

Budget Standards and Income Adequacy: An Annotated Bibliography

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**BUDGET STANDARDS
AND INCOME
ADEQUACY:
AN ANNOTATED
BIBLIOGRAPHY**

by Diana Encel

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The views expressed in this publication do not represent any official position on the part of the Social Policy Research Centre). This report was produced to make available the research findings of the individual authors, and to promote the development of ideas and discussions about major areas of concern in the field of social policy.

Foreword

The Social Policy Research Centre has had an active interest in research related to budget standards as part of its broader program of research into the measurement of need and poverty. In 1995, it was commissioned by the then Department of Social Security to develop a set of indicative budget standards for Australia as part of the Department's Adequacy Project, which focused on alternative approaches to assessing the adequacy of social security payments, and incomes generally. The Centre established a Budget Standards Unit to carry out the necessary research, and the resulting report was published by the Department in 1998 as Policy Research Paper No. 74.

This bibliography has been prepared as a companion to that report. It covers some of the material used to inform the research carried out in the Centre, but also includes reference to works dealing with related areas relevant to but not directly used in the preparation of the report.

The use of budget standards as a benchmark for the adequacy of social security payments remains controversial in part because research on budget standards must confront a series of conceptual and practical matters that are central to the determination of living standards. The value of budget standards research thus exceeds its contribution to understanding the adequacy question. Important issues surrounding the inclusion and costing of items and the manipulation of derived budgets to produced cost estimates are of enduring importance, pointing to the ongoing relevance of the research included in this bibliography.

The Centre has previously prepared bibliographies related to several strands of research carried out in the course of its activities, drawing together works describing related research, or critiques relevant to the area. The method of presentation here follows closely that of those earlier bibliographies, that is, the annotations are purely descriptive (not critical or evaluative). We hope that, like its predecessors, this proves to be a useful resource.

Peter Saunders
Director

Acknowledgements

Several people have been helpful in the preparation of this bibliography. Marilyn McHugh and Lynn Sitsky have assisted in the collection of material to be included. Marilyn and Peter Saunders have given advice on the selection and definition of keywords used in the compilation. Lynda Pawley has been involved at every stage of the preparation and to her I am truly grateful.



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Introduction

This bibliography is concerned with budget standards, that is, the process of identifying and costing household needs and then constructing the budgets in money amounts required to purchase the goods and services which satisfy those needs. It includes works which discuss the concepts involved, describe aspects of their construction and contemplate the ways in which budget standards, once constructed, may be used.

The uses include: assessing the adequacy of income support payments; exploring the relationship between household incomes, budgets and living standards; deriving equivalence scales for families of different size and composition; estimating the cost of a child, the cost of working, and the extra costs for families which include a person with disabilities; and determining variations according to location.

This bibliography includes works which discuss the ways in which particular levels of need have been decided upon, the criteria used in deciding which budget items should be included or excluded when drawing up the 'basket' of goods and services, and the methods used to distinguish between budgets which correspond to different standards of living. It does not include works which have been used in actually costing budgets such as price lists.

There is a high degree of overlap between the budget standards literature and the poverty literature. We have included here some works which describe poverty in terms of the actual budgets of people on low incomes. These works mostly include lists of household needs similar to those used in budget standards methodology.

Some surveys have been carried out to examine family budgets more generally. These include some of the seminal studies in the area of budget standards, for instance, those carried out by early researchers such as Rowntree and Booth in Britain and Knibbs in Australia. Such surveys have been used for a variety of purposes, including: poverty measurement, determining equivalence scales, and assessing the adequacy of diet or income. This bibliography includes reference to some of these works but is not comprehensive in this area. Studies relating to the standard of living are often relevant to budget standards. Some, mostly Australian, works in this area have also been included in the bibliography, but once again, this aspect of the bibliography is not comprehensive.

The scope of the bibliography is further defined by the keywords chosen which define the specific areas covered. Users with particular interests will gain from a careful reading of the keyword definitions.

An Historical Note

This bibliography includes reference to a number of works of historical interest. The earliest entry dates from 1897 and refers to a survey carried out in London by Charles Booth. Results of the survey were published in nine volumes. The survey was extremely detailed, gathering data on the inhabitants of London, district by district. The publication includes estimated budgets for people at various times in their lives, related to earnings.

This survey was followed by the publication of accounts of similar surveys in other locations in Britain, notably those by Seebohm Rowntree in York (1901), Mrs. Pember Reeves in Kennington and Lambeth (1913), A.L. Bowley and colleagues in Northampton, Stanley and Reading (1915 and again in 1925), Caradog Jones (1928 and 1934) and by the Women's Health Enquiry Committee (Margery Spring Rice, 1939). Caradog Jones himself published *Social Surveys* (1949) which reviews social surveys from the Domesday Book, through history, while Bowley reviewed a number of surveys in his *Wages and Incomes in the United Kingdom since 1860* (1937). The work of Rowntree which continued through to the 1940s has received particular attention and is reviewed in detail by Asa Briggs (1961) in his *Social Thought and Social Action*. Other researchers have used his data in comparative studies over the years (see, for example, Stitt and Grant, 1993).

Surveys have been a continuing thread through the years, sometimes of quite small populations (Land, 1969; Bradshaw and Holmes, 1989) alongside the official data collections by the Ministry of Food (Brown, 1954) and the Ministry of Labour (see, for example, Forsyth, 1960). Some of the data have been summarised by Stone et al. (1954) and a survey of these studies is presented by Crawford and Broadley (1938).

In 1937-38, the Ministry of Labour carried out a survey of 650 working class families which supplied a wealth of data on standards of living and the costs associated with children (see Nicholson, 1949). The Civil Service Statistical and Research Bureau carried out a survey of public officials in 1938-39 (see Massey, 1942). These two surveys have been used by a number of researchers for a variety of comparative purposes (see Ross, 1948; Henderson, 1949, 1950; Prais, 1953; Prais and Houthakker, 1955). Other surveys and research have been carried out specifically to look at expenditure on food and nutrition (see MacKenzie, 1921; Orr, 1936; George, 1937).

Some of these early surveys have been quoted by historians interested in the state of the British people, for example G.D.H. Cole and colleagues (Cole and Cole,

1937; Cole and Postgate, 1937), Abrams (1945) and Lewis and Maude (1949). Journalists have also used the technique of looking at household budgets to demonstrate the degree of poverty among specific populations (see, for instance, Orwell, 1937).

The history of budget standards research in the United States is also rich with early surveys, though not so well represented in this bibliography. An historical survey which begins with a look at Aristotle's view of human needs is presented by Dorothy Brady (1948). The author worked in the US Bureau of Labor Statistics which has been involved in this research since 1907 when an Act of Congress provided for an investigation of the condition of women and child workers. Following this investigation, the first quantity-based Family Budgets were produced. A further historical account of the work of the Bureau is given in the report of the Expert Committee on Family Budget Revisions (1980, also known as the Watts Committee) which was set up to investigate methods of updating and comparing budgets produced by the Family Budgets Program since 1909. The uses and users of these budgets are listed in that report.

The work of the Bureau of Labour Statistics has been well documented in both the *Monthly Labor Review* and the *Social Security Bulletin*, for instance in a series of articles in the former journal in 1948 (Brady, Hinrichs, Hurwitz, Kefauver, Kellog and Brady) as well as Stotz (1960), Lamale and Stotz (1960), Brackett (1969) and Easson and Wentworth (1947) and other publications annotated in the bibliography. During the 1930s, the Bureau carried out a Study of Consumer Purchases (see Kneeland, Schoenberg and Friedman, 1936, and Schoenberg and Patten, 1937, for a description) and during the 1950s, Mollie Orshansky was involved in drawing up a revised list of goods and services to be used in constructing the quantity-based budgets which were used in both poverty measurement and for deciding on thresholds for social security purposes. (An historical account of this research can be found in Fisher, 1992). The basket of goods and services then devised was used later in Australian studies although its use remains problematic for some Australian researchers.

The Watts Committee mentioned above recommended a move away from quantity-based budgets towards budgets based on actual expenditure.

Australia also has a history of budget-based research. In 1910-11 an inquiry was undertaken by the then Commonwealth Bureau of Census and Statistics (Knibbs, 1911) to examine the cost of living, but before that, in 1907, Mr. Justice Higgins had brought down his historic 'Harvester Judgement', setting a wage for unskilled adult male workers. It is suggested (Macarthy, 1969) that the wage was based on 'statements by labourers' wives showing the least amount a family could live on'. Higgins himself (1922) explains that the wage was fixed in accordance with assumptions made by the US Bureau of Labor and Statistics and the concepts of

B.S. Rowntree. An enquiry into the wage by the Royal Commission on the Basic Wage (1920), commonly known as the Piddington Report after its Chief Commissioner, did examine household budgets during its deliberations. The data collected are tabulated in the report.

In 1940, data from a survey were used to examine the food consumption of Australians in relation to nutritional requirements (Clements, 1940). In the early 1940s, surveys were carried out in Melbourne by the economist Wilfred Prest to assess household needs in relation to the adequacy of income (Prest, 1952). In 1970, Ronald Henderson, Alison Harcourt and R.J.A. Harper published the results of 'a survey of poverty due to inadequate income' in metropolitan Melbourne. They used data from the 1954 Budget Standard Service of New York (that drawn up by Mollie Orshansky from the Bureau of Labor Statistics, referred to above) to derive their own poverty lines. Henderson himself was appointed chairman of the Commission of Inquiry into Poverty which published its *Main Report* in 1975, using the same data and poverty lines as those used in the earlier survey, adapted for Australian prices of the time. Several studies were made of specific group and budget areas which contributed to that report or were influenced by it and are annotated in the bibliography (Payne and Clements, 1975; Podder, 1975; Pritchard and Burn, 1975; Ride, 1976).

The Henderson Poverty line, updated regularly, has been used in Australia in poverty measurement since 1975. Criticism of its American-based construction has contributed to the commissioning of new research into the development of indicative budget standards for Australia.

Other Sources

The Australian Bureau of Statistics carries out Household Expenditure Surveys. Some of the data from these surveys have been used in making decisions about what to include or exclude when drawing up a list of budget items to include in the budget standard baskets.

Similar surveys have been carried out in Britain. Results from the early surveys appear in the *Ministry of Labour Gazette*. Family Expenditure Survey results are now published with the title *Family Spending* by the Central Statistical Office (UK).

In the United States, the Bureau of Labor Statistics publishes Bulletins related to their studies in the area. Articles from these studies appear in the *Social Security Bulletin* and the *Monthly Labor Review*; many of these are annotated in this bibliography.

The Brotherhood of St Laurence produces a bulletin, *Changing Pressures*, which presents material on a variety of budget items.

The Australian Housing and Urban Research Institute (AHURI) publishes a *Quarterley Housing Monitor* which provides information on housing affordability, appropriateness and accessibility.

Euromonitor Publications, London, publishes a *Compendium of Marketing Information Services* with concomitant Indexes.

The Reward Group publishes a series of *Regional Cost of Living Reports* based on the results of surveys made by resident researchers in a number of UK towns.

The journal *Focus*, published by the Institute of Research on Poverty, University of Wisconsin-Madison, often includes relevant material.

For material used in developing the Budget Standards by the Social Policy Research Centre Budget Standards Unit, readers should see the reference lists at the end of each chapter of the report, *Development of Indicative Budget Standards for Australia* (Saunders et al., 1998, q.v.)

Organisation

This bibliography cites whole books, parts or chapters of books, papers in series and journal articles. No newspaper material or items of one page or less have been included nor has unpublished material, such as theses or unpublished conference papers. All the items have been sighted.

Each item has been annotated to give an indication of the scope and nature of the work. The annotations are descriptive only and no attempt has been made to review or evaluate the contents. Wherever possible the author's or publisher's abstract has been used (indicated by quotation marks) and in the other cases an attempt has been made to use the language of the author or authors concerned.

All annotations are arranged alphabetically by author, or, where applicable, corporate body. Where no author is known, the item is entered by title, also alphabetically.

The name is followed by the year of publication. When more than one work by the same author is cited, the works are arranged chronologically from the earliest to the most recent, and if there are several in the same year, they are then ordered alphabetically by title. Authors as single authors appear first, followed by that author in joint authorship with others.

The title of the book or name of the journal appears in italics.

Where the item appears in a journal the volume number is given followed by the number within that volume in brackets so that volume 3, number 2 appears as 3(2).

The last numbers in the citations indicate the length of the item (x pp. for a complete publication or x-y for part of a book or journal).

Each annotation is given a record number which appears above the citation.

Each annotation is followed by one or more keywords which indicate the subject matter covered in the item. An index lists each keyword which is followed by a group of record numbers indicating which annotations have been placed within that keyword category. The keywords are listed in alphabetical order.

There is an alphabetical listing of authors, separate from the annotation, which includes joint authors. The number(s) following the names are the record numbers of the annotations (not page numbers).

- 1 Abelson, Peter (1994), 'House prices, costs and policies: an overview', *Economic Papers*, 13(1), 76-96.

'This paper draws on theories of house price determination and urban form to show how house prices and costs are determined in cities and discusses policies to reduce house prices.' It is based on studies of house prices and costs in Sydney, Melbourne and Adelaide since 1970 and explains why prices vary between and within cities. It describes the major components of new housing costs and discusses policies to reduce house prices.

HOUSING

- 2 Abraham, Bonnie, Edward T. d'Espaignet and Chris Stevenson (1995), *Australian Health Trends 1995*, Australian Institute of Health and Welfare, AGPS, Canberra, 120pp.

Among the many health issues discussed in this publication, is a section on health resources which includes information on health expenditure and another on health service use which presents details of medical, dental and hospital use as well as on the use of prevention measures and aged care. Together they present costs for services used, the frequency of service usage and the proportion of the population with private health insurance.

OTHER BUDGET ITEMS

- 3 Abrams, Mark (1945), *The Condition of the British People, 1911-1945*, A Study prepared for The Fabian Society, Gollancz, London, 119pp.

Changes in Britain from the period before the first world war to that at the end of the second, have been great. The book is 'concerned primarily with measuring the consolidation of that revolution and with describing its end-products'. This is done in terms of demography, the growth of suburbs, changes in family composition, housing, employment and occupations, income and expenditure, social security, poverty and the distribution of income and wealth. A particular case is a comparison of working-class expenditure *per capita* on a range of budget items with incomes earned, using data from the Ministry of Labour's Cost of Living Index. In addition, working-class expenditure is compared with middle-class expenditure on a range of budget items using data from a study undertaken by the Civil Service Statistical and Research Bureau in 1938-39 (reported in Massey, 1942, q.v.)

CHANGES OVER TIME, SURVEYS

- 4 Abrams, Mark (1979), *Profiles of the Elderly - Their Standards of Living*, (revised edition), Age Concern Publications, Surrey, 20pp.

This study of elderly people in Britain is based on data from the Department of Employment's annual Family Expenditure Survey, the Ministry of Agriculture's Annual Household Food Consumption and Expenditure Survey, as well as a survey carried out by Age Concern in 1977. The data are presented in terms of incomes, feelings about finances, household composition, average weekly expenditure, possession of durable consumer goods and food expenditure and consumption. Expenditure of pensioner households on a range of foods is compared with that of all households, and the nutritional value is compared with recommended intakes.

ELDERLY, FOOD, SURVEYS

- 5 Adamson, Linda, for the Older Women's Network (1996), *Difficult Decisions: Older Women Talk about Money, Life and Retirement*, OWN, Sydney, 73pp.

In this report of a survey carried out by the Older Women's Network, women talk about their paid and unpaid work experience, the concept of retirement and their financial experience in retirement. Sections deal with the affordability of basic household items and, given the rising cost of living, the budget items which are no longer affordable.

ELDERLY, SURVEYS

- 6 Allen, R.G.D. (1942, reprinted 1976), 'Expenditure patterns of families of different types', in O. Lange, F. McIntyre and T.O. Yntema, eds, *Studies in Mathematical Economics and Econometrics*, University of Chicago Press, reprinted by Books for Libraries Press, New York, 190-207.

The calculations in this paper are based on data from the Urban Study of Consumer Purchases conducted by the US Bureau of Labor Statistics in 1935-36. Six categories of expenditure make up the family budgets: food; housing, fuel and light; recreation and personal care; clothing; transportation and furnishings; and miscellaneous and savings. Calculations are performed to determine the relationship between expenditure to total income according to family size and composition, social position and location, by each of the budget categories. Equivalent adult scales are derived but the author concludes that they 'must be used with caution and in a limited field'.

EQUIVALENCE SCALES, METHODOLOGY, SURVEYS

- 7 Atkinson, A.B. (1975), *The Economics of Inequality*, Clarendon Press, Oxford, 295pp.

In this book which is about general issues of inequality, the author includes a chapter on poverty. Here he looks at the definition of poverty, discussing the work of earlier researchers such as Rowntree (q.v.) in Britain and Orshansky (q.v.) in the US, who used nutritional requirements, diets, rents and other budget items to arrive at a minimum income sufficient 'to obtain the minimum necessities of life' for a minimum standard of living. This 'absolute' measure is then discussed in the light of criticism by later writers who put forward more relative concepts of poverty.

METHODOLOGY, POVERTY

- 8 Atkinson, A.B. (1990), *Comparing Poverty Rates Internationally: Lessons from Recent Studies in OECD Countries*, Discussion Paper No. WSP/53, Welfare State Programme, Suntory-Toyota International Centre for Economics and Related Disciplines, London School of Economics, London, 30pp.

'The comparison of poverty in different countries plays an important role in policy discussions, differences being used to evaluate the success in reducing poverty and to identify priorities in the allocation of funds. Such uses of international comparisons of poverty mean that it is necessary to examine carefully the underlying concepts. This paper examines four major issues: the choice of poverty indicator, the determination of the poverty line, the unit of analysis, and the choice of equivalence scale. A selection of studies of poverty in OECD countries is used to show how the choices made affect the findings regarding the extent and composition of the poor population. While it is recognised that the content is different, it is hoped that lessons can be drawn for developing countries from the historical experience of rich countries.' In the section on the choice of poverty indicator, the author discusses the use of various measures. 'Concern about poverty may take the form of concern about basic needs, such as food, housing and clothing, so that we want to focus on individual items of consumption.' However, other indicators are also important such as 'time poverty', life expectancy or literacy. Total consumption or expenditure plus home produced goods and service may be an appropriate measure. The paper discusses the choice of the most often used measure, income, pointing to its deficiencies. The section on the poverty level discusses the pricing of a specified basket of goods as a useful approach, with special reference to the US poverty line.

NEEDS, POVERTY

- 9 Australian Council of Social Service (ACOSS) and the National Roads and Motorists Association (NRMA) (1995), *Equity Implications of Transport Disadvantage in Rural Areas*, An NRMA Research Report, NRMA, Sydney, 44+pp.

'This research project explored social impacts of transport systems in rural areas. It sought to undertake an evaluation of transport needs, access to transport and the economic cost of journeys in these areas.' The methodology of the study is described. 'The findings indicate that unless access to affordable transport in rural and remote Australia is greatly improved, specific categories of people as well as whole communities will continue to experience available transport disadvantage.' Recommendations are made for improvement.

LOCATION, OTHER BUDGET ITEMS

- 10 Australian Senate Employment, Education and Training References Committee (1997), *Not a Level Playground; the Private and Commercial Funding of Government Schools*, Senate Printing Unit, Parliament House, Canberra, 123+pp.

The terms of reference for the committee which reports here deal with funding aspects of government schools. These include an examination of fundraising from the families of students. The problems of parents who cannot afford either compulsory changes or voluntary contributions are illustrated with comments from various sources. These show that children from families who cannot afford the 'basic requirements' cannot participate fully in school activities. The report also comments on equity considerations which arise from schools in areas where the opportunity to raise funds from families is not available. The costs of schooling to families for necessary items are shown with regard to uniforms, books, fees/levies and excursions or trips.

COST of a CHILD

- 11 Backman, Helen (1988), *No Loose Change: A Study of the Income and Expenses of Low Income Families*, Action and Resource Centre Co-operative Ltd (ARC), Melbourne, 97pp.

This is the report of a study of 12 low-income families who kept expenditure diaries over a 12 month period. The sources of their incomes are shown and discussed. The proportion of income spent on major items are canvassed: housing; energy needs; telephone services; transport and leisure; child care (and the implications for income where this cannot be afforded); health; and

participation in education. For each of these items, the difficulties experienced from shortages, and the ways in which the families managed, are explored.

ADEQUACY, SURVEYS

- 12 Bagley, Christopher (1969), *The Cost of a Child: Problems in the Relief and Measurement of Poverty*, Institute of Psychiatry, London, 27pp.

'The purpose of the present study is to examine the extent to which existing studies of income, and of subsistence give clues to accurate equivalence ratios; the extent to which equivalence ratios vary between different kinds of social security systems within Britain, and internationally; and to examine some possible solutions to the equivalence problem.' The countries included in the comparison are Japan, some western Europe countries and some US states. The report begins by comparing some British scales (Beveridge, 1942; Rowntree and Lavers, 1950) and discussing some methodological issues. It then compares these with some British Allowances (National Assistance and National Insurance plus Family Allowance, 1965). American, Japanese and West German scales are then similarly compared. The paper is concerned particularly with the extent to which allowances for children in the scale when compared with the allowance for an adult reflect the amount it actually costs to maintain children of different sex and ages. The author, while recognising problems of data collection, argues that scales are best estimated using comprehensive and systematic expenditure and nutritional data.

COST of a CHILD, EQUIVALENCE SCALES

- 13 Baldwin, Sally and Kenneth Cooke (1984), *How Much is Enough? A Review of Supplementary Benefit Scale Rates*, Occasional Paper No. 1, Family Policy Studies Centre, London, 64pp.

'This paper asks, and tries to answer, the question: is supplementary benefit adequate?' Because there is no single, definitive test of adequacy, this paper reviews the evidence in terms of a number of different criteria. It argues that a prior question, 'adequate for what?' should be discussed: it would 'be much easier if the standard of living that claimants are expected to afford were made more explicit. The determination of this standard should also be much more open to public scrutiny. One of the ways of achieving these objectives might be by adopting formal "budget standards" along the lines of those employed elsewhere in Europe and the USA.'

ADEQUACY, CONCEPTS, LIVING STANDARDS

- 14 Banks, James and Paul Johnson (1993), *Children and Household Living Standards*, Institute for Fiscal Studies, London, 84pp.

The 'costs' of children are important in a range of policy areas: assessing the distribution of income, the progressivity and effectiveness of the tax and social security systems and the impact of government policies on the living standards of households. This report is concerned with the way in which equivalence scales, which are intended to allow direct comparison between households of different sizes, may be derived and with the effects they may have on different areas of policy. The direct costs of children, which arise through the necessity of spending more in order to reach the same standard of living, are the focus of this study. It is based on data from Family Expenditure Surveys (FES) and takes no account of other aspects (earnings lost, for instance) of costs, nor of welfare gained from the presence of children.

Main modelling techniques and estimates of equivalence scales are reviewed, including accounts of the Engel (food-share) and the isoprop (necessity-share) methodologies and the McClements (1977) scale. Changes in relative prices and their effects over 20 years of the FES are examined. Scales derived by a number of different researchers are tabulated. The authors conclude that although the construction of an ideal equivalence scale may be achieved in the foreseeable future, the one used in Britain for social security purposes, based on the McClements scale, appears to be as good as any.

COST of a CHILD, EQUIVALENCE SCALES, LIVING STANDARDS

- 15 Bartels, Robert and Denzil G. Fiebig (1996), 'Metering and modelling residential end-use electricity load curves', *Journal of Forecasting*, 15(6), 415-26.

'In most electricity systems the residential sector is one of the main contributions to the system peak. This makes it important to know how different residential end uses, such as space heating or cooking contribute to the system load curve ...' The survey conducted in New South Wales to calculate this contribution provides information on household usage of electrical appliances (including those included in household budgets for the purpose of deriving budget standards).

ENERGY, SURVEYS

- 16 Bartels, Robert, Denzil G. Fiebig and Michael H. Plumb (1996), 'Gas or electricity, which is cheaper?: An econometric approach with an application to Australian expenditure data', *Energy Journal*, 17(4), December, 33-58.

'The question of whether it is cheaper for households to use electricity or gas for space heating, water heating and cooking, generates a lot of debate in Australia. Generally, gas appliances are technically less efficient than electrical appliances, but on a per MJ basis, gas is currently considerably cheaper than electricity.' The paper presents an analysis of the actual energy expenditures of a large sample of Australian households which shows that households using electricity for main heating purposes spend less than households using gas. However, households using gas for cooking, generally spend less while for water heating the results are mixed. The results are discussed in terms of consumer preferences and running costs.

ENERGY, SURVEYS

- 17 Beattie, Don and Pam McLoughlin (1983), 'Relative costs in remote areas', *Social Security Journal*, December, 36-48.

The article describes the methods used to investigate the relative cost of living in remote areas, particularly for social security beneficiaries. The researchers used data collected by the Australian Bureau of Statistics on the cost of food. The relationship of food prices to other costs of living is also estimated and discussed.

FOOD, LOCATION

- 18 Beer, Andrew (1993), "'A dream won, a crisis born?'" Home ownership and the housing market', in C. Paris, *Housing Australia*, Macmillan Education, Melbourne, 147-72.

The chapter explores the growth and maturation of the home ownership sector in Australia. It deals with the cost structure of this sector and factors affecting its continuation such as interest payable on mortgages, the costs of infrastructure, and the benefits conferred by home ownership in terms of the accumulation of wealth.

HOUSING

- 19 Binh, Tran Nam and Peter Whiteford (1990), 'Household equivalence scales: new Australian estimates from the 1984 Household Expenditure Survey', *Economic Record*, 66(194), September, 221-34.

'Equivalence scales are measures of the relative incomes required by households of different size and composition to attain a similar standard of living, and are used in analysis of consumer expenditure patterns as well as in judging the appropriateness of the structure of income maintenance payments.' The main scales used in Australia in the past 20 years originated in the family budget standard prepared in New York, using New York data. The authors argue that it is 'difficult to see the relevance of the 1954 New York study to the Australian lifestyles in the 1970s and 1980s'. This paper presents a range of new equivalence scale estimates based on data from the Australian 1984 Household Expenditure Survey.

ADEQUACY, EQUIVALENCE SCALES, METHODOLOGY

- 20 Bittman, Michael (1995), 'Budget standards for Australian households', *SPRC Newsletter*, 59, 12-11.

The article describes the establishment of the Budget Standards Unit at the Social Policy Research Centre and foreshadows the research it will carry out.

CONCEPTS

- 21 Bittman, Michael (1997), 'Calculating the cost of living modestly and "barely making do": the development of indicative budget standards', in Michael Bittman, ed., *Poverty in Australia: Dimensions and Policies*, SPRC Reports and Proceedings No. 135, Social Policy Research Centre, University of New South Wales, Sydney, 1-16.

A fundamental question in social policy must be: is the level of pension and benefit payments adequate for the large number of people who rely on them as their major source of income. This paper discusses one way of approaching this question: the development of budget standards. It defines the concept and discusses the reasons why they are necessary. Mistrust of poverty measurements as a suitable method of estimating income adequacy has led to a decision by the Department of Social Security to commission the SPRC to develop some indicative budget standards for Australia. Methods of estimation are canvassed and the process to be used is described. Two standards are being developed: low cost and modest but adequate.

'The development of indicative budget standards is an important step in finding a solution to problems of how to describe an adequate living standard and how this compares with the standard prevailing in the community. In constructing budget standards every effort must be made to reflect the community standards, to reduce arbitrary judgements and to make assumptions as explicit as possible. Budget standards will also be an invaluable aid in determining what is an adequate equivalent income in differing circumstances, for single people, couples, couples with children, sole parents and the aged. Comparing the same household type at the two distinct standards should give a clearer idea of the cost of living modestly and barely making do'.

ADEQUACY, CONCEPTS, METHODOLOGY

- 22 Bittman, Michael, Marilyn McHugh and Peter Saunders (1998), 'Focus group input', in P. Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 523-72.

The Budget Standards Unit used focus groups in their research: to provide comment on the preliminary budget standards once they had been derived and to suggest areas of improvement; to discuss costed budget standards and to advise where amendments are required; and to provide guidance on aspects of the customisation of the basic standards. The chapter discusses the appropriateness of focus group methodology, describes the organisational and procedural issues. The proceedings of the groups are recounted with examples of actual quotations from participants. The contributions to the budgets from the groups are detailed for each budget, and the problems they raised are discussed.

The two main areas where the focus group discussions contributed significantly to the research was in identifying aspects of the preliminary budgets which required further consideration and in providing insights into how the budget standards relate to the actual lives of Australian households in the late 1990s. The 'special needs' focus group gave a vivid picture of the diversity of special needs in particular circumstances, and provided a useful basis for considering how the budget standards methodology might be extended to cover special cases, even though this might prove problematic.

FOCUS GROUPS, METHODOLOGY

- 23 Bittman, Michael and Marilyn McHugh with Denise Thompson (1998), 'The leisure budget', in P. Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 380-416.

The rationale for including expenditure on leisure in the BSU budgets is discussed. The budget has been formulated on the basis that individuals and families should be able to participate in normal and healthy social and physical pursuits. Survey data on the leisure activities of Australians have been used in determining which activities are considered normal. Where, in these surveys, the actual amounts of physical activity fall below the levels recommended for health, the amount of active leisure participation allowed for in the budgets has been increased and passive leisure, that is principally watching television, has been correspondingly reduced. The model used to estimate time-use and its parameters using survey data is described. The time spent by individuals with varying characteristics in the different forms of active and passive leisure has been predicted from the model. When the leisure activities were identified they were combined with the leisure goods involved to estimate the cost of participation. The main categories of leisure activity considered were: home and social activities; gardening; arts, entertainment and outings; sporting activities; spectator sports; and holidays. Care was taken not to double count expenditures included in other budgets, e.g. electricity for television or transport for visits etc. The sources of information on the activities listed above are given. The method used to identify the actual activities included in each of the main categories is described. Because experts in child development emphasise the importance of play for children, the purchase of toys has been included in the budgets. The children of sole parents have been assigned the same leisure activity allocation as other children.

OTHER BUDGET ITEMS

- 24 Black, Guy (1952), 'Variations in prices paid for food as affected by income level', *Journal of Farm Economics*, 34(1), February, 52-66.

'Consumption studies, for which data were collected in 1935-36 and in 1948 [in the US] and for which samples are sufficiently large, show that quite aside from the tendency for higher income groups to buy different and more expensive foods, there is a general tendency for prices paid by an income group to be higher than prices paid by lower income groups and less than prices paid by groups with still higher incomes. If for each food item the prices paid by various income groups are ranked from lowest to highest, the average rank of the prices paid tend to increase with the level of income. If the families of a community are grouped according to the level of income, as the income level increases, expenditure on

food per household tends to exceed by an increasing amount the estimated expenditure based on the average prices paid by the lowest income group.' Reasons for the finding are advanced.

FOOD, SURVEYS

- 25 Bojer, Hilde (1977), 'The effect on consumption of household size and composition', *European Economic Review*, 9(2), May, 169-93.

'The paper is about effects of household composition on household demand. Demand functions where prices are multiplied by consumer unit numbers (Barten-functions) are discussed theoretically and empirically.' The paper uses data from two Norwegian surveys of consumer expenditure (all items tabulated) to illuminate the predictive power of Barten functions. 'Equivalent adult scales are computed by a method of approximation using the budget percentage of foodstuffs.'

EQUIVALENCE SCALES, SURVEYS

- 26 Booth, Charles (1897), *Life and Labour of the People in London*, 9 Volumes, Macmillan, London, Volume 9, 454pp.

Volume 9 of this series which surveys the population of London, district by district, includes a section which compares the population by various characteristics including occupation, age, earnings and housing. The second section presents abstracts of the previous volumes, that is, survey data by district, and occupation. The third section draws conclusions. The concluding chapter is entitled 'Expenditure and the standard of life'. It includes estimated budgets for people at various times in their lives and relates them to earnings.

LIVING STANDARDS, SURVEYS

- 27 Bowley, A.L. (1937), *Wages and Income in the United Kingdom since 1860*, Cambridge University Press, Cambridge, 147pp.

The book, mainly concerned with wages and income, includes a chapter on earning and needs. The chapter reviews surveys which had been undertaken during the period since 1860, designed to investigate poverty. These studies had used poverty lines based on minimum standards of living. The methods and data used to derive these minimum standards are described and discussed. 'Close examination of these data showed that the food gave just the minimum amount of calories that were computed by physiologists to be necessary and used to establish a minimum line by Rowntree and subsequent investigators... With such

difficulties in assigning food minima, it is not surprising that the standard for other classes of expenditure is purely conventional.' Other items mentioned are clothing, fuel, rent and other household necessities. An appendix discusses available data on retail prices and the cost of living.

FOOD, LIVING STANDARDS, NEEDS, OTHER BUDGET ITEMS, POVERTY, SURVEYS

- 28 Bowley, A.L. and A.R. Burnett-Hurst (1915, republished 1980), *Livelihood and Poverty*, G. Bell and Sons, London, republished by Garland Publishing, New York, 222pp.

The book is one of a 'A collection of thirty important titles that document and analyze working-class life before the First World War', republished in the Garland Series in facsimile form. It is sub-titled 'A study in the economic conditions of working-class households in Northampton, Warrington, Stanley and Reading'. The study method is described and the ways in which it differs from the study carried out by Rowntree (1901, q.v.) in York are discussed. In this book, Rowntree's standards are compared with the 'New Standard' which allows for greater expenditure on meat. The authors examined rents and housing, the composition of working-class families and the relationship of earnings to poverty in each of the localities mentioned. A chapter (by Bowley) deals with the accuracy of the results obtained in the studies. Appendices detail the data obtained and analysed.

FOOD, HOUSING, METHODOLOGY, SURVEYS

- 29 Bowley, A.L. and Margaret Hogg (1925), *Has Poverty Diminished?* P.S. King and Son, London, 236pp.

This book is a sequel to *Livelihood and Poverty* (Bowley and Burnett-Hurst, 1915, q.v.). In the determination of poverty levels it uses a method originally adopted by Rowntree (1901, q.v.) with a modified standard diet which brings it 'more in accordance with the way in which the wages of the poorer grades of town labourers are spent, so as to avoid the supposition that there was sufficient knowledge, ability and willingness to allow the adoption of the mainly vegetarian diet, which was the cheapest'. Results are summarised under the headings: housing, rent, constitution of the family, responsibility for dependents, poverty, unemployment and pensions.

FOOD, HOUSING, POVERTY

- 30 Brackett, Jean C. (1969), 'New BLS budgets', *Monthly Labor Review*, 92(4), April, 3-16.

