

years or more. Of the cases of aid to dependent children closed in the same year, 29.9 percent had been assisted for 2 years or more. Nearly one-half (46.2 percent) of the cases closed in old-age assistance had received aid for at least 2 years.<sup>36</sup>

The relationship between duration of a recipient's public-aid status and certain characteristics which ordinarily constitute an economic handicap is indicated by the study of WPA workers in February 1939.<sup>37</sup> Older workers had been employed by the WPA for a longer period than younger workers and women somewhat longer than men. Large families had been on relief rolls longer than small families. The median duration of continuous work-project employment varied directly with the size of the community, from counties with small

<sup>36</sup> *Social Data on Recipients of Public Assistance Accepted in 1938-1939*, pt. 3, p. 32, table 28; pt. 2, p. 37, table 30; and pt. 1, p. 37, table 20.

<sup>37</sup> *Report on Progress of the WPA Program, June 30, 1939*, pp. 101-07.

## CHARACTERISTICS OF THE PUBLIC-AID POPULATION

As important as the size and location of the group benefiting from public-aid measures are various economic and social characteristics of the families and individuals in the group.

### Economic Status

Two questions regarding the economic status of the persons and households who benefited from public aid in 1930-40 are of particular significance at this point. How many received aid on the basis of demonstrated need? And how many had resources and income other than that which was publicly provided?

### Income Deficiency of Public-Aid Recipients

As pointed out in a number of preceding sections, most public-aid programs operating in 1930-40, outside the social insurances, the loan program of the Farm Security Administration, and, at various times, the emergency construction projects of the Federal Government, were limited to persons who could establish their need by passing a "means test" to determine that their income and assets were less than the amount required for maintenance. The means test might also determine the amount of this need, the budgetary deficiency of the individual or household.

Within the category of means-test programs considered in this report, there was considerable variation in the use of the test. Some of the programs operated on the means-test principle but adopted a less exacting criterion of need than, for example, that for eligibility for general relief in many areas. In these programs a

populations up to large metropolitan centers. (See Table 5.)

The duration of receipt of public aid throws light on the query: Is the public-aid population a group distinct and apart from the rest of the population or indistinguishable because different persons move in and out of it? It appears that some public-aid recipients, probably a majority in most periods, can be distinguished because they have received public aid continuously for long periods of time or because they have returned from time to time to public-aid status. Another group of recipients at most times consists of persons whose need for such assistance is temporary. After being aided for a short period, they may not return to a public-aid agency for a very long time, if at all. During periods of depression more people are represented by the latter category than during ordinary periods, when such persons are relatively few.

general income test might replace a means test in the strict sense of the term.

Among the latter group should be mentioned specially the youth programs. As pointed out in Chapter III an increasing percentage of the youth employed by the CCC and NYA came from families not receiving public aid. However, in the CCC, priority in selection was given to boys whose families were on relief or were eligible for it. After 1937 every boy who was a member of a family group had to come from a family "below a normal or adequate standard of living in his home community." Furthermore, the majority of the youth employed in these years were from families who were actually receiving public aid or were eligible for it. Hence, practically speaking, the CCC was a means-test program from its beginning. To a lesser degree this was true of the NYA out-of-school work program; in 1939-40 in some States the NYA certified its own youth workers, who were thus not required to undergo the type of means test which local relief agencies might be expected to apply. In the NYA student work program, the participating educational institutions were responsible for certifying that youth were in need of assistance to continue their education, but no detailed investigation was required.

It should be noted that some individuals aided by means-test programs were in practice not subject to such a test. By administrative order, the WPA was permitted to exempt up to 5 percent of its working force from the test. These exemptions were made to allow for the employment of workers with special skills and supervisory abilities necessary for the prose-

cution of projects. It cannot be presumed, however, that all of these workers were not in need, since most of them undoubtedly were unemployed at the time of hiring.

Despite the variations among and within programs in the interpretation and application of the means test, in June 1940, about 82 percent of the recipients of public aid (exclusive of the FSA loans) were assisted by programs requiring such a test.<sup>38</sup>

It would be incorrect to assume that all beneficiaries of other programs would have been unable to pass such a test. The beneficiaries of social-insurance systems did indeed receive aid as a matter of right. Presumably they represented a group quite distinct from the rest of the public-aid population. But closer examination of the group shows that many of its members could well have passed a means test and did indeed at one time or another receive aid from means-test programs.

Over four-fifths of all social-insurance beneficiaries during June 1940, not including workmen's compensation, were unemployed workers who received benefits under State unemployment compensation laws.<sup>39</sup> The lack of information about unemployment compensation recipients makes it difficult to analyze the main characteristics of this group. However, from the known requirements of previous earnings and other elements of the benefit formulas in State laws, it can be concluded that unemployment compensation beneficiaries as a whole were not destitute.<sup>40</sup>

Nevertheless, there is some evidence that at least some of the beneficiaries of unemployment compensation belonged to the lowest income groups. Some of them were forced to apply for general relief after exhaustion of their benefit rights.<sup>41</sup> Even more significant is the fact that some found it necessary to apply for relief immediately after they lost their jobs,

<sup>38</sup> This percentage includes recipients of surplus commodities only, who are not listed in appendix 11. Unless otherwise noted, beneficiaries of workmen's compensation are not taken into account in this chapter.

<sup>39</sup> See appendix 11.

<sup>40</sup> The claim forms in unemployment compensation contain no information about age, sex, color, or other personal characteristics of claimants. The State agencies are required, however, to submit periodical reports to the Social Security Board on the operation of the programs, among which are statistical reports dealing with benefit activities. Some information may be obtained indirectly from these reports which throws light on certain characteristics of beneficiaries, such as data on type and size of benefit payments, duration, and distribution of benefit payments by industries. Data on the size and duration of benefit payments are examined in Chapter VII in connection with the discussion of adequacy of unemployment compensation benefits. Furthermore, a few States (notably California and Kansas) have conducted special studies of characteristics of benefit claimants.

<sup>41</sup> About 9 percent of the workers in Pennsylvania whose unemployment benefits were exhausted in June 1940 were accepted for general relief during that month. (Calculated from *Social Security Bulletin*, III (August 1940), 21, table 2, and State of Pennsylvania, Department of Public Assistance, Bureau of Research and Statistics, *Pennsylvania Public Assistance Statistics* (June 1940), 9, table 2.

pending receipt of their first week's unemployment compensation benefit. Moreover, some found their benefits under unemployment insurance so inadequate that they were forced to apply for general relief even while receiving unemployment compensation.<sup>42</sup> However, it is impossible to say to what extent earnings from covered employment, which were reflected in the benefits received by these workers, were the principal form of income upon which they usually depended.

The group receiving old-age and survivors insurance benefits was still very small in June 1940, and very few facts are known about their economic status. While, like unemployment insurance beneficiaries, they may be presumed to have had higher incomes than beneficiaries of the means-test programs, the wage records of workers contributing to the old-age and survivors insurance system indicate that some of these workers must be regarded as belonging to a low-income group.<sup>43</sup> It is estimated that about one-fourth of all workers with insured status at the end of 1939 had an average wage from covered employment of less than \$50 per month.<sup>44</sup>

However, this evidence cannot be interpreted to indicate that the workers covered under old-age and survivors insurance normally received these relatively low wages, because in many instances they may have had earnings from noncovered employment, the amount of which is not known. Indeed, it must be assumed that those workers who qualify for old-age benefits have normally had rather regular employment, in view of the earnings requirement to be met for benefit eligibility.<sup>45</sup>

#### Private Income of Public-Aid Families

Fulfilling the requirements of a means test does not necessarily imply complete dependence on public aid. A substantial proportion of public-aid families in 1930-40 obtained at least part of their income through their own efforts and received public aid as a supplement to other resources.<sup>46</sup> Income other than that

<sup>42</sup> A study made in the Detroit area for the period of July-December 1937 found that over 30 percent of the unemployment compensation beneficiaries were obliged to obtain public assistance. (See Creamer, Daniel and Wellman, Arthur C., "Adequacy of Unemployment Benefits in the Detroit Area During the 1938 Recession," *Social Security Bulletin*, III (November 1940), 8, table 5.)

<sup>43</sup> The average taxable wage per worker covered by old-age insurance during 1937 was \$890. Workers earning less than \$500 in that year constituted 39 percent of all the workers, while those earning less than \$1,000 represented 63 percent of the workers. (Wasserman, Max J., and Arnold, John R., "Old-Age Insurance: Covered Workers and Average and Median Taxable Wages in 1937," *Social Security Bulletin*, II (April 1939), 3-8.)

<sup>44</sup> See ch. VII.

<sup>45</sup> For a more detailed discussion, see ch. VIII.

<sup>46</sup> Data in this and subsequent sections of this chapter do not include the social insurances unless so specified because of the above-mentioned lack of direct information on the extent of private resources and other characteristics of beneficiaries.

from public aid was derived in the main from private employment and to some extent from contributions of friends and relatives.<sup>47</sup>

Full dependence on public aid appears to have been much less prevalent among rural than among urban relief families. A survey of rural relief cases in 138 representative counties conducted as of October 1935 found that 29 percent of the 44,000 cases included farmers or other persons employed on their own account, while an additional 12 percent had at least one member employed for wages for 1 week or more during the month. However, even when employment was nearly full-time, it was insufficient to meet budgetary needs and required supplementation by public aid.<sup>48</sup> That the proportion of rural households which had some income in addition to relief was quite high in some counties is indicated by a study of a rural county in Wisconsin during September 1936<sup>49</sup> in which it was found that about three-fourths of all relief cases had some private income resulting from their own efforts. A study of general-relief households in Missouri for October 1938 indicates that, as shown in the following tabulation, the degree of dependence upon socially provided income (including general relief, commodities, and other public assistance) varied directly with the size of community:<sup>50</sup>

	<i>Public aid as percent of total income of relief families</i>
In the State as a whole.....	55.5
In communities of:	
100,000 and over.....	66.0
30,000-99,999.....	59.9
2,500-29,999.....	49.7
50-2,499.....	48.5
Less than 50:	
Farm.....	44.0
Nonfarm.....	49.1

The proportion of families entirely dependent on public aid differed from program to program largely because of differences in the types of families eligible. A study of a sample of 475 workers employed on WPA projects in Philadelphia during May 1938 indicated that 34 percent of their families had other forms of income, while 66 percent depended entirely upon WPA income. Eleven of the 34 percent with other income had private employment, and 23 percent received their income from other sources such as self-employment,

rooming houses, and contributions of relatives.<sup>51</sup> Of all persons accepted in the United States for old-age assistance during the years 1937-39, 73 percent had no other source of income, and 27 percent had other resources, of which contributions from relatives and friends were the most important. Of all persons accepted for aid to the blind during 1937-39, about 76 percent depended entirely upon public aid, and about 24 percent had other income.<sup>52</sup>

While need increased with the size of the family, a direct relationship appears to have existed between the size of the family and its opportunities for receiving outside income while on relief, since larger families generally contain more employable members. A study of general-relief families in Pennsylvania for May 1940 indicates a significant relationship between size of family and the proportion of total income derived from nonrelief sources. Families containing one to four members derived from 14 to 20 percent of their total income from other than relief sources; families with five or six members received 26 percent and 35 percent respectively; while families with seven or more members obtained 42 percent or more of their income from nonrelief sources.<sup>53</sup> A study of employable cases receiving general relief in 13 cities in May 1935 indicates that only 5 percent of one-person cases had some outside earnings, as contrasted with 16 percent of four-person families and with 28 percent of families containing eight or more members.<sup>54</sup>

The extent to which relief cases were dependent upon their relief income in comparison with other sources of income is also revealed by this study. Relief supplied more than half the income for about 60 percent of the cases which had nonrelief earnings.<sup>55</sup> Whereas 5 percent of the cases with other income derived more than 90 percent of their total income during May 1935 from relief agencies, 7 percent of the cases with other income received less than 10 percent of all income from such sources.

Thus it is evident that efforts towards self-support on the part of public-aid families are, in a number of instances at least, partially successful and those efforts go on simultaneously with the receipt of public-aid. All data, however, point to the fact that the income derived from nonrelief sources is irregular and usually

<sup>47</sup> A study of 165,000 urban relief households in May 1934 showed that 18 percent of the families had one or more members receiving nonrelief earnings during the month covered. (Palmer, Gladys L., and Wood, Katherine D., *Urban Workers on Relief*, Works Progress Administration, Division of Social Research, Research Monograph IV, Washington, 1936, pt. 1, p. 61, table 31.) See also ch. VII.

<sup>48</sup> Mangus, A. R., *Changing Aspects of Rural Relief*, pp. 104-05.

<sup>49</sup> Wisconsin Public Welfare Department, *Public Assistance in a Wisconsin County During September 1936*, Madison, 1937, pp. 22-23.

<sup>50</sup> Derived from State Social Security Commission of Missouri, *Index of Public Assistance in Missouri*, II (March 1939), 91, table 35.

<sup>51</sup> Schwartz, S. S., *Current Family Income of WPA Workers*, Philadelphia County Board, Department of Public Assistance, 1938.

<sup>52</sup> *Social Data on Recipients of Public Assistance Accepted in 1937-1938 and Social Data on Recipients \* \* \* Accepted in 1938-1939*, pts. 1 and 3, p. 12, table 12.

<sup>53</sup> *Memorandum on the People Who Need Financial Assistance*, p. 141, table G-26.

<sup>54</sup> Baird, Enid and Brinton, Hugh P., *Average General Relief Benefits, 1935-1938*, Works Progress Administration, Divisions of Research and Statistics, Washington, 1940, p. 52, table 22.

<sup>55</sup> *Ibid.*, p. 53, table 23.

insignificant for a majority of such families and that public aid is the major source of income.

### Size and Composition of Households

As the preceding section has made clear, the size of a family and the number of its employable members have definite effects upon its economic status and hence upon its need for public aid.

#### Size

Among the households benefiting from public aid in 1930-40, there were higher proportions of both large families and single-person households than in the population as a whole. As just pointed out, in general it may be said that the larger the family the greater the need, even though more members are employable. On the other hand, single persons without support from relatives and entirely dependent on their own efforts for support are more apt to need aid than persons in families which pool their resources.

In October 1933, over two-fifths (41 percent) of all families receiving unemployment relief (exclusive of single-person households) had five or more members, whereas such families comprised only a third (33 percent) of those in the general population in 1930.<sup>56</sup> Large families were common among those receiving FSA loans, the average loan household in 1938 consisting of 5.1 persons.<sup>57</sup> On the other hand, the WPA program showed a distribution of families by size that was very similar to that of the general population. A survey of workers employed on WPA projects in February 1939 indicated that 33.5 percent came from families containing 5 or more persons.<sup>58</sup> For the most part, the special programs for the aged and the blind assisted small households.

