

## POVERTY AND POOR RELIEF :

### COMMENTS ON THE SYMPOSIUM

G. A. C. KUSCHKE

*Union Secretary for Social Welfare*

I am glad to have this opportunity of addressing members of the Cape Coordinating Council of Social Welfare Organizations. It is very useful to know that ideas on Social Welfare are being exchanged by organizations and individuals interested in the poor. I am keen, sir, that we should know what we are talking about and that we should define our terms. Listening to our discussions here this afternoon, I have had the uneasy feeling that some persons were using the word "poor relief" when they were really referring to "social welfare". It is essential to keep these words apart.

Bishop Lavis has described what poverty means. We all agree with him. Miss Parlo has told us how the Cape Town University has evolved a yard-stick for measuring income or poverty. Mr. Joslin has described to us cases of poverty in Cape Town. He has also classified the recipients of poor relief. From his paper I understand that the majority of recipients of poor relief belong to the group of the sick, although unemployed people are also assisted as well as dependants of deceased heads of families, dependants of people in prison, and finally people with insufficient incomes. Professor Hutt has linked up this subject of poverty and the cure of poverty with our economic and social pattern. I am very glad he has done so. I want to refer to it later. The contents of his paper, if I may say so, have pointed in the direction of long-term solutions, though we as we sit here can do little about wage determinations, free trade, the abolition of tariffs, etc.

Professor Batson has described the nature of poor relief. He has thrown into high relief the battle between the two principles of Adequacy of Assistance versus Less Eligibility. I would prefer to speak about the relationship of benefits and wages. If benefits exceed wages then the temptation to receive benefits rather than to work for wages becomes tremendous. If you were to tempt me to-day with a pension greater than my salary, I should be unlikely to be Secretary of Social Welfare to-morrow morning!

Dr. Kotze has given us a description of the administration of poor relief in Cape Town and Johannesburg. There is really no difference in the ratio of contributions from the Municipality in Johannesburg and the Municipality in Cape Town. It was made to appear as if Johannesburg were contributing less than Cape Town. At the moment that is so, but the agreement with the Johannesburg Municipality is that we should work up to a fifty-fifty basis. We took the position as we found it. Next year we will ask the Municipality to pay a little more and we will pay a little less; by-and-bye we will be on the same footing as Cape Town.

What has interested me is the constitution of the Board of Aid. The Board of Aid consists of nine persons, four nominated by the Municipality, three



nominated by the Central Government, and two nominated by subscribers. I think you would have to search high and low to find more than two subscribers! Even if you found a dozen subscribers it would still mean that there is very little interest in the application of poor relief in Cape Town. It is left to this small group of men—to a body that is self-perpetuating. If there is a vacancy the members put their heads together and ask someone to come in. I think this should be changed. I think your Co-ordinating Council should make a move in that direction. It would lead to a healthy condition in social services in Cape Town and would lead to that policy of the integration of social services in Cape Town for which Father Millen made a plea.

*I do not believe it is sound policy to isolate poor relief from other social services or from the economic life of the Union.*

Mr. Rose-Innes has set up his own nine-pins and has overthrown them to his own satisfaction. He has not spoken about the Department's Memorandum [on Poor Relief, No. S.W.P. 1/4, 1941.]. This Memorandum has not been altered since the 16th October, 1941, the date on which it was issued. The things which I wish to repeat are here in print for all to see and to corroborate. In section 19 we explained that because human psychology is what it is, poor relief must not be made too attractive. Then we set out a standard of rations for Europeans, Coloureds, etc., and for children. We followed on by saying that the Department appreciates that the permanent pensions and grants referred to, however, may be insufficient to meet all the essential needs of an applicant. Rations and additional poor relief as outlined in paragraphs 20 and 21 may also be insufficient to meet essential requirements of an applicant or persons not in receipt of grants. In such cases supplementary grants should be given from funds derived from other than Government sources. As the Board of Aid in Cape Town is in receipt of half its funds from other than Government sources it can do what it likes. You in Cape Town can exceed the Government rations.

Then we go on to say why we think it is not wise to supplement Old Age Pensions, Invalidity Grants, etc. We think that such supplementation of Government Grants from further Government sources will only obscure the inadequacy of the particular grant. If a grant is insufficient, we think it is better to say so than to augment this grant from other Government funds.