The paper presents three Bureau of Labor Statistics family budgets (at low, moderate and higher levels) for a family of four persons consisting of a husband, employed full time, a wife who does not work outside the home, a girl of eight and a boy of 13 years. The basis of the variations is explained and the sources of data described. The costs for each budget are given for spring 1967 and autumn 1968 and problems related to updating using the Consumer Price Index are discussed. 'BLS plans to reprice the budget at intervals, including the recalculation of taxes, to provide reasonably current estimates of total budget costs for the three levels.' Geographical variations are also discussed and tabulated. The author suggests care in the use of these budgets which are specific for family types and 'should not be compared with average incomes for a variety of families or with average earnings for workers in a range of age groups'.

CHANGES OVER TIME, LOCATION

- 31 Bradbury, Bruce and Peter Saunders (1998), 'Using budget standards to estimate the costs of adults and children', in P. Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 573-615.

A goal of budget standards research is to produce budgets that describe comparable living standards for people in different households. By comparing the budgets of households of different composition but similar living standards, it is possible to address questions such as the impact of household size on costs, the costs of adults and children, the costs of sole parenthood, the cost of employment or job search and the impact of age and gender on household costs. This chapter discusses the alternative methods that have been proposed for estimating the various components of household costs from a set of derived (albeit indicative) budget standards. Each method is different but they all estimate costs incrementally, that is, costs are derived as the difference between two (sometimes more) separate budget standards.

The conceptual issues involved are discussed and the limitations canvassed. The exploratory results are presented for: variation with household size; variation with the number and gender of adults; the impact of adult age for single women and married couples; the costs of children with variations, first for one child by age and then for children in larger families; the costs of sole parenthood; the costs of employment and job search. An exploratory method is presented for the customisation for the BSU budget standards to families other than those for which the standards were developed, for example, larger families.

COST of a CHILD, EQUIVALENCE SCALES, METHODOLOGY

- 32 Bradshaw, Jonathan (1989), 'Evaluating the adequacy of income support: the potential of research on budgets', in *Memoranda Laid Before the Social Services Committee*, House of Commons, HMSO, London, 13-33.

'This paper explores the potential of research on budgets for determining or evaluating minimum incomes and the adequacy of income support scales. A budget standard is a specified basket of goods and services which, when priced, can represent a standard of living.' The paper defines the term 'standard of living' and describes the various standards which can be determined using the budget method. In a number of countries budget standards have been used for a variety of purposes including setting child and foster care allowances, evaluating the adequacy of state benefits, helping courts determine appropriate maintenance payments and providing general guidance on budgeting behaviour. They can also be used to derive standardised comparisons of living standards, or equivalence scales, and to compare standards over time and between areas. This paper presents a brief account of research on budgets in Britain and describes some of the work already carried out by researchers in York during the 1980s. It discusses the balance between normative and behavioural budgets, American methods to determine standards and equivalences and the use of expenditure data. The paper also presents the results of a number of studies examining the living standards of families on benefit.

ADEQUACY, CONCEPTS, LIVING STANDARDS, METHODOLOGY

- 33 Bradshaw, Jonathan (1991), *Seeking a Behavioural Representation of Modest But Adequate Levels of Living*, Working Paper No. 13, Family Budget Unit, University of York, York, 26pp.

This paper discusses problems associated with relating the budgets derived using normative judgements to the evidence on how much people actually spend on different commodities. Early work of the Family Budget Unit (FBU) took the expenditure of the families in the median quintile band as notionally representative of a modest but adequate level of living. There is no objective justification for this and although in many cases it appears to make sense, problems arise in relation to pensioners and lone parent families whose income distributions are very different. The purposes of the first part of this paper are to discuss these problems, to investigate a variety of possible solutions and explore the expenditure patterns of families at different levels. The paper concludes with a reminder that the primary objective of the FBU research is to produce *normative* budgets. 'The purpose of deriving expenditure data for the chosen families is merely to inform, to structure, to be a sounding board but certainly not to determine the budget derived through normative standards.' Having said that, the paper suggests an area on the income distribution for each family type which

might be used as a broad indicator for a modest but adequate level of living. The second part of the paper explores ways of uprating expenditure data (which are always out of date) so that they match the data that are used to fix the normative budget. Three different methods are tried, one related to movements in the retail price index, one related to movements in the index of average earnings and one which uses a factor related to the increase in earnings. On balance the commodity price index appears the most useful.

CHANGES OVER TIME, METHODOLOGY

- 34 Bradshaw, Jonathan (1993), 'Rediscovering budget standards', in J. Berghman and B. Cantillon, eds, *The European Face of Social Security*, Avebury, Aldershot, 60-76.

The chapter describes the work of the Family Budget Unit (FBU) which was set up in 1985 to conduct research on the origins, methods and usage of budget standards. It then defines budget standards and outlines their history in poverty measurement and research. The methods used in the FBU study are detailed and the modest but adequate budgets for six different households are presented. There is a discussion about the derivation of equivalence scales and comparisons are made between those used or determined by other researchers. Budget standards may be used to examine the cost of a child, to determine the level of income required to achieve FBU standards and to vary the levels to establish a low cost budget. Examples are given of such variations. The author concludes: 'This research on budget standards is an exploration of a method' and further: 'Policy makers who have responsibility for making decisions about the level of benefits can be faced through budget standards with the consequences of those decisions. If the low cost budget is £36 per week more than the income support scales then they can indicate which items in the budget claimants should expect to go without.'

ADEQUACY, CONCEPTS, EQUIVALENCE SCALES, METHODOLOGY

- 35 Bradshaw, Jonathan, ed. (1993), *Budget Standards for the United Kingdom*, Cash and Care Series, Avebury, Aldershot, 249pp.

This book presents the results of a two-year project funded by the Joseph Rowntree Foundation undertaken by the Family Budget Unit (FBU). The project was concerned with the origins, methods and usage of budget standards in different countries; it also explored the budgets of families dependent on social security and the expenditure patterns of unemployed families on benefits. The chapters in the book are:

Introduction	Jonathan Bradshaw
Methods	Jonathan Bradshaw
The housing budget	Leslie Hicks and John Ernst (q.v.)
The fuel budget	Sandra Hutton and Bill Wilkinson (q.v.)
The food budget	Michael Nelson, Anne-Marie Mayer, and Penny Manley (q.v.)
The clothing budget	Mary McCabe and Audrey Rose (q.v.)
The budget for household goods and services	Mary McCabe and David Kirk (q.v.)
The budget for personal care	Autumn C.S. Yu (q.v.)
The transport budget	Leslie Hicks and John Ernst (q.v.)
The leisure goods and services budget	Mary McCabe and Alan Waddington (q.v.)
Summary of the overall budget	Jonathan Bradshaw (q.v.)
The cost of a child	Nina Oldfield (q.v.)
The low cost budget	Autumn C.S. Yu (q.v.)
The costs of lone parents	Peter Whiteford and Leslie Hicks (q.v.)

In his introduction the editor describes the history of budget standard research and in the next chapter he describes the methodology involved in the research carried out in the project, including the choice of standard, the family types selected and the assumptions made about lifestyles for these family types. A number of other chapters are individually annotated in this bibliography.

In his 'Summary of the overall budget' (172-76), the editor examines the budgets in relation to the Family Expenditure Survey (FES). 'Although the FBU budgets are different in some respects from the actual budgeting behaviour of households with similar characteristics in the FES, this does not mean that the FBU budgets are wrong or invalid ... it is the essence of budget standards methodology that the standard is not overly constrained by lack of income, or representative behaviour.' The chapter also discusses the derivation of equivalence scales and the income required to reach the standard set, taking into consideration child benefit, one parent benefit and national insurance and income tax payable.

ADEQUACY, CONCEPTS, EQUIVALENCE SCALES, METHODOLOGY (For further relevant keywords, see under each author and chapter)

- 36 Bradshaw, Jonathan, ed. (1993), *Household Budgets and Living Standards*, Joseph Rountree Foundation, York, 35pp.

‘This report sets out estimates of what it costs to live at a “modest-but-adequate” and at a “low-cost” level in Britain in 1993.’ It explains the calculations used to arrive at these estimates: the pricing of a specific basket of goods and services which represents a particular standard of living. The judgements used in the budget development were made by nutritionists, home economists and social scientists, supported by evidence on how people actually spend their money. ‘The *modest-but-adequate* standard is well above the requirements for survival, but well below the levels of luxury. Household items that less than half the population enjoy are generally excluded. It reaches a point about halfway on the scale of expenditure by typical families with children. Budgets have been estimated for six different types of family. The *low-cost* budget includes items which more than two thirds of the population regard as “necessities” or which more than three quarters of the population actually have. Only the cheapest items are included. It, therefore, represents a very frugal level of living. These budgets have been estimated for three standard types of family.’

The report presents estimates of how much the families would have to spend on a number of main commodities to reach the standards specified as well as equivalence scales comparing expenditure needed by different types of households and calculations of the income needed to afford the budgets. Estimates are made for the cost of a child at the higher of the two standards and the low-cost budget is compared with benefit rates paid by income support.

ADEQUACY, CONCEPTS, COST of a CHILD, EQUIVALENCE SCALES, METHODOLOGY

- 37 Bradshaw, Jonathan, Kenneth Cooke and Christine Godfrey (1983), ‘The impact of unemployment on the living standards of families’, *Journal of Social Policy*, 12(4), October, 435-52.

‘Social security for the unemployed was not designed to cope either with large-scale or long-term unemployment and recent developments in the structure of unemployment and in social security policy give rise to concern for the living standards of the unemployed, especially the long-term unemployed. This article draws on data from the Family Finances Survey to assess the living standards of the unemployed after various durations of unemployment and compare these with the living standards of families with low income from work. The measures of living standards used are income, expenditure and the availability of consumer durables. The implications of the findings for social security policy are discussed.’ A table shows the share of expenditure on food, housing, energy,

clothing, alcohol, tobacco, durable household goods, other goods, transport, services and miscellaneous items for the population groups under consideration.

ADEQUACY, LIVING STANDARDS, METHODOLOGY

- 38 Bradshaw, Jonathan and John Ernst (1990), *Establishing a Modest But Adequate Budget for a British Family*, Working Paper No. 2, Family Budget Unit, University of York, York, 41pp.

'This paper presents a preliminary budget standard for a British family ... The budget presented here purports to be modest but adequate and is based on the median income of a two parent family with one child. Unlike many other countries the UK does not have a budget standard. In the United States, Canada and some European countries budget standards have been devised and could be used for a variety of purposes, including setting child allowances and foster care allowances, evaluating the adequacy of state benefits, helping courts to determine appropriate maintenance payments and providing general guidance on budgeting behaviour. As well as providing standard of living norms they can be used to derive standardised comparisons of living standards (equivalence scales) and to compare living standards over time and between areas.' The processes used in drawing up this first attempt at a pilot budget are detailed. They involved establishing the method, identifying problems and gaining experience of what is required for a full program of budget standards research. The paper reviews the methods employed to derive each component of the budget: housing, fuel, food, clothing, household durables, transport, alcohol and tobacco, personal care, leisure, services and other goods. The second part of the paper consists of a discussion of the concepts and problems encountered: the use of normative versus behavioural measures in constructing the budget standard; the role of expert judgements; the methods of costing; and the relationship of a modest but adequate standard to income levels and expenditure data.

ADEQUACY, CONSUMER DURABLES, ENERGY, FOOD, HOUSING, METHODOLOGY, OTHER BUDGET ITEMS

- 39 Bradshaw, Jonathan, Leslie Hicks and Hermione Parker, eds (1992), *Summary Budget Standards for Six Households*, Working Paper No. 12 (revised), Family Budget Unit, University of York, York, 54pp.

This paper presents budget standards for six households in Britain. It describes the work of the Family Budget Unit (FBU) which drew up the individual budgets (see other works in the bibliography for more detail). The budgets presented here vary according to whether the household is an owner occupier or local authority tenant, whether they are a new owner or an established one and for the lone

parent families, whether they are or are not car owners. The budgets are compared with the expenditure of similar families in the Family Expenditure Survey (FES). 'Although the FBU budgets are different in some respects from the actual budgeting behaviour of households with similar characteristics in the FES, this does not mean that the FBU budgets are wrong or invalid. Our budgets were not designed to represent the "average" behaviour of families participating in the FES. On the contrary, it is the essence of budget standards methodology that the standard is not overly constrained by lack of income, or representative behaviour.'

The paper presents some preliminary work on the cost of a child and on deriving equivalence scales. It also describes the steps taken to find the income required to achieve FBU standards, taking into account benefits received and national insurance and income tax payable. Some methodological problems are discussed.

ADEQUACY, COST of a CHILD, EQUIVALENCE SCALES, HOUSING, METHODOLOGY, SOLE PARENTS

- 40 Bradshaw, Jonathan and Hilary Holmes (1989), *Living on the Edge: A Study of the Living Standards of Families on Benefit in Tyne and Wear*, Tyneside Child Poverty Action Group, London, 142pp.

'The objective of this study is to examine the living standards and life style of long-term unemployed families with children in Tyne and Wear dependent on Supplementary Benefit ... It sets out to explore the families' resources, housing circumstances, expenditure, use of credit and ownership of assets.' It describes their life styles in a range of areas and examines the effects on their living standards of free or subsidised public services. The families in the study (67 families completed all stages) were interviewed twice and also completed expenditure diaries. It was found that the expenditure of families was higher than their income, and that while their diets were restricted, the largest item in their budgets was food.

FOOD, SURVEYS

- 41 Bradshaw, Jonathan and Tony Lynes (1995), *Benefit Up-rating Policy and Living Standards*, Social Policy Reports No. 1, Social Policy Research Unit, York, 59pp.

In 1980, the British Government ended the link between the main social security benefits and movements in earnings or prices; between 1979 and 1991-92 there has been an increase in absolute poverty and in income inequality. The authors argue that the benefits are an important vehicle for reducing inequalities and are

concerned here with a policy and formula for uprating the benefits. The origins of the postwar benefit rates are outlined and the changing levels of benefit over time are explored. The paper reviews the evidence on living standards of families dependent on social security benefits, including the evidence from the Family Budget Unit budget standards, while tackling the issue of adequacy. The implications for living standards of different uprating policies are discussed.

ADEQUACY, CHANGES OVER TIME, LIVING STANDARDS

- 42 Bradshaw, Jonathan, Deborah Mitchell and Jane Morgan (1987), 'Evaluating adequacy: the potential of budget standards', *Journal of Social Policy*, 16(2), April, 165-81.

'Since Beveridge, budget standards have been neglected in British social policy research. Empirical effort has concentrated on developing social indicator methods of investigating relative poverty. This paper explores the potential of budget standards for assessing whether the scale rates of supplementary benefit are adequate. Three applications of budget standard methodology are presented.' The authors conclude that while it would be wrong to claim too much for budget standard methodology because of a number of deficiencies, 'budget standards are capable of incorporating elements concerned with social participation and can represent a measure of relative deprivation'.

ADEQUACY, CONCEPTS, LIVING STANDARDS, METHODOLOGY

- 43 Bradshaw, Jonathan and Jane Morgan (1987), *Budgeting on Benefit: The Consumption of Families on Social Security*, Occasional Paper No. 5, Family Policy Studies Centre, London, 65pp; a short description of the paper appears in *New Society*, 6 March, 17-19.

The paper is concerned with the standard of living of people in Britain for whom supplementary benefit (SB) forms part of their income. 'The purpose of this paper is to consider the adequacy of the scale rates by drawing up a list of goods and services that families on SB can buy with their money, using the available evidence about their actual expenditure as a guide.' The paper describes the method used in the analysis, which is similar to that used by Piachaud (1981) in a study of unemployment benefit. It discusses the concept of 'adequacy' and concludes that 'by the standards of living of most families today, the evidence reveals that families on supplementary benefit can only afford an extremely restricted and drab lifestyle'. The details of the budgets are presented.

ADEQUACY, LIVING STANDARDS

- 44 Brady, Dorothy S. (1948), 'Family budgets: a historical survey', *Monthly Labor Review*, 66(2), February, 171-5; also appears in Bulletin No. 927 of the Bureau of Labor Statistics, US Department of Labor.

The article presents an historical survey of the development of budget standards, beginning with Aristotle's view of human needs. Statistical studies of families began in the 19th century. 'The intense belief in the possibility and desirability of improvement in living conditions began to stimulate statistical studies of living conditions in the United States during the years after the Civil War.' These were often on a State basis only. In the 20th century, such studies began to incorporate more data and since 1930 Federal agencies have increased the information recorded on the quantity and costs of goods and services purchased. In 1907 an act of Congress provided for an investigation of the condition of women and child workers, and the Commissioner of Labor prepared costs of a 'minimum standard of living' and of a 'fair standard of living' in cotton-mill communities. 'These were the first budgets in this country - expressed in quantities of goods and services to which prices were applied in the determination of the total cost of the budget.' In 1917 a budget of street railway employees was prepared and became known as the 'minimum comfort budget'. Other budgets for specific group were prepared over the following years.

Some of the conceptual problems facing researchers are discussed. 'Many of these conceptual problems might have been solved before now but for the depression of the 1930s which presented a new and difficult challenge.' In 1936, 'Quantity budgets for basic maintenance and emergency standards of living' were produced and were used to appraise relief measures. However, they presented a problem of long standing: the variations according to location and climate. These and other problems remain to be solved.

ADEQUACY, CONCEPTS, LOCATION, METHODOLOGY

- 45 Brady, Dorothy S. and Faith M. Williams (1945), 'Advances in the techniques of measuring and estimating consumer expenditures', *Journal of Farm Economics*, 27(2), May, 315-44.

The article presents an account of surveys to measure consumption according to income. It discusses related problems, for example, those associated: with measuring incomes, with the actual survey methods, with the definition of expenditures, and the collection of data on savings. It then compares data from two surveys. The article concludes that there must be some improvement in techniques for obtaining data, suggesting the need for comparing various methods.

METHODOLOGY, SURVEYS

- 46 Brashares, Edith (1993), 'Assessing income adequacy in New Zealand', *New Zealand Economic Papers*, 27(2), December, 185-207.

The paper briefly describes some work to assess income adequacy in New Zealand. Three approaches were taken to generate income standards: food share, relative income and relative earnings. The food share standard is based on the cost of food where these costs are converted by a multiplier to total income levels. The method of arriving at the cost of food is briefly described.

ADEQUACY, FOOD, METHODOLOGY

- 47 Briggs, Asa (1961), *Social Thought and Social Action: A Study of the Work of Seebohm Rowntree, 1871-1954*, Longmans, 371pp.

This study of the work of Seebohm Rowntree includes an account of the motivation for his work on poverty as well as a description of the methods used in his collection of data for deriving budget standards for the population of York. It also includes a bibliography of Rowntree's works, only some of which are included in this bibliography.

CONCEPTS, METHODOLOGY

- 48 Brown, Alan and Angus Deaton (1972), 'Surveys in applied economics: models of consumer behaviour', *Economic Journal*, 82(328), December, 1145-236.

The paper begins with a brief history of the study of consumer behaviour, before outlining the theory of consumer behaviour and its relevance to demand analysis. The following section of the paper deals with the analysis of household budgets with particular reference to the measurement of Engel curves and the effects of household composition. The paper then reviews the application of the theory to models and discusses those models which have received most attention. The final section looks at attempts to construct models for durable goods. Some of the difficulties encountered are canvassed, for instance the stock of durables held (which both influence present expenditure and depend on past expenditure, and methods of treating budget constraint (when the consumer may be prepared to borrow or to sell existing holdings).

CONSUMER DURABLES, METHODOLOGY

- 49 Brown, J.A.C. (1954), 'The consumption of food in relation to household composition and income', *Econometrica*, 22, 444-60.

This paper presents some preliminary results of a study of weekly food budgets collected in Great Britain by the Ministry of Food during the last seven months of 1951, a period still affected by shortages and rationing. 'It is argued that an important use of food budgets is, first, to provide estimates of the variations in food consumption which correspond to differences in household composition and, secondly, to interpret these variations with the aid of behaviouristic parameters estimated directly from the data. A number of numerical results are presented, including estimates of income elasticities of demand and scales of equivalent adults for total domestic food expenditure, and certain nutritional measures of total consumption.' The paper discusses the relationship between family expenditure and family income. It also looks at the following issue: 'to what extent is the fact that households with children consume less food *per person* than those without to be explained by the smaller food requirements of children, and to what extent is it due to the fact that the standard of living of the former households is less on average than that of the latter?' Some nutritional measures are presented and possible policy responses suggested.

CONCEPTS, FOOD, SURVEYS

- 50 Brownlee, Helen (1990), *Measuring Living Standards*, Australian Living Standards Study, Australian Institute of Family Studies, Melbourne, 65pp.

'In measuring standard of living, there has often been confusion as to whether what is being measured is the way of life itself or the level of resources which are necessary to achieve that way of life.' The Australian Institute of Family Studies was commissioned to conduct a study of living standards of Australian families in twelve different areas of Australia. In deciding upon research methods, the confusion mentioned above was taken into account. The Institute researchers undertook a review of international research on living standards in order to develop a theoretical framework appropriate to their study. This publication provides a literature review which examines the different types and combination of indicators used in measuring living standards, the locational factors involved and the treatment of subjective factors in the assessment of living standards. The report also includes a description of the conceptual framework developed for the Institute's Living Standards Study.

LIVING STANDARDS, LOCATION, METHODOLOGY

- 51 Budget Standard Service, Anne Perzeszty, Chief (1982), *A Family Budget Standard: Components of a Moderate Level of Living in New York City*, Research and Program Planning Information Department, Community Council of Greater New York, New York, 61+pp.

'Family budget standards are measurements of living costs, reflecting and describing consumer practices. Since the usefulness of this information is correlated to its timelessness, a revision of the Community Councils' *Family Budget Standard* was undertaken. This publication is the result of that endeavor, meeting the need for an up-to-date standard.' It is divided into three sections. The first describes the budget standard, its concept and uses. The second looks at categories of consumption, the quantity standard and costs (in late 1981). The criteria used to develop the standard for each category (food, clothing and personal care, housing and utilities, etc.) are described. The third section consists of cost summaries showing average costs. The publication also includes a bibliography of selected references.

CONCEPTS, METHODOLOGY, NEEDS

- 52 Bureau of Labor Statistics (1960), 'Estimating equivalent incomes or budget costs by family type', Technical note, *Monthly Labor Review*, 83(11), November, 1197-1200; prepared from a report by Marsha Froeder.

Limitations in the consumption scales that measure the relative income required by families of differing composition to maintain the same level of material well-being led to the development of the 'scale of equivalent income' described in this article. The scale values cover six family sizes, in five family types with four age-of-head classes and were derived from data obtained in the Survey of Consumer Expenditure conducted by the US Bureau of Labor Statistics in 1950. The article notes some of the uses of the scale. Technical details about the method of derivation of the scale are presented and a comparison is made with other scales.

EQUIVALENCE SCALES, METHODOLOGY

- 53 Bureau of Labor Statistics (1982), 'Final report on family budgets: cost increases slowed, Autumn 1981', *Monthly Labor Review*, 105(7), July, 44-6; see also 105(11), November, 37-8.

'This report is the final release of the urban four-person family budget data. The expenditure data on which the budgets are based are now 20 years old and continuation of the program would require a revision of concepts, more current

expenditure data, and extensive collection of price data, for which funding was not available.'

A final report made for retired couple's budgets in the US appears in the November issue of the journal in the same year.

CONCEPTS, ELDERLY, METHODOLOGY

- 54 Callan, Tim and Brian Nolan (1991), 'Concepts of poverty and the poverty line', *Journal of Economic Surveys*, 5(3), 243-61.

'Various approaches adopted in developed economies to distinguishing between the poor and non-poor - to setting a poverty line - are reviewed. These include the budget standard, food ratio, "official", subjective and relative poverty line methods, as well as the analysis of indicators of deprivation. There has been significant progress in recent years in the degree of sophistication involved, and a movement away from approaches with a quasi-absolute background. However, all the methods face formidable problems at conceptual and empirical levels, and no single approach is likely to dominate'. The discussion on the budget standards methods concludes that it is 'of value in assessing the adequacy of social security support levels, and in illustrating in a concrete and evocative way what it actually means to be on these income levels.'

ADEQUACY, CONCEPTS

- 55 Chaffer, Leanne, Chris Harrington, Robert Holbert, Jane Maher and Loucas Nicolaou (1995), *Developing a Framework for Benchmarks of Adequacy for Social Security Payments*, Policy Discussion Paper No. 6, Department of Social Security, AGPS, Canberra, 114pp.

This paper is the first step in a study into the development of benchmarks of adequacy for social security payments. It discusses the issues involved and explores possible approaches to assessment of adequacy. It begins by defining the concept of adequacy and examining the relationship between cash income and living standards, and then looks at current practices for assessing and maintaining the adequacy of pensions and other payments. The paper then turns to the measurement of poverty, especially Australian research and the Henderson methodology. Two Australian studies, the Australian Standard of Living carried out by Peter Travers and Sue Richardson (1993 q.v.) and the Australian Living Standards Study (conducted by the Australian Institute of Family Studies, McDonald, 1993, q.v.) are briefly described; other sources of data are identified. The paper then explores the field for a new approach to assessing adequacy. It describes and identifies prescriptive approaches: the budget standards or

consumption basket approach; the deprivation standard (or behavioural) approach; the subjective (or consensual) approach; and the relative (or statistical) approach. A descriptive approach is also canvassed. The paper concludes by identifying a workable approach and a preferred framework which would draw on both budgets standards and descriptive approaches.

In a discussion of budget standards, a number of issues are raised. These include: the appropriate unit of analysis; the standard of living to which the budget standard would apply; the assumptions which would have to be made about the lifestyle of the income unit (e.g. employment status); the items to be included in the basket of goods and services; methods of attaching prices to the items; and a range of applicability and verification issues.

ADEQUACY, CONCEPTS, LIVING STANDARDS, METHODOLOGY, NEEDS

- 56 Chalmers, Jenny (1998), 'The energy budget', in P. Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 161-89.

The energy budget included in the BSU budgets estimates the domestic energy requirements of different households based in Sydney at the modest but adequate and low cost standards and costs them at prices prevailing in the area in February 1997. Initially, the energy budget was to be derived from normative standards for heating and cooling and estimating the energy required to run each appliance so as to achieve these norms. However, this approach proved impractical, because there is no Australian model that estimates the energy required to maintain the domestic housing stock at a particular temperature nor is detailed information on the usage and power demands of each appliance readily available. It was therefore decided to estimate the energy requirements of each household from a behavioural model of energy usage and then to estimate its parameters from available survey data. This method shows how the level of energy consumption is affected by the household's financial resources. The estimated effect of resource constraint can then be removed when using the model to generate predictions of energy requirements. Energy consumption is converted into energy expenditure using Sydney prices. These prices vary with the amount of energy consumed which is based on the ownership of major household appliances and also with the type of housing and form of housing tenure. The budgets derived are compared with the energy expenditure of households found in a survey conducted for the Independent Pricing and Regulatory Tribunal of New South Wales and the discrepancies are discussed. Appendices provide a review of other research in the field and explain some of the assumptions made in the research.

ENERGY, METHODOLOGY

- 57 Chalmers, Jenny (1998), 'The transport budget', in P. Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 343-80.

The transport budget has been developed for households living in Sydney and, where there is a need to be specific, living in the Hurstville Local Government Area using the housing budgets as a guide. Because the majority of Sydney households are car owners, it has been assumed that each BSU household owns a car and uses it for most of their transport needs. Car-owning households spend more on transport, reflecting the purchase price of the car and other costs. Running costs, including fuel, oil, road tolls, parking and some repairs, do not differ substantially from public transport costs.

The transport budget has been developed by specifying the detailed travel needs of each household and costing the distance travelled each week. This has involved making a number of specific assumptions about the travel-related aspects of the lives of each household, taking account of their proximity to major and local shops and services, the number of shopping and other trips made by each household and the ease of access to trains and buses. The elements included in the budgets are: depreciation, insurance, registration, licences, NRMA membership, car cleaning and security, distances travelled (including trips for: work, looking for work, shopping, business and medical purposes, leisure, visiting family and elderly relatives and holidays), petrol and oil, service and repairs to car, road tolls, parking and public transport (for school children, for special trips to city, for occasions when use of the car is restricted, for leisure trips etc.), taxi fares, and car restraints for young children. The rationale for inclusion and method for pricing all these elements are described. The budgets have been drawn up using the BSU leisure budget as a guide where appropriate.

METHODOLOGY, OTHER BUDGET ITEMS

- 58 Citro, Constance F. and Robert T. Michael, eds (1995), *Measuring Poverty: A New Approach*, Panel on Poverty and Family Assistance, National Academy Press, Washington DC, 501pp.

The current measure of poverty used in the US was originally developed in the early 1960s as an indicator of the number and proportion of people with inadequate family incomes for needed consumption of food and other goods and services. This report presents an evaluation of its ability to continue to serve its intended purpose and its potential for improvement. It examines concepts of poverty, describes the official US poverty measure and its development and examines alternative poverty measures and criteria before presenting a new approach to the subject. Further chapters discuss poverty thresholds and their

adjustment, define resources, examine the effects of the proposed new measure and look at some other issues including the use of the measure.

One of the reasons the Panel found the current measure flawed lies in the method of adjustments to thresholds. The book discusses threshold concepts and makes recommendations for establishing them as well as methods for updating them. The relevant chapter examines expert budgets, multiplier approaches, such as that advocated by Ruggles (1990, q.v.) categorical approaches (such as that taken by Renwick and Bergmann (1993, q.v.), and detailed budget approaches such as those used in the York Family Budget Unit, the Bureau of Labor Statistics and the related Schwarz and Volgy method.

CONCEPTS, POVERTY

- 59 Clague, Evan (1948), 'Foreword' to *Bulletin No. 927*, Bureau of Labor Statistics, US Department of Labor, Washington, iii-v.

When the City Worker's Family Budget was first presented, several questions were raised. This foreword to the Bulletin transmitted by the Bureau of Labor Statistics to the Secretary of Labor, takes up one of those questions, specifically: 'Why did the Bureau choose a family of two adults and two children, when such families are but a small fraction of urban families?' Demographic data are presented, and the relationship of the budget to wages is explored. The author points out that when comparisons are made of this Budget with income data, 'whether for purposes of research or as a basis for practical decision or action, they [should] be made with a discriminating regard for the concepts and facts on which the budget is based and with an understanding of its valid uses and inherent limitations'.

Bulletin No. 927 includes a number of papers, most of which are separately annotated in this bibliography.)

CONCEPTS, METHODOLOGY

- 60 Clements, F.W. (1940), 'A family coefficient scale developed from the Australian nutrition survey', *Journal of Hygiene*, 6, December, 681-9.

The paper draws on data collected in an Australian survey which 'measured the amount of food purchased by the household'. It describes the methods used to determine a coefficient useful in determining the proportion of nutrients used by each person in relation to an adult male. The paper compares amounts estimated to have been consumed with the physiological requirements of each age and sex group based on the recommendation of the Health Commission of the League of

Nations. Consumption and requirements are reported for calories, protein, fat and carbohydrates.

FOOD

- 61 Cohen, Ruth, Jill Coxall, Gary Craig and Azra Sadiq-Sangster (1992), *Hardship Britain: Being Poor in the 1990s*, Poverty Publication 82, CPAG, London, 120pp.

The book includes a chapter entitled 'Budgeting on benefit'. 'In this chapter we look at how claimants managed their money: how they coped with weekly budgeting and lump-sum expenses; what they had to do without; and how they viewed their standard of living. Given that the interviews took place in 1989/90, to some extent we were able to make an evaluation of how this part of the overhaul of the social security system affected income support claimants and how far the changes seemed to be achieving the aims set for them.' This and the other chapters give details of decision-making when there is insufficient money to pay for all budget items considered necessary for a reasonable standard of living.

ADEQUACY, SURVEYS

- 62 Cole, G.D.H. and M.I. Cole (1937), *The Condition of Britain*, Victor Gollancz, London, 471pp.

'This book is mainly descriptive, and we have tried to make our description as objective as possible.' The description takes in many aspects of British society, separate chapters dealing with the division of income, health and nutrition, housing, unemployment, standards of life, the education system, taxation and social services, production and the working-class movement. A final chapter makes suggestions for progress and the growth of democracy.

The chapter on health and nutrition includes a section on food values and then cites various other authors and institutions which have compiled adequate food budget (the British Medical Association, 1930; J.B. Orr, 1936, q.v.; the US Bureau of Labour Statistics, 1920; and A.L. Bowley. The chapter concludes 'the existing situation [as regards health and nutrition] is grossly unsatisfactory in certain definite respects'. The chapter on standards of life takes this forward. It compares amounts in Bowley's 'bare subsistence' budget, Rowntree's 'human needs' budget, and ILO estimates based on a Detroit standard converted to Manchester prices, and an estimate of 'civilised needs' or 'desirable standard' drawn up by the Engineers Study Group in Economics, all at 1935 prices. The Merseyside survey carried out by Caradog Jones (q.v.) is also cited. The chapter

looks at income levels and relates them to recommended expenditures to examine poverty incidence and levels.

LIVING STANDARDS, POVERTY, SURVEYS

- 63 Cole, G.D.H. and Raymond Postgate (1938), 'Wages in Britain between the wars', in G.D.H. Cole and R. Postgate, *The Common People 1746-1946*, Methuen, London, 639-47.

The chapter discusses the relationship between standard of living and wages during the years between the two world wars. It then uses the work of Seebohm Rowntree (q.v.) to compare the standard reached in that research with the wages earned in a range of occupations. The discussion is placed in an historical perspective.

LIVING STANDARDS

- 64 Colton, Roger D. (1990), 'Client consumption patterns within an income-based energy assistance program', *Journal of Economic Issues*, 24(4), December, 1079-93.

The article is concerned with changes in energy consumption where states and utilities are exploring energy assistance programs for low-income customers. In several of these states, evaluation programs have been carried out and the results are discussed in this paper. One of the reasons for providing the assistance program is to ensure that health standards of heating can be maintained. However, concern has been expressed about the risk of abuse of the system and about its effect on energy conservation. The evaluations discussed here show that the income-based programs have no discernible impact on consumption. The author argues that low-income families 'seek out a zone of comfort within which to live' and are not affected by 'price signals'. Non-heating consumption is differently analysed; in order to increase consumption households would probably need new appliances, and the availability of income for such investments is limited. The majority of poor households are tenants who do not have the ability to make decisions about which major insulation measures or other appliances should be installed, even when they are economically justified.

ENERGY

- 65 Commission of Inquiry into Poverty (Ronald F. Henderson, chairman) (1975), *Poverty in Australia, First Main Report*, AGPS, Canberra, 363pp.

