The answers most often given are, first, to create higher employment levels, and second, to have the Federal government pay for a bigger share of the cost of welfare and support services. Having the U.S. government pay for these programs is especially attractive because the money would be raised by a tax system which generally requires the well-to-do to pay more than the poor. Although these responses attack two of the biggest problems of the existing system, other answers have also been proposed:

**HIGHER APPROPRIATIONS BY THE STATE:** despite the weakness of the present system, more money would go far in providing wider coverage for people without adequate income. Critics charge that money is available in the state budget, but is not going to programs aiding the poor for political reasons. A political solution, they contend, is basic to all other improvements in the quality and quantity of income supports. Why, ask these critics, is help to the poor, working people, and the disabled, always the first item to be cut out of the budget?

**BETTER USE OF EXISTING FEDERAL HELP:** the U.S. government currently pays for a share of most welfare programs, provided that these programs meet federal standards. When programs in Massachusetts were cut back in 1975, millions of dollars in Federal aid were lost. Thirty million dollars in Federal aid for mentally ill or retarded persons has been jeopardized because state institutions did not meet U.S. standards.

**RATE SETTING:** there must be continued vigilance over fees charged by private providers of services to ensure that they are fair and reasonable. A more active role on the part of the state in setting rates for services and goods is called for.

**COMPREHENSIVE SERVICES:** better coordination and less duplication in the delivery of programs and services is needed. People should not have to go to numerous offices and fill out several different forms in order to establish their eligibility for welfare, foodstamps, and medical care. Similarly, people should not have to visit one office to get a support service and a different place to get help finding work.

**A FAIRER TAX SYSTEM:** the present state tax system forces people with low income to pay heavily for the services they receive from the state. The combination of income, property, sales, and other taxes means that a family of four with a $9,000 income may pay 35% of it to the state. That is income they need for their own support. A graduated income tax would give these people a tax cut and more fairly distribute the burden of paying for all state functions.

**CONSUMER CONTROL:** support services would improve if the people who are intended to benefit from them had some control over them. Numerous advisory commissions have been established to allow for consumer "input." Critics contend that the advisory bodies are never given sufficent tools or powers to really affect programs or to offset the control of government officials or professional provider representatives.

## SEOC

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The Social and Economic Opportunity Council is an independent state council. We were established in November of 1975 by executive order of the Governor, and are funded by the U.S. Community Services Administration, to organize and advocate for low income citizens of the Commonwealth. We are concerned with the impact on the poor of state policies, programs and budgets.

This issue paper represents the fourth in a series. It is the hope of the SEOC that these papers will familiarize us all with the issues involved in solving the employment crisis in our state. It is essential that we come together and talk about these issues, learn about them, debate them, and collectively develop a People's Platform to rejuvenate Massachusetts by creating new employment.



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