REPORT

of the

TEMPORARY EMERGENCY RELIEF ADMINISTRATION

FEBRUARY 23, 1932
To His Excellency Franklin D. Roosevelt, Governor,
and to the Honorable Members of the Senate and the
Assembly of the State of New York:

Pursuant to the directions in Section 21 of Chapter 798 to
"report from time to time in such detail as may be required, the oper-
ations of the administration together with the conditions of unemployment
and the relief afforded the unemployed persons of the State", we present
herewith the following statements and recommendations.

Statement of Jesse Isidor Straus, Chairman.

Conditions throughout the State are, as far as one can judge
from available reports, deplorable, despite the fact that nearly ten
percent of the State's population are beneficiaries under the Wicks Act.

Such aid as is being given both through home and work relief
appears to be either inadequate, or at best minimal. The burden in New
York, Buffalo and Rochester is enormous, and in New York in particular,
machinery with the best of will on the part of those in direction, is
inevitably cumbersome, slow and halting. In small communities, in rural
districts, more personal knowledge of and contact with needy unemployed,
bring to light real conditions, and privation may in consequence be more
readily relieved; but as time goes on and industrial conditions remain as
they are, suffering due to inability to secure either public or private
funds is bound to increase. The more prolonged the economic depression,
the worse conditions grow. Savings, both of unemployed and their
neighbors, from whom doubtless much help has sprung, are becoming
exhausted. Invisible charity, as Walter Gifford has called it, decreases to the vanishing point.

Even through this winter municipal corporations have been hard put to it to appropriate funds for relief purposes, and community chests and other forms of securing personal contributions have increasing difficulty.

Though the Act implies under Section 1, that the State fund for work relief should be the means of stimulating municipal corporations to raise funds to augment appropriations by the temporary emergency relief administration under work relief, it has not always been possible to secure such appropriations, and even when they have apparently been voted, they have not always been made available.

As nearly as we can determine, most municipal corporations have given relief only to a part of the needy. Despite efforts of the temporary emergency relief administration most communities have acted on the belief that relief must be budgeted to May 31st, and on work relief in particular, there has been a tendency to employ from 30% to 50% continuously to June 1st, rather than employ 100% or nearly that as long as funds, local and State, last. Why the Legislature saw fit to discriminate between two kinds of relief is not known to the members of the temporary emergency relief administration. Theoretically work relief, in that it asks a return for relief accorded, and in consequence tends to preserve self-respect and pride, is preferable. However, in New York, Buffalo and Rochester, because of the magnitude of the problem, even those who concede the theoretical wisdom of work relief, feel that
money given in home relief will go further and can be more nearly fitted to meet the needs of this critical situation.

In many communities home relief which under the Wicks Act is administered by Welfare Commissioners, is in some cases inefficiently administered. It is occasionally difficult to prevent dishonesty.

Welfare officers are in some communities appointed, in others elected. It would appear that in many instances, particularly in the cases of towns, that welfare officers are untrained and incompetent.

Might it be well to consider a recommendation that welfare officers, because of the nature of their work be subject to Civil Service examination, and that the State Charities Aid or some other similar organization endeavor to set standards for eligibility, and that if possible, all welfare officers be appointed after examination, according to such standards?

On the other hand, work relief bureaus have by and large been composed of persons of superior intelligence and higher calibre than many of the welfare officers. Leading citizens in many communities have given their time and thought without stint to the problem. They have been animated by a desire to do a good job. They have not been moved by political considerations. They have planned with thoroughness, and much of the work done under their direction is of permanent value, as stated in our previous report.

Whether the $20,000,000 originally voted will be sufficient to care for the needs to June 1st, it is now difficult to estimate.
The work relief $8,300,000 and the $1,000,000 State aid is allocated and will be used up considerably before May 31st. It would appear that $10,000,000 home relief will not under the terms of Section 16 be entirely absorbed, and it is suggested that perhaps an amendment to the Act authorizing the temporary emergency relief administration, in its discretion to transfer up to $2,000,000 from home to work relief be introduced. However, the administration can have no knowledge of its final obligation under home relief until the final bills for May are presented, and the Legislature should perhaps be asked to appropriate an additional amount giving the temporary emergency relief administration the privilege of allocating that additional amount for either work or home relief.

