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## THE WORKERS' SHARE

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EDUCATIONIST, REFORMER (1914)

A HISTORY OF LABOUR REPRESENTATION (1912)

# THE WORKERS' SHARE

A STUDY IN WAGES AND POVERTY

A. W. HUMPHREY

LONDON  
GEORGE ALLEN & UNWIN LTD  
MUSEUM STREET

FIRST PUBLISHED IN 1930

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THEREFORE when I consider and way in my mind all these comen wealthes, which now a dayes any where do florish, so god helpe me, I can conceave nothing but a certain conspiracy of riche men procureinge their owne commodities under the name and title of the comen wealth. They invent and devise all meanes and craftes, first how to keep safely, without fear of lesing, that they have unjustly gathered together, and next how to hire and abuse the worke and labour of the poore for as litle money as may be.

SIR THOMAS MORE, *Utopia*



## P R E F A C E

THIS piece of work was written as part of a very much larger book, designed as a companion volume to my *Modern Case for Socialism*, which Messrs. George Allen & Unwin published in 1928. Matters beyond my control, however, have compelled me to lay aside that work for an indefinite, but certainly considerable, period, and as the portion which here appears had been finally prepared for press, and was suitable for separate publication, I decided that, in all the circumstances, it was best to let it go.

While I hope that the facts here set out will be of interest to students generally, I have throughout had more especially in mind those young men and young women who are unfamiliar with the pre-war world and who are now in increasing numbers turning to Socialism and the Labour Party. The poverty problem was not the creation of the war, and the pre-war standard of living of the masses should receive no countenance as a criterion by which to measure the standard of life to-day.

The purpose of this little book is to assist the demonstration of this truth: that to seek to solve the poverty problem within the capitalist system is but to imagine a vain thing.

The care bestowed by my wife on the reading of the manuscript was no small advantage, and for help in other ways also I am indebted to her.

A. W. HULLIPPEY

PALMERS GREEN, N.

October 28, 1929



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## PART I

### EVIDENCE OF STATISTICS OF WAGES AND WEALTH

THROUGHOUT the era of Capitalism, poverty and insecurity have been the lot of the great majority of the people. Despite a vast increase in the national wealth, and in the capacity to produce wealth, the problem of securing anything approaching a comfortable living for most of the people has remained unsolved, and for an appalling proportion of them the difficulty of obtaining satisfaction of even bare physical needs has remained acute. Even after allowance is made for the improvement that has, in fact, taken place in the standard of living of the masses since the coming of steam and machinery, the general standard is to-day so low, insecurity is so widespread, and the poverty problem as a whole so vast and urgent, as to justify the conclusion that Capitalism is incapable of coping with it. In short, Capitalism has been weighed in the balance—all too long and patiently weighed—and found to be gravely wanting.

This conclusion is supported by every investigation that has been made into the condition of the people, whether by private individuals or under the auspices of Governments, and by all statistics of wealth and wages; but before observing what Capitalism really means in terms of human existence, as the "close ups" of social investigators and the dissections of the statisticians enable us to do, let us see whether Capi-

talism has, in fact, had an opportunity to produce results much better. It is conceivable that, at any given time, poverty may be due, not so much to faulty distribution of wealth, as to actual scarcity of wealth in face of a growing population. Has this been the case with Capitalism, which admittedly has had to support a great increase in the number of the people? The answer is that it has not.

### WEALTH INCREASES FASTER THAN POPULATION

Wealth in the United Kingdom has increased at a far more rapid rate than population. A similar result is shown whether we measure the accumulated wealth of the country or the national income (1). Starting from the middle of the nineteenth century, the heyday of modern Capitalism, we have the authority of Sir Robert Giffen's estimates for making the following comparisons: (2)

(1) As to the meaning of the term "national income", the authorities quoted follow that implied in the observation of Sir Josiah Stamp: "When all the different conceptions have been studied, we come back to the fact that the sum total of wages, salaries, profit, and interest presents a fairly comprehensive idea, free from important ambiguities, for ordinary comparative purposes."—*British Incomes and Property*, 1916, p. 416. See also Note (4), p. 16.

(2) *Essays in Finance. First Series*, ed. 1890, p. 188. Giffen observed for these periods that reproductive capital had increased quite in proportion to, if not more than, unproductive capital. "The railways, mines, ironworks, and stock in trade of trades and professions are precisely those descriptions of property, with only slight exceptions, in which there has been the largest proportionate increase of property," p. 138. That is to say, the country was not only getting richer, but its increased riches were largely in the form which would make it richer still. Giffen was Controller of the Labour, Statistical, and Commercial Department of the Board of Trade, and at one time President of the Royal Statistical Society.

GROWTH OF NATIONAL WEALTH IN RELATION  
TO POPULATION (UNITED KINGDOM)

1855-1865

Increase in Wealth	30 per cent.
Increase in Population	10 per cent.

1865-1875

Increase in Wealth	44 per cent.
Increase in Population	10 per cent.

For a later period we may make the following comparisons, using estimates of national income by Dr. A. L. Bowley: (3)

GROWTH OF NATIONAL INCOME IN RELATION TO  
POPULATION, 1880-1913 (UNITED KINGDOM)*National Income*

1880	1913
£ Millions	£ Millions
1,125	2,165

Increase: 92·4 per cent.

*Population*

1880	1913
35,485,371	46,089,249

Increase: 29·8 per cent.

Even the war, and its industrial aftermath of unemployment and short time, although it reversed the

(3) *Change in the Distribution of the National Income, 1880-1913*, 1920, p. 16. The figures of population for 1880 are actually those of the 1881 Census, and the figures for 1913 those of the official estimate of population at the outbreak of the Great War. These are the nearest estimates of population available, and the discrepancy of one year in each case is not such as to affect the validity of the comparison.

foregoing relationship between national income and population, did not do so to any great degree. Dr. Bowley and Sir Josiah Stamp have estimated that the social income of Great Britain and Northern Ireland, *after adjustment to allow for increased prices*, was "very nearly the same" in 1924 as in 1911, the population having in the same period grown by about 7 per cent. (4) More important, however, is the comparison which the estimates by Dr. Bowley and Sir Josiah Stamp of the national income in 1911 and 1924, combined with the previous estimate of Dr. Bowley for the year 1880, enable us to make over a period of nearly fifty years. We have seen that Dr. Bowley's estimate of the national income in 1880 was £1,125 millions. His estimate, in conjunction with Sir Josiah Stamp, for 1911 was £1,988 millions. Further, as we have seen, they agree that the income for 1924, after adjustment to allow for the change in the price level, was "very nearly the same" as in 1911. If we ignore the "very nearly" qualification, (5) which in dealing with such

(4) *The National Income, 1924*. 1927. "The effective increase of prices between 1911 and 1924 was about 90 per cent., and consequently the real Social Income was very nearly the same at the two dates" (p. 58). By social income is meant the total income arising within the United Kingdom *plus* income from abroad, *minus* income belonging to non-residents and *minus* transfers of income without actual service during the year, such as pensions, National Debt interest, and poor relief (*Ibid.*, p. 47). The modification as compared with the definition of national income given in the footnote on page 14 should be noted. It is of importance because of the large amount paid in National Debt interest and pensions as compared with pre-War days.

(5) How negligible is the qualification will be seen from the fact that Bowley and Stamp put the increase in income between 1911 and 1924 at 90 per cent., and the increase in prices at "about 90 per cent." *Op. cit.*, p. 58.

large totals it is permissible to do, the comparison may be set out as follows:

GROWTH OF NATIONAL INCOME IN RELATION TO  
POPULATION, 1880-1924 (UNITED KINGDOM)

*National Income*

1880	1924
£ Millions	(In currency of 1911) £ Millions
1,125	1,988
Increase 76·7 per cent.	

*Population*

1881	1924
35,241,482	44,871,000 (6)
Increase 27·3 per cent.	

It will be seen that, in spite of the war, the national income between 1880 and 1924 increased more than two and a half times as fast as population. The factor of the price level would only slightly modify this last comparison. Prices fell from 1880 until about 1896, but the upward tendency then began, and at 1911 they were almost back at the 1880 level.

Taking the estimate of national income made by R. Dudley Baxter for the year 1867 (7) we will make one more comparison, this time for a period of fifty-seven years.

(6) This is the estimated population of Great Britain and Northern Ireland at mid 1924. The earlier figures of both income and population include what is now the Irish Free State; the later figures in both cases are for Great Britain and Northern Ireland only. As the Free State area is excluded from *both* the later totals, the comparison with the earlier totals holds good.

(7) *National Income. The United Kingdom. 1868*, p. 64.

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GROWTH OF NATIONAL INCOME IN RELATION TO  
POPULATION. 1867-1924 (UNITED KINGDOM)

<i>National Income</i>	
1867	1924
£ Millions	(In currency of 1911) £ Millions
814	1,988
Increase 144·2 per cent.	
<i>Population</i>	
1867	1924
31,845,379 (8)	44,871,000
Increase 40·9 per cent.	

These figures show that in the interval 1867 to 1924 the national income increased three and a half times as fast as population. Allowing for every possible margin of error inseparable from calculations of this character, it is clear that the growth of wealth far outstripped the growth in the number of the people.

Our first point, then, is that *wealth has increased at a far more rapid rate than population*, and that the growth in the number of the people cannot with good reason be given as an explanation of the persistence of poverty in our midst.

### THE NEW GENERATION AND THE POVERTY PROBLEM

Now, despite this great increase of wealth, both actual and relatively to population, what sort of standard of living has Capitalism given the great majority of the people?

(8) This figure is actually that for the nearest Census—1871. The population at the Census of 1861 was 29,321,288.

We will answer this question by three methods: first, by observing the average level of wages of the largest section of the working class, the manual workers; then by seeing what proportion of the national income has gone to the workers; and lastly (in Part II) by noting the results of careful, detailed surveys of the lives of the people in towns of varying and representative types.

The facts to be passed under review cover a period of more than sixty years, which embrace times of good trade and bad trade, war and peace, Imperial expansion, and of advancing science, invention, and general education. Moreover, the figures and facts of the earlier years are not those of the period when modern Capitalism was in its birth throes, but relate to times when many of the grosser evils of industrialism had been removed or alleviated, and when Trade Unionism had become a force for the improvement of wages. In short, our sampling of the effect of Capitalism on the standard of life of the masses will be of quite a representative character.

A further reason for looking into the past is because it is intended to show that poverty, mass misery, and widespread under-nourishment are not exceptional phenomena to be found only at particular periods of stress. This point is of special importance in view of the growth of a generation which has always heard social questions discussed in the light of post-war conditions—a circumstance which may tend to foster the view that the poverty problem is mainly a product of the war. So far from this being the case, it is a cardinal criticism of Capitalism that it has always

involved poverty and insecurity for the mass. It is this persistence of poverty under Capitalism which it is the purpose of this study to demonstrate.

### LEONE LEVI'S WAGES INQUIRY, 1866

Now, what have been the wages of the workers? We will go back to 1866, for which year a special inquiry into the matter was made by Leone Levi, Professor of Commerce at King's College, London. This was the result: (9)

AVERAGE WEEKLY WAGES IN THE UNITED KINGDOM  
IN 1866

	England		Scotland		Ireland	
	s.	d.	s.	d.	s.	d.
Males 20 to 30 .. ..	22	6	20	6	14	4
„ under 20 .. ..	6	6	7	8	6	3
Women 20 to 30 .. ..	12	6	10	6	11	7
„ under 20 .. ..	8	6	8	2	7	4
Average .. ..	15	6	14	0	11	7

These beggarly rewards were received for long hours of labour. "The workmen", wrote Levi, "usually labour six days in the week, and each day the hours of labour are from six to six in factories and from eight to eight in other occupations, with one hour and a half for meals and shorter hours on Saturdays. But in many occupations longer hours prevail, whilst in some even Sunday work is to a certain extent carried on".

(9) *Wages and Earnings of the Working Classes*. 1867, p. 9.