While only 7.9 percent of the households in the general population in 1930 were one-person households, such families represented 13.1 percent of the unemployment relief cases in 1933.<sup>59</sup> A study of the urban population on relief in May 1934 found that the proportion of single-person households in the urban relief population (17.5 percent) was over twice their proportion in the total urban population (8 percent).<sup>60</sup> Single-person households were also disproportionately

represented on rural relief rolls. Of all rural cases receiving relief in June 1935, 9.9 percent were one-person households, while 7.7 percent of all rural households in the United States in 1930 consisted of persons living alone.<sup>61</sup>

A trend toward a further overrepresentation of single-person households in the public-aid population was evident in 1940. It is estimated on the basis of surveys in several States that, during the first half of that year, approximately 32 percent of the cases on general-relief rolls were single-person cases, as compared with 13.1 percent of single-person households in the relief population in 1933.<sup>62</sup> Single persons usually had to be cared for by general relief because workers with families were given preference in assignment to WPA projects, and single-person cases comprised a much smaller proportion of the WPA workers than of the recipients of general relief. (In spite of these limitations, 11 percent of the workers employed by the WPA in February 1939 were single-person cases.<sup>63</sup>) The proportion of unattached individuals on the youth programs was relatively small, since the age of the youth employed made it likely that most of them lived with their families.<sup>64</sup>

#### Proportion of "Normal" Families

The size of a family is not the only factor affecting its need for public aid. If a family does not consist of both husband and wife, with or without children, the likelihood of dependency on public aid, whether in the form of cash payments or services, may well be greater than if it were "normal" in structure, *i. e.*, containing both husband and wife.

There is evidence that the public-aid population contained a smaller proportion of "normal" families than the general population. The unemployment relief census of October 1933 found that 70 percent of all unemployment relief cases were "normal" families, as compared with 79 percent of all households in the general population in 1930.<sup>65</sup> Available data indicate

<sup>56</sup> Zimmerman, Carle C., and Whetten, Nathan L., *Rural Families on Relief*, Works Progress Administration, Division of Social Research, Research Monograph XVII, Washington, 1938, p. 36; and *Fifteenth Census of the United States: 1930, Population*, VI, pp. 14-15, table 20.

<sup>57</sup> *Memorandum on the People Who Need Financial Assistance*, p. 103, table G-13. The proportion of single-person cases in the general-relief load had increased from 11.5 percent of the total in July 1933 to 34.4 percent in June 1937. Thereafter the proportion decreased to 27 percent in February 1938 but rose again to 29 percent in June 1938. (Baird and Brinton, *op. cit.*, p. 35.)

<sup>58</sup> *Report on Progress of the WPA Program, June 30, 1939*, p. 102.

<sup>59</sup> From 3.2 to 4.6 percent of the CCC junior enrollees during each enrollment period between January 1, 1938, and April 1, 1940, were reported as not sending allotments home. (Civilian Conservation Corps, Quarterly Selection Reports covering the periods.)

<sup>60</sup> Federal Emergency Relief Administration, *Unemployment Relief Census, October 1933*, Report No. 3, Washington, 1935, p. 6; and Bureau of the Census, *Types of Families in the United States*, press release, Washington, August 5, 1935, p. 1.

<sup>54</sup> Adapted from Federal Emergency Relief Administration, *Unemployment Relief Census, October 1933*, Report No. 1, Washington, 1934, p. 11, table F; and *Fifteenth Census of the United States: 1930, Population*, VI, Washington, 1933, p. 7, table 4.

<sup>55</sup> Information supplied by Planning and Control Section, Rural Rehabilitation Division, Farm Security Administration.

<sup>56</sup> *Report on Progress of the WPA Program, June 30, 1939*, p. 103, table 40.

<sup>57</sup> Federal Emergency Relief Administration, *Unemployment Relief Census, October 1933*, Report No. 2, Washington, 1934, p. 16, table E; and *Fifteenth Census of the United States: 1930, Population*, VI, Washington, 1933, p. 7, table 4.

<sup>58</sup> Palmer and Wood, *op. cit.*, p. 8; and *Fifteenth Census of the United States: 1930, Population*, VI, p. 14, table 20.

that this underrepresentation of "normal" families in the public-aid population continued throughout the decade, varying from program to program. It is estimated by the Bureau of Public Assistance of the Social Security Board that only two-fifths of the general-relief cases in 1940 were "normal" families; about one-fifth of the unemployable cases were "normal" families, as compared to slightly more than one-half of the employable cases. No data are available concerning the family type of WPA workers. The aid-to-dependent-children program, of course, had a low percentage of "normal" families, only 15.6 percent of those accepted for aid during the fiscal year 1939 containing both husband and wife.<sup>66</sup> The exception to the general rule was the rural-rehabilitation program. Among all farm-operator households on the program in June 1935, 90 percent contained both husband and wife.<sup>67</sup>

**Number of Workers Per Family**

Perhaps even more important as a determinant of need for public aid than the size of the family or its general structure is the number of workers per family. This is readily apparent in view of the fact that the family is an economic as well as a social unit. Its economic opportunities are frequently determined by the number of workers it contains, since the chance that some member of the family will obtain a job is increased with the number available for work.<sup>68</sup>

A relatively large proportion of families needing aid were dependent on the earnings of a single worker. For example, a study of the families receiving aid from the Federal work programs in Pennsylvania in May 1936 found that one-half of all families containing from one to six persons had only one worker.<sup>69</sup>

There are definite indications that in 1937 public-aid families with at least one employable member had fewer workers per family than unemployed families not receiving public aid. The Unemployment Census of 1937 revealed that almost three-fifths (57 percent) of the "emergency workers" were the sole wage earners in their families. On the other hand, as the following tabulation shows, of the unemployed workers not in receipt of public aid, less than two-fifths were the sole workers in their families:<sup>70</sup>

Number of workers in family	Percent	
	Totally unemployed	Emergency workers
1.....	38.0	56.5
2.....	32.4	24.0
3.....	16.9	11.7
4 or more.....	12.7	7.8

**Physical Characteristics of Individuals**

The physical characteristics of individuals who benefited by public aid in 1930-40 which are pertinent to this study are age, race, sex, and health.

**Age**

Of all the characteristics of the persons in the public-aid population, perhaps none is of greater importance than age. It is the presence or absence of persons of working age that largely determines the dependent family's opportunity to derive income from private employment in the future. Even if a family contains a worker, the presence of a large number of persons of dependent ages may partially explain the need for public aid. Moreover, the age of the worker may often determine the relief family's access to private income, since the labor market is selective as to the age of the workers who are hired or laid off.

*Concentration in the youngest and oldest groups.*—An examination of the age composition of persons receiving governmental aid reveals a disproportionate representation of individuals in the age groups which ordinarily are less able to provide for themselves. There is a concentration of individuals in the youngest and the oldest age groups.

In the unemployment relief census of October 1933 it was found that about 42 percent of all persons in families receiving unemployment relief were under 16 years of age, whereas individuals in this age group comprised only about 31 percent of the total population in 1930:<sup>71</sup>

	Age				
	Under 16 years	16-24 years	25-44 years	45-64 years	65 years and over
1930 population.....	31.3	16.4	29.4	17.5	5.4
Unemployment relief population, October 1933.....	41.6	15.6	24.9	14.1	3.8

<sup>66</sup> *Social Data on Recipients \* \* \* Accepted in 1938-1939*, pt. 2, p. 14, table 11.

<sup>67</sup> Asch, Berta, and Mangus, A. R., *Farmers on Relief and Rehabilitation*, Works Progress Administration, Division of Social Research, Research Monograph VIII, Washington, 1937, p. 112.

<sup>68</sup> For indication of relationship between size of family and amount of nonrelief income, see the section on private income above.

<sup>69</sup> Pennsylvania Committee on Public Assistance and Relief, *The Relief Population of Pennsylvania*, 1936, p. 77, table 66.

<sup>70</sup> Computed from Census of Partial Employment, Unemployment, and Occupations: 1937, *United States Summary*, Washington, 1938, p. 12, table 9. Based on registrations of 6,688,515 persons who reported the

number of workers in their families. "Emergency workers" as used here include persons employed by the WPA, NYA, CCC, and other emergency work programs of the Federal Government.

<sup>71</sup> Federal Emergency Relief Administration, *Unemployment Relief Census, October 1933*, Report No. 1, p. 13, table G.

There are indications that overrepresentation of children has continued to be an outstanding characteristic of the public-aid population in subsequent years. The Social Security Board estimates that about two-fifths of the persons in general-relief households during 1940 were under 16 years of age.<sup>72</sup> The development of the aid-to-dependent-children program under the Social Security Act after 1936 no doubt resulted in an extension of aid to new groups of children.

It is apparent that the aged, too, comprised a much larger proportion of the public-aid population in 1940 than they did of the general population; namely, 7 percent.<sup>73</sup> While the total number of persons 65 years of age and over in all public-aid households cannot be ascertained, it is known that those cases receiving payments under the programs in which the establishment of old age was a condition of eligibility (old-age assistance, old-age and survivors insurance, and the railroad retirement system) accounted for 31 percent of the total of 6.9 million public-aid households or cases in June 1940.<sup>74</sup> The proportion which aged persons formed of the total number of individuals receiving public aid in this month would probably be somewhat lower because of the fact that old-age assistance cases are usually individuals, rather than families.<sup>75</sup> On the other hand, general-relief and WPA cases are usually families.<sup>76</sup> As against this must be set the fact that in some families receiving public aid, there were persons 65 years of age and over who were not receiving benefits from old-age assistance and the social insurances but were dependent upon some other type of aid which the family was receiving.<sup>77</sup> On

<sup>72</sup> *Memorandum on the People Who Need Financial Assistance*, p. 118, table G-15. Full information on the age distribution of persons in the households aided by the WPA program is not available.

<sup>73</sup> *Sixteenth Census of the United States: 1940*, Preliminary Release, Series P-5, No. 1, January 30, 1941, p. 4, table 3.

<sup>74</sup> Of the 6,893,000 households receiving public aid during this month, 1,967,000 were old-age assistance recipients. Of the 97,000 beneficiaries of old-age and survivors insurance, about 63,000 were 65 and over, while it is estimated that 113,000 of the 144,000 beneficiaries under railroad retirement legislation were in this age group. (Appendix 9, below; and *Annual Report of the Railroad Retirement Board for the Fiscal Year Ended June 30, 1940*, Washington, 1941, pp. 151, 156, 163.) It is not known how many other persons in the families of such beneficiaries might be 65 and over.

<sup>75</sup> Old-age assistance grants accounted for almost 2,000,000 of the 6,893,000 public-aid cases during this month, whereas the 1,355,000 general-relief cases accounted for about 4,200,000 persons and the households of the 1,734,000 WPA workers included about 6,460,000 persons.

<sup>76</sup> "The average general-relief case has about three persons as compared to an average of nearly four (3.76) persons in families of certified WPA workers." (*Report on Progress of the WPA Program, June 30, 1940*, pp. 93-94.)

<sup>77</sup> For example, the Social Security Board has estimated that about 4 percent of the persons in general-relief households were 65 years of age and over. (*Memorandum on the People Who Need Financial Assistance*, p. 79. See ch. III, p. 28, fn. 17, above.) This would mean that of the estimated 4,200,000 persons in general-relief households in June 1940, about 168,000 would be in this age group. The Work Projects Administration estimates that 1.3 percent of WPA employees in February 1940 were 65 and over. On the basis of earlier data, it has been estimated that about 34 percent of the 72,000 recipients of aid to the blind were in this age group. (*Social Data on Recipients* \* \* \* Accepted in 1937-1938, pt. 3, p. 24, table 20; and *Social Data on Recipients* \* \* \*

balance, however, it seems obvious that the percentage of persons 65 years of age and over in the public-aid population must have been much higher than their proportion in the general population.

Furthermore, the percentage of all persons in this age group receiving public aid (other than the social insurances) again indicates the high degree of dependency on publicly provided income resulting from old age. At least one-fourth (24 percent) of the total population aged 65 and over was estimated to be receiving old-age assistance in January 1940; in addition the Social Security Board estimates that between 6 and 7 percent received care from other public or private social programs, including general relief, work programs, public and private homes for the aged, private relief agencies, and aid to the blind.<sup>78</sup>

Analysis of the age distribution of the working population receiving aid reveals a predominance of workers in the economically disadvantaged age group over 44 years and the group under 25 years which, during the thirties, was handicapped by the lack of opportunity to acquire experience. It is estimated that in June 1940 about 60 percent of all the workers in the aided households were either under 25 years of age or over 44; the corresponding figure for the labor force as a whole was 40 percent. In addition to all of the youth employed on the CCC and the NYA out-of-school work program, it is estimated that about 25 percent of employable persons receiving general relief and about 13 percent of WPA workers on rolls in June 1940 were under 25 years of age. On the other hand, workers in the age group 45-64 years comprised over one-third of the employable persons on general relief and of workers on WPA rolls.<sup>79</sup>

In comparison, a study of FSA loan client families in 13 scattered States, showed that these families contained relatively many children but relatively few aged members. In 1940, 31.9 percent of all rural persons were under 16 years of age, while 41.6 percent of the members of standard loan families fell into this age group. In contrast 5.4 percent of all rural persons in 1940 were 65 years of age and over, but only 1.7 percent

Accepted in 1938-1939, pt. 3, p. 24, table 20.) No estimates have been made of persons 65 and over who were receiving unemployment compensation and railroad insurance benefits, but it is believed that the number was extremely small.

<sup>78</sup> *Memorandum on the People Who Need Financial Assistance*, p. 11.

<sup>79</sup> Public-aid estimates were obtained by combining estimated age distributions of employable persons on general relief and of WPA workers with the youth employed on the CCC and the NYA out-of-school work program. The distribution for the general-relief group was estimated by the Division of Public Assistance Research, Social Security Board. The age of WPA workers was estimated on the basis of unpublished data furnished by the Work Projects Administration. The estimates referred to in the text do not take into account FSA grant and loan clients and recipients of the three special assistances. Age distribution of the total labor force was calculated from *Sixteenth Census of the United States: 1940*, Preliminary Release, Series P-4, No. 3.

of the members of standard loan families in 1940 were in this age group.<sup>80</sup> These data reflect the tendency to select families with heads in the more productive age groups as the recipients of rural-rehabilitation loans.

*Factors affecting age distribution.*—As with most other characteristics of the recipients of public aid, the proportions in each age group fluctuate with changing economic conditions. In general, during periods of increasing unemployment and a rising volume of need, the age distribution of workers aided tends to become increasingly representative of the total labor supply. Hence, a much larger representation of aged heads of families may be expected at times when the total load is relatively low than at times when it is comparatively high. This is illustrated by an analysis of the changing age distribution of the WPA load from June 1936 to November 1937, a period mainly characterized by improved business conditions. During this 17-month period the median age of WPA workers increased from 40.3 to 42.4 years. (See Table 6.) The increase in the median age of workers during this period was affected by the greater rate of separations from the program of younger, as compared with older, workers as a result of increasing demand for workers in private industry.<sup>81</sup>

TABLE 6.—*Distribution of WPA workers by age groups, for selected months, 1936-40*

Age of workers	Percent of workers in—					
	June <sup>1</sup> 1936	November <sup>2</sup> 1937	February <sup>2</sup> 1939	November <sup>3</sup> 1939	February <sup>3</sup> 1940	November <sup>3</sup> 1940
All ages.....	100.0	100.0	100.0	100.0	100.0	100.0
Under 25 years.....	11.3	9.1	12.6	14.2	13.2	8.8
25-34 years.....	23.7	22.3	26.6	27.5	26.9	22.0
35-44 years.....	25.8	25.3	23.9	23.5	23.9	23.7
45-54 years.....	22.2	24.3	21.1	20.3	20.9	24.8
55-64 years.....	13.4	16.1	14.2	13.1	13.8	17.9
65 years and over.....	3.6	2.9	1.6	1.4	1.3	2.8
Median age.....	40.3	42.4	39.4	38.5	39.0	43.1

<sup>1</sup> Nassimbene, R., *Age of WPA Workers November 1937*, Works Progress Administration, Division of Social Research, Washington, 1938, p. 3, table 2.

