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Mr. MONDALE

At the outset, I want to make it clear that I favor increased social security benefits. But I do not favor this social security bill. This bill is a tax increase at the expense of the poor—a tax increase without hearings. I do not believe we should be satisfied with this bill. I believe we can do better. We must do hetter.

I want more social security, because I know what an increase can do for the poor in our Nation. More than a third of the poor people in this country are over 65 years of age. The only possible way of lifting this group above the poverty line is higher cash benefits from social security.

More than 23 million beneficiaries re-ceive checks every month through social security. Social security insurance benefits now assist 18 million older people, 31/4 million children—primarily orphans— a half million widowed mothers of chil-dren or disabled or retired workers, 1½ million disabled workers and their wives, and since 1966, people who are 72 or older who otherwise are not eligible for insur-

ance benefits.

More than 86 million workers currently are employed and paying contributions under social security. These contributions will buy them a retirement program, protection against serious disability, and life insurance if the major breadwinner in the family dies.

Mr. President one in every nine American

breadwinner in the family dies.

Mr. President, one in every nine Americans receives social security benefits in some form. These people know how far benefits have lagged behind the increases in living costs. They also know these benefits have lagged even farther behind the better living standards most Americans enjoy.

Since 1940 social security beneficiaries have been fighting a losing battle with the cost of living. Social security benefits have been increased five times during this period. But living costs have increased much faster. Neither the social security benefit increase in 1959 nor the one in 1965 matched the increase in living costs since the previous benefit increase. The

since the previous benefit increase. The 8.3-percent increase in the consumer price index in 1966 was the greatest in 15 years. And 1967 has kept a similar pace. An example will show what this means for the average retired American. The average monthly benefit today for a worker who retired in 1954 is \$76, but for him to buy the same goods and services that his benefits would have purchased 13 years ago, he would now have to be receiving \$82. A 13-percent social security increase as proposed in the conto be receiving \$82. A 13-percent social security increase as proposed in the conference report would allow him to buy the same goods and services that he could get in 1954. But this increase does not allow him to keep up with today's standard of living. But to keep pace with wages of employed workers, he would have to receive \$104, which is a 37-percent increase over the actual benefits of today.

today.

The problems of inflation aside, the The problems of inflation aside, the fact is that the average person on social security can barely eke out a subpoverty level of living. The poverty standard is \$1,170 for a single aged individual and \$1,850 for an elderly couple. The average social security beneficiary is below even the poverty subsistence level. Annually, a single aged person now averages only \$1,008 and a couple \$1,716.

The main retirement income protection for most elderly Americans comes from social security. Less than 15 percent of those 65 and over receive private pension payments, and those private pensions count for only 3 percent of total income for those people. Even 15 years from now, social security will still be the only pension income for 70 percent of the people. The median income, including all

Senate

income sources, was \$1,130 in 1966 for single persons over 65, and \$2,875 for couples. Thirty percent of the elderly couples received less than \$2,000 a year.

Furthermore, many people do not realize that when social security benefits go up, welfare payments are likely to go down. Many elderly people think they will get the full benefits of 13-percent increase in social security or a minimum of \$55. But many of them will not get this

There is a provision in the bill that There is a provision in the bill that the additional amount of money ob-tained as social security payments can be taken away if one is on welfare. The increase in social security benefits will be matched by a decrease in welfare henefits

Many States have a practice of reducing welfare payments by the same amount as any increase in social secu-rity. An example of this was given by the rity. An example of this was given by the distinguished Senator from Montana [Mr. Metcalf] the other day when he told the story of an 84-year-old man who has been retired for a number of years. This 84-year-old man draws social security benefits of \$62 a month and welfare benefits in the amount of \$48 per month, a total of \$110.

He writes:

In the past, each time social security payments have been increased, my welfare check has been decreased in the same amount. I do not have enough to properly take care of myself at the present time.

This 84-year-old man, and others like him throughout the country, may very well find that their old age assistance checks will be reduced by an amount equal to the increase under the confer-

checks will be reduced by an amount equal to the increase under the conference bill.

Last month's Senate bill was intended to counter this situation. The bill contained a mandatory increase of \$7.50 a month in welfare payments for the aged, the blind, and the disabled. This provision was intended to guarantee that the social security increase would not be knocked out for thousands of old people when local and State agencies reduced old-age assistance checks by a corresponding amount. But the conference bill does not contain that safeguard. State and local governments retain the opportunity to continue as they always have, to cancel out the effects of the social security increase.

If present social security payments allow a majority of single persons and nearly 30 percent of all aged couples to exist only under conditions of extreme poverty, why am I opposed to this increase in social security?

I am opposed to this bill because I believe we must have a better one.

I am opposed to this bill because I be-lieve we must have a better one.

One that will provide substantial bene-

One that will eliminate the opportunity for States and localities to cancel the increase by reducing old-age assistance

One that is not coupled with welfare strictions that hamstring inadequate programs

programs.

We are fighting a war on poverty. The elderly comprise one-third of the poverty group in America. A bill that truly helps them is a victory in the war. If we settle for a lesser bill, if we compromise our position, it will be a long while before the Senate again has a chance to help the poor and the elderly.

There is another reason for my con-

There is another reason for my concern about the conference report. As the conference bill stands, the Social Security Act is overfinanced. The cost of the benefits in the House version was \$3.2 billion, while the cost in the Senate version was \$5.8 billion. The conference bill costs \$3.6 billion.

The conference bill will produce a surplus of \$1.850 billion in calendar year 1968. The Senate committee level of ben-

efits would have produced a surplus of \$1.230 billion, and the version passed on the Senate floor would produce a far

on the Senate noor would produce a far smaller surplus.

The conference report cuts benefits by \$2.2 billion when there is no de-crease in payroll taxes. This item is a bill which is actually a back-door tax

The cost to the taxpayers is the same in the conference bill as it was in the early Senate bill, but the benefits are far less. The Federal Government gets to keep approximately \$620 million which it would not have had otherwise. This definitely appears to be a method to increase the tax burden of Americans without commensurate benefits.

We may need a tax measure to dampen inflationary pressures in our economy. However, without hearings, and without adequate benefits, I do not believe that American wage earners should pay such

hidden tax.

But this is not all. The American taxpayer may also find himself faced with
an increase in local real estate or property taxes as a result of this bill. Such
a tax might very well be levied by local
governments to meet the increase in welfare expenses which they will face, as a
result of decreased Federal participation
in financing of welfare programs under
this bill.

There is a further reason for my negative feelings about the bill—the wage base provisions.

base provisions.

"The poor pay more." Usually this phrase refers to consumer practices. Strangely, under the conference social security bill, the poor pay more.

This happens because the confere report allowed a wage base of \$7,800 replace a sliding scale the Senate proposed. Social security taxes are proposed. Social security taxes are proposed as the proposed of the limit set in wage base. People who earn more mothan the wage base figure, do not social security taxes on the excess sa social security taxes on the excess sa above, in this case, \$7,800.

Consequently, those who earn ur \$7,800 pay a larger share of their inc.....for social security benefits than those who earn more than \$7,800. The social security taxes themselves have to be higher when there is a lower wage base, because the cost of the program remains the same but the wages available for the same but the wages available for taxing are limited.

The original social security wage base in 1935 was \$3,000. When the program began, about 95 percent of the persons in the program had their full earnings covered. For the same percentage of Americans today to have their full earnings covered, the wage base would have to be increased to around \$15,000.

Because of the failure to raise the tax-

Because of the failure to raise the taxable wage base to reflect increased earnings of workers, there has been an erosion in the adequacy of benefits in relation to earnings. Large numbers of workers are not receiving benefit protection related to their full earnings.

It is imperative that the program cover the total earnings of the larger majority of workers so that their retirement benefits, which are based on covered earnings only, will be related to what they actually earned. If an unduly low ceiling is placed on the benefits paid to moderate- or high-wage workers, they will be forced to suffer drastic reductions in their living standards when they in their living standards when they

retire.

The \$7,800 base proposed by the conference committee would increase to about two-thirds the proportion of workers whose full incomes are covered. But this proportion is projected to fall to about one-half again by 1974.

The administration and the Senate proposed to finance social security by a three-step increase in the taxable wage

base to \$7,800 in 1968, \$9,000 in 1971, and \$10,800 in 1974.

Sûch a higher wage base would im-prove the relation between a worker's actual earnings and his eventual social security benefit while providing additional income to improve the program further. In past years, increased cover-

age partially made up for the decreasing proportion of taxable payroll.

But social security is now virtually a universal program, and the possibilities of expanding coverage in the future are few. The sliding Senate scale would have kept about two-thirds of the payroll covered by a wage base through 1974.

Additionally, a sliding wage scale would allow a lesser increase in the social security tax rate.

The administration proposed to finance the social security benefits in two ways. There would be an increase in

ways. There would be an increase in the scheduled contribution rates on each party of 0.1 percent on January 1, 1969, and an additional 0.05 percent on January 1, 1973, for a total increase of 0.15 percent. In addition, there would be the three-step increase in the taxable wage

The House improvements require a higher tax rate because of the lower wage base; the eventual social security contribution rate with a wage base of \$7,800 will be about 0.25 percent unless the number of benefits financed by the program are cut or steps are taken to eliminate the present and projected surpluses in the fund pluses in the fund.

If the wage base remains relatively static while earnings rise, social security contributions will be an ever-decreasing proportion of the total national payroll.

Higher benefits will require a higher

tax on the decreasing portion of income. Since the tax rate is uniform, low-wage workers bear a greater cost burden when the wage base is frozen.

If the Senate will reconsider the Social Security Act, some revisions can be made in these financing provisions.