Even so, Levi's figures probably presented too favourable a picture. He allowed only four weeks for unemployment, short time, sickness and time lost from other causes, and considered that the equivalent of such an allowance would be obtained by omitting from his calculations the aggregate amount which went to wage-earners over sixty years of age. Another authority, Dudley Baxter, regarded an allowance of four weeks as hopelessly inadequate. "If", he wrote, "this were the real state of things, England would be a perfect Paradise for the working men! If every man, woman, and child returned as a worker in the census had full employment at full wages for 48 weeks out of 52, there would be no poverty at all. We should be in the Millennium. Far other is the real state of affairs, and a very different tale would be told by scores and even hundreds of thousands congregated in our cities, and seeking in vain for sufficient work." After citing the time lost in the building trades, in agriculture by seasonal work, through strikes, lock-outs, and drink, through the "periodical distresses" of the cotton industry, "not mere accidents, but incidents, natural incidents, of our manufacturing economy", and by the London dockers ordinarily employed little more than half their time, Baxter came to the conclusion that to arrive at average wages "we ought to deduct fully 20 per cent. from the normal full-time wages". (10)

#### BOARD OF TRADE WAGES INQUIRY, 1886

Twenty years later, for the year 1886, the Board of Trade carried out a census of wages of the United

Kingdom, and the summarized result of this was as follows: (11)

AVERAGE WEEKLY RATES OF WAGES IN THE UNITED KINGDOM IN 1886

	£	s.	d.
Men	1	4	7
Women	12	8	
Lads and Boys	8	11	
Girls	6	4	

This average was for *a full normal week*. It related to "an immense mass of labour, representative of perhaps three-fourths of the manual labour classes of the United Kingdom". Figures obtained for other occupations were not included in the Report as they did not relate to the year 1886, but the conclusion presented in the Report was that "the broad results shown by the census summary would not be sensibly modified by including the great mass of other employments not comprised in that summary". (12) For example, it was held that the inclusion of male agricultural labourers, who were only 10 per cent. of all adult wage-earners, even at the low average of £33 a year, would have been offset by the larger number represented by the railways and the building trades, which were not included in the summary. (13)

(11) *General Report on the Wages of the Manual Labour Classes in the United Kingdom*. 1893. p. xxxi.

(12) *Ibid.*, p. xxxii.

(13) *Ibid.*, p. xxxii. Occupations not included in the summary on which the average rates given above were based were as follows: Railways, 1891, £60 per annum; building, 1891, £73; merchant seamen and Navy (petty officers and seamen), £65; Army (non-commissioned officers and men), £48; domestic servants (large

Although the average rates of wages given above represent but the meanest standard of living, they do not, being averages, adequately reflect the gravity of the actual position. An analysis shows that *of the men 24 per cent. earned less than 20s. a week*, no fewer than 57·8 per cent. earned between 20s. and 30s., only 18 per cent. were above 30s., and only 2·4 per cent. above 40s.

It was on the basis of this census that Mr. (afterwards Sir Robert) Giffen gave evidence of wages before the Royal Commission on Labour in 1893, when the following passages occurred: (14)

*The Duke of Devonshire:* Your tables, I think, show that a very large proportion of the working class of the country are earning very low wages?

*Mr. Giffen:* Yes; I think that is really the important impression one gets, that although we have three-fourths of the working classes, that is, of the men, earning between £50 and £60 per annum and upwards, yet you have 25 per cent., or something like that, below the line of 20s. a week, and that is really below the line that one would consider expedient for a minimum subsistence, it is really a comparatively low line and not a desirable thing that we should have so large a mass of people earning such low wages.

*Mr. Tom Mann:* Does that 25 per cent. apply to adult males?

*Mr. Giffen:* That refers to adult males; that is the impression, that it is a very large number indeed. There is no doubt whatever that if we were distributing that class itself, the 25 per cent., we should probably find that about half were below 15s. a week and half between 15s. and 20s., and of course the

households), £68; lunatic asylum employees, £60; hospitals and infirmaries, £61. In the case of seamen, the Army, domestic servants, and the employees in the institutions named, the estimated value of board and lodging is included in the wages given.

(14) *Minutes of Evidence before the Commission as a Whole. 1893. Q.s 6942, 6943.*

position between 15s. and 20s. is not nearly so bad as the position below that amount.

Yet even this low condition, reached only in the last decade of the nineteenth century, represented an improvement on what had obtained before. In its Report, issued in 1894, the Commission found that "among the more skilled and stable population there has been considerable and continued progress in the general improvement of conditions of life", and that "the lower grades of industry, regarded as a whole, have probably benefited not less than the skilled workers". The Commission added: (15)

*There is still a deplorably large residuum of the population, chiefly to be found in our large cities, which lead wretchedly poor lives, and are seldom far removed from the level of starvation; but it seems that, not only its relative, but perhaps even the actual, numbers of this class also are diminishing.*

Within three years of the publication of that statement, and the evidence that 25 per cent. of the adult male wage-earners were receiving less than 20s. a week, the celebration of the Diamond Jubilee of Queen Victoria let loose from press, platform, and pulpit a flood of speech and writing on the theme of the greatness of the Victorian Age. The worth of the cautious suggestion of the Commission that the number on the verge of starvation was "perhaps" diminishing will be seen when we review the results of subsequent investigations.

#### BOARD OF TRADE WAGES INQUIRY, 1906

Another twenty years passed, and in 1906 the Board of Trade made a further inquiry into wages much

(15) *Fifth and Final Report*. 1894. p. 24. (My italics.)

more complete than the earlier one. The wages stated are not, as in the earlier inquiry, the rates of wages for a normal week, but the actual earnings in a given full-time week in what was a time of good trade. (16) No average of all wages was struck in this inquiry, but the following were the earnings in the various groups:

AVERAGE WEEKLY EARNINGS OF MANUAL WORKERS OF THE  
UNITED KINGDOM IN 1906

*Textile Trades*

	s.	d.
Men	28	1
Women	15	5
Lads and Boys (full-timers)	11	4
Girls (full-timers)	9	7
	<hr/>	
<i>All Workpeople</i>	17	6

In the two largest textile industries—cotton, and woollen and worsted—the average weekly earnings were: Cotton—men, 29s. 6d.; women, 18s. 8d.; full-time lads and boys, 12s. 8d.; full-time girls, 11s.; average for all workers being 19s. 7d. Woollen and worsted—men, 26s. 10d.; women, 13s. 10d.; full-time lads and boys, 10s. 2d.; full-time girls, 9s. 3d.; average all workers, 15s. 9d.

*Clothing Trades*

	s.	d.
Men	30	2
Women	13	6
Lads and Boys (full-time)	9	8
Girls	5	9
	<hr/>	
<i>All Workpeople</i>	15	0

(16) *Report of an Inquiry by the Board of Trade into the Earnings and Hours of Labour of Workpeople of the United Kingdom.* Issued in Parts. 1909-1913.

This group included, among other trades, boots, shoes, and clogs, both bespoke and ready-made, tailoring, and dyeing and cleaning and laundry work.

#### BUILDING AND WOODWORKING TRADES

	s.	d.
Men	32	0
Lads and Boys	9	6
Women	12	11
Girls	6	10
	<hr/>	
<i>All Workpeople</i>	26	7

The workers in this group included those engaged on the construction of docks, harbours, roads and sewers, saw-milling, machine joinery and wood and packing-case trades, cabinet-making and allied trades, and the building trades. These are the whole of the classes in the group.

#### *Public Utility Services*

	s.	d.
Men	28	1
Lads and Boys	11	10
	<hr/>	
<i>All Workpeople</i>	27	3

In these groups were classified roads and sewers, gas, electricity, water, trams and buses.

#### *Railway Service*

	s.	d.
Adult Men	26	8
Lads and Boys	11	11

Of the adult men, 24·2 per cent. earned 15s. and under 20s.

## METAL, ENGINEERING, AND SHIPBUILDING TRADES

	s.	d.
Men	33	11
Lads and Boys	12	4
Women	12	8
Girls	7	4
	<hr/>	
<i>All Workpeople</i>	27	4

The trades in this group range from shipbuilding and iron and steel manufacture to fish-hook making. In the iron and steel manufacturing group the men's average was 39s. 1d. and that of all workers 36s.; in engineering and boilermaking the men's average was 32s. and that of all workpeople 25s. 11d.; in shipbuilding and repairing the men averaged 35s. 11d. and all workers 30s. 7d.

*Printing, Paper Trades, etc.*

	s.	d.
Men	34	4
Lads and Boys	8	11
Women	12	2
Girls	6	4
	<hr/>	
<i>All Workpeople</i>	20	0

*Pottery, Brick, Glass, and Chemical Trades*

	s.	d.
Men	29	2
Lads and Boys	11	6
Women	11	10
Girls	7	0
	<hr/>	
<i>All Workpeople</i>	23	6

## THE WORKERS' SHARE

*Food, Drink, and Tobacco Trades*

	s.	d.
Men	26	4
Lads and Boys	10	0
Women	11	5
Girls	6	6
	<hr/>	
<i>All Workpeople</i>	19	0

*Agriculture (1907)**Average of all Classes*

	s.	d.
England	18	4
Wales and Monmouthshire	18	0
Scotland	19	7
Ireland	11	3

These wages included the value—estimated by employers—of “free” cottages, and allowances in the way of food or board and lodging. The average for ordinary labourers was in England only 17s. 6d.

*Miscellaneous Trades*

(16 groups)

	s.	d.
<i>All Workpeople</i>	23	2

Clearly the wages in these tables spell poverty, and, so far as a large proportion of the workers are concerned, acute poverty, especially having regard to the fact that they are what the workers received for a full week's work, which very often was not to be obtained. It will be seen that *of the ten groups, excluding the miscellaneous trades, there are five in which the earnings*

*of men did not exceed 29s. a week, and that in only three groups, building, metal, and printing, did the men's average exceed 30s. This was in the year 1906.*

#### AVERAGE WAGES AT OUTBREAK OF GREAT WAR

Six years later the average earnings of adult men and adult women were estimated by Mr. Sidney Webb to be as follows, these figures taking account of board and lodging, overtime and all other emoluments, and allowing in the year the loss of five weeks for sickness, unemployment, and involuntary holidays: (17)

#### AVERAGE WEEKLY EARNINGS IN THE UNITED KINGDOM OF MANUAL WAGE-EARNERS FOR THE YEAR 1912

	s.	d.
Adult Men	25	9
Adult Women	10	10½

Of the 8,000,000 adult men in situations included in the calculation (that is, excluding casuals) there were no fewer than 1,600,000, or 20 per cent., whose earnings for a full week were from 20s. to 25s., and 960,000, or 12 per cent., whose earnings for a full week did not exceed 20s. Only 13 per cent. of the total had earnings above 40s. per week. (18)

In regarding these figures, let it be marked that the poverty which they represent was being suffered in the second decade of the twentieth century, *and as there was no material general change in wage rates between 1912 and 1914, Mr. Webb's estimates may be taken as*

(17) *Facts for Socialists*. Fabian Tract No. 5. 12th ed. 1915.

(18) Wages of boys for a full week averaged 10s., and wages of girls for a full week 7s. 6d.

*reflecting the poverty-ridden condition of the wage-earning class at the outbreak of the war.*

### WOMEN'S WAGES REDUCED BY FINES

And, wretched though the wages were, the most sweated classes of workers, women and girls, whose frightfully underpaid labour was a stain on nearly every town and city in the land, constantly had portions of their pay filched from them in fines for trivial errors and harmless acts counted as offences. Something of the tyranny of this widespread system of fining may be learned from the evidence given before the Departmental Committee on Truck Acts, which was appointed in 1908. Were the facts not well attested, some of them would be almost incredible. For example, Miss Rose E. Squire, a senior woman inspector of factories, told the Committee that she had "constant experience of fining for such things as sneezing, laughing, singing, 'cheeking the foreman'—put down simply as that—wearing hair-curlers in the hair; that is a very frequent source of fining". The fines for wearing curlers were in many cases sixpence or a shilling.(19) Miss Clementina Black, of the Women's Industrial Council, cited the case of a West End dressmaker who fined girls for coming downstairs in couples; they must come down singly.(20) Miss Gertrude Tuckwell, of the Women's Trade Union League, gave evidence of a jam factory from which girls frequently had to attend hospital for burns, and had twopence deducted from their wages for every

(19) *Minutes of Evidence*. Q.s 1831-1833.

(20) *Ibid.*, Q. 5068.

hour for which they were absent for that purpose. A severe burn meant dismissal. These girls were paid from 8s. to 10s. a week.(21)

### WAGES OF NON-MANUAL WORKERS: THE "LIVING-IN" SYSTEM

It must be remembered that the foregoing figures of wages relate only to manual workers. Similar information is not available for the non-manual workers, but it can be asserted with confidence that if it were it would not improve the dismal record. It is well known that a large proportion of clerical labour and of the labour of shop assistants and other workers in the distributive trades was in the period reviewed wretchedly paid; indeed, these workers, unprotected by Factory Acts, and with little or no trade unionism behind them, were in a position inferior to that of the better-paid artisans. Delegates of the Shop Hours League to the Industrial Remuneration Conference held in London in 1885 stated that shop assistants were "employed as a rule 83 hours per week, or almost 14 per day, that they had to work to this extent although they might have contracted for a 10-hour day", and that "the only freedom of a necessitous shop assistant—perhaps a married man with a family dependent on him—is the freedom to submit or to suffer great privations".(22) In the last decade of the nineteenth century half a

(21) *Minutes of Evidence*. Q.s 5244-5248.