In addition, it is now apparent that the $114,000 appropriated for expenses will prove inadequate despite endeavor to make it cover, and an additional appropriation of $75,000, all of which may not be needed, is now asked for needs to the termination of the work of the administration.

If the life of the administration is to be extended, consideration of appropriating a lump sum, to be used either for home or work relief including State improvements might be given. New York City alone will, it is estimated, be giving relief to cover 100,000 persons and their dependents. New York City cannot under its Charter, accord home relief except under the Wicks Act. Some consideration on these counts alone, will have to be given to pro-
longation of the emergency period. The 40% reimbursement clause (Section 16 of the Act) may be inoperative because many municipal corporations are not in financial condition to make further appropriations, and in the large cities, as previously stated, the experience has been that home relief may be, because of the magnitude of the job of planning, supervising and executing work projects, preferable to work relief. Furthermore money goes further in home relief than in work relief in these large cities. Because of constant study of varying needs of families from week to week and from month to month, urgent needs can be more nearly met through home relief. Income from partial employment can be supplemented more readily through home relief than the two, three or four day a week employment can be arranged for. But again it must be pointed out that work relief bureaus are in the main more efficiently manned than home relief bureaus.

It is obvious that on May 31st, when the Administration ends, unless industrial conditions shall have greatly changed, a very large number of persons who are now entirely dependent for the bare necessities of life on relief under the Wicks' Act, will be in distress. This condition will be particularly bad in the large cities.

To discontinue all aid on May 31st would cause suffering to hundreds of thousands of residents of the State. Sudden stoppage of all relief might even cause bread riots.

It is very important that consideration be given, if the administration is to continue after June 1st, to a continuity or a sub-
stitution of personnel from the members of the administration down through the staff, quite a number of whom have been loaned by other organizations who will require them to return to their regular jobs. It will be very inadvisable, if not utterly impossible, for anyone now on the job to pick up the work and carry on, unless he works for some time with the present staff, and a break between old and new would give the additional burden, both in the knowledge of how records are kept and their consequent ability to find essential documents, and in the knowledge of what has gone before, in order to carry on under similar conditions.
The first question which arises is whether the life of the administration should be extended, and if so for how long. Any extension involves the question of additional appropriations for the continuance of the administration's work.

The basic proposition of some extension of the life of the administration does not admit of argument. Unless it is to be assumed that the emergency will absolutely determine by June 1st, some provision must be made to preserve the momentum of this winter's effort. If any State aid whatever is to be extended next winter - even though it does not commence until November 1st - the disintegration of the organization which has been built up this year should not be permitted.

If the policy of the State will be to relieve against suffering and provide employment during the summer months, it follows that funds must be provided for such purpose. It is impossible, at this date, to predict accurately whether suffering will be greater or less as the year 1932 progresses. At present, there is no definite indication that it will be less. It is conceivable, however, that the State may take the position that suffering during the winter months is more acute, and that the State will discharge its obligation by renewing its efforts on the 1st of November. In such case, the only appropriation now necessary, would be enough for relatively small emergency fund, designed to carry over the summer, and enough to pay the expense of keeping the administration alive as a going concern until the Fall. This would contemplate an extra session of the Legislature in September.

A further alternative would be to extend the administration definitely to March 1, 1933, and provide it with funds calculated
to carry on until that date, leaving to the Legislature which will convene next January the question of how adequately, whatever need and suffering there is next winter, is to be met.

The decision as to which of these alternatives is to be adopted is one of legislative policy. If the last alternative is to be adopted, it would seem necessary to appropriate from fifteen to twenty million dollars before the present legislature adjourns. It is not probable that adequate relief can be furnished to March 1, 1933, even with a minimum disbursement contemplated during the summer months, with a smaller sum. This is especially so in view of the fact that local financing and appropriations are becoming increasingly difficult, and because of the indisputable fact that many municipalities are having difficulty in selling their securities.

On the other hand, if a considered judgment of the future, based on presently known facts indicates that the administration should be extended only to November 1st, (shortly before which time final decision could be reached as to whether State aid will be needed on a large scale during the winter of 1932-1933) only a relatively small sum need be appropriated now. The Administration is of the opinion that from three to four million dollars would be sufficient.