Finally, I find the social security provisions unacceptable because of the treatment given to Senate increases for special groups.

The Senate introduced a series of amendments or modified House provisions to allow an increase in benefits for individuals aged 72 and over, for disabled widows and widowers, for those who chose reduced insurance benefits at age 60, and an increase in the amount an individual can earn and still be eligible for benefits.

None of these amendments were re-ported out of the conference.

The Senate increased the amount of special payments to certain individuals aged 72 and older who have no coverage or whose coverage is insufficient to qualify for regular benefits. The Senate provided increases of \$50 for single persons and \$25 for a spouse in this catesons and \$25 for a spouse in this cate-

The conference bill gave \$40 for a single person and \$20 for a spouse, an increase of \$5 and \$2.50 respectively from the House measures.

The Senate wanted to provide benefits for disabled widows and widowers at any age at a benefit rate of 82½ percent of the spouse's primary insurance amount. Again, the conference committee modi-fied the Senate amendment to bring it in line with the House bill. The House, and conference version, provided benefits for disabled widows and widowers age 50 or over with benefits ranging from 50 to 82½ percent of the spouse's primary insurance amount depending on the age at

which benefits begin.

The Senate's amendment to provide for payment of reduced old-age, wife's, husband's, widower's, and parents's insurance benefits beginning at age 60 was deleted by the conference. deleted by the conference.

Under the existing provisions of section 203 of the Social Security Act, if the tion 203 of the Social Security Act, if the beneficiary earns \$1,500 or less a year, no benefits will be withheld; if he earns more than \$1,500 in a year, \$1 in benefits will be withheld for each \$2 in earnings between \$1,500 to \$2,700, and \$1 in benefits will be withheld for each \$1 of earnings above \$2,700. The House bill increased the annual \$1,500 and \$2,700 cut-off points to \$1,500 and \$2,700 and \$2,700 cut-off points to \$1,500 and \$2,700 and off points to \$1,680 and \$2,880, respec-tively. The Senate amendments increased the cutoff points to \$2,400 and \$3,600

under the old social security law, no benefit is withheld for any month in which the beneficiary earns \$125 or less in was and does not engage in self-employme. The House raised the monthly figure to \$140 and the Senate increased it to \$200. In conference, the Senate receded.

In dollars and cents the social security benefits coming from the conference compromise are an across-the-board increase of 13 percent. The House had approved a general increase of 12.5 percent while the Senate raised the figure to 15 percent. to 15 percent.

The minimum monthly benefit coming from the conference was \$55. The current minimum monthly benefit is \$44. The House had approved a raise to \$50, while the Senate version approved a raise to \$70.

The numbers involved in these com-promises clearly indicate that the conference committee leaned heavily toward the more conservative House version on the increase in social security benefits. In fact, it is a little difficult to call the result

a compromise.

My record in the Senate is one of favoring increased social security bene-

I voted for the Senate bill which provided an across-the-board increase of 15 percent in social security benefits and which would have raised the minimum monthly benefit to \$70.

I cosponsored an amendment which would be received the minimum monthly benefit of \$70.

would have raised the minimum monthly benefit to \$100.

I am in favor of social security, in favor of increased benefits, in favor of eliminating burdensome restrictions. But, Mr. President, I am not in agreement with the regressive provisions of this bill.

Let me read you a letter I received yesterday from Mr. C. J. Obert, of Minneapolis, Minn. It reflects the opinions of the elderly of this Nation:

A funny thing happened to the new Social Security bill from the Senate to the House.

This bill was not even recognizable after the mutilating the House gave it.

I'm sure I'm speaking for all the Senior Citizens in your home state when I ask you for help in this very important bill to us.



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PROCEEDINGS AND DEBATES OF THE 90th CONGRESS, FIRST SESSION

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No. 204

Mr. MONDALE

II. AFDC PAYMENTS

I have said the conference report takes us back to the days of the "Poor Laws." This is true especially of the "freeze"

on the number of eligible children for Federal AFDC participation.

The conference bill places a limit on the extent of Federal financial participation in the AFDC program. It states that the Federal Government will set a maximum contribution which will be equal to the proportion of all children in the State under 18 who are receiving aid to fami-lies with dependent children as a result of the continued absence of a parent as of January 1, 1968.

I am opposed to this section of the bill

for five separate, but related reasons: First, it is based on unproven assump-

Second, it leaves unresolved problems. Third, it transfers to the States re-sponsibilities which should be shared by the Federal Government.

Fourth, it may be unconstitutional. Fifth, the amendment clearly is puni-

Unproven assumptions: Those supporting this measure assumed it would reduce the growth of the AFDC program, illegitimacy and broken homes. There is little likelihood the freeze will produce this result.

duce this result.

One cannot get something for nothing. We do not solve the problem of increased crime by limiting the number of police a city can have. We do not reduce fires by limiting the number of fire engines. Similarly, we cannot diminish illegitimacy and broken homes simply by reducing the financial assistance available to children of these homes.

The assumption of the

The assumption of this provision is that AFDC children are receiving aid because of their mothers' illicit behavior with other men.

Evidence shows that curtailing AFDC payments does not end illegitimacy. Many States have used the "suitable home" policy to deny assistance to families where illegitimacy had occurred.

Edward B. Sperer in his testimony

ilies where illegitimacy had occurred.

Edward B. Sparer, in his testimony before the Senate Finance Committee on H.R. 12080, discussed this point. He reported that the State of Mississippi conducted a study on the effect of AFDC cutoff for the denial of eligibility on the grounds that a "suitable home" was lacking because of illegitimacy.

This study shows a vast increase in incidence of illegitimate births "following the families' exclusion from AFDC."
This quote would seem to counter the arguments raised in the committee report.

The committee report implies that illegitimacy is a simple problem. We know

Illegitimacy is caused by poverty, lack of educational opportunities, lack of training and job opportunities, poor housing, and all those other factors that produce the psychology and sociology of the poor. To counter these conditions, the family must have adequate financial assistance. assistance.

If the committee had really been con-cerned with the problem of illegitimacy and family disintegration, it would have provided for a large increase in welfare benefits in order to give security to the

family.

It would have provided for a mandatory AFDC-UP program in every State in the Nation to allow the unemployed father's family to be eligible for financial

assistance.

It would have provided a dramatic program of family planning counseling and intensified counseling services to discourage promisculty and dissertion.

Senate

Unresolved problems: The concept of a "freeze" does not take into consideration that there are factors other than illegitimacy and family breakup that contribute to the increase in the number of AFDC recipients.

There are, in fact, three areas com-pletely outside the control of the public agency which may cause a dramatic increase in the number of AFDC recipients. They are: First, increased awareness of eligibility and changes in scope of pro-gram; second, migration and natural increase in population; and, third, changes in the economy.

INCREASED AWARENESS OF ELIGIBILITY AND CHANGES IN SCOPE OF PROGRAM

In a recent article in the New Republic, the then New York City Welfare Commissioner, Mitchell Ginsberg, is quoted as stating that there are nearly as many eligible families off the welfare rolls as there are on them.

If New York is any indication of the situation in the rest of the country, we could double the number of welfare recipients in each community if people were made aware of their eligibility.

Many private groups are now attempt-

Many private groups are now attempting to inform the poor of their rights under eligibility provisions for welfare. These same groups are also testing in the courts some of the restrictions which have prevented many families from receiving benefits.

Residency requirements are being challenged in California and other areas If residency requirements are declared unconstitutional, hundreds of thousands of additional families will be eligible for assistance. These families will be eligible because of a change in the scope of the program, not because of an increase in illegitimacy or in family breakup.

Thus, by increased awareness of welfers my stream and above in the definition of the scope of the program and above in the definition of the stream and above in the definition of the scope of

fare programs and changes in the defini-tion of program eligibility, there is a po-tential for relief rolls to swell.

MIGRATION AND NATURAL INCREASE IN POPULATION

Federal participation formulas are based on the percentage of children on welfare contrasted with the number of children in the State. There is no al-lowance for States experiencing large amounts of in-migration of poor families.

Thus, the State's hardest hit will be those that attract the poor to their large industrial cities and ghettos. States least affected by the freeze will be those that are losing their population of poor families.

The impact may be seen by looking at percentage increase in the number of re-cipients for selected States from May of 1966 to May of 1967. While the national increase was 10.4 percent, the fast-growing States of the West and industrial Northeast showed much higher percentages. In contrast, States in the Midwest showed increases less then the national

average.

Those States which suffered heaviest impact: Wisconsin, 27 percent; Washington, 14.3 percent; Virginia, 13.3 percent; Vermont, 18 percent; Rhode Island, 14.1 percent; Oregon, 17.6 percent; New York, 22.4 percent; Nevada, 26.8 percent; Massachusetts, 15.8 percent; California, 18.9 percent; Colorado, 13.2 percent; Delaware, 16.4 percent; Florida, 17.4 percent.

cent; Delaware, 16.4 percent; Florida, 17.4 percent.

Those States where the impact was the least include: West Virginia, minus 6.5 percent; South Carolina, minus 7.3 percent; North Carolina, minus 1.2 percent; Missouri, plus 1.5 percent; Alabama, minus 0.4 percent; Iowa, plus 0.4 percent; Louisiana, plus 5.9 percent.

Again this is a situation that is beyond the control of the locality. It is caused by economic and social forces which make one area of the country more attractive than another.

attractive than another.

It has implications, however. Clearly, faster growing and industrial States will bear the brunt of the loss of support funds in this legislation. Moreover, if the residency requirements are declared un-constitutional, the impact will be even

CHANGES IN THE ECONOMY

"freeze" in this report assumed we will have the same level of economic prosperity that we are now experiencing. But if we suffer a recession or a depression, our welfare system will not be able to respond.

