social insurance programs in the course of time have either seriously limited the effectiveness of these programs or caused the beneficiaries to endure further indignities in their time of dependence. States are loathe to enact laws which modify realistically the amount of payments consistent with the rise in the cost of living. A struggle continues in some States to raise the level of public assistance to a minimum level.

The old welfare system is obsolete and in need of a change. The new understanding of poverty and of the poor has resulted in programs designed to help people help themselves out of poverty. The Economic Opportunty Act of 1964 states, "It is therefore the policy of the United States to eliminate the paradox of poverty in the midst of plenty, by opening to everyone the opportunity for education and training, the opportunity to live in decency and dignity."

For over 60 years this Nation has enjoyed a strong, healthy economic growth. Total employment has tripled and the Nation's output of goods and services—in constant dollars—rose about 9 times. The personal consumption of the typical American has increased more than 4 times. In 1966 the gross national product reached a seasonable adjusted rate of $759.1 billion, an 8.5-percent increase over 1965. The rise in 1967 was to an estimated $784 billion. Indications are that if this rate of productivity continues to rise, it can reach a high, in 1968, of $842 billion—an increase of 7.5 percent. The figures reveal the growth and development of affluence in this country—an affluence that does not extend to all citizens.

To understand better the problem of poverty let us first establish a poverty level. Opinions vary about the income necessary to maintain an "adequate standard of living" for an urban family of four, but in 1965 Mollie Orshansky of the Social Security Administration Office of Research and Statistics determined the poverty threshold for this family constellation to be no less than $3,130. This same family group would be considered near-poor or in the low-income—but not poverty—level if they had less than $4,075 as an annual income. For farm families the poverty line is 30 percent lower. The median income of four-person families in this same year was $7,490, nearly two and one-half times the poverty nonfarm threshold of $3,130. The poverty criterion for a nonfarm individual was $1,540 and the low-income criterion was $1,865.

In March 1967, more than 60 million Americans had incomes so low that they were considered poor or near-poor by the Social Security Administration basic poverty index. Approximately 60 percent of all poverty is due, directly or indirectly, to unemployment, underemployment, part-time employment and, when employed, substandard wages.

Over two and a half million households were on the poverty roll even though the head of the household was gainfully employed at a full-time job. Included in these households were 6 million of our Nation's children. For these families the probability for staying poor is high. "Low incomes carry with them high risks of illness, limitations on mobility, and limited access to education, information, and training. Poor parents cannot give their children the opportunities for better health and education needed to improve their lot. Lack of motivation, hope, and incentive is a more subtle but no less powerful barrier than