<sup>2</sup> Work Projects Administration, *Report on Progress of the WPA Program, June 30, 1939*, Washington, 1939, p. 102; and unpublished information supplied by the Work Projects Administration.

<sup>3</sup> Unpublished estimates of the Division of Research, Work Projects Administration.

<sup>4</sup> Information from the Division of Research, Work Projects Administration, based on a special survey covering a national sample of over 18,000 WPA workers in November 1940.

<sup>80</sup> Calculated from *Sixteenth Census of the United States: 1940*, Preliminary Release, Series P-5, No. 9, May 9, 1941, tables 2 and 5; and U. S. Department of Agriculture, Bureau of Agricultural Economics, Preliminary releases on study of FSA standard loan clients, Washington, 1940.

<sup>81</sup> Several studies have indicated that the younger WPA workers find private employment at a faster rate than the older workers. See Works Progress Administration, Division of Social Research, *Survey of Workers Separated from WPA Employment in Eight Areas During the Second Quarter of 1936*, Research Bulletin Series IV, No. 3, Washington, 1937, p. 12; and Roberts, Verl E., *Survey of Workers Separated from Employment in Nine Areas, 1937*, Works Progress Administration, Division of Social Research, Special Report, Washington, 1938.

A comparison of the age distribution of WPA workers in November 1937 and February 1939 indicates the opposite effect of increasing unemployment on the age composition of the workers receiving aid. During this period public-aid rolls expanded rapidly, and in February 1939 the WPA load was near its peak.<sup>82</sup> The sharp increase in unemployment caused relatively more of the younger workers to seek public aid, and the median age of WPA workers decreased from 42.4 years in November 1937 to 39.4 years in February 1939. On the other hand, the rising volume of employment during 1939 and 1940 and especially after the expansion of the defense program in 1940 caused another increase in the median age of WPA workers to 43.1 years in November 1940.<sup>83</sup>

Change in administrative policies is another factor that may directly affect the age distribution of the dependent population. In this connection the age composition of WPA workers in November 1939 is particularly interesting, as data for that month reflect the effects of the initial removals from projects of those no longer eligible because of continuous employment on the program for 18 months or more.<sup>84</sup>

A survey of workers in 23 selected cities throws considerable light on the effects of this administrative change.<sup>85</sup> It has been estimated that the median age of all WPA workers decreased 0.9 years from February 1939 to November 1939, although a higher age median might have been expected as a result of the sharp decrease in the rolls. This lowering in the median age was due to the separation of many workers 45 years or older during July and August 1939. Consequently, the proportion of workers 45 years of age and over remaining on WPA rolls in November 1939 was 34.8 percent of the total, in comparison with 36.9 percent in February 1939, as shown in table 7.

The 18-months provision permitted the reassignment of workers who had been removed after a separation of 30 days. By February 1940 more than one-half (54.1 percent) of those separated in July and August

<sup>82</sup> In February 1939 the WPA employed about 2,900,000 workers as compared with 1,500,000 in November 1937 and 3,240,000 in November 1938. The data for February 1939 are used, since this is the month nearest the peak of WPA employment (November 1938) for which age data are available. (Work Projects Administration, Division of Statistics, *WPA Statistical Bulletin, July 1940*, Washington, 1940, pp. 3-4, table 1.)

<sup>83</sup> See table 6.

<sup>84</sup> More than 1,270,000 workers were separated from WPA rolls during July and August 1939. About 62 percent (or 783,000) of these separations were due to the 18-months rule, representing a third (33.2 percent) of the 2,358,179 workers employed on WPA projects as of July 5, 1939. (Calculated from Report on Progress of the WPA Program, June 30, 1940, pp. 40-42.)

<sup>85</sup> Work Projects Administration, Division of Research, *Workers Dropped from WPA in Accordance with the 18-Months Provision in the 1939 Relief Act*, Washington, 1940.

1939 had been reassigned.<sup>86</sup> Since their median age was higher than that of all WPA workers, an increase of one-half year in the median age occurred between November 1939 and February 1940.

The previous section on size and composition of households indicated that aided families contained proportionately fewer workers than families not receiving aid. The data on age tend to emphasize this point. Persons in dependent age groups (under 16 years and above 64 years) were very much overrepresented in the public-aid population, with a resultant underrepresentation of persons of working ages.

TABLE 7.—Effect of separations due to 18-months rule on age distribution of WPA project workers

Age of workers	Percent		
	Project workers, February 1939 <sup>1</sup>	Project workers, November 1939 <sup>2</sup>	Project workers separated owing to 18-months ruling during July and August 1939 <sup>3</sup>
All ages.....	100.0	100.0	100.0
Under 25 years.....	12.6	14.2	6.8
25-44 years.....	50.5	51.0	50.2
45-64 years.....	35.3	33.4	40.7
65 years and over.....	1.6	1.4	2.3
Median age.....	39.4	38.5	41.8

<sup>1</sup> Work Projects Administration, Division of Statistics, *WPA Statistical Bulletin, July 1939*, p. 55, table 43.

<sup>2</sup> Computed by the Division of Research, Work Projects Administration.

<sup>3</sup> Unpublished data from the Division of Research, Work Projects Administration.

## Race

A study of the racial composition of the public-aid population is important because the social and economic background and opportunities for employment differ widely for the several racial groups. Since no group within the population suffers more acutely during periods of economic depression than the Negro, and since relatively few Negroes are in the higher income brackets, it might reasonably be anticipated that they would be granted aid in greater proportions than whites.

The largely undifferentiated programs from 1933 to early 1935 gave aid to a higher proportion of Negroes than might be suggested by their proportion in the population. Negroes comprised about 10 percent of the total population of 1930 but 18 percent of the relief population in October 1933.<sup>87</sup> In January 1935 about 26 percent of all Negroes were receiving relief as compared to only 16 percent for all whites and other races.

<sup>86</sup> Work Projects Administration, Division of Research, *Effects of the 18-Months Provision (Section 16 (b)) of the 1939 Relief Act*, Washington, 1940.

<sup>87</sup> *Unemployment Relief Census, October 1933*, Report No. 1, p. 7; and *Fifteenth Census of the United States: 1930, Population, II*, Washington, 1933, p. 34, table 10.

This larger proportion of Negroes, however, was confined to urban areas. Forty percent of the Negro population was on the relief rolls in urban areas, as compared to 15 percent for white and other races. In rural areas, on the other hand, 15 percent of all Negroes and 17 percent of white and other races were receiving relief.<sup>88</sup> In the 15 cities with a Negro population of more than 50,000 in 1930, the proportion of Negroes on relief in October 1933 was several times that of the whites.<sup>89</sup> This condition was more pronounced in Northern than in Southern cities.<sup>90</sup> The relatively greater number of Negroes was also apparent among workers on relief in March 1935 and was again more noticeable in the North.<sup>91</sup> Rural Negroes were underrepresented on the relief rolls of the Eastern Cotton Area in February 1935, but they were greatly overrepresented in the Western Cotton Area. In both areas they were proportionately overrepresented in the small towns of 2,500 to 5,000 population.<sup>92</sup>

After the differentiation of programs in the middle of 1935, the racial distribution in the whole public-aid population is not available; it can only be deduced from an analysis of individual programs. Marked differences appear from program to program in the representation of Negroes among persons aided.

There were differences in the proportions of Negroes aided by the several Federal work programs. Negroes were employed on WPA projects in about the same

<sup>88</sup> 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. 11, table B-3.

<sup>89</sup> In Philadelphia, for example, 34.4 percent of all Negroes were on relief, as compared with 8.2 percent of all whites. Pittsburgh and Cleveland, with 43 percent of all Negroes on relief, showed the highest proportion; Richmond and Memphis, with 11 percent, showed the lowest. (Federal Emergency Relief Administration, *Unemployment Relief Census, October 1933*, Report No. 1, p. 8.)

An unpublished study made by Sava S. Schwartz for the Philadelphia County Board of Assistance, in November 1940, substantiates the relatively high proportion of publicly aided Negroes in urban centers. Negroes in Philadelphia represented 14 percent of the total population, while 46 percent of all cases and nearly 50 percent of persons receiving some type of public aid were Negroes. Negroes accounted for 54 percent of the general-relief rolls, 21 percent of the old-age assistance rolls, 23 percent of the blind pensioners, and 63 percent of families receiving aid to dependent children.

<sup>90</sup> In May 1934, "in most northern cities Negro families were on relief in about three times their proportion in the population of the city in 1930, while in most southern cities their proportion was twice or less than twice as high." (Palmer and Wood, *op. cit.*, p. 7.)

<sup>91</sup> In the large industrial States of the East and Middle West (Illinois, Indiana, Michigan, Missouri, New Jersey, New York, Ohio, and Pennsylvania), Negroes constituted approximately 5 percent of the gainful workers in 1930 but almost 14 percent of all the workers on relief in those States in March 1935. On the other hand, in the area comprising 15 Southern States and the District of Columbia, Negroes constituted approximately the same proportion of the relief workers in 1935 as of gainful workers in 1930. (Hauser, Philip M., *Workers on Relief in the United States in March 1935*, Works Progress Administration, Division of Social Research, Washington, 1938, vol. I, pp. 4-5.)

<sup>92</sup> Mangus, A. R., *The Rural Negro on Relief, February 1935*, Federal Emergency Relief Administration, Division of Research, Statistics and Finance. Research Bulletin H-3. Washington, 1935, *passim*.



proportion as they had constituted on FERA rolls.<sup>93</sup> The ratio was fairly constant in spite of evidence that a larger proportion of white than of Negro workers left to take jobs in private employment.<sup>94</sup> Negroes formed about the same proportion of youth in the NYA and CCC as in the population (around 11 percent in 1940).<sup>95</sup>

There are no comparable data concerning racial distribution for the general-relief program. However, the evidence in the tabulation below indicates a high representation of Negroes in the general-relief load of northern and western States, especially in large urban centers:

City	Percent of Negroes in—	
	Total population, 1940	General-relief cases, 1937
New York, N. Y.	6.4	21.7
Detroit, Mich.	9.3	31.8
Philadelphia, Pa.	13.0	44.2
Chicago, Ill.	8.3	25.0
St. Louis, Mo.	13.4	40.0
Wilmington, Del.	12.7	40.0
Baltimore, Md.	19.4	47.1

Sources: The estimated percentages of Negro population in 1940 are based on a preliminary tabulation of a 5-percent cross-section of the 1940 Census returns. Furthermore, the percentages given in the table refer to "nonwhite" rather than Negro population and this includes Mexicans who were classified with "other races" in the 1930 Census reports. These percentages are taken from Bureau of the Census, *Sixteenth Census of the United States: 1940*, Series P-5, No. 10, May 10, 1941, pp. 2, 5. Percentage of Negroes of all general-relief cases obtained from an unpublished study by Sava S. Schwartz for the Philadelphia County Board of Assistance.

An examination of the data for the recipients on the special-assistance programs indicates that in each of them there was a predominance of Negroes as compared to their proportion in the total population which fell within the potentially eligible group. Of the persons accepted for old-age assistance in 1937-39 in all States with approved plans, Negroes constituted 14 percent, while they represented 5.6 percent of all persons 65 years of age and over in 1930. For aid to the blind, the proportion of Negroes accepted was 23 percent, while they constituted only 16 percent of the

<sup>93</sup> Of the economic heads of families on relief in March 1935 nearly 15 percent were Negroes. (Hauser, *op. cit.*, vol. I, p. 102, table 19.) It was estimated by the WPA that in the early months of 1936, 15 percent of the workers were Negroes. About the same proportions were found in September 1937 (15.2 percent) and February 1939 (14.2 percent). (Work Projects Administration, unpublished data and *Report on Progress of the WPA Program, June 30, 1939*, p. 103, table 41.)

<sup>94</sup> An analysis of relief closings in 13 cities during October-December 1935 found a monthly reemployment rate of 3.5 for white workers and 1.4 for Negro workers. (Carmichael, F. L., and Nassimbene, R., *Changing Aspects of Urban Relief*, Works Progress Administration, Division of Research, Washington, 1939, p. 70, table 63.)

<sup>95</sup> A study of a 10-percent sample of NYA youth workers during the week ending February 25, 1939, found that 12 percent were Negroes. (*Characteristics of Youth Employed on NYA Work Projects*, p. 4.) In a survey of CCC enrollees in January 1937, 9 percent were found to be Negroes. (Calculated from data contained in *Annual Report of the Director of Emergency Conservation Work, Fiscal Year Ending June 30, 1937*, Washington, 1937, p. 35, table 6.) In February 1941, the CCC reported that the proportion of Negroes in the total junior enrollment was 10.9 percent.

blind population of 1930. For aid to dependent children, the proportion of Negro recipients accepted was 15 percent, while Negro children under 16 years of age represented only about 11 percent of all children in that age group in 1930. It must be emphasized that in none of the six southern States with approved plans in which the Negro population was heaviest in 1940 did acceptances represent as high a proportion as the representation of Negro children in the population.<sup>96</sup>

Of all clients accepted between 1935 and 1939 by the Farm Security Administration for standard rural-rehabilitation loans, Negroes accounted for nearly 13 percent. This proportion corresponds closely to the percentage represented by Negro farm operators of all farm operators in the United States.<sup>97</sup>

In contrast to the apparent overrepresentation of Negroes among the recipients of benefits and grants under the means-test programs, they were underrepresented in such programs as old-age and survivors insurance. Three major factors are responsible for this underrepresentation: a large number of Negroes are engaged in occupations which are excluded from coverage under the Social Security Act, especially agriculture and domestic service; the shorter life span of Negro workers causes relatively fewer Negroes to qualify for retirement benefits at age 65; and the low amounts of earnings from covered employment of Negro workers affect adversely the ability to qualify for benefits.<sup>98</sup>

Negro workers were also underrepresented in the unemployment compensation programs. Since almost two-thirds of all Negro gainful workers were engaged in agricultural and domestic service, the statutory exclusion of these industries from unemployment compensation systems affected them disproportionately. Furthermore, their lower wages made it more difficult for them to meet the earnings eligibility requirements for unemployment benefits.

In general, Negroes appeared to be overrepresented on public-aid programs, probably owing to: The relatively large proportion of Negroes among unskilled labor and domestic-service workers, both of which groups contributed heavily to the relief rolls; the lower wage scales of Negroes; the racial discrimination against them during lay-offs and reemployment; the

<sup>96</sup> Data in this paragraph from *Memorandum on the People Who Need Financial Assistance*, p. 42, table 19. Proportions of 1930 population are for States which had approved assistance plans in 1937-39. Preliminary estimates from the 1940 census show that the "nonwhite" proportion of the population 65 years and over was 5.9 percent in 1940. (Bureau of the Census, *Sixteenth Census of the United States: 1940*, Series P-5, No. 1, January 30, 1941, p. 4.)

<sup>97</sup> Information in this paragraph from Planning and Control Section, Rural Rehabilitation Division, Farm Security Administration. See also ch. IX.