The number of families eligible for Federal aid has been set. Those added to the need list would have to be treated in-a different manner, since there is no room for them under the proposed ceil-

In the past, the welfare program has been used to offset declines in disposable personal income. It will no longer be available for this function under the pro-

visions of the conference report.

Instead, we will be forced to enact emergency changes in the legislation to lift the freeze and pump additional money into the pocketbooks of our low-income consumers.

Mr. President, I feel that the so-called freeze on AFDC children neglects some important economic considerations. The Finance Committee in the Senate

gave consideration to these economic considerations and we agreed on the floor to the committee's recommendation. However, the House overlooked these recommendations and insisted that the

recommendations and insisted that the concept of a freeze be included in the conference bill.

Effect on the States: The system of categorical aids established in the 1930's marked the beginning of the flow of Federal funds to the cumulative pot of moneys available to finance welfare programs at the local level. Under this legis.

moneys available to finance welfare programs at the local level. Under this legislation, the States run the program with grants from the Federal Government.

For many States, Federal funds make the difference between meeting standards of "need" as they define them, or providing no help at all. For all States, Federal funds help redistribute economic burdens so that more of those requiring financial aid may receive it.

By limiting the extent of Government participation, the freeze leaves the States

with these unpleasant alternatives: First. They can deny new applicants with the explanation that there is not enough money to cover the cost of assist-

Second. They can change the eligi-bility requirements, by excluding persons according to new residency requirements or new waiting periods for absent par-

ents, Third. They can assume the full financial burden themselves for AFDC children above the "freeze" ceiling.

It is clear that these options trap the States. Few have the financial resources to support the public services they now maintain, much less the addition of further welfare expenses. The property tax can be stretched only so far. Thus, States and localities will be left with only three choices, each of which is punitive, restrictive, and goes against both the philosophy of welfare services, and commonsense. and commonsense.

and commonsense.

Possible unconstitutionality of the law: The freeze provides Federal statutory authority for arbitrary exclusions from welfare programs.

If a State attempts to act upon the new Federal statute by denying aid to eligible children in excess of the permitted number, is this a violation of the equal protection clause of the 14th amendment? Critics of the freeze claim that it is. that it is.

Lawrence Speiser, Director of the Washington Office of the American Civil Liberties Union, said in testimony before the Senate Finance Committee:

We believe that the freeze in federal participation in aid to families with dependent children program is unconstitutional and denies equal protection of the law.

If a State grants aid to some needy citizens and not to others, such determination must be made on a more reasonable basis than "first come, first served." Establishing an arbitrary limit on the number of persons who may benefit from a law is indensible, irrational, and inconsistent with Democratic principles and the Constitution. The 14th amendment requires that there be reasonable and not arbitrary standards for sonable and not arbitrary standards for determining which individual falls within each class. Brown v. The Board of Education, 342 U.S. 483; Yick Wo v. Hopkins, 118 U.S. 356, 369; Colorado and Santa Fe Ry. v. Ellis (Alice), 165 U.S. 150, 155

The distinction drawn between needy children on the welfare rolls before the freeze as contrasted with those who may or may not be eligible after a certain date seems irrational. How can a State

date seems irrational. How can a State classify a child ineligible because of the freeze, especially, when that child meets every substantive test met by another child who is granted aid?

There are any number of reasons why the percentage of children in a jurisdiction receiving AFDC benefits may increase. A State is then faced with a choice of excluding some by means of tightened eligibility standards or denying aid arbitrarily to those who have applied after the cutoff figure has been reached.

Many States will feel pressure to trim their existing welfare rolls and follow a rigid policy of allotting vacancies on the roll. When assistance is arbitrarily denied and the persons affected are as fully qualified as other persons receiving as-

sistance, the question of equal protection of the laws can be raised.

The freeze provisions may also affect the right to travel, which is a constitu-tional and protected right. If an indigent person cannot move to another section of the country because he then will not be eligible to receive certain welfare rights, his right to travel has been inhibited.

A legislative provision that gives rise to the constitutional question of equal protection of the laws can in one sense be said to be punitive. The entire tenor of the conference report's welfare provisions is one of punishment.

The limitation of Federal participation to children of deserting fathers is a punitive measure. It is a measure which blames children for the sins of their parents.

parents.

This legislation represents the kind of attitude which can incite rlots. Thirty to 40 percent of the people in Watts and Harlem are touched by existing welfare programs at any given time. The national average length of stay on the welfare rolls is less than 2 years—20 months to be precise—so people on welfare compromise a constantly changing group. The potential number of those who may be affected by changes in the welfare system, therefore may far exceed 40 percent. Any tinkering with welfare strikes cent. Any tinkering with welfare strikes at the heart of urban areas.

at the heart of urban areas.

About all the residents of big city ghettoes need is another indication of congressional lack of concern for their problems. I believe that if we pass the social security bill with welfare provisions that have "punishment" written all over them—a bill that excludes so many, and destroys the hope of thousands more—we will be showing that very lack of concern. of concern.

We will be accomplices in the creation of conditions that invite urban destruc-



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WASHINGTON, THURSDAY, DECEMBER 14, 1967

#### Mr. MONDALE.

III. WORK-TRAINING PROVISIONS

Two years ago, the President warned: Unless we work to strengthen the family and to create conditions under which most parents will stay together, all the rest—schools and playground, public assistance, and private concern will never be able to cut completely the circle of dispair and deprivation.

The unemployed fathers and work and training provisions show our inability to comprehend the evidence, and act ac-

We know that welfare laws in many. ties require that unemployed fathers families otherwise entitled to AFDC must leave their families if wives and children are to receive public assistance.

d we know what this has meant—ineases in the welfare caseloads, and the
breakdown of family structure.

Approximately 265,000 children were
on AFDC this past May, for example,
because of the unemployment of the
father. By far the largest part of the
AFDC growth over the past 15 years has
been because of the absence of the father
from the home. from the home.

Programs for unemployed Programs for unemployed fathers could help alleviate these problems. Only 22 States have so far taken advantage of the permicsive legislative authorization; less than half of our States have programs to permit the unemployed father to stay at home with his family while he is investigating opportunities for work and training.

We listen to the evidence; we see the necessity for united families. We then refuse to act.

The conference report deletes the Harris amendment, which would have made mandatory an AFDC-UF program. Fathers in 28 States will still be required to esert their families in order to assure their children have food and shelter until they are able to find employment.

In fact, the conference report worsens In fact, the conference report worsens the situation for unemployed fathers. The reinstated House amendment excludes fathers who do not have six or more quarters of work in any 13 calendar quarter period within 1 year prior to applying for aid. This makes it impossible for States to reach those fathers who leed help most—the hard-core, long-term unemployed. term unemployed.

Moreover, we force fathers who have-jobs and lose them to penalize their children. The House amendment, re-tained in the conference bill would exclude the children of fathers receivingor qualified to receive—unemployment compensation, from eligibility for AFDC

We know the kinds of jobs ghetto fawe know the kinds of jobs ghetto lathers can get, janitors or bus-boys, with no job security; "last-hired first fired" assembly line work. Unemployment compensation payments are miniscule comperisation payments are infiniscine com-pared to the financial needs of families. If he loves his family, how can the un-employed father risk taking a job when he knows that if he loses it, his children may go hungry?

In fact, the conference report contradicts the bill's general emphasis on work or the whole family, in another provision. Under the Senate amendments, the first \$50 of the total monthly earnings plus one-half of the remainder for families receiving AFDC would have been exempted. The House amendment reduces this to \$30. If our intention throughout this to \$30. If our intention throughout the entire measure was to encourage families to take jobs that will help them get off the welfare roles, why did we slash this important work incentive?

### Senate

As if this were not enough, however,

we also go on to punish mothers.

As Edward V. Sparer points out, a distinction has always been drawn in these programs between able-bodied men and mothers, with respect to work and train-

ing.

It is generally accepted as part of the structure of present federal and state welfare laws that the able bodied are required to accept work ... A different situation exists with regard to mothers of young children on AFDC. The intent underlying our present Social Security Act is that the right to make the decision as to whether such mothers should work or not should not be taken away from poor mothers just as it has not been taken from other mothers in our society ... H.R. 12080 would reverse the purpose of AFDC.

I do not believe there are valid gener-alizations in the field of welfare with reanizations in the field of welfare with regard to the merits or demerits of employment of mothers. Our experience is too limited; the results too contradictory. For many, work and training may be the answer. Experience with the OEO title V programs has demonstrated that in some cases work and training can lead to in-creased self-sufficiency. For others, however, leaving the home only increases family problems.

There is even some evidence that it may harm the children directly. Two psychiatrists, Drs. Frederick Solomon and Chester M. Pierce, assert that welfare children whose mothers are forced to work may reach adulthood mentally re-tarded or emotionally disturbed.

These psychiatrists are not quacks. They are members of a committee estab-lished by Congress in 1965 to study minority group children as part of the Joint Commission on Mental Health of Joint Commission on Mental Health of Children. These physicians hold that depriving children of full-time attention by their mothers and substituting "institutional" day-care centers for children under 3 years of age could do lifelong damage to their mental and emotional health. tional health.

Dr. Solomon sent me a telegram I wish to quote:

wish to quote:

We beseech you to filibuster if necessary to defeat the welfare amendments to the Social Security bill. The mental growth of thousands of infants and children will be gravely affected by the absence of their mothers in compulsory work or training. Day care for children under age 13 is highly experimental and likely to be extremely dangerous if applied broadly. We feel the freeze on ADC payments is also unspeakably cruel. Your courage on this issue now will be justly rewarded by an easy conscience later.