(22) *Report of Proceedings*, pp. 507, 510. The Conference was a gathering of employers, Labour leaders, economists, politicians, and social workers, who met at the invitation, and at the expense, of an Edinburgh philanthropist for the purpose of discussing the problems of Labour and Capital. Its proceedings lasted a week.

million shop assistants were still compelled to "live in". Common features of this system were bad food, the meanest of accommodation, and various forms of petty tyranny. The payment of a small sum in cash wages, and the giving of much less than the supposed cash equivalent in board and lodging, was a source of profit to the employers, and a further means of gain to which the system lent itself was the selling direct to the assistants of various small "luxuries" with which they might help out the dreariness of the dietary.

Among the shop assistants the fining system was rampant. An appendix to the Report of the Truck Acts Committee already referred to contains the rules of four shops which were put in as evidence by Miss Margaret Bondfield, who was then assistant secretary of the Shop Assistants' Union and is now Minister of Labour. These rules are among the things of life which must be seen to be believed. In one of these four shops the rules numbered no fewer than 135. They governed conduct both on duty and off duty, and for a breach of any of them a fine ranging from twopence to sixpence, and in a few cases up to half a crown, could be imposed. One of the arguments used in defence of the living-in system was that it was good for the morals of young assistants, and this may account for the inclusion in the 135 rules of one which read: "On Sundays all are expected to attend a place of worship once in the day"—fine, sixpence—and for the little homily with which the rules ended: "Since these Rules comprise to a very great extent the duty of an assistant, they will help in cultivating diligent and persevering habits,

whereby the assistants of the firm will be promoted and the foundations of future success in life be laid.”(23)

#### WORKING-CLASS “PROPERTY” BEFORE THE WAR

Lecturing to the Manchester Statistical Society a few years ago, Professor Henry Clay asked the question: “How many working-class homes would have fetched more than £20, if sold up, before the war?” (24) In the light of the records of wages we have surveyed the answer must be—very few, which, indeed, is what the professor implied.

We turn now to the level of wages since the war.

#### WAGES SINCE THE WAR

For the year 1924 Dr. Bowley and Sir Josiah Stamp estimated that the “average man at full work obtained about 60s. a week”,(25) and that the increase in prices between 1911 and 1924 was “about 90 per cent.”(26)

Taking the average man’s wage as definitely 60s., and the rise in prices as definitely 90 per cent., the 1924 wage expressed in 1911 currency would be 31s. 7d. for a full week. Allowing five weeks’ lost time during the year, the earnings over the year would average 28s. 6d. Taking this estimate, together with those for earlier years, but in every case allowing for five weeks lost

(23) *Précis and Appendices*. 1909. Appendix XI.

(24) Quoted from *The Times*, February 19, 1925.

(25) *Op. cit.*, p. 30.

(26) *Ibid.*, p. 58.

through sickness, unemployment, and involuntary holidays, we may now summarize the results of our survey, so far as it relates to adult men, as follows:

AVERAGE WEEKLY EARNINGS OF ADULT MEN  
1866-1924

		s.	d.
1866	England	22	1
1886	United Kingdom	22	5
1912	Ditto	25	9
1924 (in 1911 values)	Ditto	28	8

Since 1924 the trend of wages generally has been downward. Apart from reductions under cost of living sliding scales based on the Ministry of Labour's index figure, which for various reasons is open to grave criticism, three large classes of workers—the miners, the cotton operatives, and the railwaymen—have had their wages cut without regard to the level of prices, all the railwaymen giving up  $2\frac{1}{2}$  per cent. in 1928 on account of the financial difficulties of the companies. Wool textile workers in the Yorkshire mills have also suffered heavy reductions without regard to the cost of living.(27) Thus in 1929 we find the Committee on Industry and Trade (the Balfour Committee) reporting that a "comparison with the period immediately before the war shows that the average increase in weekly money rates of wages for similar grades of workers since that time has not been much greater than that in the cost of living, so that the average level of 'real' wages is at present only slightly higher than it was before the war". Real wages of unskilled workers had

(27) See further on this point, pp. 79, 80.

advanced by "10 per cent. or more" above the 1913 level.(28)

### WAGE RATE INCREASE IN THE PAST FORTY YEARS

But the comparison drawn by the Balfour Committee, which is most illustrative of the persistence of poverty under Capitalism, is that of the increase in wage rates in the past forty years. The Committee reported: (29)

Such figures as are available indicate that over a period of forty years (1888-1928) the weekly rates of money wages for similar grades of work have advanced by about 120 per cent., and the cost of living by about 90 per cent., showing an advance in "real" weekly wages of about 16 per cent.

Sixteen per cent.—say, three shillings in the pound. Such, according to this estimate, is the material progress in the past forty years of the largest class in this country, the manual wage-earners, and the picture is very little more encouraging if we extend the comparison back for more than sixty years, as evidenced in the last table given above. Beyond question the records of wages show that Capitalism shows no tendency towards removing the poverty of the masses, and the same truth can be demonstrated from another angle if we examine the distribution of the National Income, which we shall now proceed to do.

(28) *Final Report*, 1929, pp. 151, 152 The Committee makes no allowance for the benefits of social insurance on the one hand or unemployment on the other, and holds that these may be offset one against the other.

(29) *Ibid.*, p. 151. The Committee added the more problematical, and none too clear, statement: "The average rise in the level of real earnings, taking into account such considerations as the change in the proportion of different grades of workers, would probably be considerably in excess of this percentage."

POVERTY AS REFLECTED BY THE DISTRIBUTION OF  
THE NATIONAL INCOME

The starting point will be approximately the same as that taken for the examination of wages—the year 1867. For that year Dudley Baxter estimated the income of the United Kingdom to be £814,119,000.<sup>(30)</sup> The upper and middle classes (those with incomes and their dependents taken together) he numbered at 6,618,000. The manual labour classes (those with incomes and their dependents taken together) he totalled at 23,091,000. That is to say, the upper and middle classes consisted of 23 per cent. of the population, and the manual labour class of 77 per cent. of the population. The national income was divided thus:

DIVISION OF THE NATIONAL INCOME OF THE UNITED  
KINGDOM, 1867

Upper and Middle Classes (23 per cent.)	£ 489,474,000
Manual Labour Class (77 per cent.)	324,645,000

That is to say, *fewer than one-quarter of the population took nearly five-eighths of the national income, while more than three-quarters of the people received but little more than three-eighths of it.*

But even this comparison does not adequately represent the gross unfairness of the distribution. Among those classed in the "upper and middle classes" were many poorly paid non-manual workers, and small tradesmen making very modest incomes. An analysis

(30) Op. cit. Baxter was a Conservative politician, a political writer, and a member of the Statistical Society.

shows that of the 2,759,000 persons with incomes in the upper and middle classes there were 1,497,000, or more than half, with incomes under £100 a year, and that these too: in the aggregate only £81,320,000, while 1,026,400 persons with incomes ranging from £100 to £300 took in the aggregate £110,950,000. Adding the total of the persons and income in these two groups, and taking account of the remaining numbers and income of the upper and middle classes, the following comparison can be made:

DISTRIBUTION OF UPPER AND MIDDLE CLASS INCOME, 1867

	Number of Persons	Total of Income
<i>Incomes below £300 a year</i>	2,523,400	£192,270,000
<i>Incomes above £300 a year</i>	235,600	£297,204,000

The gross inequality of the division even within what Baxter called the upper and middle classes is apparent at a glance, and it becomes even more apparent when it is seen, as Dudley Baxter's figures reveal, that at the top of the scale 8,500 persons with incomes of £5,000 a year and over took in the aggregate no less than £126,157,000, or nearly one-sixth of the total national income of the year 1867.

Coming to 1880 we find that Dr. Bowley has calculated the distribution of the national income in that year to have been as follows: (31)

(31) *Change in the Distribution of the National Income, 1880-1913*, p. 16. The intermediate class broadly corresponds to non-manual workers earning less than £160 a year, including shop assistants.

## DISTRIBUTION OF THE NATIONAL INCOME, 1880

	Number	Income	Per cent. of all Income
Wage-earners	12,300,000	£465 millions	41½
Intermediate Incomes under £160	1,850,000	£130 millions	11½
Incomes over £160	620,000	£530 millions	47

Thus in 1880, of 14,770,000 persons having incomes (that is, excluding dependents) 620,000 *took nearly half the national income.*

It will be seen that a comparison of Dr. Bowley's estimate for 1880 with that of Baxter for 1867 shows that the percentage of income going to the manual labour classes had advanced very little. In 1867 the manual workers took £324,645,000 out of a total national income of £814,119,000, or approximately 38 per cent., while in 1880 their share had risen to only 41½ per cent.

Now, if we pass on to the eighteen-nineties, we find that, not only does the distribution of the national income fail to become more equal, but that, on the contrary, expert evidence is that the workers took proportionately less at that time than they did fifty years previously.

Giving evidence before the Royal Commission on Labour in November 1892, Mr. Sidney Webb (now Lord Passfield) estimated the "total annual product" at "about £1,300,000,000", of which he thought it would be difficult to say that more than £500,000,000 went to the manual workers, together with non-manual

workers who did not receive more than £3 a week, estimates which were substantially in accord with those of Giffen corrected to date. The evidence proceeded: (32)

*Mr. Tom Mann:* Now, could you give me a statement of fact, or an expression of your opinion, as to whether the proportion taken by the wage-earners, as described by yourself now, is greater or less than, say, a generation ago?

*Mr. Webb:* I think it almost necessarily follows from the very large increase in rent, and the very large increase in the amount of capital on which interest is paid, that the proportion of the total income which goes to wages is less now than it was fifty years ago, although, of course, it is more in actual amount.

*Mr. Mann:* So that we are to understand from that, that whilst, I think, you have admitted that the standard of the wage-earners is higher than it was, they have not absorbed the full share of their increased product.

*Mr. Webb:* *They have not received an equivalent share of the increase in production; and many large classes have not had their standard of life raised at all.*

The evidence thus was that, in the final decade of the nineteenth century, pre-eminently the century of capitalist production and market expansion, the wage-earners received, relatively to the whole of the product of industry, a smaller share of that product than they did half a century previously, and that in the case of "many large classes" of workers not only was this relative share smaller, but the actual amount they received had not increased.

The present century provides no more just and rational picture of the distribution of wealth than did the nineteenth century. For the year 1908 *Mr.* (now Sir)

(32) *Minutes of Evidence before Commission as a Whole. 1893. Q.s 4,380-4,384. (Italics mine.)*

Leo Chiozza Money estimated the division of the national income to be as follows: (33)

DIVISION OF NATIONAL INCOME, 1908

	Number	Aggregate Income
Persons with incomes above £160 a year, plus their families	5,500,000	£909 millions
Persons with incomes below £160 a year, plus their families	39,000,000	£939 millions

These figures mean that *about one-half of the total income was taken by about 12 per cent. of the total population.* The inequality is seen to be even worse when the figures are further analysed thus: (34)

	Number	Aggregate Income
Persons with incomes of £700 and over, plus their families	1,400,000	£643 millions
Persons with incomes between £60 and £700, plus their families	4,100,000	£275 millions
Persons with incomes under £160, plus their families	39,100,000	£935 millions

Thus more than one-third of the national income (£643 millions) was enjoyed by fewer than one-thirtieth (1,400,000) of the population.

We now reach the time immediately preceding the Great War. The estimates of Dr. Bowley for the year

(33) *Riches and Poverty*, 10th revised ed., 1910, pp. 45-47.

(34) *Ibid.*, p. 48.