<sup>98</sup> For an analysis of these factors, see Franklin, Charles L., "Characteristics and Taxable Wages of Negro Workers, 13 Selected Southern States, 1938," *Social Security Bulletin*, IV (March 1941), 21-31.

color bans among organized labor; and the relative instability of Negro family life.<sup>99</sup>

### Sex

In 1930 there were 102.5 males for every 100 females in the United States. In the relief population of October 1933 the excess of males over females was slightly greater, 103.4 males for every 100 females.<sup>1</sup>

Of more significance is the sex of the workers on relief as compared to the proportion of each sex in the gainfully occupied population in 1930. Women constituted a somewhat larger proportion of the workers on relief in March 1935 than of gainful workers in 1930 (28 percent as compared to 22 percent).<sup>2</sup> This disparity may be attributed in part to the entrance into the labor market of inexperienced women and the reentrance of women who had previously retired but whom necessity forced to seek employment.<sup>3</sup>

In March 1935 over 13 percent of the economic heads of employable families on relief were women. More recent data show that, except for the first few months of the operation of the WPA when relatively few women were employed owing to the predominance of construction projects, women constituted from 13 to 18 percent of the WPA load.<sup>4</sup> This indicates that women were probably somewhat overrepresented in comparison with their ratio as economic heads of families on relief in March 1935 and with the proportion of women heads of families in the population in 1930 (12.7 percent).<sup>5</sup>

Women constituted the more permanent portion of WPA rolls. Monthly separation data for the year ending June 1939 show that women were separated from projects at a rate which varied from 3.3 to 9.2 percent of all women employed on the program as compared to rates of 6.3 to 12.6 percent for men.<sup>6</sup> Furthermore, their rate of voluntary separation was disproportionately low. During 1939 and the first 4

months of 1940, women constituted less than 10 percent of all voluntary separations in each month while their proportion on the program ranged from 13.0 to 16.6 percent.<sup>7</sup> The proportion of male to female workers in the general-relief population appears to have decreased sharply after the creation of the WPA in July 1935.<sup>8</sup>

More than 90 percent of all rehabilitation loan clients in June 1935 were males.<sup>9</sup> The youth programs aided more males than females, primarily because employment in the CCC was confined to male youth. The NYA out-of-school work projects, which employed youth of both sexes, aided a somewhat larger proportion of males than females.<sup>10</sup>

From the data available it would appear that the sex ratio for the public-aid population did not differ greatly from that in the general population. It is significant, however, that the proportion of females among workers on relief was greater than their proportion in the total labor supply. Since, on the whole, women are relatively disadvantaged in the labor market, their dependence on public aid is likely to present a more permanent problem than is the dependence of men.

### Health

In a population which recent studies have found generally to be suffering from the effects of ill health and disability to a much greater extent than had been commonly supposed,<sup>11</sup> the incidence of such handicaps is conspicuously higher in the lowest income groups (and particularly in the portion of the population receiving public aid) than in the general population. Illness and disability have frequently been pointed to as significant causes of need for public aid. No doubt they are; but with low economic status and ill health, cause and effect are frequently difficult to distinguish. Ill health results in lowering of economic resources either through the unemployment of the breadwinner or depletion of earnings to care for another member of the family; on the other hand, inadequate income causes or aggravates ill health because of inability to provide proper prevention or care. These unfortunate economic and physical phenomena react upon each other.

<sup>7</sup> Work Projects Administration, Division of Statistics, *WPA Statistical Bulletin, May 1940*, Washington, 1940, pp. 9 and 11, tables 7 and 9.

<sup>8</sup> *Memorandum on the People Who Need Financial Assistance*, p. 125 table G-16.

<sup>9</sup> Asch and Mangus, *op. cit.*, p. 110.

<sup>10</sup> In June 1940, 56 percent of the project youth were males and 44 percent were females. About the same ratio existed from January 1939. (Monthly statistics of the Division of Finance and Statistics, National Youth Administration.)

<sup>11</sup> Most of the data here presented are based upon the National Health Survey of 1935-36 conducted by the U. S. Public Health Service. This survey included a house-to-house canvass of some 800,000 families, including 2,800,000 persons, in 84 cities and 23 rural areas in 19 States.

<sup>99</sup> Smith, *op. cit.*, pp. 13-14.

<sup>1</sup> Federal Emergency Relief Administration, *Unemployment Relief Census, October 1933*, Report No. 1, p. 17, table K.

<sup>2</sup> In 1940 women constituted about 24.3 percent of the total labor force. (Calculated from *Sixteenth Census of the United States: 1940*, Series P-4, No. 2, January 23, 1941, table 4.)

<sup>3</sup> Hauser, Philip M., "Workers on the Public Unemployment Relief Rolls in the United States, March 1935," in *Monthly Report of the Federal Emergency Relief Administration, April 1 Through April 30, 1936*, Washington, 1936, p. 6, table A-1 and footnote 9.

<sup>4</sup> *Report on Progress of the WPA Program, June 30, 1939*, p. 91.

<sup>5</sup> Hauser, Philip M., *Workers on Relief in the United States in March 1935*, vol. I, p. 29, table 35. The proportion of women heads of families in the total population is calculated from the *Fifteenth Census of the United States: 1930, Population*, VI, p. 27, table 35. Data for the census in 1930 are not strictly comparable with data from the 1935 census of workers on relief, since women heads of families in the general population may not necessarily be economic heads.

<sup>6</sup> *Report on Progress of the WPA Program, June 30, 1939*, p. 98. This year was selected for analysis, since it was not affected by the 18-month rule.

The data of the National Health Survey of 1935-36 illustrate this point in several ways.<sup>12</sup> It was found that 1 in 250 family heads in the income groups receiving \$3,000 a year or more was not seeking work because of chronic disability. In non-public-aid families with incomes under \$1,000 the ratio was 1 in 33, while in public-aid families 1 in every 20 family heads was unable to seek work because of chronic disability.

A similar situation prevails when a comparison is made of all workers in public-aid and non-public-aid families. On the day of the canvass in the National Health Survey, 45 out of every 1,000 workers in families receiving public aid were found to be suffering from disabling illness,<sup>13</sup> 24 per 1,000 workers in non-public-aid families with incomes of less than \$1,000, and less than 18 per 1,000 workers in families with incomes of \$2,000 or more.

The higher concentration of illness in public-aid families was not confined to the workers but was equally true of the entire family. The rate of disabling illness, acute or chronic, in public-aid households during a 12-month period was 234 per 1,000 persons, while in nonrelief families with an annual income under \$1,000 it was 174, and in families receiving incomes of \$3,000 a year or more it was 149 per 1,000 persons.<sup>14</sup>

Not only did families receiving public aid experience more frequent illness during a year than their more fortunate neighbors, but their illnesses were, on the average, of longer duration. Thus the average case of disabling chronic illness among persons in public-aid households was 63 percent longer in duration than the average case in the groups with incomes of \$3,000 and over. Coupled with the higher frequency of chronic illness in the aided group, this gave rise to an annual per capita volume of disability in this group that was three times as great as among the upper-income families—11.9 days as compared with 3.9 days per person.<sup>15</sup>

<sup>12</sup> U. S. Public Health Service, *Illness and Medical Care in Relation to Economic Status*, The National Health Survey: 1935-1936, Bulletin No. 2, Washington, 1938, pp. 2-4.

<sup>13</sup> Defined as any disease, accident, or impairment which prevented an individual from working, seeking work, or otherwise pursuing his regular activity. Only the families of white male workers in the age group 15-64 were included. (U. S. Public Health Service, *Illness Among Employed and Unemployed Workers*, The National Health Survey: 1935-36, Bulletin No. 7, Washington, 1938, p. 6, table 2.)

<sup>14</sup> The frequency rate per 1,000 persons for families of all income groups, including relief families, was 234 for all illnesses. The rate for acute illnesses was 124, as compared with 163 for relief families. The rate for chronic illnesses for all groups was 48, as compared with 71 for relief families. A broad classification of acute and chronic diseases was used, diseases whose symptoms were less than 3 months in duration being classified as acute and those with symptoms of 3 months' duration or longer being designated as chronic. (U. S. Public Health Service, *Illness and Medical Care in Relation to Economic Status*, p. 2, table 1.)

<sup>15</sup> *Ibid.*, p. 3.

Sixty-one percent of all permanently disabled cases observed in this survey occurred in the public-aid and marginal income classes, which included only 38 percent of the canvassed population.<sup>16</sup>

Data from public-aid agencies corroborate the findings of the National Health Survey on the heavy incidence of disability in the public-aid population. In May 1934, the FERA undertook a house-to-house survey of more than 165,000 relief families living in 79 cities. Of the 450,000 persons 16 years of age and over enumerated in those cities, 21 percent reported a serious physical or mental disability. To ascertain the possible extent of over- or understatement, some 3,342 individuals in Chicago who were included in the canvass were given medical examinations. Of these, 20 percent were found to be seriously handicapped, whereas less than 17 percent had reported themselves as handicapped. In all probability, therefore, the 21 percent reported for the total was an understatement of the proportion of seriously handicapped persons of working age among dependent groups.<sup>17</sup>

More recent local studies, undertaken since the specialized programs were separated from general relief, indicate that the role of disability in the general-relief problem became even more significant. A survey in Baltimore showed that 50 percent of the cases accepted for general relief during the second half of 1937 were forced to seek aid because of physical or mental disability of the family head, and about 30 percent were accepted because of "industrial problems," mainly unemployment.<sup>18</sup> Even in 1938, when the number of unemployed increased sharply and 50 percent of all cases were accepted because of unemployment, the same agency found that disability accounted for as high as 35 percent of all cases accepted.<sup>19</sup> Thus it may be concluded that, although its relative importance varies with general employment conditions, ill health is always an important cause of dependency.

A survey in the State of Missouri<sup>20</sup> in October 1938 also revealed that 30 percent of the cases accepted for general relief needed aid because of illness or accident

<sup>16</sup> Perrott, George St. J., and Holland, Dorothy F., "Health as an Element in Social Security." *The Annals of the American Academy of Political and Social Science*, CCII (March 1939), 121.

<sup>17</sup> Perrott, George St. J., and Griffin, Helen C., "An Inventory of the Serious Disabilities of the Urban Relief Population," *The Milbank Memorial Fund Quarterly*, XIV (July 1936), 213, 216-17.

<sup>18</sup> Baltimore Department of Public Welfare, *Third Annual Report*, 1937, pp. 96-99. Of the total of 4,418 cases, 2,185 were physically and mentally disabled, and of the 1,348 cases who had "industrial problems," 1,135 were unemployed.

<sup>19</sup> Baltimore Department of Public Welfare, *Fourth Annual Report*, 1938, pp. 87 and 90. Of the total 10,213 cases, 3,547 were physically or mentally disabled, and 5,103 were unemployed.

<sup>20</sup> State Social Security Commission of Missouri, *Index of Public Assistance in Missouri*, II (January 1939), 15, table 16.

disabling the wage earner. Local studies indicate a similar prevalence of ill health as a cause of need.<sup>21</sup>

Close to a fourth (22.7 percent) of all cases accepted for old-age assistance during the fiscal year 1938-39 were receiving medical care or supervision at the time of acceptance.<sup>22</sup> How many additional cases needed such care but were not receiving it is not known. Of all children accepted for aid to dependent children during the fiscal year 1939, the reason for dependency was reported in 24.2 percent of the cases as the physical or mental incapacity of one of the parents.<sup>23</sup>

The evidence makes it clear that the public-aid population is significantly ridden with disabling illness and that illness is an important cause of dependency in a large number of cases. Moreover, the rate of disability and illness is very much more severe in this group than in the population as a whole.

### Occupational and Industrial Characteristics

Analysis of the occupational and industrial characteristics of workers in the public-aid population is rendered difficult by the differing availability of the various programs at various times during the period studied and by the absence of comprehensive or comparable data concerning the beneficiaries of all programs.

<sup>21</sup> A study of a typical rural county in Wisconsin in September 1936 indicates that 22 percent of the cases receiving general relief were dependent primarily because of total or partial disability. Wisconsin Public Welfare Department, *Public Assistance in a Wisconsin County During September 1936*, Madison, p. 18, table 5, and p. 84, table A-X.

A study of home-relief recipients in Herkimer County, N. Y., during January 1939 revealed that over 39 percent of the cases needed aid primarily because of health conditions. (Herkimer County Public Welfare Committee of the State Charities Aid Association, *Public Welfare in Herkimer County*, p. 45, table E.)

A survey in Buffalo, N. Y., for June 30, 1937, showed 27 percent of general-relief cases in need because of illness or disability. (Emergency Relief Bureau of Buffalo, *Thirty-Three Thousand on Relief, 1937*, p. 1.)

An analysis in May 1937 of the unemployable portion of the general-relief load in Chicago (which constituted 38 percent of the total average monthly case load) showed that "persons with mental or physical disabilities formed 47.1 percent of the total number of unemployables. Of the 22,729 disabled persons, 9,024 or 39.7 percent were reported to be permanently disabled. Only 1,711 or 7.5 percent had temporary disabilities curable within six months, and 11,994 or 52.8 percent had disabilities which would last over six months or an indeterminate time." (State of Illinois, *Biennial Report of the Illinois Emergency Relief Commission, Covering the Period July 1, 1936, through June 30, 1938*, Chicago, 1939, p. 87.)

A study for the State of Pennsylvania during May 1935 based on a sample survey of urban relief cases showed that "22 percent of all relief persons \* \* \* 16 years of age and older reported handicaps which they considered serious. In the age groups 16-64 years, 11 percent of unemployed persons on relief or nonrelief work had disabilities; 14 percent seeking work had disabilities; 60 percent of those not seeking work had disabilities. In the age group of 65 or over, 70 percent reported serious physical or mental disabilities." (Pennsylvania Committee on Public Assistance and Relief, *Medical Care in the Public Assistance Program of Pennsylvania, 1937*, p. 42.)

<sup>22</sup> *Social Data on Recipients \* \* \* Accepted in 1938-1939*, pt. 1, p. 23, table 18.

<sup>23</sup> *Ibid.*, pt. 2, p. 12, table 10. In an additional 32.3 percent of the cases the reason given was death of both of the parents.

The nearest approximation to a comprehensive analysis of the occupational characteristics of workers receiving public aid is provided by the census of workers on relief made in March 1935. At that time the FERA program embraced practically all workers who were receiving public aid, although the census excluded persons receiving relief under the special FERA programs for transients, drought relief, student aid, and the like. A second census was taken in January 1936 of the usual occupations of workers eligible for project employment. This census is not, however, directly comparable with that of 1935. It included transients and persons employed under the emergency education program, who were excluded from the earlier census. It related only to workers certified for works-program employment, whereas the earlier census included all families with one or more workers which received unemployment relief.<sup>24</sup> Since 1936, information concerning occupational characteristics is available only in relation to the beneficiaries of specific programs and especially the WPA. Data based on an analysis of the industrial and occupational characteristics of WPA workers cannot be regarded as representative of all workers receiving public aid or compared with information derived from the two censuses for at least two reasons. Firstly, the WPA during the period studied gave first priority ranking in assignments to economic heads of households whose industrial experience, as can be seen from table 8 below, differed significantly from that of all workers on relief or certified for project employment. Secondly, the diversification of programs tended to segregate groups of workers included in the earlier censuses whose experience sharply differed from that of WPA workers. Thus the youth programs drew off a large proportion of inexperienced workers, while the unemployment compensation program added to the public-aid population a group of workers whose industrial experience was likely to be more similar to that of all employed workers than to that of project workers. The first of these difficulties can be overcome to some extent because the 1936 census supplied

<sup>24</sup> The census of March 1935 (Hauser, Philip M., *Workers on Relief in the United States in March 1935*, Works Progress Administration, Division of Social Research, Washington, 1938) included all families with one or more workers which received public unemployment relief during the month of March 1935 under the general-relief program jointly undertaken by the States and the Federal Emergency Relief Administration. Persons who received relief only under the special programs of the FERA (transients, rural rehabilitation, emergency education, college-student aid, surplus commodities, and drought relief) were not included.