Many factors affect a person's readiness for work or training at any given point in time. One is the mental, physical and training at any size of the mental point in time. One is the mental, physical, and psychological ability to perform the expected work. Another is attitude. A third is family circumstances. A fourth is ability to pay the incidental expenses involved. Unless all four of these elements in the sale of the sa ments are in order, severe harm may

An illustration may help: Mrs. X is the mother of four children, aged 16, 12, 6, and 2. She is receiving public assistance. The one training course established in her area this month is a home health aide course. Mrs. X has not finished high school has no health training and can barely read and write.

She explains her anxieties to the so-

cial worker. She has not been in school for a long time; she does not know anything about health; she lacks the money for transportation and is worried about the children—the 2-year-old is often ill, and the oldest son is having trouble in

The social worker listens to a few sentences, and then cuts her off. "What does this woman mean," she thinks. "Home health aide training is a snap. She's just trying to get out of work."

Somehow Mrs. X manages to struggle through the class. She cannot find a job immediately, but after 3 months is employed. She finds to her dismay, however, that home health aides are employed only on a part-time basis.

Even working as many hours as the scheduler will give her, she still is netting

scheduler will give her, she still is netting only about \$50 per week. And then there are the weeks when the 2-year-old must be taken to the clinic across town. That

There are conferences at her son's school with teachers, trying to keep him from becoming a dropout. The home health agency does not pay for cleaning her uniform, or for lunches. At the end of 3 months Mrs. X sees that she cannot possibly make ends meet. But there is nothing she can do to remedy the situa-tion. Her social worker declares her "able-bodied"; State regulations fail to include the family or financial consider-

ations.

Mr. President, these stories and worse are destined to be repeated across the country, because of the bill's language on

the work-training program.

The Senate amendments would have made work-training an effective concept by combining training incentives with voluntary participation. People who should know, including Secretary Gardner of the Department of Health, Education, and Welfare, agreed that this was the way to create an effective program. It is true that the conference report

represents a considerable improvement over the original House program. The report calls for new work-incentive pro-grams to be administered by the Department of Labor for AFDC recipients re-ferred by welfare agencies. Programs would include employment, training or

would include employment, training or subsidized special work projects.

But the language of the conference report still permits welfare officials to force mothers to work. It specifically deletes the Senate exemptions for mothers and other relatives who care for preschool children or children under 16 attending school, and takes from the State the ability to set up other exclusions.

This could be interpreted as a mandate

This could be interpreted as a mandate to punish the poor.

We all have listened to the stories of arbitrary behavior by social workers and public welfare officials. Unfeeling, sometimes punitive behavior is held to be an all-too-frequent occurrence. Many hold that the public welfare system as a whole fosters dependency and denies basic human and constitutional rights.

Many criticisms could be leveled even against the original Senate bill. It does not deal with the problem of creating meaningful jobs and adequate income. It does not create new careers for the poor. And it does not even guarantee placement.

All of these points are well taken. But the fact remains that while the Senate bill may not have been perfect, the House provisions were a disgrace. The conference report is little better.

The poor have always gotten the short end of the stick. Now they are to be

beaten with it.

Edward V. Sparer cites what he calls the "incredible" lengths some State welfare regulations reach;

Georgia regulations on the one hand require mothers to obtain full-time work

whenever the welfare department deems it appropriate; on the other hand, the welfare department must, under the Georgia "employable mother" regulation, discontinue aid whenever the mother obtains a full-time job, no matter how little she earns. . . The Washington, D.C. rule, as I understand it, goes even further. Under the D.C. rule, a mother who is deemed able bodied and available for work is subject to AFDC termination even though she has not obtained a job!

Secretary Gardner warned the Congress about the dangers of the House work-training provisions:

If determinations are made according to rigid formulas inflexibly applied, if lack of imagination and foresight characterize action at the decision level, then the result can only be grief for the individuals and families involved, and defeat of the purposes of the program.

There is much controversy about the nature and the extent of the abuses. One thing is clear, however. Whatever tendencies there are toward negative results, are escalated to near certainty by the compromise bill.

But there are other reasons for my objections to the bill's treatment of work and training.

and training.

If we had wanted an effective work and training program for welfare families, we would not have reduced the training incentives.

The Senate amendments would have

The Senate amendments would have made it attractive to gain additional skills and financially possible for welfare recipients to participate. A payment of \$20 per week would have given mothers.

fathers, and older children the funds to pay for increased costs attendant to being away from home—lunches bought at school rather than prepared at home, dry-cleaning of uniforms required for training, additional transportation costs.

The \$30 per month of the compromise, on the other hand, would be a training disincentive in many instances. A payment of \$7 per week cannot possibly cover the combination of costs facing a family member who must be away from home during the day—transportation, lunches bought at cafeterias, training materials, and the like

materials, and the like.

Equally onerous is the reduced Federal participation in supporting work-training programs.

The compromise amendment would reduce the Federal share of program costs

duce the Federal share of program costs from 90 percent to 80 percent.

The shift doubles the burden on the States from 10 to 20 percent. What are the States to do? The effect on administration may be disastrous. As we all know, the conference bill says that mothers who cannot or do not wish to work have a grace period of 60 days, in which they can still get their AFDC checks, if they receive counseling. But suppose there is not enough money to hire additional caseworkers and counselors needed to handle the increase in work? Suppose the mother cannot get an appointment to see the counselor within 60 days. The mother's welfare check will be cut off. She will be punished for something she could do nothing about.



United States of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 90th CONGRESS, FIRST SESSION

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### Senate

Mr. MONDALE.

IV. TITLE 19

Let me now turn to title 19, and what the conference report and bill would do

the conference report and bill would do
to medical care for the needy.

Poverty and ill health reinforce one
another. The poor cannot afford the kind
of health care they need to escape dependency, disease, and dispair. Illness
means they cannot take advantage of
opportunities for education, training,
and work. As one of the OEO health program administrators put it:

Without intervention, the poor get sicker, nd the sick get poorer.

he title 19 program promised one kind of needed intervention—money. Under this legislation, those receiving a assistance were to be eligible for in meeting medical expenses. But also, the medically indigent—those able to pay for food, clothing, and shelter, but unable to pay for medical care—were to become eligible, if the State so desired. So far, 29 States have established these programs. By January 1, 1970, 54 jurisdictions may have programs in operation

I am proud to say that Minnesota has an approved title 19 plan. The title 19 program in this year alone is expected to benefit nationally, 8 million Americans, two-fifths of them 65 and over, and one-half children and youth under the age of 21. Yet, in this year, when so many are gaining access to good health, House surgeons cut the heart ou tof the title 19

The House bill limits Federal participation in title 19 programs to those whose income is less than 133 percent of the highest amount ordinarily paid families of similar size under the State aid-

llies of similar size under the State aidto-dependent-children programs. WilCohen talked about the results in
hearings on the House bill, He said:
The limitation will effect the programs in
operation in 14 States, and will severely restrict the future development of the program to meet the medical needs of persons
who lack sufficient resources to pay for them.

A table was introduced, showing the cut in Federal funds that would flow to the 14 States. We all know what drastic reductions in Federal funds will mean, pent statements by Mayor Lindsay, of

w York, and others indicate that there just is not money to cover these costs in local budgets. Reduction in Federal participation for most localities will probably mean cutting down on the amount of medical care for the poor.

Mr. Cohen discusses another effect:

The House limitation will destroy the con-cept of medical indigence in a number of

He gives illustrations showing how families eligible for cash assistance can find themselves ineligible for medical as-sistance, because many States do not pay the full percentage of need. He said:

In Indiana, for example, a family of four is eligible to receive assistance if their income is less than \$271.40 per month, yet the high-

est amount that can be paid in assistance is \$103. The House bill would mean that this family could receive cash assistance if their monthly income is up to \$271.40, but medical assistance only if their income is below \$137, about half of the eligibility level for cash payments. for cash payments.

For another example:

In Texas, a family of four with income below \$163.95 could qualify to receive cash assistance . . . Yet, unless the family income is below \$124, its members would not be eligible for medical assistance

Mr. President, this is a false economy,

Mr. President, this is a false economy, in terms of dollars and of people.

People who are not well and cannot work cost taxpayers money—themployment insurance, welfare assistance, and the rest. And if they live in families, these

costs simply multiply.

Let me tell a story to illustrate my meaning. I know of a family in one of our large eastern cities. Father, mother, four children, aged 22, 15, 11, and 1 year. Family is off welfare right now primarily because of the medicaid program. Before this program this one family had cost all of us a very great deal. The father had had a nervous condition which could be controlled by medicine. Much of the be controlled by medicine. Much of the time, he could not afford that medicine, however. When he lost jobs, he had to go on unemployment insurance. When that ran out, welfare was the only an-

The family dreaded illness requiring hospitalization, because it always caused the same trauma to the family. The general hospital could only keep patients for a certain length of time. Patients sent home required constant home care. Since this family was not eligible for the health department's home-care program free,

someone had to stay home to care for recuperating family members.

Usually this was the mother. But if mother was ill, or if she had to take one

mother was ill, or if she had to take one of the children to the clinic to wait in line all day, one of the school-age children would have to stay home.

The oldest child had missed so much school because of this that he never had completed high school. As a dropout, he was destined to the same treadmill of low paying work that had trapped the school-dropout father.

On and on the family saga went until

school-dropout father.
On and on the family saga went until last year. Almost 12 months ago, their State put a title 19 program into operation, which included this family among the medically indigent eligible for care. Father now can get the medicine and stay on his job. Mother now can secure a home health aid to provide real care to family members coming home from the hospital. And the children can stay in school.

in school.

