

Federal Grants to State and Local Governments, 1967-68

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REVISION OF HISTORICAL GRANTS SERIES

FEDERAL GRANTS to the States and localities continued their upward trend during fiscal year 1967-68 and reached an all-time peak of \$18.1 billion. About 69 percent of all grants (\$12.5 billion) went for programs of a social welfare nature. In the preceding fiscal year the grants totaled \$14.8 billion, of which \$9.9 billion (67 percent) were for social welfare purposes. In both years about half of the total grants were administered by the Department of Health, Education, and Welfare. Table 1 shows the 1967-68 grants by State and by purpose.

(The data presented here differ slightly from the grants as published in the Statistical Appendix to the 1968 *Annual Report* of the Secretary of the Treasury. Two additions to that report are not reflected here: \$65,431,000 undistributed to States for the community action program (miscellaneous social welfare, economic opportunity) and \$11,375,000 to the District of Columbia for a sewer project (miscellaneous).)

Grants-in-aid are but one of the Federal fiscal aids to State and local governments, although quantitatively they are the most significant. Federal grants are also made to other types of recipients (individuals and institutions, primarily), but those made to the lower government levels are, again quantitatively, the most significant.

The scope of the grant data in the accompanying tables is confined to grants for cooperative Federal-State or Federal-local programs administered at the State and/or local level and to those programs in which the bulk of the funds is channeled through agencies of State and local governments. Emergency grants and the value of grants-in-kind, such as surplus foods distributed domestically or Braille materials for the blind, are included when they conform to these criteria. Programs in which the States or localities are acting solely as agents of the Federal Government are excluded, as are shared revenues and payments in lieu of taxes.

The revision of the grants series that was described in last year's article¹ has now been completed for the historical data, and the entire series, 1929-30 through 1967-68, is presented in the new groupings in table 2. With the few unavoidable exceptions described in the preceding article, the grants series is now in conformity with the revised social welfare expenditure series presented annually by the Social Security Administration.²

For all years before 1948, the revised grants totals agree exactly with the pre-revision totals. From 1947-48 through 1967-68, total grants and the education group are higher than they were before by the amount of the annual grants for on-the-job training of veterans, previously omitted from the series. The largest amount involved is \$5.3 million for 1947-48, with the figure decreasing gradually to less than \$1.0 million from 1962-63 on.

Federal grants to the States and localities are composed, basically, of grants for two major purposes—social welfare and highways. Over the years—as national needs have developed, been identified, changed, and received different legislative emphasis and as different Federal financing philosophies have evolved—the proportion of total Federal grants devoted to each of these two main grant groups has changed to correspond. The accompanying chart shows the fluctuations in the proportion of total grants attributable to social welfare programs and the proportion attributable to highways (from 1933-34 through

¹ Sophie R. Dales, "Federal Grants to State and Local Governments, 1966-67," *Social Security Bulletin*, July 1968, pages 9-15.

² *Social Welfare Expenditures Under Public Programs in the United States, 1929-66*, Office of Research and Statistics (Research Report No. 25), and *Social Security Bulletin*, December 1968, pages 14-27. Social welfare, as defined in Research Report No. 25 and in the annual *Bulletin* articles, is limited to those activities that directly concern the economic and social well-being of individuals and families. Not included in this concept are programs aimed at the general welfare of the population and only indirectly affecting the welfare of the individual.

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TABLE 1.—Federal grants to State and local governments,

(Amounts in thousands)