The census of January 15, 1936 (Works Progress Administration, Division of Social Research, *Usual Occupations of Workers Eligible for Works Program Employment in the United States, January 15, 1936*, Washington, 1937) included all workers certified for works program employment, including transients and those formerly employed under the emergency education program. It also included all workers 65 years of age and over, who were excluded from the 1935 census.

information regarding heads of families which makes possible comparisons with later data relating to WPA workers. The second cannot so easily be removed because of the paucity of data concerning the occupational characteristics of persons on the other programs.<sup>25</sup> The following discussion must therefore be read with these qualifications in mind.

### Occupational Characteristics of Workers

It might be expected that workers in occupations which offer the least security in terms of tenure or income would be most highly represented on public-aid rolls. This was shown to be the case by the censuses of March 1935 and January 1936. Later studies of WPA workers tend to confirm this general conclusion.

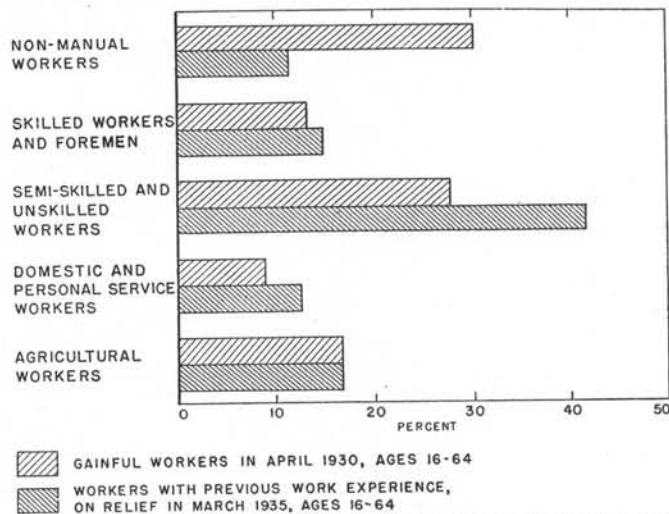
*Workers on relief in 1935.*—In comparison with the distribution of the gainfully occupied workers in the general population in 1930, the less skilled occupations were greatly overrepresented among the workers on relief in 1935.<sup>26</sup> Considerably larger proportions were semiskilled, unskilled, and domestic and personal service workers, and correspondingly smaller proportions were nonmanual workers. As shown in Figure 14, nonmanual workers included professional and technical workers, proprietors, managers, and officials (except in agriculture), office workers, and sales and kindred workers. Skilled workers were slightly overrepresented. As a whole, there was about as high a proportion of agricul-

<sup>25</sup> No information is available concerning the occupations of CCC enrollees who are known to have had some work experience, although in view of the age of the group it is probable that the vast majority were unskilled workers. The bulk of the work experience that NYA youth had obtained was of an unskilled nature. (National Youth Administration, *Annual Report for the Year Ending June 30, 1940*, Washington, 1940, p. 21.) Very little is known of the occupational characteristics of workers receiving general relief. There is some evidence to suggest that the proportion of experienced workers in nonmanual occupational groups receiving general relief showed a marked decline between 1935 and 1940. On the other hand, the proportion of manual workers not in agriculture was apparently much larger in 1940 than it was in 1935. Skilled workers are believed to have been represented in 1940 in about the same proportion as in 1935. The bulk of the employables on general relief in 1940 (approximately two-thirds) appeared to fall within the unskilled and semiskilled occupational groups. This is a considerably higher proportion than the 51 percent of the emergency workers in 1937 who were classified in the unskilled and semiskilled categories. (Data from *Memorandum on the People Who Need Financial Assistance*, p. 15, table G-10.) For the limited data available concerning unemployment compensation beneficiaries, see above footnote 40, p. 110.

<sup>26</sup> A "worker" was any person 16 through 64 years of age, on relief, who was working or seeking work, except an adult needed at home to care for dependents under 16 years of age.

"Usual occupation" was defined as that occupation at which the person worked longest during the 10 years preceding this census. If the person worked approximately the same length of time at two or more occupations, the one at which he worked last was given. The occupational classifications also included persons whose sole work experience had been obtained on work-relief projects or some other type of emergency employment work, such as that provided by the CWA or the CCC. (Hauser, Philip M., *Workers on Relief in the United States in March 1935*, vol. I, p. 42.) A similar definition of "usual occupation" was adopted in the 1936 census.

WORKERS WITH PREVIOUS WORK EXPERIENCE, ON RELIEF IN MARCH 1935, AND GAINFUL WORKERS IN APRIL 1930, BY CLASS OF OCCUPATION



Source: Hauser, Philip M., *Workers on Relief in the United States in March 1935*, Division of Social Research, Works Progress Administration, Vol. I, Washington, 1938, p. 7, table 10; non-manual workers include professional and technical workers, proprietors, managers, and officials (except in agriculture), office workers, sales, and kindred workers; agricultural workers include farm operators and farm laborers.

Figure 14

tural workers on relief as in the general population, although farm laborers were slightly overrepresented and farm operators were somewhat underrepresented.<sup>27</sup>

The greatest overrepresentation was noted among semiskilled and unskilled workers. It was particularly marked in the age group 45-64 years. More than two-fifths of this group (or 12 percent of all experienced workers on relief in 1935), handicapped by a combination of advanced age and lack of skill, were most seriously disadvantaged in their search for work.<sup>28</sup>

The occupational distributions of the different racial groups on relief in 1935 largely reflected the occupational stratification of the white and Negro races in 1930. There were relatively more whites than Negroes on relief rolls in nonmanual and skilled occupations and relatively more Negroes in domestic and personal service groups.<sup>29</sup> (See Figure 15.) The proportion of Negroes with agricultural occupations, however, was smaller

<sup>27</sup> The fact that persons without work experience within the preceding 10 years were excluded from this comparison, owing to differences in definitions, tends to understate the relative weight of unskilled workers on relief. (*Ibid.*, vol. I, p. 36, table 44.) For definition of "inexperienced worker," see the section below on previous experience.

<sup>28</sup> *Ibid.*, vol. I, p. 11.

<sup>29</sup> About 77 percent of Negro workers on relief were in semiskilled, unskilled, and domestic and personal service occupations, as compared with approximately 50 percent of white workers (*Ibid.*, vol. I, p. 12, table 12).

WORKERS WITH PREVIOUS WORK EXPERIENCE, ON RELIEF IN MARCH 1935, AND GAINFUL WORKERS IN APRIL 1930, BY CLASS OF OCCUPATION AND COLOR

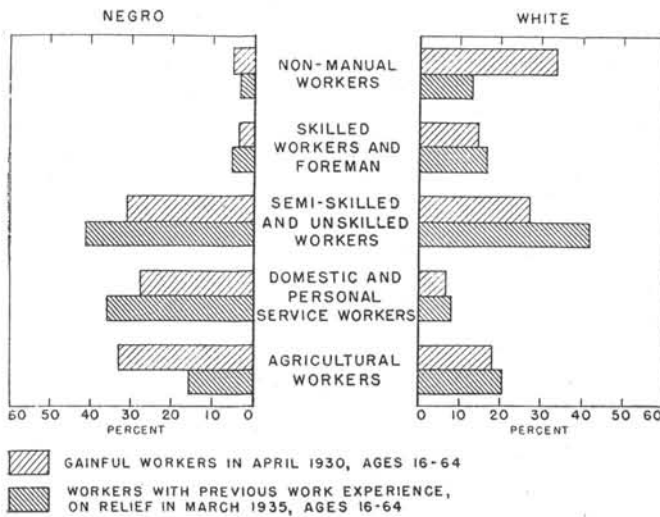


Figure 15

than among gainful workers in 1930, reflecting the low representation of the Negro on rural relief rolls.

Relatively more male than female relief workers in 1935 were in skilled and agricultural occupations, and relatively more females than males were in nonmanual and domestic and personal service occupations.<sup>30</sup> This reflected sex differences in the occupational distribution of the working population as a whole.

*Workers eligible for project employment in 1936.*—For the various reasons given above, the results of the 1936 census are not directly comparable with those of the census of 1935. Nevertheless, comparison of Figure 14 with Table 8 shows that, when allowance is made for the inclusion of inexperienced workers and other differences, there was again a relative overrepresentation of unskilled and semiskilled workers and an underrepresentation of white-collar workers, as compared to the occupational distribution of the gainfully occupied population in 1930.

*WPA Workers.*—Although, as already indicated, no comprehensive analyses of the usual occupations of workers on relief have been made since 1936, available evidence suggests that the occupational status of workers had not changed markedly by June 1940.<sup>31</sup> A national sample survey of over 18,000 WPA workers made in No-

<sup>30</sup> Almost half of the female workers on relief in 1935 were engaged in domestic and personal service. (*Ibid.*, vol. I, p. 11, table 11.)

<sup>31</sup> See also ch. IX.

TABLE 8.—Usual occupations of all workers and of economic heads of families eligible for work program employment, January 15, 1936, percentage distribution

Usual occupation	All eligible workers	Economic heads		
		Total	Male	Female
Total	100.0	100.0	100.0	100.0
White collar	9.9	10.9	9.3	18.7
Professional and technical	1.8	2.2	1.6	5.8
Proprietors, managers, and officials (except in agriculture)	1.5	1.9	2.1	.6
Office workers	3.7	3.9	2.1	8.2
Salesmen and kindred workers	2.9	2.9	2.7	4.1
Skilled workers and foremen	11.2	14.8	17.5	.3
Building and construction industry	7.5	10.0	11.9	.3
Manufacturing and other industries	3.7	4.8	5.6	.3
Semiskilled workers	21.0	23.9	24.4	21.3
Unskilled and kindred workers	31.5	33.8	33.7	34.4
Laborers (except in agriculture)	15.0	18.3	21.4	1.3
Farm laborers	6.8	7.2	8.1	2.3
Domestic and personal service	9.7	8.3	4.2	30.8
Inexperienced	13.1	3.7	1.5	15.5
Farm operators, (including foremen, managers and overseers)	4.8	6.4	7.4	.5
Unknown	8.5	6.5	6.0	9.3

Source: Works Progress Administration, Division of Social Research, *Usual Occupations of Workers Eligible for Work Program Employment in the United States, January 15, 1936*, Washington, January 1937, pp. 6 and 7, table 1.

ember 1940 revealed a percentage distribution of experienced workers by class of usual occupation which did not differ essentially from that ascertained by the Nation-wide survey of economic heads of families certified as eligible for work programs as of January 15, 1936, as shown in Table 9.<sup>32</sup>

TABLE 9.—Usual occupations of persons employed on work programs, January 1936 and November 1940

Usual occupation prior to certification	Economic heads of families, January 1936 <sup>1</sup>	WPA workers, <sup>2</sup> November 1940
Total	100.0	100.0
Nonmanual occupations	12.2	15.6
Skilled occupations	16.5	19.5
Semiskilled occupations	26.6	26.1
Unskilled occupations	20.4	17.4
Domestic and personal service	9.3	7.1
Agricultural occupations	15.0	13.7
Others	.....	.6

<sup>1</sup> The percentages in this column will necessarily vary from those in column 2 of Table 7 because the present total excludes workers without previous work experience and those whose occupations were unknown. Data from Works Progress Administration, Division of Social Research, *Usual Occupations of Workers Eligible for Work Program Employment in the United States, January 15, 1936*, pp. 6-7, table 1. This survey covered 4,405,002 economic heads of families certified as eligible for employment on work programs. Of these, 162,096 persons had no work experience in private industry in the past 10 years and the occupations of 286,161 others were unknown.

<sup>2</sup> Information from the Division of Research, Work Projects Administration, based on a survey covering a national sample of about 1 percent of a weekly average of 1,771,000 WPA workers employed during November 1940.

Extent or Lack of Previous Work Experience.

At all times the group of workers receiving public aid has included a certain proportion of inexperienced persons.<sup>33</sup> In 1935, persons without work experience

<sup>32</sup> 90 percent of the WPA workers surveyed in November 1940 had had work experience in private industry in the preceding 10 years.

<sup>33</sup> Both the 1935 and the 1936 enumerations defined inexperienced workers as persons who performed no gainful work of any kind during the 10 years preceding the count. Housewives and housekeepers working in their own homes and girls performing household tasks in their own homes but who were seeking work were classified as "inexperienced"

in the preceding 10 years constituted 15.5 percent of all workers in relief households. In 1936 the proportion of inexperienced workers among those eligible for work-program employment was 13.1 percent, although the proportion among economic heads of households in that period was only 3.7 percent. (See table 8.) The high proportion of women among inexperienced persons (women comprised over 68 percent of all inexperienced workers, and about 65 percent of the inexperienced heads of families, while 15.5 percent of all female economic heads were inexperienced as against only 1.5 percent of males), would suggest that a great many women were new entrants or persons who were forced by adverse economic conditions to return to the labor market after a long absence. As might be expected too, young people between the ages of 16 and 24 years, inclusive, also accounted for a large proportion (some 63 percent) of all inexperienced workers.

Since 1936 no comparable data regarding the extent of inexperienced persons among workers in receipt of public aid is available. As already pointed out, information regarding the WPA workers is comparable only with data relating to heads of households in the 1936 census. Unfortunately too, the definition of an experienced worker adopted in the 1940 sample of WPA workers, which indicated that 9.4 percent of all WPA workers were inexperienced, differed sharply from that adopted in the 1935 and 1936 enumerations. In general, however, it might be expected that, on the basis of the definitions used in 1935 and 1936, the proportion of inexperienced workers on WPA would be smaller in 1940 than in the earlier years because of the development of aid-to-dependent children and the special programs for youth. These measures provided for the two groups (women and young people) who, as shown above, accounted for the largest proportion of inexperienced workers in the earlier years.

Over one-half of the out-of-school youth on the NYA program in February 1939 had had no previous work experience in private industry, while an additional 7 percent had secured their only work experience through employment on other government work programs, chiefly the CCC.<sup>34</sup> Similarly, from 65 to 68 percent of the youth enrolled in CCC in each of the enrollment periods between October 1939 and April 1940 had never had any paid work in private industry.<sup>35</sup>

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unless they worked outside their homes in the preceding 10-year period. Young persons seeking their first jobs, and older persons who might have returned to the labor market after a period of retirement, including the 10 years preceding the census, were also returned on the "inexperienced" category.

<sup>34</sup> Relatively more Negro than white youth had had experience in private industry, probably because they had been in the labor market longer. (*Characteristics of Youth Employed on NYA Work Projects*, p. 6.)

<sup>35</sup> Civilian Conservation Corps, *Quarterly Selection Reports*.

### Industrial Attachments of Workers on Relief

Relatively little comprehensive information is available concerning the industrial distribution of workers in the public-aid population. However, the census of 1935 makes possible a comparison of the industrial distributions of workers on relief (as defined in that study) and of workers in the general population in 1930. It also throws some light on the relative intensity with which workers in the several industrial groupings were affected by the depression. A greater percentage of the workers on relief in 1935 than of gainful workers in 1930 were normally attached to the manufacturing and mechanical industries, extraction of minerals, transportation and communication, and domestic and personal service industries. On the other hand, workers in the trade, public service, and professional service industries were conspicuously underrepresented on relief. Workers in agriculture, fishing, and forestry were on the relief rolls in proportions similar to those in which they appeared among all gainful workers in 1930.