This seminal work on poverty in Australia describes the way in which the poverty line used in the research by the Commission was reached. The 'best data available on relative expenditure patterns are still those prepared by the Budget Standard Service of New York in 1954. These tabulations represent by far the most detailed approach that we could find to the problem of estimating costs and equivalent incomes for varying family groups. As well as allowing for the number of adults and children in the family unit, as is quite commonly done, allowance is also made for the age, sex and work status of the individuals. The costs of those who live alone are recognised as being higher than those who live with others. The standards are based on scientific requirements for good nutrition and health, in so far as purely physical needs have been determined, and to social standards that have been revealed by studies of actual family purchase.'

EQUIVALENCE SCALES, METHODOLOGY, POVERTY

- 66 Crawford, William and H. Broadley (1938), *The People's Food*, William Heinemann, London, 336pp.

The book reports on a Food Enquiry carried out in 1936-37 among five social classes in urban areas of the UK. It is mainly concerned with eating and buying habits, but there are chapters on food expenditure and income, and on food consumption and nutritional adequacy. Minimum cost diets, sufficient 'to maintain health and working capacity', have previously been drawn up by the British Medical Association (1933), revised by R.F. George (1937, q.v.) by J.B. Orr (1936, q.v.) based on standards of dietary requirements devised by H.K. Stiebeling of the US Bureau of Home Economics, and separately, by the League of Nations Technical Commission. These standards are used comparatively to determine the proportion of the population, by class, who are living in homes where expenditure is lower than that recommended by experts.

FOOD, SURVEYS

- 67 Crotty, Patricia A., Ingrid H.E. Rutishauser and Megan Cahill (1992), 'Food in low-income families', *Australian Journal of Public Health*, 16(2), June, 168-74.

'This descriptive study used both quantitative and qualitative research methods to examine the food and nutrient intake, food purchasing patterns and budgeting strategies of 29 sole-parent low-income families with dependent children living in Corio Shire, Victoria, in 1989-90.' The families spent a higher proportion of their

income, but similar amounts of money on most food categories as the average for all Australian households, with some exceptions (meat, nonalcoholic beverages and food eaten away from home). Fruit and vegetables were purchased less in the second week of a social security payments, resulting in a lower vitamin C intake. 'The data from this study support the notion that low-income families give priority to food purchases above other expenses such as recreation.'

FOOD, SOLE PARENTS, SURVEYS

- 68 Department of Quantity Surveying, University of Technology, Sydney (1993), *Home Purchase and Ownership*, Edition 4, Real Estate Institute of New South Wales, Sydney, 79pp.

This publication examines the statutory fees and other costs involved in buying and owning a home. The fees and costs are discussed in three categories: home purchase costs; home ownership costs; and finance costs. 'These costs are often not allowed for by the home buyer at the time of entering into an agreement, and may lead to financial problems or hardships, particularly within the first year.'

HOUSING

- 69 Desai, Meghnad (1986), 'Drawing the line: on defining the poverty threshold', in P. Golding, ed., *Excluding the Poor*, Child Poverty Action Group, London, 1-20.

The author examines the evidence for the existence of a threshold of income which divides the poor from the remainder, looking at research which has been undertaken from late last century (e.g. Booth, q.v.) to the present time. He looks particularly at differences of approach between Townsend and Piachaud (both separately cited in this bibliography). The factors in the derivation of Townsend's deprivation index are tabulated, with the results of his study (Townsend, 1979, q.v.) and the measure of deprivation is related to the level of supplementary benefit. Results are also presented of a survey carried out in 1983 for London Weekend Television and reported by Mack and Lansley (1985, q.v.). The two are compared with one another and again with the level of Supplementary Benefit. Policy implications are briefly discussed.

ADEQUACY, POVERTY, SURVEYS

- 70 Dobson, Barbara and Sue Middleton (1998), *Paying to Care: The Cost of Childhood Disability*, Joseph Rowntree Foundation, York Publishing Services, York, 58pp.

The focus of this report is on the additional financial costs which parents of severely disabled children have to bear. The study uses the 'consensual budget standards' method to define the needs. The methodology 'tries to avoid the pitfalls of both "expert" judgements and consensus by survey. The method uses a derivative of focus groups to produce negotiated and agreed budget standards.' The design of the study and the parents who participated in it are described. The budget standards for children of different ages and with a range of disabilities are presented and compared with budget standards for children without disabilities produced for the study *Family Fortunes* (Middleton, Ashworth and Walker, 1994, q.v.). The following chapter explores the priorities of parents in drawing up the budget and the final chapter discusses policy implications.

DISABILITY, FOCUS GROUPS, METHODOLOGY

- 71 Donnison, David (1988), 'Defining and measuring poverty. A reply to Stein Ringen', *Journal of Social Policy*, 17(3), July, 367-74.

The article is a response to a paper by Stein Ringen in the same journal, 'Direct and indirect measures of poverty' (which is based on a chapter from Ringen's book *The Possibility of Politics*). Ringen's paper argues that recent poverty research combines a direct definition with an indirect measure, causing an absence of any logical line of deduction between the two and rendering the statistics produced invalid. This paper 'recognises the importance of his [Ringen's] recent work and the validity of some of the criticisms he makes of poverty studies, but argues that his own approach suffers from some of the same effects. He dismisses this research too hastily, partly because he has neglected some of the best of it.' This paper formulates a 'more rigorous' relative concept of poverty and goes on to describe a 'research agenda' for arriving at this concept and putting it to use. The method includes a national survey to determine 'necessities' and analytical treatment of the results to arrive at an appropriate measure. (The methodology is related to that of Mack and Lansley, 1985, q.v.).

METHODOLOGY, NEEDS, POVERTY

- 72 Doyal, Len and Ian Gough (1991), *A Theory of Human Need*, Macmillan, London, 365pp.

The authors 'believe that a coherent rigorous theory of human need must be developed to resurrect an acceptable vision of social progress and to provide a

credible alternative to the neo-liberalism and political conservatism which have caused serious harm to so many within the capitalist world. However, such a theory must be informed by the mistakes - some terrible, some foolish - of welfare state paternalism'. They argue that basic needs exist, that individuals have a right to the satisfaction of these needs and 'that all human liberation should be measured by assessing the degree to which such satisfaction has occurred ... Welfare states must somehow combine the individual right to need-satisfaction with the right to participate in deciding how such satisfaction is to occur in practice'.

CONCEPTS, NEEDS

- 73 Easson, Lelia M. and Edna C. Wentworth (1947), 'Techniques for estimating the cost of living at the WPA maintenance level for families of differing composition', *Social Security Bulletin*, 10(3), March, 9-13.

'One way of defining the minimum requirements for economic security is to list the goods and services that will provide the lowest level of living that is generally acceptable. Such a list, or budget, will include goods and services of such quantity and quality that health can be maintained and limited participation in social activities can be possible. If physiological needs are met but only a modicum of social ends served, the budget is often described as "minimum adequate" or "maintenance".' This article is concerned with determining a maintenance budget for social security beneficiaries in differing families. It uses the maintenance budget which had already been determined by the Works Progress Administration (WPA) for an employed man, wife, boy aged 13 and girl eight. 'Since the WPA budget was constructed for a single family type, its use in appraising the adequacy of resources of the beneficiaries and their spouses and children, living by themselves or with others, involved establishing the cost of living of each beneficiary group at a level corresponding to that described for the four-person family in the WPA maintenance budget. This conversion was accomplished by the use of requirement scales, either computed by the authors or based on published scales of other agencies. This paper explains the method used in estimating the cost of the budget at the WPA maintenance level for families of differing composition.' The sources of the scales used for food, clothing, miscellaneous items and joint expenses are noted and budgets for some beneficiary family types are presented.

ADEQUACY, METHODOLOGY, NEEDS

- 74 Easton, Brian (1995), 'Properly assessing income adequacy in New Zealand', *New Zealand Economic Papers*, 29(1), June, 89-102.

This paper is a response to a paper by Edith Brashares (1993, q.v.). It criticises the method which Brashares used to derive the 'food share' standard.

METHODOLOGY

- 75 Edgar, Don (1989), 'The cost of children', in D. Edgar, D. Keane and Peter McDonald, eds, *Child Poverty*, Allen and Unwin and Australian Institute of Family Studies, Sydney and Melbourne, 173-80.

Several policy matters depend on knowing the cost of children to a family. However, quantifying the costs of children presents methodological problems. The chapter outlines these and describes some work carried out by the Australian Institute of Family Studies in this area, with particular reference to the policy questions raised.

ADEQUACY, COST of a CHILD, EQUIVALENCE SCALES, METHODOLOGY

- 76 Edgar, D. (1990), 'Measuring poverty in quality of life', *Policy Issues Forum*, June, 13-18.

'Poverty is not just lack of income. It is the unacceptably low standard of living that is enforced by this lack of resources for socially perceived necessities. Thus poverty measures must be measures of living standards, quality of life measures, not merely income measures.' The author specifies areas of adequacy where research could be carried out to determine a community consensus on what is minimally acceptable. He compares this list favourably with Townsend's (1979, q.v.) deprivation index, and with the perceived necessities found by the *Breadline Britain* program (Mack and Lansley, 1985).

LIVING STANDARDS, NEEDS

- 77 Energy Action Group (1983), *Fuel Poverty in Victoria: A Report to the Minister for Minerals and Energy*, Energy Action Group, Melbourne, 201pp. Authors: Lyn Deasey and Kerry Montero.

The publication describes the tariff structures for gas and electricity in Victoria as well as the government charges that have 'inflated domestic energy prices'. It pays special attention to the cost of energy for low-income consumers. Energy needs are related to housing, that is, the link between poor quality housing and low comfort levels. The relationship between income and energy needs and cost is also examined.

ENERGY, HOUSING

- 78 Ernst, John and Hermione Parker (1991), *Methodological Issues in Budget Standards Research: The Unit of Analysis, Lifestyle Assumptions and Economies of Scale*, Working Paper No. 3, Family Budget Unit, University of York, York, 14pp.

In order to set modest but adequate budget standards, the Family Budget Unit had to address a number of methodological issues fundamental to the research. This paper provides an introduction to some of these issues. These include a discussion of whether the budget standard should be framed around individual or household consumption; what assumptions to make concerning the lifestyles of the families, with particular regard to housing location and tenure, employment status, education and child care for families with children and motor vehicle ownership; and, finally, what provision should be made for economies of scale in the pattern of household consumption in each of the major budget areas.

METHODOLOGY

- 79 Espenshade, Thomas J. (1984), *Investing in Children: New Estimates of Parental Expenditures*, Urban Institute Press, Washington, D.C., 124pp.

The data used in this study of the cost of a child were taken from the US Consumer Expenditure Survey of 1972-73. The method of calculation is detailed and involves using the percentage of total current consumption expenditure devoted to food consumed at home. Results of the analysis show that the amount spent on each child from birth to age 18 varies with family income and the number of children in the family as well as the wife's employment status. Results of the analysis are also presented by: region, race, expenditure on education, separate budget items (e.g. food, clothing) and by some demographic characteristics (birth order, birth interval, age of mother at birth). Applications of the results of the analysis are discussed with attention to the adequacy of child support awards and foster care allowances.

ADEQUACY, COST of a CHILD, METHODOLOGY

- 80 Expert Committee on Family Budget Revisions (H.W. Watts, chairman) (1980), *New American Family Budget Standards*, Special Report No. 30, Institute for Research on Poverty, University of Wisconsin, Madison, 145pp; with Anne Draper, 'Dissenting views', 13pp.

This report of the Expert Committee (known also as the Watts Committee) describes the work of the Committee and presents a history of the Family Budgets Program, outlining the major uses of the budgets and the way they are constructed. The limitations of the current budgets are discussed, along with the

concept of a norm leading to an exposition of the theoretical basis and the empirical basis proposed for new family budgets. The data sources for revising and updating family budgets are described: the 1972-73 Consumer Expenditure Survey; the Continuing Consumer Expenditure Surveys for which funding had recently been authorised by Congress; a proposed Survey of Income and Program Participation which was still in the planning stages; and proposed Surveys of Perceived Norms. The latter surveys are intended to identify 'norms based not on observed living patterns but rather on what the population understands those norms to be'. They would be carried out by asking samples of the public a series of direct and indirect questions. The Committee specified the Prevailing Family Standard as the median expenditure level of all households composed of a non-aged couple with two children. The report then specifies additional expenditure standards, interfamily equivalence scales, and makes suggestions for the future development of standards and equivalence scales. It discusses ways of moving the standards through time. One chapter presents detailed expenditure categories, types of households to be budgeted and a method for deriving income estimates corresponding to the expenditure standards. Inter-area differentials are discussed. The establishment of a sound method for measuring public conceptions of living norms and equivalences is the subject of one chapter, along with a discussion about the inclusion of direct questions in a national survey. The implications and evaluation of the recommended standards are spelt out using data from the 1972-73 Consumer Expenditure Survey data.

The dissenting view by Anne Draper objects to the 'abandonment of quantity budgets as the basis for determining "what it costs a workers's family to live"', and their replacement with a percentage of expenditure totals, and makes specific objections to other areas of the report.

CHANGES OVER TIME, CONCEPTS, EQUIVALENCE SCALES, LOCATION, METHODOLOGY, SURVEYS

- 81 Family Budget Unit (1990), *The Work of the Family Budget Unit*, Working Paper No. 1, Family Budget Unit, University of York, 10pp.

The paper gives an account of the origins of the Family Budget Unit at the University of York and its objectives. It defines the term 'budget standards' and describes the research to be undertaken in arriving at the budgets decided upon. This includes the use of normative judgements based on expert opinion concerning what people require to maintain a given standard of living, and the empirical analysis of actual expenditure patterns.

CONCEPTS, METHODOLOGY

- 82 Family Budget Unit (1995), *How Much Does it Cost to Live?*, Proceedings of a Seminar held 24th May, 1994, Family Budget Unit, London, 40pp.

The publication consists of eleven papers delivered at four sessions of a seminar, with reports of the following discussion. The first session, 'Introducing the work of the Family Budget Unit', included two papers: one by Jonathan Bradshaw on the methods used in compiling the budgets and one by Hermione Parker outlining the future program of the Unit. The second session was entitled 'Why the UK needs family budget standards'. The speakers were Arnold Elliot on health promotion, Donald Dewar on the social security implications of budget standards, Jonathan Bradshaw on the use of budget standards in the courts, and Charlie Legg on housing affordability. Session Three was also concerned with health promotion, concentrating on food (Michael Nelson), shelter, clothing and leisure (Sandra Hutton and Mary McCabe). These papers described how the respective budgets were constructed and how 'the promotion of health and a healthy lifestyle was an integral part of their preparation'. The use of budget standards in policy evaluation is also canvassed. The fourth session was 'Implications of budget standards for organisations involved with people in debt'. Peter Newton (of British Gas) spoke on credit control and collection and Simon Johnson of the Birmingham Settlement described the services his organisation provides including money advice. This paper describes how budget standards could assist in the process of giving advice on money.

ADEQUACY, FOOD, HOUSING, METHODOLOGY, OTHER BUDGET ITEMS

- 83 Fendler, Carol and Mollie Orshansky (1979), 'Improving the poverty definition', in American Statistical Association, *1979 Proceedings of the Social Statistics Section*, 640-5.

The definition and measure of poverty used by government for its poverty statistics is discussed, with reference to the criticisms they have drawn as well as their usefulness. However, the use of poverty statistics for the purpose of allocating funds and 'pinpointing' target populations for aid programs has accentuated weaknesses in the measure. The paper calls attention to the need for more data, and to the prospects for obtaining the kind of information needed. Among the factors discussed is the role of the cost of food required for an adequate diet. Using revised Recommended Dietary Allowances and expenditure data from a more recent Household Survey it is shown that the proportion of income spent on food has changed over the time since the measure was introduced. The paper points to the need to update the measure using new food prices, ratios of these to income differential ratios for people of different ages and gender and different household types.

CHANGES OVER TIME, FOOD, POVERTY

- 84 Fiegehen, G.C., P.S. Lansley and A.D. Smith (1977), *Poverty and Progress in Britain, 1957-73*, Cambridge University Press, Cambridge, 173pp; with a chapter by N.C. Garganas.

The book is the result of research into poverty using data from the Family Expenditure Survey. The chapter on concepts of poverty considers methods for measurement and includes a section on measuring poverty by absolute living standards. These are explained in an appendix and discussed at some length. They are based on the methods developed by Rowntree (q.v.) and are subject to a number of criticisms some of which are elaborated here. 'Subsistence budgets which vary for different individuals ensure the specified minimum living standards only if poor households spend their income in the manner prescribed. Such behaviour requires, first, a greater knowledge than most consumers have of the range of qualities of goods available; secondly, an improbable degree of skill in the exercise of choice; thirdly, a willingness on the part of poor households to sacrifice non-essential and luxury items in favour of prescribed necessities.' The implications for measurement of poverty are discussed.

CONCEPTS, METHODOLOGY, POVERTY

- 85 Field, Frank (1985), *What Price a Child? A Historical Review of the Relative Cost of Dependants*, Family Income Support Part 6, Studies of the Social Security System No. 8, Policy Studies Institute, London, 78pp.

The intention of the Policy Studies Institute is to examine all the various components of family income support. This part 'is concerned with the criteria for setting benefit levels and in particular with attempts to define the minimum income necessary to prevent poverty and how the relative needs of adults and children are calculated'. The paper reviews the history of studies which have attempted to define minimum income; examines the use that was made of these studies when the first national minimum income was set by the Unemployment Assistance Board in 1934; reviews adjustments to calculations in the years between the wars and the impact of previous work on the levels set by Beveridge after the Second World War; examines the variations in the relativities of children's benefits during the postwar period; reviews other rates; and argues that the equivalent rates for children have been consistently undervalued. Demonstrating this, the author looks at various food value scales and claims by nutritionists.

ADEQUACY, COST of a CHILD

- 86 Fisher, Gordon M. (1992), 'The development and history of the poverty thresholds', *Social Security Bulletin*, 55(4), Winter, 3-14.

The article notes the difference between the US poverty thresholds which are issued by the Bureau of Census and used for statistical purposes and poverty guidelines which are issued by the Department of Health and Human Services and used for administrative purposes. [For more details about these measures, see Gordon M. Fisher, 'The 1984 Federal Poverty Income Guidelines', *Social Security Bulletin*, 47(7), July, 1984, 24-7; and 'Poverty Guidelines for 1992', *Social Security Bulletin*, 55(1), Spring, 1992, 43-6]. The article then relates the history of the poverty thresholds from their development in 1963-64 by Mollie Orshansky (q.v.) of the Social Security Administration through the 1969 revision by an interagency Poverty Level Review Committee headed by a chairman from the Bureau of the Budget, studies undertaken in 1971 through the Office of Management of the Budget and further changes made in 1978 and 1981, ending with an account of the panel of experts appointed in 1992 to review the situation. This panel, due to report in 1994 focused on concepts, information needs and measurement methods.

CONCEPTS, POVERTY

- 87 Förster, Michael F. (1993), *Comparing Poverty in 13 OECD Countries - Traditional and Synthetic Approaches*, Working Paper No. 100, Luxembourg Income Study, Luxembourg, 76pp.

This paper compares poverty levels in 13 OECD countries using annual disposable income as a measure of standard of living. A section presents the reasons why this measure was chosen and discusses the problems associated with using absolute or budget-based measures in comparative social policy analysis.

CONCEPTS, POVERTY

- 88 Forsyth, F.G. (1960), 'The relationship between family size and family expenditure', *Journal of the Royal Statistical Society, Series A*, 123(4), 367-97.

The paper uses data from the Ministry of Labour's 1953-54 Household Expenditure enquiry to test whether the expenditure differences between different sizes of family can be explained by an equivalent scale hypothesis. The author argues that it is impossible, from these data, to separate the effects of a change in family size on expenditure and the effects of a change in the family's standard of living.

EQUIVALENCE SCALES, METHODOLOGY

- 89 Franklin, N.N. (1967), 'The concept and measurement of "minimum living standards"', *International Labour Review*, 95, January-June, 271-98.

The article was prepared as part of a research program called for at the International Labour Conference of 1964. 'Its purpose is to discuss the concept and measurement of minimum human needs; to give examples of estimates that have been made in different countries of minimum requirements for food, clothing, housing and other needs; and to discuss the validity of the methods and the purposes served by the results of such studies.' The examples given are from Britain (from Rowntree, q.v.) the United States, France, Africa, India and Latin America. In an evaluation of the methods used, the author questions the worth of such studies. 'The many arbitrary elements in attempts to determine minimum physical needs, the absence of a clear-cut distinction between these and social needs, and the fact that minimum social needs can be defined, if at all, only in relation to the social norms of particular communities - all these things raise the question whether attempts to determine minimum living standards based upon what investigators consider to be necessary without regard to how people actually spend their incomes are worth the effort they involve.' Nevertheless, he argues, there are reasons why such efforts are required and do serve a purpose: minimum wage fixing and action against poverty are discussed in this context.

CONCEPTS, LIVING STANDARDS, NEEDS

- 90 George, R.F. (1937), 'A new calculation of the poverty line', *Journal of the Royal Statistical Society*, 100(1), 74-95.

Postwar enquiries into the extent of poverty have generally used the standard based on the poverty line calculated by Rowntree (1901, q.v.) who had 'endeavoured to obtain the absolute minimum cost of physiological needs'. Rowntree's budget standards have been used and varied (or updated) in later studies, for example by Bowley (1924) and in certain other locational studies. Variations have been made in line with more recent nutritional studies as well as changes in prices. This paper examines these changes for the items included in earlier studies. An appendix presents the nutritive content of a diet drawn up by the British Medical Association (BMA) as well as a comparison of adult male equivalent rations in BMA recommended diets and in revised diets for young children. (The revisions include an increased intake of milk.) 'The result of these calculations suggests that minimum needs standards should be significantly higher than those hitherto accepted, with the result that the extent of absolute poverty has been under-estimated.'

CHANGES OVER TIME, FOOD, POVERTY

- 91 Godfrey, Chris and Jonathan Bradshaw (1983), 'A price index for poor families?', *Poverty*, 55, August, 37-40.

The article discusses the use of the Retail Price Index (RPI) in maintaining the purchasing power of long-term social security benefits. It describes the construction of the Index which uses not only price changes but weights estimated from the average expenditure recorded in the Annual Family Expenditure Surveys (FES). The authors argue that these weights do not reflect the spending patterns of poor families; they estimate weights for people in receipt of supplementary benefit and other poor families using data from the Family Finances Survey (1978-79) and show how different the spending patterns of the poor are from those represented by the RPI. 'It is clear, therefore, that it cannot automatically be assumed that the living standards of the poor will be maintained by uprating benefits in line with RPI changes.'

ADEQUACY, CHANGES OVER TIME

- 92 Goldschmidt, Peter (1988), 'Domestic appliance energy usage in Western Australia', *Energy Economics*, 10(2), April, 155-62.

The paper is concerned with energy consumption of domestic appliances and facilities. The analysis uses data from the Australian Bureau of Statistics. Tables present data on appliance penetration for 1980 and 1983 as well as appliance ownership for all households, and by the number of residents in each dwelling in Western Australia.

ENERGY

- 93 Goodman, Charles S. (1967), *Do the Poor Pay More? A Study of the Food Purchasing Practices of Low-Income Consumers*, University of Pennsylvania, 57+pp.

This publication reports on a study of the shopping habits of poor families in a low-income area of Philadelphia. It deals with such questions as whether the poor pay higher prices for food than the well-to-do; the kinds of stores they patronise; their use of such services as credit and home delivery; a comparison of prices in stores in low-income areas with stores in other areas; shopping patterns; and perceptions of price. In this study it was found that the poor do *not* pay more, even using alternative market baskets to figure price levels. However, the author concludes that further research is needed, especially in neighbourhoods where incomes are even lower than in that studied here, and also where travel to a range of stores is even harder than was found to be the case in this study.

LOCATION, SURVEYS

- 94 Gordon, David and Christina Pantazis, eds (1997), *Breadline Britain in the 1990s*, Studies in Cash and Care, Ashgate, Aldershot, 309pp. Other authors: Peter Townsend, Sarah Payne, Glen Bramley, Bjørn Halleröd, Jonathan Bradshaw and Hilary Holmes.

This report is based on the Breadline Britain in the 1990s survey, which featured in a series of television programs first shown in 1983 and updated in 1990. The survey data are discussed, augmented by face to face interviews conducted in late 1990. The purposes of the report are: to give details of the findings; to further analyse the results; and 'to examine the debates and criticisms surrounding the measurement of poverty and the Breadline Britain approach'. The issues relevant to identifying necessities are canvassed.

NEEDS, SURVEYS

- 95 Graham, Sara (1987), *The Extra Costs Borne by Families Who Have a Child With a Disability*, SWRC Reports and Proceedings No. 68, Social Policy Research Centre, University of New South Wales, Sydney, 146pp.

The report describes the results of a study of fifty families, all of whom had a disabled child aged between 12 and 16. It concentrates on economic costs incurred as a consequence of their children's disabilities, both direct costs (which would not have been incurred had there been no disability), and indirect costs (income forgone because of the child's dependency). Appendices list the items which add to the family expenditure. Factors affecting expenditure are discussed. The report relates the extra expenditure to an assessment of the adequacy of the Handicapped Child Allowance, though it does not claim to be an evaluation of that allowance.

ADEQUACY, DISABILITY, SURVEYS

- 96 Graham, Sara and Clare Stapleton (1990), *The Extra Costs of Participation in Work, Education and Training for People with Disabilities: An Exploratory Study*, SPRC Reports and Proceedings No. 86, Social Policy Research Centre, University of New South Wales, Sydney, 91pp.

This report describes a study concerned with the extra costs incurred by people with disabilities. The study was small, exploratory and locally based, and provides insights into the issues involved. It presents a detailed examination of the additional costs which people with disabilities have to meet in order to participate in the life of the general community, for example in paid employment, further education and training; it also attempts to explain their variation. The methodological issues are discussed.

DISABILITY, SURVEYS

- 97 Haber, Alan (1966), 'Poverty budgets: how much is enough', *Poverty and Human Resources Abstracts*, 1(3), May-June, 5-22.

The article discusses the US poverty line. The author argues that its 'data do not conform to the conditions imposed by its explicit assumptions, and hence, is deceptive as a measure of well-being. Its implicit assumptions about the life conditions of the poor are unrealistic. It uses data which appear to be inaccurate and thereby greatly understate the poverty income levels that its methodology would otherwise yield. And finally, since its methodology is insensitive to the range of expenditure needs of the poor, its income figures are inadequate for nonpoverty living'. The author argues, therefore, that the definition of poverty 'clearly requires the development of a list of goods and services adequate to maintain basic material and physiological living conditions, to promote individual development and social integration, and to keep pace with the changing demands and opportunities of the society. No official agency has attempted to develop such a list'. The Bureau of Labor Statistics (BLS) modest but adequate budgets are examined in the light of the author's claims.

CONCEPTS, POVERTY

- 98 Hagenaars, Aldi and Klaas de Vos (1988), 'The definition and measurement of poverty', *Journal of Human Resources*, 23(2), 211-21.

'This paper uses eight different definitions of poverty to determine who is poor, using a 1983 Dutch sample of more than 12,000 households.' The eight include one based on the basic needs or budget approach; one based on the proportion of money spent on food as a proportion of total income; an index based on the ratio of fixed costs to total income; and one based on the ratio of total expenditure to total income. All eight are defined in the article. The authors conclude that the choice of poverty definition has major consequences for the observed incidence of poverty and the distribution of the poor over social subgroups.

CONCEPTS, POVERTY

- 99 Halladay, A. (1972), 'The extent of poverty among large families in the heart of Sydney', *Economic Record*, 48, 483-99.

'This report of a study of poverty among large families in Sydney underlines the significance of the definition of poverty in estimating the extent of poverty.' Several income-based poverty lines are used in the study which also includes the use of poverty lines set on other dimensions including accommodation, food supply, clothing supply and health services. The author concludes that the choice of 'measuring tools' is fundamental to the measurement of poverty and to the policies used to deal with it.

CONCEPTS, POVERTY

- 100 Halleröd, B. (1994), *A New Approach to the Direct Consensual Measurement of Poverty*, Discussion Paper No. 50, Social Policy Research Centre, University of New South Wales, Sydney, 39pp.

Poverty measurement is the major concern of this paper which elaborates on the method used by Mack and Lansley (1985, q.v.). This method incorporates public opinion on what constitutes necessary consumption. Both the original Mack and Lansley method and the method proposed here are described. Apart from measuring poverty, the methods address deprivation issues and produce measures of material living standards. An appendix presents a list of goods and services about which questions were asked. The paper concludes that consensual approaches to measurement of living standards produce robust and reliable results.

NEEDS

- 101 Halleröd, Bjørn, Jonathan Bradshaw and Hilary Holmes (1997), 'Adapting the consensual definition of poverty', in D. Gordon and C. Pantazis, eds, *Breadline Britain in the 1990s*, Ashgate, Aldershot. 213, 34.

'The purpose of this chapter has been to extend the consensual measure of poverty developed by Mack and Lansley by first including the whole range of social indicators they used (not just those considered necessities by more than half the population) and, secondly, by taking account of the diversity of the judgements of what is a necessity by different groups in society.' The method is applied to data gathered in the Breadline Britain survey (see Gordon and Pantazis, 1997). The results broadly confirm the robustness and reliability of the Mack and Lansley (1985, q.v.) consensual measure but the authors make some qualifying comments.

NEEDS

- 102 Hancock, Keith (1997), *The Needs of the Low Paid*, Discussion Paper No. 378, Centre for Economic Policy Research, Australian National University, Canberra, 20pp; also appears (1998) in *Wealth, Work, Well-Being*, Occasional Paper Series, 1/1998, Academy of the Social Sciences in Australia, Canberra, 1-16.

The paper argues against the use of any quantification of needs of the low paid as a criterion for wage determination. 'Does a regard for the needs of the low paid lead simply to an endeavour to maintain and improve the relative incomes of low paid workers; or does it imply an attempt to identify needs and the cost of meeting them so as to establish some kind of benchmarks of wage adequacy? ...

A benchmark of adequacy *imposes* specificity. But whence do we derive it? There are, it seems, two sources. One entails the specification of items of consumption which people “ought” to be able to afford. Thus there are dietary requirements, norms for housing, clothing and transport, and allowances for the many items of expenditure which do not fit these categories. Although subdividing needs in this way may aid thought, the prescription of quantities is, in the end, arbitrary ... The alternative has been to relate the measure of adequacy to actually prevailing standards of consumption, perhaps with an upward bias ... Such a policy is not truly generated by identification of needs. It is about protecting and improving real wages.’ In support of his argument, the author points to the way the Henderson Poverty Line has traditionally been updated, that is, in relation to average weekly earnings or per capita household disposable income and *not* to the Consumer Price Index which would have been the case if the cost of the requirements were the issue. Thus, relative income and not adequacy of income has been behind this research and should remain the basis of wage determination.

CONCEPTS, NEEDS

- 103 Henderson, A. (1949 and 1950), ‘The cost of children, parts I, II and III’, *Population Studies*, 3(2) September, 130-50; 4(3), December, 267-98.

The author used data collected in two pre-war budget inquiries (one described in Ministry of Labour Gazettes, 1940 and 1941; see also Massey, 1942) to investigate the differences in the distribution of expenditure of families with different numbers of children, the cost of an additional child at different income levels, and the effects of changes which took place between 1938 and 1948. The budget surveys are briefly described and items included are listed. The techniques involved in deriving the cost of a child are described in the second of the two articles. Changes over time are the subject of the third part (included in the second paper).

CHANGES OVER TIME, COST of a CHILD

- 104 Henderson, A. (1949-1950), ‘The cost of a family’, *Review of Economic Studies*, 17(2), 127-48.

The article uses data from a budget inquiry conducted by the Ministry of Labour in 1937 and 1938 to examine the cost of children. The example which demonstrates this investigation is described: in 1938 a family earning £5 per week required an addition of 17s 6d per week to retain the same standard of living as before, when a child is born. If there was no increase in income, the standard of living for the family fell to that of a childless family earning £4.50d per week.

The methods involved in arriving at these figures are described and include data on budget expenditure items. The paper also calculates the proportion of the pre-war cost of a child which is borne (in 1949) by the state, as a result of change which occurred in the intervening years. The author points out that the figure used may not be accurate, and the results even less so. Nevertheless, 'the publication of the work done on inadequate data may well spur others to try out methods with more adequate data when they become available'.

CHANGES OVER TIME, COST of a CHILD

- 105 Henderson, Ronald F., Alison Harcourt and R.J.A. Harper (1970), *People in Poverty: A Melbourne Survey*, Cheshire for the Institute of Applied Economic and Social Research, University of Melbourne, 226pp.

The book is 'a survey of poverty due to inadequate income' in the metropolitan area of Melbourne. It includes a description of the 1954 data from the Budget Standard Service of New York and discusses the reasons why this Standard was used in arriving at the poverty line levels used in the research.

CONCEPTS, POVERTY

- 106 Henman, Paul (1999), 'Different assumptions, different scenarios: extending and developing SPRC's budget standards', *Social Security Journal*, 1998/1, 171-93.

This paper provides the results of preliminary work that seeks to produce other budget standards than those produced by the Budget Standards Unit of the Social Policy Research Centre (see Saunders et al., 1998), by making different assumptions and using different scenarios. A budget standard is developed for a couple with a boy aged 10, and is then used to estimate the costs of that boy. Short-term budget standards are developed for all of the BSU household types by removing the cost of household durable items with differing lifetimes. Preliminary budget standards are developed for capital cities other than Sydney, by first adjusting private rents. The results of all these budget standards are compared with BSU results and the discrepancies discussed. Appendices show the variations from the BSU assumptions that were made in each case.

CONCEPTS, CONSUMER DURABLES, COST of a CHILD, METHODOLOGY

- 107 Henman, Paul (1999), 'Making real the assumptions of the Budget Standards Project: the strength and weaknesses for policy work', *Social Security Journal*, 1998/1, 69-102.

The article presents a description and critique of the project carried out by the Budget Standards Unit at the Social Policy Research Centre. It introduces budget standards methods as generally applied and then as it was developed by the SPRC. The major assumptions underlying the SPRC budget are canvassed. The article then attempts to make real the budgets' relationship with the experiences of Australian households. In conclusion, the paper discusses the uses of budget standards. SPRC's budget standards are based on numerous assumptions. Any users of the budget standards must be aware of these assumptions and the sensitivity of the results to those assumptions. 'Although there are substantial areas for disagreement about these assumptions, the real strength of the budget standards methodology is that it provides a basis for detailed and informed debate about crucial issues. In addition, the budget standards can be adjusted relatively easily to embody alternative assumptions, should this be desired.'

CONCEPTS, METHODOLOGY

- 108 Hicks, Leslie, ed. (1992), *Democratising a Budget Standard*, Working Paper No. 14, Family Budget Unit, University of York, York, 31pp.