1913 show that in that year the classes enjoying incomes over £160 actually took a larger share than they did in 1880—47½ per cent. as against 47 per cent., the comparison being with his own estimate for the earlier year—a slight difference, it is true, but serving to emphasize the failure of the existing system to secure a more equitable distribution. The figures are as follows: (35)

DISTRIBUTION OF NATIONAL INCOME, 1913

	Number of Incomes	Aggregate Income	Per cent. of Total
Wages	15,200,000	£770 millions	35½
Intermediate incomes under £160	4,310,000	£365 millions	17
Over £160	1,190,000	£1,030 millions	47½

The smaller percentage which went to wages as compared with 1880 may be accounted for by the fact that the manual wage-earners in 1913 formed a smaller proportion of the total population, there having been a considerable expansion of the intermediate class of non-manual workers earning less than £160 a year, the clerks, teachers, and other "black-coats". In this connection Dr. Bowley makes a comparison which is especially significant in connection with our purpose of demonstrating the persistence of poverty under Capi-

(35) The passage of time, and more particularly the growth of a new generation, perhaps makes it as well to recall that in 1913 hardly any of the manual workers, and only a very small proportion of the whole of the wage and salary earning classes received £160 a year. Nevertheless, the group "Over £160" might include some of the higher paid of the best-organized manual workers.

talism. He points out that in 1880 the average of the incomes from wages and the intermediate incomes, taken together, was £42. In 1913, if incomes up to £225 are regarded as within the intermediate category and averaged jointly with the incomes from wages, the average income is £61, or an increase of 45 per cent. on the average income of the same classes in 1880. On the other hand, the incomes over £160 in 1880 averaged £855, whereas in 1913 the average of income over £225 (taken as the new limit of intermediate incomes) was £1,120, an increase of only 30 per cent. But Dr. Bowley observes that, "though the more rapid increase of the lower income is noteworthy, it goes a very small distance towards the equalization of incomes, *the gap between £61 and £1,120 is absolutely much greater than that between £42 and £860*".(36) In other words, between 1880 and 1913 the gulf between rich and poor grew wider.

The latest authoritative estimate of the national income and its distribution available at the time of writing is that made by Sir Josiah Stamp and Dr. Bowley for the year 1924. They found the aggregate income of the United Kingdom for that year to have been £4,213 millions, and the occupied population to number 20,300,000, and from the figures which they provide the following comparisons may be made (37):

(36) Op. cit., p. 17. (My italics.)

(37) Op. cit., p. 17. I ought, perhaps, to state that, while, as said, the figures are those of Dr. Bowley and Sir Josiah Stamp, the comparisons in this table and the one that follows—the *arrangement* of the figures, and the deduction from them—are my own. I do not doubt their validity, but in view of the intricacy of the subject it may be best to make this clear.

## DISTRIBUTION OF NATIONAL INCOME, 1924

	£
15,400,000 wage-earners took	1,600 millions
1,800,000 persons with salaries or other incomes below £150 took	267 millions
3,100,000 persons (other than 1,600,000 wage-earners) with incomes over £150 took	2,218 millions
Total	<u>4,085 millions (38)</u>

Now, if we lump together the categories of (1) wage-earners and (2) salary-earners and others with incomes below £150 a year (£2 17s. 9d. a week), we get a total of 17,200,000 persons who are practically all workers, the only exceptions being the small number of persons with incomes of less than £150 a year derived from investments. Now, lump together also the aggregate incomes of the two groups, and the division of the national income in 1924 may be set out as follows:

	£
17,200,000 persons (85 per cent. of the occupied population) take	1,867 millions
3,100,000 persons (15 per cent. of the occupied population) take	2,218 millions

That is to say that *in the year 1924, 15 per cent. of the people with incomes took more than half the entire income.* The position thus closely approximates to that of 1908, when, as we have seen, about 12 per cent. of the population enjoyed slightly less than half the national income.

Glancing back over the figures since those of Baxter

(38) The balance of £128 millions is put down to pensions and employers' contributions to insurance funds.

for the year 1867, it will be observed that, in the matter of the more equitable distribution of the national income, the people have made no progress whatever; indeed, the share of the poorer section relatively to that of the richer section has declined. This tendency has been maintained right up to the time at which I write. Mr. Philip Snowden, now Chancellor of the Exchequer, in analysing the Report of the Commissioners of Inland Revenue for the year ending March 31, 1927, found that the figures of income assessed to super-tax for the years 1922-1923 to 1926-1927 inclusive "prove that each year a larger proportion of the national income is going to persons whose incomes are over £2,500 a year", while the figures as a whole "support the conclusion that about 48 per cent. of the national income goes to about 6 per cent. of the total population".(39)

#### DISTRIBUTION OF CAPITAL WORSE THAN DISTRIBUTION OF INCOME

This inequality in the distribution of the national income is, as might be expected, reflected in the distribution of accumulated wealth, or capital, in which connection, indeed, the position is even worse. Professor Clay has stated that the capital of this country is much more concentrated than income, and much more concentrated than in any other country, and that a capital levy on all estates of above £1,000 would leave 95 per cent. of the electorate untouched.(40) His

(39) *Reynolds's Illustrated News*, March 11, 1928.

(40) *The Times*, February 19 and March 24, 1925. Professor Clay added "that he must not be understood as advocating the levy.

post-war estimate is that 64 per cent., or rather less than two-thirds, of the national wealth is in the hands of 1.7 per cent. of the persons holding property, who are roughly one half the population. Thus *nearly two-thirds of the wealth is in the hands of 0.85 per cent. of the population.*(41)

This may be taken as the position at the present day, for from year to year the distribution does not noticeably vary. Indeed, the proportions in which wealth is distributed have not appreciably varied over the whole period which we have reviewed, or even longer. This fact has been the subject of comment by both Sir Josiah Stamp and Dr. Bowley. In 1926, Sir Josiah wrote: (42)

I have been able to find no positive evidence that the slope of distribution has materially changed during the past hundred years. The scale of wealth is different, and the whole population is strung out on the line further up. There are probably at the very top much richer men and wealth on a scale unknown in former times.

That is to say, while there has been an improvement in general well-being, the whole population being "strung out on the line further up", the relative position of the various classes considered from the standpoint of their wealth remains approximately the same, while those at the top are most likely richer than that section ever was before.

Dr. Bowley, concluding his survey of the distribution of the national income from 1880 to 1913, from

(41) Quoted by A. M. Carr-Saunders and Caradog Jones, *Social Structure of England and Wales*. 1927, p. 115.

(42) *Economic Journal*, September 1926, p. 353.

which we have already quoted, made this even more significantly pointed comment: (43)

The constancy of so many of the proportions and rates of movement found in the investigation seems to point to a fixed system of causation *and has an appearance of inevitableness*. The results of the system *have not produced a satisfactory livelihood to the bulk of the population, and its working in the generation before the war afforded no promise of any rapid improvement*; indeed, in the early years of this century real income increased little faster than the population.

This conclusion is similar to that of Sir Josiah Stamp quoted immediately above; the proportions in which wealth is distributed remain practically unaltered—the rich and the poor are as wide apart as ever, and the number of those who may be accounted as in poverty, or enjoying only a meagre comfort, remains proportionately the same.

So impressed apparently was Dr. Bowley with the “constancy” of these proportions that he wrote that they had “an appearance of inevitableness”. It is of this inevitableness that Socialists have no doubt whatever. The grossly unequal distribution of wealth, the existence of the many poor and the few rich, the swelling of the luxury of the already leisured and luxury-living classes, *are inevitable under Capitalism*.

When, more than sixty years ago, Dudley Baxter analysed the national income in the manner we have noted, he wrote this passage:

There is in the Atlantic an island—the Peak of Teneriffe—which rises from the sea in a pyramidal form to a height of 12,000 feet, conspicuous from every point of the horizon and casting its shadow from the morning or evening sun fifty miles

over the ocean. . . . I have often thought that such an island is a good emblem of a wealthy State, with its long low base of labouring population, with its uplands of the middle classes, and with the towering peaks and summits of those with princely incomes.

The analogy applies with as great, or even greater, force to the Capitalist States of the world to-day than it did when it was written; still there is that low, broad base of the working population, the producers' of wealth, and still the sharp rise to the princely incomes towering to the skies.

Economists have contended that when provision is made for improvement and enlargement of plant, etc., the residue, equally divided, with no rent and no profit, would not appreciably alleviate the poverty of the masses. This may be so, but to state it as a fact is but to add to the gravity of the indictment levelled at Capitalism. For if, under capitalist production, there are, in any event, insufficient commodities to raise the whole community out of poverty, then Capitalism is proved defective as a method of production in addition to being defective as an agent of distribution. And it is, indeed, the truth that capitalist production is at a low level when measured per head of the population; it is wasteful in its operations, it is thrown out of action by the trade depressions its very nature brings about, and it directs a very considerable labour force into socially useless callings. Increasing attention is now being paid to this aspect of the capitalist system, but its treatment is outside the scope of this study.

## PART II

### EVIDENCE OF SOCIAL INVESTIGATION

WE have now to observe something of what the wages detailed in the last chapter, and the absence of them in times of trade depression, meant, and mean, in terms of human existence; of what proportions of the people in our towns and cities have been unprovided with even the elementary necessities of healthy physical life; and of the ceaseless struggle to make ends meet which was, and is, the lot even of those who are not on the lowest rungs of poverty's ladder. We are in part able to do this through the medium of authoritative first-hand investigations which have been carried out in the last forty-odd years.

#### POVERTY BEFORE THE WAR

##### *London in the Eighteen-eighties*

The most notable of these, and the earliest for our purpose, was that conducted under the direction of the late Charles Booth, a wealthy shipowner, whose work embraced the social and economic conditions of the whole of the people of London. The inquiry began in 1886 and lasted until 1893, and its results were eventually issued in the classic series of volumes known as *Life and Labour of the People in London*. "The inhabitants of every street and court and block of buildings in the whole of London", wrote Booth, summing up the scope of the inquiry, "have been estimated in proportion to the number of children and arranged

in classes according to the known position and condition of the parents of these children"; and the result was that 30·7 per cent. of the whole of the population of the wealthiest city in the world were found to be in a state of chronic poverty. This percentage was classified, in Booth's own words, as follows: (1)

- 7·5 per cent.: Very poor—casual labour, hand-to-mouth-existence, chronic want.
- 22·3 per cent.: Poor—including alike those whose earnings are small because of irregularity of employment and those whose work, though regular, is ill-paid.
- 0·9 per cent.: The lowest class—occasional labourers, loafers, and semi-criminals.

"By the word 'poor'", wrote Booth, "I mean to describe those who have a sufficiently regular though bare income, such as 18s. to 21s. per week for a moderate family, and by 'very poor' those who from any cause fall much below this standard. The poor are those whose means may be sufficient, but are barely sufficient, for decent independent life; the very poor those whose means are insufficient for this according to the usual standard of life in this country. My 'poor' may be described as living under a struggle to obtain the necessaries of life and make both ends meet; while the 'very poor' live in a state of chronic want." (2)

What Booth's percentages of poverty meant in terms of human suffering is revealed in the many descriptions of the homes of the poor given in his pages, and this mass of poverty was all the more sure a reflex of a diseased state of society by reason of the

(1) *First Series: Poverty*, vol. ii, ed. 1902, pp. 20, 21.

(2) *Ibid.*, vol. i, p. 35.

fact that the most miserable conditions often existed cheek by jowl with wealth and luxury, the richest and the poorest being, relatively to the size of London, quite near neighbours.

This contrast was well brought out by an inquiry carried out under the direction of Mr. Arthur Sherwell, in 1895, in the district of Soho, which is partly in St. Pancras and partly in Marylebone and adjoins the wealthy residential districts of the West End; districts which at that time were representative of wealth and luxury to an even greater degree than they are to-day, when offices have actually begun to invade Park Lane. Mr. Sherwell found that, even in normal times, the pressure of poverty was extreme, but that when, as in the early months of 1895, the winter weather was especially severe, it became intolerable, and "what the poor suffered at that time probably no man living knows. . . . A number of families, even in the bitterest times of the long frost, lived for days without fire or light, and often with no food but a chance morsel of bread or tea." (3) The sweated labour of Soho women lay at the base of much of the gay shopping of the West End. Of 84 dressmakers, employed by West End firms, who gave evidence before the Royal Commission on Labour in 1891, twenty-four received only 8s. a week and no fewer than 57 received 14s. a week or less. Only one was paid 20s. There were women who were paid eightpence for making large ulsters. (4) Soho had more than three times as many persons to the acre as the civil parishes of St. George's Hanover Square, and

(3) *Life in West London*, 1897, pp. 9-10.

(4) *Ibid.*, p. 84.

Kensington, two and one-third times as many as Belgravia and nearly six times as many as Mayfair.

