

Staying Alive in 1985

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Introduction

Following the interest shown in our presentation to the Tenth Anniversary Meeting of the Radical Statistics Group, we have continued to delve into the problems of defining and estimating poverty lines. We have concentrated on the details of Seebom Rowntree's dietaries for a family of two adults and three children.

Rowntree conducted three surveys of York residents, in 1899, 1936 and 1950. One important aspect of these surveys was concerned with defining the primary poverty line in terms of the cost of the bare essentials required to enable a person to survive physically. The methods used and results of these surveys are described in Rowntree (1901), Rowntree (1941) and Rowntree and Lavers (1951). The chief purpose of the present note is to present estimates of the cost today of Rowntree's dietaries and to trace the growth in this cost since the turn of the century.

In the next section we discuss the cost of the 1899 dietary, which was evidently frugal in the extreme. As a result of the advances which took place in knowledge about nutrition generally, and vitamins and mineral salts in particular, the 1936 dietary differed substantially from the first one. Since Rowntree published full details about the dietary adopted in the survey of 1950, and since he claimed that this differed only marginally from that used in 1936, section three of the paper discusses the cost of the 1950 dietary.

We are concerned mainly with the cost of food, which in the early part of the century amounted to 60% of the total cost of surviving at the minimum standard, the remaining 40% being made up of expenditure on rent, clothing and household sundries (these proportions had become more or less reversed by 1950); however in the last section we add some data on the price of housing to investigate changes in the standard of living for those living at subsistence level.

Rowntree B S (1901) Poverty: a Study of Town Life London and New York; Macmillan (PASTL)

Rowntree B S (1941) Poverty and Progress: A Second Social Survey of York London, New York and Toronto; Longman Green (PP)

Rowntree S B and Lavers G R (1951) Poverty and the Welfare State London, New York and Toronto; Longman Green (PWS).

26.

The First Dietary

It was Rowntree's intention to arrive at a list consisting of specified quantities of various items of food which would satisfy the body's basic protein and calory requirements. The dietary was therefore to be so rudimentary as to be "less generous than that which would be required by the local Government Board" (Rowntree, 1901, p.99) - that is to say, for the residents of workhouses. The first three columns of Table 1 overleaf summarise the items and quantities of food for a family of two adults and three children; these have been condensed from the detailed menus specified by Rowntree for men, women, children aged 8 to 16 years and those aged 3 to 8 years for each meal on every day of the week.

The fourth column of Table 1 shows what the original cost of the 1899 dietary was, and the seventh shows the cost in 1985. The fifth and sixth columns show the prices Rowntree presents for the same items in 1936 and 1950. Some of the price information is missing since the item was dropped from Rowntree's later dietaries.

The estimates of the cost of Rowntree's dietary are, of course, based on many simplifying assumptions: bread, biscuits and cake, for example, would usually have been made at home at the turn of the century, but today we have used shop prices for these items. The alternative of pricing the ingredients of foods prepared in the home, which we attempted with the various puddings, would involve slightly different assumptions but make little difference to the final index.

Using the data in Table 1 we calculate the cost today of the 1899 dietary and an index of the price of this particular basket of goods for each of the years in which Rowntree conducted a survey, as shown in Table 2; (where prices were unobtainable it has been assumed that the relative prices of such items behaved in the same way as those of the items for which information is available for all years). For purposes of comparison we also show in Table 2 the approximate value of the retail price index for all items based on the year 1899.

Table 2 The cost of the 1899 dietary, its price index and the approximate RPI for 1899 = 100.

Year	Cost of dietary (£)	Index of Cost	RPI
1899	0.64	100	100
1936	1.13	177	193
1950	1.76	275	385
1985	24.62	3847	4698

Sources: Rowntree (1901); Rowntree (1941) and Rowntree and Lavers (1951) op.cit.; Dean and Cole (British Economic Growth 1688-1959, 1962

27.

Table 1 The weekly dietary of 1899 for a family of two adults and three children, with unit prices in 1899, 1936, 1950 and 1985.