The savings both in dollars and in human terms has been enormous. Yet, checking their income levels against the House-sponsored formula shows this family will be cut off medical assistance. That is the meaning of the 133-percent formula.

Mr. President, as I said before, this is Mr. Fresident, as I said before, this is one of the worst pieces of legislation I have seen in a long time, but it is con-sistent with other bills that have been coming out of conference with the House.

We have given in too often to the House on legislation. I am tired of being told that we in the Senate must accept reduced appropriations, restrictive amendments, and unnecessary legisla-tion in order to gain House support for the continuation of programs the voters

We gave in on rent supplements. In the end, we appropriated only one-fourth the amount requested by the administra-tion and voted by the Senate.

We gave in on the poverty bill. We accepted the Green amendment and reduced authorizations in order to continue this program for another 2 years.

tinue this program for another 2 years.

We gave in on metropolitan development. In the appropriation bill for the Department of Housing and Urban Development, we accepted language that eliminated the metropolitan expediter program and may eliminate the "204" program which requires areawide review of cities' applications for Federal aid when these projects affect other cities.

when these projects affect other cities.
We gave in on model cities. The appropriations nowhere matched the need existing in the 63 cities approved for the

model city grants.

We gave in on reapportionment. There we resisted, and forced the House to re-evaluate its position.

evaluate its position.

Right now we must decide on social security. We are being forced to accept or reject a bill which provides a measly increase in benefits, restricts the welfare family, and ignores the need for effective work incentives. We cannot recommit, we cannot amend, we have to accept or reject.

Mr. President, I for one am tired of

or reject.

Mr. President, I for one, am tired of being told that I must vote for this bill or be on record against the program.

I think the people of this country are too sophisticated to interpret a "no" vote on this conference report as a vote against increased social security benefits. Instead they will support efforts to defeat the bill and drive to pass a better bill at the beginning of next session.

I do want to make it clear that I am

I do want to make it clear that I am not accusing any other distinguished Member of this body of conscious duplicity. As one who has just completed a conference on meat inspection legislation and as a member of the conference com-mittee on food stamps, I know that the Senate position must be compromised to get a bill out of conference. But I feel this bill is too important to the poor, the aged,

the sick, the disabled to give in as completely as we did.

Therefore, Mr. President, I urge my colleagues to join me in defeating this conference report, because it is a bad bill and because the provisions of the Senatepassed version were nearly ignored in

We can no longer be a Congress of 20/20 hindsight. The time for action is not next session, but now.



United States of America

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No. 205

## Senate

Mr. MONDALE, Mr. President, I again wish to express my profound disappointment with the conference report on H.R. 12080, the Social Security Amendments

From the office of Senator Walter F. MONDALE, Dec. 14, 1967]

OBJECTIONS TO CONFERENCE REPORT ON H.R. 12080, SOCIAL SECURITY AMENDMENTS FOR 1967

1) A 13% increase in Social Security benefits is totally inadequate. The average person n social security can barely eke out a living; the average social security income is below the poverty level. Social Security beneficiaries have been fighting a losing battle ith the cost of living since 1940, and neither ne 1959 increase nor the 1965 increase in benefits matched the increase in living costs. benefits matched the increase in living costs. To keep pace with the wages of employed workers, Social Security benefits would have to be increased 37%. The 15% increase voted by the Senate was barely adequate; a 13% increase will only momentarily ease the economic pinch on the elderly, and it will be another three or four years before Congress will again increase benefits.

2) Thousands of older people who are receiving welfare assistance in addition to social security, will get no increase at all because their welfare aid will be reduced by whatever amount their Social Security check is increased. The Senate voted a mandatory however, it was rejected in conference.

3) The Conference proposal represents a

however, it was rejected in conference.

3) The Conference proposal represents a backdoor tax increase. Taxpayers will have to pay the same for the Conference bill (which proposes benefits costing \$3.6 billion) as they would for the Senate bill (which proposed benefits costing \$5.8 billion). Thus the tax burden on American taxpayers is increased without hearings and without providing commensurate benefits. We may need a tax increase, but I do not believe American citizens should have to pay such hidden taxes is this represents.

4) Local real estate and property taxes

4) Local real estate and property taxes may have to be increased in many states in order to make up for decreased federal participation in welfare programs and new restrictions on uses of federal aid funds.

restrictions on uses of federal aid funds.

5) Lower-income taxpayers will have to pay a larger share of their income in Social Security taxes than those who earn over \$7,800 a year. This occurs because the Conference Report adopted a proposal that Social Security taxes be paid only on the first \$7,800 of income and rejected the Senate's sliding scale proposal. Thus people who earn over \$7,800 a year do not have to pay Social Security taxes on the amount of income in excess of \$7,800.

6) The Conference Report rejects or re-

6) The Conference Report rejects or reduces additional Social Security increases for special groups. The Senate had proposed additional benefits for disabled widows and widowers, individuals 72 years of age and older, and those who chose reduced benefits at age 60.

7) There are insufficient increases in the amount an individual can earn and still be eligible for full Social Security benefits. At present, a Social Security beneficiary can earn only \$1,500 a year without having part of his benefits withheld. The Senate proposed increasing this limitation to \$2,400, but the Conference refused to go beyond the \$1,680 figure proposed by the House of Representatives. This represents an increase of only \$180 rather than \$900 as suggested by the Senate.

8) The Conference Report arbitrarily limits.

8) The Conference Report arbitrarily limits the extent of federal participation in Aid to Dependent Children programs by placing a "freze" on the number of American chil-

Dependent Children programs by placing a "freze" on the number of American children who can be fed, clothed and housed with federal funds. This is like trying to reduce fires by limiting the number of fire engines. It falls to provide for increases in AFDC needs resulting from increased awareness of eligibility, migration from state to state, and economic declines.

9) Restricting the amount of federal assistance to needy children forces the states to either 1) deny aid to new applicants; 2) reduce the number of families being helped by imposing harsh new eligibility requirements; or 3) assume the full burden themselves for any assistance provided children in excess of the freeze ceiling. These options trap the states. Few states have the financial resources to support the public service they new maintain, much less the addition of further welfare expenses. The property tax can be stretched only so far; thus the only choice open to states and localities will be those which are punitive, restrictive and counter to the philosophy of welfare and common sense.

10) The "freeze" raises constitutional

"freeze" raises constitutional 10) The "freeze" raises constitutional doubts because it authorizes states to deny aid to families which meet existing eligibility requirements. Providing statutory authority for arbitrary exclusions from welfare programs may violate the 14th Amendment guaranteeing all citizens equal protection of the laws. If a state grants aid to some needy citizens and not to others, such discrimination must be made on a more researche basis. must be made on a more reasonable basis than "first come, first served." Establishing an arbitrary limit on the number of persons who may benefit from a program is irrational, indefensible, and inconsistent with Democratic principles and the Constitution.

11) Deletion of the Senate amendment ex-11) Deletion of the Senate amendment extending aid to children of unemployed fathers nationwide is clearly punitive. This provision would hold families together by permitting an unemployed father to stay at home rather than forcing him to leave so that his children will be eligible for aid on grounds of desertion. At present, aid to children of unemployed fathers is a voluntary program in effect in only 22 states. Unemployed fathers in the other 28 states and the District of Columbia must still desert their District of Columbia must still desert their families in order to feed them.

12) Rather than extending the aid to chil-12) Rather than extending the aid to children of unemployed fathers program nationwide, the Conference Report places additional restrictions on AFDC programs by excluding children of fathers who have not worked in the previous year or for at least 18 of the prior 52 months, and fathers who are eligible to receive unemployment compensation. This would appear to make it impossible to help the families of both the hard-ore long-term unemployed and the regular core, long-term unemployed and the regular

core, long-term unemployed and the regular worker who becomes temporarily unemployed due to economic forces beyond his control.

13) The Conference Report would permit state or local welfare officials to force mothers to accept jobs or participate in training programs without consideration of the effect on children in the family. While such authority is discretionary it is fraught with possibilities for abuse. At worst, it would permit local welfare officials to deny assistance to minor children if their mother refused to accept a particular job—regardless of wages, working conditions and other factors.

conditions and other factors.

14) Senate safeguards against abuse of work-training requirements for mothers were rejected by the Conference Committee. The Senate safeguards included exemptions for mothers and other relatives who care for pre-school children or children under 16 attending school, and authority for states to establish other exclusions.

15) The Conference Report drastically re-

to establish other exclusions.

15) The Conference Report drastically reduces training incentives for welfare recipients. The Senate had authorized payments of \$20 a week for recipients participating in training programs to cover personal expenses such as transportation, maintenance of uniform or work clothes, and eating away from home. This was reduced to about \$7 per week by the Conference Report.

16) The Conference Report also drastically reduces work incentives for welfare recipients and their children. The Senate version would have allowed a family on welfare to keep the first \$50 of earned income each month plus 50% of whatever was earned above that amount, without a reduction in welfare payments. This was cut to \$30 and 30% in the Conference Report.

17) The State share of work-training programs is doubled, going from 10% to 20% of the total, while the federal share is cut from 90% to 80%. This will further burden local tax resources and will increase pressure on state and local welfare officials to adopt more restrictive policies and procedures.

16) The Conference Report limits the amount of federal participation in state 15) The Conference Report drastically re-

Conference Report limits 16) The Conference Report limits the amount of federal participation in state medicaid programs under Title 19 through use of a formula based on the amount of state funds spent to help needy children and their mothers under AFDC. This will have the effect of drastically limiting midicaid assistance in states with Title 19 programs.