Male workers attached to the manufacturing and mechanical and the transportation and communication industries showed the greatest overrepresentation on the relief rolls as compared to the proportion of all male workers in the gainfully occupied population in 1930 employed in these industries. In contrast, women formerly in domestic and personal service showed the highest overrepresentation on the relief rolls.<sup>36</sup>

### Differences between Work-Program Employees and other Unemployed

The comparison of occupational backgrounds of emergency workers and other unemployed workers afforded by the Census of Partial Employment, Unemployment, and Occupations in November 1937 indicated some differences between the two groups with regard to types of previous employment.<sup>37</sup> It revealed that non-manual workers were somewhat underrepresented among the persons registered as emergency workers (*i. e.*, those employed on projects of the WPA, NYA, CCC, and other work programs of the Federal Government), while manual workers were correspondingly overrepresented when compared to the occupational distribution of other workers registered as totally unemployed.

Although no later comparison covering all emergency workers is available, information relating only to WPA employees in November 1940 again indicated certain differences in comparison with the other unemployed.

<sup>36</sup> Cf. Hauser, Philip M., *Workers on Relief in the United States in March 1935*, vol. II, p. 4.

<sup>37</sup> Census of Partial Employment, Unemployment, and Occupations: 1937, *United States Summary*, vol. I, Washington, 1938, p. 5, table 4.

Among the sample of 18,000 WPA workers referred to above who had a usual occupation, about 19.5 percent were skilled; a cross-section of non-WPA unemployed workers showed that 16 percent were skilled. Semi-skilled workers accounted for 26.1 percent of WPA workers but only 22 percent of unemployed workers not employed on WPA, while the corresponding percentages for unskilled laborers were 22.6 and 20.5, respectively.

### Length of Separation from Private Employment

The length of time a worker has been unemployed is of significance because of its relationship to reemployment opportunities. Information as to the age and duration of unemployment of a worker may serve as a reasonably reliable index of his likelihood of obtaining employment.

The unemployment of workers receiving public aid is of considerably longer duration than that of the unemployed not receiving aid.<sup>38</sup> This follows from the fact that most unemployed workers do not seek relief immediately upon loss of a job but rather attempt to get along on other resources first.<sup>39</sup> Furthermore, the requirement of a means test in most programs signifies that a worker who may have some savings will probably be required to use up most of his resources, if not to exhaust them entirely, before becoming eligible for public aid.

Duration of unemployment is influenced not only by the age, sex, racial, and occupational characteristics of workers, but also by general economic conditions.

### Variations in Duration of Unemployment

A survey of 13 cities as of April 15, 1936 showed a wide variation in the length of separation from private em-

<sup>38</sup> The special survey of WPA workers and unemployed workers not on the work programs, made in November 1940, shows that on the average the WPA group (exclusive of those with no previous work experience in the preceding 10 years) had not had a full-time job in private or regular government employment for a period of from 4 to 5 years. It had been even longer since they had worked in private industry at their usual occupations. On the other hand, the unemployed who had not been on the WPA program (exclusive of persons without work experience in the preceding 10 years) had been out of work less than a year (median—9.3 months). Information from the Division of Research, Work Projects Administration.

The relatively long unemployment of workers on work programs is also apparent from a survey of workers employed on WPA, CCC, NYA, and emergency construction projects in three cities—Birmingham, Toledo, and San Francisco—in the spring of 1939. The median duration of unemployment for workers employed on these programs was 27 months in Birmingham, 18 months in Toledo, and 38 months in San Francisco. In contrast the median duration of unemployment for workers not on the work programs was 8 months, 6 months, and 6 months in the respective cities. (Webb, John N., and Bevis, Joseph C., *Facts About Unemployment*, Social Problems, No. 4, Works Projects Administration, Washington, 1940, p. 15.)

<sup>39</sup> According to a study of workers admitted to general relief in 13 large cities during February to May 1935, the median duration of unemployment before receipt of relief was 3.3 months. (See Carmichael and Nassimbene, *op. cit.*, p. 65, table 48.) For heads of rural relief cases in their first relief period in June 1935, the median period between loss of last job at usual occupation and accession to relief was 4.5 months. (Mangus, A. R., *Changing Aspects of Rural Relief*, p. 156.)

ployment among family heads employed on the work program, with a median duration of 40.6 months since the last job at the worker's usual occupation.<sup>40</sup> Another survey of workers who had been on the general-relief rolls and were transferred to WPA employment during the period October through December 1935 showed that such workers had been unemployed on an average for about 2 years (a median of 25 months) since their last regular job in private industry (not necessarily at their usual occupation).<sup>41</sup> At one extreme 23 percent had been unemployed for less than a year, while at the other extreme 24 percent had been unemployed for 4 years or more. One-eighth (13 percent) had not held a full-time job in private industry for 5 years or more.<sup>42</sup>

Data from the above study also revealed the relationship between duration of unemployment of workers who had been on general relief, and their age, race, and sex. The median duration of unemployment was higher among workers in the older age groups. This median was also somewhat higher for white than for Negro workers and for male than for female workers.<sup>43</sup> (See Table 10.) To some extent these differences may be traced to the fact that relatively more of the Negro than of the white workers and more of the female than of the male workers were concentrated in semiskilled, unskilled, and domestic and personal service occupations. These occupations are normally characterized by a higher labor turnover than skilled occupations, which employ relatively more white and male workers. Moreover, in unskilled occupations earnings are relatively low, and workers are unlikely to accumulate enough resources to tide themselves over periods of unemployment.

The presence on the rolls of large groups of Negro and female workers thus tends to reduce the average duration of continuous unemployment. This is due to the relatively higher incidence of seasonal and casual employment among these groups. This reduction is more apparent than real, however, and results from the

<sup>40</sup> Shepherd, Susan M., and Bancroft, Gertrude, *Survey of Cases Certified for Works Program Employment in 13 Cities*, Works Progress Administration, Division of Social Research, Research Bulletin, Series IV, No. 2, Washington, 1937, p. 36, table 20-a.

<sup>41</sup> Carmichael and Nassimbene, *op. cit.*, p. 69, table 53. These data referred only to economic heads with some previous work experience.

<sup>42</sup> *Ibid.*, table 54, p. 70. For persons who have been out of work for so long a period, it is difficult to determine whether the entire period represents unemployment or whether these persons may have been out of the labor market (not seeking work) for at least part of this time. This question is especially pertinent with respect to female workers. However, women constituted only 1 out of 17 persons unemployed for 5 years or more.

<sup>43</sup> Workers transferred from general relief to WPA in the age group 55-64 years had been unemployed 1.3 times as long, on the average, as those in the age group 35-44 years and 1.2 times as long as those in the age group 45-54 years. White workers had been unemployed about 3 months longer than Negro workers, and men had been out of a job about 4 months longer than women.



shortcomings of measuring a single period of unemployment only and ignoring the frequency of unemployment. If the latter data were available, there is little doubt that they would place the Negroes in a relatively worse condition than whites and would accentuate further the disadvantages of relief workers.

The duration of continuous unemployment of rural workers was on the average considerably shorter than that of urban workers. The greater opportunity for seasonal employment among farm laborers partly accounts for this fact. Moreover, many of the farmers certified for WPA projects remained on their farms and therefore were not considered unemployed.<sup>44</sup>

**Reemployment Rates**

The relatively long duration of unemployment of workers receiving public aid is of especial significance because the chances of reemployment decline with increasing duration of unemployment. It is apparent from data for 13 cities that as the average duration of unemployment increased, the rate of reemployment declined. The reemployment rate<sup>45</sup> of relief workers out of work for 3 to 4 months was more than 4 times as high as the rate for those who had been out of a job for 9 months to a year and 17 times as high as for those unemployed from 5 to 6 years:

Duration of unemployment in months	Average reemployment rates
3- 3.9	13.7
4- 4.9	9.6
5- 5.9	7.3
6- 8.9	4.8
9-11.9	3.1
12-14.9	2.3
15-17.9	1.8
18-20.9	1.6
21-23.9	1.4
24-29.9	1.2
30-35.9	1.0
36-41.9	.9
42-47.9	.8
48-59.9	.8
60-71.9	.8

Source: Carmichael and Nassimbene, *op. cit.*, p. 77, table 61. The authors state that the unemployment rates given here "are average rates computed from the mid-points of the duration intervals. They are more generalized than the average rates computed from the original data."

There is also evidence that, of the workers separated from WPA employment, those with the shortest period of separation from private employment are the more apt to obtain private employment. A study of workers separated from WPA projects in nine areas during April-July 1937 and interviewed later that year revealed that the group who had not worked at their usual occupations for the greatest length of time were dependent mainly upon general relief in urban areas.

<sup>44</sup> Roberts, *op. cit.*, p. 7.

<sup>45</sup> The reemployment rate is the number of workers securing self-supporting jobs for every 100 unemployed workers on relief during a given month.

TABLE 10.—Median duration of unemployment for urban workers leaving general-relief rolls for WPA employment or for private employment, by age, race, and sex, October-December 1935

Characteristics of workers	Previous duration of unemployment of workers leaving general relief for—	
	WPA employment (in months)	Private employment (in months)
Total.....	25.5	5.4
Age:		
16-19 years.....	12.0	6.6
20-24 years.....	19.4	5.4
25-34 years.....	22.2	5.1
35-44 years.....	24.9	5.2
45-54 years.....	28.5	6.3
55-64 years.....	33.6	8.6
Race:		
White.....	26.3	5.3
Negro.....	23.8	5.8
Sex:		
Males.....	25.9	5.2
Females.....	22.3	9.9

Source: Carmichael, F. L. and Nassimbene, R. *Changing Aspects of Urban Relief*, Works Progress Administration, Division of Research, Washington, 1939, pp. 68-69, tables 52 and 53.

and upon income from general relief or from other than private employment in rural areas. (See Table 11.) The group with the shortest median period of unemployment were members of households which received the bulk of their income from private employment.<sup>46</sup>

TABLE 11.—Duration of unemployment since loss of last job of former WPA workers, by major source of income in August 1937 in urban and rural areas<sup>1</sup>

Type of last job before WPA employment	Average <sup>2</sup> duration of unemployment, in months, after loss of income from—				
	All sources of income	Private employment	General relief	Other	Without income
All urban areas:					
Last job at usual occupation <sup>3</sup> .....	49.2	45.8	55.9	51.3	52.1
Last job at any occupation.....	42.0	37.4	46.4	44.6	45.2
All rural areas:					
Last job at usual occupation <sup>3</sup> .....	32.4	25.8	39.5	45.2	(*)
Last job at any occupation.....	21.9	19.1	29.0	38.8	(*)

\* Base too small for calculation.

<sup>1</sup> Average number of months between loss of last job of 4 weeks or more and date of separation from WPA employment, during April-July 1937.

<sup>2</sup> Median. Workers employed at date of separation were excluded in calculation of medians.

<sup>3</sup> Usual occupation is defined as the occupation at which a person worked the greatest length of time during the 10 years preceding separation. All CWA and work-relief employment was disregarded in the determination of usual occupation and duration of unemployment.

Source: Roberts, Veri E., *Survey of Workers Separated from WPA Employment in Nine Areas, 1937*, Works Progress Administration, Division of Social Research, Washington, 1938, p. 22, table 23.

**Employability of the Public-Aid Population**

The characteristics of the public-aid population thus far discussed are quantitative and to a considerable extent measurable. All of them throw light upon the much more elusive and qualitative characteristic commonly

<sup>46</sup> In general, beneficiaries of unemployment compensation are unemployed for shorter periods than recipients of other forms of public aid. See ch. VIII.

called "employability." The difficulties inherent in determining or even defining "employability" are more fully discussed in Chapter IX. At this point only a brief working definition is necessary.

"Employability" may refer simply to the fact that a person has a job or seeks one. At the other extreme, the term may refer to the likelihood of obtaining employment under current labor-market conditions. The first concept is simply a statement of an individual's availability for some type of work. The second takes account of the fact that the existing demand for labor may be less than the supply and compares the qualifications of the persons considered with the qualifications of other persons available for employment. By this second definition, employability is a relative concept that broadens and narrows directly with the demand for labor. Employers are able to adopt more and more strict hiring standards as unemployment increases; conversely, they are forced to relax hiring standards as unemployment declines and the supply of available workers decreases. The same people might have to be termed employable during some periods and unemployable during others. Under this concept, one could only determine whether a particular individual (considering his age, skill, education, and previous experience) seems to meet current types of demand for labor in the community where he is located. Two persons with the same characteristics might be classified differently if they lived in different communities.

#### Number of Employable Cases

In a group of such magnitude as the recipients of governmental aid there is found tremendous diversification, representing all gradations of ability, skill, age, experience, and attitude. Any attempt at classification must therefore be rough and only suggestive. The first attempt will be simply to break down the public-aid cases into two broad categories: (1) those containing one or more members available for work of some kind, in the sense that they want to work and have apparent physical capacity to hold some job and that there is no social restriction or legislation against their working; and (2) those not containing any such members.

A program-by-program classification offers the simplest approach to an estimate of the number of employable workers in the public-aid population. That such a breakdown must be crude is indicated by the fact that a limited number of apparently "unemployable" persons normally not seeking employment or no longer able to work (or presumably not), such as recipients of aid to the blind and old-age assistance and beneficiaries of the old-age insurance systems, have

been known to find jobs.<sup>47</sup> Despite such exceptions, however, the recipients of these forms of public aid may generally be classified as unavailable or incapacitated for work.<sup>48</sup> The recipients of aid to dependent children are legally unemployable during the period of childhood. The youth in the NYA student work program are generally unavailable for private employment except during summer months, owing to school attendance at other times.

Under the simple definition here used, all persons employed on government work projects (other than NYA student work projects) are classified as employable because they are obviously willing to work and are actually holding jobs. All beneficiaries of unemployment compensation are classed as employable by virtue of their very recent employment in jobs of sufficient duration and wages to permit the establishment of benefit rights. Farmers in receipt of FSA grants are employable, since they are engaged in gainful occupation.<sup>49</sup> The general-relief program is the most difficult to classify. On the basis of reports from a limited number of States and cities which classify their recipients, it has been estimated that approximately 60 percent of the cases receiving aid early in 1940 contained a member capable of performing gainful work.<sup>50</sup>

<sup>47</sup> During the year ending June 30, 1939, 683 aid-to-the-blind cases were closed because they "became self-supporting for reasons other than restoration of sight." During the same year 16,953 old-age assistance cases were closed because they "became self-supporting." (*Social Data on Recipients \* \* \* Accepted in 1938-1939*, pt. 1, p. 36, table 29, and pt. 3, p. 31, table 27.) There is also evidence that after the 1939 amendments to the Social Security Act were passed, making it permissible for workers to receive wage credits towards old-age insurance even after reaching age 65, some employers rehired former employees who were over 65 in order to give them opportunity to establish sufficient wage credits to become eligible for annuities. (Brower, F. Beatrice, "Coordinating the Company Pension Plan with the Amended Social Security Act," *The Conference Board Management Record* [National Industrial Conference Board] II (May 1940), 59.) See also ch. XII.

<sup>48</sup> For the effects of temporary factors, such as the defense program, see ch. VII.