States ranked by 1965-67 average per capita personal income	All grants ¹	Social welfare											
		Total		Public assistance		Health				Education			
		Amount	Per cent of all grants	Amount	Per cent of all grants	Total		Services	Construction	Total		Services	Construction
						Amount	Per cent of all grants			Amount	Per cent of all grants		
Total ²	\$18,096,091	\$12,459,599	68.9	\$5,318,647	29.4	\$836,809	4.6	\$490,333	\$346,476	\$2,781,316	15.4	\$2,403,641	\$377,676
United States ³ ...	17,806,822	12,198,024	68.5	5,286,269	29.7	814,918	4.6	480,391	334,528	2,694,144	15.1	2,328,778	365,366
High-income group.....	8,532,832	5,947,302	69.7	2,955,879	34.6	381,406	4.5	244,614	136,791	1,074,420	12.6	949,248	125,173
D.C.....	177,970	120,308	67.6	17,723	10.0	13,895	7.8	10,771	3,125	31,341	17.0	26,605	3,736
Conn.....	236,148	129,343	54.8	48,744	20.6	9,314	3.9	6,922	2,392	29,651	12.6	25,714	3,937
Ill.....	779,329	533,646	68.6	216,478	27.8	37,662	4.8	23,494	14,168	111,573	14.3	103,090	8,483
N.Y.....	1,924,306	1,498,312	82.1	931,252	51.0	78,122	4.3	54,851	23,271	159,290	8.7	141,325	17,965
Del.....	51,902	29,298	56.4	9,107	17.5	2,190	4.2	1,597	593	9,963	19.2	6,658	3,306
Calif.....	2,037,095	1,487,153	73.0	891,573	43.8	68,333	3.4	40,978	27,355	237,548	11.7	225,318	12,237
Alaska.....	99,575	35,588	35.7	4,278	4.3	1,789	1.8	1,049	740	15,189	18.3	17,942	247
Nevada.....	66,166	30,324	45.8	7,184	10.9	2,732	4.1	1,541	1,190	10,346	15.6	6,751	3,595
N.J.....	423,889	267,163	63.0	84,899	20.0	12,181	2.9	7,974	4,207	69,079	16.3	61,410	7,669
Mass.....	506,160	370,055	73.1	196,655	38.8	31,937	6.3	22,831	9,106	54,640	10.8	47,088	7,572
Mich.....	689,300	398,560	67.6	177,955	30.2	34,161	5.8	21,700	12,461	72,776	12.3	59,970	12,806
Wash.....	298,185	177,587	59.5	68,769	23.1	13,636	4.5	7,054	6,582	44,647	15.0	35,910	8,737
Mad.....	281,646	202,451	71.9	71,384	25.3	18,654	6.6	13,139	5,514	63,813	22.7	54,635	9,178
Hawaii.....	81,364	49,390	60.7	12,912	15.9	4,697	5.8	3,833	864	19,629	24.1	14,868	4,766
R.I.....	105,565	65,249	61.8	27,766	26.3	4,804	4.6	2,945	1,859	14,120	13.4	10,416	3,704
Ohio.....	693,033	413,996	59.7	153,373	22.1	32,715	4.7	17,007	15,708	89,952	13.0	76,671	13,281
Ind.....	281,199	138,899	49.4	35,927	12.8	14,584	5.2	6,928	7,656	38,863	13.8	34,902	3,961
Middle-income group.....	4,967,456	3,222,279	64.9	1,218,610	24.5	251,179	5.1	142,026	109,155	824,767	16.8	702,711	122,057
Pa.....	883,311	560,476	63.5	216,403	24.5	49,043	5.6	28,107	20,937	111,796	12.7	104,276	7,520
Wis.....	292,116	213,512	73.1	106,016	36.3	13,749	4.7	7,639	6,110	38,960	13.3	28,652	10,308
Iowa.....	220,363	149,674	67.9	63,386	28.8	8,778	4.0	4,738	4,040	38,333	17.4	34,181	4,152
Colo.....	223,259	156,527	70.1	57,522	25.8	15,664	7.0	10,989	4,675	43,256	19.4	34,073	9,183
Oreg.....	172,210	96,857	56.2	31,740	18.4	8,035	4.7	5,352	2,693	25,425	14.8	16,790	8,635
Minn.....	360,454	212,781	59.0	90,226	25.0	15,925	4.4	8,659	7,266	46,808	13.0	38,446	8,362
Nebr.....	121,996	82,065	68.0	27,524	22.6	11,577	9.5	4,113	7,464	22,767	18.7	18,583	4,184
Kans.....	167,997	113,298	67.8	46,155	27.6	8,030	4.8	5,923	2,107	35,456	21.2	31,955	3,501
N.H.....	62,398	32,612	52.3	7,970	12.8	3,299	5.3	1,668	1,631	10,340	16.6	6,949	3,395
Mo.....	399,847	286,643	71.7	121,655	30.4	22,169	5.5	15,296	6,871	65,289	16.3	55,423	9,866
Wyo.....	63,176	21,430	33.9	4,105	6.5	1,781	2.8	1,055	727	8,823	14.0	5,450	3,373
Fla.....	393,980	285,304	72.4	90,753	23.0	23,200	5.9	13,030	10,170	82,427	23.9	73,849	8,578
Mont.....	96,606	41,809	43.3	10,532	10.9	3,207	3.3	1,939	1,267	14,173	14.7	10,410	3,762
Vt.....	72,765	35,120	48.3	12,495	17.2	5,416	7.4	2,270	3,146	8,667	11.8	4,985	3,582
Va.....	336,032	191,769	57.1	35,432	10.5	14,429	4.3	7,631	6,798	80,481	24.0	71,097	9,384
Ariz.....	194,392	115,999	59.7	25,112	12.9	9,204	4.7	3,886	5,318	34,973	18.0	29,125	5,848
Texas.....	907,553	625,503	68.9	271,584	29.9	37,676	4.2	19,731	17,945	156,893	17.3	138,470	18,424
Low-income group.....	4,306,535	3,028,444	70.3	1,111,781	25.8	182,331	4.2	93,752	88,581	794,960	18.5	676,821	118,139
Utah.....	128,433	68,801	53.6	19,903	15.5	6,591	5.1	4,180	2,410	23,705	18.5	16,105	7,600
Maine.....	85,710	54,660	63.8	21,573	25.2	4,019	4.7	1,723	2,296	14,254	16.6	10,937	3,317
Okla.....	331,205	259,846	78.5	145,680	44.0	8,195	2.5	4,650	3,545	53,612	16.2	43,487	10,125
Idaho.....	76,641	41,672	54.4	13,679	17.8	3,657	4.8	1,844	1,813	13,948	18.2	10,134	3,815
S.Dak.....	93,522	50,813	54.3	14,525	15.5	2,813	3.0	1,216	1,597	18,601	19.9	15,253	3,348
N.Dak.....	79,556	46,018	57.8	17,651	22.2	2,073	2.6	1,434	639	14,374	18.1	9,916	4,457
N.Mex.....	161,795	107,121	66.2	31,085	19.2	6,560	4.1	3,101	3,460	40,012	24.7	29,947	10,064
Ga.....	438,006	316,139	72.2	123,125	28.1	21,270	4.9	12,613	8,657	77,822	17.8	69,021	8,801
La.....	410,538	307,764	75.0	161,228	39.3	15,017	3.7	6,019	8,998	51,300	12.5	46,700	4,600
N.C.....	394,960	300,383	76.1	83,678	21.2	26,080	6.6	12,025	14,055	90,793	23.0	78,026	12,767
Ky.....	411,998	270,267	65.6	106,217	25.8	14,731	3.6	7,674	7,057	70,188	17.0	62,212	7,976
Tenn.....	368,901	244,350	66.2	77,013	20.9	18,580	5.0	9,399	9,181	67,658	18.3	60,260	7,398
W.Va.....	229,912	135,990	59.1	45,782	19.9	6,124	2.7	3,895	2,230	30,868	13.4	27,078	3,791
Ala.....	364,781	269,995	74.0	101,924	27.9	15,650	4.3	9,562	6,088	68,295	18.7	58,160	10,135
S.C.....	202,476	149,945	74.1	26,443	13.1	9,831	4.9	5,201	4,630	58,129	28.7	49,947	8,181
Ark.....	246,948	182,610	73.9	67,755	27.4	10,701	4.3	4,804	5,897	50,466	20.1	42,939	7,528
Miss.....	281,153	222,070	79.0	54,520	19.4	10,439	3.7	4,412	6,028	50,935	18.1	46,699	4,236
Outlying areas:													
P.R.....	129,005	113,579	88.0	31,426	24.4	8,763	6.8	8,372	391	4,284	3.3	4,284	-----
V.I.....	15,274	14,634	95.8	412	2.7	12,198	79.9	640	11,557	-----	-----	-----	-----
Other.....	50,173	45,668	91.0	540	1.1	1,412	2.8	1,412	-----	40,635	81.0	33,713	6,922

¹ See footnotes to table 2 for programs in each group of grants.

² Includes a small amount undistributed, grants to the outlying areas.

listed, and grants under a few programs to American Samoa, the Canal Zone and the Trust Territory of the Pacific Islands.

1945-46, to highways and other public works). Comparison of the two curves discloses that one is almost an exact reverse image of the other, thus clearly displaying the reciprocal nature of

the fluctuations between these two major grant purposes, as well as the degree to which the two groups dominate the Federal grants picture. The chart is based on percentages shown in table 2.

amounts and percent of total grants, by purpose, fiscal year 1967-68

[Amounts in thousands]