Item	Unit	Quantity	Price per Unit			
			1899 (d)	1936 (d)	1950 (d)	1985 (p)
Bread (whole)	(lb)	28	3.00	6.00	6.25	56.00
Margarine	(lb)	0.25	8.00	4.00	10.00	33.00
Tea	(pt)	1.75	17.00	20.00	40.00	180.00
Porridge	(pt)	30.50	2.00	3.00	6.00	22.00
Milk (skim)	(pt)	11	0.75	1.75	-	21.00
Milk (fresh)	(pt)	20.50	1.50	3.00	5.00	23.00
Bacon	(lb)	2.06	6.00	10.00	23.00	89.00
Peas (split)	(lb)	1.25	2.25	4.00	10.50	24.00
Potatoes	(lb)	10	7.00	11.00	18.50	50.00
Cheese	(lb)	3.75	6.50	6.00	14.00	106.00
Vegetable broth	(pt)	10	-	-	-	-
Dumplings	(lb)	1.75	-	-	-	-
Cocoa	(pt)	6.25	12.00	18.00	34.00	232.00
Treacle	(lb)	0.34	1.75	3.00	10.00	40.00
Coffee	(pt)	2	12.00	-	-	238.00
Suet pudding	(lb)	1.62	8.00	10.00	-	74.5
Gruel	(pt)	2.50	-	-	-	-
Butter	(lb)	0.47	12.00	10.00	-	111.00
Biscuits/cake	(lb)	3	4.00	12.00	-	38.00
Eggs	(no)	2	1.00	1.00	3.50	6.00
Sugar	(lb)	0.56	1.75	2.00	5.00	20.00

Note: Most prices refer to the cost of 1lb of the item. Milk is priced per pint, eggs singly and potatoes per stone. Bread is priced per 2lb loaf.

Source: 1899, 1936 and 1950 Rowntree
1985 Authors

The Second Dietary

The second dietary was constructed in 1936 and modified in 1950 to take account of minor changes in consumption patterns, some of which resulted from food rationing. Table 3 shows the 1950 dietary for a family of two adults and three children and the unit price of each item in the basket. As in Table 1, Rowntree's prices for 1899 and our own for 1985 have been supplied.

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Unfortunately, Rowntree does not give any details of the composition of the 1936 dietary, but simply reports the total cost for a family of five of £0.97. When we came to estimate the cost of the 1950 dietary in 1936 prices, however, we arrived at the considerably higher value of £1.38. The discrepancy may have partly resulted from deficient information on 1936 prices, but it also seems likely that the differences between the 1936 and 1950 dietaries are rather more substantial than Rowntree suggested (see Rowntree and Lavers, 1950, p.10). The price of the 1950 Dietary i.e. that prevailing at the inception of the Welfare State, suggests that the same minimal basket of goods would cost £31.00 today.

The first three columns of Table 4 show the movement in the cost of this second basket of goods over the same time period. Comparing column 3 of this table with column 3 of Table 2 suggests that the cost of this basket of goods increased less rapidly throughout.

Table 4 The cost of the 1950 dietary, its price index. Rowntree's subsistence income level including rent, the equivalent subsistence income, based on the relative weight assigned to food in the RPI, and the scales of public benefit excluding rent.

	Cost of Dietary	Index of Cost	Rowntree Subsistence Income	Equivalent Subsistence Income Level	Outdoor Relief/National Assistance
	£		£	£	£
1899	0.97	100	1.37	-	-
1936	1.38	142	2.35	-	1.90
1950	2.37	244	5.76	6.80	4.43
1985	50.95	3191	?	154.75	90.00

Sources: Rowntree (1909), Rowntree (1941) and Rowntree and Lavers (1951) op.cit.
National Assistance Board, Annual Report for 1950.

Assumptions: Rent in 1899 was 20p. (P.A.S.T.L. p. 110 Rowntree's Estimate)
Rent in 1936 was 40p. (P.P., p.264, median rent)
Rent in 1950 was 75p. (P.W.S. p. 85 median rent)

Table 3 The weekly dietary of 2950 for a family of two adults and three children, with unit prices in 1899, 1936, 1950 and 1985.