*Poverty in York, 1899*

The condition of the people of London as revealed by the great inquiry of Charles Booth came as a shock to the complacent and acted as a spur to social reformers, and the impression made was intensified a few years later by the celebrated investigation carried out at York under the direction of Mr. B. Seebohm Rowntree.

This inquiry took place in the autumn of 1899, at a time of exceptional trade prosperity, Mr. Rowntree having first satisfied himself that the conditions of life in that city were not exceptional and that they "might be taken as fairly representative of the conditions existing in many, if not most, of our provincial towns".(5) Practically the whole of the wage-earning class was covered, particulars being obtained of 11,560 families embracing 40,754 persons.

Taking as a basis the diet drawn up for workhouses by the Local Government Board, which was arranged with a view to providing sufficient of the necessary nutrients at the lowest possible cost, with a certain amount of variety, Mr. Rowntree adopted as his minimum standard a diet somewhat less generous. He allowed only the cheapest rations and no butcher's meat whatever. He allocated sixpence a week each for clothes for a man and a woman, and fivepence a week for clothes for a child, and after an allowance for coal allocated only twopence a head for all other necessary household sundries, such as soap and cleaning

(5) *Poverty: A Study of Town Life*, 1902, 4th ed., p. viii.

materials.(6) The rent actually paid was taken as the minimum for that branch of expenditure, as extravagance in that direction was very improbable. The standard of life thus determined was called the Poverty Line.

Calculations were then made to ascertain what it would cost households of various numbers to live at the standard laid down—that is, on a diet less generous than that which was then provided in a workhouse, and with the scanty provision for clothes and other needs that has been noted, and those whose incomes did not come up to the necessary amount were described as being in “primary poverty”.

Those actually found to be in such primary poverty were no fewer than 15·46 per cent. of the wage-earning population of the city, and 9·91 per cent. of the city's population as a whole. This proportion of the people would have been below the poverty line even if “every penny earned by every member of the family went into the family purse and was judiciously expended on necessaries”.(7) In reality, however, many more were below the poverty line because, although they could have attained the minimum standard of life laid down (let us call it the workhouse standard), they did not in fact do so, because *all* their income was not judiciously and scientifically expended on bare physical necessities. These people, who were described as being in “secondary poverty”, spent part of their income on things other than food, clothes, rent, fuel, and strictly necessary household sundries. These purchases,

(6) *Poverty: A Study of Town Life*, pp. 98, 99, 109.

(7) *Ibid.*, p. 133.

although not necessities in the narrowest sense of that term, may, in whole or part, have been reasonable, useful, and in every way legitimate, such as the spending of coppers on newspapers, postage stamps, or medicine, or on 'bus fares or some sweets for the children, and may, on the other hand, have included wasteful expenditure such as betting; but the point to note is that the incomes were so small that expenditure on a few of the humblest amenities, on what were necessities in certain circumstances, such as postage and medicine, or on some amount of wasteful indulgence (to which most people in all classes are prone) was sufficient to thrust these families also below the poverty line.

When those in primary poverty (who had not enough in any case) were added to those in secondary poverty (who would have had enough only if they had spent every penny on strictly necessary food, clothing, fuel, and rent) the total showed that no fewer than 20,302 persons, or 43·4 per cent. of the wage-earning class of the city, and 27·84 per cent. of the whole of its population, were below the poverty line.

The result of this York inquiry may be plainly summed up thus: That 43·4 per cent. of the wage-earning population, and 27·84 per cent. of the whole population, of the City of York were, in the year 1899, at a time of exceptional trade prosperity, inadequately fed even according to the standard laid down for work-houses, and inadequately clothed even according to the absurdly low standard of sixpence a week for clothing an adult; and that 15·46 per cent. of the wage-earning population, and 9·91 per cent. of all the people of the

city, would have been inadequately fed and clothed even had they spent every farthing of their incomes on the bare necessities of life, and laid out their money scientifically and without any regard to personal preferences. Such was the condition of these people when tested on a purely animal basis and by an inquiry which took no account of "the development of the mental, moral, and social sides of human nature, but only of the minimum requirements for the maintenance of bodily health.(8)

Moreover, a large number of families, although not below the poverty line, were very little above it. The persons in families whose total weekly earnings were either below the primary poverty line or not more than 2s. above it was 9,542, which was equivalent to 20·40 per cent. of the wage-earning class and 13·00 per cent. of the city's population. Those in families whose total weekly earnings were either below the primary poverty line or only 6s. above numbered 15,727, which was 33 per cent. of the wage-earners and 21·5 per cent. of the whole population.(9) Finally, of those in primary poverty no fewer than 51·96 per cent. were in that position, not because of illness, old age, the death of the chief wage-earner, irregularity of work, or largeness of family, *but because of the lowness of wages received for regular employment.*(10)

### *The "Startling Probability"*

It will be observed that the proportion of the population of York which was below the poverty line closely

(8) *Pover'y: A Study of Town Life*, p. 87.

(9) *Ibid.*, p. 112.

(10) *Ibid.*, p. 120.

approximated to the proportion found by Charles Booth to be "in poverty" in London, the percentages being respectively 27·84 and 30·7. Mr. Booth and Mr. Rowntree agreed that the methods of the two inquiries made the results comparable, and of the result of the Rowntree investigation Booth wrote: "At this I am not surprised. I have, indeed, long thought that other cities, if similarly tested, would show a percentage of poverty not differing greatly from that existing in London. Your valuable inquiry confirms me in that opinion." And Mr. Rowntree, summing up, declared that "*we are faced with the startling probability that from 25 to 30 per cent. of the town populations of the United Kingdom are living in poverty*".(II)

*It is the extent of this pre-war poverty, measured, be it remembered, by the lowest possible standard, and as revealed also by other inquiries now to be reviewed, which should be borne in mind when attempts are made nowadays to base the standard of living of the wage-earners on that which prevailed before the war.*

#### *Poverty in Manchester and Salford, 1903*

This opinion of Mr. Rowntree and Mr. Booth received confirmation from an inquiry carried out in 1903 by the Manchester Citizens' Association into housing conditions in Manchester and Salford. The committee estimated that of a population of 764,829 no fewer than 212,000 were living in poverty, and that of these 75,000 were in "primary" poverty as defined in the York inquiry—that is to say, that the incomes of these people were insufficient to maintain physical

health even if the whole of them was spent judiciously on physical necessities and not a penny on the most modest and customary amenities. The results of the investigations of Messrs. Booth and Rowntree, the committee reported, might safely be applied to Manchester and Salford; and it added: (12)

From our general knowledge of Manchester life we are persuaded that in very many cases the income of the family, even when work is steady and wages are carefully expended, is insufficient to maintain physical efficiency. . . . Unskilled labourers in Manchester and Salford certainly earn low wages, under 20s. a week on the average, and they have much broken time when the income of the family sinks to nothing. . . . In the poorer parts of the town much harm results from the women going out to work. Not only do they themselves suffer from exhaustion, but their families lack the care which is necessary if they are to grow up good citizens. The children grow up of poor physique, often with feeble mental and moral powers, and fall into the ranks of the unskilled and unprofitable, who can never hope to earn decent wages and are driven to live in the poorer kind of houses.

A great proportion of these "poorer kind of houses" were vile in the extreme. Back-to-back houses, that horrible type which has no through passage of air, abounded. The closets of these faced the streets, or the wretched courts, "standing open to all comers", and the structure of the houses made it inevitable that one bedroom should be over the closet, the smell of which often penetrated to the room. The houses lacked even such an elementary necessity as a separate water supply. Six, eight, ten, twenty, and in some cases as many as twenty-six houses were dependent on one tap placed in the street or court.(13) It was no "shortage

(12) T. R. Marr, *Housing Conditions in Manchester and Salford*, 1907, pp. 14, 24.

(13) *Ibid.*, pp. 36-37.

occasioned by the war" that caused *these* housing conditions, which were partly responsible for the fact that whereas in the ten years 1881 to 1890 out of every 100,000 children born in England an average of 46,527 died under five years of age, the number per 100,000 in Manchester and Salford who died under that age averaged 71,351.

*Poverty in Middlesbrough, 1907*

Turn now to the North-East coast. In 1907 Lady Bell (formerly Mrs. Hugh Bell) published an account of the lives of the ironworkers of Middlesbrough, a town of a type totally different from York.<sup>(14)</sup> Middlesbrough grew to size and importance after the discovery of iron in the Cleveland district in 1850, and on the ironworks its population very largely depended. When Lady Bell made her inquiry there was no building in the town more than seventy years old.

Ironworkers who were "absolutely poor" she defined as those who "have actually not money enough to buy what are called the necessaries of life—food, drink, fuel, and clothing, and a house over their heads", and on the basis of this definition the following was one of Lady Bell's conclusions: <sup>(15)</sup>

Out of 900 houses carefully investigated, 125, in round numbers, were found to be absolutely poor. The people living in

<sup>(14)</sup> *At the Works*, ed. 1911. In her introduction Lady Bell states that her book is "the outcome of an intercourse of nearly thirty years with a large population of ironworkers in the north of Yorkshire. During this time more than a thousand working-men's homes have been visited, many of them on terms of friendly and continuous intercourse, by several female visitors, of whom the writer is one."

<sup>(15)</sup> *Ibid.*, pp. 85, 86. (Italics mine.)

them never have enough to spend on food to keep themselves sufficiently nourished, enough to spend on clothes to be able to protect their bodies adequately, enough to spend on their houses to acquire a moderate degree of comfort. One hundred and seventy-five more were so near the poverty line that they are constantly passing over it. That is, *the life of a third of the workers whom we are considering is an unending struggle from day to day to keep abreast of the most ordinary, the simplest, the essential needs.*

Even in the homes which looked bright and cheerful, and where the inmates were enjoying life, there was in the case of illness not a penny with which to meet the extra expense unless it was "taken off something else which up to that moment has seemed essential. . . . If any extra nourishment, for instance, is ordered for the sick child whose father is living, or trying to live, on 20s. a week, or a little over, the only way to get that nourishment is to pawn something." (16)

The lack of proper boots was "a constant source of discomfort and injury to health" with the women and children (owing to their work the men were bound to have more or less good boots), and "one reason why so many of the poor women go about with skirts that drag in the mud is that they do not want to display what they have on their feet by holding up their skirts". (17) For graphic and detailed descriptions of many of these ironworkers' homes, the utter discomfort, and the danger from disease in which children were born and brought up—when they did not die—the reader must go to Lady Bell's two chapters on "Wives and Daughters of the Ironworkers", which indeed make terrible pages of social history. And this was little more than

(16) *At the Works*, pp. 88, 127.

(17) *Ibid.*, p. 109.

twenty years ago, within seven years of the outbreak of the war—a sample of those pre-war conditions so commonly taken as a standard by which to measure the advance, real or supposed, of the working class.

*Poverty in West Ham, 1906*

Look now again at London—at West Ham, which, although outside the administrative county of London, is socially and economically part of that encircling urban mass which makes up Greater London. There, in 1906, the Outer London Committee, consisting of distinguished economists and experienced social investigators, made itself responsible for a close inquiry into the condition of the people. Twenty years had elapsed since Charles Booth began his famous survey, but the West Ham investigators discovered that a large section of the inhabitants of that area were living in conditions of poverty such as, two decades previously, had been shown to be the lot of about one-third of the population of London as a whole.

“A large proportion of the population”, it was recorded, was in a chronic state of unemployment. “In many cases the sum earned, if evenly distributed throughout the year, would undoubtedly be insufficient for a decent livelihood; and the uncertainty of the earnings adds to the difficulty of living. These being the *normal conditions*, it is obvious that any depression in trade, or unusually severe weather, may suddenly produce considerable distress. The existence of chronic poverty, and the probability of periods of exceptional distress, must, therefore, be expected as

incident to the present industrial conditions of the district.”(18)

To supplement the low wages of the husbands, especially those whose occupation was of a casual nature, such as that of a dock labourer, the wives and children worked at home under the most frightfully sweated conditions. We can pause to take but one glance at this jungle of misery.

“A whole family makes mantles and shirts because the father cannot get work at his own trade. Mrs. F. supports herself and two children by making butchers’ coats. A sackmaker works ten hours a day because her husband can get work for only three hours. Mrs. B.’s husband, a casual labourer, is a good deal out of work. She makes about 6s. a week at underclothing, working eight or ten hours a day on six days a week. In another case a woman supports herself and her old mother by making various kinds of underclothing, earning about 7s. a week when well.” Then there was the case—I cite merely a few types—of Mrs. D., whose husband was a casual dock labourer. She did trousers-finishing for seven or eight hours a day for four days a week, and her average pay for the month before she was visited was 5s. 10½d. a week, out of which she had to spend from sixpence to eightpence a week on cotton. And there were even worse cases, such as that of a maker of wash-leather carriage sponges, who once worked from 9 a.m. one day to 3 a.m. the next and made only eightpence.(19)

(18) Edward G. Howarth and Mona Wilson, *West Ham: A Study*, 1907, p. 401. (Italics mine.)