- (1) Jews have always led us in social affairs. From labor unions, to Social Security, to poverty program, the central concern with the economic and social well-being of others has been a hallmark of your faith.
- (2) It is for this reason that I think you know something more than is generally told about the current state of our social affairs.
- (3) The fact of the matter is that if Nixon only consolidates the existing social programs, and precludes social legislation, he will be deluming himself and also all of us. For the consolidation of the great society will be taking place on a base too week weak now, and destined to lead us to total collapse. The reason? Because, all of the social service programs passed by this passed Congress were not enough. They do not deal with the core issue in this country—providing a nation—wide floor of minimum income for all Americans. And until we have that strong economic base, the social structure will continue to crack and buckle.
- (4) The facts are these:
  - \_\_of the millions of poor people left in this country, most are working;
  - --no income maintenace program exists in sufficient magnitude to take care of the working poor;
  - --even for the poor who are lucky enough to fit into the narrow welfare categories, they still don't get enought--not even the national "poverty line."
  - -- And, lest you think that most welfare recipients can work, look at the statistics. Most are too old, too boung, or are taking care of small children.
- (5) Consolidating <u>service</u> programs does not deal with the issue of <u>income</u>. The poor need social services; but beyond that they need the chance to chose for themselves what kind of like they want to lead. And choice takes <u>income</u>.
- (6) We need a new goal in this land--one artucilated during the Poor People's Campaign, but just as useful now: jobs or income now--jobs for those who can work, income for those who cannot.
- (7) Achieving this goal is going to take much:

(a) Reform of the welfare system which now servies neither to provide adequate income, nor to give all an equal chance for work;

(Deatail what is wrong, and what has to come)

- (b) Including in the <u>working poor</u> who now are excluded through a cobmination of programs—perhaps negative income tax, raising minum wages, expanding Social Security, ando others;
- (8) Why must we do this? Because
  - (a) <u>Self-interest</u> requires it. The Kerner Commission reports that much of the ghetto unrest is due to discontent with the welfare system. The working poor won't remain voiceless much longer; there is already the backlash, and George Wallace to remember.
    - (b) Social Justice requires it. If we believe all should have a chance to live in decency and dignity, then we just see to it that a minimum standard of living is assured. Everyone must have the chance to earn this standard, but if one cannot work, to receive it as a right.
  - (9) We must not be afraid of the redistribution strategy.

    The Gallup Poll indicates that we are. First of all,
    many people cannot work/ Second, we redistribute income
    all the time. Are farm subsidies charity? Are tax
    exemptions charity? No, they represent conscious choices
    to foster our concepts of justice in this country.
    So too must discussions of income maintenace for the poor
    be considered. And it is not just the poor. All of us are
    working fewer and fewer hours and years with the advance of
    technology. More and more of us are now and will in the future
    earn our income more as a matter of social decision, and
    less as a matter of trading work for money.
  - (10) This nation will not gain that ideal unity, nor will it really move forward together until something is done about income as well as jobs. With jobs for most, but adequate income for all, I believe we can begin to rebuild this land, abd on a foundation strong enough to support a country of common purpose and pursuit.

4 copies pls.

#### Draft: January 26, Challenges Speech

A Gallup Pohl on jobs and income came to by attention last week.

both

It interested and disbutbed me. and I would like to share with you some of my thought about it, for I think it measures some to significant things about American attitudes to challenges the challenges facing this country in social affairs.

The poll measured attitudes about on two current proposals for ending the "welfare/poverty crisis" in our country. One peoposal, for guaranteed jobs, represented what academicians call the "opportunity strategy" -- providing jobs to all in order that they be able to earn an income that would get them out of the poverty class. The other proposals, for guaranteed income, represented the "redistribution strategy" -- in the a minimal level of income through redistribution of the tax dollars from the more affluent to those in need.

The enter to the poll was interesting. The overwhelming majority-79%-favored guaranteed jobs; the underwhelming minority--32%--favored
a guaranteed income plan.

The This sample of American opinion I think demonstrates at least four characteristics of popular belief; three desirable, and one that should be questioned.

First, it demonstrates a belief in social responsibility. Despite the current outcry against welfare, we still seem to believe it important to provide a decent minimum standard of living for the poor.

Second, the poll shows a continuing belief in equality of opportunity requested for social justice.

as a backlash, most of us still seem to believe that equal access to jobs is important.

Third, --and this comes through very strongly--we don't like the idea of "something for nothing." The Puritan work ethic runs strong in the American character, stronger perhaps than any other s ingle shared value.

But there is a fourth thing the poll indicates, and the something that disturbs me very much. And that is a seeming belief that it is wrong to distribute money, attach it is a good idea to distribute jobs, because to give money would necessarily make people stop work; and that furthermore, we could cut the welfare rolls significantly by using jobs

This fourth premise bothers me in two ways -- philosophically, and

#### TEXT OF INTERVIEW WITH

#### SENATOR WALTER F. MONDALE

June 28, 1968

ANNOUNCER: This is another in a series of interviews with Minnesota Senator Walter Mondale. Today Mondale is questioned about gun control

ANNOUNCER: Senator, is the current push for gun control laws just a hysterical reaction to Senator Kennedy's assassination?

MONDALE: Well, I believethis is one of the factors, and a very tragic one. But the need for reasonable gun control laws goes much deeper. It's incredible to think that we are more particular about who can drive a car than who can own a gun. The results are right there in the death and crime statistice -- since 1900, nearly 800,000 Americans have been killed by private firearms. That's more deaths than we have suffered in all our wars put together, from the Revolution on. And the rate is increasing.

ANNOUNCER: Short of outlawing guns altogether, how can you legislate gun safety?

MONDALE: Basically, it's the same way we regulate auto safety -- by licensing, registration and similar steps to keep guns out of the hands of criminals, children, drug addicts, alcoholics and the rest -- people who simply can't be trusted to use a gun safely and competently. I'm sponsoring two bills on gun control, one drawn up by the Administration and one by Senator Tydings of Maryland, and their purpose is simply to take guns away from criminals and incompetents.

ANNOUNCER: But wouldn't these proposals also affect hunters and people who keep a gun at home to protect their family?

MONDALE: No, they do not. That's a myth which is being spread by the gun lobby. They would outlaw interstate mail-order gun sales -- the source of about half of our gun murders, since the most hardened criminal can order a gun by mail, using an assumed name if they want to . They would limit gun sales to residents of the same state -- again so a criminal could not go where he is not known to buy a gun. They would outlaw gun sales to children. Ammunition sales would be regulated in the same way. Then, they also would require gun owners to be licensed, and all guns to be registered. Licenses would not be approved for people with criminal records, alcoholics, addicts, incompetents, children, and so forth. But the honest, law-abiding citizen would have no difficulty keeping his gun or buying a new one. You could still buy a pistol and ammunition to protect your home, although police recommend against it. A hunter would still have his pick of all the rifle and shotgun models, and a collector could still get all the guns he wanted. The only inconvenience -- and it's no more than that for an honest person -- would be to get a license and turn in the registration, a step much simpler and cheaper than getting a driver's license.

ANNOUNCER: How do we know all this regulation would really cut down deaths and woundings?

MONDALE: Well, It's just common sense, in my opinion, that if you pass laws banning gun ownership by criminals and incompetent people, and enforce the laws, there will be fewer shootings. And if there is any doubt about this, I believe there are plenty of statistics to prove it is true. Compare firearm deaths in the United States with those in nations which regulate gun ownership. Our gun murder rate is five times that of Britain, ten times that of Belgium. Our gun murder rate, per-tapita, is 23 times that of West Germany. Within our own country, you can find the same contrasts in gun deaths, comparing states with strong gun laws, those states with no gun control, or relatively weak regulations. In states with no laws, or weak ones, the gun murder rate is nearly six times greater than in states with strong laws.

ANNOUNCER: What are the prospects for getting tough control laws passed by Congress this year?

MONDALE: Well, I believe they're quite good. Committees are moving fast in both the Senate and House, and the Administration is providing strong support. At this point I can't predict the precise form of a final gun bill, but I think we'll pass a good one, and I think it will help reduce the useless bloodshed.

ANNOUNCER: Thank you, Senator. This has been an interview with Senator Walter Mondale of Minnesota.

practically. I believe wee need both jobs and income - but for practically. I different groups.

Philosophically, the bothers me because it seems to reflect

a belief that income redistribution is charity; and that if you cannot

work, you should not eat.

Practically, the attitude bothers me because the facts about poor
people generally, and welfare recipeients in particular, do not support this
conclusions that jobs can substitute for income maintenance.

We know that income redistribution is not all charity. We have been practicing it for years. Are farm subsidies charity? No,/they represent a decision on the part of the country that it is important not to have too large a fra farm surplus ; but that we still have a responsibility to maintain the incomes of those from which we are taking the means of livlihood. Are tax-loopholes charity? No, we say, they agains representative of the American desire to promote the public well-being because by seein encouraging socially useful behavior. IS Social Security charity? No, we say, these payments represent a commitment on the part of the nation to help maintain the incomes of those who no longer can work. Why is it then that we consider welfare payments , and the current suggestions for expanded income maintenace programs to be charity? EI THINK is a popular belief The only reasonable explaination wouldzseemztozbezthazbezief that most welfare recipeints could work, but aren't; and that they therefore do not deserve our taxzdollars tax dollars, because they could get for themselves a decent floor of income if only they as were not so lazy.

The facts about welfare recipients do not support this conclusion.

### Lotte Inch + Total Facts.

Of the estimted 26 million poor in thez 1967, more than half--57%-of the adults were working. These zadalisze zazatzita zazazatez p art or all of the year. The millions of men and women constitute the great underclass of working poor, who, though fulfilling the requirements of the our Puritan ethics, still found themselves without the decent standard of 10009.