Social welfare—Continued				Highways		Urban affairs	Agriculture and natural resources	Miscellaneous	States ranked by 1965-67 average per capita personal income
Miscellaneous social welfare				Amount	Percent of all grants				
Total		Economic opportunity	Other						
Amount	Percent of all grants								
\$3,522,827	19.5	\$1,357,519	\$2,165,308	\$4,197,489	23.2	\$651,500	\$139,961	\$647,543	Total.
3,402,693	19.1	1,332,694	2,069,999	4,185,226	23.5	647,090	140,313	636,169	United States.
1,535,598	18.0	565,493	950,106	1,887,080	22.1	398,963	35,204	264,283	High-income group.
58,349	32.8	35,780	22,569	36,764	20.7	5,736	19	15,143	District of Columbia.
41,634	17.6	13,368	28,266	70,534	29.9	27,983	1,700	6,578	Connecticut.
167,934	21.5	62,230	105,704	191,997	24.6	24,288	1,973	27,425	Illinois.
329,647	18.1	122,486	207,161	206,009	11.3	76,552	3,130	40,305	New York.
8,037	15.5	2,785	5,252	18,395	35.4	1,685	783	1,741	Delaware.
289,700	14.2	119,996	169,704	428,657	21.0	68,325	6,245	46,714	California.
11,332	11.4	6,773	4,558	36,943	37.1	7,504	2,015	17,525	Alaska.
10,062	15.2	3,534	6,528	27,401	41.4	2,372	890	5,178	Nevada.
401,004	23.8	37,859	63,146	115,320	27.2	31,233	1,305	8,868	New Jersey.
86,923	17.2	32,510	54,413	74,695	14.8	48,451	1,760	11,199	Massachusetts.
113,668	19.3	41,760	71,918	145,803	24.7	27,562	2,697	14,679	Michigan.
50,514	16.9	17,686	32,828	97,344	32.6	8,503	2,367	12,404	Washington.
48,600	11.3	16,014	32,586	53,819	19.1	10,950	1,959	12,467	Maryland.
12,153	14.9	3,321	8,832	23,859	29.3	3,197	1,470	3,448	Hawaii.
18,560	17.6	6,164	12,396	29,919	28.3	2,003	412	7,982	Rhode Island.
137,956	19.9	47,917	90,040	209,786	30.3	41,574	2,459	25,218	Ohio.
49,525	17.6	15,320	34,205	119,836	42.6	11,035	4,020	7,409	Indiana.
927,723	18.7	357,608	570,115	1,348,137	27.1	169,266	53,030	184,744	Middle-income group.
183,234	20.7	55,899	127,335	217,307	24.6	63,058	4,292	38,178	Pennsylvania.
54,787	18.8	15,504	39,283	57,968	19.8	7,880	3,240	9,514	Wisconsin.
39,178	17.8	13,686	25,492	53,291	24.2	8,147	3,046	6,207	Iowa.
40,085	18.0	18,097	21,989	56,854	25.5	1,615	1,899	6,365	Colorado.
31,657	18.4	10,327	21,330	62,679	36.4	3,543	4,156	4,975	Oregon.
59,822	16.6	22,739	37,082	119,794	33.2	10,786	2,476	14,617	Minnesota.
21,098	17.3	7,080	14,019	31,158	25.5	776	2,613	4,483	Nebraska.
23,658	14.2	7,547	16,111	37,339	22.3	5,510	4,587	6,363	Kansas.
11,003	17.6	4,743	6,260	21,591	34.6	2,411	1,412	4,372	New Hampshire.
77,532	19.4	35,349	42,183	82,571	20.7	17,584	2,283	10,766	Missouri.
6,721	10.6	2,648	4,073	39,068	61.8	12,700	1,507	1,170	Wyoming.
88,925	22.6	34,575	54,350	90,772	20.5	758	3,066	12,138	Florida.
13,897	14.4	6,193	7,704	48,082	49.8	513	1,423	4,434	Montana.
8,641	11.9	3,729	4,912	33,259	45.7	758	821	3,052	Vermont.
61,427	18.3	23,977	37,449	111,812	33.3	7,037	3,009	22,406	Virginia.
46,709	24.0	27,805	18,904	68,017	35.0	2,324	2,341	5,712	Arizona.
59,349	17.6	67,710	91,639	226,575	25.0	14,624	10,859	29,992	Texas.
939,371	21.8	389,594	549,779	950,011	22.1	88,861	52,077	187,142	Low-income group.
18,603	14.5	6,145	12,457	51,796	40.3	682	1,794	5,360	Utah.
14,814	17.3	6,570	8,244	20,813	24.3	4,657	1,850	3,730	Maine.
52,360	15.8	19,793	32,566	48,528	14.7	7,229	8,422	7,180	Oklahoma.
10,388	13.6	3,374	7,014	30,064	39.2	1,034	1,287	2,584	Idaho.
14,873	15.9	7,602	7,272	37,380	40.0	129	910	4,290	South Dakota.
11,921	15.0	4,663	7,258	29,190	36.7	547	1,348	2,453	North Dakota.
29,464	18.2	15,283	14,181	44,596	27.6	1,735	1,750	6,593	New Mexico.
93,923	21.4	31,641	62,282	88,053	20.1	12,133	6,035	15,646	Georgia.
80,219	19.5	31,847	48,372	81,394	19.8	2,181	2,440	16,759	Louisiana.
99,831	25.3	40,282	59,550	58,629	14.8	12,558	2,965	20,425	North Carolina.
79,130	19.2	37,370	41,761	98,689	24.0	14,184	2,790	26,069	Kentucky.
81,099	22.0	30,897	50,203	92,929	25.2	15,047	2,160	14,415	Tennessee.
53,214	23.1	25,251	27,963	70,436	30.6	1,312	2,953	19,222	West Virginia.
84,126	23.1	30,867	53,259	72,606	19.9	6,382	3,416	12,383	Alabama.
55,542	27.4	23,562	31,980	41,567	20.5	979	2,005	7,980	South Carolina.
53,688	20.7	20,063	33,625	42,489	17.2	6,321	4,025	11,501	Arkansas.
106,176	37.8	54,984	51,192	40,852	14.5	1,751	5,927	10,552	Mississippi.
69,106	53.6	22,684	46,422	9,952	7.7	2,617	316	2,541	Outlying areas.
2,025	13.3	325	1,700			28	60	553	Puerto Rico.
3,082	6.1	1,816	1,266				115	4,390	Virgin Islands.
									Other.

¹ Includes a small amount of undistributed sums.

Source: Annual Report of the Secretary of the Treasury on the State of the Finances for the Fiscal Year Ended June 30, 1968.

In the 2-year period immediately preceding passage of the Social Security Act in August 1935, social welfare grants as a proportion of all Federal grants were at their all-time low—1.3

percent in 1933-34 and 1.4 percent in 1934-35. At that time the only social welfare grants of consequence were being made for education: \$22 million of the \$24 million social welfare total in

TABLE 2.—Federal grants to State and local governments, total amount, by purpose, fiscal years 1929–30 to 1967–68
[Amounts in millions]

