

lation or are investment losses common in this group? For both groups, 26 per cent. have experienced investment losses. The losses mentioned were: stock, four times; real estate, three times; bonds, twice; real estate bonds, twice; cooperative banks or building loans, once; farming, once.

How much are college teachers able to save? Last year's balance between income and expense for forty-four of the first group showed seven persons with deficits, two breaking even, and thirty-five with surplus of from 5 per cent. to 150 per cent. of salary with a median for all of a surplus of 20 per cent., counting as surplus all payments for insurance, for annuities, home purchase, savings, etc. In the second group, thirty-four reported; three with deficits, six breaking even and twenty-five with surplus up to 100 per cent., the median for all being a surplus of 10 per cent.

What causes these deficits when they do occur? Of thirty-four persons giving reasons for deficits, twenty-eight mentioned illness, hospital, birth or death costs, including such devastating items as illness and hospital bills for \$1,000 and \$2,000. Further social planning regarding these emergency costs due to illness is needed for teachers and all workers. The plan of one college of an officers' emergency fund, to which contributions of one fifth of 1 per cent. of salary are made, to be drawn upon either for loan or for outright grants if grants are justified, is one constructive plan providing defense at this dangerous point. Other emergencies causing annual deficits were: costs of moving; costs for family dependents, and education of children.

Life insurance seems to be universally used for protection in case the income-provider is taken away. Of forty-eight in the first group, thirty-nine reported their insurance to be in amount from one fifth the annual income to ten times that income with the median insurance at three times the salary, with half carrying from one to four and one half times the amounts of their salary. Of forty-six in the second group, thirty-five reported insurance from one half to six times the annual income. The median and the mode is three times, eleven of the thirty-five carrying that amount. An insurance fund of three times the income at .6 per cent. interest would produce only 18 per cent. of the salary as an income for beneficiaries, and unless largely supplemented by savings is not adequate protection. The insurance facts for twenty-three married men teachers showed protection ranging from .5 to six times the amount of salary with the median and the mode at three times the salary, the same ratio as for the whole group.

The teachers of one institution, in addition to personal life policies, carry group insurance of from \$2,000 to \$5,000, approximately equal to the amount

of the salary; with a provision for sickness income of from \$25 to \$40 for twenty-six weeks, and for disability income insurance for five years of one fifth of the face of the policy per year. This group policy is paid partly by the college but largely by the insured, costing them, for example, \$67 and \$84 a year for the \$4,000 and \$5,000 policies, respectively. The institution as employer usually buys such insurance, but a club or cooperative group including 75 per cent. of a staff can secure this at about \$8 a \$1,000 for each life policy plus charges for sickness and disability insurance.

Financial security of the teacher depends partly, we have seen, upon supplementary income, but especially upon such measures as: home ownership, life insurance, sickness and disability provision, retirement annuities and plans for saving. Based on the preceding facts there is offered in conclusion a tentative program of allowances for the budget needs of college teachers.

TENTATIVE BUDGET

The essential problem of the college teacher's budget is to find the wise balance between: (1) professional needs; (2) the requirements of daily living, and (3) necessary provision for financial security of self and family. As a tentative plan the suggestion is offered: (1) a minimum of 10 per cent., more or less, for professional needs; (2) 15 to 20 per cent. for financial security; (3) 75 per cent. or thereabouts for living expenses. Such a formula may not be workable on a small income, but it is suggested here to illustrate essential expenditures for professional needs and security.

Professional needs call ideally for a minimum of from \$300 to \$400 a year, or more, to provide:

- (1) Membership in from four to five or more professional organizations costing from \$10 to \$25 up.
- (2) Attendance upon professional meetings, one or two or more, costing from \$50 to \$100 up.
- (3) Professional books, about fifteen or more, costing from \$30 to \$50 up.
- (4) Professional journals, four or five or more, costing from \$10 to \$25 in addition to association memberships.
- (5) Expenditures for personal professional work, including clerical assistance, research, equipment, committees, etc., \$100 a year or more.
- (6) Professional travel and cultural expense which if unexpended is to accumulate for the sabbatical leave, \$100 a year or more.

The fundamental justification of professional expenditures is that the teacher is a productive worker who should every year reinvest in his work part of his annual income. Every successful business plows in part of its surplus to increase its productivity; a