Traffin Well, I believe chey'th quite good, Committees Sin Senace and House, and the Administration is providing paint I can't excit to the precise form of a final gam only case a good one, and I think it will help reduct the unall companies. There was been an interval.

OE-

Most of the poor were not on welfare. More recent figures show that, in September, 1968, animous azazzizazzazzizazzazizazzazizazzzizazzzizazzzizhtigzazzz less than half (slightly over 40%) of white and non-white poor were receiving categorical anyzzizazzz public assistance.

Furthermore, of those who were receiving public assistance, most were incapable of working enough to support themselves, even if jobs had been available. Of the 8.6 million persons receiving assistance, in September, 1968, more than half were children; nearly 1/4 were 65 or older; 1/10 were too blind tzzzz or too disabled to work. And of the 1.3 million mothers receiving public assistance, estimates are that only about 300,000-less than 1/4-have the skills or the ability to become self-supporting, even if they left their children, and even if there was adequate and situable day care available.

Jobs are not going to solve the problem of these people. In fact, by one estimate, almost half the poor in metorpolitan areas cannot be expected to become economically self-sustaining in the near future, because they are too old, too young, too disabled, to work, or are rearing children.

But, you say, what about all of those men on the welfare rolls.
What about them?

The fact is that

The popular assumption that many able-bodied men are on the The troth is that relief rolls is completely wrong. In fathers are living with less than 20% of AFDC families. Furthermore, of those remaining at home, an HEW survey in 1961 found that 15% were incapacitated.

For these people...the old, the young, the mothers rearing children...

the question of walfarazagamentszaszaszaszaszaszaszaszanatszaszana

I believe met must do better at recutribution income metablicae, and

that we must do it now. For there are many types of reforms to

be evaluated, starting with revolutions in our current welfare system.

The fact is that our current welfare system of failing both to restribute income equitably; how does the provide adequate What's wrong with welfare?

Oppositionities for work.

First, several things that have little direct relationship
to work but a lot to do with Justice '
As James Tobin lists them in Agenda for the Nation:

Welfare fails to provide adequte coverage, excluding many groups, including the working poor, from legal eligibility, and others by failure to inform them of their rights, or by overstrict state and local administration,

Welfare administrative practice assaults the dignity of recipients; complex eligibility determinations, and constant surveillance assault the dignity of recipients, and add untold administrative expense;

The Welfare system is inequitable: Variations in eligibility and benefits make some taxpaying families worse off than some families receiving public assistance;

Welfare fails to provide adequate benefits: No state in this nation pays benefits to families equal to the poverty level. According to research by the National Welfare Rights Organization, the average income for an AFDC family of four is less than \$2,000 per year.

Welfare encourages uneconomic migration: families move from one state to another on the basis of the size of benefits, because there is no national standard. State average payments per month for AFDC, for example, range from \$60.76 in New York, to \$8.40 in Mississippi. The national average payment is \$39.50, but 35 states do not even pay this average.

Now, let us turn to issues related to employment and the welfare rolls. The fact is that

Welfare discourages work and thrift in at least three ways.

First, welfare benefits are reduced if recipients earn money, or if they accumulate savings. This acts as a tax on work and thrift.

Second, administrative barriers often discourage those who wish to take training or go to work. I think of the project HELP participants here at the University who told me of case workers discouraging their entry into this higher education program; workers who were reluctant to provide the extra clothing and child care allowances it would have taken for these women -- most of them AFDC mothers -- and beautiful ones at that -- to move from the ranks mostly of the employed poor. Child care was the biggest single problem mentioned by these women. Yet Welfare Department regulations were said to prevent one welfare mother from being paid to take care of the children of other mothers who wanted to go to their University classes.

Third, the welfare system in most states penalizes the stable family unit by refusing aid to families where a parent is unemployed, with the effect of forcing men to leave their families if their families are to receive welfare assistance. Only 22 states in this country have the AFDC-Unemployed Parent program. Under this program, fathers can stay in the home while they are looking for work. In this state and others without this program, fathers disqualify their families from eligibility for help if they stay on. One can only guess at the number of marriages broken and put permanently on welfare because the father does not return as a result of this nightmarish regulation.

The National Commission on Civil Disorders reports sets forth what I would consider a minimum agenda:

- -- National standards of assistance payments supported by a much larger federal contribution;
- -- Removal of legal and administrative restrictions designed to keep people off the rolls and deny them knowledge of their rights;

And, most relevant to the discussions here about the relationship between employment and welfare:

- -- Revision of the "forced-work" provisions imposed by the 1967 Social Security Amendments, coupled with increased incentives for employment and job training.
- -- Addition of supportive services for women with children to permit them to take full advantage of opportunities for training and work;
- -- Creation of mandatory AFDC-UP programs so that men who love their families may stay at home while looking for work.

Beyond this, I believe evulation of the "redistribution" alternatives

and ought to include consideration of the other proposals for maintaining

netative income tax

the income of those who cannot work. The "guaranteedzannuzizineenez"

is one idea; but there are others, including the widely discussed proposal

incree of children's alhowances.

I said at the outset that I believe we needed to use both

"redistribution" and "opportunity" strategies. And I have spent mos t

of my time on "redistribution" because I think it is least understood.

But now let me say something about the "opportunity" strategy

We certainly could do better feel as well.

The

guaranteed job proposal is one of several now being discussed all aimed

at reaching the hard core unemployed poor.

Certainly we need much federal

subsidy, the same and through business initivities on a scale and equal to the task at hand.

But I think very soon, social justice requires that we also consider

the plight of that majority of poeple; who need a different kind of

opportunity. The Opportunity Strategy for the working poor has got

education

education

and with it for incomes at a level that will below the account of poverty.

### a commend "population the" has a solution of

I began this papers by talking about a Gallup Poll that had given participaths only two thoices, one presents the guaranteed income approach for all; or guaranteed jobs. The poll did not measure public response toward a combined s trategy, including both "Opportunity," and "Redistribtuion" of income. I hope another poll soon will.

For it seems to me the eventual answer is a response emobided in the slogan of the Poor People's Campaign—"Jobs or Income Now." while One may argue about what the participants meant by that slogan, so let me make my meaning clear. What I mean is producted guaranteed jobs for those who can work; through an Opportunity strategy that includes education advancement and topicing as well as the job itself; and guaranteed income for those a Redtiribution strategy includes a changed who cannot, through welfare system, perhaps eventually combined with additional direct distribution redistribution, measures.

To sum up then, what do we dz need?

We need more understanding of who the poor are, and exactly what they need.

We need to expand our opportunity strategy, providing more chances for work and training at entry levels, but also for more advanced levels of skill and income;

We need a to revise our fedistribution strategy, "
Changing the welfare system so it provides adequate income maintenace,
and increased work incentives;

But more than that we need a little more humanity and humility as we look at these problems, and at the people who are involved.

We must discuss the facts and figures. But we also must feel and

Every man deserves to have a society where he can, if he wattou or we wishes, go as high as his talents permit, unaffected by the economic status of his family, the part of the country in which he may live, or the color of his skin. Only when this is achieved will our society live up to its own solemn propuncements.

For the poor, we must not ask not charity but justice; not the dole, but dignity; not enforced idleness, but an upward role upon which any man may travel without interference from social and economic forces not of his making.

In short, we must ask for the poor what we value for the portal and for income society as a whole--a chance to work; a chance/ at a decent minimum standard; a chance to live in dignity and peace with the poor what we value for the poor w

The Gallup Polls are taken rather often these days. It is my
hope that when the interviewers come again, the national response on jobs
and income
will reflect an expanded vision.

### IMPACT REWRITE 1-26

Mest of us in this room have a special way of looking at the question of what it means to be "on welfare" in the United States.

We're the people who pay the taxes that provided just over 85 billion in federal funds and just under \$2 billion in state and local funds during fiscal 1968 to pay for what the President's budget message calls "public assistance."

Almost none of us got a mickel of that \$5 billion. It went for old age assistance, aid to the blind, aid to the permanently and totally disabled, and aid to families with dependent children.

We also helped pay for nearly \$3.7 billion in Medicaid assistance, \$187 million for food stamps, \$217 million for child nutrition programs, \$104 million for special milk programs, \$385 million for surplus commedities, \$290 million for public housing assistance, and \$2 million for rent supplements. Unless we have children in school lunch programs, probably few of us in this room got a nickel of that \$4.9 billion in non-each benefits either. As a matter of fact, we might even have paid a little entra to subsidize the growing of some of the food that ended up as surplus commodities.

And that doesn't count what we might have contributed to any of a number of more-or-less self-supporting pension and insurance programs organized by federal, state, and local governments and financed by taxes or contributions of some kind by salaried workers or their suployers. To some of us, these programs also make up part of "welfare."

And knowing what I do about the outstanding private assistance afforts in which many of you in this room are involved, your contributions in taxes to public assistance and public benefit programs only begin to tell the welfare story.

It's a big bill we're paying. It covers a lot of payments and services to a lot of people. It's going to get bigger as both direct and indirect programs reach more people and come closer to providing support at the poverty level.

We aren't getting the money. But 2.9 million Americans did receive benefits from Aid to Families with Dependent Children in the cash benefit category, and 8.6 million got assistance under Medicaid in the indirect benefit category. Many of them were the same people.

Thankfully, we are the people who have the money to pay the bills and not the people who depend on the payments. But because the bill is big and the money is going to a small portion of the population and we don't quite know who gets what or how such but we do hear about abuses, "Welfare" is a term that describes a pretty wague program and an increasingly controversial one.

There's a recent Gallup poll that demonstrates this pretty clearly. The poll measured national attitudes on two proposals for dealing with what it called the Employmentstate welfare/poverty crisis in our country.

