

Notes and Brief Reports

Social Welfare Expenditures

During the fiscal year 1951-52 social welfare expenditures in the United States under civilian public programs increased by about \$1 billion, or 5 percent. The continued

growth of old-age and survivors insurance and a substantial increase in expenditures for public education were primarily responsible for the increase in the total. Veterans' benefits declined, as fewer veterans had any remaining educational credits on

Table 1.—Social welfare expenditures in the United States under civilian public programs, fiscal years 1949-50, 1950-51, and 1951-52¹

[In millions]

Program	1951-52	1950-51	1949-50
Total			
Total.....	\$24,950.5	\$23,760.0	\$23,796.4
From Federal funds			
Total.....	\$9,841.5	\$9,634.6	\$9,482.7
Social insurance.....	3,331.4	2,711.6	1,877.8
Old-age and survivors insurance.....	2,067.0	1,568.5	784.1
Railroad retirement.....	390.7	321.0	304.4
Public employee retirement.....	586.1	555.0	433.6
Unemployment insurance and employment service.....	195.3	177.8	179.9
Railroad unemployment insurance.....	26.3	28.3	119.6
Railroad temporary disability insurance.....	27.7	28.9	31.1
Workmen's compensation.....	38.3	32.1	25.1
Public aid ²	1,210.7	1,189.6	1,097.2
Health and medical services ³	350.4	321.4	258.8
Other welfare services ⁴	120.6	113.9	112.1
Education.....	253.8	126.7	73.4
Veterans' programs ⁵	4,574.6	5,171.4	6,063.4
Pensions and compensation ⁶	2,193.2	2,120.8	2,092.8
Readjustment allowances.....	7.7	11.0	148.3
Health and medical services ⁷	765.1	691.1	742.1
Education.....	1,331.0	2,020.5	2,659.1
Welfare and other ⁸	234.5	328.1	391.1
From State and local funds			
Total.....	\$15,109.0	\$14,125.4	\$14,313.7
Social insurance.....	2,330.9	2,048.9	2,849.5
Public employee retirement.....	404.0	367.0	310.0
Unemployment insurance and employment service.....	991.8	872.7	1,862.4
State temporary disability insurance.....	176.7	139.6	73.5
Workmen's compensation ⁹	758.4	669.6	603.6
Public aid ²	1,373.4	1,395.5	1,488.8
Health and medical services ³	2,203.1	2,083.8	1,927.9
Other welfare services ⁴	558.	412.5	369.8
Education.....	8,500.0	7,850.0	7,215.7
Veterans' programs.....	142.8	334.7	462.0

¹ Data represent expenditures from public funds (general and special) and trust accounts, and other expenditures under public law; exclude transfers to such accounts and loans; include administrative expenditures unless otherwise noted. Fiscal years ended June 30 for Federal Government, most States, and some localities; for other States and localities fiscal years cover various 12-month periods ended in the specified year.

² Old-age assistance, aid to dependent children, aid to the blind, aid to the permanently and totally disabled, and, from State and local funds, general assistance.

³ Includes hospital construction and medical research; excludes veterans' programs, medical expenditures of the Military Establishment and the Atomic Energy Commission, and health and medical services provided in connection with public education, public assistance, workmen's compensation, and those subordinate to the performance of

other functions such as those of the Civil Aeronautics Authority.

⁴ Represents vocational rehabilitation (other than medical rehabilitation services, included under health and medical services), child welfare services, school lunch program, and institutional care.

⁵ Excludes Federal bonus payments, appropriations to Government life insurance trust fund, and accounts of several small revolving funds.

⁶ Includes burial awards.

⁷ Includes hospital construction.

⁸ Vocational rehabilitation, specially adapted homes and automobiles for disabled veterans, counseling, beneficiaries' travel, loan guaranty, and domiciliary care.

⁹ Represents payments by private insurance carriers, State funds, and self-insurers of benefits payable under State law and estimated costs of State administration. Administrative costs of private insurance carriers and self-insurers not available.

which to draw. Public expenditures for health and medical services increased about 6 percent. Public assistance remained at about the same level in 1951-52 as in the preceding year, in spite of a 5-percent rise in the consumers' price index.