When we took over we received a copy of the grants in force which were to be handed over to us. Those ration scales said nothing about rentals. In drafting this Memorandum we thought we were making a progressive step by including rentals. We felt we had to move carefully and cautiously because the expenditure might rise sky high. Therefore, we set out to curb expenditure on rentals. 5 per cent. of your total Government grant may be devoted to rentals without keeping the Head Office in Pretoria informed of the need for such increase. This is an improvement on what happened in the past. In Cape Town £25,000 is available for poor relief. Five per cent. of that amount may be devoted to the payment of rentals; that is not a small amount. If circumstances were to arise and make it necessary to go higher, if sufficient data and facts were put before me for submission to the Minister, neither I nor the Minister would refuse to be convinced; but facts have to be put forward.

The third improvement that was incorporated in the Memorandum is a definition of "additional poor relief". We quote such items as fuel, clothing, blankets, special benefits. These may be given in addition to the rations. Nowhere in this Memorandum will you find a prohibition on the granting of these



items. We have not tried to curb the discretion of the distributors of poor relief. We contend in the Department that this has liberalized the application of poor relief. The whole of this afternoon I have been made to feel that the nigger in the wood-pile is this Department of Social Welfare which has not had sufficient heart to do justice by the poor. But in order to get this picture of the Department's responsibilities into the correct perspective it is necessary to remember that the transfer of poor relief to the Central Government has not released local authorities from their responsibilities. What are their responsibilities? *To augment rations which they consider inadequate.* That is the one function reserved for local authorities. The Union Government—in the past the Provincial Administration—throughout a tremendous geographical area, could not work out a scheme which would apply correctly in each area. It therefore has laid down a general scheme to which local authorities could add in the light of local needs. I therefore submit that the complaint about inadequacy was misdirected. It should not be directed against my Department.

Secondly, the full responsibility for our ration scale rests on the Public Health Department, which at that time was employing trained dieticians. After a fortnight's discussion with the Public Health Department they intimated, in writing, that our nutrition scale was adequate. We are therefore confronted with a difference of opinion about what constitutes adequacy.

I am a member of the National Nutrition Council. I think it is a body which will yet do much good. I, however, submit that in the dissemination of poor relief on a national scale we cannot chop and change about with documents. Poor relief, if you go to the outside areas, is administered by officials, some of them quite junior in the service. We ought to be thankful that they have mastered the essentials of this one document. To send out amendments to a document like this will simply lead to confusion.

I also wish to point out that the Union in the last few years has been witnessing the breaking up of poor relief. Poor relief in Great Britain has passed through the same stages as the Union. Thirty years ago there were no Old Age Pensions, no Blind Pensions, no Invalidity Grants. Persons now in receipt of that type of assistance were then in receipt of poor relief. It therefore constitutes a big improvement that we now have Old Age Pensions, established in 1928; Blind Pensions, established in 1936; Invalidity Grants, established in 1937. The Children's Act in itself constitutes a break-away from poor relief. That is another tremendous forward step.

It is possible to cite individual cases under the Children's Act which are inadequate. On the other hand I submit that it would be possible to mention thousands of cases in which the application of the Children's Act constituted a great advance on poor relief given in the past.

It therefore is very necessary in dealing with this question to have regard to all the facts. Grants under the Children's Act have been liberalized from time to time. We move cautiously. We come right up against the question of adequacy of assistance versus less eligibility, or wages versus benefits. In the regulations under the Children's Act, you will find the words "family ceiling". It has there been laid down that the family ceiling in the city may not exceed £9. It is less in the platteland. Why is that so? Because as a matter of fact the majority of beneficiaries under the Children's Act belong to the unskilled-worker group. After close consultation with the Department of Labour, and a scrutiny of their highest wage determinations for persons of that group, we struck an average of the three highest wage determinations and got our £9.



Just now Mr. Joslin had an argument with a lady about the type of person assisted by the Board of Aid. An endeavour was made to suggest a clear-cut line of demarcation between sick persons eligible for assistance and persons who are not sick. In practice that is very difficult. The Department examines the physical and medical condition of all applicants for invalidity grants. On medical certificates, backed up by reports from social workers, grants are given or withheld. Notwithstanding all these precautions, the Public Accounts Department last year expressed dissatisfaction because of the large number of invalidity grantees who had been absorbed by the army. We had been paying them invalidity grants.

Yesterday an officer of my Department returned from a place where the Department is busy constructing a social centre which will comprise a crèche, library, etc., and where we have labourers working on the building. Some are in receipt of a subsidy from the Labour Department because they are semi-fits. Then we have other workers who are fit. It is the considered opinion of this official that the semi-fits are doing as good and as much work as the fit men.

In matters of administration one has to be very cautious. We liberalize as much as we can.