Fiscal year	All grants ¹	Social welfare										Highways ⁶		All other ⁷
		Total		Public assistance ²		Health ³		Education ⁴		Miscellaneous social welfare ⁵		Amount	Percent of all grants	
		Amount	Percent of all grants	Amount	Percent of all grants	Amount	Percent of all grants	Amount	Percent of all grants	Amount	Percent of all grants			
1929–30	\$100	\$23	23.2			\$10	(8)	\$22	21.8	\$1	1.3	\$76	75.5	\$1
1930–31	180	25	13.9					24	13.1	1	.8	154	85.2	2
1931–32	214	26	12.1					24	11.3	2	.8	186	87.1	2
1932–33	190	25	13.2					23	12.3	2	.9	163	86.0	2
1933–34	1,803	24	1.4					22	1.2	2	.1	222	12.3	1,557
1934–35	2,197	28	1.3					26	1.2	3	.1	275	12.5	1,893
1935–36	1,015	107	10.5	\$28	2.8	4	0.4	37	3.6	37	3.7	224	22.1	684
1936–37	818	230	28.1	144	17.6	13	1.6	38	4.6	36	4.4	341	41.6	247
1937–38	790	365	46.2	216	27.3	15	1.9	48	6.1	86	10.8	247	31.2	178
1938–39	1,031	446	43.2	247	24.0	15	1.4	50	4.8	134	13.0	192	18.6	393
1939–40	967	531	54.9	271	28.0	22	2.3	51	5.2	187	19.4	165	17.0	272
1940–41	915	624	68.2	330	36.0	26	2.8	113	12.3	156	17.0	171	18.7	120
1941–42	926	694	74.9	375	40.4	29	3.1	151	16.3	139	15.0	158	17.1	74
1942–43	991	691	69.7	396	39.9	30	3.1	171	17.2	94	9.5	174	17.6	126
1943–44	983	700	71.3	405	41.2	60	6.1	136	13.8	99	10.1	144	14.7	138
1944–45	917	700	76.3	410	44.7	79	8.6	103	11.3	108	11.7	87	9.5	130
1945–46	844	701	83.1	439	52.0	71	8.4	58	6.8	133	15.7	75	8.8	68
1946–47	1,549	1,302	84.1	614	39.6	63	4.1	65	4.2	560	36.2	199	12.8	48
1947–48	1,229	1,229	77.8	718	45.4	55	3.5	120	7.6	335	21.2	318	20.2	33
1948–49	1,840	1,366	74.2	928	50.4	67	3.6	76	4.2	295	16.0	410	22.3	64
1949–50	2,212	1,731	78.2	1,123	50.8	123	5.6	82	3.7	402	18.2	429	19.4	53
1950–51	2,253	1,802	80.0	1,186	52.6	174	7.7	93	4.1	350	15.5	400	17.8	50
1951–52	2,329	1,854	79.6	1,178	50.6	187	8.0	156	6.7	333	14.3	420	18.0	56
1952–53	2,759	2,162	78.4	1,330	48.2	173	6.3	259	9.4	400	14.5	517	18.8	83
1953–54	2,958	2,346	79.3	1,438	48.6	140	4.7	248	8.4	519	17.6	538	18.2	74
1954–55	3,096	2,403	77.6	1,427	46.1	119	3.8	296	9.6	561	18.1	597	19.3	97
1955–56	3,441	2,615	76.0	1,455	42.3	133	3.9	276	8.0	751	21.8	740	21.5	85
1956–57	3,936	2,848	72.4	1,556	39.6	162	4.1	280	7.1	848	21.6	955	24.3	133
1957–58	4,794	3,095	64.6	1,795	37.4	176	3.7	308	6.4	816	17.0	1,519	31.7	181
1958–59	6,316	3,450	54.6	1,966	31.1	211	3.3	376	6.0	897	14.2	2,614	41.4	251
1959–60	6,838	3,610	52.8	2,059	30.1	214	3.1	441	6.5	896	13.1	2,942	43.0	286
1960–61	6,921	3,950	57.1	2,167	31.3	240	3.5	460	6.6	1,083	15.6	2,623	37.9	349
1961–62	7,703	4,535	58.9	2,432	31.6	263	3.4	491	6.4	1,348	17.5	2,783	36.1	385
1962–63	8,324	4,825	58.0	2,730	32.8	292	3.5	558	6.7	1,246	15.0	3,023	36.3	477
1963–64	9,774	5,352	54.8	2,944	30.1	322	3.3	579	5.9	1,507	15.4	3,644	37.3	778
1964–65	10,530	5,671	53.4	3,059	28.8	346	3.3	705	6.6	1,560	14.7	4,018	37.8	941
1965–66	12,519	7,634	61.0	3,528	28.2	365	2.9	1,585	12.7	2,147	17.2	3,975	31.8	909
1966–67	14,820	9,858	66.5	4,175	28.2	440	3.0	2,870	16.0	2,864	19.3	4,021	27.1	940
1967–68	18,096	12,460	68.8	5,319	29.4	837	4.6	2,781	15.4	3,523	19.5	4,197	23.2	1,439

¹ On checks-issued basis for most programs; includes small amounts to American Samoa, Canal Zone, Guam, and the Trust Territory of the Pacific Islands.

² Old-age assistance, aid to families with dependent children, and aid to the blind, 1935–36 to date; aid to the permanently and totally disabled, 1950–51 to date; medical assistance for the aged, 1960–61 to date; aid to the aged, blind, or disabled, 1963–64 to date; and medical assistance, 1965–66 to date.

³ Promotion of welfare and hygiene of maternity and infancy, 1929–30; maternal and child health services, services for crippled children, and general public health services, 1935–36 to date; venereal disease control, 1940–41 to date; emergency maternity and infant care, 1942–43 to 1948–49 and 1950–51; construction of community facilities, 1944–45 and 1953–54 to 1955–56; tuberculosis control, 1944–45 to date; mental health activities, cancer control, and hospital survey and construction, 1947–48 to date; heart disease control, 1949–50 to date; construction of heart disease research facilities and industrial waste studies, 1949–50 to 1952–53; construction of cancer research facilities, 1949–50 to 1953–54; emergency poliomyelitis vaccination, 1955–56 to 1960–61; water pollution control (sanitary engineering, environmental health activities), health research construction, 1956–57 to date; chronic diseases and health of the aged, 1961–62 to date; radiological health, 1962–63 to date; vaccination assistance, 1963–64; dental services, 1964–65 to date; nursing services, 1965–66 to date; medical care services, 1966–67; comprehensive health planning and services, and regional medical services, 1967–68.

⁴ Colleges for agriculture and mechanic arts, vocational education, education of blind, cooperative State research service (agricultural experiment stations), agricultural extension work, State marine schools, 1929–30 to date; education emergency grants, 1935–36 to 1940–41; training of defense workers, 1940–41 to 1945–56; maintenance of schools, 1946–47 to date; veterans' education facilities, 1947–48 to 1949–50; survey and construction of schools, 1950–51 to date; White House Conference on Education, 1954–55; defense education, 1958–59 to date; education of handicapped, 1959–60 to date; educational television and adult education, 1964–65 to date; elementary, secondary, and higher education and equal education opportunity, 1965–66 to date; Teacher Corps and health manpower education and utilization, 1967–68.

⁵ Vocational rehabilitation and State homes for disabled servicemen, 1929–30 to date; employment service administration 1933–34 to 1942–43 and 1946–47 to date; child welfare services and unemployment insurance administration under the Social Security Act and removal of surplus agricultural commodities under Act of Aug. 24, 1935 (sec. 32), 1935–36 to date; school lunch and Federal annual contributions to public housing authorities, 1939–40 to date; community war-service day care, 1942–43; veterans' re-use housing, 1946–47 to 1950–51; administration of veterans' unemployment and self-employment allowances, 1947–48 to 1952–53; veterans' on-the-job training, 1947–48 to date; commodities furnished by Commodity Credit Corporation, 1949–50 to date; defense public housing, 1953–54; school milk, 1954–55 to date;

distribution to State accounts in unemployment insurance trust fund of certain tax collections, 1955–56 to 1957–58; White House Conference on Aging, 1959–60 to 1960–61; Federal share of value of food stamps redeemed, 1961–62 to date; manpower development, 1962–63 to date; housing demonstration, 1963–64 and 1964–65; economic opportunity programs: work experience, community action, and Neighborhood Youth Corps, 1964–65 to date; adult training and development, and veterans' nursing homes, 1966–67 to date.