The administration believes, however, that considerable harm will result if all State furnished employment and relief is terminated on June 1, because a large number of persons, otherwise destitute, have come to rely upon such aid during this winter. The moral recoil which will be experienced in throwing them completely on to their own resources will be both great and dangerous.
There remain considerations touching suggested improvements in the framing of a new relief act, designed to carry through the whole of next winter, and amendments to be suggested touching the operation of the present act up to June 1 next, governing the balance of the already appropriated Nineteen million three hundred and two thousand Dollar fund.

As to the latter, it would appear advisable, (if legally possible) to release a portion of the ten million dollar fund for work relief in the discretion of the administration. The final objective must remain the alleviation of suffering. The amount of assistance which a community receives is the total of home relief and work relief State aid. Under certain conditions work relief is the most desirable form of relief which can be given. Under other circumstances it is not as desirable as home relief. There are, furthermore, local difficulties of one sort or another which vary greatly in different municipalities. Sometimes the difficulties are sufficiently genuine so that work relief comes definitely to a standstill. Where the administration is satisfied that the difficulties are real, it should have the ability to increase home relief grants in its discretion unhampered by the restrictions now in Section 16 of the Act. The reverse situation sometimes occurs. There are communities where work relief transcends in efficiency home relief. In all communities some regard has to be had to treat all municipalities substantially alike. There is sufficient need in every locality, so that the degree of want cannot be used as a measuring stick. Nevertheless, in those communities in which work relief functions better, the administration should be empowered, encouraged and provided with funds to finance every extensive
work relief project. In most municipal corporations in which, from present experience, it is already apparent that special emphasis should be placed upon work relief, it has almost invariably been true that the total amount claimed under the forty percent clause for home relief is relatively small. It appears from statistical studies that not much more than eight million dollars of the ten million dollars appropriated for home relief will be claimed up to June 1st. Thus, at least two million dollars should be presently released for use by the administration, in its discretion, for further work relief projects, all work relief money ($8,302,000) and all of the State work relief fund ($1,000,000) having been allocated at this date.

The administration does not feel justified in asking for an increase in the gross total appropriated (i.e. $19,302,000) for disbursement by it between now and June 1st. Probably the two million dollars ($2,000,000) released will be sufficient, although if this report were being made a month hence, conditions might have so changed as to make immediate further demand imperative. However, in case the Legislature appropriates funds for State relief to March 1, 1933, or if it appropriates only a relatively small sum, say three or four million dollars to carry through to November 1st, the administration is of the opinion that such moneys additionally appropriated should be made available, in the discretion of the administration, for use before June 1st, if necessity should arise.

The administration has not allocated funds nor vouched claims on any basis except that of real need, so far as it
has been able to determine conditions. On the other hand, it has at all times been strongly of the opinion that since the ultimate objective is the affording of relief, nothing resembling budgeting on a monthly or other basis should be tolerated.

As to general basic considerations for a new act, the administration feels that there are four fundamental principles involved, viz: (1) flexibility and interchangibility of work and home relief within the discretion of the administering body; (2) the achievement of relief in a given locality, entirely independently of local cooperation, which, in many cases, retards the expenditure of funds actually available both State and local, for one or another reason; (3) the preservation of a competitive aspect as between various localities, so that each locality may be induced to appropriate some funds with as much liberality as is possible, upon the guaranty that its efforts will be wholly or in part matched by State funds; (4) the preservation of the equities of localities as taxpayers.

The first principle was elaborated in a foregoing section. The second principle indicates that a larger portion of the total appropriation, at least in the discretion of the administration, should be made available for State work projects. The experience of the administration has been that the million dollars from the present appropriation used for State work projects, has been more efficiently and more promptly employed than any other part of the work relief funds. In this connection it is suggested that work bureaus which are, and should be, appointable locally, should be made substitutable as to personnel for cause, by the
administration. These work bureaus at present function with a combination of State and local funds. In theory they function entirely with local funds, the State's portion being in the form of reimbursement. This offers every opportunity for delay, misunderstanding, retardation and bad mechanics generally. While the principle should possibly not be abandoned and the work bureaus shall remain agents of local bodies, such as city councils and supervisors, and should so act in carrying out locally appropriated funds, they should have added to them the dual capacity of becoming direct arms of the State. Thus, if the administration finds worthy projects and a good bureau in a given locality, it should be entitled to make that work bureau its direct agent for the prosecution of a project entirely with State funds. It can do so now in theory, but not in practice, because it has been necessary in nearly every case to make the appropriation of local funds a condition precedent to the obtaining of State funds.