The paper briefly describes the construction of budget standards by the Family Budget Unit (FBU). The research may be criticised on the grounds that a standard based primarily on expert opinions may well represent a basket of goods and services that is not socially acceptable. 'In order to identify elements of the budget standard which were considered generally to be impractical or problematic, the FBU embarked on a period of consultation. The objectives were to note areas which required adjustment, and to incorporate recommendations into the budgets where feasible.' This paper describes the consultation work: seeking comments and opinions from a variety of community groups and advice agencies; using a questionnaire rating scale for each component of the budget; and holding discussion groups to gain detailed feedback on selected elements of the budgets. The final part assesses the contribution which consultation can make to budget standards work.

FOCUS GROUPS, METHODOLOGY

- 109 Hicks, Leslie and John Ernst (1993), 'The housing budget', in J. Bradshaw, ed., *Budget Standards for the United Kingdom*, Cash and Care Series, Avebury, Aldershot, 7-17; a version appears (1992) as *Modest-but-Adequate Budget Standards: Housing Budgets for Six Household Types*, Working Paper No. 5 (revised), Family Budget Unit, University of York, York, 36pp.

The Family Budget Unit (FBU) has produced expenditure budgets, at October 1991 prices and at a pre-defined living standard, for six household types (listed in the publication) using a combination of normative judgements and empirical data. This chapter describes the process used which involved preparation of housing profiles for the six household types, including owner-occupied and rented tenures, determining mortgage arrangements where appropriate and arriving at the 'additional cost' element such as water and sewerage charges, insurance, repairs and other charges. The sources of information are given and factors involved in revising estimates are described. The importance of housing budgets as backdrop to the other budgets, notably fuel, household goods and services and transport, is noted.

HOUSING, METHODOLOGY

- 110 Hicks, Leslie and John Ernst (1993), 'The transport budget', in J. Bradshaw, ed., *Budget Standards for the United Kingdom*, Cash and Care Series, Avebury, Aldershot, 124-41; a version appears (1992), as *Modest-but-Adequate Budget Standards: Transport Budgets for Six Household Types*, Working Paper No. 6 (revised), Family Budget Unit, University of York, York, 38pp.

This transport budget was developed using a combination of normative judgements and behavioural data. The data sources are named. The assumptions made are related to place of residence, place of employment, vehicle ownership, travel mode and travel patterns and frequency. The elements of the budget included car depreciation, parking, mileage, insurance, running costs, public transport costs for both car owners and those without, and the cost of using bicycles. The budgets are compared with budgets derived from the Family Expenditure Survey.

METHODOLOGY, OTHER BUDGET ITEMS

- 111 Higgins, Henry Bournes (1922), *A New Province for Law and Order*, Workers' Educational Association of NSW, Sydney, 181pp.

The publication is a review of the Australian Court of Conciliation and Arbitration by the author, who was president of the court for 14 years. It includes three articles contributed by him to the *Harvard Law Review* (1915, 1919 and 1920) as well as other material. In it, Higgins explained the basis of the decision made in the court relating to the basic wage (variously referred to as living wage, family wage or even minimum rate). He explains that it is fixed in accordance with the US Bureau of Labor Statistics (q.v.) assumptions and with the concepts of B.S. Rowntree (q.v.). There is also a section which discusses a report brought down by a 'basic wage commission' appointed by the Federal Government which reported in November 1920. It used a term of reference to determine 'the actual cost of living at the present time, according to reasonable standards of comfort, including all matter comprised in the ordinary expenditure of a household, for a man and his wife and three children under fourteen years of age, and the several items and amounts which make up that cost'. The author discusses the implications of the report which produced a wage beyond that resulting from updating the one introduced in 1907 following the Court's original determination.

CONCEPTS

- 112 Hinrichs, A. Ford (1948), 'The budget in perspective', *Monthly Labor Review*, 66(2), February, 131-2; also appears in Bulletin No. 927, Bureau of Labor Statistics, US Department of Labor.

The author (who had participated in planning the City Worker's Family Budget project) compares methods of developing budgets: the earlier method of observing the way people actually spent their money and then developing a budget for an average family at any given income level, with a method involving reliance on the judgement of a person or a group of persons to draw up a list of commodities to yield one or another of these standards. The article goes on to discuss the method used in the Bureau of Labor Statistics or City Worker's Family Budget project which is described in more detail in other articles in the same issue of the journal.

METHODOLOGY

- 113 Hurwitz, Abner (1948), 'Family incomes and cost of family budgets', *Monthly Labor Review*, 66(2), February, 176-8; also appears in Bulletin No. 927, Bureau of Labor Statistics, US Department of Labor.

This article takes the family budgets constructed by the City Worker's Family Budgets project as a basis for estimating the number of families that would, under given incomes, fall in the group whose purchasing power is too low to provide the level of living described by the budget. A following article (unattributed), 'Budget levels for families of different sizes', discusses the possibility of developing varying measures of family well-being using the data collected for the development of the Family Budgets which are for a family of four.

EQUIVALENCE SCALES, POVERTY

- 114 Hutton, Sandra (1983), 'Fuel expenditure', in J. Bradshaw and T. Harris, eds, *Energy and Social Policy*, Routledge and Kegan Paul, London, 34-57.

The chapter appears in a book concerned with energy prices in the UK and their impact on domestic fuel expenditure, the social consequences of rising fuel prices and the development of policies to mitigate some of the problems which arise. This chapter looks at fuel expenditure by households, over the period between 1970 and 1980, showing difference by age of the head of the household, both in absolute terms (1970 prices) and as a proportion of household expenditure. Other household circumstances considered are income, household composition, type of central heating and region. Budget share expenditure on energy is examined by a number of variables. The fuel expenditure of vulnerable groups is shown both per week and by the season. Help with heating costs through the supplementary benefit system is discussed.

ENERGY

- 115 Hutton, Sandra and Bill Wilkinson (1993), 'The Fuel budget', in J. Bradshaw, ed., *Budget Standards for the United Kingdom*, Cash and Care Series, Avebury, Aldershot, 18-34; a version appears (1992), as *Modest-but-Adequate Budget Standards: Fuel Budgets for Six Household Types*, Working Paper No. 8 (revised), Family Budget Unit, University of York, 33pp.

This paper specifies all decisions about fuel use made in the construction of budgets for the six household types considered by the Family Budget Unit in York, taking into consideration the housing conditions decided upon in the formulation of the housing budget. Factors considered are space heating and

insulation, water heating, cooking, lighting and appliances. Methods of pricing are detailed. All budget are expressed in October 1991 values.

ENERGY, METHODOLOGY

- 116 Ignatieff, Michael (1994), *The Needs of Strangers*, Vintage, 156pp.

The author looks at the needs of strangers in moral terms. 'They have needs, and because they live within a welfare state, these needs confer entitlements - rights - to the resources of people like me ... The mediated quality of our relationship seems necessary to both of us. They are dependent on the state, not upon me, and we are both glad of it ... We are responsible for each other, but we are not responsible to each other.' Examples are given of the way service provision is mediated, for example, by social security staff. The issue is explored through reference to literary, philosophical and political authors.

NEEDS

- 117 Ironmonger, D.S., C.K. Aitken and B. Erbas (1995), 'Economies of scale in energy use in adult-only households', *Energy Economics*, 17(4), 301-10.

'The residential sector is responsible for 18 per cent of Australia's primary energy use; thus improved knowledge about household energy use is vital to future energy management. This study examines economies of scale in energy use and expenditure among adult-only households and across three adult-only household types. Significant economies of scale are found in all cases. Small households suffer a double penalty of greater per capita energy use and higher charge per unit of energy, with older households the most affected. The trend towards smaller average household size means that economies of scale are continually being lost, offsetting gains in energy efficiency achieved through other means.'

ENERGY

- 118 Johnson, David (1987), 'The calculation and use of poverty lines in Australia', *Australian Economic Review*, 80(4), Summer, 45-55.

'Early attempts to establish poverty lines in England and the United States were based on the budgetary approach in which poverty is defined in terms of the costs of meeting minimal physical requirements for living.' The article presents a brief history of these attempts and subsequent changes to methods of establishing such lines, which used income rather than requirements or consumption expenditure to set the levels. He concludes that a limitation of lines based on income is 'that

they do not measure changes in the real purchasing power of the poverty line income’.

CONCEPTS, POVERTY

- 119 Johnson, David (1996), ‘Poverty lines and the measurement of poverty’, *Australian Economic Review*, 113(1), January-March, 110-26.

The paper is concerned with the measurement of poverty using poverty lines. In particular it discusses the Henderson poverty lines, construction, use and validity. Criticisms of the use of such lines are considered at three levels: conceptual, methodological and application, with particular reference to related equivalence scales. ‘The use of the Henderson equivalence scales has rightly attracted much criticism. Why should scales derived from budget relevant to New York in 1954 be appropriate for Australia in 1996?’ The author suggests that some Australianised version of the York budget-based scales such as those suggested by Bradshaw (1993, q.v.) ‘may well be an appropriate starting point for a study to update the Henderson equivalence scales’.

CONCEPTS, POVERTY

- 120 Jones, D. Caradog (1928), ‘Cost of living of a sample of middle-class families’, *Journal of the Royal Statistical Society*, 91(4), 463-518.

The paper analyses the results of a survey to determine the cost of living of a large body of middle-class families. The survey is described and the responses analysed. Results are shown in terms of types of locality for rent and rates, fuel and light, housekeeping and services, clothing, education, doctor, dentist and chemist, insurance, holidays, clubs and recreations, subscriptions and charities, alcohol and tobacco, papers and stamps, travelling expenses, repairs, renewals and sundries. Expenditure on food is further analysed. Comparisons are made with expenditures found in budgets of working-class families as found in other sources.

FOOD, LOCATION, SURVEYS

- 121 Jones, D. Caradog, ed. (1934), *The Social Survey of Merseyside, Volume 1*, University Press of Liverpool and Hodder and Stoughton, London, 328pp. Other authors: J.E. McCrindell, H.J.H. Parker, C.T. Saunders and N.L. Hume.

‘The first volume opens with a history of the development of the area [Merseyside] and the contribution of different nationalities to the population. The

existing inhabitants are analysed as to age, sex, and marital condition. The family is the most intimate unit of society and the location of the family is the home. Discussion consequently centres on the problems of overcrowding and poverty, and the evolution of municipal housing in Liverpool is traced. Poverty may conceivably be the result of unwise spending: light is thrown on expenditure by a sample of working-class budgets.'

POVERTY, SURVEYS

- 122 Jones, D. Caradog (1949), *Social Surveys*, Hutchinson's University Library, London, 232pp.

This book briefly reviews social surveys, from the Domesday Book on through history. It includes descriptions of the work of R. Charles Booth, Seebohm Rowntree and A.L. Bowley. The surveys are examined with regard to their aims, their methods and their results. One chapter looks at British government surveys to establish a standard of living, presenting a full list of items included in the questionnaire. Another describes a survey of nutrition undertaken to find out 'how far the various constituents of the normal diet were adequate for the maintenance of *perfect health* in different classes of the population of Great Britain'.

The bibliography includes reference to a number of studies made using the pattern set by Booth and Rowntree in specific areas of Britain.

FOOD, SURVEYS

- 123 Katz, Arnold J. (1983), 'Valuing the services of consumer durables', *Review of Income and Wealth*, 29(4), December, 405-27.

This article reviews the literature on how the services of consumer durables can be valued. The author argues that if such a measure was available, it could be included in consumption expenditures and purchases of the durables treated as a form of investment. Six measures (user cost; capital recovery; opportunity cost; market rental value; cost of a substitute; and cash equivalent value) are examined. Further, six methods of implementing the measures are discussed. The methods are illustrated using the services of a car as an example.

CONSUMER DURABLES, METHODOLOGY

- 124 Kefauver, Hazel (1948), 'State budgets for single women', *Monthly Labor Review*, 66(2), February, 182-4; also appears in Bulletin No. 927, Bureau of Labor Statistics, US Department of Labor.

'State cost-of-living budgets for working women are an outgrowth of certain provisions in State minimum-wage laws, and are primarily designed to show the annual income necessary to maintain a self-supporting woman in health.' Since 1913, when minimum-wage laws came into effect, the States have used a variety of methods to decide on the amount necessary; 11 States have devised budgets, only one of which uses data for both men and women. Five States have budgets arrived at through application of the appropriate components of the Bureau of Labor Statistics index. The basis for pricing budgets and their usefulness are discussed.

METHODOLOGY

- 125 Kellog, Lister S. and Dorothy S. Brady (1948), 'The City Worker's Family Budget', *Monthly Labor Review*, 66(2), February, 133-70; also appears in Bulletin No. 927, Bureau of Labor Statistics, US Department of Labor.

This article discusses the origin and procedure of the budget study undertaken 'to find out what it costs a worker's family to live in the large cities of the United States'. Separate sections discuss levels of living and the concept of the Family Budget. Within the description of the method, subsections are concerned with 'the manner of living', the home and its operation, food, other consumption items, detailed description of purchases, the budget as 'combinations of choices', level of replacement and additions and other types of outlays. The method of pricing is discussed for each of the consumption groups. Budgets were developed for 34 large cities and intercity differences are discussed. The costs for families of different sizes are estimated. Appendices present the budgets and the quantities of goods used in the estimations, as well as other data.

EQUIVALENCE SCALES, LOCATION, METHODOLOGY

- 126 Kempson, Elaine (1993), *Household Budgets and Housing Costs*, Policy Studies Institute, London, 67pp.

This report is the first in a program of research on household budgets and housing costs 'to examine how the composition and management of household budgets influences people's decision about how much they can "afford" to pay for their housing'. It takes the form of a literature review and includes an extensive annotated bibliography of relevant British material. The topics reviewed are: tenure and household characteristics; household incomes; household budget

management; housing costs; arrears; housing preference; tenure preferences; and regional differences.

HOUSING

- 127 Kempson, Elaine (1996), *Life on a Low Income*, Joseph Rowntree Foundation, York, 193pp.

The book draws together threads from 30 qualitative interviews in which people speak for themselves. One chapter describes how people on low incomes make ends meet, another looks at the way specific factors (housing, heating, health) affect the lives of the poor. A chapter on varying experiences of poverty examines necessary income levels, length of time on a low income, approaches to money management, the costs of setting up a home, the costs of children, health and disability, help networks, locality etc. Actual costs in some of these categories are tabulated. The remainder of the book is concerned with issues such as the labour market, housing policy, and other policy matters including social security and fiscal policy.

POVERTY, SURVEYS

- 128 Kempson, Elaine, Alex Bryson and Karen Rowlingson (1994), *Hard Times?*, Policy Studies Institute, London, 305pp.

The book is concerned with the ways in which families on low incomes manage their household spending. It is based on data collected from interviews with 74 families with children. The authors looked at the variety of approaches families took to making ends meet: maximising income; managing the family budget; accepting financial help from others; and using consumer credit. The section on managing the budget includes consideration of money management, spending patterns and realising assets. Spending patterns of the 74 families were examined in terms of the way they set priorities, shopped for food, bought clothes, coped with 'running short', paid bills and dealt with unexpected and large expenses and special occasions. Some difficulties for people on low incomes are magnified: they may recognise that buying in bulk is cheaper, but do not have enough money at one time to do so, nor do they have access to transport to carry bulk-bought items nor freezers in which to store them. Expenditure on children is discussed.

COST of a CHILD, POVERTY, SURVEYS

- 129 Kemsley, W.F.F. (1952), 'Estimating individual expenditure from family totals', *Applied Statistics*, 1(2), June, 192-201.

'Surveys commonly give estimates of the total expenditure of various types of families and it is sometimes desired to deduce from these estimates the share to be apportioned to typical individuals.' A method based on the principle of 'least shares' is applied to data collected in surveys looking at food expenditure in households. Households of varying size and composition were included in the survey samples. Calculations made using this method determined the expenditure on each additional child, by age of child. These amounts were then compared with expenditure on each child estimated by the subtraction method, which involves comparing, for instance, a family of two adults only with a family of two comparable adults and a child. The difference in expenditure is then taken to be the cost of that child. The comparisons are discussed.

COST of a CHILD, EQUIVALENCE SCALES

- 130 King, Anthony (1995), 'The case for a regional dimension in income support', in P. Saunders, ed., *Social Policy and Northern Australia: National Policies and Local Issues*, Proceedings of a Joint Conference with the Centre for Social Research, Northern Territory University, October, SPRC Reports and Proceedings No. 120, Social Policy Research Centre, University of New South Wales, Sydney, 55-74.

The main purpose of this paper is to examine the available evidence about regional variations in the costs of living across Australia, with an emphasis on costs other than housing since the latter issue is taken into account, for income support purposes, by the application of rent rebates (for those in public housing) and Rent Assistance (for private renters). Data on cost of living available through costing of a common basket of food items are compared. The use of the CPI is discussed, as is the use of household expenditure surveys. However, these surveys provide information on what people spend, not on what they need. Data collected by the Australian Consumers Association are also presented comparatively. 'What is needed is budget information: how much does it cost in different places to purchase a specified basket of goods and services.' Difficulties attached to this notion are discussed: decisions about what should be included and the factors which vary such as household composition, transport needs, location etc.

The paper looks at other evidence on cost variations: internal migration, public disquiet and measures of income adequacy. The author then discusses policy options and concludes that 'it would not be a simple matter to add a stronger regional dimension to the Australian income support system and it is likely that

any administratively feasible approach would lead to some new source of inequality. The key question, though, is not whether any feasible policy response would involve inequities, but whether those inequalities are preferred to those which prevail under existing arrangements.'

ADEQUACY, LOCATION

- 131 King, Anthony (1996), *Location, Transport Costs and Welfare*, Report prepared for the Department of Human Services and Health, DHS&H, 57pp.

'The purpose of this report is to explore aspects of households' transport costs and, in particular, their relationship with housing costs.' The paper deals with the significance of household travel costs, the components of household travel costs, the pattern of transport costs and the relationship between transport costs and housing costs. One of the main implications of the study is 'a reminder of the importance of the costs of travel in household budgets. The considerable attention that is paid to housing costs has arguably distracted attention from the less visible, but important, transport costs component'. In this regard, the author points out that low housing costs in certain areas may be balanced by high transport costs.

HOUSING, LOCATION, OTHER BUDGET ITEMS

- 132 Kneeland, Hildegard, Erika H. Schoenberg and Milton Friedman (1936), 'Plans for a study of the consumption of goods and services by American families', *Journal of the American Statistical Association*, 31(193), March, 135-40.

The article outlines the plans for the Study of Consumer Purchases undertaken in the United States in the 1930s. The communities selected for the study and the samples selected are described. The proposed method of analysis are discussed.

METHODOLOGY

- 133 Knibbs, G.H. (1911), *Inquiry into the Cost of Living in Australia, 1910-11*, Commonwealth Bureau of Census and Statistics, Melbourne, 20pp.

'In view of the desirability of obtaining reliable and comprehensive information in regard to the cost of living in Australia, a special inquiry was undertaken ...' The publication describes the way in which the data were gathered, using budget books distributed to householders, only 14 per cent of which were returned in a usable form. Results are presented according to several demographic factors,

income and expenditure. Expenditure data are tabulated according to income, various budget items, compared with data from a number of other countries, accommodation, food in particular, (by certain food items, per head, by sex and age) clothing and other items.

FOOD, HOUSING, OTHER BUDGET ITEMS

- 134 Lamale, Helen H. and Margaret S. Stotz (1960), 'The interim City Worker's Family Budget', *Monthly Labor Review*, 83(8), August, 785-808.

'The City Worker's Family Budget was originally developed by the Bureau of Labor Statistics in 1946-47... It relates to a family of four persons, consisting of an employed husband, aged 38, with a wife not employed outside the home and two children, a girl aged 8 and a boy aged 13, who live in a rented dwelling in a large city or its suburbs. It was designed to estimate the dollar amount required to maintain such a family at a level of adequate living, according to prevailing standards of what is needed for health, efficiency, the nurture of children, and for participation in social and community activities - a level of living described as "modest but adequate".' Estimates of its cost were published at intervals until 1951, when the Bureau discontinued pricing the original budget because 'the quantities and qualities of goods and services included in that budget' were no longer based on prevailing standards. The purpose of the revision reported on here, was to develop a new list of goods and services closer to the standards prevailing in 1950. The methods used in the revision are described, the quantities of goods and services are shown and the cost of the budget in 20 large cities in 1959 are estimated.

CHANGES OVER TIME, CONCEPTS, LOCATION, METHODOLOGY

- 135 Land, Hilary (1969), *Large Families in London (A Study of 86 Families)*, Occasional Papers on Social Administration No. 32, Social Administration Research Trust, G. Bell and Sons, London, 154pp.

This study of large families in London is based on interviews about a range of issues. It includes one chapter on housing and expenditure on accommodation and another on housekeeping. Information was sought and presented on food bought, meal patterns, clothing, shoes, fuel and light, furniture and appliances, expenditure on these and other consumer durables, treats and extras, children's pocket money, budgeting on a low income and related problems.

ENERGY, FOOD, HOUSING, OTHER BUDGET ITEMS

- 136 Landt, John and Rob Bray (1997), *Alternative Approaches to Measuring Rental Housing Affordability in Australia*, NATSEM Discussion Paper No. 16, National Centre for Social and Economic Modelling, University of Canberra, Canberra, 49pp.

'The study analyses a range of approaches to measuring housing affordability in the Australian private rental market. In particular, it compares traditional consumption-based measures of housing affordability with a new measure of housing affordability based on the Canadian core housing need model, which includes the suitability of the dwelling for the household's needs as well as its cost.

The main findings of the study are that low income earners in the private rental market generally pay rents similar to those of higher income earners. This results in housing stress for some low income families and individuals in the private rental market. The study also identifies a significant number of other low income people 'at risk' because they would face difficulties if they were forced to move from their current accommodation. Sole parents, young single people and elderly couples were found to have the highest incidence of poor affordability and to be the most likely to be in unsuitable housing.'

HOUSING, METHODOLOGY

- 137 Lang, Tim (1997), 'Dividing up the cake: food as social exclusion', in A. Walker and C. Walker, eds, *Britain Divided: The Growth of Social Exclusion in the 1980s and 1990s*, Poverty Publication 96, Child Poverty Action Group, London, 213-28.

The chapter is concerned with the role of food in determining levels of living standards and in particular, the adequacy of benefit levels for covering the nutritional needs of children. It reports on the theoretically nutritional adequate diet devised by the Ministry of Agriculture, Fisheries and Food in Britain in 1992, where the nutrients met required standards but which 'failed the reality test' because consumers found it unacceptable on grounds of taste, cost and choice. The author also comments on the work of the Family Budget Unit (Bradshaw, 1993, q.v.) whose estimates of need and want have been 'respected but unrecognised where it matters'. Other studies are also mentioned, and government policy in response to these reports is canvassed.

ADEQUACY, FOOD, METHODOLOGY

- 138 Lansley, Stewart and Stuart Weir (1983), 'Towards a popular view of poverty', *New Society*, 65(1084), 25 August, 283-4.

The article comments on the results of a poll conducted for London Weekend Television's (LNT) documentary series, *Breadline Britain* (reported by Mack and Lansley, 1985, q.v.). The most significant finding 'is that the great majority of people reject the old-fashioned "absolute" definition of poverty. They don't see poverty in terms of the bare necessities of life.' The poll included a list of 33 items, covering housing, eating habits, diet, consumer durables, heating, clothing, recreation and social activities; respondents were asked which items were necessary and which families would be able to afford. 'Few of the items a majority of people now consider "necessary" would have appeared in a list of subsistence needs drawn up by Charles Booth [1897, q.v.]'. Responses are presented, showing 15 items, the percentage of people who described them as necessary, the percentage who did not have them and the percentage lacking them because they could not afford them.

NEEDS, POVERTY, SURVEYS

- 139 Lewis, Roy and Angus Maude (1949, American edition 1950), *The English Middle Classes*, Alfred A. Knopf, New York, 373pp.

The book is a description of the English middle classes and various aspects of their function, existence and subgroups. The chapter entitled 'Income and expenditure' examines their fortunes especially between 1938 and 1948, using data from a survey carried out by the Civil Service Statistical Research Bureau (see Massey, 1942), updating the budget amounts reported there to 1948 prices.

CHANGES OVER TIME, SURVEYS

- 140 Lovering, Kerry (1984), *Cost of Children in Australia*, Working Paper No. 8, Institute of Family Studies, Melbourne, 47pp.

'Very little work has been done in Australia to discover what is the minimum cost, the adequate or even the usual cost, of children. Government pensions, benefits, and allowances, and maintenance orders appear to be based only on "guesstimates" of such costs.' The aim of this paper is to present detailed information on the types of costs associated with children in families, of different ages and at different income levels. Several overseas and Australian surveys on the cost of children are described, followed by a description of the calculations on the cost of children in Australia carried out by the Institute of Family Studies. A list of items included and some not included in the calculations is presented. The budgets show that costs increase with the age of the child.

COST of a CHILD, METHODOLOGY

- 141 Macarthy, P.G. (1969), 'Justice Higgins and the Harvester Judgement', *Australian Economic History Review*, 9(1), 17-38.

This paper is an historical account of the judgement made by Mr. Justice Higgins in the 'Harvester case' in 1907, in the Commonwealth Court of Conciliation and Arbitration. There he proclaimed a wage for every unskilled Australian adult male worker 'appropriate to the normal needs of the average employee regarded as a human being living in a civilised community'. The article discusses briefly how Higgins decided upon the actual sum (seven shillings); among the speculations about the method used is the suggestion that it is based on 'the wage estimated from statements by labourers' wives showing the least amount a family could live on'.

ADEQUACY

- 142 Mack, Joanna and Stewart Lansley (1985), *Poor Britain*, George Allen and Unwin, London, 324pp.

The book is based on a British television series which in turn was based on a major survey of people's living standards. Its aim is to 'develop a new approach to the measurement of relative deprivation and poverty...' In the chapter on measuring poverty the authors attempt to answer questions related to the possibility of identifying 'a level of income above which the risk of poverty is substantially diminished'. They use a method of measurement which involves determining the number of respondents who have 'an enforced lack of necessities'. The questionnaire used in the survey is appended to the book, and the method used in arriving at a measure using the data from the survey is described. The approach 'makes no prior judgement about whether necessities should be confined to what are sometimes classed as subsistence items (food, clothing and heating) or whether they reflect the wide range of social activities that make up a person's standard of living'.

NEEDS, POVERTY, SURVEYS

- 143 Mackenzie, W.A. (1921), 'Changes in the standard of living in the United Kingdom, 1860-1914', *Economica*, 3, 211-30.

'The main object of the paper is to state the change which has taken place in the standard of living, as measured by the calorie value of food consumed, of the population of the United Kingdom, between 1860 and 1914; *it is not confined to working-classes.*' Incomes and prices as well as consumption are taken into consideration. The data sources are described. 'In constructing the budgets, the main object has been to supply the most common articles of food in such

quantities as the total available supply, and the wage received, would allow, subject to the custom of the time, as far as this could be ascertained from descriptions of diet, etc. The calorie value of the diet as thus determined has been calculated with the object of seeing how far such a diet supplied the necessary nourishment.' The principal articles of food are shown.

CHANGES OVER TIME, FOOD, LIVING STANDARDS

- 144 MacPherson, Stewart (1994), *A Measure of Dignity: Report on the Adequacy of Public Assistance Rates in Hong Kong*, Department of Public and Social Administration, City Polytechnic of Hong Kong, 16pp.

This report summarises research carried out in 1993-94, designed to determine basic rates of public assistance needed to meet the minimum acceptable standards of living in Hong Kong. People receiving Comprehensive Social Security Assistance (CSSA) were surveyed. A separate major budget standards project was carried out, to determine an income sufficient to meet minimum levels of food, clothing, transport, fuel, social activities and other essential costs. The methods used in preparing the budget standards are described. 'Expert opinion and behavioural evidence provided the basis for the budget. The inclusion of every budget item has been fully explained and justified. One of the major advantages of the method is that all the items, and their prices, can be seen by anyone wishing to discuss the findings.' The results from the survey of those receiving assistance showed that present levels of public assistance in Hong Kong are inadequate. The consequences are discussed.

ADEQUACY, METHODOLOGY, NEEDS

- 145 Manitoba Agriculture (1997), *Budget Guides 1997*, Home Economics, Family Resource Management, Manitoba Agriculture, 143pp.

'*Budget Guides* is a reference manual that provides a guideline for establishing a cost of living that reflects a quality of life Manitoba families would consider as meeting their basic needs. It can be used as a benchmark for calculating living costs on goods and services necessary to maintain a person's physical and social well being.' The publication is one of a series originating in 1977 as a cost of living price survey. It used a standard set by the Social Planning Council of Metropolitan Toronto. *Budget Guides* is based on an inventory of goods and services, updated annually. The methodology for the process is described. The publication also discusses factors related to family income, and lists financial counselling and education resources available. Detailed budgets for 1997 are presented, covering food, shelter, home furnishings and equipment, household operation, clothing, health care, personal care, recreation, gifts, school needs,

communications, alcoholic beverages, transport, child care and risk management (insurance). Sample budgets are presented for various household types.

Updates are provided at intervals. In 1997, a section on 'The Cost of Raising a child: 1997' was prepared as an update, as well as other papers including a Directory of Second Hand and Discount Stores in Manitoba.

COST of a CHILD, FOOD, HOUSING, OTHER BUDGET ITEMS

- 146 Manning, Ian (1982), 'The Henderson poverty line in review', *Social Security Journal*, June, 1-13.

The paper is concerned with the validity, construction, use and updating of the Henderson poverty line originally drawn up in 1966 and in use since then. It presents both adverse criticism and defence of the line. Referring to the way the equivalence scale was derived from New York data of the 1950s, the author comments that it is 'easy enough to laugh ... So far way and so long ago: how could such a scale possibly be relevant to Australia now?' However, Henderson had recognised this problem and recommended further inquiry which would result in equivalences which would reflect 'the spending patterns necessary for an average family to participate in society'. It was following this recommendation that the Australian Bureau of Statistics set up their Household Expenditure Surveys. Discussing problems involved in updating the poverty line, the article draws attention to the setting of poverty lines: 'Historically poverty lines have often been set by compiling typical budgets for low income families of different size. This method has the advantage that it decides the equivalence scale and sets the level of the line at the same time. Once the line is defined in terms of a particular set of budgets it is only natural to update it by the prices applying to those budgets.' However, there are problems resulting from this concept also, and these are discussed. The author concludes that the Henderson poverty line remains a useful device.

CONCEPTS, EQUIVALENCE SCALES, POVERTY

- 147 Manning, Ian (1984), 'Can there be a budget-based equivalence scale for Australia', *Social Security Journal*, December, 11-19.

The article examines the work of researchers in Australia on equivalence scales, that is, estimates of the relative disposable income needed by different types of household to attain a similar standard of living. It discusses the use of household expenditure survey data in the calculations and points to a number of difficulties inherent in doing so. The assumptions behind equivalent budgets relate to: the types of household; the variation required between capitation goods (current

consumption items), 'flagfall' goods (current consumption goods where expenditure behaves like consumer durables, e.g. alcohol, transport, cosmetics) and consumer durables. The author concludes: 'If an acceptable equivalence scale for general use is to be derived for Australia today, it would seem that the best way to calculate it would make use both of household expenditure survey data and the construction of sample budgets which make obvious the value judgements inherent in the process of defining the nature of a constant standard of living for different household types.'

CONCEPTS, EQUIVALENCE SCALES

- 148 Manning, Ian (1984), *Measuring the Costs of Living of Australian Families*, SWRC Reports and Proceedings No. 43, Social Policy Research Centre, University of New South Wales, Sydney, 70pp; with comments by J. Cox.

The paper begins with a discussion of poverty measurement and equivalence scales, noting that 'the standard of living is a subjective concept, and there is therefore no single objective way to measure differences in the cost of a constant standard of living'. The purpose of the paper is 'to assess the [equivalence] scales used in recent Australian research, and to make suggestions for future work'. Several scales are discussed: the New York 1954 scale; the mean expenditure scale; savings-adjusted equivalence scales; and the extended linear expenditure system scale. The paper looks at the treatment of current and capital expenditure in measurement and at varieties of consumer expenditure, which are classified and listed so as to distinguish consumer durables from current consumption expenditure, and to separate the main groupings for which different degrees of necessity are commonly claimed. Tables are presented showing the increase in spending associated with increases in household size, using data from Household Expenditure Surveys, in four classes of consumption: house purchase; capitation goods; flagfall goods; and vehicle purchase (each defined and discussed). Comparisons are made with the New York scale and expenditure categories. The paper notes that the Social Welfare Policy Secretariat had not been able to prepare equivalence scales by means of a budget-based approach. In conclusion, the paper suggests that 'the way ahead lies in ... trying quite specifically to identify a constant standard of living in terms of the broad categories of commodities here proposed' and makes further suggestions as to how this could be done.

The volume includes comments by J. Cox of the Social Welfare Policy Secretariat who argues that attempts to create a budget-based minimum are unlikely to be successful and suggests the possibility of setting poverty lines using an interview approach.

CONCEPTS, CONSUMER DURABLES, EQUIVALENCE SCALES

- 149 Massey, Philip (1942), 'The expenditure of 1,360 British middle-class households in 1938-39', *Journal of the Royal Statistical Society*, 105(3), 159-96; discussion includes contributions from A.L. Bowley, Sir John Orr, R.F. George and D. Caradog Jones.

'In 1938-39 an enquiry was undertaken by the Civil Service Statistical and Research Bureau in order to obtain information as to the family expenditure of public officials in Great Britain ... The principal object was to obtain, from public officials in receipt of salaries of over £250 a year, material showing the distribution of family expenditure, on a basis comparable with that of the official enquiry undertaken by the Ministry of Labour, covering working-class households.' The methods used in the enquiry are described. Budgets were analysed according to composition of households, housing, food, clothing, fuel and light, and other items. Responses were also analysed according to income of family head.

METHODOLOGY, SURVEYS

- 150 Mauldon, Jane (1996), *Predicting Hunger and Overcrowding: How Much Difference Does Income Make?* Discussion Paper No. 114-96, Institute for Research on Poverty, University of Wisconsin-Madison, 25pp.

'A survey of AFDC recipients in California shows that income, even when adjusted for household need and augmented by the food stamp grant, poorly predicts hunger or overcrowding among respondents. Families with teenage boys report hunger much more often than their incomes would predict, as do families whose finances have recently deteriorated. Families seem to cut back on food consumption before cutting back on housing.'

