

tinually falls heavier on some groups than on others, that the public conscience rests uneasy. And so we come to a working definition of poverty as a policy issue—the number and kinds of people to whom we wish to direct public concern. It is in this context and only this that the current statistics on poverty have relevance.

In a sense we can establish the level of living—or the level of concern—to embrace as many or as few as we please; we can choose the criterion so that everyone it counts will be among the undoubted poor but others equally deprived will escape our notice; or we can ensure that all the deprived will be on the poverty roster but only at the price of identifying as poor many who ought not in fact be so designated. There is in short no perfect scheme, and none that is value-free. Having chosen a level, we can only try to give every kind of family or consumer unit its fair chance to be numbered among those who claim our attention. If we must forswear infallibility, we can at least cling to the rule of reason.

The real question at a conference on purposes and uses of Federal statistics may be not why one derived the particular measure used but indeed why we did anything at all. Suffice it to say that the Social Security Administration like nature abhors a vacuum. The poverty line originally set by the Council of Economic Advisers was a tentative \$3,000 cutoff for a family of two or more and \$1,500 for a person living alone. Family size differentials were acknowledged to be important, but were not readily at hand. Accordingly a couple with \$2,900 could be considered poor while a family of six with \$3,100 would not be. Inevitably this led to an understatement of the number of children in poverty relative to aged persons. And it was really this inequity SSA tried to resolve. Inasmuch as the \$3,000 figure coincided with an amount earlier set by SSA as a rough minimum for a family of four, it was not too surprising that for the year 1963 the number estimated as poor with new criteria tapered for family size differed little from the number derived with a single poverty line undifferentiated for size. The real difference was in the composition of the group identified. The new cluster of poverty lines lowered the number of poor families with an aged head from 3.1 million to 1.5 million, while it raised the count of children being reared in poverty from 10.8 million to 15 million.

As of 1965, were we to revert to the Council's original measure, the poverty roll would include 3 million fewer persons than our current estimate, as the figures below indicate:

	Millions poor in 1965	
	Original CEA definition	SSA poverty index
Total.....	29.8	32.7
Unrelated individuals.....	4.7	4.8
Under age 65.....	2.0	2.1
Age 65 or more.....	2.7	2.7
Members of families.....	25.1	27.8
Children under 18.....	9.3	14.3
All other.....	15.8	13.4

The difference in the profile of the poor calculated by the two methods is perhaps greater today than before because of the fact that large families, particularly those with a woman as the head are becoming a larger proportion of the total households in poverty, and it is the large households that the two schemes treat differently.

In 1965 then, on the basis of the data collected by the Bureau of the Census in its March 1966 *Current Population Survey*, the tally of the poor stood at 32.7 million or about a sixth of the noninstitutional population, compared with a fourth so designated in 1959, as the tables in the attached note suggest. The tables indicate also that by an alternative measure, higher than the poverty line but still far from what one could designate as gracious living, there were all told a total of 47 and a half million who lived within the bleak circle of poverty or at best hovered about its edge. Although this represented considerable improvement over the situation in 1959 (using the same criterion adjusted only for changes in consumer prices) the improvement was not shared by all in equal measure.