

## "BEVERIDGE PLAN IN THE LIGHT OF TRADE UNION AIMS."

By HERBERT TRACEY.

By kind permission of Mr. Herbert Tracey, and the Editor of the *Mental Health Services Journal*, we reprint the following paper on the "Beveridge Plan in the Light of Trade Union Aims," which proves that the Beveridge Report endorses trade union aims and principles.

"Every trade unionist knows by now what the Beveridge Report contains. Attention has naturally been concentrated upon its proposal to set up a single all-embracing system of social insurance which will provide for every family, in return for a weekly payment of not more than 4s. 3d., and not less than 1s. 6d., for each person insured, a comprehensive scale of benefits covering loss of earnings or interruption of earning power.

"Loss of earnings or interruption of the power to earn is due to many causes. Unemployment, sickness, accidents or disease, bereavement and old age are the principal causes. These are the contingencies against which the Beveridge Report proposes to establish the defence of a unified, simplified and co-ordinated State Insurance system. It will combine the State system of Unemployment Insurance and National Health Insurance with the Old Age, Widows' and Orphans' Pension schemes, workmen's compensation, and insurance for funeral benefit which is provided now mainly by commercial insurance companies, friendly societies and Trade Unions.

"But this State system of insurance forms only a part of the scheme framed by Sir William Beveridge as the basis of an attack upon Want. From three-fourths to five-eighths, according to the precise standard chosen, of the Want which is the common lot of so large a section of the population is due to the loss or interruption of earning power. The remainder is due to inability to relate income during earning to the size of the family.

"To meet this family need the Beveridge Report further proposes to institute a system of children's allowances. This interlocks with other provisions of the State Insurance scheme, by which maternity benefit and pensions for widows are provided. The children's allowances stand apart from the State Insurance scheme in the sense that they are non-contributory and will be paid not from the Social Insurance Fund, but directly from the National Exchequer. But the whole series of proposals in the Beveridge Report constitute a single Plan for Social Security. And it has very wide social implications.

"It rests in the first place upon recognition of the fact that the present wage system does not afford a firm foundation for social security. Sir William Beveridge points out that a national minimum for families of every size cannot in practice be secured by a wage system which is based on the product of a man's labour and not on the size of his family. Neither can the family's security be assured when the flow of wages into the household, the earnings of the family breadwinners, is liable to be stopped by unemployment, sickness, accident or disease, or death. The Beveridge Report is from this standpoint a direct and strong attack upon the existing wage system.

"It regards the position of the working-class family, in fact, from exactly the same standpoint as the Trade Unions themselves. For generations past the Trade Unions have striven to protect the family for identical reasons and with almost precisely the same methods—with a slightly different application—as those which have influenced the Beveridge Plan.

"The Unions instituted very early in their history the protection of a system of trade and friendly benefits. It is that system which the Beveridge Plan proposes to enlarge

and fortify. But throughout their history the Unions, too, have striven to expand family resources by raising wages.

"They have succeeded in raising the level of wages against tremendous opposition. As the Beveridge Report emphasises, the social surveys of Britain between the two wars have shown that in the first thirty years of this century alone real wages rose by about one-third. In the previous century real wages also rose through the efforts of the Trade Unions. But the social fact upon which the Beveridge Report founds its epoch-making proposals is that the rise in wages has not reduced Want to insignificance. And the Want that remains is almost wholly due (as the Report says) to these two causes—interruption or loss of earning power and large families.

"Whatever may be said, therefore, about the incidence of the Beveridge proposals in relation to Trade Union practice and methods of work, the Plan as a whole clearly conforms to Trade Union principles, objects, and aims. It seeks to secure the welfare and safety of the family precisely as the Trade Unions have sought to secure it—by the method of insurance against unemployment, sickness, accident, old age and death itself, and by the method of increasing the family income. The Unions have sought to achieve the latter aim by raising wages. The Beveridge Plan proposes to achieve it in part by adding to wages a system of children's allowances.

"And the resulting achievement will be exactly what the Trade Unions have sought to achieve out of their own resources and by constant effort through several generations—to abolish want, to guard the family against want, and lay the spectre of want, which has haunted every working-class home.

"There is much in the Beveridge Report which necessitates careful scrutiny from the Trade Unions' standpoint; but its close correspondence in aim and method with the historical aims and methods of the Trade Unions is one of the strongest arguments in its favour from the workers' point of view."

### WHAT TO READ.

#### MEMOIRS AND BIOGRAPHY.

- "Admiral's Widow. Being the Life and Letters of the Hon. Mrs. Edward Boscawen, from 1761 to 1805." By Brigadier-General Cecil Aspinall-Oglander.
- "Destination Chungking." Hans Sugin.
- "Jefferson." S. K. Padover.
- "Jean Jaurès, His Life and Work." J. Hampden Jackson
- "Vintage Years. When King Edward VII was Prince of Wales." Seymour Hicks.

#### FICTION.

- "The Sun is My Undoing." Marguerite Steen.
- "Sweet Chariot." Frank Baker.
- "The House of Lee." Gertrude Atherton.
- "The Bridge of Heaven." S. L. Hsiung.
- "Wife to Mr. Milton." The Story of Marie Powell." Robert Graves.
- "This is Death Calling." James Sandys.
- "They Were Expendable." W. L. White.

#### MISCELLANEOUS.

- "The Foreigners in China." O. M. Green.
- "On Hitler's Doorstep." Denis Weaver.
- "A Canuck in England. Journal of a Canadian Soldier." Howard Clegg.
- "American Opinion and the War." Archibald MacLeish.
- "Underground Europe." Curt Riess.
- "Death and To-morrow." Peter de Polnay.
- "Salute the Soviet." Mrs. Cecil Chesterton.
- "A Short History of the United States of America." G. Athill.

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