<sup>49</sup> Since farmers are considered employed the year round, they should perhaps be omitted from consideration in this analysis. However, the small numbers receiving FSA grants do not affect the percentages much either way. FSA loan cases are not included in the computations.

<sup>50</sup> *Memorandum on the People Who Need Financial Assistance*, p. 86. This estimate for January 1940, when the number of all general-relief cases was about 1,674,000, is probably too high to be applied to June 1940, when the number of general-relief cases was 1,355,000. Obviously the proportion of "employable" cases varies with the total number of cases. For instance, experience has shown that increasing business activity or increase in WPA quotas is instrumental in decreasing the general-relief load, but most of the cases discontinued are those of families with employable members. The number of "unemployable" cases remains fairly constant. It should also be remembered that the estimate for the country as a whole is not applicable to specific regions, States, or localities, owing to the wide variation in general-relief practices with regard to employable persons. It is probable that in making this estimate for the total general-relief caseload, the entire absence of general relief for employables in some sections of the country is offset by the relatively high general-relief standards in many of the northern urban centers, in which the employable relief load is largely concentrated. With these qualifications, the estimate of 60 percent employ-

On this general assumption all separate cases as defined by the individual programs may be added to arrive at a percentage distribution of "employable" and "unemployable" public-aid cases for June 1940. However, this type of distribution may need modification because of duplications; that is, the same household may receive assistance from more than one program. In such a household the recipient of assistance from one program may be employable, while the recipient of assistance from another program is not. Approximate adjustments can be made for these overlappings to derive proportions in terms of households. Allowing for duplications, it would appear that public-aid cases who were receiving aid from means-test programs in June 1940 were about evenly divided between employable and unemployable. If the social-insurance cases (about 85 percent employable) are included, between 55 and 60 percent of all public-aid cases were employable.<sup>51</sup> In terms of households, slightly over 65 percent of the public-aid population were employable.

These distributions need to be considered jointly because, under the programs and policies of 1940, aid was more frequently granted by cases than by households. It is therefore significant that half of the cases served in June 1940 (exclusive of social insurances) were in the unemployable class. Because family responsibility and mutual aid are still important social phenomena, however, it is necessary to note that on a household basis unemployability is not quite so marked.

#### Characteristics Affecting Relative Employability

These rough divisions of employables and unemployables may in themselves be misleading if they should give the impression that the group of cases or households classed as "employable" contained members typical of the whole working population and that they had equal potential opportunities for jobs. It is indeed true that "the relative employability of the average unemployed job seeker in the current labor market depends, in large measure, upon the number and kinds of jobs available, the number and characteristics of other people looking for work at the same time, and the employment qualifications of the person himself."<sup>52</sup> The previous

able cases has nevertheless been applied to the June 1940 figures because no other measures are available. See also Chapter VII.

<sup>51</sup> On the basis of appendix 11, which does not allow for duplications, the numbers of unemployable cases on the various programs in June 1940 were as follows: old-age insurance under the Social Security Act and railroad retirement legislation, 251,000; old-age assistance, 1,970,000; aid to the blind, 72,000; aid to dependent children, 346,000; NYA student work program, 313,000; general relief, 549,000. These cases total 3,501,000, or about 44 percent of all the cases receiving public aid in June 1940.

<sup>52</sup> Palmer, Gladys L., *Recent Trends in Employment and Unemployment in Philadelphia*, Works Progress Administration, National Research Project, Report No. P-1, Philadelphia, 1937, p. 18.

sections have shown that the workers in the public-aid population were not representative of the entire working population in respect to such important characteristics as age, race, sex, occupation, location, and duration of unemployment. The distinguishing characteristics of these workers were a handicap in their search for work in addition to the relief status itself.<sup>53</sup> Nor were these characteristics independent of one another, as the handicaps did not come singly but in groups, one usually flowing from the other. They had the effect of aggravating the difficulties in obtaining private employment for many employable persons receiving public aid.

Such workers not only differed from the general working population but also exhibited very significant differences in employability characteristics among themselves. Although as a whole they might be characterized as a group of somewhat lower employability status than workers not receiving public aid, they were comprised of persons of relatively high employability as well as of those of distinct marginality and of all intermediate gradations.

In the labor supply there is a substantial group of workers who are on the fringes of the labor market. Either because their efficiency is relatively low or for other reasons, they are persons who find employment only when economic conditions are most favorable and the supply of more desirable workers is exhausted. Such employment as they obtain is likely to be of short duration. In addition, there are workers who are located in industrially stranded areas, those whose skills have become obsolescent and who are now too old to make a change, and those who have been unemployed for so long a time that they would need considerable retraining before they were again fit for jobs.

A considerable number of the workers on the fringes of the labor market are included among those members of the public-aid population who are classified as employable. Data previously cited have indicated that a high proportion of these workers are industrially handicapped because they are Negroes or women, because they are sick, because they are inexperienced or lacking in certain skills, or because they have been unemployed for a long time.

For example, handicaps experienced by WPA workers in securing private employment were in part attributable to the workers' age or lack of skill or experience in private employment or both. The ages of WPA workers are available for various periods, but

<sup>53</sup> "The reemployment of applicants on relief is further impeded because some employers, in requesting workers from employment offices, state explicitly that they do not desire to hire workers who have been on relief." (U. S. Employment Service, *Survey of Employment Service Information*, Washington, 1938, p. 2.)

they are not cross-classified by occupations. An attempt has been made to apply the cross-classification available for March 1935<sup>54</sup> to determine the distribution of occupations for the older workers on the WPA at various times. This indicates that WPA employees who were 45 years of age or over and who were semi-skilled, unskilled, or inexperienced workers represented the following proportions of the total WPA loads in the designated months:

	Percent
June 1936.....	16
November 1937.....	18
February 1939.....	15
November 1939.....	15
February 1940.....	15

In June 1940, about 7 percent of WPA employees were women on sewing projects.<sup>55</sup> A study conducted in Pittsburgh in May 1939 suggests that about three-quarters of all women on sewing projects (or 5 percent of all WPA workers) represented a relatively permanent relief group.<sup>56</sup> Nearly half of the women employed on the Pittsburgh projects had been unemployed for over 6 years and almost three-quarters had not held private employment of any consequences since the beginning of the WPA in 1935. Practically all of these women (92 percent) had been continuously on WPA projects since their first assignment.

The extent of handicapping characteristics of WPA workers which has been pointed out in previous sections need not be restated but has been taken into account in the problems here considered. Although it may be the case that "so far as the solution of the unemployment relief problem is concerned, a lack of job openings is a more serious handicap than a lack of qualified applicants,"<sup>57</sup> it must also be admitted that the qualifications vary in kind and degree and that some workers have a much more restricted opportunity for private employment than others.

The fragmentary data available suggest that, depending upon the date considered, from 20 to 30 percent of WPA workers are unlikely to obtain jobs except under conditions approaching full employment. They are likely to be among the last of the unemployed to be hired and among the first to suffer from a decline in business activity.

Of the 60 percent of all general-relief cases early in 1940 which are estimated to have included an employ-

able member,<sup>58</sup> a considerable proportion also fall in the class which is precariously attached to the labor market, a larger proportion than of the WPA employables. The better workers on relief are favored for WPA employment, although some of them are left on general relief, including the small proportion who receive supplementation to private earnings or to unemployment compensation.

Nevertheless, the success of workers in general-relief cases in securing private employment compares very unfavorably with that of WPA workers as shown by the results of similar studies.<sup>59</sup> Furthermore, it is generally accepted that the general-relief agencies give the client every benefit of the doubt and are subject to understandable bias in classifying employables for purposes of certification to WPA.<sup>60</sup> On the basis of available evidence, it appears reasonable to conclude that between 30 and 40 percent of the employable general-relief cases are unlikely to obtain jobs except under conditions approaching full employment.

#### Employability Measured by Reemployment Rates

It is a significant fact that in the thirties a large proportion of WPA workers remained there for long periods of time, irrespective of fluctuations in business activity. An examination of Table 12 indicates that a minimum of 817,285 persons who were on the program in September 1937 were still there in February 1939.<sup>61</sup> Over half of this group (460,602 persons) had

<sup>54</sup> Memorandum on the People Who Need Financial Assistance, p. 86.

<sup>55</sup> For instance, compare Cincinnati Bureau of Governmental Research, *The Relief Problem in Hamilton County, Ohio, 1937*, Report No. 74, 1937, p. 26, which states that "presumably the WPA workers were the cream of the relief clients, and from this standpoint would stand a better chance of securing private employment, being the better workers," with Works Progress Administration, *Survey of Workers Separated from WPA Employment in Eight Areas During the Second Quarter of 1936*, which covers a similar period.

<sup>56</sup> A study of persons receiving general relief and awaiting initial assignment to the WPA in Philadelphia in March 1937 indicates that possibly 20 or 25 percent of those persons could not have accepted work relief or private employment because of " \* \* \* illness, old age, and duty handicaps." The approximately 75 percent remaining might "be considered employable and, if certain types of jobs had been available, could have been put to work." However, since they had not been absorbed in private employment by March 1937, a period of relative business prosperity in Philadelphia, nor on work programs one of whose major objectives was to maintain the employability of the relief population, the chances are "that the group will not have employment for some time to come and may be considerably less employable in the future." (Lewis, Janet H., and Palmer, Gladys L., *The Employment Characteristics of Persons Awaiting Initial Assignment to the Philadelphia Works Program in March 1937*, Philadelphia, University of Pennsylvania, Industrial Research Department, 1938, unpublished, pp. 37, 39, and 40.)

<sup>57</sup> September 1937, it should be remembered, was the peak of the "recovery" and the low point in the volume of public aid during the period examined in this report. This is of particular significance because the group who remain on relief rolls during periods of heightened business activity are obviously those who are least likely to leave at any time. In other words, they probably comprise the permanent portion of the public-aid population.

The months between September 1937 and February 1939 formed a period of sharp business recession, when increasing unemployment

<sup>54</sup> Hauser, Philip M., *Workers on Relief in the United States in March 1935*.

<sup>55</sup> Data supplied by the Work Projects Administration.

<sup>56</sup> Data supplied by the Work Projects Administration.

<sup>57</sup> Eckler, A. Ross, and Fairley, Lincoln, "Relief and Reemployment," *Harvard Business Review*, XVI (Winter 1938), 153.

TABLE 12.—Duration of project employment of WPA workers, by sex, February 1939

Period of continuous WPA employment	Total		Men (percent)	Women (percent)
	Number <sup>1</sup>	Percent		
Total.....	2,732,251	100.0	100.0	100.0
Less than 6 months.....	545,066	19.9	20.4	16.7
6-11 months.....	778,829	28.5	29.0	25.5
12-17 months.....	590,955	21.6	22.1	18.3
18-23 months.....	118,928	4.4	4.1	5.9
24-29 months.....	151,581	5.5	5.2	8.0
30-35 months.....	86,174	3.2	2.9	5.0
36 months or more.....	460,602	16.9	16.3	20.6
Median number of months.....		12.4	12.2	14.6

<sup>1</sup> Includes 116 workers for whom duration of employment was not reported.

Source: Report on Progress of the WPA Program, June 30, 1939, Washington, 1939, p. 104, table 42.

been on the WPA rolls continuously for at least 18 months before the peak of the recovery period and remained there for at least 18 months thereafter. This group, which certainly may be conservatively regarded as part of the long-term public-aid problem, comprised a third of the September 1937 WPA load and a sixth of the February 1939 load.<sup>62</sup>

At the other extreme are the workers who return to private employment within relatively short periods. During 1938 the WPA reported a voluntary separation rate ranging from 3 to 5 percent per month, the bulk of which probably represented a return to private employment.<sup>63</sup> This group was not necessarily made up of different persons each month. Some remained in private employment, but there are indications that many found short-time jobs, returned to the WPA, and then found jobs again.<sup>64</sup> These groups represent the WPA workers of relatively high employability.

Studies of the attempts of WPA workers to remove themselves from the relief category through private employment support the conclusion that many of them are definitely handicapped. During July and August 1939 a very large proportion of workers were separated from WPA employment by the 18-months rule previously described. A study covering more than 138,000 of these workers was made in 23 major urban areas which traced the workers in three different

forced into the public-aid population many employable persons. Thus the recipients of public aid in these months resembled a cross-section of low-income groups in general more closely than in September 1937.

<sup>62</sup> Since a great many cases shift from general relief to WPA and back, these data are almost certain to be an understatement of duration of public-aid status.

<sup>63</sup> See ch. IX and ch. XII.

<sup>64</sup> "A great many of the cases leaving relief because of private employment may be expected to reappear on the public assistance rolls within a year following their separation. These cases are forced to return because of unstable employment and low earnings, occasioned by the fact that they are part of a reserve labor supply drawn upon largely for the seasonal needs of industry." (Bevis, Joseph C., and Payne, Stanley L., *Former Relief Cases in Private Employment*, Works Progress Administration, Division of Research, Washington, 1939, p. x.)

periods: September 1939 (shortly after the lay-off), November 1939, and February 1940.<sup>65</sup>

By September 1939 only 8 percent of the group had found private employment. In November the proportion had expanded to 13 percent, but by February 1940, about seven months after the lay-off (and in a period of expanding employment) the proportion in private employment was still only 13 percent, as the following tabulation shows:

Status of separated workers	Percentage of workers during—		
	February 1940	November 1939	September 1939
Reassigned to WPA.....	54	27	0
Receiving general relief.....	12	28	20
Privately employed.....	13	13	8
All other.....	21	32	72

Source: Work Projects Administration, Division of Research, *Effects of the 18-Months Provision (Section 16 (b) of the 1939 Relief Act)*, Washington, 1940, tables 1 and 2 and p. 2. "All other" includes persons without private or WPA jobs and not on general relief.

It is significant that, of the 13 percent who found private employment, about one-half earned less than on WPA projects. The WPA appears justified in the conclusion that "the discharged WPA workers have not benefited to any great extent from the industrial recovery this fall [1939]; they are not the first to be hired when business improves."<sup>66</sup> It is particularly noteworthy that, by February 1940, 54 percent of those laid off were back on WPA rolls and an additional 12 percent of those laid off were receiving general relief. In other words, of all workers in these cities who had been separated in accordance with the 18-months rule, two-thirds were again receiving public aid. The results of this survey are consistent with the surveys of separations made in previous years, with differences appearing to be mainly attributable to economic conditions at the time of the survey and to the differences in types of cases studied, that is, whether they were all administrative lay-offs as in the case of the 18-months group or whether the group included voluntary separations.<sup>67</sup>

That there is a real distinction between the characteristics of those from public-aid rolls who have found private employment and those who have not, has been the conclusion of almost every study of this subject. For instance, a study of WPA cases which had been on work relief between 1935 and 1937 in 20 Massachu-

<sup>65</sup> Work Projects Administration, *Effects of the 18-Months Provision \* \* \* of the 1939 Relief Act*; and *Workers Dropped from WPA in Accordance with the 18-Months Provision in the 1939 Relief Act*.

<sup>66</sup> Work Projects Administration, *Workers Dropped from WPA in Accordance with the 18-Months Provision in the 1939 Relief Act*, p. 1.