One proposal sought to provide jobs for all so that they could earn an income that would nove them out of the poverty wat class—an "opportunity" strategy. The other would provide a government-quaranteed

minimum level of income regardless of whether a person was employed -- a "redistribution" strategy.

We certainly do want to help all our people find a way to earn a minimum standard of living-79 per cent of Americans favored grammant guaranteeing work for everyone.

But we certainly do not want to provide income without workonly 32 per cent favored a guaranteed income plan.

That's not so surprising; there's a great American tradition of disapproving "something for nothing." But "welfare" being what it is in the minds of most of us who don't receive it, there are some accompanying suspicions.

I think many of us believe that if we give people money whether they work or not, they won't work. Of course, that doesn't apply to me
I'd rather work anytime; and it doesn't apply to you-at least I think you'd rather work; but it does apply to "them."

I think many of us also believe that if we could just find enough jobs for everybody, we could cut down on "welfare" a great deal. And we equate poverty with not having a job-only people who don't work or won't work are poor.

The facts about the poor in general and welfare recipients in particular just don't support those judgments.

-Of the estimated 26 million poor Americans in 1967, more than half of the adults-57 per cent-were working part or all of the year.

These millions of men and women constitute the working poor, who find themselves unable to rise above poverty even though they work. Many of them would be better off financially if they did not work.

less than half (slightly over 40 per cent) of white and non-white poor were receiving categorical public assistance. The Bresident's Budget Message expresses the hope that public assistance will reach 50 per cent of the poor by 1970.

working enough to support themselves, even if jobs were available.

More than half of the 8.6 million persons receiving assistance in 1968 were children. Nearly a fourth were age 65 or older. A tenth were too blind or too disabled to work.

And of the 1.3 million mothers receiving public assistance, less than one-fourth are estimated to have the skills or ability to become self-supporting, even if they left their children with suitable care.

Jobs are not going to solve the problems of these people on public assistance. By one estimate, almost half the poor in metropolitan areas cannot be expected to become economically self-sustaining in the near future because they are too old, too young, too disabled to work, or because they are rearing children.

But what about all the men on the welfare rolls?

-Fathers are living with less than 20 per cent of families which receive aid for dependent children. And a Health-Education-Welfare survey several years ago (1961) found that 15 per cent of the fathers who are at home are incapacitated in some way.

public assistance—those on mod "welfare"—transfer to a job is simply not possible. The old will be increasingly with us, and they will need help. The young are our hope for getting out of poverty in this country; they need far more help, not less. Permanently and totally disabled people will continue to require our help. And mothers rewring children must be able to feed and clothe them and send them to school, whatever we may try to do to bring them out of dependence at the same time.

If we accept the responsibility to provide a minimal level of support for all our citizens, some of that support will have to be what we call "welfare." We can no more eliminate welfare than we can eliminate the aged, the young, and the ill, and it is foolish to talk as if we had such an alternative.

At the same time, there are some very serious complaints that can legitimately be made about "welfare." Interestingly enough, they turn out to be complaints largely about the system and its administration and not about those who receive help. We who are paying the bills and running the system have failed to distribute income equitably and to provide adequate opportunities for these who might be able to move from the world of welfare to the world of work.

First, the question of equitable distribution:

According to James Tobin in the fine Brookings Institution publication

Agenda for the Nation:

-WELFARE FAILS TO PROVIDE ADEQUATE COVERAGE, excluding many groups, including the working poor. People may be excluded by legal restrictions or by restrictive administrative practices, or by failure to inform them that they are eligible. In 1966 there were six million poor households headed

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by able-bodied adults of working age, 54 per cent of the total poor households ami 59 per cent of the total poor people. They are poor but almost none are eligible for assistance.

There are complex determinations of eligibility which reflect general suspicion of applicants. Constant surveillance attacks dignity and questions honesty, to say nothing of adding tremendous expense. Caseworkers are detectives, social workers, attorneys, and judges.

and benefits make some taxpaying families worse off than some families receiving assistance. The "working" family whose income barely meets the poverty level has every reason to envy the state of those who are eligible for public assistance. The working poor family pays taxes and receives no extra each help for food, clothing, or shelter. The working poor family is often ineligible for the extensive health care that is assistance available to the welfare family. In more generous states, the difference is greater.

Mation pays benefits to families equal to the poverty level. According to research by the National Welfare Rights Organization, the average income for a family receiving aid for dependent children is less than \$2,000 per year for a family of four. And the President's budget message reports that "Except for a few high-payment States, average levels are considerably below the poverty line."

one state to another on the basis of the size of benefits, because there is no national standard. State average payments per recipient per month for aid to families with dependent children, for example, range from \$71 in New York to \$8.50 in hississippi. The national average payment is \$33750 \$42.15, but a majority of states do not meet this average. Like working families, families dependent on public assistance seek the places where they are nost adequately supported.

First, welfare benefits go down if recipients earn money or accumulate savings. This acts as a tax on work and thrift and keeps the welfare recipient from getting the mant economic start he may need to bring him out of the system.

Second, administrative barriess discourage and even penalize those want to take training or go to work. Here at the University of Minnesota in Minneapolis I have heard Project HELP participants tell me of case workers who attracted discouraged them from entering this program. I have heard of case workers who were reluctant to approve the extra clothing and child care allowances it takes for these women to move into this more hopeful situation. Child care was the biggest single difficulty encountered by women in this project, but regulations apparently prevented one welfare mother from being paid to take care of children of other mothers who wanted to attend college.

Third, the welfare system in most states threatens family units by refusing aid to families where a parent is unemployed but capable of working. This sometimes forces men to leave their families while they look for work in order to bring welfare aid to their families. Only 22 states have the Unemployed Parent program of aid to families with dependent children, which provides that fathers can stay in the home while they look for work. Hinnesota is not one of those states; in this state and most others, fathers disqualify their families from eligibility if they stay in the home. How many marriages are broken and families put permanently on welfare because of this super-mapicious regulation?

There simply is no question that the National Commission on Civil Disorders is right in its proposals for reform of public assistances. It calls for

- 1. Mational standards of assistance payments supported by a greater contribution of federal funds, to bring minimum payments up and discourage migration;
- 2. Removal of legal and administrative restrictions that are specifically designed to keep people off the welfare rolls and keep them from knowing of their eligibility.

3. Revison of the "forced-work" provisions imposed by the 1967
Social Security Ameniments and provision of positive incentives for employment and job training. Over the strong objections of many of us, the last Congress passed regulations which may force mothers from their homes into dead-end, low-paying jobs without providing training or child care, and without providing a chance to choose to stay home even with pre-school youngsters.

4. Providing nationally for programs for unemployed parents, so that men who man want to keep their families together can do so while they train or seek work. Such a mandatory program was taken out of the proposed welfare amendments in the last Congress.

5. Addition of supporting services for women with children so that they can take a advantage of opportunities for training and work. Here in Minnesota, as elsewhere, day care assistance is needed. So are transportation allowances and counseling services.

possibilities for maintaining the income of those who cannot work.

A negative income tax is one idea that has been proposed to provide cash to those whose income is very low. Another is some sort of children's allowance that would guarantee some minimum support for every child as he is growing up. I believe it is quite clear that we are going to need some kind of assistance that is not tied to work for a substantial portion of our population.

Dut certainly work opportunities are important, too. However we do it, through federal subsidy or business initiative, or both, we have got to make work available on a scale that is equivalent to our needs. I shudder inclinateable when I think of the proposal already put ferward that we may have to have higher unemployment rates if we are to reduce inflation. That may be an economically effective straingly, but I cannot imagine how it can be considered in the present social climate in America, where the demand is for more jobs and the support is apparent for using jobs as a means of maintaining income.

The poll I quoted earlier did not measure public respons toward a strategy that combines the "redistribution" and "opportunity" strategies. I hope we will measure the response to some combined program, because that is where the answer lies. And we must begin the task of working out such a strategy and selling it to those who are paying the bills—to ourselfes.

It has been well put, I think in the slopan of the Pour People's Campaign-"Jobs or Income Now."

We must guarantee jobs for those who can work through an opportunity strategy that includes training and advancement as well as work itself. And we must guarantee income as well for those who cannot work, through a redistribution strategy that changes the welfare system and combines it with some form of additional direct income.

And we must recognize these efforts for what they are-a guarantee of the dignity and health as that is the right of each human being in America.

Reinhold Niebuhr once said:

"Man's capacity for justice makes democracy possible, but man's inclination to injustice makes democracy necessary."

In the debate over income maintenance—over "welfare"—it is easy
to see the truth of that judgment. The goal of welfare in America is a manne realis
of the minimum rights that each person has. But the administration
of the system works to restrict access to those rights. What is known to
be a bare minimum is discussed as if it were overgenerous.

We must ask for the poor the things we demand for ourselves; not a dole, but dignity; not forced idleness, but access to work and achievement. For the poor as for the otherwise disabled, we must ask the chance to earn along with

the right to receive if there is no work or if the work will not emable a life of human dignity.

We will have to continue to pay the bill for some of it. But we will do it, in order to but bring to others the independence and capacity to give that is such a privilege for us.

We will have made a good investment if we manage to change a system that heaps degradation by process upon the heads of those who already feel degraded in substance. We will begin to get an economic return on that investment if we manage to combine guaranteed support with opportunity for training and employment that will eliminate the need for the support.

We will not manage any of this unless we face the truth about our poor and our system of providing for them, until we stop transferring the faults of the system we have created over to the character of those who must use it.

The poor are not corrupt, though they are corruptible.

The system is far from perfect, though it is perfectible.

The problems are not elementary, change they are intelligible.

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And though we are not guaranteed the right to succeed in solving them, we are obliged to try.



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