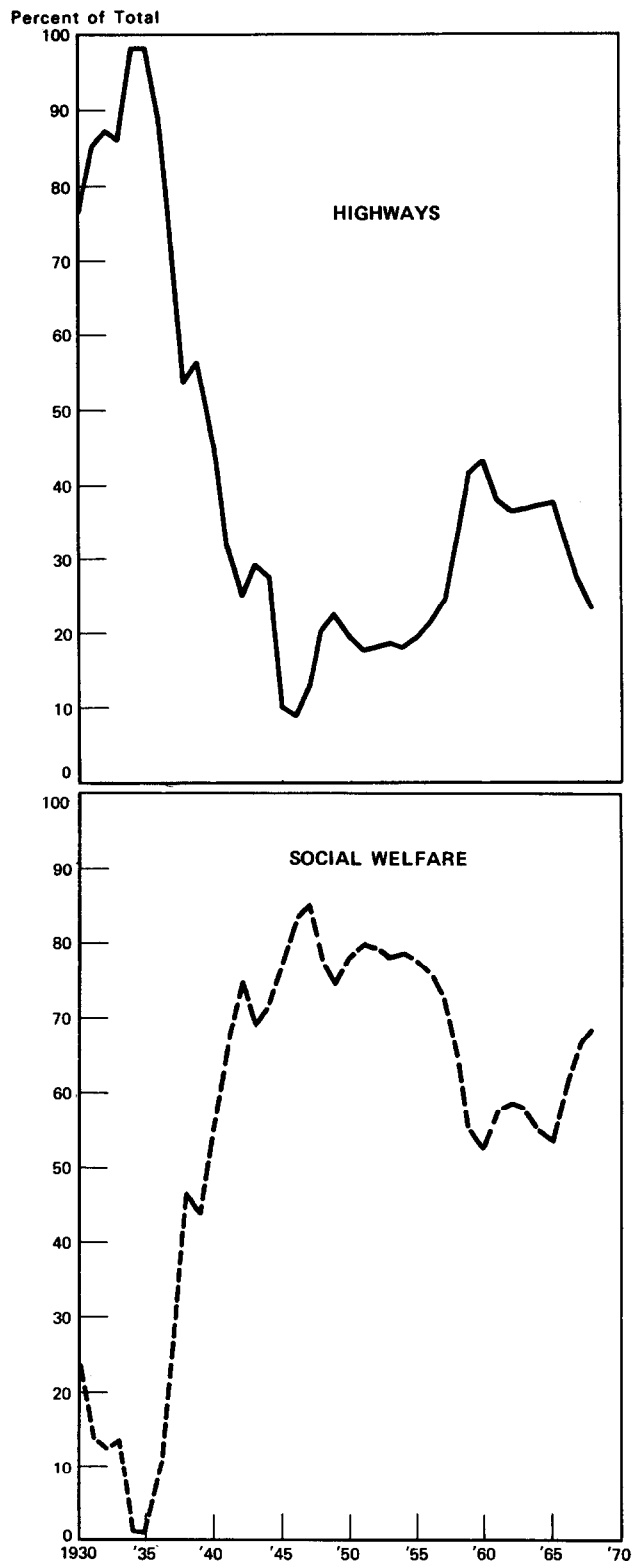
⁶ Cooperative construction of rural post roads, 1929–30 to 1939–40; Federal-aid highways (regular and emergency, prewar and postwar) and trust fund activities, restoration of roads and bridges, flood relief, secondary and feeder roads, grade-crossing elimination, 1930–31 to date; National Industrial Recovery Act highway activities, 1933–34 to 1943–44, 1946–47 to 1948–49, and 1950–51; emergency relief activities, 1935–36 to 1943–44 and 1946–47 to 1951–52; access roads, flight strips, strategic highway network, 1941–42 to 1956–57 and 1958–59; public land highways, 1942–43 to date; payment of claims, 1945–46 to 1951–52; war damage in Hawaii, 1947–48 to 1955–56; reimbursement of District of Columbia highway fund, 1954–55 and 1957–58; forest highways, 1957–58 to date; Appalachia highways, 1965–66 to date; and beautification and control of outdoor advertising, highway safety, and landscaping and scenic enhancement, 1966–67 to date.

⁷ Forestry cooperation including watershed protection and flood prevention, 1929–30 to date; Civil Works Administration, 1933–34; Federal Emergency Relief Administration, 1933–34 to 1937–38; Federal Emergency Administration of Public Works, 1933–34 to 1939–40; Reclamation Service (emergency), 1935–36; wildlife restoration, 1938–39 to date; war public works, 1941–42 to 1943–44; Public Works Administration, 1941–42 to 1949–50; farm labor supply, 1942–43 to 1948–49; community facilities and defense community facilities, 1944–45 to 1948–49, 1952–53, and 1954–55 to 1958–59; public works advance planning, 1946–47 to 1948–49; Federal airport program, 1947–48 to date; cooperative marketing project and disaster, drought, and other emergency relief, 1948–49 to date; civil defense, 1951–52 to date; slum clearance, 1952–53 to 1954–55; urban planning and renewal, 1955–56 to date; library services and waste-treatment-works construction, 1956–57 to date; National Science Foundation installations, 1957–58; small business management research, 1958–59 to 1964–65; area redevelopment assistance and accelerated public works, 1962–63 to date; open space land, 1963–64 to date; urban mass transportation, water resources research, commercial fisheries research, arts and humanities, law enforcement, State technical services of Commerce Department, and rural water and waste disposal, 1965–66 to date; economic development facilities, Appalachian assistance, and technical and community assistance, 1966–67 to date; model cities, meat inspection, and economic development planning, 1967–68.

⁸ Less than 0.05 percent.

Source: Annual Reports of the Secretary of the Treasury, Combined Statement of Receipts, Expenditures and Balances of the United States Government, and agency reports.

Federal grants for highways¹ and for social welfare as a percent of all grants



¹ For 1934-46, data include public works.

1933-34 and \$26 million of the following year's total of \$28 million. They were at their peak proportion in the first 2 years after World War II, when they accounted for 83.1 percent in 1945-46 and 84.1 percent in 1946-47. In the first of these years, public assistance grants of \$439 million made up 63 percent of social welfare grants. In the following year, although public assistance grants had increased 40 percent, they then comprised only 47 percent of all social welfare grants, which had been augmented by \$357 million for veterans' housing.

From this peak of prominence the social welfare grants rapidly descended to about 75-80 percent of all Federal grants where they remained, more or less, for the next decade. Their decline in relative importance continued throughout the late 1950's and early 1960's, with a low for that period of 52.5 percent in 1959-60. By 1966-67 and 1967-68, they rose gradually to more than two-thirds of all Federal grants.