<sup>67</sup> See Works Projects Administration, *Survey of Workers Separated from WPA Employment in Eight Areas During the Second Quarter of 1936*; and *Workers Separated from WPA Employment in Nine Areas, 1937*.

setts towns and cities concludes "in our Massachusetts sample of those who had left relief we found a group, differing from the continuing relief population with respect to age, economic assets, and income from private employment, most of whom were separated from the relief rolls because they could support themselves \* \* \* Left on work relief are those still considered employable. On the whole they tend to be older, to

have fewer economic resources (at least by the time they applied for relief), to be almost entirely dependent on relief. They will have some difficulty in finding jobs if they are 40, 45, or over. They are the ones who form the core of a probably permanent work relief problem in this generation."<sup>68</sup>

<sup>68</sup> Gilboy, Elizabeth W., *Applicants for Work Relief*, Cambridge, Harvard University Press, 1940, p. 161.

## PERSISTENCE OF THE PUBLIC-AID PROBLEM

In the early thirties, the public-aid program was thought of as having an emergency character and was generally regarded as temporary in most of its aspects. Rather generally, public thinking had assumed that with a return to full employment, the public-aid problem as such would disappear or at least sink to the point where it need no longer be regarded as one of the crucial issues of the time.

The continuance of a large public-aid population throughout the ensuing 10 years inevitably challenges the accuracy of this interpretation. Even in June 1941, when the estimated number of unemployed had fallen by at least 2.7 million as against June 1940,<sup>69</sup> there were still some 5.8 million households in receipt of one form or another of socially provided income; a decrease of only slightly over 1 million from the 6.9 million public-aid households a year earlier.<sup>70</sup>

Clues to the probable persistence of the public-aid problem can be found only in limited measure from an examination of the characteristics of the public-aid population. A complete answer would have to take into account not only the extent to which the need for public aid is a direct consequence of lack of employment but also the probability that unemployment as such can be eliminated. The latter question will be discussed later in this study.<sup>71</sup> At this point discussion of the probable persistence and extent of the need for public aid will be confined to such inferences as can be drawn from the preceding analysis of the characteristics of the public-aid population.

<sup>69</sup> This is the decrease estimated by WPA, which reported that the number of unemployed had fallen from 8.6 million in June 1940 to 5.9 million in the same month of 1941 (cf. *The Conference Board Economic Record* [National Industrial Conference Board], III, (September 11, 1941), 376). Preliminary estimates of the National Industrial Conference Board show a much greater decrease for this period, from 8.1 to 2.5 million, or a decrease of about 5.6 million unemployed from June 1940 to June 1941. (*The Conference Board Economic Record*, III, (August 11, 1941), 340.)

<sup>70</sup> Calculated from Work Projects Administration, Division of Statistics, *WPA Statistical Bulletin, August 1941*, Washington, 1941, p. 9, and from *Social Security Bulletin*, IV (August 1941), 65, 67, and 79.

<sup>71</sup> See ch. XVI.

### "Unemployables" in the Public-Aid Population

The most striking fact revealed by this analysis is the relatively large proportion of the public-aid population whose dependency is not directly related to changes in the total volume of employment. Almost two-fifths of the households in receipt of public aid in June 1940 contained no employable member. The largest single group of these households consisted of aged persons, primarily recipients of old-age assistance. A further significant proportion consisted of children supported by the aid-to-dependent-children program, and there were also a relatively small number of beneficiaries of aid to the blind. In addition, at least 40 percent of the general-relief cases were estimated to contain no member capable of employment.

Some slight overestimate of the numbers of unemployable persons may have been introduced by the assumption that all persons over the age of 65 are unemployable. Indeed, the experience of the defense effort indicates that, provided specific labor shortages are sufficiently acute, a certain, though small, proportion of persons who have retired on account of age, may return at least for a time to active employment.<sup>72</sup> It would, however, be unwise to generalize from the war situation in view of both the suddenness and intensity of the reviving demand for labor and the unique character of that demand which has called in high degree for certain types of highly skilled workers. It seems more reasonable to assume that, even with a greater approximation to full employment, the vast majority of the 2.1 million recipients of old-age assistance and beneficiaries of the old-age insurance systems must be regarded as members of the population whose need for public aid will not be appreciably affected by fluctuations in the extent of unemployment.

By definition, the 346,000 families in receipt of aid-to-dependent-children contain children who have lost their breadwinner and must also therefore be regarded

<sup>72</sup> See ch. XII.

as definitely unemployable. The composition of the 40 percent of the general-relief cases estimated to be unemployable is more difficult to determine. A considerable proportion of them are, however, undoubtedly persons suffering from some form of physical or mental incapacity, for studies that have been made by relief administrators in recent years indicate that at various levels of business activity, between 22 and 39 percent of the cases accepted for general relief have been in need because of permanent or temporary disability.

While it is thus unreasonable to expect that this unemployable two-fifths of the public-aid population will be directly affected by an increase in the general level of employment, it may be argued that their need for public aid will, nevertheless, be lessened because they can receive assistance from friends and relatives who will be in a better position to provide support as and when employment revives. The extent to which the public-aid problem will be reduced for this reason is, however, problematic. As a general rule, those in the lowest income groups who are dependent upon aid are not in close familial relationship to the prosperous sector of the population. The long depression and continued unemployment have resulted in exhaustion of resources and in additional indebtedness for the unemployed. They are not likely soon to be able to assume new obligations by way of support of relatives when they return to jobs. Furthermore, many of the "broken" families and single-person households which are considerably overrepresented in the public-aid population will have no very great likelihood of receiving support from relatives because they apparently have fewer family connections than "normal" families.

Moreover, the large families in the population live on a lower plane than the smaller ones. Families with the largest responsibilities for dependents are in general in the lowest income classes, a preponderance being in the unskilled or semiskilled wage-earning groups. The loosening of family bonds which sociologists have been noting during the past decade also reduces the possibility of indirect access to private income for unemployables.<sup>73</sup> Public-aid administrators have indeed been finding it increasingly difficult to enforce obligation for support of relatives as the depression continued.

Furthermore, against any lightening of the public-aid problem which may come from the increased capacity of relatives and friends to provide assistance must be set the influences exerted by the changing age composition of our population. In the past 70 years

the proportion of the people of working age (between 15 and 64) has increased relative to the proportion of aged and children. At the same time, there has been a steady increase in the proportion of the aged, an increase which will be extremely marked in the next 40 years, resulting in a ratio of 14 aged persons to every 86 persons under 65 by 1980, as compared with 6 aged persons to every 94 persons under 65 in 1930.<sup>74</sup>

While it is expected that the proportion of children under 15 will continue to decline (it is estimated that by 1980 they will constitute 19.5 percent of the total population as against 29.4 percent in 1930), this decrease will not completely offset the increasing proportion of aged persons. But, while for the next 40 years the proportion of the population in the working age may be subject to very slight change, the shift in the population of dependent age toward more aged and fewer young people is not without significance for the problem of public aid. It seems unlikely that public expenditures on children will decrease commensurately with the decrease in the size of the population in this age group. It is more probable that the decline in numbers will be accompanied by more adequate provision for the education and welfare of the citizens of the future. On the other hand, even if there is no substantial improvement in public-aid provision for the aged, the mere increase in their numbers will add materially to the expenditures of the nation for maintaining this significant and nonproductive element in our population. Taking these factors into account, therefore, it seems reasonable to assume that in the future the country must accept the probability that a public-aid burden equal in size to at least two-fifths of the June 1940 public-aid population will persist, regardless of fluctuations in the general level of employment.

### "Employables" in the Public-Aid Population

The analysis in this chapter of the characteristics of the public-aid population suggests that not all of even the employable three-fifths of this group would be removed from the public-aid category if a state of full employment were attained. In the first place, it has long been recognized that the normal frictions in our economy attributable to changing demands and techniques of production and to the imperfect mobility of labor result in a certain amount of unemployment even under conditions of intense business activity. The amount of this unemployment, which may be regarded as the price paid for a flexible system of production

<sup>73</sup> See, for instance, Stouffer, Samuel A., and Lazarsfeld, Paul F., *Research Memorandum on the Family in the Depression*, Social Science Research Council, Bulletin 29, New York, 1937, pp. 98-99.

<sup>74</sup> Grant, Margaret, *Old-Age Security*, Committee on Social Security of the Social Science Research Council, Washington, 1939, p. 207.

cannot be precisely determined. Experts have indicated that it might run as high as 5 to 8 percent of the available labor supply.<sup>75</sup> In June 1940, recipients of unemployment compensation benefits under State unemployment compensation laws and the Railroad Unemployment Insurance Acts, who consisted largely of the short-period unemployed, accounted for almost 1.3 million, or over 16 percent, of all recipients of public aid. It is significant that even in Great Britain, which was experiencing the most acute degree of labor shortage, the number of insured workers who were registered as unemployed during the period June 1940–May 1941 was still quite considerable.<sup>76</sup>

In the second place, the preceding analysis of the characteristics of the employable members of the public-aid population has drawn attention to the presence of a certain proportion of disadvantaged workers whose attachment to the private labor market must be regarded as tenuous at best. The unemployed recipients of public aid, exclusive of unemployment insurance beneficiaries, frequently exhibit certain characteristics which prejudice their chances of securing and holding continuous employment in view of existing employer preferences. To a significant degree they consist of older workers, of women, and Negroes, and they have been unemployed for a relatively long period. A certain proportion of them, the size of which cannot be estimated but is believed to be small, consists of persons whose work habits and standards of performance are such as to compare unfavorably with the average in industry as a whole.

These disadvantaged workers will be the last to secure employment and the first to lose it when there is a decrease in business activity. Some of them may even fail to secure employment at all unless a case of extreme labor scarcity is postulated. They may leave the public-aid rolls for a period of time but they will almost certainly return. Their absorption will at all

times be hindered by the availability of new entrants to the labor market. American experience during the last war, in the 1928–29 expansion period, and in the 1937 upturn, and the wartime experience of Great Britain indicate that, as the demand for labor increases, large numbers of persons not ordinarily available as workers are attracted into the labor market.<sup>77</sup> Already there are indications that many employers prefer to hire such new entrants and desire to offer them employment rather than to undertake to retrain old workers unemployed for a long time and having public-aid records.<sup>78</sup> There is thus no certainty that, short of extreme boom conditions, the expanding needs of industry will be met from the reserve of relatively long-term unemployed persons who comprise a substantial proportion of the public-aid rolls.

In terms of long-range planning, the prospects of permanent reabsorption in private employment of this disadvantaged group whose numbers may have been between 600,000 and 850,000 in June 1940 are further hindered by other economic developments.<sup>79</sup> For where the disadvantage consists in a somewhat lowered efficiency due to age or other causes, the increasing rigidity of the wage structure precludes the possibility of absorption of such persons in the economy by appropriate reductions in wage rates. While powerful arguments can be adduced in support of minimum wage policies enforced through legislation or collective bargaining, especially in view of the general increase in price rigidity which now appears to characterize our economy, it is undeniable that a byproduct of this development may well be the growth of a certain proportion of workers who are permanently barred from normal private employment.

In the third place, the assumption that full employment will remove from public-aid rolls all families having an employable member must be qualified by the fact that a certain proportion of the families with employable members now in receipt of public aid consist of households with a member already in full em-

<sup>75</sup> A group of some of America's best known economists and leaders in industry, agriculture, finance, and politics agreed in 1939 that a condition of full employment might be considered to have arrived when 3 million persons were still unemployed. "However great progress this country makes in eliminating cyclical and structural unemployment, a certain amount of frictional unemployment must always remain. In England most authorities fix the minimum number of the working population always out of employment at 6 or 7 percent. In America the proportion should probably be higher because of a more rapid technological pace and a higher living standard, producing greater economic fluctuation. According to optimistic estimates America probably cannot expect to achieve more than 92 to 95 percent of full employment, which would mean a minimum number of less than three million unemployed. \* \* \* ("The Fourth Fortune Round Table," *Fortune*, XX (October 1939), 42.) See also Gill, Corrington, *Wasted Manpower*, New York, W. W. Norton and Company, Inc., 1939, p. 21.

<sup>76</sup> The number of unemployed varied from 883,000 in October 1940 to 378,000 in May 1941. These figures correspond roughly to 5.5 and 2.5 percent, respectively, of the number of insured workers in these months. (Calculated from Ministry of Labour Gazette, tables entitled "Comparison of Unemployment Statistics: Great Britain.")

<sup>77</sup> For the experience of this country during the last war see U. S. Department of Labor, Women's Bureau, *The New Position of Women in American Industry*, Bulletin No. 12, Washington, 1920.

<sup>78</sup> "It is reported that employers in aircraft and other industries are importing rural labor in preference to unskilled labor already in the area." (Campbell, Joyce, and Harris, Catherine R., "Migration and National Defense," *Social Security Bulletin*, IV (September 1941), 15.) The same situation had been observed earlier. For example, "it is notable that although in March 1935 \* \* \* there were in Michigan some 75,000 former automobile workers unemployed and on relief, the increase in production that accompanied recovery brought with it a marked increase in the importation of southern labor." (Vreeland, Francis M., and Fitzgerald, Edward J., *Farm-City Migration and Industry's Labor Reserve*, Work Projects Administration, National Research Project, Report No. L-7, Philadelphia, 1939, p. 29.)

<sup>79</sup> This total represents 20 to 30 percent of the WPA employees and 30 to 40 percent of the employable general-relief cases in June 1940. (See section above on employability.)



ployment. Where the need for public aid is thus occasioned by the low level of wages rather than by unemployment, the effect of full employment upon the need for public aid can be at best indirect. Only if the demand for labor is so intense as to lead to a general increase in wage rates or hours of work, can it be expected that there will be a decrease in the estimated 2 percent of the 1940 public-aid population which was receiving public aid in supplementation of earnings.

*These various considerations suggest that, even if full employment could be assured, the number of households in need of public aid would be unlikely to fall below one-half of the number receiving aid in June 1940.*

Finally, it must not be forgotten that to some degree the volume of public-aid provision is directly influenced by changing social attitudes. Specifically, it will be affected by the extent to which the American people accept a responsibility for providing for the needs of that section of the population which has benefited least from the advances in our productive techniques. As long as a substantial proportion of the population secures, even when in full employment, an income that is inadequate to supply what Americans like to think of as the American standard of living, there will be a continuing problem of public aid. The more generous the interpretation placed upon that minimum standard, the greater will be the numbers of persons at any time regarded as eligible for public aid.

In 1940 the overwhelming proportion (about 82 percent) of the total public-aid recipients were assisted only after undergoing a test of need. Yet many of

these families had some resources or income. The fact that these families could qualify for public aid indicates that the country has already abandoned the use of a measure of need that is identical with complete destitution. As long as there are substantial sections of the population receiving the low incomes to which attention was called in Chapter II, it seems probable that every advance in the standard of living of the more fortunate groups will exaggerate the disparity in living standards between the secure and the insecure and will act as a lever toward a more generous concept of the minimum standard of living, failure to reach which will qualify for public aid.

From this point of view, the experience of the last 10 years is significant, for it indicates a willingness on the part of the American people to accept a responsibility for raising the living standards of the less fortunate, once they are made aware of the conditions which call for social action. Even before 1930, as soon as need was brought to light and devices were effected for providing for the needy, there was never a complete reversion to previous relief standards when the larger crisis was over. After great expansion during a depression, public-aid expenditures have not in the past returned to the predepression level but rather have declined to one somewhat above that preceding the depression and have then continued an upward movement. This was our experience in connection with the 1920 to 1922 depression and in subsequent years,<sup>80</sup> and there is little reason to expect that this experience will not be repeated.

<sup>80</sup> Geddes, *op. cit.*, p. 45.