(19) *Ibid.*, pp. 261, 268, 276.

*Poverty in Stanley, Warrington, Northampton, and Reading, 1913*

We now come to the year immediately preceding the Great War—1913. In that year an inquiry into living standards was carried out by Dr. A. L. Bowley and Professor A. R. Burnett-Hurst in four widely separated towns of differing types, namely, Stanley, in the County of Durham, Warrington, Northampton, and Reading. The method of the inquiry was to investigate in detail "a random sample of the population of the four towns, approximately one working-class house in 23 being visited at Northampton, one house in 19 at Warrington, one house in 17 at Stanley, and one house in 21 at Reading"; (20) and in their conclusions the investigators said: "The results are, we think, surprising. In Warrington and Reading they are shocking." (21) We will observe a few of these results.

It was found, without taking account of wages lost through sickness or unemployment, or any addition to wages that might be gained by working overtime, that in Warrington 3.5 per cent. of adult male workers earned less than 20s. per week, in Stanley 4 per cent. earned less than that amount, in Northampton nearly 13 per cent., and in Reading nearly 15 per cent. Going a little higher than the wretched level of a twenty-shilling wage, and taking the slightly less beggarly one of 24s., it was found that at Stanley 9 per cent. earned below that sum, at Northampton nearly 27 per cent., at Warrington 32 per cent., and at Reading no fewer

(20) *Livelihood and Poverty*, 1915, p. 11. The Reading inquiry was carried out in the autumn of 1912.

(21) *Ibid.*, p. 16.

than 50·5 per cent. Thus *of the four towns investigated there were two in which more than a quarter, and one in which more than a half, of the adult male workers were paid less than 24s. a week.*(22)

The table below shows the percentages of families in the four towns who were living in "primary poverty", as defined by Mr. Rowntree: (23)

PERCENTAGES OF HOUSEHOLDS IN PRIMARY POVERTY IN FOUR ENGLISH TOWNS IN 1913

	Of Working-class Households	Of all Households
Northampton	8·2	6·4
Warrington	12·2	11·5
Reading	20·6	15·3
Stanley	6·0	—

The chief cause of this primary poverty—that is, poverty due to lack of income and not to injudicious or wasteful expenditure—was low wages, and not that the principal wage-earner was dead, ill, or old, or irregularly employed. "It is thus proved", report the investigators, "*that a great part of the poverty revealed by our inquiries—and we have no reason to regard their results as other than representative—is not intermittent but permanent, not accidental or due to exceptional misfortune, but a regular feature of the industries of the towns concerned.* It can hardly be too emphatically

(22) *Livelihood and Poverty*, pp. 34, 35.

(23) *Ibid.*, p. 38, for figures on which table is based. Slightly lower percentages were shown according to a new standard drawn up by Dr. Bowley and Professor Burnett-Hurst, but in no case did the difference amount to as much as 1 per cent.

stated that of all the causes of primary poverty which have been brought to our notice, *low wages are by far the most important*".

If the four towns are treated as one city, and the working-class households investigated lumped together, the statistics show that  $13\frac{1}{2}$  per cent. of the households, and 16 per cent. of the persons, were in "primary poverty", and that of the adult workmen 32 per cent. were earning less than 24s. a week. Of the children, no fewer than 27 per cent. were living in families which failed to reach the low standard taken as essential for healthy physical existence—that is, they were under the poverty line.(24)

It must again be emphasized that the actual extent of acute poverty must not be measured only by the number of those living beneath the poverty line; there are those *on* the line and those but little above it, who together make up a larger number. But the use of a poverty line in the manner originated by Mr. Rowntree does provide a deadly index to the sort of lives to which Capitalism dooms a large proportion of the people.

The results of the inquiry by Dr. Bowley and Professor Burnett-Hurst confirmed those of the Rowntree investigation, 16 per cent. of the wage-earners being in "primary poverty" in the aggregate of the four towns as against 15.46 per cent. at York. These results were declared to be "probably not unrepresentative of the large number of towns ranging in population between 40,000 and 150,000".(25) They provide further uncon-

(24) *Livelihood and Poverty*, pp. 38-47. (My italics.)

(25) *Ibid.*, p. 12. It must be noted that in this inquiry account was not taken of "secondary poverty".

trovertible testimony to the pit of suffering and insecurity in which a vast proportion of the people of this country were sunk before the war—right up to the eve of the war's outbreak—and are a further reminder that conditions of life before the war are no reasonable criterion by which to measure the standard of life to-day.

### *Poverty in Rural Areas*

The country-side presented a picture which, to say the least, was no brighter than that of the towns. The lot of the worker on the land was even more deplorable than it is to-day. In 1907 the average earnings in every county in England, with the exception of Northumberland, Durham, Westmorland, Lancashire, and Derbyshire, were below the Rowntree poverty line, so far as they applied to a family of five or more.(26) The agricultural workers were able to keep body and soul together only with the addition of what they received from charity and the produce of their gardens, in which they toiled after long hours of labour for their employers—a very different thing from gardening as a recreation.

In 1907 the average weekly wage for ordinary agricultural labourers in England was 17s. 6d. Horsemen, cattlemen, and shepherds received a little more, and the inclusion of these classes brought the average wage to 18s. 4d. It must be especially understood that these wages, though expressed in cash, were not wholly paid in cash. They included the estimated cash value of free cottages, and any perquisites, such as the free supply of a certain quantity of potatoes. The figures given are

(26) B. S. Rowntree and M. Kendal, *How the Labourer Lives*, 1913, pp. 30, 31.

those of the Board of Trade. They were supplied by farmers, and the workers had been known to complain that the farmers over-estimated the value of perquisites and cottages. This possible over-estimate may be set against a slight upward tendency in wages between 1907 and 1913, and we may take the figures already given, and those which follow, as fairly representative of the position in the latter year. They relate solely to adult able-bodied men.

The lowest county average was that of Oxfordshire—14s. 11d.—and the highest that of Derbyshire—20s. 10d. These averages were beggarly enough, but the lot of those who fell below the average was pitiable. For example, in many villages of Oxfordshire and Northamptonshire the wages of labourers were 10s., 11s., and 12s., and less when time was lost through wet weather. There were families too poor to buy even fresh milk,(27) which in the popular imagination is a staple feature of the diet of the country side. In England and Wales 17·7 per cent. of all agricultural workers, and 28·6 per cent. of ordinary labourers (in both cases men of 21 years and over), worked in counties where the average wage was 16s. and under 17s., and 12·6 per cent. of the ordinary labourers worked in counties where the average was below 16s.(28)

## POVERTY SINCE THE WAR

### *Inability of Capitalism to cope with the Situation*

We have now to discuss the post-war period, and in this connection the first thing to be observed is this:

(27) *How the Labourer Lives*, pp. 32, 44.

(28) *Ibid.*, p. 25.

That to say that present poverty is the "result of the war" is to beg the question. In the first place, it is not the result of the war in the sense that we have here a phenomenon not present in pre-war times, for, as we have seen, the poverty of the mass has always been a feature of Capitalism. In the second place, it is, at the time of writing, more than ten years since the war ended, and were it possible for Capitalism to cast out from itself the twin devils of poverty and insecurity, and were capitalist politicians and Governments able and willing to assist the process, it would be reasonable to expect that the so-called "results of the war" would have shown a steady diminution and by this time show promise of vanishing.

As to the responsibilities and opportunities of capitalist politicians, it is fair to note that, except for the ten months of office of the minority Labour Government in 1924, they have had the government of the country in their hands ever since the war ended (29)—and, for the matter of that, while the war was in progress, when much was heard of preparations to cope with the post-war economic problem. Two of the post-war Governments have been in an exceptionally strong position for carrying out their will—the Lloyd George Coalition, which was returned at the General Election of 1918, shortly after the Armistice, and which enjoyed all the prestige attaching to a Government which emerges victorious from a war, and the Baldwin

(29) A new Labour Government was returned to office at the General Election of May 1929, supported by the largest party in the House of Commons but still in a minority as against all parties, but it obviously is too soon to discuss the situation in the light of this event.

Government which succeeded the 1924 Labour Government and had the support in the House of Commons of a majority of unprecedented size. No; the apologists of Capitalism cannot ride off with the plea that present-day poverty and discontent are but part of the aftermath of war; they are all too familiar, and if Capitalism's supporters are capable of formulating measures which give hope of a remedy within the system of Capitalism, they have woefully failed to produce them.

*Change in the Incidence of Poverty*

For the post-war period there is not the same amount of detailed and scientifically accumulated material on which to base opinions as there is for the pre-war days, but there is, I think, sufficient evidence to demonstrate that the magnitude of the poverty problem remains what it was, and that any appreciable alteration has been by way of changing the incidence of the more severe poverty rather than the extent of poverty as a whole. The poor to-day include great groups who are lower down the scale than ever before, while on the other hand other groups have risen somewhat in the scale.

It will be instructive at this point to note the opinion of that high authority, Mr. Seebohm Rowntree, in the years immediately succeeding the termination of the war. Writing in 1922, on the question of how conditions at that time compared with those of twenty years previously, he stated: (30)

(30) Preface to 1922 ed. of *Poverty: A Study of Town Life*. (My italics.)

I have not the evidence which would enable me precisely to answer that question, or to distinguish confidently and exactly between the transient and permanent changes. I can only, once again, give my very general impression—which is that even at the present moment, in spite of the abnormal amount of unemployment, there is somewhat less acute destitution than there was twenty or even ten years ago, and that this improvement is due to factors which will continue to operate when trade becomes normal. *There are indeed to-day extraordinary numbers of families living, not in positive destitution, but barely above, or just under, the poverty line. Among these are countless households which have never before experienced actual privation.*

To this change in the incidence of poverty we shall return later; for the moment, let us note the factors which have caused destitution to decline as compared with pre-war days.

#### *Effect of Unemployment Insurance and Outdoor Relief*

Chief among these are the extension of the Unemployment Insurance Acts to cover all workers earning less than £250 a year (except agricultural workers, domestic servants, and seamen), and a more humane administration of the Poor Law, under which it is now the general rule to grant out-relief to able-bodied unemployed.(31) Such out-relief is contrary to law without the special sanction of the Ministry of Health, and before the war was never, or rarely, given, but the immense number of unemployed who since the war have needed assistance has made the offer of the "house" impracticable, apart from which there was a strong public sentiment

(31) This needs the qualification that many Boards of Guardians grant no relief to single men. Thousands of young men, many of whom have had little opportunity of work since they left school, are thus reduced to a particularly pitiable plight.

against such a course in the years immediately after the war, as many of the unemployed were ex-Service men. The giving of out-relief to able-bodied unemployed has thus become a recognized part of Poor Law practice.

The bearing of the extended system of Poor Law relief, and of unemployment insurance, on poverty to-day, as compared with times before the war, was well demonstrated by an inquiry which, in the winter of 1921-22, was carried out in East London from Toynbee Hall for the purpose of finding out what was the condition of the poor during the abnormal amount of unemployment which then prevailed. It was the conclusion of the investigators that the increase in distress, as measured by the pre-war standard, was comparatively small, but their report added: (32)

It must not be imagined from this conclusion that East London is not suffering from distress. The standard of living is normally low and conditions are normally miserable. The fact that conditions have not become worse means only that the unemployed have not as a rule fallen from poverty to destitution. . . . It cannot be doubted that the absence of distress is due almost entirely to the benefit under the Unemployment Insurance Acts, which is heavily subsidized by loans from Government funds, and the high scale of relief given by the guardians, which is provided from the rates. Trade union benefit, savings, and charity have taken some part in the work of relief, but the contribution from these sources is almost negligible, compared with the enormous calls made on the payers of rates and taxes. *If these calls had not been made, distress and destitution would have been common and would have increased as long as the depression in trade lasted, workpeople would have become demoralized and have lost their ability to work, and children would have been weakened by privation*

(32) *Unemployment in East London*, Report of a Survey made from Toynbee Hall, 1922, pp. 48-50. (My italics.)

with results on mind and body which might have lasted through their whole lives.

