ECONOMIC SECURITY ACT

WEDNESDAY, JANUARY 30, 1935

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, D. C.

The committee met at 10 a. m., Hon. Samuel B. Hill presiding.

Mr. HILL. The committee will be in order.

Miss Grace Abbott, former chief of the Children's Bureau was on the calendar to appear yesterday. We were not able to reach her, and I notice her name is placed second on the list this morning. In view of the fact that she was scheduled to appear yesterday, we shall be glad to hear her first this morning.

Miss Abbott, will you please state for the record your name and your former and present official connections?

STATEMENT OF MISS GRACE ABBOTT, MEMBER ADVISORY COUNCIL ON ECONOMIC SECURITY

Miss ABBOTT. Mr. Chairman and gentlemen:

I was formerly chief of the Children's Bureau and am now professor of public welfare at the University of Chicago. I am also a member of the President's Advisory Committee on Economic Security.

Mr. HILL. You may proceed with your statement, Miss Abbott.

Miss ABBOTT. Mr. Chairman, as far as this whole program is concerned, it seems to me, as one especially interested in child welfare, that to a very considerable extent it is a child-welfare program. Provision for the unemployed is a child-welfare program and if we get the aged taken care of, it means that there is more money available in the families for the care of children. The special children's measures are also very important.

There are two ways, of course, of looking at a program of this sort. You can talk of how much it does or you can say how little it does and for each you can make an argument because, we will not arrive at security by this measure. But we will make very great progress toward security if it is enacted.

So that I find a great deal of reason for satisfaction in the program. I want to say, before I discuss the special children's measures, something about the unemployment-insurance bill. I am in favor of the form in which the bill is drawn, instead of the so-called "subsidy bill" form.

The reasons why I am in favor of it are, briefly stated, because by this measure, we get a more genuine Federal-State relationship, and whatever some would like to have the United States, it is a Federal Government with the States having general residuary powers, and we might just as well recognize and plan in accordance with this fact.

We also have in the measure as proposed, uniformity in a field that is most important. That is, we get uniformity in the tax, which means that any unfair competitive aspect is eliminated.

We can, under this the Wagner-Lewis bill, increase the number of Federal standards as experience shows they are needed. If the act should be declared unconstitutional, which seems to me a very important reason, we would still, under the Wagner-Lewis bill, have the State laws left, and these would then function, because the Wagner-Lewis bill contemplates the enactment of a complete State law. If we used the subsidy plan, the wiping out of that law would wipe out the whole system.

Consequently, it seems to me very important to have a dual provision which would mean that we had something in the event that the Federal act were declared unconstitutional.

The Wagner-Lewis form will produce speedier action by the legislatures because, if a subsidy bill were passed, the whole tax would be raised and disbursed by the Federal Government and there really is no reason for action this winter in the States. It is liable to be postponed until too late, as far as getting it at the present moment when the need is appreciated is concerned. This is extraordinarily important in view of the experience that we have had in the past with labor legislation.

In the council, the members recognized that both types of law had distinct merits and we instructed the Cabinet committee that we were not to be interpreted as opposing either type of law, but merely as preferring one to the other in the recommendations. So that we did leave them quite free to choose, so far as the recommendations of the council went.

I feel very strongly that there should not be contribution by the employees and I would, for myself, have been very glad to see that prescribed in the Federal act. But I recognize that it is impractical and that we have got to leave it to the States to decide. We do transfer, then, to the States, the possibility of some experimentation in this field which is, after all, extremely important.

In addition to the unemployment-compensation scheme and the old-age pension scheme, of two types, the grant-in-aid and the insurance scheme, the bill makes provision for grant-in-aids for mothers' pensions and grant-in-aids for a child-welfare and general-health program.

I wanted to speak a little bit about the grant-in-aid for mothers' pensions. I have been looking up the Illinois situation as far as this is concerned. Illinois was the first State to enact a mothers' pension law. It did it nearly 25 years ago, and it believes in the legislation.

Nevertheless, the State has fallen very far behind in mothers' pensions during this period. Of course, the emergency has seen a greatly increased number of mothers who are dependent; dependent because little savings have been wiped out, jobs that others had have gone, and the numbers in need have greatly increased as a result.