ADEQUACY, FOOD, HOUSING

- 151 McCabe, Mary and David Kirk (1993), 'The budget for household goods and services', in Jonathan Bradshaw, ed., *Budget Standards for the United Kingdom*, Cash and Care Series, Avebury, Aldershot, 80-104; a version appears (1992), as *Modest-but-Adequate Budget Standards: Household Goods and Services Budgets for Six Household Types*, Working Paper No. 10 (revised), Family Budget Unit, University of York, York, 114pp.

The chapter is one in a book which describes the work of the Family Budget Unit at the University of York. 'The household goods and services budget aims to include all the furniture, furnishing and household equipment necessary to carry out normal family activities within the home. It also includes the costs of cleaning and maintaining equipment, furniture and clothing, and the costs of

domestic-related services of which the most important is child care. It does not include leisure items or their associated service costs, nor household maintenance and decoration' which are included in other budgets. The data sources are described, the inclusion criteria explained and the methodology is outlined. Assumptions made in the process are explained. Some questions for further discussion are raised.

METHODOLOGY, OTHER BUDGET ITEMS

- 152 McCabe, Mary and Audrey Rose (1993), 'The clothing budget', in J. Bradshaw, ed., *Budget Standards for the United Kingdom*, Cash and Care Series, Avebury, Aldershot, 65-79; a version appears (1992), as *Modest-but-Adequate Budget Standards: Clothing Budgets for Six Household Types*, Working Paper No. 9 (revised), Family Budget Unit, University of York, York, 36pp.

'Clothes are an essential element in any household budget, because they meet the physical needs for warmth, comfort and protection'. The clothing budget has been developed on the basis of normative judgements which involve 'an understanding of the physical, social and aesthetic needs provided by clothes, and careful consideration of each individual's lifestyle at home, work, school and at leisure, and of the age and growth-rate of children'. Although it would be unreasonable to include expensive fashion items, an outfit for each family member for social occasions has been included so that the budget should enable each person to participate in normal social activities. Wherever possible, median-priced clothes were chosen, to keep the budget within the modest-but-adequate standard. The methods used in this Family Budget Unit project are described and the assumptions made are explained. Difficulties encountered, such as determining the lifespan of clothes are discussed.

METHODOLOGY, OTHER BUDGET ITEMS

- 153 McCabe, Mary and Alan Waddington (1993), 'The leisure goods and services budget', in J. Bradshaw, ed., *Budget Standards for the United Kingdom*, Cash and Care Series, Avebury, Aldershot, 142-71; a version appears (1992), as *Modest-but-Adequate Budget Standards: Leisure Goods and Services Budgets for Six Household Types*, Working Paper No. 11 (revised), Family Budget Unit, University of York, York, 92pp.

The reason for including in the Family Budget Unit study expenditure on leisure, which could be considered a luxury, are discussed. The budgets are constructed as 'a model for leisure expenditure rather than a model for leisure behaviour' and include elements which should contribute to good health and mental and social

well-being. The budget has two parts: leisure services and leisure goods. The data sources are described, 'leisure' is defined and general assumptions outlined. The services included or considered for inclusion are: home and social activities; sporting activities; spectator sports; arts, entertainment and outings; school expenses; and holidays. The leisure goods included or considered are: TV, video and audio equipment and repairs; sports goods; newspapers, magazines and books; games, toys and hobbies; garden and house plants, flowers and products; and smoking (which was in fact, not included). A number of methodological difficulties are discussed.

CONCEPTS, METHODOLOGY, OTHER BUDGET ITEMS

- 154 McClements, L.D. (1977), 'Equivalence scales for children', *Journal of Public Economics*, 8(2), October, 191-20.

Equivalence scales are used in studies in a number of policy areas. However, a range of methods for determining these scales has been adopted for various studies: 'This paper attempts to bring together these developments in theory data and methods to provide new estimates of equivalent income scales for families in the UK.' It uses data from the Family Expenditure survey and the method used is described in detail. The results show that the age of children is the predominant factor influencing living standards in families, though there is no evidence of 'teenage cost-peak'. Marked economies of scale are not found for second, third or fourth children except perhaps in housing. Individual commodity scales vary from the income scale: relationship between the commodity and income scales display a changing pattern with increasing age.

COST of a CHILD, EQUIVALENCE SCALES

- 155 McDonald, Peter (1990), 'The costs of children: a review of methods and results', *Family Matters*, 27, November, 18-22.

The author discusses the importance of information about the costs of children, distinguishing between direct and indirect costs. The article is concerned with direct costs only and describes three methods used to derive them: opinion surveys, the basket-of-goods approach as used by Lovering (1984, q.v.) and the expenditure survey approach described by Espenshade (1984, q.v.) and used by Donald Lee in a study commissioned by the Australian Institute of Family Studies in 1989. Results from each of these studies are updated to 1990 levels and compared. The article discusses the constraint of family income on the amounts spent on children. Results of the Lee study, which used the 1984 ABS Household Expenditure Survey, are examined to show the types of expenditure of families of differing incomes and numbers of children. The paper concludes that the cost of

a child is 'not an objective fact but varies according to tastes and preferences and according to the amount that parents have to spend on their children. In particular, the data indicate that families spend what they can on their children irrespective of any "objective" costing that may be placed on a child by a researcher using an approach like the basket-of-goods approach. On the other hand, the basket-of-goods approach has the advantage that it is easily understood, and users of the data are able to directly assess whether they regard the contents of the basket as appropriate or not. The expenditure survey approach, in contrast, is dependent upon the single assumption, the validity of which is difficult to assess, that households which spend the same proportion of their consumption on food at home have the same standards of living.'

CONCEPTS, COST of a CHILD, METHODOLOGY

- 156 McDonald, Peter, ed. (1993), *The Australian Living Standards Study, Berwick Report, Part 1: The Household Survey*, Australian Institute of Family Studies, Melbourne, 476pp.

The Australian Living Standards Study was carried out by the Australian Institute of Family Studies under commission from the Commonwealth Government. The aims of the study were to provide a review of research on living standards and to identify and investigate non-income measures of living standards. It was also to provide information on factors which affect living standards, such as health, employment, housing, economic resources, transport, education, training and information, and to examine the interaction between them. Other aims were to 'obtain information on the availability and range of physical and social infrastructure and services in each area and how these contribute to the living standards of families', and 'to investigate comparative local cost structures, especially housing, transport, food, clothing and fuel'.

This publication presents the methodology of the study and the results found from the outer Melbourne suburban area, Berwick. An introductory chapter by the editor and Helen Brownlee describes the study and the city of Berwick. Other chapters by various authors deal with the areas mentioned above: economic resources (Helen Brownlee); employment, unemployment and training (Helen Brownlee and Peter McDonald); housing, with reflections on economic inequality (Andrew Burbidge and George Gondor); health services (Helen Brownlee); transport (Andrew Burbidge and George Gondor); child care and early childhood services (Peter McDonald); primary and secondary education (Ruth Weston and Christine Millward); leisure and recreation (Violet Kolar); neighbourhood and local services (Helen Brownlee); family relationships (Christine Millward); and health status and personal well-being (Ruth Weston). The concluding chapter

summarises the data, suggesting that 'public provision of ... services is more equitable and more cost-efficient than a low-tax, user-pays approach'.

Similar reports are made for other locations in the study.

LIVING STANDARDS, METHODOLOGY

- 157 McHugh, Marilyn (1998), 'The clothing and footwear budget', in Peter Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 227-56.

Clothing and footwear items included in the BSU budget standards are chosen to provide not only warmth, comfort and protection, but an appropriate wardrobe of clothes to permit individuals to participate in the labour market and in social activities relevant to their age, sex and lifestyle, at both modest but adequate and low cost standards. The budgets were developed separately for each individual with no allowances for sharing etc. Australian climatic conditions have been taken into account.

Two small-scale surveys were conducted to provide an initial indication of the numbers of different items in individual wardrobes and the data were used to modify data from the UK Family Budget Unit clothing budgets. Sufficient clothing is included to maintain personal cleanliness, that is, for example, to change daily where necessary. Methods of estimating lifetimes of clothing items are explained. Items have been priced, as far as possible, at leading retail stores and are generally not greatly susceptible to changes in fashion. An across-the-board reduction has been made to all budgets to reflect cost savings obtained through sale purchases and 'specials'. Distinctions between the two standards, modest but adequate and low cost, have been achieved by making different assumptions about lifetimes and the quality of the items incorporated in the budgets. The feedback from focus groups proved particularly helpful in the final development of this budget.

FOCUS GROUPS, METHODOLOGY, OTHER BUDGET ITEMS

- 158 Meier, Alan, Leo Rainer and Steve Greenberg (1992), 'Miscellaneous electrical energy use in homes', *Energy*, 17(5), 509-18.

About 18 per cent of all US residential electricity is used for miscellaneous appliances such as waterbeds, dehumidifiers, television sets, well pumps and clocks. Few of these appliances, on a national basis, consume more than two per cent of total energy use compared to 20 per cent for refrigerators or 12 per cent

for water heating. However, the situation can be different in individual houses; several trends suggest that use of miscellaneous appliances, especially in some new homes, may account for more than 40 per cent of total electricity use.

ENERGY

- 159 Middleton, Sue, Karl Ashworth and Ian Braithwaite (1997), *Small Fortunes: Spending on Children, Childhood Poverty and Parental Sacrifice*, Joseph Rowntree Foundation, York, 74pp.

‘This report contains some of the findings of the first British survey to focus on the lifestyles and living standards of individual children.’ The survey and its methodology are described. Average spending on children found in the survey are reported. Findings relate to average annual spending on children, sources of financial help, proportion of income spent on food, education and child care. Factors affecting variations in spending are explored. Areas in which children are deprived are noted and areas where parent deprive themselves in order to satisfy children’s needs are also reported.

COST of a CHILD, SURVEYS

- 160 Middleton, Sue, Karl Ashworth and Robert Walker (1994), *Family Fortunes: Pressures on Parents and Children in the 1990s*, Poverty Publication 89, Child Poverty action Group (CPAG), London, 159pp; other authors: Michelle Thomas, Anne Peaker and Karen Kellard.

‘This book is about the economic pressures on children and parents in Britain and how they cope with these demands. The unifying theme is the pressure for children to be able to participate fully in the life of the community in which they live, to fit in with their peers, to have the same access to opportunities as those children with whom they live, play and go to school. The negative corollary of participation, namely exclusion (being singled out, being different), is shown to represent the worst fears of parents and children alike. Yet does such exclusion mean that a child can be said to be “poor”? The authors held discussions with groups of parents and children and use information gathered in those discussions in attempts to answer such questions as: what do children need to avoid exclusion; and how are those needs to be measured and costed?’ One chapter, ‘The “bare essentials”: parents’ minimum budget for children’ (by Sue Middleton and Michelle Thomas) includes a section on how the parents agreed on the budget standard, what was included and what was left out. Other chapters deal with the pressures on low-income families and how families negotiate with children to reduce those pressures; two chapters describe the strategies families use to meet the demands of their children. The study on which the book is based was carried

out in preparation for the major survey reported by Middleton, Ashworth and Braithwaite (1997, q.v.).

COST of a CHILD, SURVEYS

- 161 Mitchell, Deborah and Kenneth Cooke (1988), 'The costs of childrearing', in R. Walker and G. Parker, eds, *Money Matters: Income, Wealth and Financial Welfare*, Sage, London, 27-45.

The chapter discusses interventionist policies in Britain for supporting the cost of children, and the evidence on the costs of childrearing on which such policies have been based. The three methods used to arrive at estimates are described. These are normative, which are based on skilled judgements about the requirements of children; budget standards which are more elaborate estimates of requirements; and behavioural estimates which are derived from the analysis of surveys showing what families spend. The section on budget standards describes procedures adopted in two studies undertaken in the 1980s.

CONCEPTS, COST of a CHILD, METHODOLOGY

- 162 Mudd, William (1999), 'A standard rent? Context and considerations', *Social Security Journal*, 1998/1, 147-70.

This paper examines some implications of extending the indicative budget standards approach developed at the Budget Standards Unit of the Social Policy Research Centre (Saunders et al., 1998, q.v.). 'The most obvious variation in cost of living in different locations is housing. However, variations in other costs are also evident from the budget standards work. These costs relate to transport, fuel and local supply conditions.' The labour market effects in varying locations are also important. This article deals in detail with the cost of housing and its treatment in budget standards. 'In this paper the nature of recorded rents in the private rental market is first explored in detail. Issues in the development of a locationally specific budget standard are then considered. Discussion then turns to the issue of the identification and costing of a standard product for a specific standard of living in the context of the construction of a budget standard. This discussion considers the separation of the individual characteristics of the dwelling, which add value to the flow of services, from the value inherent in the location, the issue of particular interest in this context. A further issue of amenity in locational valuation and its treatment in the context of a budget standard is then considered. The paper concludes with a summary and the presentation of some comparative rents.'

HOUSING, LOCATION, METHODOLOGY

- 163 Murray, Colette (1996), *Modest but Adequate and Low Cost Food Budgets for Australian Households*, BSU Working Paper Series No. 2, Budget Standards Unit, Social Policy Research Centre, University of New South Wales, 41pp.

The food budget is a core element of any household budget. This paper describes in detail the method used by the Budget Standards Unit to decide what should be included in both a modest but adequate and a low cost food budget for 12 basic household types, paying attention to dietary recommendations for energy and nutrients. The budget presented is preliminary and prepared for revision in the light of responses to this paper.

FOOD, METHODOLOGY

- 164 Murray, Colette with Michael Bittman and Peter Saunders (1998), 'The food budget', in P. Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 190-226.

The methods used to develop the food budgets for inclusion in the BSU budget standards are similar to those used by the Australian Institute of Family Studies in its research on the costs of children (Lovering, 1984, q.v.). However, the research reported here was able to take into account actual eating habits as reported through dietary intake surveys to a greater extent than the earlier research.

A dietary profile has been developed for each individual in each household according to their age and gender, encompassing a basket of food items designed to meet the dietary requirements for energy and nutrition. The individual food budgets also reflect the usual food purchasing patterns of Australian families. What people eat has been identified through the analysis of national food survey data and this information has been adapted to fit within the guidelines and recommendations for healthy eating. The items included in the budgets have been priced from the shelves of leading food retail stores. The modest but adequate budget includes leading brands in terms of sales, and the low cost budget incorporates generic brands wherever possible.

FOOD, METHODOLOGY

- 165 Murray, Colette with Sally Doran (1998), 'The personal care budget', in P. Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 417-35.

The Budget Standards Unit personal care budget includes items that people commonly purchase for their own grooming. Although many of these items are not *essential* for survival they are products which are used for personal hygiene purposes, for maintaining personal appearance, for prevention of disease, to improve employment opportunities and to encourage social interaction and participation. The rationale for inclusion of each item is discussed, and is consistent with the conceptualisation of good health and diet which underpins the food budget. The items included are: denture care, women's personal care, hair care, hair removal, make-up, perfumes, jewellery, sun protection, insect repellent, some household items such as toothpaste and soap and some durable items such as nail scissors and hair dryers. Sources of information about these products are given and there is a discussion about choice of brands and assigned lifetimes. The feedback received from focus group participants was helpful.

METHODOLOGY, OTHER BUDGET ITEMS

- 166 Murray, Colette and Peter Saunders (1998), 'The health budget', in P. Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 308-42.

The health budgets developed by the BSU apply to the cost of meeting a representative range of health care needs of those who are *generally in good health* and are thus not relevant to those who are suffering from any major forms of illness or disability and do not include costs associated with chronic conditions. They do, however, include the costs of services to meet the temporary health service needs used by healthy people from time to time. The services included are: health insurance, hospital costs, medical costs (including GP, specialists, pathology, obstetrics, anaesthetics, diagnostic imaging, operations, and optometry), dental costs including dentures and orthodontics, optical costs, pharmaceutical costs, non-prescription medication, contraception, costs of other health professionals such as podiatry, and the cost of a first aid kit in the household. The rationale for deciding how much of any given service should be included in the budget is described. The budgets incorporate costs associated with utilising health services that are actually used by at least 50 per cent of the population of each age and gender combination in any single year. The same benchmark has been used in developing both the low cost and modest but adequate health budgets because the use of health care services is considered too

important to be allowed to vary with the level of economic resources. (For other areas costed the low cost budgets include only those goods or services which are owned or used by 75 per cent of the population.) The method of identifying the services used by this percentage of the population is described. The impact of Medicare and bulk billing on the health budget is discussed and allowed for. The impact of New South Wales government programs have also been taken into account in these budgets. Budgets have been derived for those with and without medical insurance. Special advice was taken in developing the costs of dental services; the frequency of visits to the dentist and the kind of treatments received reflect the emphasis given by the dental profession to prevention treatments.

METHODOLOGY, OTHER BUDGET ITEMS

- 167 National Consumer Council (based on paper by Suzi Leather) (1995), *Budgeting for Food on Benefits: Budget Studies and Their Application in Europe*, National Consumer Council, London, 47pp.

The National Consumer Council is concerned that 'many consumers living on social security benefits are being denied the opportunity to follow healthy eating guidelines because they do not have enough money to buy healthy food'. This paper discusses the issue of budget studies and their relation to standards of living including the definition of a 'reasonable' standard, debt, the need to avoid 'prescription', and the ways in which budget standards can be used. One chapter describes how budget standards are calculated and used in Sweden, the Netherlands, Norway, Denmark and Ireland. The particular status of food in budgeting is discussed and the paper looks 'at how those on a low income manage their money, the problems they face in budgeting for a healthy diet, and the implications for their health of inadequate nutrition'. Some reasons why the UK should calculate living costs are canvassed and the paper presents an overview of the responsibilities of governments to maintain benefits. It argues that 'the government department responsible for living standards supported by the state should have the responsibility to inform itself, taxpayers and recipients about needs and living standards'. This is not to say 'that budget standards should be used automatically to set benefit levels', but should be used to 'inform decisions on benefit levels' and about welfare spending.

ADEQUACY, CONCEPTS, FOOD

- 168 National Council of Welfare, Canada (1998-99), *A New Poverty Line: Yes, No or Maybe?*, Discussion Paper, Minister of Public Works and Government Services, Canada, 41pp.

'The paper arises in part because of sharp and continuing differences of opinion about the meaning of the "low income cut-offs" or LICOs of Statistics Canada and part because of an initiative begun by the federal, provincial and territorial governments last year to develop alternative poverty lines based on the cost of a "market basket" of goods and services.' Various sections describe basic facts about the poverty line and its uses, spending patterns in Canada and some examples of market baskets.

CONCEPTS, POVERTY

- 169 National Housing Strategy (1991), *Australian Housing: The Demographic, Economic and Social Environment*, Issues Paper No. 1. AGPS, 116pp.

This is the first of a series of Issue Papers examining a range of policy issues relating to housing and its affordability to be released by the National Housing Strategy (NHS). The NHS is concerned to establish 'a framework for ensuring that all Australians have access to quality housing'. Quality housing, here, is: 'housing which is appropriate to their needs at different times of their lives, which is well located in relation to employment opportunities, transport and other services, and which is obtainable at an affordable price'. This paper, describes the characteristics of Australia's current housing system (including estimates of the percentage of household income spent on housing) and examines past trends and factors affecting the housing environment as well as future needs and the policy challenges they produce.

HOUSING

- 170 National Housing Strategy (1991), *The Affordability of Australian Housing*, Issues Paper No. 2, Canberra, 92pp. Main authors: Ray Kent, Nicole Skeltys, Maryann Wulff and Geoff Watts.

This paper is one of a series released by the National Housing Strategy to examine a range of relevant policy issues relating to housing affordability. It identifies household types which face unacceptably high housing costs and suggests policy directions to assist low-income home purchasers and renters. 'In 1988, Australian income units on average spent 12.6 per cent of income on housing. Nevertheless, just under 40 per cent of private renters spent over 25 per cent of income on rent and 10 per cent spent over half their income.' The NHS suggests that governments consider adopting a housing affordability benchmark

of 30 per cent of income as a maximum for low-income households and 'that the circumstances of long-term, low-income households and 'that the circumstances of long-term, low-income renters be examined further to determine whether a lower, perhaps 25 per cent, benchmark would be more appropriate'. Policies to bring this about are canvassed.

HOUSING

- 171 Nelson, Michael, Anne-Marie Mayer and Penny Manley (1993), 'The food budget', in J. Bradshaw, ed., *Budget Standards for the United Kingdom*, Cash and Care Series, Avebury, Aldershot, 35-64; a version appears (1992), as *Modest-But-Adequate Budget Standards: Food Budgets for Six Household Types*, Working Paper No. 4 (revised), Family Budget Unit, University of York, York, 43pp.

The data sources for the creation of the Family Budget Unit food budget span the behavioural-normative spectrum and one section of the paper describes the differences in these two measures. The steps involved in developing the budgets are described: defining the current home food purchasing patterns of households believed to represent the modest-but-adequate level, using National Food Survey data; adding other consumption items using Family Expenditure data and Health Education Authority guidelines; calculating the adequacy of the diet in terms of Dietary Reference Values taking into account wastage etc.; making necessary adjustments to food purchasing profiles in line with above mentioned standards; adjusting the total quantity to develop a diet providing 100 per cent of the recommended energy and overall adequacy; costing the purchases; and constructing a food basket which follows the profile of consumption outlined in 58 food groups such that the cost is equal to that in the previous step, so that the 'normative' choices reflect 'what is commercially available in the real world'. For single elderly female households data were obtained from a specially commissioned survey of food consumption and purchasing habits. The sources of data on different needs by gender and age are described.

FOOD, METHODOLOGY

- 172 Nelson, M. and Karen A. Peplow (1990), 'Construction of a modest-but-adequate food budget for households with two adults and one pre-school child: a preliminary investigation', *Journal of Human Nutrition and Dietetics*, 3, 121-40.

The article describes the construction of a food budget which is modest-but-adequate rather than subsistence in concept, for a household of three where the child is aged between one and four years old using data from the National Food

Survey and the Family Expenditure Survey in Britain. 'The budget reflects current food consumption patterns in the median income group and incorporates guidelines for healthy eating. It is based on low but not minimum prices, and so allows for individual variations in food preference and availability ... The estimated increase in food costs between 1983 and 1988 was 20 per cent using the Retail Price Index but 36 per cent using 1988 supermarket prices. Any up-dating of budget should therefore be based on current prices rather than on changes in the RPI.' It was found that the food budget represents 52 per cent of the income of a similar family on income support which is more than the 30 per cent of net income usually taken to represent the poverty line expenditure on food. 'The purchase of a modest-but-adequate and healthy diet is likely to be out of the financial reach of the majority of families living on low incomes in the UK.'

CHANGES OVER TIME, FOOD, METHODOLOGY, POVERTY

- 173 Nicholson, J.L. (1949), 'Variations in working class family expenditure', *Journal of the Royal Statistical Society, Series A*, 112(4), 359-411.

'From the Ministry of Labour working-class family budget of 1937-38, detailed figures of expenditure were obtained for families consisting of two adults (one man and one woman) and varying numbers of children, the data being classified according to total expenditure. The figures which were found to be suitable for analysis were drawn from about 650 families of industrial workers in Great Britain(excluding London), having not more than two children. From the various items for which separate figures of expenditure were given several different selections were made of those commodities, the consumption of which seemed to be closely related to the standard of living and independent of the number of children. A study was then made of the relationship between the average figures of expenditure, these commodities and total household expenditure for three groups of families, containing either no, one or two children (under 14 years of age). At any given standard of living total household expenditure must increase with the number of children. By comparing the relationships obtained for the different sized families, it was possible to arrive at approximate estimates, corresponding to a given standard of living, of that part of total expenditure which could be explained by the presence of one or two children. Estimates were also made of the average expenditure attributable to children on various groups of items, such as food and clothing.'

COST of a CHILD, METHODOLOGY

- 174 Nicolaou, Loucas (1999), 'Introduction: recent poverty research and DSS - an overview of the Adequacy Project', *Social Security Journal*, 1998/1, 3-8.

The article is an introduction to a section of the journal which is devoted to a discussion of poverty measurement. It sets out the framework within which the Budget Standards project undertaken by the Social Policy Research Centre was developed and briefly describes the other articles included in the journal. It also gives three reasons for the interest of the Department of Social Security in researching poverty and adequacy issues.

CONCEPTS

- 175 Oldfield, Nina (1993), 'The cost of a child', in J. Bradshaw, ed., *Budget Standards for the United Kingdom*, Cash and Care Series, Avebury, Aldershot, 177-95; a version appears (1992), *Using Budget Standards to Estimate the Cost of Children*, Working Paper No. 15, Family Budget Unit, University of York, York, 116pp.

'The costs of a child to a parent are the direct costs of feeding, clothing and so forth, together with the indirect costs in forgone leisure time and earnings. Budget standards have the capacity to provide a measure of the direct cost of a child in relation to age, sex or gender, and family size at a specified standard of living ... The process of arriving at the cost of a child involves establishing a budget for a number of particular family types from which the child's budget share is drawn.' Methods for deriving these costs from family budgets are described. The method used in this chapter is the 'itemised variant' method. Budget costs are formulated according to age and sex, family size, and housing tenure. It was found that the cost of a child varies with housing tenure, whether housing costs are included in the calculations, and whether or not child care costs are included. 'The cost of a child increases with age, boys cost more than girls, and the cost of an only child is ... more than a child in a two child family.'

COST of a CHILD, METHODOLOGY

- 176 Oldfield, Nina (1997), *The Adequacy of Foster Care Allowances*, Studies in Cash and Care, Ashgate, Aldershot, 195pp.

'This study explores the financial consequences for foster parents to fostering a child. It develops a method for estimating the direct and indirect costs to foster families of a foster child, and draws conclusions about whether foster care allowance is adequate to cover these costs.' The method used involves using the budgets developed by the Family Budget Unit to estimate the direct costs of a

child then adding the costs which are specific to the child's fostering circumstances. To determine the latter costs, depth interviews were carried out with foster parents, normative estimates were made of a standard cost and these budget standard estimates were converted to actual amounts based on the proportion of foster parents who say they have a certain item of expenditure. Fifteen countries were surveyed to compare the cost of a foster child.

ADEQUACY, COST of a CHILD, METHODOLOGY

- 177 Oldfield, Nina and Autumn C.S. Yu (1993), *The Cost of a Child: Living Standards for the 1990s*, Child Poverty Action Group, London, 73pp.

The authors produced estimates of how much it costs to maintain children of different ages and sex in the family, at two levels of living, modest but adequate and low cost, in Britain. They draw on research carried out by the Family Budget Unit at the University of York. This research is about the direct costs of children and resurrects an old method used in social science known as the budget standard, pioneered by Rowntree at the beginning of the century, and which informed Beveridge's recommendations for the setting of National Assistance scales. Two chapters of the book deal with the methods used to derive the modest but adequate cost of a child, the costs are summarised commodity by commodity, and the modest but adequate costs of children of different ages and sexes as well as economies of scale are explored. Two chapters cover the low cost budget similarly and a further chapter compares the two budgets. Two chapters compare the estimates to the level of foster care allowance and benefit rates. The final chapter discusses all the findings and also some criticisms which have been levelled at estimates in earlier published reports from the Family Budget Unit.

ADEQUACY, COST of a CHILD, METHODOLOGY

- 178 Oldfield, Nina, Marilyn Thirlway, Michael Nelson, and Sandra Hutton and Hermione Parker, ed. (1995), *Modest-but-Adequate Budgets for Four Pensioner Households*, Family Budget Unit and Age Concern England, London, 114pp.

The publication presents summary and detailed budgets at the modest but adequate standard for four pensioner households: a single woman aged 72 years who is an owner-occupier; a single woman of the same age who is a tenant; a married couple in their sixties who are owner-occupiers; and a similar couple who are tenants. The budgets are derived from those prepared by the Family Budget Unit between 1990 and 1992, with prices uprated to 1994 levels. The methods involved are described.

ELDERLY, METHODOLOGY

- 179 Oldfield, Nina and Marilyn Thirlway, Hermione Parker, ed. (1997), *Modest But Adequate: Summary Budgets for Sixteen Households, April 1997 Prices*, Family Budget Unit, Department of Nutrition and Dietetics, Kings College London, London, 32pp.

This paper presents an overview of the work of the Family Budget Unit and of the concept of budget standards, including their limitations. It also lists the assumptions made in constructing the budgets. The original budgets were derived using 1991 data. These data have been uprated to 1997 prices thus: all components except council tax, rents and fuel, have been uprated using the Retail Price Index; council taxes are altered according to actual movements for each type of household; rents are based on available data from the Chartered Institute of Public Finance and Accountancy for April 1996; and fuel costs also reflect actual changes which are small, though standing charges are higher. The uprated budgets form the major part of the publication.

CHANGES OVER TIME, CONCEPTS

- 180 Orr, John Boyd (1936, second edition 1937), *Food, Health and Income*, Macmillan, London, 83pp.

The book presents results of the first attempt to estimate the diets of different classes, according to family income. The standard of dietary requirements with which the diets of the different classes are compared was new for the UK, that is, 'instead of discussing minimum requirements, about which there has been so much controversy, this survey considers optimum requirements'. The standard of adequacy of diet adopted is designed to maintain a 'state of well-being such that no improvement can be effected by a change of diet'. The method of grouping the population according to income was new and involves counting the number of children in each family. The report is based on surveys carried out in different locations in Britain between 1932 and 1935.

FOOD, SURVEYS

- 181 Orshansky, Mollie (1959), 'Family budgets and fee schedules of voluntary agencies', *Social Security Bulletin*, 22(4), April, 10-17.

'As the social security program has become more inclusive in the types of risks it meets and the proportion of the population covered, the role of voluntary agencies has been changing and expanding also'. These agencies, called upon to help self-supporting individuals with specific problems, are now charging fees to cover part of their costs. The ways in which these agencies determine eligibility for services or financial assistance is the subject of this paper. It looks at budgets for

families of four people in a number of US cities, showing estimated costs by budget spending categories used in the construction of the budgets. Methods of fee-setting by two cities are described.

ADEQUACY

- 182 Orshansky, Mollie (1960), 'Budget for an elderly couple: interim revision by the Bureau of Labor Statistics', *Social Security Bulletin*, 23(12), December, 26-36.

'Budgets at a "modest but adequate" level were issued in 1948 for a city worker's family by the Bureau of Labor Statistics and for a retired elderly couple by the Social Security Administration. Recognition that these budgets no longer characterized current consumer patterns caused the Bureau of Labor Statistics to discontinue regular pricing almost a decade ago. A revision to bring them more nearly in line with post-World War II standards has been completed by the Bureau of Labor Statistics. The lists of goods and services priced in autumn 1959, appears in the Monthly Labor Review for August 1960 for the city worker and in the November 1960 issue for the elderly couple. The present article reproduces the summary cost figures and takes up some of the limitations with respect to the uses of the elderly couple's budget, in which the Social Security Administration has a special interest.'

ELDERLY, METHODOLOGY

- 183 Orshansky, Mollie (1963), 'Children of the poor', *Social Security Bulletin*, 26(7), July, 3-13.

The article is concerned with children who live in poor families. One section discusses the use of the low-cost and economy food plans priced by the Department of Agriculture in 1962 as a measure of income adequacy. 'The food plans of the Department of Agriculture suggest quantities and types of food that meet desirable nutritional goals and at the same time conform to the common food preferences of American families ... Though not every family spending as much as these plans will automatically choose the foods that make up an adequate diet, a family spending less is not likely to end up with food meeting recommended nutritional goals ... There is no additional allowance for snacks or the higher cost of meals away from home or meals served to guests.' Other factors affecting the level of expenditure are mentioned.

ADEQUACY, FOOD

- 184 Orshansky, Mollie (1965), 'Counting the poor: another look at the poverty profile', *Social Security Bulletin*, 28(1), January, 3-29.

The article is concerned with poverty in the community. It looks first at ways of deciding who is poor, commenting on the difficulty of setting a standard. 'There can be, however, agreement on some of the considerations to be taken into account in arriving at a standard.' The standard used in the article is based on 'the amount of income remaining after allowance for an adequate diet at minimum cost'. The food costs are based on plans prepared by the US Department of Agriculture for differing family types and the relationship between income and food expenditure is explored.

FOOD, POVERTY

- 185 Orshansky, Mollie (1965), 'Measuring poverty', *The Social Welfare Forum, 1965*, Proceedings of 92nd Annual Forum National Conference on Social Welfare, Columbia University Press, New York, 211-23.

The article discusses the measurement of poverty, in particular the Social Security Administration index in the US, which is set at two levels, one related to the price of a low-cost food plan devised by the US Department of Agriculture and another to a more restricted Economy Plan. The index is 'an attempt to specify the minimum amount required to support an average family of given composition at the lowest level consistent with standards of living prevailing in this country'. It uses the proportion of income spent on food as the basis for determining the poverty line income level, on the principle that: 'as income increases, families spend more dollars for food, but this larger amount takes a smaller share of income, leaving proportionately more money for other things'. In the calculation it was assumed that 'equivalent levels of adequacy were reached only when the proportion of income required to purchase an adequate diet was identical'. The article discusses the merits and shortcomings of the method.

FOOD, METHODOLOGY, POVERTY

- 186 Orshansky, Mollie (1965), 'Who's who among the poor: a demographic view of poverty', *Social Security Bulletin*, 28(7), July, 3-32.

The article characterises the poor in America in 1964 using a measure based on budget standards described in a previous article (Orshansky, 1965, January, q.v.).

POVERTY

- 187 Orshansky, Mollie (1966), 'Recounting the poor - a five-year review', *Social Security Bulletin*, 29(4), April, 20-37.

The article reviews the trend from 1959 to 1964 in numbers of people identified as poor. The criteria used to identify the poor are based on budget standards described in a previous article (Orshansky, 1965, January, q.v.).

POVERTY

- 188 Orshansky, Mollie (1968), 'Living in retirement: a moderate standard for an elderly city couple', *Social Security Bulletin*, 31(10), October, 3-17.

Americans are living longer and retiring earlier, leaving them with more years to live on a reduced income. Five out of six persons aged 65 or more are supported at least partly by public programs. 'The adequacy of their income in relation to their needs is thus an important issue.' The paper presents measures of poverty and low-income developed by the Social Security administration which provide estimates of minimum requirements for households in which aged persons live. Cost estimates developed by the Bureau of Labor Statistics provide more information and the paper discusses the estimates as measures of income adequacy.

ADEQUACY, ELDERLY, POVERTY

- 189 Orshansky, Mollie (1969), 'How poverty is measured', *Monthly Labor Review*, 92(2), February, 37-41.

The article, part of a series on 'Perspectives on poverty', begins by discussing definitions of poverty and the need to set a benchmark 'to distinguish the population group that we want to worry about'. It then describes the two poverty thresholds set by the Social Security Administration in the US and the poverty line selected by the Office of Economic Opportunity and the Council of Economic Advisers. The thresholds were set using data from US Department of Agriculture publications published in 1954, 1956 and 1962. From these data on food consumption the thresholds were derived using an arbitrary index which reflected the relationship of food expenditure to income. Criticisms of the index are canvassed. The uses of the poverty index, especially in connection with income maintenance programs, are discussed.