These statements are of great significance. *In the first place, it must be observed that, thirty-five years after Charles Booth made his great inquest into the lives of London's people, the standard of living in East London was still "normally low" and conditions "normally miserable"*. Mass poverty had persisted. In the second place it will be seen that savings and trade union benefits were able to make only a negligible contribution to the staving off of destitution—that is to say, the people were entirely without reserve resources; so far as their power to accumulate was concerned they might have perished when it was no longer a profit-making undertaking to employ them. It was unemployment insurance and a more humane administration of the Poor Law (to which must be added war pensions, school feeding, and health insurance) which kept the unemployed afloat on what, after all, was an ocean of poverty, and prevented their sinking into positive destitution.

### *Fruits of Working-class Politics*

And to what are unemployment insurance, more generous Poor Law and other communal provisions due? Certainly not to the political representatives of Capitalism. It is true that unemployment insurance was originally introduced, in 1911, by a Liberal Government, but the scheme was a very restricted one, being limited to only four industries, and its introduction was powerfully influenced by the rise of the Labour Party and by the vigorous unemployed agitation in the

depression of 1907 to 1909. Its extension since the war to the greater part of industry (only domestic servants, rural workers, and seamen are now excluded) was very largely due to Labour pressure, and there can be no question that the largely increased Labour representation on Boards of Guardians was the main influence in securing for the unemployed the support of the Poor Law, and, where such representation was strong, raising the scales of relief to a more adequate level.

The capitalist attitude to this social salvage work was indicated by the Conservative Government of 1924 to 1929, the whole policy of which was directed to curtailing these forms of public assistance for the poor. Boards of Guardians were subjected to pressure to reduce relief, and the Guardians (Default) Act was passed to enable the Government to dissolve Boards which had particularly offended by being the *guardians* instead of the persecutors and inquisitors of the poor. The Boards of Bedwelty, Chester-le-Street, and West Ham, popularly elected bodies, were swept away and their places taken, in each case, by two or three Commissioners nominated by the Ministry of Health, who carried out their duties on the Conservative Government's theory, direct descendant of the Poor Law of 1834, that the poor and the unemployed were, at best, shirkers and, at worst, swindlers. A similar policy was pursued in relation to unemployment insurance. The administration was tightened to the point of harshness and hundreds of unemployed were struck out of benefit in consequence, and by the Unemployment Insurance Act of 1928 the benefits of young persons were reduced.

So the post-war position in relation to the prevention

of destitution may be summed up thus: That in so far as acute destitution is of less extent than it was before the war, that fact is largely due to more humane Poor Law administration and unemployment insurance, and that in the degree that capitalist politics are in the ascendency over Labour and Socialist politics these alleviating influences are reduced to the minimum which the unemployed and the poor generally will consent to tolerate. In other words, the reduction of destitution reflects the degree of success achieved by the working class on the political side of the class struggle, and the actual measures by which it is reduced represent modifications of capitalist society in the direction of an enlarged communal responsibility.

#### *Workers Who Are Better Off*

In so far as the incidence of poverty has changed, the movement has been in favour of the less skilled and lower-paid workers. The extension of the Trade Board system, the number of Boards being now forty-five as compared with only four in 1914, has been largely responsible for this, and added to this has been the very considerable growth of Trade Unionism among these classes of workers.

An investigation which provides some detailed information as to the change in the economic position of the so-called unskilled workers was that which Dr. Bowley and Miss Margaret H. Hogg conducted in 1924 at Northampton, Reading, Stanley, and Warrington, the four towns which, as we have seen, were the subject of a similar inquiry in 1912; and this time Bolton also

was included. An improvement was found to have taken place in the interval that had elapsed. The proportion of families in poverty, in the aggregate of the towns, was one-fifth of what it was in 1913, or, if the maximum unemployment were reckoned, the proportion was little over half. In Reading, in 1913, the wage of the unskilled workman was from 21s. to 23s., which was insufficient to support a man, wife, and more than two children at the minimum standard then laid down. Men in the corresponding class of workers were in 1924 paid from 42s. to 46s. a week, which was "sufficient at current prices for at least one more child of school age" (33)—that is, of course, at the minimum standard. But so vile was the position in 1913 that, despite this improvement, even in 1924 one out of every sixteen children under fourteen years of age, in the aggregate of the towns, lived in a household where the means were below the minimum standard, even assuming that there was no unemployment (a quite unrealistic assumption), and in Reading the proportion was one in seven. Moreover, the investigators were careful to point out that the results of their inquiries gave only an instantaneous picture. "If", they wrote, "the view could be extended over several years, we should find families passing first below and then above the poverty line, as a third or fourth child was born, and as the children reached the age of earning. *More than one in six are in present circumstances below the line at some period of their young lives, a smaller proportion are below for many years consecutively.*" (34)

(33) *Has Poverty Diminished?* 1925, p. 21.

(34) *Ibid.*, p. 24. (My italics.)

So even in 1924, when the war had brought about an improvement in the real wages of the lower-paid workers, the picture was still a sombre one. The descent below the poverty line to which, at some period or other, one in six of the children was doomed, probably left its mark on most of them, in stunted growth, enfeebled general health, and retarded mental development, owing to the refusal of minds to work and expand when dependent on ill-equipped bodies.

*Workers Who Are Worse Off*

But even granting some improvement in the lot of the lower-paid workers, providing they are in full employment, this betterment, when we survey the people as a whole, is in some degree, and I believe in an important degree, offset by the fact that great masses of workers, skilled and the so-called unskilled, have in several of the largest industries fallen definitely below their pre-war standard, and in appreciable numbers are even under the poverty line. The case of the miners is the most outstanding and one which no reasonable person will dispute. Even the public hoardings all through the kingdom have blazoned forth the fact that a million of people in the coalfields are in need of food and clothing.<sup>(35)</sup> The rates of wages of most of the workers in this industry, second only to agriculture in size, are below the pre-war standard when measured in purchasing power, and when earnings are curtailed by short time, as they are to an extent never before

(35) Posters issued by the Coalfields Distress Funds, a national movement having Royal patronage, proclaimed in the winter of 1928-29: "A Million of Your Fellow-Countrymen are in need of Food and Clothing."

known for so long a period, the amount of money is in value far less than the miner's income of pre-war days. The miners have not been so badly off since the darkest days of the coal'industry when it was rapidly developing in the early decades of the nineteenth century. The daily lot of tens of thousands, men, women, and children, is underfeeding, while their raiment is reduced to rags, substituted perhaps by the cast-off clothes of charity, and their future darkened by a load of debt. Thousands of children in the last few years have gone barefoot or with their feet protruding through broken boots. Indeed, the widespread destitution in the coal-fields, where before the war it was practically unknown, ought perhaps to be taken as qualifying the statement previously made that destitution, taking the country as a whole, has, in fact, diminished since the war.

In Lancashire the eight years of depression in the cotton industry has reduced what was once one of the most prosperous sections of the working class to a very much inferior position. The family thrift, for which the county was famous, has completely broken down under the long strain. Savings are exhausted, and there is no prospect of their being replaced.

In shipbuilding and the heavy metal industries the standard of life of a large proportion has fallen below the pre-war level, taking the post-war period as a whole.

#### *Post-war Poverty Not Localized*

But it would be a mistake to assume that poverty to-day is localized and is merely a problem affecting only the great staple industries. It is nothing of the kind. It is found in great industries and small

industries, busy industries and slack industries, and in towns and cities of the most diverse type.

We have noted something of the poverty of Middlesbrough twenty-odd years ago. Has it disappeared? Tuberculosis is pre-eminently a "poverty disease" and the medical officer of the infant welfare centres, "a woman noted for her experience and moderation", declared in 1928 that tuberculosis among the children of Middlesbrough was approaching the position in defeated Vienna after the war.(36)

Or look again at Manchester. Some facts as to housing and wages in that city twenty-five years back have already been given—and housing, be it recalled, is inseparably associated with wages. What ground is there for satisfaction at the change brought about in a quarter of a century? Although the record of the Manchester Corporation stands high in the matter of housing improvement, as compared with that of many other municipalities, it was in 1928 "officially admitted by the Public Health Department of the Manchester Corporation that there are 26,000 houses in the city below a reasonable standard of fitness for habitation".(37) The population of Manchester in 1921 was 730,000. If we take only five people as the average number inhabiting each of these 26,000 houses, and make some allowance for increase in population, the figures show that about one-sixth of the people of that city live in houses "below a reasonable standard of fitness for habitation"; yet Manchester is a city which

(36) Ellen Wilkinson, M.P. for Middlesbrough East, *Daily News*, August 16, 1928.

(37) *Social Studies of a Manchester City Ward*, No. 2. 1928. By a Social Study Group at Manchester University Settlement, 1928, p. 24.

prides itself on the totals of its bank clearances; it is rich in public spirit, and is famous as a centre of art and learning.

The most acute poverty can be found in towns differing so widely as Hull and Blackpool, and if one crosses England to Swansea, there again the facts of poverty stand revealed on investigation. Dr. Thomas Evans, the Medical Officer of Health, conducted an inquiry into the manner in which the income of 45 families, comprising 290 persons, was spent. The average income per family was only £1 16s. 5d., and out of this the average amount spent on rent, coal, light, clothing, and tobacco was 12s. 5d., and the amount ascertained to be spent on food was 19s. 6d., but of the 4s. 3d. unaccounted for it was assumed that half was spent on food. This gave 21s. 1½d. per family per week for food and worked out at *sevenpence per person per day*.(38)

On Tyneside a survey made since the war by the Bureau of Social Research for Tyneside, under the direction of Mr. Henry Mess, disclosed a sombre picture. The death-rate from tuberculosis at Newcastle dropped 50 per cent. in forty years, and on Tyneside as a whole 30 per cent. in twenty-five years, but at South Shields the rate was reduced only 25 per cent. in forty years, and in several towns, including Gateshead and Wallsend, the ground lost during the war has not been recovered. At Hebburn the death-rate from tuberculosis was practically stationary for a decade before the war, and to-day is rather worse than it was then; and at Jarrow, where the rate dropped satisfactorily

(38) *Daily Herald*, October 8, 1928.

from 1890 to 1900, it then took a sharp upward turn and has been rising ever since.(39)

For a wealth of information as to life on Tyneside the reader must turn to the pages of Mr. Mess. I can give but one passage from his summing-up. He remarks that if the statistics and diagrams prepared by the inquiry are to be read aright "there must be imagination to pass behind them to that for which they stand", and he proceeds: (40)

To those who have gone about with open eyes they will recall many common sights of Tyneside. The overcrowding figures bring to mind homes so tiny and so crammed that they almost seem to protrude bedsteads as one passes along the street. The density per acre figures are the summary of row after row of front doors level with the pavement, whilst in the rear a little bricked-in yard opens on a back lane. The health figures speak tragically to anyone who has sensibilities; they tell of house after house where there is some tuberculosis member of the family, a child with swollen glands, a big boy at a children's hospital, a father at a sanatorium, or a daughter dying slowly in one of the two rooms which constitute a home. That violently fluctuating curve of unemployment on page 54 corresponds to many hundreds of housewives trying to meet the needs of their households, with no assurance as to what money will be forthcoming on the morrow or whether there will be any money at all. Those terrible figures on page 55 tell of men who are eating their hearts out, who are losing their morale, who have been reduced from a status of self-supporting men to that of paupers. The education figures mean that hundreds of young minds must be forced into one mould, deprived of the opportunity of self-expression, because the teachers are set an impossible task.

(39) Henry Mess, *Industrial Tyneside*, 1928, p. 114. The area covered by the survey embraced Newburn, Newcastle, Wallsend, Tyne-mouth, Blaydon, Wickham, Gateshead, Felling, Hebburn, Jarrow, and South Shields.

(40) *Ibid.*, pp. 165-166.

It is a far cry from the great industrial agglomeration of Tyneside to the little town of Attleborough in Norfolk. In this little town there are cider works of a well-known firm, and a strike at these works in the summer of 1929 led the National Union of General and Municipal Workers to expose the fact that the wages of adult men ranged from only 32s. to 37s. a week. Cider-making is not a staple industry, and I am not aware that it is depressed. This example is taken as illustrating the shockingly low wages which can be found even to-day in ill-organized trades, relatively small and scattered, which do not figure in the welter of post-war wrangling, discussion, and investigation as do the great staple industries in which Capital and Labour are vocal and a power in the land.