The number of mothers who were receiving pensions in Cook County on January 25, 1935, was 1,434; and the number of mothers on the waiting list of the juvenile court on the same date, January 25, was 7,942.

Not all of the 7,942 probably were eligible for pensions. It is an uninvestigated list, and would be reduced probably from one-half to

two-thirds. But, at any rate, there are twice as many who ought to be—at least twice as many who ought to be receiving mothers' aid who are not receiving it now, and are either on relief rolls or struggling along without it. The number on emergency relief at the last count in Cook County was 3,870 such families. This means many children on emergency relief, instead of having the security of long-time care, which is necessary and is very important.

Illinois spent $1,500,000 and more, last year, on mothers' pensions, in contributions by the counties, and there was available $500,000 in a contribution from the State. But in the expenditure of this there was the greatest variation in standards between the rural counties—at least some of the rural counties, particularly the poorer ones—and the wealthier counties.

At the bottom of the list there were counties whose average annual grant per child was as low as $19, and $20, and $33. That is $2 or $3 a month, and it is really money wasted. Either they need more than that, or they do not need anything.

While, at the other end of the scale, there were average annual expenditures per child of $270, $194, $193, $238, the top ones ran, with Cook County paying $194, not the highest, but very much higher than the lowest.

The whole idea of mothers' pensions is that it should be enough to care for the children adequately, to keep the mother at home and thus give some security in the home.

Illinois is typical, in these extremes the amounts that are given, of other States of the Middle West. There is the same unevenness. In some States there is even greater unevenness. There are a large number of counties that gave no mothers' pensions at all. So that the mothers' pension does not register as it should. It is not only the best but the cheapest method of taking care of children—much cheaper than taking care of them in an institution or in somebody else's home. And it does preserve the relationship of the mother and the child.

This type of legislation, then, has been tested. Its value is not challenged but it is impossible to expect to make State and local governments take over the whole load that is now being carried on relief without some assistance. If the Federal Government assists, and encourages the State to make a larger contribution, the gain will be very great.

It seems to me of very great importance. The types of families that are not now receiving mothers' pensions resemble those of 25 years ago. We have been making a study of the families that are on the waiting list for the mothers' pension in the juvenile court and also of those on relief in Chicago. We find the same discouraging type of situation that we used to find before the mothers' pension was granted.

A widowed mother with a large number of children or a small number, is usually quite unable to take care of them. For instance, here is one case of a mother whose husband died at 30. She has 3 children, 2 boys of 5 and 12, and a girl of 8. At the time of her husband's death they owned a home, but about a year later the mortgage was foreclosed. With the $500 that she received at the time of the foreclosure, she rented a basement flat in which they now live and turned the front room into a store, stocking it with candies and cigars, things of that sort. She has one other room where the family lives. She keeps the

shop open all day and into the night, until about 10 or 11 o'clock. But she does not make enough to pay the rent and take care of the family, even though all of them live in the one rear room. They are very inadequately fed, and very inadequately clothed. This woman has been on the mothers' pension waiting list for 2 years. She expects to be evicted almost any time.

Now, with variations, some of them having relief in the family and some of them not, one could go on and give instances of one family after another of this sort, in which the children might be more numerous or less numerous.

In one case that I have here, the mother has put the children in an orphanage, although the children want to get out and she wants to get them out. The most she has been able to earn is $7.50 a week, and she cannot take care of them and herself on that wage. So she is doing the best she can by contributing somewhat to their support and keeping in touch with them.

As I say, one could go on and on with instances of that sort. Usually the children are really nice children and the families are nice families, if they could just be put on a permanent basis of knowing that the money was coming, and plan for it. It would make great difference in the security of these families.

I am sorry that the administration of this grant in aid program is not given to the Children's Bureau. I think it belongs in a permanent bureau instead of an emergency bureau, and the Children's Bureau has worked for 21 or 22 years on this problem with the States.

I wanted to speak next very briefly about the child-health program which this bill will make possible. The argument that moves me most to a Federal subsidy for child health is the condition of the child in the rural areas and rural counties. The larger urban communities have developed either the city health departments or the infant welfare or other societies of that sort, services for children, which provide an opportunity for educational work with parents and the general supervision of infants.