ADEQUACY, CONCEPTS, FOOD, POVERTY

- 190 Orwell, George (1937), *The Road to Wigan Pier*, London, 265pp.

This book is a study of poverty and unemployment in Wigan, England. One chapter (Ch.6) is concerned with relating income to actual expenditure and also to minimum weekly sums as suggested by dieticians and includes actual family budgets. The author discusses discrepancies and examines the arguments for wholesome food ('Would it not be better if they spent more money on wholesome things like oranges and wholemeal bread or ... saved on fuel and ate their carrots raw?'). He argues that 'a millionaire may enjoy breakfasting off orange juice and Ryvita Biscuits' but an unemployed person, underfed, harassed, bored and miserable, wants to eat something a little bit 'tasty'.

POVERTY

- 191 Paris, Chris (1993), *Housing Australia*, Macmillan Education, Melbourne, 267pp; with contributions by Andrew Beer and Will Sanders.

The book is concerned with a range of housing issues including: the dual nature of housing provision in meeting human needs and in being a profitable investment; the social relations embedded in housing policy; 'the demography of housing'; and the changing nature and significance of home ownership. (The chapter on this latter subject, by Andrew Beer, is separately annotated.) The book also deals with problems of tenancy and homelessness associated with low incomes. It discusses the proportion of income paid as rent.

HOUSING

- 192 Parker, Gillian (1987), 'Making ends meet: women, credit and debt', in C. Glendinning and J. Millar, eds, *Women and Poverty in Britain*, Wheatsheaf, Harvester, Sussex, 241-58.

The chapter examines women's responsibility within the household for financial management or budgeting. It discusses the studies concerned with establishing budgets from Rowntree (1901) on. 'Despite the best, and usually philanthropical, intentions of those who carried out these surveys their concentration on description rather than explanation led to a failure to examine household expenditure in its wider economic, social and cultural context. Most significantly, the constraints under which working-class women struggled to keep their families fed, clothed and housed were almost totally ignored.' The author cites the example of why porridge, recommended for its high nutritional value, was not used in poor families.

CONCEPTS, FOOD, METHODOLOGY

- 193 Parker, Hermione (1979), 'Why we should work out family budgets', *New Society*, 48(868), 24 May, 450-1.

The author looks at income support entitlements of different family types and argues that they pay insufficient attention to the needs of individuals in different situations, particularly children of different ages. She argues that the 'basis of any programme of income redistribution should be a sound knowledge of the minimum "society acceptable" needs and costs of maintaining men and women at all stages of the life cycle. For these we need family budgets, like those in the US and West Germany. They should combine a "basket approach" based on nutrition and other requirements, and expenditure surveys. Such budgets would provide an objective and rational basis for both benefits and taxation.'

ADEQUACY, CONCEPTS

- 194 Parker, Hermione, ed. (1998), *Low Cost but Acceptable: A Minimum Income Standard for the UK, Families with Young Children*, Family Budget Unit, the Zacchaeus 2000 Trust, Policy Press, Bristol, 136pp. Research: Michael Nelson, Nina Oldfield, Julie Dallison, Sandra Hutton, Sophia Paterakis, Holly Sutherland, Marilyn Thirlway.

The purpose of this report is twofold: to stimulate debate about the incomes necessary to avoid poverty; and to introduce readers to the budget standards method of calculating household needs and costs. The study reported upon here estimates the needs and living costs of two-parent and lone-parent families, each with a boy aged ten years and a girl aged four years at a 'low-cost but acceptable' living standard. This standard 'marks the threshold below which good health, social integration and satisfactory standards of child development are at risk'. The method of constructing the budget is described, including methods of validation. The standards cover: food, clothing, personal care, household goods and services, leisure goods and services, housing, fuel, transport, health, insurance, private pension contributions, debts, fines and maintenance orders, job-related costs, costs of seeking work, pet costs, alcohol, tobacco and charitable giving. The rationale for the inclusion of each item is discussed and the cost assigned, at January 1998 prices.

The expenditures plus variable expenditures and taxes are calculated to provide a total low-cost but acceptable requirement. For out of work families, this budget is compared with income support and for families who have work, the budget is compared with family credit. Seven detailed budgets are tabulated (with and without alcohol) for the family types selected, by employment status. The main findings and policy implications arising from them are presented and discussed.

ADEQUACY, METHODOLOGY

- 195 Payne, P.H.K. and F.W. Clements (1975), 'Food consumption patterns of some low income families in Sydney', in Commission of Inquiry into Poverty, *Food Consumption Patterns*, AGPS, Canberra, 1-41.

'The purpose of the study was to determine the dietary patterns of families in the lower income levels and to compare them with those in the medium range of income.' The methods of data collection and analysis are described.

FOOD

- 196 Perumal, Muniappan (1992), 'New budget standard poverty lines for Malaysia', *Review of Income and Wealth*, 38(3), September, 341-53.

'In this paper, shortcomings of the official poverty line are examined. A new set of budget standard poverty lines were derived for various years between 1959 and 1981, by first estimating the food budget for Malaysian households. Then, an allowance for non-food items was obtained on the basis of the estimated food budget, and the relationship between the proportion of income allocated on food and non-food items, together yielding the poverty line. The results suggest that the official and other estimates of the poverty line income were generally higher, and thus have overestimated the extent of poverty in Malaysia.'

FOOD, POVERTY

- 197 Piachaud, David (1979), *The Cost of a Child: A Modern Minimum*, Poverty Pamphlet 43, Child Poverty Action Group, London, 19pp.

'This study starts by reviewing some of the methods adopted to try and estimate what is the cost of a child and discusses their difficulties. Given the problems with obtaining any objective measure of the cost of a child, an alternative approach is adopted: a level of modern minimum requirements is described and it is costed. This approach is subjective and it is open to any and every reader to disagree with and modify the set of requirements used here. But this approach does allow the cost of one set of requirements to be spelled out.' The author points out that the study is concerned with the cost of providing food, clothing and other necessities but *not* with the cost in terms of forgone earnings nor is it concerned with the value of children to families or society. Tables set out diets for children of various ages up to age 11, as well as necessary items of clothing, household provisions and other items. The pamphlet also includes a section which compares the estimated costs with supplementary benefit rates.

ADEQUACY, COST of a CHILD, METHODOLOGY

- 198 Piachaud, David (1981), *Children and Poverty*, Poverty Research Series 9, Child Poverty Action Group, London, 29pp.

This publication reports on a study which arose from an earlier study (Piachaud, 1979, q.v) which had estimated a level of minimum requirements for children up to the age of 11. The results from that study are brought up to date. A special survey which looked at what teenagers were spending was carried out, covering all expenditure except food and household costs. These latter costs were estimated using similar methods to those used in the earlier study. Also as in the earlier study, comparisons are made of the estimates with supplementary benefit levels. A further section looks at the poverty level and the extent of poverty and discusses definitions of poverty.

ADEQUACY, COST of a CHILD, METHODOLOGY

- 199 Piachaud, David (1981), 'Peter Townsend and the Holy Grail', *New Society*, 57(1982), 10 September, 419-21.

The article is a critical examination of Peter Townsend's study (*Poverty in the United Kingdom*, 1979, q.v.) and challenges the notion of scientific objectivity in defining poverty.

CONCEPTS

- 200 Piachaud, David (1987), 'Problems in the definition and measurement of poverty', *Journal of Social Policy*, 16(2), April, 147-64.

'Three approaches to defining poverty levels are discussed - social consensus approaches, budget standard methods, and behavioural approaches. Each addresses different questions and none, of itself, has provided - nor, it is argued, could ever provide - an objective definition of poverty. The paper then raises problems that have been largely neglected in defining poverty. First, the treatment of time and home production: the time and ability of individuals to prepare food or to wash and feed without assistance, for example, vary greatly depending on circumstances and in turn affect income needs. Choices and constraints affecting the household formations in which people live and their budgeting behaviour are also important in assessing poverty. Individual variations in behaviour need to be explicitly recognised if practical definitions of poverty levels are to be found. Finally, the paper condemns discussions of poverty that are part of the problem rather than part of the solution.'

CONCEPTS, METHODOLOGY, POVERTY

- 201 Podder, Nripesh (1975), *The Economic Circumstances of the Poor*, Consumers and Clients Series, Commission of Inquiry into Poverty, AGPS, Canberra, 81pp.

This publication includes a study of 'poor people as consumers'. It presents average consumption expenditure and expenditure as a percentage of income, by ranges of unadjusted income, family size and age of head, for a sample of people surveyed in 1967-68. Expenditure as a percentage of income is presented by ranges of both types of adjusted income for the full sample. An analysis is made of consumption patterns, for nine broad categories of commodities, disaggregated by family size and age of head for ranges of unadjusted income. A further analysis is made, of the aggregate consumption patterns with respect to the same categories of commodities for some income groups. An analysis of the composition of food consumption is also presented. The commodities for which data are tabulated are: food, clothing, transport, medical, recreation, tobacco and alcohol, durables, housing, and fuel, electricity and telephone. The food composition analysis divides food into three categories: groceries, fruit and vegetables, and meat, fish and poultry.

CONSUMER DURABLES, ENERGY, FOOD, OTHER BUDGET ITEMS, POVERTY, SURVEYS

- 202 Political and Economic Planning (1952), 'Poverty ten years after Beveridge', *Planning*, 19(344), 4 August, 21-40.

The paper looks at definitions of poverty, and at a series of surveys carried out in different parts of Britain to examine standards of living. It then describes standards used in the Beveridge Report to determine levels of social security payments, throwing emphasis on the importance of looking at the way poorer people spend their money if a subsistence standard is to be established. This is seen as especially important as evidence on expenditure on food from budgets in the surveys described earlier shows that: 'a change in income had far more importance for the structure of the budgets than the addition of even three children'. The paper then looks at subsistence in relation to rising prices and argues that there is insufficient information available to put a value on subsistence needs. Having discussed the Beveridge subsistence standard and the methods used to bring a subsistence standard up to date, the paper then compares estimated subsistence standards with actual rates of benefits and assistance. It then outlines a proposal for an enquiry where spending could be broken down not only by family size but also by income group 'so that spending patterns of childless families can be compared with those of families with children in the same and different income groups'. However, 'knowing what people actually spend does not explain what they ought to spend'. The paper discusses some of

the issues involved in deciding which items should be included in devising such a standard, suggesting the inclusion of some items not previously itemised in survey budgets. An appendix shows actual expenditure from a 1937-38 survey carried out by the Ministry of Labour.

ADEQUACY, CHANGES OVER TIME, CONCEPTS, NEEDS, SURVEYS

- 203 Prais, S.J. (1953), 'The estimation of equivalent-adult scales from family budgets', *Economic Journal*, 63(252), December 791-810.

'The object of this paper is to present a method of determining scales of equivalent-adults based on an explicit consumption function. This method is then applied to a sample of 2,200 family budgets collected in the United Kingdom in 1937-38.' The analysis has been applied to yield scales for six food groups (dairy, vegetables, fruit, farinaceous, fish and meat) as well as for all food. The author discusses the necessity to separate income and consumption effects. Further research is necessary to obtain comparable estimates for various non-food budget items. 'Once these are known it will be possible to compare the standards of living of households of different composition on a much firmer basis.'

CONCEPTS, EQUIVALENCE SCALES, FOOD

- 204 Prais, S.J. and H.S. Houthakker (1955, 2nd edition 1971), *The Analysis of Family Budgets*, Cambridge University Press, Cambridge, 202pp.

'The collection and analysis of the detailed records of a large number of households - records which are especially concerned with their expenditures and hence known as family budgets - are ... of considerable interest from a number of points of view.' These include: the conditions of life, especially the extent and variety of poverty; for use in calculating the cost of living; econometric investigations leading to 'the possibility of comparing the standards of living of households of different composition in a more precise manner'. The last of these, in the main, underlies the investigations presented in this book. It uses the results of two pre-war inquiries as the basis for the analysis. The first of these was conducted by the Ministry of Labour in 1937-38 (results reported in the *Ministry of Labour Gazette*, December 1940 and February 1941) and the second by the Civil Service Statistical and Research Bureau in 1938-39 (see Massey, 1942). The book discusses the 'theory of consumers' demand'; describes the collection of information on consumers' expenditure by household surveys; discusses the limitations of the data; and estimates statistical relationship and computational methods. The analyses and their results are then presented with attention to 'the Engel curve', the quality variations in the consumption pattern, household composition and unit-consumer scales, economies of scale in consumption and

social occupational and regional factors in consumption. The principal results are summarised and the implications for further research are drawn out. The data from the two enquiries are presented.

EQUIVALENCE SCALES, POVERTY, SURVEYS

- 205 Prest, Wilfred (1952), *Housing, Income and Saving in War Time, A Local Survey*, Department of Economics, University of Melbourne, 132pp.

The report is based on surveys carried out in Melbourne suburbs between September 1941 and January 1943 and then again in February and March 1943. The area and the methodology are described. The terms used are defined. The effect on the housing situation of wartime population trends is examined. A further section of the report explores the effects of changes in occupation and in personal earnings on family income in relation to needs. Finally, it examines certain evidence regarding the disposal of income between spending and saving. In order to consider the adequacy of income in relation to household needs and the cost of living, the first task was to assess household needs, both housing needs and the food, clothing and miscellaneous needs of a household and to express them in monetary terms. Details of the procedure are given.

ADEQUACY, METHODOLOGY, NEEDS, SURVEYS

- 206 Pritchard, J. and M. Burn (1975), 'Food consumption patterns of some students in Melbourne', in Commission of Inquiry into Poverty, *Food Consumption Patterns*, AGPS, Canberra, 43-51.

The study involved surveying a sample of students in a number of living situations to determine their dietary and nutrient intakes, in relation to their work patterns, income and other demographic characteristics.

FOOD, SURVEYS

- 207 Reeves, M.S. (Mrs. Pember Reeves) (1913), *Round About A Pound A Week*, G. Bell and Sons, London, republished (1980) by Garland Publishing, New York and (1979) by Virago, London, 231pp.

The book is one of 'A collection of thirty important titles that document and analyze working-class life before the First World War', republished in the Garland Series in facsimile form. The various chapters describe: the district around Kennington and Lambeth (London) in which an investigation was carried out; the people who lived there; the housing in which 'a working man's wife [can] bring up a family on 20s. a week'; the furniture, sleeping accommodation

and equipment for cooking and bathing; the habit of thrift which was designed to provide burial expenses; the budgets of families 'where the wage of the father is continuous, where he is a sober, steady man in full work, earning from 18s. to 30s. a week, and allowing a regular definite sum to his wife for all expenses other than his own clothes, fares, and pocket money'; the budgets for food and chief articles of diet; the way in which food was bought, stored and cared for; actual menus of several working men's families; the amount spent on food for each person per week and per day; marriage and the poor; a description of the day of several mothers with different numbers of children; the children in the families investigated; the way people who were out of work or in irregular work managed their budgets; the standard of comfort; and 'the state as guardian'.

SURVEYS

- 208 Rein, Martin (1970), 'Problems in the definition and measurement of poverty', in P. Townsend, ed., *The Concept of Poverty*, Heinemann, London, 46-63.

The paper examines some of the problems 'inherent' in the definition of poverty which is based upon data concerning the cost of subsistence in the US. The analysis is placed in a brief historical context. The subsistence definition is discussed; this is elaborated with a discussion of nutritional adequacy. A Department of Agriculture survey conducted in 1955 was used to determine the proportion of total family income among low-income families that was spent on food. This proportion was used to formulate indices (Engels coefficients) for different sized families in order to calculate minimum total requirements. The article discusses the size of the Engels coefficient and how it affects estimates of poverty. The diversity of nutritional needs is another factor which affects these estimates and the paper looks at the disparity between expert judgement and actual behaviour. The author argues that, because the market basket of food items needed to prevent nutritional poverty is computed so that it is the most economical basket possible, there is conflict with the desire to take account of actual consumption patterns which 'introduces a note of unreality into the definition of the poverty line'. Finally, he argues that the subsistence-level definition of poverty is 'arbitrary, circular and relative'. 'We must conclude that subsistence measures of poverty cannot claim to rest solely on a technical or scientific definition of nutritional adequacy. Values, preferences, and political realities influence the definition of subsistence. Yet once a biological definition is abandoned and actual consumption is taken into account, no absolute measurement of poverty in subsistence terms is possible.'

CONCEPTS, FOOD, POVERTY, SURVEYS

- 209 Renwick, Trudi (1993), 'Budget-based poverty measurement: 1992 basic needs budgets', *Proceedings of the Social Statistics Section of the American Statistical Association*, 573-82.

This paper extends work by Renwick and Bergmann (1993, q.v.) by proposing budget standards for married couple families. 'It illustrates how the budget-based approach takes into account differences in family needs due to variations in labor force status, family composition and size, region and location of residence, and receipt of noncash benefits, both private and public.' Arguments are presented for the use of budget approaches in the measurement of poverty, among which is the fact that 'the detailed budget approach contains a sense of absolute deprivation, defined as an inability to meet basic needs, which other approaches obscure. Poverty defined in this way is something different than having less than others and is distinct from feeling deprived.'

The methodology used in the construction of the basic needs budgets is described, the expenditure standards explained and the derivation of equivalence scales discussed. The integration of taxes into the methodology is also described. Comparisons are made with results from the use of the official poverty line, showing the 'official poverty thresholds are clearly inadequate estimates of the income required to meet basic needs'.

CONCEPTS, METHODOLOGY, POVERTY

- 210 Renwick, Trudi J. and Barbara R. Bergmann (1993), 'A budget-based definition of poverty with an application to single-parent families', *Journal of Human Resources*, 28(1), Winter, 1-24.

'An approach to defining poverty through a "Basic Needs Budget" (BNB) is presented which takes account of families' differing needs for child care and transportation, and of regional differences in housing costs. Taxes and noncash benefits from governmental and private sources are also accounted for.' The article shows how the poverty rate as calculated using the BNB is higher for single parents than that calculated using the official rate, even among those who have full-time jobs. A reduction in both dependence on welfare and the poverty rate would require government assurance of child care and medical care to single parents.

ADEQUACY, HOUSING, LOCATION, OTHER BUDGET ITEMS, SOLE PARENTS

- 211 Richardson, Sue and Peter Travers (1989), *Averages and Tails: The Tenuous Link Between Poverty Status and Standard of Living*, Working Paper 89-5, Department of Economics, University of Adelaide, South Australia, 39pp.

Data from a survey are used to explore two questions. First, 'is equivalent income a good proxy for a person's actual material standard of living?' and, secondly, are the lifestyles and standards of living of people living below the poverty line systematically worse than those of people above the line? The data collected in the survey relate to variables such as ownership of certain items as well as states of mind, leisure activities and sufficiency of income. The authors conclude that 'the evidence that equivalent income does not correlate well with standard of living is strong: the evidence that those who have low incomes are not thereby excluded from ordinary life is overwhelming ... Nothing we have found implies that poverty is anything but a most undesirable state. To know who is poor, however, one cannot rely on the poverty line.'

LIVING STANDARDS, POVERTY, SURVEYS

- 212 Ride, Carol (1976), *The Housing Battle: A Study of the Housing Difficulties of 60 Low-income Families*, Brotherhood of St Laurence, Melbourne, 81pp.

'This report discusses the experiences of 60 families in seeking housing which satisfied their needs during three years of their lives. It stresses the directions in which housing policy should move to give low-income families access to stable housing of their own choice.' The data come from 60 families who took part in the Family Centre Project of the Brotherhood of St Laurence, in which the families were given an income supplement and other support resources in order to test the hypothesis that 'poverty was caused by society and not by the personal qualities of people who were poor'. The report of the Commission of Inquiry into Poverty was used to inform the study and its recommendations.

HOUSING, SURVEYS

- 213 Ross, K.H. (1948), 'Working class clothing consumption, 1937-1938', *Journal of the Royal Statistical Society*, 111(2), 145-60.

'This paper shows the results of an enquiry into pre-war working-class consumption of clothing. It is based mainly on data collected by the Ministry of Labour ... There is, firstly, a description of the data available; secondly, a note on dollar expenditure; thirdly, an analysis of clothing consumption; fourthly, a discussion of prices paid; and finally, a comparison of some figures for two other countries [the USA and the Netherlands] with those for the United Kingdom.'

OTHER BUDGET ITEMS, SURVEYS

- 214 Rowntree, B. Seebohm (1901), *Poverty: A Study of Town Life*, Macmillan, London, 437pp.

The author undertook an investigation 'to throw some light upon the conditions which govern the life of the wage-earning classes in provincial towns, and especially upon the problem of poverty'. The investigation was carried out in York which he considered to be 'not exceptional', and evidence is presented to show that conditions there might be taken as representative of those in many provincial towns. The questions the author wished to answer are listed. 'What was the true measure of poverty in the city, both in extent and depth? How much of it was due to insufficiency of income and how much to improvidence? How many families were sunk in a poverty so acute that its members suffered from a chronic insufficiency of food and clothing? If physical deterioration combined with a high death-rate ensued, was it possible to estimate such results with approximate accuracy?' The investigation involved a preliminary inquiry into the quantity and kinds of food required to maintain physical efficiency, a knowledge of rents in the town and a detailed estimate of necessary expenditure on items other than food and rent. Details of the principles underlying this inquiry are presented in Chapter 4. The necessary items were then priced and the required income for various family types estimated. Chapter 8 presents actual budgets of families living in York at the time. Other chapters in the book deal with such aspects of poverty as its causes, housing conditions and the relation of poverty to health.

CONCEPTS, FOOD, HOUSING, METHODOLOGY, OTHER BUDGET ITEMS, POVERTY, SURVEYS

- 215 Rowntree, B. Seebohm (1937), *The Human Needs of Labour*, Longmans, Green and Co., London, 162pp; (first edition published in 1918).

The book is 'an attempt to formulate a measuring rod, to enable us to assess the wage necessary for physical efficiency'. A distinction is made between minimum wages which 'should be determined by human needs' and wages above that level which are related to the market value of services rendered. In order to determine the needs of workers, the author looked at families where the mother was aged 40-45, that is, where the families might be regarded as virtually completed. Fourteen years of dependence was allowed for each child. The sample families are described in terms of the number of dependent children. The proportion of families which would be inadequately provided for on the assumption that the number of children allowed for when fixing wages was respectively one, two, three, four etc. per family, is estimated and possible ways of dealing with the resulting poverty for large families are suggested.

Further chapters in the book deal with: food requirements, as suggested by various professional bodies; the translation of the nutriments required into a dietary equivalent, also using data from professional sources, and thence into costs using 1936 prices; housing and housing costs; clothing, fuel and light and various sundries; and women's wages and the contribution they make towards the maintenance of dependants.

In the concluding chapter budget standards are presented for town and country residents and the relationship to wages of the time is discussed. Appendices present detailed data used in the calculations. Comparisons are made with data and results published in the 1918 edition of the book.

ADEQUACY, CHANGES OVER TIME, ENERGY, FOOD, HOUSING, METHODOLOGY, OTHER BUDGET ITEMS, SURVEYS

- 216 Rowntree, B. Seebohm (1941), *Poverty and Progress: A Second Social Survey of York*, Longmans, Green and Co., London, 540pp.

This book reports on a survey undertaken in 1935 to repeat an investigation previously carried out in 1899, in York (Rowntree, 1901, q.v.). Part One is concerned with the economic condition of the workers. Using a poverty line the author devised in 1936 (Rowntree, 1937, 1918, q.v.), this section estimates the amount of poverty in York at the time. It concludes with 'a chapter on working men's budgets which throws some light on the question of how far malnutrition, where it exists, is due to lack of income and how far to unwise selection of foodstuffs'. Part Two is concerned with housing, public health and education while Part Three deals principally with the things workers do in their leisure time. A supplementary chapter compares the results found in the survey, which looked at a total population, with the results which would have been found if the same survey had been based on a random sample.

FOOD, HOUSING, METHODOLOGY, OTHER BUDGET ITEMS, POVERTY, SURVEYS

- 217 Rowntree, B. Seebohm (1943), 'Poverty and the Beveridge Plan', *The Fortnightly*, February, 73-80.

The author begins his discussion with a definition of poverty which refers to a living standard below that which it is not possible for a family with a given income to live. 'If this sum is guaranteed for 52 weeks in the year and if it is spent with the utmost economy and if the dietary is selected with full regard to the dietetic value of different food-stuffs it will provide for the bare necessities of physical efficiency' and leave a small margin for all else, that is, recreation, any luxuries, travelling, except for breadwinner to and from work, and holidays. The

author is convinced that the standard he uses cannot be attacked as being too high. He then presents some results from a study he carried out in York, looks at the causes of poverty and relates them to the proposals in the plan put forward by Sir William Beveridge to deal with poverty in the UK through social insurance, commenting particularly on problems related to housing costs.

ADEQUACY, CONCEPTS, HOUSING, POVERTY, SURVEYS

- 218 Rowntree, B. Seebohm and May Kendall (1913), *How the Labourer Lives, A Study of the Rural Labour Problem*, Thomas Nelson and Sons, London, 342pp.

The authors saw the need for 'a strictly unbiased study of the actual economic position of the ordinary agricultural labourer with his present wage and outlook'. They therefore applied 'the method of measuring the standard of comfort, and especially the adequacy of the food consumed' which had been used in other studies. The bulk of the book consists of a number of household budgets, with detailed descriptions of the households and families who provided information about their budgets, from different districts in England. The degree to which the budgets and the food consumed by the family members are deficient, are estimated.

FOOD, SURVEYS

- 219 Rowntree, B. Seebohm and Bruno Lasker (1911), *Unemployment, A Social Study*, MacMillan and Co., London, republished (1980) by Garland Publishing, New York, 317pp.

The book is mainly concerned with the extent of unemployment in York in the early years of the century. Chapter 7, however, 'is devoted to a detailed description of the way in which a few typical families, whose chief wage-earner is unemployed, manage to exist. Particulars are given of their weekly income and expenditure, and the food they have consumed, the nutritive value of which is shown, with the extent to which the families are underfed'. An appendix, reprinted from a previous book by Rowntree, details the methods used in the study.

FOOD, METHODOLOGY, SURVEYS

- 220 Rowntree, B. Seebohm and G.R. Lavers (1951), *Poverty and the Welfare State*, Longmans, Green and Co., London, 104pp.

'The purpose of this book is to throw light on the question of how far the various welfare measures which have come into force since 1936 have succeeded in reducing poverty.' In order to do so, the authors carried out a survey of the people of York who had previously been surveyed in 1936 (see Rowntree, 1901 and 1941). It was necessary to determine a new poverty line for the project and the process involved is described. The author adopted the same dietary as in 1936 except for small modifications which are described. A full list of items included, with their costing, is given. Similarly, lists are given of clothing and repairs, fuel, light, household and personal sundries. Housing is considered separately. The ways in which the items and costing differ from the earlier surveys are explained. The standard amounts are calculated for a number of different family types.

ADEQUACY, METHODOLOGY, POVERTY, SURVEYS

- 221 Royal Commission of Inquiry (1972), *Social Security in New Zealand*, Government Printer, Wellington, 617pp.

The Royal Commission of Inquiry into Social Security in New Zealand investigated many aspects of poverty. A chapter is included in the report on attempts to measure poverty and need. In this context, the Commission received from the Social Security Department, 'A study on the possibilities of compiling "Scale of Living Standards" as a guide to the adequacy of social security benefits'. This study is published as an appendix to the report which recommends that data for such a guide should be collected in New Zealand.

ADEQUACY, CONCEPTS

- 222 Royal Commission on the Basic Wage (A.B. Piddington, Chief Commissioner) (1920), *Report of the Royal Commission on the Basic Wage*, with memoranda by A.B. Piddington and by E.E. Keep and W.D. Gilfillan, Parliament of the Commonwealth of Australia; a *Supplementary Report* (1921) is appended, total 115pp.

The enquiry into the basic wage (known as the Piddington Report) involved research into the cost of living. It also includes investigation of what are reasonable standards of comfort. Household budgets were investigated using standardised forms, but insufficient numbers of these were filled in to provide a reliable guide. The data used in the investigation are described and tabulated, item by item, by capital city, for rent, food, clothing and miscellaneous items. A

minority report (Keep and Gilfillan) is concerned with the relationship of the cost of living to the basic wage. The *Supplementary Report* includes discussion on the importance of the ratio of expenditure on certain parts of the budget, e.g. rent and food, to total expenditure. It also includes a method of tracing annual fluctuations in the cost of budget items and a comparison with the methods used in comparable American research.

CHANGES OVER TIME, CONCEPTS, FOOD, HOUSING, OTHER BUDGET ITEMS, SURVEYS

- 223 Ruggles, Patricia (1990), *Drawing the Line: Alternative Poverty Measures and Their Implications for Public Policy*, The Urban Institute Press, Washington, DC, 199pp.

'The major focus of this book is on methods of measuring poverty and their implications for estimates of the size and characteristics of the poverty population'. It focuses on lack of economic resources rather than on general deprivation. One chapter explores the definition of poverty, identifying three major conceptual approaches and arguing that measures which focus on economic well-being are more useful than others. The next chapter considers the level of the US poverty thresholds, particularly methods of adjusting them for changes in income and consumption patterns over time. It concludes that the basket of consumption goods implicitly underlying the US poverty measure should be updated regularly to reflect changes in consumption and changing concepts of minimal adequacy. Some estimates are made of what changes in the measure would have occurred if updating had been carried out. The following chapter discusses the variety of methods that could be used to adjust thresholds for differences in family needs. The issue of time in measuring resources is taken up in one chapter, discussing poverty with regard to the length of time people experience it. The unit of analysis and problems in the measurement of economic resources are the subject of further discussion.

ADEQUACY, CHANGES OVER TIME, CONCEPTS, EQUIVALENCE SCALES, METHODOLOGY, POVERTY

- 224 Ruggles, Patricia (1992), 'Measuring poverty', *Focus*, 14(1), Spring, 1-9.

The literature about poverty measurement demonstrates that 'poverty is ultimately a normative concept, not a statistical one. Although this article focuses on a set of statistical issues in the measurement of poverty, in the final analysis setting a poverty level requires a judgment about social norms'. The article describes the establishment of official poverty thresholds in the US in the 1960s, using data from a 1955 food consumption survey and a multiplier factor. It then discusses

methodological issues and methods of adjusting poverty measures for change over time. Since 1955 major changes in consumption patterns have occurred and the proportion of income spent on various categories of expenditure have also changed. The author discusses the arguments about measuring relative as against absolute poverty. 'If price-indexing an absolute standard isn't satisfactory because it doesn't reflect real changes in minimum needs, and indexing by relative income changes isn't satisfactory because income fluctuates too much and isn't directly related to minimum needs, what *should* we do?' The paper discusses the possibility and advantages of a detailed examination of changes in the costs of a complete market basket of necessary goods and also the use of a housing consumption standard. The use of a measure based on an updated food multiplier (that is, calculating food costs as a proportion of income) is compared with other poverty measures. The necessity of weighting some types of consumption more heavily than others is stressed.

FOOD, METHODOLOGY, POVERTY

- 225 Saunders, Peter (1994), *Welfare and Inequality: National and International Perspectives on the Australian Welfare State*, Cambridge University Press, Melbourne, 319pp.

The book is a study of Australia as a welfare state. The early chapters illustrate the contribution which an economic perspective can provide to the analysis of aspects of the welfare state while the following chapters address issues relating to the impact of the welfare state on inequality. One deals specifically with concepts and measurement of poverty. In discussing 'absolute poverty' the author refers to the work of researchers who have used budget standards to determine poverty levels. This subsistence measure of poverty is discussed in the context of relativistic concepts of poverty. 'All poverty lines embody value judgements and these need to be made explicit. In effect, the challenge is to develop a relative measure of poverty which is relevant to the particular society to which it is applied and which is of greatest use to policy-makers and other analysts.' The chapter discusses other concepts of poverty and deprivation, and other measures such as a consensual poverty line, the Henderson poverty line and related issues such as equivalence scales, problems related to updating and the treatment of housing costs.

CHANGES OVER TIME, CONCEPTS, HOUSING

- 226 Saunders, Peter (1996), *Development of Indicative Budget Standards for Australia: Project Outline and Research Methods*, BSU Working Paper Series No. 1, Budget Standards Unit, Social Policy Research Centre, University of New South Wales, 36pp.

This paper provides a description of the budget standards project undertaken at the Social Policy Research Centre within a specially established unit, the Budget Standards Unit (BSU). It provides an overview of the project, explaining what budget standards are and how they are derived. It presents a short history of their development, with a description of their application in other countries and in Australia. The major limitations of the methodology and the development of standards are summarised; the main features of the project are described, accompanied by descriptions of how it has been designed to try to overcome some of the limitations encountered by other research on budget standards. The approach adopted involves a major input from experts in a range of disciplines, tempered by a range of contributions from a variety of sections of the Australian community, in order to identify and articulate norms which are shared by the majority of Australians.

CONCEPTS, METHODOLOGY, NEEDS

- 227 Saunders, P. (1997), *Poverty, Choice and Legitimacy*, SPRC Discussion Paper No. 76, Social Policy Research Centre, University of New South Wales, Sydney, 38pp.

'This paper begins by arguing that the "poverty measurement debate" has become bogged down in the poverty statistics and has failed to evolve into a consideration of the causes and consequences of poverty. In order to redress this imbalance, it is necessary to develop poverty measures that lead more naturally in these directions. It is argued that poverty can be given a meaning from two different perspectives, the first focusing on what poverty means to those who study it, and the second focusing on what it means to those who actually experience it. In attempting to shed some light on the latter interpretation, the paper presents some survey data in which DSS clients indicate what poverty means to them. The paper then explores three different approaches to measuring poverty, each of which draws on the two key features of poverty, that it is a situation in which choice is severely restricted, and that there must be some socially determined relevance to any poverty measure. The first method estimates and compares poverty using both income and expenditure data as a way of better understanding the choices and circumstances of the poor. The second method estimates a poverty line income as a situation where all resources must be devoted to meeting immediate consumable needs and where there are no expenditures on durable and luxury items. The third method, budget standards, is described briefly from the

perspective developed in the paper with the aim of highlighting how budget standards research addresses issues of choice and social relevance.

CONCEPTS

- 228 Saunders, Peter (1998), 'Introduction to the project', in P. Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 1-53.

