8	16	.8										
MALE FAMILY HEAD	1,659	81.8			1,659	81.8								
FAMILY PERSON OTHER THAN MALE HEAD	141	7.0					42	2.2	81	4.0	7	.3	11	.5
CASES WITH MALE HEAD OTHERWISE EMPLOYED OR AVAILABLE FOR EMPLOYMENT	32	1.6					9	.5	17	.8	2	.1	4	.2
CASES WITH MALE HEAD TEMPORARILY INCAPACITATED	5	.3					1	*	4	.2				
CASES WITH MALE HEAD ABSENT OR INCAPACITATED	104	5.1					32	1.6	60	3.0	5	.2	7	.3
ONE OR MORE CHILDREN 16 YEARS OR OVER AND NO CHILDREN UNDER 16 YEARS	42	2.1					4	.2	35	1.7	2	.1	1	*
ONE OR MORE CHILDREN UNDER 16 YEARS AND NO CHILDREN OVER 16 YEARS	18	.9					16	.8	1	*			1	*
ONE OR MORE CHILDREN 16 YEARS OR OVER AND ONE OR MORE CHILDREN UNDER 16 YEARS	39	1.9					9	.5	24	1.2	3	.1	3	.1
NO CHILDREN, BUT OTHERS IN CASE GROUP	5	.2					3	.1					2	.1

* LESS THAN ONE-HALF OF ONE PER CENT.

TABLE 10

NUMBER OF CASE MEMBERS ON WPA

<u>COUNTY</u>	<u>TOTAL</u>	<u>1 MEMBER</u>	<u>2 MEMBERS (EXCLUDING NYA)</u>	<u>3 MEMBERS (EXCLUDING NYA)</u>	<u>1 MEMBER AND 1 NYA</u>
STATE	2,027	1,998	11	1	17
ESSEX	733	730	2		1
ATLANTIC	278	276	1		1
PASSAIC	250	247	3		
MIDDLESEX	220	200	5	1	14
UNION	153	153			
BURLINGTON	97	97			
BERGEN	96	95			1
GLOUCESTER	51	51			
MERCER	50	50			
MONMOUTH	50	50			
WARREN	49	49			

TABLE 11

ESTIMATED PER CENT OF MINIMUM BUDGET MET UNDER WPA ECONOMY
IF WORKERS HAD BEEN PLACED ACCORDING TO REPORTED OCCUPATIONAL SKILLS

PER CENT OF BUDGET	<u>PERSONS PER CASE</u>										
	TOTAL	1	2	3	4	5	6	7	8	9	10 OR MORE
TOTAL	2,027	227	335	338	345	257	191	146	87	44	57
0 - 25											
25 - 50	107					1	9	22	26	17	32
50 - 75	412			10	46	100	97	89	39	15	16
75 - 100	540		12	116	170	121	67	21	16	8	9
100 - 125	402	1	128	114	103	24	13	11	4	4	
125 - 150	212	31	71	83	12	10	2	2	1		
150 - 175	195	94	78	9	10	1	2	1			
175 - 200	92	46	40	2	3		1				
200 - 225	44	37	4	2	1						
225 - 250	20	15	2	2					1		
250 - 275	2	2									
275 - 300	1	1									
MEDIAN PER CENT OF BUDGET	97.9	171.7	134.7	109.4	93.7	80.7	72.3	64.3	61.2	58.3	47.3