The component grant groups of the social welfare total—public assistance, health, education, and miscellaneous social welfare programs—are also shown in table 2. From the second year of their existence (1936-37), the public assistance grants have dominated the social welfare group. For several years immediately before and after 1950 they comprised more than half of all grants and about two-thirds of all grants for social welfare. Grants for health purposes have shown sizable increases in dollar amounts since these grants were initiated. They have never represented as much as 10 percent of all grants, however, and relatively rarely as much as 5 percent.

Education grants have followed a somewhat similar pattern. Their increasing and decreasing proportion of the grants total, however, has been determined more by the rise and fall of the proportion spent for other purposes since their dollar total from 1949-50 on has been almost steadily on the rise. The increases have been especially notable since the Federal Government began to participate financially in the construction and operation of elementary and secondary schools and, more recently, in the area of higher education. At their two lowest points after passage of the Social Security Act—1935-36 and 1949-50—education grants represented 3.6 and 3.7 percent, respectively, of all grants. In the earlier year (the first with public assistance

grants) that level represented more than one-third of social welfare grants, but it represented only one-twentieth of the social welfare total in 1949-50.

The group of miscellaneous social welfare grants has long been dominated by and subject to the annual fluctuations of the several domestic food distribution programs. In 1939-40 this group accounted for almost 20 percent of total grants and more than a third of the social welfare grants. A decade later it represented only one percentage point less in relation to all grants but had dropped to between one-fourth and one-fifth of social welfare grants. Within the past few years, grants under economic opportunity legislation have more than made up for the gradual exhaustion of these agricultural surpluses.

The foregoing discussion has been cast in the framework of the proportion of total grants and of social welfare grants rather than in terms of dollar amounts. With continual increase in population and progressive erosion of the value of money it is not possible to make meaningful statements about program growth by reference to increases in the amount of current dollars expended. Each year's grants article has carried per capita grants expenditures for the current year, and comparisons have been made with the immediately preceding year. Sometime in the future, staff time may become available to subject the entire revised series to similar treatment and also to recast the current dollar historical series into constant dollars.

GRANTS IN FISCAL YEAR 1967-68

The most recent half-decade has witnessed an expansion of the rate of increase in the amount of grants for all purposes that is about double their growth in the immediately preceding 5 years. Grants in 1967-68, at \$18.1 billion, were 22 percent more than in 1966-67. This \$18.1 billion was 85 percent more than the total of \$9.8 billion in 1963-64, which in its turn was only 43 percent higher than the total in 1959-60 (\$6.8 billion).

The growth of social welfare grants during the same time span is even more spectacular: The \$12.5 billion granted for social welfare purposes in 1967-68 represented a 26-percent increase from the preceding year and a rise of 133 percent from

the 1963-64 total; growth in the preceding 4 years was only 48 percent.

Several factors contributed to the most recent annual increase in the social welfare grants total. Public assistance grants of \$5.3 billion were 27 percent higher than they were in the preceding year. They accounted for 43 percent of social welfare grants—about the same proportion as in 1966-67. The 1967-68 rise is attributable largely to the maturing of the medical assistance program (Medicaid): All States, or almost all, have now initiated Medicaid programs, which accounted for three-fifths of the \$1.1 million increase in assistance grants.

Grants for health services and construction, at \$837 million, rose 86 percent from their 1966-67 total. Since they form one of the smallest groups (dollarwise), their relative increase—from 5 percent of social welfare grants in 1966-67 to 7 percent in 1967-68—is not startlingly noticeable. The substantial growth in mental health grants, which went from less than \$7 million in 1966-67 to more than \$175 million the following year, accounts for the largest part of the increase.

Health grants now run close to five times their total a decade ago. Introduction of two new health grant programs in 1967-68 helped swell the total: \$55 million was disbursed for a new program of comprehensive health planning and services, and grants of \$21 million initiated a regional medical services program.

Grants for education services and construction totaled \$2.8 billion in 1967-68 and were 22 percent of the social welfare grants of that year. They were 17 percent higher than in the preceding year but formed about the same relative proportion of the total. Two new grant programs were added to the education group in 1967-68: \$16 million went for a Teacher Corps program and \$33 million for health manpower education and utilization.

The miscellaneous social welfare grants increased 23 percent in 1967-68 to \$3.5 billion. In 1966-67 and 1967-68 these grants represented about two-sevenths of social welfare grants. Economic opportunity grants of \$1.4 billion (excluding those for education programs, which are listed with the other education grants) were 29 percent higher in 1967-68 than in the preceding year; they represented about two-fifths of the miscellaneous social welfare group.

The remaining grants—the non-social-welfare grants—accounted for somewhat less than one-third of all 1967–68 grants, and totaled \$5.6 billion, as follows: Highways, \$4.2 billion, about 4 percent more than 1966–67; urban affairs, \$651 million, a 42-percent increase; agriculture and natural resources, \$140 million, up 8 percent; and a general miscellany amounting to \$648 million. New programs among the last three groups—which are combined into an “all other” group in presenting per capita and historical data—include grants for model cities, meat inspection, and economic development planning.

Tentatively, the multipurpose model cities program has been classified with the urban affairs group outside the social welfare orbit, since the \$1.6 million granted in 1967–68 was largely for planning purposes. A change in classification may be necessary in future years, depending on the extent to which model cities grants become identifiable as serving social welfare purposes, according to the present definition.

RELATION TO OTHER INDICATORS

Grants per capita are presented in table 3. Exactly \$90 of Federal grants was received during 1967–68 for every man, woman, and child in the United States, an increase of \$16.03 per person from the national average grant of 1966–67. As in table 1, the States are classified in three income groups by ranking the per capita personal income received in each State. Within each income group the States vary widely in the per capita receipt of Federal grants. States with low population density benefit from the minimum allotment provisions in certain of the grant formulas, particularly that for highway construction.

States that spend a great deal from their own resources for federally aided programs tend to receive more than the national average, whatever their income level. It might be expected that, as a result of the equalization aspects of many grant programs, the poor States would receive the largest per capita Federal grants and rich States the smallest. However, matching formulas built into several of these programs—particularly the Federal matching of State public assistance expenditures—result in relatively high Federal grants. Thus the States that receive the largest per capita assistance grants include some with

the highest per capita incomes in the country as well as some with the lowest.

Per capita grants for many programs tend to vary inversely with per capita personal income since the latter is often used in grant formulas, either as a measure of need or of fiscal capacity or both. Formula grants continue to dominate the series despite the increasing use of project grants in recent years.

Comparison of Federal grants with State and local revenues provides an indication of the role of Federal grants in the finances of the States and localities as well as further confirmation of the equalization effect of many formula grants. It would perhaps be more appropriate to compare the grants and revenues of the same year, but release time of data from the Bureau of the Census makes such a comparison impossible. Comparisons of 1967–68 grants with 1966–67 revenues are of considerable value for two reasons. First, State and local revenues change relatively little from one year to the next. At most the overall change would be slight since the ratios are averaged for the three income groups of States. Second, most closed-end grant formulas refer to per capita income for preceding years, not (for the obvious reason) for the current year in which the grants are actually disbursed, and the income received in a State is the dominant factor in the amount of revenues collected in that State.