The chapter defines a budget standard as 'what is needed by a specified household, in a particular place at a particular point in time, to achieve a specific standard of living'. The use of a 'basket of goods and services' in developing the budget standard is explained. The difficulties associated with achieving a balance between normative and behavioural factors are discussed, and implications drawn. The relationship between the standards developed and notions of adequacy are also discussed. The strengths of a budget standard lie in its focus on needs, its transparency and flexibility while the criticisms which may be made lie in an 'unwarranted perception' of objectivity. However, other methods for deriving income adequacy standards also involve subjective value judgements. The critical question is not how to avoid making such judgements, but rather to consider their relevance and the degree of acceptance they will have. Another criticism which may be levelled at the process is that it involves an element of circularity; that is, in the development of standards it may use behavioural data which are themselves constrained by the resources available to different households. This reduces the independence of the benchmark. Yet another weakness is the difficulty of ensuring that the standard of living is being held constant across the different budget areas and between different household types. In response to these criticisms, the researchers have made the underlying values and assumptions explicit in this report and have developed a set of statistical spreadsheets which allow the construction of the standards to be replicated with computer software. This allows the assumptions and methods to be varied and the sensitivity of the results to be assessed.

CONCEPTS, METHODOLOGY, NEEDS

- 229 Saunders, Peter (1998), 'The modest but adequate and low cost budget standards', in P. Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 436-522.

This chapter brings together the nine component budgets (housing, energy, food, clothing and footwear, household goods and services, health, transport, leisure and personal care) which go to make up the Budget Standard Unit indicative

modest but adequate and low cost budgets for each of the 46 BSU household types. These depend crucially on the precise circumstances of each household and the characteristics of each household member. After presenting the budgets, the chapter discusses comparisons and validation processes, the data sources which can be used in these processes and the issues they raise.

Overall, the budget standard estimates show how sensitive housing costs at low cost standard are to variations in the assumed housing tenure within each household type, and how housing costs for a given tenure vary between the different household types. The relativities between the two standards of budgets for different types of households are drawn out and are shown to vary with the number of children, and to be somewhat higher than expected. Comparisons of the budget standards with the distribution of actual expenditures for similar households (as recorded in the Household Expenditure Surveys) show that the distributional quintiles into which both standards fall differ across the different household types. These comparisons also suggest that many households do not currently appear to have the resources required to achieve the low cost standard. The areas where differences from the HES average expenditures differ most consistently (apart from housing) are health, transport, leisure and household goods and services, while the others are reasonably close. The extent to which durable items in the low cost budgets contribute to these differences is explored. Comparisons of the low cost standards with the Henderson poverty line and with levels of social security assistance are also made and discussed. Housing costs contribute greatly to discrepancies here: if housing costs (rent) are removed from the budget standards and the maximum rate of Rent Assistance is deducted from social security payments, the two indicators are close together in the majority of cases.

ADEQUACY, CONSUMER DURABLES, ENERGY, FOOD, HOUSING, OTHER BUDGET ITEMS, POVERTY

- 230 Saunders, Peter (1998), 'The re-emergence of poverty as a research and policy issue', in *Wealth, Work, Well-Being*, Occasional Paper Series, 1/1998, Academy of the Social Sciences in Australia, Canberra, 54-78.

The aim of the paper is to place the debate about the measurement of poverty within the wider context of 'what poverty means, how and why it is changing, what needs to be done about it, and why it is important to overcome the current *impasse* over the measurement of poverty'. It describes the notion of primary poverty, reviews what is known about the meaning of poverty, explores trends in poverty using the conventional Henderson framework, describes the research on budget standards undertaken at the Social Policy Research Centre and presents an overview of the project on Poverty in Australia which is being undertaken under

the auspices of the Academy of the Social Sciences in Australia. In describing the budget standards research, the paper outlines the approach being taken to decisions about what items to include in the budget, presents some criticisms of the approach, describes some of the steps being taken to answer potential criticisms and speculates on the possible use of the low cost budget standard as a poverty measure. 'What the standards will hopefully provide is a framework for thinking more systematically about social needs in Australia in the 1990s and for articulating the costs involved in achieving particular standards of living. From this perspective, the budget standards are probably best regarded as a supplement to the existing poverty benchmarks, at least initially.'

CONCEPTS, METHODOLOGY, NEEDS, POVERTY

- 231 Saunders, Peter (1998), 'Toward a better poverty measure', *Focus*, 19(2), Spring, 38-42.

This article discusses research that 'explores alternatives to the current Australian measure of poverty, seeking both a viable subjective approach and more adequate objective measures of deprivation'. It describes some subjective assessment methods, discussing the problems encountered in using the results of consensual approaches. The author then examines three different approaches in the light of two criteria: 'that poverty is a situation in which choice is severely restricted, and that the judgements required to operationalize the concept of poverty must draw upon community understanding of what poverty means'. The three objective measures of deprivation described are income and expenditure measures; the constrained-income approach; and the budget standards approach. Some of the difficulties encountered in research involved in developing budget standard are described: data problems, conceptual issues and decisions about the basis for normative judgements. 'Budget standards score rather low on simplicity, but they do offer a framework that, though complex, is transparent and flexible. In particular, they can be tested against actual behaviour and modified in the light of comment and feedback from consumers.'

CONCEPTS, METHODOLOGY, NEEDS

- 232 Saunders, Peter (1998), 'Special topics', in P. Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper no. 74, Department of Social Security, Canberra, 616-33.

This chapter discusses some of the ways the budget standards developed by the Budget Standards Unit at the Social Policy Research Centre might be extended. It discusses a number of specific forms of customisation: to households that *differ in size and composition* from those of the 46 household types for which budget

standards have been developed; to reflect differences in *geographical location* of the households; to reflect the *special needs* of certain households; to reflect *changes over time* in prices, incomes, living standards and community norms; and customisation which considers how to vary the *standard of living* from the low cost and modest but adequate standards themselves, that is, an 'affluent' budget standard. The conceptual issues involved in all these possibilities are discussed and difficulties noted.

The chapter also assesses the main lessons to emerge from the research carried out by the BSU, including the problems encountered in the process. 'The BSU budget standards represent a state of the art attempt to apply the budget standards methodology to Australian circumstances given the available data. They represent a substantial contribution to research on household living standards and a solid foundation on which further study of the adequacy of household incomes and expenditures can build.'

CHANGES OVER TIME, CONCEPTS, EQUIVALENCE SCALES, LOCATION

- 233 Saunders, Peter (1998), *Using Budget Standards to Assess the Well-being of Families*, Discussion Paper No. 93, Social Policy Research Centre, University of New South Wales, Sydney, 36pp.

'This paper describes the methods used by the Budget Standards Unit at the Social Policy Research Centre to develop a set of indicative budget standards for a range of Australian households. Some of the results from the project are then compared with estimates of actual household expenditure derived from the Household Expenditure Survey conducted by the Australian Bureau of Statistics. The sensitivity of budget standards to some of the key assumptions and judgements made in developing them is illustrated in two examples: housing costs and spatial variation in prices. The paper concludes that one important contribution that budget standards research can make to discussion of the adequacy of household incomes is in providing a transparent framework for selecting items needed to maintain a particular standard of living and translating them through prices into the budgets required to purchase them.'

CONCEPTS, HOUSING, LOCATION

- 234 Saunders, Peter (1999), 'Budget standards and the costs of children', *Family Matters*, 53, Winter, 2-12.

The author points to the importance of information about the costs of children to families, as they affect allowances, taxation and even the fertility rate. He relates the history of Australian studies to determine those costs, first by Lovering (1984,

q.v.) using a variant of the 'basket of goods' approach and then in a study commissioned by the Australian Institute of Family Studies in 1989 (by Donald Lee, described in McDonald, 1990, q.v.) which used household expenditure data. The article then describes the budget standards approach used by the Social Policy Research Centre (Saunders et al. 1998, q.v.) and its findings in relation to the costs of children. These findings are compared to those found through updating results from both the earlier studies. Discrepancies are discussed. The article explains current research being undertaken to extend the work of the SPRC budget standards unit.

CHANGES OVER TIME, CONCEPTS, COST of a CHILD

- 235 Saunders, Peter (1999), 'Budget standards and the poverty line', *Australian Economic Review*, 32(1), March, 43-61.

'This article reports some of the results from a recent study which, among other things, developed and costed low cost budgets for a range of Australian households. A budget standard represents what is needed, in terms of good, services and activities, to achieve a particular standard of living and what that costs in a particular place and time. A low cost budget standard is one designed to meet basic needs at a frugal level while still allowing social and economic participation consistent with community expectations. The low cost budget standard estimates for households living in Sydney in February 1997 are somewhat higher than the Henderson poverty line, partly a reflection of the high cost of housing in Sydney, but also a consequence of the low cost standard itself being above a poverty standard. In spite of this, the budget standard relativities for different households provide an estimate of the relative needs of Australian households in the 1990s which could replace the current much-criticised equivalence scale.'

CONCEPTS, EQUIVALENCE SCALES, POVERTY

- 236 Saunders, Peter (1999), 'Development and application of indicative budget standards for Australia', *Social Security Journal*, 1998/1, 57-68.

The paper discusses the origins of budget standards research in Australia, gives an overview of methods used, and presents some results found by the Budget Standards Unit (BSU) at the Social Policy Research Centre, discussing in particular some sensitivity results and the use of results in estimating the cost of children. 'The value of the BSU budget standards research will depend upon how much the standards are used and how useful they are to those who use them... The two main advantages of the budget standards method are, firstly, that it provides a consistent conceptual framework that highlights the many judgements

involved in developing adequacy measures; and second that it provides a basis for assessing which are the key judgements, both conceptually and in terms of their quantitative importance.'

CONCEPTS, COST of a CHILD, METHODOLOGY

- 237 Saunders, Peter (1999), 'Reflections on the Australian poverty debate', *Social Security Journal*, 1998/1, 9-36.

The main theme developed in this paper is that 'more research is needed to explore the meaning of poverty, both as it exists in the minds of people generally and as it affects the poor themselves'. It explores conceptual issues, illustrating them using poverty estimates derived by several methods using ABS household expenditure data. Research into budget standards is one strand of research that may provide a coherent framework for developing a poverty line, but 'the method itself will not satisfy those who are searching for a definitive answer to where the poverty line should be set'. It is 'best seen as a continuing process that will give rise to its own questions and thus generate its own momentum. Engagement in the debate about the merits of alternative normative judgements, different sources of information and the various methods of analysing them is both seductive and frustrating.' The research in this area should proceed along with other methods for identifying and measuring poverty.

CONCEPTS, METHODOLOGY, POVERTY

- 238 Saunders, Peter, Michael Bittman, Jenny Chalmers and Marilyn McHugh (1998), 'How much money is enough', *Consuming Interest*, 76, Winter, 26-8.

The article describes the work of the Budget Standards Unit within the Social Policy Research Centre in determining budget standards for different standards of living. It discusses the possibility of using the low-cost standard budget as a poverty line and also the other uses to which the standards could be put: to assess the adequacy of various incomes; to inform decisions about various means tests; to set thresholds where higher taxes should begin; and to estimate the costs of children (examples are given of the latter). 'A budget standard cannot tell us what is involved in living "the good life" but what it can do is to begin to unpack the material dimension of well-being and indicate what money can buy and how much is needed to get by.'

ADEQUACY, COST of a CHILD, METHODOLOGY, POVERTY

- 239 Saunders, Peter, Jenny Chalmers, Marilyn McHugh, Colette Murray, Michael Bittman and Bruce Bradbury, assisted by Róisín Thanki, Denise Thompson and Sally Doran (1998), *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 633pp.

This document is a report produced by the Budget Standards Unit, Social Policy Research Centre at the University of New South Wales, acting as a consultant for a project commissioned by the Department of Social Security. It consists of 15 chapters (all of which are separately annotated in this bibliography, by author). There is also an executive summary which presents the major features of each chapter.

Introduction to the project	Peter Saunders
Research design and methods	Peter Saunders with Jenny Chalmers and Marilyn McHugh
The housing budget	Róisín Thanki, Jenny Chalmers and Peter Saunders with Michael Bittman
The energy budget	Jenny Chalmers
The food budget	Colette Murray with Michael Bittman and Peter Saunders
The clothing and footwear budget	Marilyn McHugh
The household goods and services budget	Denise Thompson and Marilyn McHugh
The health budget	Colette Murray and Peter Saunders
The transport budget	Jenny Chalmers
The leisure budget	Michael Bittman and Marilyn McHugh with Denise Thompson
The personal care budget	Colette Murray with Sally Doran
The modest but adequate and low cost budget standards	Peter Saunders
Focus group input	Michael Bittman, Marilyn McHugh and Peter Saunders

Using budget standards to estimate the costs
of adults and children

Bruce Bradbury and
Peter Saunders
Peter Saunders

Special topics

CONCEPTS (For further relevant keywords, see under each author and chapter)

- 240 Saunders, Peter, with Jenny Chalmers and Marilyn McHugh (1998), 'Research design and methods', in P. Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 54-112.

The research carried out by the Budget Standards Unit within the Social Policy Research Centre built upon overseas budget standards research but was designed to overcome limitations encountered there. The standards were constructed and revised by a team working collaboratively to gain cross-budgetary consistency. The research began from standards developed by the Family Budget Unit in England; these were adjusted to fit Australian conditions, values and patterns of behaviour. A Steering Committee provided advice and assistance to the researchers, and a series of focus groups provided feedback on the preliminary results. The composition and operation of the Committee and the focus groups are described. Sources of data used in the development are also described.

A set of budget standards have been developed for a range of households at both a *modest but adequate* and a *low cost* standard. The conditions of both are described and the differences between them and 'minimum standards' and the 'poverty line' are explained. The sources of expert judgement used in setting the standards are indicated and the processes used in formulating standards where no such expert judgements exist are outlined. The methodology is shown in figurative form as well as words.

The specific assumptions and methods used to develop the indicative (as opposed to definitive) budget standards are described, including definitions of community norms and rules of thumb such as ownership rules, the unit of analysis, normative and behavioural inputs, selection of household types, a number of pricing issues, treatment of concessions and gifts as well as second hand goods. The chapter also canvasses customisation of budgets and the development of derivative budgets as well as sensitivity analysis. There is a section on the main limitations of the standards. An appendix describes the treatment of durable goods in budget standards.

CONCEPTS, CONSUMER DURABLES, METHODOLOGY

- 241 Sawhill, Isabel V. (1988), 'Poverty in the US: why is it so persistent?', *Journal of Economic Literature*, 26, September, 1073-119.

Before examining the reasons for the persistence of poverty in the US, the author first describes the official definition of poverty, then examines alternative concepts and measures and looks at the sensitivity of the incidence of poverty to definitional and measurement choices. The US measure is based on the cost of a nutritionally adequate diet for families of specified composition, multiplied by a factor derived from the percentage of after-tax income spent on food, so that 'the poor should not have to earmark a larger proportion of their income for food than the nonpoor'. After looking at alternatives, and discussing the concepts implicit in the measure, the author concludes that: 'For all their flaws, the existing "official" measures of poverty in the United States have proved very useful, both to researchers and policy makers.'

FOOD, POVERTY

- 242 Schipper, Lee, Sarita Bartlett, Dianne Hawk and Edward Vine (1989), 'Linking life-styles and energy use: a matter of time', *Annual Review of Energy*, 14, 273-320.

'Energy use varies widely among families living under similar physical conditions.' The article is concerned to determine the relationship between life-styles and energy use. It first reviews the structure of energy use (in the US) by end-use sector (e.g. heating, cooking, travel) and proposes a scheme for measuring consumer activities, leading to a new description of consumers' energy use. The authors reviews demographic (i.e. family size and composition) and social factors (e.g. dwelling size, equipment ownership, time use in terms of time spent in the home) that may constrain choices, then return to the activity-based description of energy use to speculate on changes in consumer activities. They found that the most important factors are those that influence the mix of personal activities and location. The most energy-intensive activities are those involving travel.

ENERGY, LIVING STANDARDS

- 243 Schoenberg, Erika H. and Mildred Parten (1937), 'Methods and problems of sampling presented by the Urban Study of Consumer Purchases', *Journal of the American Statistical Association*, 32(198), June, 311-22.

The paper outlines the problems of sampling encountered in the Urban Study of Consumer Purchases and indicates methods designed to meet these problems.

This study was administered by the Bureau of Labor Statistics (see Kneeland, Schoenberg and Friedman, 1936 for more information about the study).

METHODOLOGY

- 244 Schofield, Deborah and Josh Polette (1996), *How Effective are Child Care Subsidies in Reducing a Barrier to Work?*, NATSEM Discussion Paper No.13, National Centre for Social and Economic Modelling, University of Canberra, Canberra, 22pp.

'The cost of child care is one of the greatest financial barriers faced by parents returning to work. In recognition of this cost, the federal government provides child care subsidies to assist families to meet the cost of child care. This paper models the use of child care services and the provision of child care subsidies to determine how effective the child care support programs are in reducing the financial barriers that make returning to work difficult for many parents. Both childcare assistance and the newer childcare cash rebate are modelled. Their impact on families where both parents or the sole parent works are analysed for different family incomes and family sizes.'

COST of a CHILD

- 245 Sen, Amartya (1983), 'Poor, relatively speaking', *Oxford Economic Papers*, 35(1), March, 153-69.

The paper discusses the concepts of relative and absolute poverty and argues that 'ultimately poverty must be seen to be primarily an absolute notion, even though the specification of the absolute levels has to be done quite differently from the way it used to be done in the older tradition'. The difficulty of specifying a standard of living lies in the difficulty of specifying the commodities required. The author suggests that 'capabilities are more important than actual commodities. For example, a bicycle (a commodity) confers on its owner the ability to move about that might not be possible without the bicycle. It is further argued that capability to function comes closest to the notion of standard of living.

A rejoinder to this paper appears: Peter Townsend (1985), 'A sociological approach to the measurement of poverty - a rejoinder of Professor Amartya Sen', *Oxford Economic Papers*, 37(4), December, 659-68. Professor Sen replies on the following pages, 669-76.

CONCEPTS, LIVING STANDARDS, NEEDS

- 246 Siemon, Don (1998), 'How much do people need to live on?', *Brotherhood Comment*, August, 8-10.

The article is a review of *Development of Indicative Budget Standards for Australia* (Saunders et al., 1998, q.v.) and describes briefly some of the major methodological factors used in the project. After presenting representative findings, it discusses some implications. It also presents some graphs showing comparisons, for couples and for sole parents, of the two derived budgets (low cost and modest but adequate) with the Henderson poverty line, 120 per cent of the poverty line and with Department of Social Security income support payments. The author discusses the value of the study, especially in relation to government policy.

ADEQUACY, CONCEPTS, METHODOLOGY

- 247 Slesnik, Daniel T. (1993), 'Gaining ground: poverty in the postwar United States', *Journal of Political Economy*, 101(1), February, 1-38.

'Official measures of poverty in the United States are compiled by the Bureau of the Census by comparing a household's income level to a prespecified threshold. From a theoretical perspective it is more appropriate to evaluate the level of poverty using a consumption-based measure of household welfare ... The trend in the poverty rate in the United States is sensitive to the price index and equivalence scales used to adjust the poverty levels.'

CONCEPTS, POVERTY

- 248 Smith, Philippa (1982), *Living on the Edge ... The Study of 90 Low Income Families*, Australian Council of Social Service, Sydney, 165pp.

Ninety low-income families responded to a questionnaire and attended group meetings for this study which examines the day to day implications of living on a low income. It looks at the locational and other factors contributing to the contention that 'the poor pay more'. Expenditures in areas of food, household goods, clothing, education and recreation are explored as are access to health care and to services which might alleviate stress. Housing and housing cost are specially treated. Work status and the costs of working are canvassed. The methods used by the family to deal with difficulties are discussed. The setting of the poverty line is the major issue in this paper.

COST of a CHILD, FOOD, HOUSING, OTHER BUDGET ITEMS, POVERTY, SURVEYS

- 249 Social Planning Council of Metropolitan Toronto (SPCMT) (1981), *The Budgets Guide Methodology Study, Volume 1, Summary and Overview*, SPCMT, Toronto, 68pp.

This volume summarises five volumes produced by the SPCMT, the separate volumes being concerned with: food standards and costs; clothing standards and costs; standards and costs for housing and transportation; and standards and costs for home furnishings and equipment and for household operations. It presents a history of the provision of guidelines for family spending or budgeting by the SPCMT since 1939. 'The common feature in each budget guide is the approach of defining an adequate standard of living in terms of goods and services. Price observations are made for each item in the basket to ensure representativeness'. The difficulties in this process are noted and the format of the guides described. The objectives and uses of the guides are discussed. 'Originally intended for use by agencies concerned with counselling of families with money management problems, they have also come to serve as a reference to judge the adequacy of financial assistance and service provision programs.'

The advantages of the approach used in the Budget Guides relate to: the use of volunteer, community-based committees which legitimise the level of adequacy in the guides; the market basket approach which is easily understood; the fact that it uses a standard of adequacy rather than poverty; and its flexibility. Disadvantages are: heavy demands on staff and resources; the difficulty of using Budget Guide standards as a guide for social assistance allowances; and difficulty in relating consumption requirements to income requirements.

The volume begins by discussing the main features of the budgeting approach in relation to the concept of poverty whose origins are outlined. The first chapter also looks at budget guides produced elsewhere. The second chapter contains a comparison of living levels and standards in this series with actual community consumption levels, showing that the level of living outlined in the Guide 'is one which could be maintained by a family of four with one wage earner with an income approximating average industrial wage'. The third chapter summarises the findings of the individual spending categories which are presented in more detail in Volumes 2 to 6 in the series. Some minor changes in procedures from previous budget methodology are suggested.

CONCEPTS, FOOD, HOUSING, METHODOLOGY, OTHER BUDGET ITEMS

- 250 Social Planning Council of Metropolitan Toronto (SPCMT) (1992), *Guides for Family Budgeting, 1991*, SPCMT, Toronto, 223pp.

This is one of a series of budgeting guides produced by the SPCMT, incorporating certain changes in methodology recommended by a review in 1980 and 1981. The revisions 'were intended to bring the budget for some goods and services closer to actual consumption of goods and services by families with incomes and overall levels of living approximating those of Budget Guide reference families. The review of the budget guides methodology also resulted in a more detailed specification of goods and services. These descriptions are designed to increase the ease and accuracy of updating the Budget Guides'.

In addition to presenting detailed budgets, the volume includes a discussion of some of the considerations in budgeting which may lead to economies, detailed descriptions of resources such as health care and legal services, post-retirement activities for seniors and a bibliography of sources. It also includes sample budgets for various households and a discussion of the costs associated with raising children from birth to age 18.

COST of a CHILD, METHODOLOGY

- 251 Social Planning Council of Metropolitan Toronto (SPCMT), (1994), *Updated Sample Family Budgets*, SPCMT, Toronto, 23pp.

The updates to the family budgets omit the detailed re-pricing and descriptions of family expenditure, while presenting sample budgets reflecting 1994 prices. It includes descriptions of price changes, tax and transfer changes, a discussion of living costs for the disabled community and consumer price index changes as well as sample budgets for 15 family types.

CHANGES OVER TIME, DISABILITY

- 252 Social Welfare Policy Secretariat (1981), *Report on Poverty Measurement*, AGPS, Canberra, 222pp.

The Social Welfare Policy Secretariat was commissioned by the then Minister for Social Security to 'examine the whole issue of alternative approaches to measure a poverty line that would be relative to Australia in the 1980s.' The Secretariat looked at four approaches used to identify the amount of income at which a reasonable standard of living might be achieved, one of which was the subsistence method. 'This amounts to specifying the goods and services which make up the subsistence standard of living, pricing them, and adding up the results.' The report notes that 'since this can be repeated for all household types

of interest a method of establishing relativities is inherent in the subsistence approach. Further, a poverty line of this nature may be adjusted through time by valuing the basket of goods and services at current prices'. The study presents some history of the use of this approach and looks at its relationship to wage determination. The report concludes that there are difficulties in the method, especially because arbitrary assumptions must be made.

Other approaches examined are the relative poverty approach, poverty lines based on public conceptions of poverty and the conventional method which uses minimum wages or pension rates as a measure of a low but adequate standard of living. The report discusses the difficulties involved in all these methods, but does not make any recommendations.

A brief account of the approach taken by the Secretariat to poverty lines, written by Jim Cox, is found in Peter Saunders, ed. (1980), *The Poverty Line: Methodology and Measurement*, SWRC Reports and Proceedings No. 2, Social Policy Research Centre, University of New South Wales, Sydney, 49-54.

CONCEPTS, POVERTY

253 Special Senate Committee on Poverty (1971), *Poverty in Canada*, Information Canada, Ottawa, 223pp.

This report is concerned with many aspects of poverty in Canada including methods of measuring its extent. It begins by defining poverty and examining two poverty lines which have been used to count the poor. An appendix describes the way the line used in this report was derived. In discussing budgetary approaches to poverty measurement, the report notes the problems, such as the 'fundamental issue' of where the cut-off point between the poor and others is to be: 'the level required for bare survival or as inadequacy in terms of prevailing standards'. The report includes a critique of other budget-oriented poverty measurements that have been made in other places and times. The Committee adopted a line which was based on 'Monthly Budget Standards for Items of Basic Need, by Type of Family, December, 1969', prepared by the Department of National Health and Welfare.

CONCEPTS, POVERTY

- 254 Spencer, John (1993), 'Cost of dental care', and 'Affordability and hardship in purchasing dental care', in Australian Institute of Health and Welfare, Dental Statistics and Research Unit, *Dental Care for Adults in Australia*, AIHW Dental Statistics and Research Unit, University of Adelaide, 61-79.

'Cost is an often cited reason for why individuals have not visited a dentist or have foregone recommended dental treatment ... It assumes a central role in policy change because the burden of cost is amenable to shift from individuals to the community.' The first of these chapters examines the cost of dental care to the individual and the imputed cost of dental care in public dental services. The second examines the distribution of affordability and hardship between age groups, income groups and health card status; their association with access to dental care; and their association with oral health outcomes. Other chapters in the book which reports on a variety of surveys carried out to establish a database on dental health in Australia (see also the full report, Allister, Brennan, Davies et al., 1995, *Commonwealth Dental Health Program Baseline Evaluation Report 1994*, University of Adelaide) deal with social inequalities and oral health, dental treatment need, availability of services, the use of dental care, the provision of dental care to client groups and dental insurance.

OTHER BUDGET ITEMS

- 255 Spring Rice, Margery (1939), *Working-Class Wives: Their Health and Conditions*, Penguin, Harmondsworth, 214pp.

The book is the report of a survey of the conditions of 1250 married working class women carried out by the Women's Health Enquiry Committee. The various chapters describe the survey and present results according to: the incidence and treatment of ill-health; work; housing; diet; followed by some dietaries and budgets. Individual case studies relate costs to available income. As well as family budgets, the women gave accounts of their own individual diets.

FOOD, HOUSING, OTHER BUDGET ITEMS, SURVEYS

- 256 Staehle, Hans (1934), 'Annual survey of statistical information: family budgets', *Econometrica*, 2, 349-362.

'The econometrician is often hampered by the absence of quantitative information, in spite of his efforts to restate problems of economic theory in such terms as will fit them for verification by actually existing statistics ... For instance, whereas, in the field of cost theory, the state of statistical information is primarily a check on the progress of econometric studies, family budget statistics

rather seem to be a branch of information which is full of promise.' The article describes some of the technical difficulties inherent in family budget statistics, some econometric uses of family budgets and family budget enquiries in various countries.

CONCEPTS, METHODOLOGY

- 257 Staehle, Hans (1935), 'Family budgets', *Econometrica*, 4, 106-18.

The article consists of a table summarising briefly the information given in some family budget enquiries in the 1920s and 1930s. 'The tables are far from covering all the countries for which enquiries are available, nor are they complete for any single country. But it is hoped that the notes may, however, be useful as a guide to some of the more important materials.'

SURVEYS

- 258 Stanton, David (1973), 'Determining the poverty line', *Social Security Quarterly*, Spring, 18-32.

The paper discusses concepts of poverty and methods of measuring it. Three broad approaches are identified: the budgetary or subsistence approach where poverty is defined in terms of a minimally adequate budget to cover basic needs; the inequality or relative approach where poverty is defined in terms of a percentage of average income; and the arbitrary approach where poverty is defined using an administrative criterion such as a minimum wage. The history of the use of each approach is outlined and the limitations and deficiencies are indicated. The author discusses the application of the budgetary approach in Australia, pointing to the absence of budgetary data. A Household Expenditure Survey was planned for 1974, although a standard cost food budget had been prepared earlier in the NSW Department of Health. The 'arbitrary judgements' involved in the method are discussed. Value judgements and attitudes must 'be clearly outlined as a starting point in any poverty study'.

CONCEPTS, METHODOLOGY, POVERTY

- 259 Stanton, David I. (1980), 'The Henderson poverty line - a critique', *Social Security*, December, 14-24.

The purpose of this article is to demonstrate the subjective and arbitrary nature of the poverty line known as the Henderson poverty line which used data from a 1954 New York survey in its determination of equivalence scales. The author concludes that there is need for more collection and analysis of Australian data.

'In addition to obtaining improved descriptive statistics, work could commence on devising budget standards relevant to Australia. The development of such standards would inevitably involve a large degree of subjective judgement ... The assumptions made should be carefully tested and the extent to which desired standards of expenditure are actually achieved, and at what levels of income, should be determined.'

CONCEPTS, METHODOLOGY

- 260 Stigler, George, J. (1945), 'The cost of subsistence', *Journal of Farm Economics*, 27(2), May, 303-14.

'Elaborate investigations have been made of the adequacy of diets at various income levels, and a considerable number of "low-cost", "moderate", and "expensive" diets have been recommended to consumers. Yet ... no one has determined the minimum cost of obtaining the amounts of calories, protein, minerals, and vitamins which these studies accept as adequate or optimum. This will be done in this paper, not only for its own interest but because it sheds much light on the meaning of conventional "low-cost" diets.' The paper looks at the quantities of various nutrients required for an average person's diet and the quantities of these nutrients found in certain common foods. It describes the methodology of finding the minimum cost diet, presents tables showing the minimum cost diet in August 1939 and August 1944 and compares these with conventional low-cost diets. In this section the author discusses problems of merging the physiological and cultural components of diet. He concludes: 'If the dieticians persist in presenting minimum diets, they should at least report separately the physical and cultural components of these diets.'

FOOD, METHODOLOGY

- 261 Stitt, Sean and Diane Grant (1993), *Poverty: Rowntree Revisited*, Avebury Aldershot, 123pp.

'This research aims to step into Seebohm Rowntree's shoes and establish a primary poverty line for Britain in 1992 for a "moderate family" of adult male, adult female and two young children. This poverty line will then be applied to official income data to determine the extent of such poverty and this will be compared to the findings of Rowntree in 1899, 1936/41 and 1950.' The book includes a chapter which describes the studies carried out by Rowntree as well as some critiques of his work. The following chapter deals with specific budget items: food, fuel, clothing and footwear, and personal and household sundries. Another chapter presents 'the 1992 Rowntree primary poverty line' which is then

used to determine the number of people living in primary poverty in 1992, showing an increase since 1899.

CHANGES OVER TIME, CONCEPTS, ENERGY, FOOD, OTHER BUDGET ITEMS, POVERTY

- 262 Stone, Richard with D.A. Rowe, W.J. Corlett, Renée Hurstfield and Muriel Potter (1954), *The Measurement of Consumers' Expenditure and Behaviour in the United Kingdom 1920-1938*, The University Press, Cambridge, 448pp.

The estimates of consumers' expenditure set out in this volume are intended to take their place in a systematic study of expenditure, output and income for the period 1920-1938. The study is principally concerned with the value of purchases, that is, goods and services, the quantities obtained and the average prices paid by the purchasers. No attempt is made to define or classify the 'wants' which the purchases may satisfy. There is discussion of consumers' expenditure as it relates to consumption, which is important when dealing with consumer durables and assets. Other methodological issues relate to the types of methodological transactions included, the quantity measures for commodities, the basis of valuation and the nature of the data as well as the reliability of the estimates. Separate chapters deal with specific commodities: bread and cereals; meat, poultry and eggs; fish; dairy products; margarine and other fats; vegetables; fruit and nuts; sugar, chocolate and confectionery; tea, coffee and cocoa; other foods; food as a whole; alcoholic drinks and table waters; tobacco products; rents, rates and water charges; and fuel and light. Part II of the volume deals with analysis of market demand and separate chapters again deal with certain commodities either grouped or individually. The computations in this volume were made at a time when new data were becoming available and also when new methods of calculation (e.g. regression theory) were being developed. The authors comment on the fact that many of their computational operations will not be necessary in future research. Also, it is probably true that it will be more profitable to improve data than estimating procedures 'since a brilliant armoury of techniques for estimating parameters is likely to give disappointing results if applied to unreliable or irrelevant data'.

An interim discussion of this survey is found in Richard Stone (1945), 'The analysis of market demand', *Journal of the Royal Statistical Society*, Series A, 108, 286-7.

CONCEPTS, CONSUMER DURABLES, ENERGY, FOOD, HOUSING, METHODOLOGY, SURVEYS

- 263 Stotz, Margaret S. (1960), 'The BLS interim budget for a retired couple', *Monthly Labor Review*, 83(11), November, 1141-57.

'A budget for a retired elderly couple was originally developed in 1946-47 by the Social Security Administration to parallel the City Worker's Family Budget developed by the Bureau of Labor Statistics.' (See Lamale and Stotz, 1960, for a description.) This article describes the interim revision of the budget.

CHANGES OVER TIME, ELDERLY, METHODOLOGY

- 264 Terrill, Marion and Ian Brodie-Reed (1999), 'It's not just about money – a project to examine living standards', *Social Security Journal*, 1998/1, 37-55.

The article describes the Living Standards Project being undertaken by the Department of Social Security in partnership with the Australian Bureau of Statistics. Approaches to assessing adequacy and living standards are listed and briefly discussed: income/expenditure approaches, the Henderson poverty line, the use of income and related data, budget standards, relative deprivation (Townsend's relative deprivation study and Mack and Lansley's consensual approach), level of living approaches (Erikson and Aberg; Travers and Richardson, 1993, q.v.; and the AIFS Living Standards study). The approach of the DSS/ABS study is then described.

CONCEPTS, LIVING STANDARDS

- 265 Thanki, Roísín, Jenny Chalmers and Peter Saunders with Michael Bittman (1998), 'The housing budget', in Peter Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 113-60.

The problems encountered when including the cost of housing in budget standards are discussed and the reasons for including them in the Budget Standards Unit study are canvassed. The approach used here has involved calculating the housing budgets for households living in the Hurstville Local Government area, but using methods that can be replicated in other areas. A set of normative standards of housing were established and a set of occupancy standards were developed based on the number of bedrooms needed given the size and composition of the household. This was followed by assigning tenure (owner; purchaser; public or private renter) to each household and the preparation of housing profiles based on location, size and overall quality of the dwelling. Housing costs were then established by observing market rents and by making assumptions regarding mortgage arrangements of purchasers, for each standard

and each tenure type. Additional housing costs such as council rates, water charges, insurance and repairs and maintenance were then specified and aggregated to derive the total housing budget.