Item	Unit	Quantity	Price per Unit			
			1899(d)	1936(d)	1950(d)	1985(p)
Mutton	(lb)	2.5	8	12	8	160
Mince	(lb)	2	6	12	16	99
Beef Shin	(lb)	1.5	12	9	18	154
Liver	(lb)	1	5	8	18	44
Beef sausages	(lb)	1	9	6	15	79
Bacon	(lb)	1.25	6	10	23	89
Cheese	(lb)	0.62	6.5	6	14	106
Fresh milk	(pt)	14	1.5	3	5	23
Herrings	(lb)	1.5	3	6	8	68
Kippers	(lb)	1	3	7	12	88
Sugar	(lb)	3.125	2	2	5	15
Potatoes	(lb)	14	7	11	18.5	50
Bread white	(lb)	23.5	3	6	6	53
Oatmeal	(lb)	2	2	3	6	22
Margarine	(lb)	2.5	8	4	10	33
Cooking fat	(lb)	0.62	6	6	12	29
Flour	(lb)	1.25	1	1.5	3	10
Jam	(lb)	1	4.5	6	14	49
Treacle	(lb)	1	1.75	3	10	40
Cocoa	(lb)	0.25	12	18	34	232
Rice	(lb)	0.62	2	5	9	32
Sago	(lb)	0.25	2	5	9	32
Barley	(lb)	0.12	2	4	9	19
Pea (split)	(lb)	0.50	2	4	10.5	24
Lentils	(lb)	0.75	2	5	10.5	48
Dates	(lb)	0.50	8	9	10.5	56
Swedes	(lb)	6	2	3	2.5	16
Onions	(lb)	4.5	0.5	1	5	12
Apples	(lb)	4	2.5	4	5	19
Egg	(no)	1	1	1	3.5	6
Tea	(lb)	0.50	17	20	40	180

Notes: See Table 1

Has the Poverty Line Changed?

Also shown in Table 4 are some relevant comparisons which enable us to estimate changes in the broader cost of living of families at a subsistence level. The first of these (in column four) is Rowntree's estimate of the minimum necessary expenditure, including that on housing, to enable a family with three children to subsist. The cost of the 1950 dietary (47s. 4d.) was only part of what Rowntree adjudged to be the poverty line. For the same family of 2 adults and 3 children, he gave an overall figure of 100s. 5d. and 115s. including rent.

The second, which we call the equivalent subsistence income level, (column five) is our estimate of what a family of five would require if they subsisted on Rowntree's 1950 dietary and if they devoted the same proportion of total expenditure to food as the average weight used in the calculation of the retail price index. The last column gives the scale of public benefit prevailing at the time. A corresponding scaling up from the figure of £3.00 (the cost of the 1950 basket today) would give a figure of around £77.50.

However, it is not at all obvious that this is a sensible calculation. The proportion Rowntree allowed for food in 1950 was very close to the weight given to food in the RPI basket of goods (350/1000); the RPI it must be remembered, is the average weight assigned to food across families of all incomes (excluding pensioners). The latest Family Expenditure Survey shows that all five person households spend about 24% on food whilst those in the lowest income bracket (under £150 weekly) spend 29%. These proportions, applied to our Rowntree subsistence diet price equivalent of £31 would give total subsistence income levels of £120 and £107 respectively. The present Supplementary Benefit levels allow about £90 for a family of five, excluding rent. This is relatively shocking. Obviously, all kinds of other factors have to be taken into account, for example; child benefit, national insurance and tax, to name but a few, as well as the choice of weighting. But the above results do provide food for thought, or was it just prompted by thinking about food?

Race Group Report

The Race group had a full, frank and productive meeting in Sheffield in April. Work on the second edition of Britain's Black Population is again progressing under full steam, with a first deadline in September. Any help would be gratefully received, especially on the employment chapter. Anyone interested please contact Roy Carr-Hill, whose address is on the inside cover.