The \$25 billion spent for social welfare programs in 1951-52 represented 7.4 percent of the gross national product in that year, a slightly smaller proportion than in 1950-51 (table 2). Because of the large increase in government spending, primarily for defense purposes, social welfare programs accounted for a considerably smaller proportion of total government expenditures than in the previous few years—27 percent as compared with 34 percent or 35 percent. Social welfare expenditures from Federal funds accounted for 15 percent of all Federal Government expenditures¹ when veterans' programs are included in social welfare and 8 percent when they are excluded. About 61 percent of all expenditures from State and local funds were for social welfare programs.²

As in earlier years, about 60 percent of all social welfare expenditures came from State and local funds, and about 40 percent came from Federal funds. If the veterans' programs are excluded, three-fourths of the remaining social welfare expenditures were from State and local funds and only one-fourth were from Federal funds. Of the Federal funds used for programs other than those for veterans, more than one-third represented grants-in-aid to the States or localities for programs administered by State or local governments.

Some of the figures shown in table

¹ Total Federal expenditures represent the cash consolidated budget of the Federal Government—that is, expenditures from general revenues and from trust funds, excluding interfund transfers.

² State and local government expenditures include expenditures from State accounts in the unemployment trust fund but exclude Federal grants-in-aid. Data for earlier years published in the *Bulletin* for February 1953, table 5, last column, included Federal grants-in-aid in the base; all the figures for social welfare expenditures from State and local funds as a percent of State and local government expenditures for all purposes would have been between 5 and 6 percentage points higher than those shown if corrected for this error.

Table 2.—Social welfare expenditures under civilian public programs in relation to gross national product, fiscal years 1949–50, 1950–51, and 1951–52

Program	Social welfare expenditures as percent of gross national product		
	1951–52	1950–51	1949–50
Total.....	7.4	7.7	8.7
Veterans' programs.....	1.4	1.8	2.4
All others.....	6.0	5.9	6.3
Social insurance.....	1.7	1.5	1.7
Public aid.....	.8	.8	.9
Health and medical.....	.8	.8	.8
Education.....	2.6	2.6	2.7
Other.....	.2	.2	.2

I have been revised on the basis of more recent data or estimates than were available at the time the historical series for the years 1936–37 through 1950–51, presented in the February 1953 issue of the BULLETIN, was prepared. The changes that are large enough to be significant for the analyses of trends occur in the data on expenditures from State and local funds. There is a considerable time lag in the availability of reported data for programs not supported by Federal grants-in-aid, and some of the estimates, particularly those relating to local government expenditures, are rough and subject to further change as new data become available. The revised figures in table 1 can be compared with those for earlier years without significant distortion of trends for all programs except education. The figures in table 1 on State and local expenditures for education incorporate a revised estimate of school construction expenditures. The comparable revised figure for State and local expenditures for education in the fiscal years 1943–44 through 1948–49 are as follows:

Year	Amount (in millions)
1943–44	\$2,914.2
1944–45	3,280.0
1945–46	3,654.2
1946–47	4,235.6
1947–48	5,424.8
1948–49	6,288.1

For earlier years the differences between the revised estimates and those published in the February 1953 BULLETIN are negligible.

Employers, Workers, and Wages, October 1952–March 1953

During October–December 1952 the number of workers in covered employment, not including the self-em-

ployed, with wages taxable under old-age and survivors insurance is estimated at 43 million—2.9 percent higher than in the fourth quarter of 1951 but 7.5 percent lower than in the third quarter of 1952. Their taxable wages, estimated at \$24 billion, in-

Estimated number of employers¹ and workers and estimated amount of wages in employment covered under old-age and survivors insurance, for specified periods, 1940–53²

[Corrected to Aug. 24, 1953]