Nationwide, Federal grants represented 19.4 cents of every dollar of total State and local general revenues (which include the grants receipts). This is an increase of 2 cents on the dollar from 1966–67. In the low-income States the grants accounted for 28 cents of each general revenue dollar; in the high-income States, for 17 cents. To every dollar collected by all the States and localities from their own sources (direct general revenues), the Federal Government added 23 cents in grants. In the low-income States the Government added grants of 36 cents to each State and local dollar; in the high-income group it added 20 cents. The individual State figures are shown in table 3.

Federal grants averaged 2.8 percent of total personal income received in the country. In the high-income States, grants represented 2.4 percent of personal income, and in the low-income States they represented 4.5 percent of personal income.

TABLE 3.—1967-68 Federal grants in relation to personal income, to State and local general revenues and direct general revenues, and to population, by State ¹

States ranked by 1965-67 average per capita personal income	Total grants as percent of—			Per capita grants						
	Personal income, 1968	Total State-local general revenues, 1966-67 ²	State-local direct general revenues, 1966-67 ³	Total	Public assistance	Health	Education	Miscellaneous social welfare	Highways	All other
Total.....				\$90.12	\$26.49	\$4.17	\$13.85	\$17.54	\$20.90	\$7.17
United States.....	2.8	19.4	23.4	90.00	26.72	4.12	13.62	17.20	21.15	7.19
High-income group.....	2.4	16.9	19.9	87.23	30.22	3.90	10.98	15.70	19.29	7.14
District of Columbia.....	5.3	38.6	56.6	220.26	21.93	17.20	37.55	72.21	45.50	25.86
Connecticut.....	2.0	17.8	20.6	80.98	16.72	3.19	10.17	14.28	24.19	12.44
Illinois.....	1.9	17.3	20.0	71.67	19.91	3.46	10.26	15.44	17.66	4.94
New York.....	2.6	16.2	18.3	101.31	51.72	4.34	8.85	18.31	11.44	6.66
Delaware.....	2.7	18.3	21.1	99.05	17.38	4.18	19.01	15.34	35.10	8.03
California.....	2.9	17.0	21.0	107.79	47.18	3.62	12.57	15.33	22.68	6.42
Alaska.....	0.8	34.3	71.3	366.09	15.73	6.58	66.87	41.66	135.82	99.43
Nevada.....	4.2	22.4	29.3	150.38	16.33	6.21	23.51	22.87	62.28	19.18
New Jersey.....	1.6	14.2	16.1	60.81	12.18	1.75	9.91	14.49	16.54	5.94
Massachusetts.....	2.6	19.1	22.2	93.46	36.29	5.90	10.09	16.05	13.79	11.34
Michigan.....	2.0	14.4	16.8	68.40	20.66	3.97	8.45	13.19	16.92	5.22
Washington.....	2.7	17.5	21.0	92.75	21.39	4.24	13.89	15.71	30.28	7.24
Maryland.....	2.2	17.0	19.4	76.51	19.39	5.07	17.34	13.20	14.62	6.89
Hawaii.....	3.4	17.3	22.6	106.92	16.97	6.17	25.79	15.97	31.35	10.66
Rhode Island.....	3.5	26.9	33.7	117.42	30.89	5.34	15.71	20.64	33.28	11.56
Ohio.....	2.1	17.8	20.7	66.02	14.61	3.12	8.57	13.14	19.99	6.60
Indiana.....	1.8	12.9	14.7	56.00	7.16	2.90	7.74	9.86	23.87	4.47
Middle-income group.....	2.8	19.4	23.3	83.13	20.39	4.20	13.80	15.53	22.56	6.64
Pennsylvania.....	2.4	19.2	22.7	75.69	18.54	4.20	9.58	15.70	18.62	9.04
Wisconsin.....	2.2	14.4	16.4	69.68	25.29	3.28	9.29	13.07	13.83	4.92
Iowa.....	2.6	16.5	19.5	80.10	23.04	3.19	13.93	14.24	19.37	6.32
Colorado.....	3.6	20.5	25.2	110.63	28.50	7.76	21.43	19.86	28.17	4.90
Oregon.....	2.8	16.7	20.7	87.02	16.04	4.06	12.85	16.00	31.67	6.40
Minnesota.....	3.2	18.6	22.2	99.41	24.88	4.39	12.91	15.50	33.04	7.69
Nebraska.....	2.8	19.4	25.8	84.60	19.09	8.03	15.79	14.63	21.61	5.46
Kansas.....	2.4	15.8	18.6	73.26	20.23	3.52	15.54	10.37	16.37	7.22
New Hampshire.....	3.0	24.3	29.2	90.43	11.55	4.78	14.99	15.95	31.29	11.88
Missouri.....	2.9	21.9	26.8	87.13	26.51	4.83	14.23	16.90	17.99	6.68
Wyoming.....	6.7	27.1	39.8	197.42	12.83	5.57	27.57	21.00	122.09	8.37
Florida.....	2.3	15.4	17.9	65.16	15.01	3.84	13.63	14.71	13.36	4.62
Montana.....	5.0	26.8	35.7	138.26	15.09	4.59	20.30	19.91	68.88	9.48
Vermont.....	6.2	35.8	47.8	174.50	29.96	12.99	20.55	20.72	79.76	10.52
Virginia.....	2.6	20.5	25.0	73.92	7.79	3.17	17.70	13.51	24.60	7.14
Arizona.....	4.4	23.1	29.5	118.24	15.27	5.00	21.27	28.41	41.37	6.31
Texas.....	3.0	22.7	27.7	83.67	25.04	3.47	14.46	14.69	20.89	5.11
Low-income group.....	4.5	27.8	36.1	106.90	27.60	4.53	19.73	23.32	23.58	8.14
Utah.....	4.8	25.4	34.4	125.67	19.47	6.45	23.19	18.20	50.68	7.67
Maine.....	3.3	22.4	27.5	86.93	21.88	4.08	14.46	15.02	21.11	10.38
Oklahoma.....	5.0	28.6	38.0	131.74	57.95	3.26	21.33	20.83	19.30	9.08
Idaho.....	4.3	23.3	28.6	109.02	19.46	5.20	19.84	14.78	42.77	6.98
South Dakota.....	5.4	29.0	37.3	140.00	21.74	4.21	27.85	22.27	55.96	7.98
North Dakota.....	5.0	23.0	28.7	126.08	27.97	3.29	22.78	18.89	46.26	6.89
New Mexico.....	6.5	28.2	40.2	160.03	30.75	6.49	39.58	29.14	44.11	9.97
Georgia.....	3.8	25.8	32.7	97.14	27.31	4.72	17.26	20.83	19.53	7.50
Louisiana.....	4.6	25.1	32.0	111.86	43.93	4.09	13.98	21.86	22.18	5.83
North Carolina.....	3.2	23.1	28.2	77.87	16.50	5.14	17.90	19.68	11.56	7.09
Kentucky.....	5.3	33.2	45.3	128.43	33.11	4.59	21.88	24.67	30.76	13.42
Tennessee.....	4.0	26.8	35.2	93.65	19.55	4.72	17.18	20.59	23.59	8.03
West Virginia.....	5.5	33.5	45.7	126.95	25.28	3.38	17.04	29.38	38.89	12.97
Alabama.....	4.8	30.0	39.9	103.02	28.78	4.42	19.29	23.76	20.50	6.26
South Carolina.....	3.5	25.1	31.2	76.00	9.93	3.69	21.82	20.85	15.60	4.12
Arkansas.....	6.0	36.0	49.5	123.78	33.96	5.36	25.30	26.91	21.30	10.95
Mississippi.....	6.3	33.6	45.0	120.00	23.27	4.46	21.74	45.32	17.44	7.78
Outlying areas:										
Puerto Rico.....				47.83	11.65	3.25	1.59	25.62	3.69	2.03
Virgin Islands.....				272.76	7.35	217.81		36.16		11.44
Other.....				281.24	3.03	7.91	227.77	17.28		25.25