One of the latest advances under the Children's Act has been to give a Guardian's Grant providing the family ceiling is not exceeded for the reasons I have stated. When I became Secretary for Social Welfare I discovered the secret of my lack of success in the sphere of centralization in the Department of Education. I had been extremely puzzled why, in certain backward areas, we could not succeed in persuading persons to close their small schools and to allow us to remove their children to larger centres and return them during the vacation. At the time I could not understand why parents were resisting the centralization efforts. But when I became Secretary for Social Welfare I learnt the reason. My Administration was paying grants up to £20 and £25 a month on condition that the children lived with their parents. The biggest objection was that the mother would be minus her income. The lesson is that benefits must not be made too attractive.

The Department of Public Health is anxious to combat blindness amongst Natives, which is very prevalent in the Northern Transvaal. £8,000 was put on the estimates of the Department of Public Health. Special doctors and nurses were sent there, but on behalf of blind Natives and their relatives, there was extraordinary opposition to operate upon these people, the reason being that the blind people there are in receipt of a blind grant of ten shillings a month. That grant of ten shillings a month is a deterrent to them to become well. It is so difficult to know how to do good. If one thing is printed into one's soul it is that one must move cautiously in the field of Social Welfare.

In my studies recently I came across a document by P.E.P. (the Political and Economic Planning Committee in the British Isles), published in 1942. What did it say? "Some services have been faced with a hard dilemma of either making it profitable for individuals not to work or condemning families to live at an indefensibly low level". They are describing conditions, not here, but in England. They have felt their way towards a national minimum; that is what we are doing here.

I wish to take this opportunity of congratulating Universities on the good and important work they are doing in connection with social services. They are helping us to establish and evolve objective standards. This minimum Poverty Datum Line should be used by us and by employers for measuring wages.



I submit that the Department cannot upset wages. If I can be convinced that I am wrong there, then I am quite prepared to advise my Minister that the Memorandum should be revised.

I made a quick calculation when Professor Brock mentioned the figure of 7s. 6d. per week. One month is four weeks, £1 10s. for the man ; give his wife also £1 10s. ; 4 children at 5s., £1 ; add £1 for rental, to satisfy Mr. Rose-Innes, and you have £5. £5 given to a family consisting of two adults and four children. The Smit Committee on Native Affairs shows that the average earnings of Natives on the Witwatersrand are £5 12s. Could we now seriously go to the Government and amend the Memorandum to give £5 in the form of benefits, as against £5 12s. wages ?

Some years ago on a trip in England, I met a young fellow with a wife and two children. He had a tennis racquet under his arm. I enquired, "How much do you earn ?" "I am not earning." "Are you a wealthy man ; have you a wealthy father ?" "Oh, I live on the dole. Why don't I work ? Why the hell should I break my back for 7d. a day ?" That was the difference between the dole and what he might have earned had he elected to do so. That remark has always remained in my mind. It is difficult to know how to do good, and we must move cautiously.

The Department of Social Welfare is most grateful to the Cape Co-ordinating Council of Social Welfare Organization for having organized this Symposium and for other discussion from which we all stand to benefit.

I am also grateful to the Universities. We will in an increasing measure look to the Universities to co-operate with the Social Welfare Department in combating evils. Particularly now that we are grappling with social security measures we will have to co-operate with the Universities.

I want to express my appreciation of the work of the National Nutrition Council. I am impressed, when perusing the deliberations of that body, with the complexity of this problem of nutrition. It is not everybody who can speak with authority about this matter—it links up with economics. That is why I am grateful for Professor Hutt's address.

Everybody should remember that we must have regard to facts as we find them. Nobody more than myself would like to see everybody enjoying a liberal income, adequately fed and clothed, and with enough pocket money. The point is, how to achieve this. Poor relief, by itself, cannot ensure maximum welfare for the people, nor can social services ensure maximum welfare for the people. If I may add my own word of warning to the warnings of Mr. Waterson and Mr. Hofmeyr, I would say just this : that social security can only ensure minimum welfare and that maximum welfare must be left to the personal initiative of each one of us. Social security is quite impossible without three assumptions : a vigorous health campaign, full employment level, and family allowances.

One last point : I, personally, would be very glad if this body could pay attention to the question of family allowances. It has been studied in Cape Town at the University. Miss Parlo has written a thesis on it. There are advocates for and against it. I want family allowances because of the impact of the war, if for no other reason. The Government, for reasons that are important, decided to pay family allowances to large numbers of families. Our army includes a considerable number of persons who were formerly in receipt of very low earnings. Their

earnings have gone up considerably. Will these men return to pre-war wage levels? In dispersal depots to-day my Department is finding it most difficult to persuade men of category E to go back to civil life because they fear this drop in earnings from the army to post-war levels. Family allowances will also bridge the gap between wages and the Poverty Datum Line.

If I have been too outspoken, please pardon me. I only wished to explain the terms of this Memorandum.



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