Now, in the rural areas, this is not the case, with the result that the advantage which the rural child ought to enjoy is largely lost as far as life expectancy is concerned.

This business of being a baby is very dangerous, anyway. It has traditionally been safer to be a baby in the country than in the city, but since 1929 this has been reversed, and it is safer to be born in the city than in the country, as far as life expectancy is concerned.

That has come about as a result of the services that have been built up in the cities, so that there is now protection of child life there that is not available in the rural areas; often in sanitation, but especially because there have not been the educational facilities for the mother in the rural counties.

So that urban communities have overcome the handicap of crowding and all of the other conditions of city life which are dangerous to children and we have lost to the rural children the advantage that should be theirs of greater health possibilities than you get in the cities.

The infant death rate from 1929 has been lower in the urban area than in the rural area. It was 66 in the urban areas in 1929, and in the rural areas, 69. Those with lower urban rates included such

States with higher rural rates as, in 1929, Arizona, California, Colorado, Connecticut, Delaware, Florida, Illinois, Maryland, Massachusetts, Minnesota, Montana, Nevada, New Jersey, New York, North Dakota, Oklahoma, Oregon, Pennsylvania, Utah, Vermont, Washington, and Wyoming.

The rates have not always been the same since 1929. They vary; but, in the United States registration area since 1929, the rural rate has been higher than the urban rate. This, it seems to me, is very unfair to the rural child.

The unit cost of the child-health work in a rural area is always higher, and a grant-in-aid means that the State health department would be able to assist in the development of rural services for the rural children.

As for the other part of the children's program, especially the care of crippled children, it seems to me the case is very clear. The orthopedic care for these children is extraordinarily expensive. It lasts over a long time, if orthopedic work of a complicated character is necessary, so that even families of considerable income are not able to give the chance of recovery to crippled children that they ought to have. While a good many of the States have set up some services for crippled children, it is nothing like adequate. I feel sure that the amount authorized here will not be adequate, but it will be a beginning, which I am sure will bring forth more funds from the local communities.

The small subsidy that is made available for enabling the development of an investigational service in connection with child-welfare services generally is enormously needed on account of the slowness with which rural services have developed. This would mean that demonstrations would be made and leaderships provided by the States in providing supervision for delinquent and dependent children.

I am sorry not to have answered at once the question that you, Mr. Knutson, were about to ask me. I should be very glad to do so now.

Mr. KNUTSON. You have answered the question I have in mind. I wanted you to explain why this difference between the rural communities and the cities.

Miss ABBOTT. Babies die primarily because the mother does not know how to take care of them. Mothers are not born knowing how to take care of babies. They have to be taught how to take care of babies.

In the cities, where supervision of the children and an opportunity for the mother to learn the scientific methods is provided by the city department of health or private societies, we get the rate down, and we thus overcome the disadvantages of city life. We send children to the country so that they may be healthy, but if you do not have these resources in the country the babies suffer.

Mr. KNUTSON. Just what are the hazards in the rural areas that do not exist in the urban communities?

Miss ABBOTT. There are more hazards in the urban centers.

Mr. KNUTSON. Just what are they? For instance, typhoid?

Miss ABBOTT. Oh, you mean to the children?

Mr. KNUTSON. Yes.

Miss ABBOTT. There are in a few areas typhoid, but in areas where the typhoid rate is relatively very small, instructions for the mother in

the care of children is not available. The death rate is of course a very low test of the value of instruction and scientific care, because scientific care means that you have a well, happy, vigorous baby. It means optimum development for children, not just keeping them alive.

Mr. KNUTSON. Just when did the city pass the country?

Miss ABBOTT. 1929. It used to be, of course, that the country was very much lower, 10 or 12 points lower, and the cities have not only overcome that difference, but have gone ahead. It has been because money has been expended for exactly the kinds of services that we hope the State departments will be able to develop in the rural communities for rural babies.

Mr. KNUTSON. It is your idea, is it not, that the Government should concern itself with preventive measures rather than cure?