This principle should likewise be carried into home relief, which can only be done by invoking the hundred per cent. clause of Section 16, which was not designed to be generally invoked. The point is that money to relieve suffering should be spent where it is necessary that it be spent, and that the Administration should have the power to direct the expenditure of State funds by Public Welfare Officials when it believes that conditions require that to be done.

The competitive principle should, however, be preserved and communities should, both as to home and work relief expenditures, be entitled to make a flat claim on the State for reimbursement on account of local moneys which they have actually expended. The percent of such reimbursement should however vary, and should depend upon the total ratio of State to local funds spent for all relief purposes within the
given county or city. The reimbursement percentage should not remain a flat percentage for every corporation.

Lastly, since the basic conceptions upon which the Act originated imply co-operation on the part of the State and the municipal corporations, the preservation of their equities as taxpayers inter se where State funds raised by taxation are involved must be maintained in the interests of harmony. This principle directly cuts across the general emphasis heretofore laid upon enlarging the discretionary power of the administering body in the interests of efficiency, but it cannot be ignored. The funds appropriated are in the last analysis, raised by taxation levied against individuals who have local residences, and in this respect individual localities feel that they are contributing through a species of local taxation, even though the same has taken the form of an income tax. The primary reaction encountered by the administration when making its initial allocations of work relief funds was the tendency of each municipal corporation to inquire whether it was getting its fair share of the total $8,302,000. Any such theory completely adhered to would, of course, have substituted population alone as a measuring stick for the allocation of the work relief moneys, and would have stripped the administration of all discretionary power. When the municipalities, however, were advised that initial appropriations, upon need shown and suitable projects submitted, were to be made upon a fairly proportional basis, in terms of population, they were content and co-operated promptly and cordially. They were furthermore content that the balance of the $8,302,000 fund should be allocated by the administration as its opinion might indicate, because they had been convinced that none of them was discriminated against unfairly in the first instance. The feeling involved runs deep.
To reconcile the foregoing divergent principles it is suggested that if the Legislature were again to appropriate twenty million dollars for relief, a general plan might be adopted which would advise such fund into thirds. There would be no arbitrary division as between work and home relief, thus preserving the principle of flexibility. The first third, however, might be made returnable to each individual municipality upon the basis of its population and upon the showing of need. The second third might be reserved for State work projects, and the direct operation of local work projects and local home relief disbursements at the dictation and in the discretion of the administration. The third third might be preserved until exhausted as a fund for further reimbursement to individual localities. The amount reimbursable to any locality should be made dependent upon the ratio which the gross net of local expenditures bears to the total of State expenditures. This preserves a local option, but furnishes a strong incentive. To illustrate: during this emergency the State is spending about twenty millions, and the localities about thirty millions net. Thus the State spends about sixty cents for every local dollar. If, next winter, the localities spend the same, the State, by distributing the first third of a twenty million dollar fund, as above suggested, on a population basis, would be spending twenty cents for every local dollar. The third third might be distributable on the basis of the State reimbursing (i.e., spending) an additional twenty cents, or thirty cents, for each local dollar, with reimbursement at an even higher rate in any individual locality, where, (with the consent of the Administration) gross local expenditures more than doubled the total of State funds expended from the first and second thirds. It is appreciated that this formula would require localities to budget their expenditures promptly.
One of the difficulties thus far encountered, however, has been the failure thus to budget and the failure of localities to appreciate on the one hand the extent and emergency of their problem, and on the other hand their financial ability to meet it.

In the precise draftsmanship of any new act, there will of course, be many minor considerations which have not been expanded here, but which may be mentioned. It is open to question whether home relief in some instances is not better administered by permitting public welfare officers to distribute checks instead of food and rent orders exclusively.