HOUSING, METHODOLOGY

- 266 Thompson, Denise and Marilyn McHugh (1998), 'The household goods and services budget', in P. Saunders et al., *Development of Indicative Budget Standards for Australia*, Policy Research Paper No. 74, Department of Social Security, Canberra, 257-307.

The household goods and services budget developed by the Budget Standards Unit demonstrates the complexity of research on budget standards as well as the limitations imposed by the absence of data. It incorporates: indoor and outdoor furniture, floor coverings, blinds, curtains, whitegoods, electrical appliances, household linen, soft furnishings, ornaments, gardening tools and equipment, tableware, cookware, kitchenware, cleaning utensils, household durables and non-durables and maintenance of fittings such as floor coverings. It also includes, where appropriate, school fees and charges, child care fees, the costs of pets, stationary, telephone and postage. Care has been taken to avoid double counting of needs in overlapping areas such as leisure which is separately budgeted (see Bittman and McHugh with Thompson, 1998). Attention has also been paid to ensuring that the items included are consistent with the housing which has been allocated to each household type at each budget standard. The problems encountered in pricing are described; these relate to selection of appropriate items by brand name and quality, data which are not included in the Household Expenditure Survey. For budget standard research a *particular* bed or sofa, for example must be identified with sufficient precision for pricing. The sources of information are given for all items. The methods of deciding on which elements of expenditure should be included in the school and child care section of the budget and their pricing are described.

METHODOLOGY, OTHER BUDGET ITEMS

- 267 Townsend, Peter (1954), 'Measuring poverty', *British Journal of Sociology*, 5(2), June, 130-7.

The article considers methods of obtaining information on which to base studies of poverty. It discusses briefly methods used in measuring poverty in the past, describing the work of earlier researchers and suggesting a new method. It also looks at the relationship of poverty measures to benefit payments. The author concludes: 'I have tried to set out the difficulties of arriving at a satisfactory standard for measuring poverty, which can be used in social surveys, and the

difficulties of eliminating class judgements from that standard. The conclusion seems to be that the problem of whether or not a family is in poverty is best decided by finding whether its expenditure, save for one or two involuntary overheads, such as rent and compulsory insurances, is less than that which actually secures minimum nutrition for a large number of working-class families.'

CONCEPTS, POVERTY

- 268 Townsend, Peter (1962), 'The meaning of poverty', *British Journal of Sociology*, 13, September, 210-27.

The article is mainly concerned with the concept of 'subsistence', which, the author argues 'appears to govern much contemporary thought about the subject of poverty. My main thesis is that both "poverty" and "subsistence" are relative concepts and that they can be defined in relation to the material and emotional resources available at a particular time to the members either of a particular society or different societies'. The article presents estimates of the numbers in poverty according to the standards of subsistence based on Rowntree's income standards, updated, and also according to the subsistence standard of the National Assistance Board. It then goes on to discuss the problem of defining 'subsistence' and 'adequate' nutrition and the need for a new approach.

CONCEPTS, POVERTY

- 269 Townsend, Peter (1979), *Poverty in the United Kingdom: A Survey of Household Resources and Standards of Living*, Penguin, Harmondsworth, 1216pp.

The first chapter of this book, 'Introduction: concepts of poverty and deprivation', includes a brief historical review of attempts to define poverty. The use of a budget standard in these attempts is described. The procedure was used in several influential studies, for instance by Seebohm Rowntree (q.v.) in York, Britain and Mollie Orshansky (q.v.) in the United States. Criticisms of the method are discussed.

CONCEPTS, POVERTY

- 270 Townsend, Peter (1987), 'Deprivation', *Journal of Social Policy*, 16(2), April, 125-46.

This paper defines 'deprivation' then argues that the indicators which are chosen to represent the phenomenon are not adequate. A survey carried out in London in 1985-86 measured the extent of multiple forms of deprivation. An appendix to

this paper lists factors contributing to deprivation in the diet, clothing, home facilities, environment, location, work and social conditions.

CONCEPTS, SURVEYS

- 271 Townsend, Peter (1997), 'The poverty line: methodology and international comparisons', in D. Gordon and C. Pantazis, eds, *Breadline Britain in the 1990s*, Ashgate, Aldershot, 49-69.

'Questions about the definition of poverty and the "poor" have always governed attempts to establish scientific methodology for the study of these phenomena ... The science of poverty measurement is probably at the stage of pre-Newtonian physics.' The chapter discusses whether the poverty line should be arbitrary or objective, absolute or relative and internationally applicable. It then looks at alternative poverty lines for the UK. In discussing budget standards, the author refers briefly to the methodology and the history of their compilation. 'The strength of the methodology lies in its apparent practicality - using expenditure data and professional expertise about low-cost budgeting. This brings expert pressure to bear on Government policies.' Weaknesses of the methodology and its underlying concepts are also discussed. The author argues that it takes too little account of collective needs for services and utilities and collective resources.

CONCEPTS, METHODOLOGY, POVERTY

- 272 Travers, Peter (1996), 'Deprivation among low income DSS Australian families: results from a pilot study', in R. Thanki and C. Thomson, eds, *Mortgaging our Future? Families and Young People in Australia*, SPRC Reports and Proceedings No. 129, Social Policy Research Centre, University of New South Wales, Sydney, 27-45.

This paper is concerned with the development and testing of a survey instrument to collect data on relative deprivation among social security clients. The study focuses on 'direct' measures of standard of living, rather than on income alone. Questions on income are supplemented by questions on how people are actually living in terms of their possessions, housing, transport and social activities, as well as how they themselves see their living standards. The study is described and the list of 'necessities' on which the standard was based is detailed. The relationship of the deprivation found among those interviewed to their income levels was found to be only weakly correlated. The study showed that the relative deprivation dimension can be measured using a single index based on the results of the pilot survey comprising the 21 deprivation items which are listed.

ADEQUACY, LIVING STANDARDS, METHODOLOGY, SURVEYS

- 273 Travers, Peter and Sue Richardson (1993), *Living Decently; Material Well-being in Australia*, Oxford University Press, Melbourne, 246pp.

The two issues which are basic to the arguments in this book are material well-being and distributive justice. Indices of material well-being are identified, involving concepts of utility and functioning. The treatment of goods and services in the construction of these indices is discussed.

LIVING STANDARDS, NEEDS

- 274 Trethewey, Jenny (1986), *When the Pressure is Really On: The Interim Report of the Income and Expenditure Study*, Brotherhood of St Laurence, Fitzroy, 81pp and (1989) *Aussie Battlers: Families and Children in Poverty*, Collins Dove, 184pp.

These two publications describe a study which shows changes in income and expenditure among some 50 low-income families. The families, of varying composition, kept diaries recording their income (receipts plus cash in hand) and expenditure (cash paid out) for a fortnight in each month for periods up to a year.

POVERTY, SURVEYS

- 275 Valenzuela, M. Rebecca (1999), 'Costs of children and living standards in Australian households', *Australian Social Monitor*, 2(2), May, 31-6.

'This article ... focuses on the dollar-and-cents costs associated with the presence of a child or children in the household.' It comments on the ways such costs are relevant in administrative practices. The method of calculation is explained, beginning with the determination of the proportion of expenditure spent on each category (housing, food etc.), for several household types. 'This paper presents estimates of the cost of raising children in Australia based on actual expenditure incurred by families as revealed in the 1984, 1988-89 and 1993-94 Household Expenditure Survey. In general, the results show that to be able to maintain the living standards of the household before the arrival of children, the family budget would have to be increased by about 18 per cent for the first child for two-parent families, and by about 22 per cent for single-parent families. The additional budget requirements for the second and third children will still be positive but not as much as that of the first child. Overall, there is a larger financial adjustment required by single-parent households than two-parent families.' The paper also presents results for commodity-specific scales and discusses results for different income groups. The method used in the estimations is described in detail in a working paper by the author (1999) *Costs of Children and Living Standards in*

Australian Households, Working Paper No. 8/99, Melbourne Institute of Applied Economic and Social Research, University of Melbourne, 38pp.

COST of a CHILD, METHODOLOGY

- 276 Veit-Wilson, J.H. (1986), 'Paradigms of poverty: a rehabilitation of B.S. Rowntree', *Journal of Social Policy*, 15(1), 69-99.

'Rowntree is widely regarded as having originated in 1901 the "scientific" definition of poverty as the minimum income level required for physical subsistence. He is quoted as defining "secondary poverty" above this income level as mismanagement. Critics of this approach confuse Rowntree's use of concepts with his discussion of causes, and they overlook Rowntree's own explanation that his concept of poverty was relativistic life-style, and that his distinction between primary and secondary poverty was a heuristic device to convince individualists that the life-style of the poor was at least in part caused by low income and not by improvidence. Townsend's major life work in defining and measuring poverty as relative deprivation is usually presented as overthrowing Rowntree's paradigm. The paper shows that Rowntree's early views and methods have been widely misunderstood by later authors, and it argues that the evidence necessitates a reconsideration of Rowntree's position, which would show Townsend's achievement as a paradigmatic shift not from absolutist to relativistic models of poverty but from realistic models based on standards prescribed by expert observers to relativistic models based on standards derived from the whole population by social surveys.'

CONCEPTS

- 277 Veit-Wilson, John (1998), *Setting Adequacy Standards: How Governments Define Minimum Incomes*, Policy Press, Bristol, 142pp.

The book is concerned with minimum income standards which national governments use to reflect their political view of minimal income adequacy, mainly for income maintenance systems. 'A standard is an abstraction' for making a judgement. 'In this case, the judgement is the adequacy of incomes to meet some minimally decent level of living.' The various sections of the book describe and discuss the methods used in this study; various poverty measures and the way they are expressed; the way minimum income standards are used in ten countries; the adequacy of minimum income standards; some policy issues involved with the implementation of such standards; and the requirements for their use. The author concludes that every government must address four questions about adequacy: 'for what? for how long? for whom? who says?'. This

report outlines the knowledge of how minimum income standards can be set and how this is already done in some democratic countries.

ADEQUACY, CONCEPTS

- 278 Waldegrave, Charles, Shane Stuart and Robert Stephens (1996), 'Participation in poverty research: drawing on the knowledge of low-income householders to establish an appropriate measure for monitoring social policy impacts', *Social Policy Journal of New Zealand*, 7, December, 191-206.

The paper explores the possibility of using focus groups composed of low-income householders to develop a modern, transparent measure of poverty. The groups estimated minimum adequate household expenditure for different family types. 'A consensus is not required, but a common mind is sought. Those whose financial circumstances require them to budget on low incomes have expert knowledge of practical and necessary day-to-day expenditures.' The group develops an estimate of both the total amount of expenditure, and the itemised components of a full household budget required to meet certain standards specified by a facilitator. The results obtained in this study were consistent over groups from different communities with different cultural and household types. The method and its advantages are discussed. Results are tabulated. The absolute results of the focus groups are used to develop a relative threshold, using data from the Statistics New Zealand Household Economic Survey.

FOCUS GROUPS, NEEDS

- 279 Walker, Robert and Gillian Parker (1988), *Money Matters: Income, Wealth and (the Distribution of) Financial Welfare*, Sage, London, 263pp.

'The fourteen original essays in this volume aim to further understanding of the nature and distribution of financial welfare in Britain to-day.' The book 'grounds consideration of financial resources in the context of household needs'. That is, it examines claims on household budgets which 'if not met, are likely to result in some form of stress for some, or all, members of the household: financial, hardship, psychological suffering, social exclusion, etcetera.' The book is in four sections: financial needs and costs; financial resources; 'making ends meet'; and income distribution over the life cycle. The first section includes chapters on the costs of household formation (Robert Walker); the costs of child rearing (Deborah Mitchell and Kenneth Cooke); the costs of ageing and retirement (Robert Walker and Sandra Hutton); the costs of disability (Caroline Glendinning and Sally Baldwin); the costs of unemployment (Kenneth Cooke); and the costs of marital breakdown (Jane Millar).

COST of a CHILD, DISABILITY, ELDERLY

- 280 Watts, Harold W. (1967), 'The iso-prop index: an approach to the determination of differential poverty income thresholds', *Journal of Human Resources*, 2(1), 3-18.

'The problem addressed in this article is that of finding levels of income which typify equivalent levels of poverty for families in different circumstances.' The method used is based on the share of income spent on particular categories of consumption so that, 'families that, on average, spend an equal fraction on necessities are taken to be equally poor'. The method is applied to data from the 1960 US Survey of Consumer Expenditures. The suggested index 'appears to be a promising approach to the problem of equivalent income levels'.

EQUIVALENCE SCALES, FOOD, METHODOLOGY

- 281 Watts, Harold W. (1980), 'Special panel suggests changes in BLS Family Budget Program', *Monthly Labor Review*, 103(12), December, 3-10.

'The Bureau of Labor Statistics Family Budget Program produces one of the most popular and widely publicized series in the repertoire of labor statistics.' The budgets are briefly described. 'In 1978, the Bureau of Labor Statistics contracted with the Wisconsin Institute for Research on Poverty to recommend revisions in the Family Budget Program. The Institute appointed the Expert Committee on Family Budget Revisions ... The committee recommended that four American Budget Standards be developed in place of the current three budgets. The revised standards have been designed to take advantage of the new information on family behavior collected in the new Consumer Expenditure Survey.' The four budget levels proposed are applicable to six different types of families and based on median expenditures, rather than detailed commodity lists. This article explains the basic recommendations. 'Although the proposed new standards are based on methods that diverge from past practices, they will yield budget totals that are very much in line with the existing series. But a more important continuity - the aim to express normative and quantitative standards that can be used to evaluate relative levels of living among groups, between times and across regions - has been maintained.' The recommendations are detailed and the rationale for the changes is discussed. (See also Expert Committee on Family Budget Revisions, H.W. Watts, chairman, 1980).

CHANGES OVER TIME, CONCEPTS, METHODOLOGY

- 282 Watts, Rob (1993), 'Australian living standards: some gender considerations', *Australian Journal of Social Issues*, 28(1), 1-19.

'This paper is an exploration of the contemporary definitions in use of the idea a standard of living as it has been developed in social policy and economic research both in Australia and overseas. It is suggested that the assumptions underpinning the idea of a standard of living in areas such as poverty research or the analysis of redistributive policies and their effects are neither tenable nor useful. The concept is flawed because it makes unreasonable assumptions about the household and the nature of women's domestic labour. Considerations of the gender blindness of much economics suggest the need for a major revision in our approach to the idea of a standard of living.'

LIVING STANDARDS

- 283 Weir, Paula E. (1976), 'Urban family budgets updated to autumn 1975', *Monthly Labor Review*, 99(7), July, 40-4.

This paper shows how the Bureau of Labor Statistics in the US brings their budgets up to date, using changes in the Consumer Price Index and in the personal income tax laws. The family budgets represent the cost of three hypothetical lists of goods and services that were specified in the mid-1960s to portray lower, intermediate and higher standards of living. The budgets are for urban families of four people of specified ages and work status. The family has, for each budget level, average inventories of clothing, house furnishings, major durables and other equipment. The budgets are presented for specified areas of the American States.

CHANGES OVER TIME, METHODOLOGY

- 284 Whiteford, Peter (1985), *A Family's Needs: Equivalence Scales, Poverty and Social Security*, Research Paper No. 27, Development Division, Department of Social Security, Canberra, 148pp.

This paper is intended 'to provide an overview of the major issues and problems involved in research into the derivation of equivalence scales with particular emphasis on their application in the area of income security research and policy'. It engages in discussion of concepts such as 'standard of living' and the budgets based on a 'basket of goods' which may be used to measure different standards of living, as well as a series of other methods of measurement which have been used for the same purpose. These include the use of available information on actual expenditures. The paper includes an appraisal of the budgetary approach to poverty research, quoting criticisms which claim that the method is based on

'arbitrary' and 'subjective' judgements. Some problems which arise in updating budgetary standards are canvassed; other problems which arise when transferring relativities established in one location to another area are outlined.

CHANGES OVER TIME, CONCEPTS, EQUIVALENCE SCALES, LOCATION, POVERTY

- 285 Whiteford, Peter (1991), *The Costs of Sole Parenthood*, SPRC Reports and Proceedings No. 95, Social Policy Research Centre, University of New South Wales, Sydney, 82pp.

This report on the costs of sole parenthood concentrates on 'the question of whether there are direct costs that should be met through additional cash assistance'. It discusses the conceptual basis for arguments that sole parents face additional costs. Consideration is given first to housing costs and fixed costs such as fuel, power and household equipment, and to time costs. One section of the paper reviews a range of data on expenditure patterns. Tables show the broad expenditure groups taken into account e.g. housing costs, fuel and power, food, clothing and footwear etc. using data from the Australian Bureau of Statistics. Data on expenditure on social participation and recreation are broken down into smaller categories e.g. meals out, holidays, sport, toys etc. Deprivation data come from a survey of welfare beneficiaries with children in New Zealand, and from the United Kingdom in the late 1960s. Available data on equivalence scales are reviewed but the issue is under-researched and the number of studies estimating equivalence scales for sole parents is limited.

ENERGY, EQUIVALENCE SCALES, FOOD, HOUSING, OTHER BUDGET ITEMS, SOLE PARENTS

- 286 Whiteford, Peter and Paul Henman (1999), 'Assessing budget standards: conceptual issue in the treatment of durables', *Social Security Journal*, 1998/1, 103-46.

This paper discusses the definition of living standards used in the budget standards research carried out by the SPRC (Saunders et al. 1998. q.v.) and compares it with a range of other living standards research projects in order 'to identify a framework for assessing the concepts underlying the development of budget standards'. It then looks in detail at the treatment of durable goods in the methodology used by the SPRC. Following sections of the paper discuss the implications of the family life cycle for budget standards; the time horizon over which living standards are to be assessed; and some policy implications with recommendation for further analysis. The paper concludes that 'the approach adopted by the SPRC is inconsistent with our preferred framework for measuring living standards', particularly in the treatment of consumer durables which is

inconsistent with the treatment of housing. A number of very complex theoretical and methodological considerations are raised. The paper argues that ownership or possession of durables does not necessarily require current expenditure on depreciation, that there could be an amount in the budgets for emergencies and repairs. The paper also discusses the effect of duration of the receipt of income support on living standards as well as the need for data on the circumstances of those who become recipients before they do so, and when they cease to receive it.

CONCEPTS, CONSUMER DURABLES, LIVING STANDARDS, METHODOLOGY

- 287 Whiteford, Peter and Leslie Hicks (1993), 'The costs of lone parents', in Jonathan Bradshaw, ed., *Budget Standards for the United Kingdom*, Cash and Care Series, Avebury, Aldershot, 216-35; a version appears (1992), as *The Costs of Lone Parents: Evidence from Budget Standards*, Working Paper No. 16, Family Budget Unit, University of York, York, 47pp.

'Lone parents are one of the most disadvantaged groups in British society.' The chapter discusses their situation and their standard of living, including 'the conceptual basis of the idea that lone parents have extra costs not faced by two parent families' and the issue of time costs. The extra costs are recognised in a range of government programs. The paper outlines the budget standard methodology and provides details of the component parts of the budgets for lone parents. Summary budgets are presented and implications are drawn. The calculations are based on a lone parent working full time, and 'may go some way to explaining the low level of full-time paid work among lone parents with young children, as well as their high level of reliance on income support'.

METHODOLOGY, SOLE PARENTS

- 288 Wightman, Peter and Horrie Foreman (1991), *Costs of Disability: A Survey of the Costs of Disability for People with Disabilities in Labour Force Related Activity*, Policy Research Paper No. 59, Social Policy Division, Department of Social Security, Canberra, 28+pp.

'This paper deals with various aspects of the costs of disability. It surveys the actual costs incurred by people with disabilities, some of whom are working, looking for work, attending rehabilitation, attending training or education and others of whom are not in the workforce. It is intended to be of use to researchers and others interested in social security. The conduct and methodology of the survey has been reported in some detail to assist future researchers who may benefit from the experiences gained in this survey.' The specific costs investigated in the survey were: transport, housing, aids and appliances, medical and personal care. The research found great variation in the

costs incurred by people with disabilities in connection with their work force activity; some had no 'out of pocket' expense because they received assistance from government services or other organisations; some have requirements which they cannot afford and so do not incur the cost, while some had no costs because their needs are low. The paper uses both mean and median cost levels, the median being more useful because it is less affected by the small number of respondents with large costs.

DISABILITY, HOUSING, OTHER BUDGET ITEMS, SURVEYS

- 289 Willcox, Sharon (1991), *A Healthy Risk? Use of Private Insurance*, National Health Strategy Paper No. 4, National Health Strategy, Department of Community Services and Health, Canberra, 50pp.

'This paper consolidates information on private health insurance and represents the first work by the National Health Strategy on the term of reference concerning the role of the private sector. Information is provided on the incidence of and trends in private health insurance for different population groups [by income, age and type of insurance], the cost of private health insurance, the factors influencing people's decision about private health insurance and the health services used by people with private health insurance.'

OTHER BUDGET ITEMS

- 290 Wolfson, M.C. and J.M. Evans (1989), *Statistics Canada's Low Income Cut-offs: Methodological Concerns and Possibilities*, A Discussion Paper, Statistics Canada, Ontario, 80pp.

The paper discusses poverty and poverty measurement, referring to the major conceptual and practical difficulties in defining poverty lines and measuring the extent of poverty. There is no international consensus on the subject although there is a strong popular demand for statistical measures relating to poverty. For over 20 years, Statistics Canada has been publishing a series of Low Income Cut-offs (LICOs); these are not intended to be regarded as poverty lines, though they are often treated as such. 'The purpose of this discussion paper is to describe the major conceptual difficulties underlying any such set of statistics - including the current LICOs - and to develop options regarding sets of statistics indicative of the extent and nature of poverty in Canada.'

CONCEPTS, POVERTY

- 291 Working, Holbrook (1943), 'Statistical laws of family expenditure', *Journal of the American Statistical Association*, 38(221), March, 43-56.

The paper draws on data from surveys carried out by the US Bureau of Labor Statistics during the 1930s. 'Its objective is to ascertain what uniformities can be discovered in tendencies of expenditure among families of different sizes, different incomes, and different occupational classes in different regions and in different types of community in the United States in the middle 1930s.' It was found that proportions of total expenditure devoted to different purposes (or expenditure items) tend to be about the same for families of the same total expenditure per person even though the families differ with respect to income, size and proportion of income saved. As total expenditure per person increase, the proportion of expenditure spent on food decreases rapidly, the proportion spent on recreation and transportation increase greatly, and that on clothing and other items also increases moderately.

FOOD, OTHER BUDGET ITEMS

- 292 World Bank (1990), *World Development Report 1990, Poverty*, Oxford University Press, New York, 260pp.

Poverty, in this report, is defined as 'the inability to attain a minimal standard of living'. The issues involved in determining this minimal standard and in estimating the ability or inability to attain it in a number of different countries are discussed.

CONCEPTS

- 293 Wynn, Margaret (1970), *Family Policy*, Michael Joseph, London, 355pp.

The book, which is concerned with family policy, especially with regard to policy for children in families, includes chapters on the assessment of family need. The author points out that such assessment is difficult and discusses some of the difficulties. Some of the benchmarks used in a number of countries are described. Where nutritional requirements are included in the standards, they are affected by each family and its habits. 'Theoretical low cost budgets cannot be enforced and have little reality.' Thus, there will be a spread in nutritional adequacy among any group of families living on the same low income. The proportion of income spent on food in families of differing composition is discussed. The lower the standard of living, the higher that proportion is. Data on actual expenditure in a number of countries are used to point out that even this is only a rough indication of standard of living, depending on a number of other factors. Apart from food, a number of other goods are important in formulating standards. The book also

looks at the comparative needs of adults and children, boys and girls, by age, labour market status and geographical location and even season of the year; it examines differences caused by family size and 'the cost of misfortune' (sickness, loss of a parent, handicapped family members). Further chapters deal with education, taxation, birth-rate and family policy.

EQUIVALENCE SCALES, FOOD, LOCATION, NEEDS

- 294 Yates, Judith (1991), *Australia's Owner-occupied Housing Wealth and its Impact on Income Distribution*, SPRC Reports and Proceedings No. 92, Social Policy Research Centre, University of New South Wales, Sydney, 6pp.

This report analyses data from the 1988 ABS Household Expenditure Survey to determine the value of owner-occupied housing wealth and to examine its impact on the distribution of household income. Relative advantages and disadvantages were found stemming from locational factors, and from differences in housing wealth amongst those in different age groups, household types and income groups.

HOUSING

- 295 Yu, Autumn C.S. (1993), 'The budget for personal care', in J. Bradshaw, ed., *Budget Standards for the United Kingdom*, Cash and Care Series, Avebury, Aldershot, 105-23; a version appears (1992), as *Modest-but-Adequate Budget Standards: Personal Care Budgets for Six Household Types*, Working Paper No. 7 (revised), Family Budget Unit, University of York, York, 36pp.

This budget 'sets an expenditure pattern for a modest-but-adequate standard of living that will promote physical and psychological well-being, and enable people to participate in the social life of their communities'. The standard is defined using definitions from a number of bodies and publications. The budget includes expenditure on health care provided by a variety of professionals as well as on personal hygiene, personal accessories and cosmetics. These expenditures are based on normative rather than behavioural standards, though comparisons are made between the budget constructed and a Family Expenditure Survey budget. Some difficulties encountered are discussed.

METHODOLOGY, OTHER BUDGET ITEMS

- 296 Yu, Autumn C.S. (1993), 'The low cost budget', in J. Bradshaw, ed., *Budget Standards for the United Kingdom*, Cash and Care Series, Avebury, Aldershot, 196-215; a version appears (1992), as *Low Cost Budget Standards for Three Household Types*, Working Paper No. 17, Family Budget Unit, University of York, York, 64pp.

'The purpose of this paper is to explore how budget standards which have been drawn up to represent modest-but-adequate standards of living can be adapted to represent low cost standards.' The meaning of 'low cost' is discussed; the description seeks to avoid any implication that it is a minimum budget, and reflects not what is possible for those living on income support, but what is necessary to maintain a low cost standard of living. The methods for deriving the low cost budget depend on adjustment of: the selection of items for inclusion; the quantity of each item and the lifetime allocated; the quality of the selected items; and the pricing method. Each is discussed separately. The three household types are specified and the assumptions made about them are explained.

ADEQUACY, CONCEPTS, METHODOLOGY

- 297 Zimmerman, Carle C. (1932), 'Ernst Engel's law of expenditure for food', *Quarterly Journal of Economics*, 32(1), November, 78-101.

The article discusses criticism and application of Engel's law which, translated from the German, states that: 'The poorer is a family, the greater is the proportion of the total outgo which must be used for food', or: 'The proportion of the outgo used for food, other things being equal, is the best measure of the material standard of living of a population'. The author is concerned with the validity of the law, though he emphasises that it is not of universal application. The article looks at a variety of studies of consumption in different countries and concludes that Engel's law 'is but a description of a part of the total food expenditure behaviour', valid at certain income stages, and not at others, not fundamental but limited in time and space.

CONCEPTS, FOOD

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Keyword Definitions and Index

ADEQUACY: Works discussing the use of budget standards in determining the adequacy of income levels, particularly social security payments (see also Poverty)

11, 13, 19, 21, 32, 34, 35, 36, 37, 38, 39, 41, 42, 43, 44, 46, 55, 61, 69, 73, 75, 79, 82, 85, 91, 95, 130, 137, 141, 144, 150, 167, 176, 177, 181, 183, 188, 189, 193, 194, 197, 198, 202, 205, 210, 215, 217, 220, 221, 223, 229, 238, 246, 272, 277, 296

CHANGES OVER TIME: Works discussing methods of updating budgets once they have been formulated.

3, 30, 33, 41, 80, 83, 90, 91, 103, 104, 134, 139, 143, 172, 179, 202, 215, 222, 223, 225, 232, 234, 251, 261, 263, 281, 283, 284

CONCEPTS: Works discussing the concept and definition of budget standards

13, 20, 21, 32, 34, 35, 36, 42, 44, 47, 49, 51, 53, 55, 58, 59, 72, 80, 81, 84, 86, 87, 89, 97, 98, 99, 102, 105, 106, 107, 111, 118, 119, 134, 146, 147, 148, 153, 155, 161, 167, 168, 174, 179, 189, 192, 193, 199, 200, 202, 203, 208, 209, 214, 217, 221, 222, 223, 225, 226, 227, 228, 230, 231, 232, 233, 234, 235, 236, 237, 239, 240, 245, 246, 247, 249, 252, 253, 256, 257, 258, 259, 261, 262, 264, 267, 268, 269, 270, 271, 276, 277, 281, 284, 286, 290, 292, 296, 297

CONSUMER DURABLES: Works dealing with the treatment of consumer durables, that is, items which have a lifetime of several years, in drawing up budget standards.

38, 48, 106, 123, 148, 201, 229, 240, 262, 286

COST OF A CHILD: Works discussing issues involved in determining the extra costs to families when a child or additional children are included (see also Equivalence Scales).

10, 12, 14, 31, 36, 39, 75, 79, 85, 103, 104, 106, 128, 129, 140, 145, 154, 155, 159, 160, 161, 173, 175, 176, 177, 197, 198, 234, 236, 238, 244, 248, 250, 275, 279

DISABILITY: Works discussing the extra cost to households incurred when a family member has a disability.

70, 95, 96, 251, 279, 288

ELDERLY: Works dealing with the costs and budgets of the elderly.

4, 5, 53, 178, 182, 188, 263, 279

ENERGY: works dealing with the cost of energy, that is, fuel and gas, in particular those related to formulating budgets, taking into consideration availability.

15, 16, 38, 56, 64, 77, 92, 114, 115, 117, 135, 158, 201, 215, 229, 242, 261, 262, 285

EQUIVALENCE SCALES: Works discussing the use of budget standards and budget standards methodology in determining the relative budget costs of households depending on the gender, age and number of persons in the household and thus constructing equivalence scales (see also Cost of a Child and Lone Parents)

6, 12, 14, 19, 25, 31, 34, 35, 36, 39, 52, 65, 75, 80, 88, 113, 125, 129, 146, 147, 148, 154, 203, 204, 223, 232, 235, 280, 284, 285, 293

FOCUS GROUPS: Works describing focus groups, their uses and usefulness especially in the formulation of family budgets.

22, 70, 108, 157, 278

FOOD: Works dealing with food budgets taking into consideration the adequacy of diets and the nutritional value of individual food items as well as food habits.

4, 17, 24, 27, 28, 29, 38, 40, 46, 49, 60, 66, 67, 82, 83, 90, 120, 122, 133, 135, 137, 143, 145, 150, 163, 164, 167, 171, 172, 180, 183, 184, 185, 189, 192, 195, 196, 201, 203, 206, 208, 214, 215, 216, 218, 219, 222, 224, 229, 241, 248, 249, 255, 260, 261, 262, 280, 285, 291, 293, 297

HOUSING: Works dealing with the cost of housing, in particular those related to formulating budgets, taking into consideration affordability, accessibility and locational issues.

1, 18, 28, 29, 38, 39, 68, 77, 82, 109, 126, 131, 133, 135, 136, 145, 150, 162, 169, 170, 191, 210, 212, 214, 215, 216, 217, 222, 225, 229, 233, 248, 249, 255, 262, 265, 285, 288, 294

LIVING STANDARDS: Works which deal with the standard of living, with some reference to budgets.

13, 14, 26, 27, 32, 37, 41, 42, 43, 50, 55, 62, 63, 76, 89, 143, 156, 211, 242, 245, 264, 272, 273, 282, 286

LOCATION: Works discussing differences in budgets caused by location.

9, 17, 30, 44, 50, 80, 93, 120, 125, 130, 131, 134, 162, 210, 232, 233, 284, 293

METHODOLOGY: Works dealing with the ways in which budget standards have been compiled, with the problems encountered and the issues involved in making decisions about those problems.

6, 7, 19, 21, 22, 28, 31, 32, 33, 34, 35, 36, 37, 38, 39, 42, 44, 45, 46, 47, 48, 50, 51, 52, 53, 55, 56, 57, 59, 65, 70, 71, 73, 74, 75, 78, 79, 80, 81, 82, 84, 88, 106, 107, 108, 109, 110, 111, 112, 115, 123, 124, 125, 132, 134, 136, 137, 140, 144, 149, 151, 152, 153, 155, 156, 157, 161, 162, 163, 164, 165, 166, 171, 172, 173, 175, 176, 177, 178, 182, 185, 192, 194, 197, 198, 200, 205, 209, 214, 215, 216, 219, 220, 223, 224, 226, 228, 230, 231, 236, 237, 238, 240, 243, 246, 249, 250, 256, 257, 258, 259, 260, 262, 263, 265, 266, 271, 272, 275, 280, 281, 283, 286, 287, 295, 296

NEEDS: Works dealing with issues related to decisions about which items should be included in budgets, not necessarily with direct reference to budget standards (see also Methodology)

8, 27, 51, 55, 71, 72, 73, 76, 89, 94, 100, 101, 102, 116, 138, 142, 144, 202, 205, 226, 228, 230, 231, 245, 273, 278, 293

OTHER BUDGET ITEMS: Works dealing specifically with budget items and budgets themselves, apart from those dealing with food, housing and energy. These include health, personal care, leisure, clothing, transport and other goods and services.

2, 9, 23, 27, 38, 57, 82, 110, 131, 133, 135, 145, 151, 152, 153, 157, 165, 166, 201, 210, 213, 214, 215, 216, 222, 229, 248, 249, 254, 255, 261, 266, 285, 288, 289, 291, 295

POVERTY: Works which discuss the use of budget standards in the measurement and identification of poverty (see also Adequacy)

7, 8, 27, 29, 58, 62, 65, 69, 71, 83, 84, 86, 87, 90, 97, 98, 99, 105, 113, 118, 119, 121, 127, 128, 138, 142, 146, 168, 172, 184, 185, 186, 187, 188, 189,

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SOLE PARENTS: Works discussing the budget of sole parent families (see also Costs of a Child and Equivalence Scales).

39, 67, 210, 285, 287

SURVEYS: Works describing surveys which have investigated the conditions of households, particularly those which have produced data on budgets.

3, 4, 5, 6, 11, 15, 16, 24, 25, 26, 27, 28, 40, 45, 49, 61, 62, 66, 67, 69, 80, 93, 94, 95, 96, 120, 121, 122, 127, 128, 138, 139, 142, 149, 159, 160, 180, 201, 202, 204, 205, 206, 207, 208, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 222, 248, 255, 257, 262, 270, 272, 274, 288