Miss ABBOTT. Rather than treatment? Well, of course, prevention is more important than treatment. After all, however, treatment has to go along with it.

Mr. KNUTSON. Of course, the minute you get into that field of socialized——

Miss ABBOTT. Medicine, you mean?

Mr. KNUTSON. Yes.

Miss ABBOTT. Of course, we have had treatment programs always. That has never socialized medicine, unless you call, for instance, a tuberculosis program such. That is a program of treatment, is it not, as well as prevention. There we have both.

And we would want to have for crippled children both treatment and prevention. If we can prevent poliomyelitis, so much the better. But if we cannot prevent it, we have got to take care of it, haven't we? And it cannot be done on a private basis. We know that.

Mr. KNUTSON. It is your thought that the Government should concern itself with prevention?

Miss ABBOTT. First with the preventive measures; yes. On the other hand, I should like very much to see if this bill makes possible some experiments made in maternal nursing in rural areas and also maternal care in rural areas.

Of course, our maternal mortality rate is extraordinarily high. Facilities are inadequate. The number of women who now are having no attendance at childbirth has been increasing during the depression, instead of decreasing.

Mr. KNUTSON. I think Miss Lenroot put in the record the other day——

Miss ABBOTT. The maternal mortality rate; yes.

Mr. KNUTSON. Showing the comparative mortality rates of different countries. This country has not anything to be proud of along that line.

Miss ABBOTT. No. There are a number of countries that have a lower rate.

Mr. KNUTSON. Quite a bit lower; some that are almost 50 percent lower.

Miss ABBOTT. Yes; very much lower.

Mr. KNUTSON. The Scandinavian countries, for instance.

Miss ABBOTT. The Scandinavian countries have a very low rate. They have an extraordinarily good system of reaching the mothers throughout the country.

Mr. HILL. If there are no further questions, we thank you, Miss Abbott, for the information you have given the committee.

The next witness is Mr. Homer Folks, secretary of the State Charities Aid Association.

STATEMENT OF HOMER FOLKS, SECRETARY, STATE CHARITIES AID ASSOCIATION, NEW YORK CITY

Mr. HILL. You understand, Mr. Folks, you are allowed 5 minutes to make your formal presentation.

Mr. FOLKS. My name is Homer Folks. I am secretary of the State Charities Aid Association, which is a State-wide organization in the State of New York.

As to the time limitation, I am not going to talk for the record, but talk to you directly for a few moments, if I may.

Mr. HILL. Proceed.

Mr. FOLKS. I had nothing whatever to do with the early stages of these bills on this whole subject, but I had the honor of being called in as a member of the Advisory Committee, both on child welfare and also on public health.

I am deeply interested in these subjects, and have been for a long time wondering what they would produce, as a result of the study of all these experts during the past summer, and I examine with a great deal of care and with a great deal of satisfaction what has been reported, and I unhesitatingly endorse and approve their findings.

I would like to register this idea, if I may, that when you come to children, economic security does not mean merely money. It does mean money, it takes money, but it also means everything that tends to keep their home in order, and a going concern; and everything that tends toward their benefit; normal care and training that a father and mother are supposed to give.

The most direct form of economic security, as was suggested by a question over here a little while ago, is not that which puts a bit of money into the home for children when 1 of the 2 parents is gone. It is that which looks ahead and protects those parents from hazards to which they are liable and from which they cannot wholly protect themselves.

That is the feature of this program of economic security which particularly appeals to me.

I wish to speak a moment, very briefly, on two or three particular phases of it, and I hope I will not say anything that has been said before. I do not think I will.

Miss Abbott spoke of the care of the child in his home; the young child, the baby. I want to speak a moment about the care of the mother. Every one of you, no doubt, has known of a particular instance in which some younger woman, a woman young or in middle age, has lost her life in connection with the process of giving birth to a child. If one gave just the total figures, it would not mean so much. I want to ask you to take all the women in this country between the ages of 15 and 45, and take those who die in a given year. What do they die of mostly? What is the great cause of maternal mortality? The first one you might guess correctly. That would be tuberculosis. When you came to the second one, I think you would probably think of cancer, or pneumonia, or accidents, or