*Income of Working-class Households, 1924-29*

The view that any gain which certain sections of the workers may have made since the war is counter-balanced, when considering the position of the working class as a whole, by the loss experienced by other sections, is borne out by the estimate of Dr. Bowley and Sir Josiah Stamp of the incomes of working-class households in 1924. They state:(41)

Average earnings of all wage-earners for a full working week are estimated to have increased 94 per cent. between 1914 and 1924, while the Cost of Living Index rose 75 per cent. Real *weekly* earnings measured on this basis therefore rose about 11 per cent. Average *annual* earnings, however, were reduced by increased unemployment, so that the rise in them was only 5 per cent., and if this estimate errs by excess, working-class households in 1924 were on the average hardly better off than in 1914.

(41) *The National Income, 1924*, p. 31. •

Since 1924, as already observed, the tendency of wages rates has been downwards rather than upwards, and at the same time employment has not improved. Many of the reductions which have taken place have been in accordance with a cost-of-living sliding scale, but others have not, including wage-cutting suffered by the miners, the cotton workers, and the woollen workers,(42) three of the largest groups, and the special  $2\frac{1}{2}$  per cent. all-round reduction agreed to by the railwaymen in 1928. Moreover, the Ministry of Labour cost-of-living index as a means of regulating wages has been much criticized on the ground that it takes no account of changes in the incidence of expenditure which have taken place since the household budgets on which it is based were drawn up twenty-five years ago. The way in which the various commodities are "weighted" in working out the cost-of-living figure should, it is argued, be revised. Be that as it may, we can conclude with certainty that the position is no better now than in 1924, so that, accepting the estimate of Dr. Bowley and Sir Josiah Stamp, we may say that a problematical 5 per cent. was the only improvement in the average income of working-class households between 1914 and 1929.

(42) An all-round reduction of 1s. 3d. in the £ was enforced in the cotton industry in September 1929. Some heavy woollen firms imposed reductions in 1929, and in October of that year the wool textile employers as a whole were attempting to impose a wage cut of one penny in the shilling.

## PART III

### PRESENT-DAY WAGES AND THE POVERTY LINE

IF we relate present-day real wages to the Rowntree poverty line of 1914, the result certainly gives no ground for belief that poverty has appreciably diminished. Let us first see how Mr. Rowntree drew his poverty line in 1914 and the sort of standard of life which it represented.

Taking 115 grains of protein and 3,500 calories of fuel energy as the generally accepted requirement for a man on work midway between heavy and light, Mr. Rowntree translated this into a budget "as economical as the dietary provided in many workhouses and other public institutions in which expenses are strictly curtailed, although it was more varied and in some ways more attractive". On this basis, in 1914, it took 4s. 4d. a week to keep a man in food. Putting the requirements of a woman at eight-tenths of those of a man, the cost was 3s. 6d., and putting those of children at half, the cost worked out at 2s. 2d., but threepence per child was added to this sum, as food suitable for young children, which should contain a considerable quantity of milk, costs more per unit of nourishment. Thus the cost per week per child came to 2s. 5d. This made the total cost of food for a man, wife, and three children 15s. 1d. a week.

For clothing there was allowed "just what is necessary to keep the body warm and dry, and to maintain a modest respectability". Among the many things

included in the item of 5s. for "personal sundries" were national health insurance, sick club and trade union contributions, and tram fares (which together, it was found, commonly amounted to 2s. or 2s. 6d. a week), newspapers, haircutting, church and chapel, burial and sick club for wife and children, and recreation. It will be seen that the budget was somewhat more generous (or more *realistic*) than the York budget of 1899, which made no allowance for newspapers and the other modest amenities here mentioned, although how much of them could be secured for the sum provided is a problem indeed! Taking rent as at York, the budget then worked out as follows; *but Mr. Rowntree pointed out that "no one without an accurate knowledge of food values could live at such low cost"*: (1)

BUDGET OF THE ROWNTREE POVERTY LINE, JULY 1914  
(MAN, WIFE, AND THREE CHILDREN)

	s.	d.
Food	15	1
Rent	6	0
Clothing	5	0
Fuel	2	6
Sundries:		
Household	1	8
Personal	5	0
	<hr/>	
	35	3

What sum would be required to-day to secure a standard of living even as low as that represented by this budget? Taking the percentage of increase in prices since July 1914 at March 31, 1928, as published in the *Ministry of Labour Gazette*, and used in the

(1) *The Human Needs of Labour*, 1919, pp. 103-104, 124-129. (My italics.)

calculation of the Ministry's cost-of-living figure, the budget would stand as follows: (2)

BUDGET OF ROWNTREE POVERTY LINE OF JULY 1914,  
EXPRESSED IN PRICES OF MARCH 1928 (MAN, WIFE,  
AND THREE CHILDREN)

	Increase of Prices at March 31, 1928, over July 1914	Cost of Rowntree Budget at March 31, 1928	
	Per cent.	s.	d.
Food	55	23	5
Rent	51	9	1
Clothing	115-120 (say 117½)	10	11
Fuel	65-70 (say 67½)	4	2
Sundries:			
Household } Personal }	80	12	0
		<hr/>	
		59	7

According to this calculation, the wages necessary for a family of five to live to-day (1929—for the change in the price level in the past year has not been appreciable) even on the poverty line amount to £2 19s. 7d. a week.

How many workers receive this amount on the average? Certainly not the majority of the manual wage-earning class. All the agricultural workers, most of the mine workers, the cotton and woollen workers, and the very large class of so-called unskilled workers do without doubt receive less than an average wage

(2) *Labour Bulletin* (Labour Party Research Department), June 1928.

of 59s. 7d. a week. The average weekly rate of skilled engineers is now only 59s. 8d., and the rates for labourers in the industry range only from 39s. 3d. to 45s. 6d. Or, take the railwaymen. Owing to their strong trade union organization and able leadership, they have fared much better than most workers in the struggle to improve on the pre-war standard of living, but what are they now paid? The wages rates and actual earnings of the seven largest classes (excluding the official and clerical class) are shown in the latest return of the Ministry of Transport to have been in March 1928 (3) as in table on page 85.

The table shows that in average weekly wage rates only two classes, the engine drivers and motormen and the firemen and assistant motormen, are above what for a family of five is the poverty line, and that if we take actual earnings only one other class, the signalmen, and one section of a class, the gangers, can also be put into that category; and it should be noted that actual earnings include all extra payment for overtime and Sunday duty, and any other additional earnings as provided for in the agreements between the unions and the railway companies. A further point is that the wages given in the table were in August 1928 all reduced  $2\frac{1}{2}$  per cent. and represent a better position than, in fact, obtains at the time of writing. (4)

(3) *Railway Companies' (Staff) Return, 1928*. In the list of occupations the return gives "carters and vanguards", but in the tables of wages only "carters" are given. It is possible, therefore, that the "carters" whose wages are here given ought not to be included in the seven largest classes.

(4) It has been agreed that the  $2\frac{1}{2}$  per cent. reduction shall remain in force until May 1930.

## WAGE RATES AND EARNINGS OF CERTAIN CLASSES OF RAILWAY WORKERS IN GREAT BRITAIN FOR WEEK ENDED MARCH 10, 1928

	Average Weekly Wage		Average Weekly Earnings	
	s.	d.	s.	d.
Carters	50	8	57	2
Permanent-way Men:				
Gangers	53	3	60	8
Sub-gangers	49	10	57	1
Undermen	47	7	55	11
Signalmen	58	11	68	0
Passenger Porters:				
Grade I	48	0	51	10
Grade II	43	8	48	0
Labourers:				
Loco Sheds	47	6	51	3
Signal and Telegraph	47	9	56	6
Engine Drivers and Motormen	88	3	102	7
Firemen and Assistant Motormen	64	10	73	5

As further evidence let us take the earnings of males over industry as a whole, as revealed by the inquiry which the Ministry of Labour conducted in 1925, which related to the actual earnings of workpeople in the four weeks ended January 19, April 12, July 12, and October 18, 1924. Foremen, warehousemen, carters, etc., were included within the scope of the inquiry, but not clerks, travellers, and other salaried persons. The average earnings of males were found to be as follows: (5)

(5) *Ministry of Labour Gazette*, July 1927.

AVERAGE OF THE EARNINGS OVER FOUR WEEKS IN 1924  
OF MALE WORKPEOPLE IN GREAT BRITAIN AND  
NORTHERN IRELAND

	s.	d.
Pottery, Brick, Glass, Chemical, etc.	56	6
Metal	54	8
Textile	51	6
Clothing	54	10
Food, Drink, and Tobacco	57	2
Woodworking	53	6
Paper, Printing, etc.	69	11
Building and Allied Industries	58	2
Other Industries*	53	11
Public Utility Services	59	5
Government Industrial Establishments	65	7
Average for all above workers †	56	3

\* Including fellmongering and leather tanning, saddlery and leather goods, brush and broom, pianos, organs and musical instruments (other than metal), metalliferous and shale mining, carting and warehousing, waste reclamation (other than metal), and miscellaneous industries. Agriculture was not included in the inquiry, nor coal-mining and railways.

† The average is that for all workers covered, taken together; it is not an average of the groups.

The only qualification which it is necessary to mention in connection with the above table is that the figures on which the averages are based include the wages of apprentices and juveniles, as the wages of boys and girls were not in this inquiry treated separately as in the case of the earlier Board of Trade inquiries already mentioned. In spite of this it is clear that the earnings of men, averaged over those four widely distributed weeks of 1924, closely approximated to the 59s. 7d. which is the poverty-line figure for 1929—and between 1924 and 1929 the general tendency of wages

was certainly not upwards. As the figures stand *there are only two groups in which earnings were in excess of 59s. 7d.*, namely, Printing and Paper and Government Industrial Establishments.

The poverty-line figure which we have taken relates to a family of five. Obviously, in the case of families numbering fewer than five an income of 59s. 7d. would place them somewhat above the poverty line, but, on the other hand, when the family numbers more than five an even higher income would be needed to prevent descent below the poverty line. At the 1921 Census the number of *families* in which the children numbered more than three exceeded 783,000. Following are details covering this point: (6)

NUMBER OF FAMILIES WITH NUMBER OF LIVING CHILDREN INDICATED (INCLUDING STEP-CHILDREN) AT CENSUS, 1921

Children under 16 Years	Number of Families
Four	400,974
Five	217,124
Six	105,592
Seven	41,798
Eight	13,117
Nine	3,629
Ten	771
Eleven	159
Twelve	35
<i>Total</i>	783,199

When the war came there were about 30 per cent. of the people below the original Rowntree poverty line,

(6) Compiled from *Census 1921: Dependency, Orphanage, and Fertility*, 1925, p. 74.

for there was a marked fall in real wages between 1900 and 1914. I think it would be taking too favourable a view of the situation to-day to hold that those below the poverty line, on the poverty line, or not appreciably above it, together constitute fewer than 25 per cent. of the population. By "poverty line" I mean a line drawn on the basis of bare physical necessity, *plus* a minimum of conventional necessities, such as hair-cutting and burial-club payments, additional economic necessities, such as State insurance payments and trade-union contributions, and such contingent social necessities as occasional postage stamps and newspapers.

#### *The Surface View of Civilization*

"The surface view of society is always satisfactory," wrote the late C. F. G. Masterman in his brilliant study of the England of the first decade of the present century. "You may traverse England from north to south and east to west, admiring the beauty of its garden landscape, the refined kindly life of its country houses, the opulence and content of its middle class, the evidence everywhere of security and repose. Only at intervals and through challenges, which (after all) are easily forgotten, is there thrust before the attention of the observer some manifestation of the life of the underworld." (7)

And so, in essentials, it is to-day—a society outwardly at peace and in many aspects presenting a face of pleasure and prosperity, yet still reared on a base of toil and insecurity where the great bulk of the people are engaged in a never-ending striving to make ends

(7) *The Condition of England*, ed, 1911, p. 133.

meet and where hundreds of thousands of homes are never far removed from destitution. There, toiling in the foundations of society, is still to be found a great mass among whom lack of even the elementary necessities of life is the normal condition, whether it be by way of enduring the miseries of life in one-roomed and two-roomed homes, refusing the child another slice of bread because of the needs of the morrow, facing the wet street with broken boots and shoddy clothing, or suffering other of the innumerable afflictions which bear down upon the poor. But the challenges of those below, the protests of "the man farthest down", have become more frequent and are less easily forgotten, and we must expect their volume to grow, and encourage it to grow, while civilization is but a veneer beneath which the many wage a perpetual battle with poverty.

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