Year and quarter	Employers reporting wages ⁴ (in thousands)	Workers with taxable wages during period ⁴ (in thousands)	Taxable wages ³		All workers in covered employment during period ⁴ (in thousands)	Total payrolls in covered employment ⁴	
			Total (in millions)	Average per worker		Total (in millions)	Average per worker
1940.....	2,500	35,303	\$32,974	\$932	35,393	\$35,668	\$1,008
1941.....	2,646	40,976	41,848	1,021	40,976	45,463	1,110
1942.....	2,655	46,363	52,939	1,142	46,363	58,219	1,256
1943.....	2,394	47,656	62,423	1,310	47,656	69,653	1,462
1944.....	2,469	46,296	64,426	1,392	46,296	73,349	1,584
1945.....	2,614	46,392	62,945	1,357	46,392	71,580	1,543
1946.....	3,017	48,845	69,088	1,414	48,845	79,260	1,623
1947.....	3,246	48,908	78,372	1,602	48,908	92,449	1,890
1948.....	3,298	49,018	84,122	1,716	49,018	102,255	2,086
1949.....	3,316	46,796	81,808	1,748	46,796	99,989	2,137
1950 ⁵	3,340	48,100	87,498	1,819	48,100	109,804	2,283
1951 ⁵	4,440	54,600	110,910	2,031	54,600	133,800	2,451
1952 ⁵	4,430	56,000	118,700	2,120	56,000	144,000	2,587
1946							
January–March.....	2,287	36,038	16,840	467	36,038	17,397	483
April–June.....	2,416	38,055	17,845	469	38,153	19,079	500
July–September.....	2,478	39,670	17,709	446	40,228	20,222	503
October–December.....	2,513	37,945	16,694	440	39,930	22,562	585
1947							
January–March.....	2,509	38,765	20,805	537	38,765	21,497	555
April–June.....	2,587	39,801	20,655	519	40,175	22,245	554
July–September.....	2,617	40,255	19,555	486	41,155	23,035	560
October–December.....	2,609	37,448	17,357	463	40,748	25,672	630
1948							
January–March.....	2,588	39,560	23,080	583	39,560	23,923	605
April–June.....	2,690	40,245	22,708	564	40,524	24,668	609
July–September.....	2,699	40,585	21,150	521	41,675	25,700	617
October–December.....	2,661	36,790	17,184	467	41,540	27,964	673
1949							
January–March.....	2,639	38,162	23,376	613	38,162	24,254	636
April–June.....	2,693	38,591	22,571	585	38,864	24,570	632
July–September.....	2,697	38,333	20,160	526	39,601	24,971	631
October–December.....	2,692	34,529	15,701	455	39,477	26,194	664
1950							
January–March ⁶	2,671	37,400	23,490	628	37,400	24,316	650
April–June ⁶	2,766	39,200	24,052	614	39,500	26,210	664
July–September ⁶	2,768	40,400	22,382	554	41,800	28,165	674
October–December ⁶	2,741	36,200	17,574	485	41,700	31,113	746
1951							
January–March ⁶	3,552	43,600	30,175	692	43,600	30,900	709
April–June ⁶	3,630	45,200	30,515	675	45,500	32,900	723
July–September ⁶	3,609	45,500	27,658	608	46,500	34,000	731
October–December ⁶	3,616	41,800	22,562	540	46,500	36,000	774
1952							
January–March ⁶	3,580	45,000	33,200	738	45,000	34,000	756
April–June ⁶	3,650	46,000	32,500	707	46,500	35,000	753
July–September ⁶	3,630	46,500	29,000	624	47,500	36,000	758
October–December ⁶	3,580	43,000	24,000	558	48,000	39,000	812
1953							
January–March ⁶	3,600	48,000	37,000	771	48,000	38,000	792

¹ Number corresponds to number of employer returns. A return may relate to more than 1 establishment if employer operates several separate establishments but reports for concern as a whole.

² Data exclude joint coverage under the railroad retirement and old-age and survivors insurance programs.

³ For quarterly and annual data for 1937–39 see the *Bulletin*, February 1947, p. 31. Quarterly data for other years were in the August 1947, February 1948, and January 1953 issues.

⁴ For a description of the series and quarterly data

for 1940 see the *Bulletin*, August 1947, p. 30. Quarterly data for other years were in the February 1948 and January 1953 issues.

⁵ Preliminary.

⁶ Preliminary; includes data for new coverage under the 1950 amendments, except for self-employed persons and their earnings. In 1951 an estimated 58 million persons, including the self-employed, had taxable earnings of \$120.1 billion, or \$2,071 per person with taxable earnings; for 1952, the corresponding figures were 60 million, \$128.0 billion, and \$2,133.