It is probable that considerable thought must necessarily be given next winter to the needs of the so-called "white collar" class. It is also probable that some provision should be made enabling localities to draw upon State moneys for the establishment of revolving fund in order to get work relief projects into operation. At present such funds must be entirely provided by local appropriation which is often slow and halting because of genuine difficulties, such as the sale of securities and the actual absence of treasury funds. Difficulty has also been encountered as between cities and counties where the cities return a large number of the members of the Boards of Supervisors. County appropriations for operation of county work projects involve double taxation on city property, and such retardation has been experienced this winter for that reason. A similar difficulty is encountered in respect of the various towns located within a county, both as to the tax burden to be placed on any individual town and the amount of funds to be there expended.

In conclusion it would seem important for the Legislature to analyze the outlook as far into the future as possible. If it is
thought highly likely that some form of State aid will be required next winter, there are strong reasons for appropriating the necessary funds for such purpose before the Legislature adjourns. The local communities can in no case avoid the problem of depression, destitution and unemployment. The poor and the unemployed will remain with them next winter. Intelligent efforts to afford relief therefore, require intelligent long range planning. Local communities should be encouraged to consider the realities of next winter now. They can do so much better when they know whether they are to receive State aid or not, and if possible how much State aid they will probably receive. Combatting the effects of a prolonged depression is not advantaged by hand to mouth technique. Thus, local authorities which control the appropriation of local funds should be induced to face the whole situation as far in advance as possible, and should be assisted in their fair efforts to do so, or else should be advised that little or no assistance is to be forthcoming. Only an easy optimism as to the immediate and miraculous return of "good times" permits any other conclusion.
SUMMARY STATEMENT

The number of persons receiving work relief on February 15, 1932 was 75,000; 82,000 were receiving home relief. According to local work bureaus, on February 15, 1932, 112,000 additional persons were in need of work relief and had no chance of getting it.

If $2,600,000 is released from the $10,000,000 State Home relief fund, making it available for either home or work relief in the discretion of the administration, the present program can be carried to June 1st, 1932.

The attached sheets show estimates of funds needed to carry on the work of the administration until November 1, 1932; February 1, 1933, and March 1, 1933.

It should be noted that these estimates ignore those now said to be in need of, but not getting, work relief - those now in need of, but not getting, home relief, especially in New York City. It also ignores the fact that many are now receiving inadequate relief. It also ignores the possibility that many not now in need will require relief by next fall. In other words, the amounts requested are distinctly minimal, and if granted, will not assure adequate relief to all who may need it.

The amounts indicated are also based on the assumption that local appropriations will continue to March 1, 1933 - on the same general level as during this winter - which is extremely doubtful.
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<th>Period</th>
<th>Work Relief</th>
<th>Home Relief</th>
<th>Totals</th>
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<tr>
<td>From Nov. 1, 1931 to June 1, 1932</td>
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<td>11,900,000</td>
<td>23,700,000</td>
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<td>11,300,000</td>
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<td>18,700,000</td>
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<td>4,040,000</td>
<td>11,350,000</td>
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<td>7,680,000</td>
<td>5,120,000</td>
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<td>From Nov. 1, 1932 to Feb. 1, 1933</td>
<td>8,050,000</td>
<td>5,365,000</td>
<td>13,415,000</td>
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<td>7,200,000</td>
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<td>5,063,000</td>
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## WORK RELIEF

### APPROPRIATIONS AND ESTIMATES

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<td><strong>Counties</strong></td>
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<tr>
<td>From June 1, 1932 To Nov. 1, 1932 (to carry 50% of men now working)</td>
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<tr>
<td>From Nov. 1, 1932 (For number of men now receiving work relief) To Feb. 1, 1933</td>
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<td>From Feb. 1, 1933 To Mar. 1, 1933</td>
<td>2,683,000</td>
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## Home Relief

### Appropriations and Estimates

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<thead>
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<th>Period</th>
<th>Upstate</th>
<th>N.Y.C.</th>
<th>Total</th>
<th>State Reimbursement (40%)</th>
<th>Unforeseen Personnel and 100% Allowances</th>
<th>Total</th>
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