¹ See the appropriate footnote to table 1 for the programs in each group of grants and for components of total and United States lines.

² Revenues (except trust revenues) from all sources.

³ Revenues (except trust revenues) from own sources.

Source: State and local revenues data from *Government Finances in 1966-67*

of the Bureau of the Census. Per capita data are based on estimates of the Bureau of the Census for the total population, excluding the Armed Forces overseas, as of July 1, 1967. Personal income data are for calendar years and are from the *Survey of Current Business*, August 1968.

Federal grants for social welfare purposes represented 11.5 percent of 1967-68 social welfare expenditures by all governments in the United States. They accounted for more than 20 percent of all Federal social welfare expenditures and were the equivalent of more than 26 percent of the State and local government expenditures from

expenditures made by State and local governments from their own sources for social welfare purposes.

The tabulation below shows the proportion of total social welfare expenditures that Federal social welfare grants to States and localities

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TABLE M-27.—Gross national product and personal income, by type, 1940-69

[Amounts in billions. Before 1960, data are for the 48 States and the District of Columbia, except where otherwise noted. Beginning 1960, includes Alaska and Hawaii]

Period	Gross national product	Personal income								
		Total	Wage and salary disbursements ¹	Social insurance and related payments ²		Public assistance payments ³		Other income ⁴	Less: personal contributions for social insurance ⁵	
				Amount	Percent of personal income	Amount	Percent of personal income			
1940.....	\$09.7	\$78.3	\$48.2	\$1.7	2.1	\$2.7	3.4	\$26.4	\$0.7	
1945.....	211.9	171.1	117.5	2.9	1.7	1.0	.6	52.1	2.3	
1950.....	284.8	227.6	146.7	6.7	3.0	2.3	1.0	74.7	2.9	
1955.....	398.0	310.9	211.3	12.7	4.1	2.5	.8	89.7	5.2	
1960.....	503.7	401.0	270.8	23.3	5.8	3.2	.8	112.9	9.3	
1961.....	520.1	416.8	278.1	26.8	6.4	3.4	.8	118.2	9.6	
1962.....	560.3	442.6	296.1	27.8	6.3	3.5	.8	125.5	10.3	
1963.....	590.5	465.5	311.1	29.4	6.3	3.6	.8	133.2	11.8	
1964.....	632.4	497.5	333.7	30.5	6.1	3.8	.8	142.0	12.5	
1965.....	684.9	538.9	358.9	33.1	6.1	4.0	.7	156.3	13.4	
1966.....	747.6	586.8	394.6	36.3	6.2	4.3	.7	169.4	17.8	
1967.....	789.7	628.8	423.4	42.9	6.8	4.9	.8	177.9	20.4	
1968.....	860.8	685.8	463.5	48.8	7.1	5.6	.8	190.9	22.9	
1968										
May.....		678.2	457.5	48.7	7.2	5.5	.8	189.3	22.8	
June.....	852.9	683.7	462.2	49.0	7.2	5.5	.8	180.9	22.9	
July.....		689.2	465.4	49.2	7.1	5.6	.8	192.1	23.1	
August.....		694.1	468.7	49.8	7.2	5.7	.8	193.1	23.2	
September.....	871.0	699.7	472.8	49.9	7.1	5.8	.8	194.5	23.3	
October.....		703.2	474.9	50.3	7.2	5.9	.8	195.5	23.4	
November.....		708.0	478.9	50.5	7.1	6.0	.8	196.1	23.5	
December.....	887.4	713.5	483.3	51.0	7.1	5.9	.8	196.8	23.5	
1969										
January.....		716.1	486.5	51.5	7.2	5.9	.8	197.6	25.4	
February.....		721.2	490.4	52.0	7.2	6.0	.8	198.3	25.5	
March.....	903.3	727.7	495.7	52.2	7.2	6.1	.8	199.3	25.6	
April.....		731.2	498.0	52.7	7.2	6.2	.8	200.1	25.8	
May.....		735.0	500.6	53.0	7.2	6.4	.9	200.9	25.9	

¹ Includes payments in kind; includes pay of Federal civilian and military personnel in all areas. Excludes earnings under work-relief programs in effect during 1935-43.

² Includes government transfer payments to beneficiaries under OASDHI, railroad retirement, public employee retirement, unemployment insurance, and veterans' pensions and compensation programs; cash and medical payments under workmen's compensation and temporary disability insurance; and court-awarded benefits for work injuries sustained by railroad, maritime, and other workers under Federal employer liability acts.

³ Includes government transfer payments to recipients of direct relief under programs of old-age assistance, aid to families with dependent children, aid to the blind, aid to the permanently and totally disabled, and general assistance; includes, during 1935-43, earnings under work-relief programs and the

value of surplus food stamps. Excludes payments made in behalf of recipients to suppliers of medical care (vendor payments).

⁴ Includes proprietors' income, dividends, personal interest, and rental income; other transfer payments not enumerated in footnotes 2 and 3 (such as Government life insurance payments, World War bonus payments, mustering-out pay and terminal-leave benefits to discharged servicemen, subsistence allowances to veterans at school) and employer contributions to private pension and welfare funds and other labor income (except compensation for injuries).

⁵ Includes life insurance premium payments for veterans.

Source: Department of Commerce, Office of Business Economics. Data regrouped to highlight items of special interest to the social security program.

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represented in the fiscal year under review, a year earlier, and 10 years earlier.

Fiscal year	All social welfare	Public assistance	Health	Education
1967-68 ¹	11.5	53.3	10.4	7.2
1966-67.....	10.3	53.1	5.9	6.6
1957-58.....	7.1	50.7	4.3	2.0

¹ Preliminary.

Public assistance grants provided approximately the same proportion of all public expenditures for public assistance in each of the 3 years: 53 percent, 53 percent, and 51 percent a decade ago. The big advance in the health field occurred from 1966-67 to 1967-68 when the proportion of public health and medical care expenditures provided by Federal health grants nearly doubled. In the education sector, although there was a relatively small gain in the part played by Federal grants during the single year, in the 10-year period their proportion of all public education expenditures more than tripled.