

# Note and Brief Reports

## Public Social Welfare Expenditures, Fiscal Year 1985: Overview\*

During fiscal year 1985, Federal, State, and local governments spent \$727.9 billion on public social welfare expenditures.<sup>1</sup> In current dollars, this amount represents an increase of \$56.9 billion, or 8.5 percent, over the 1984 figure. In constant (1985) dollars,

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<sup>1</sup>Social welfare expenditures are defined as the cost of cash benefits, services, and administration of programs operating under public law that are of direct benefit to individuals or families.

however, the increase is \$33.3 billion—4.8 percent more than the previous year's figure. Table 1 shows expenditures for selected fiscal years 1950-85.

Spending for social welfare accounted for 18.4 percent of the gross national product (GNP) in 1985. This figure is similar to the percentage recorded in the years 1977-81, and it is nearly a percentage point lower than in 1983.

Social welfare as a percentage of government spending for all purposes has been declining since the 1976 level of 60.3 percent and reached 51.6 percent in 1985. State and local governments spent a higher percentage of their funds on social welfare than did the Federal Government—59 percent, compared with 48 percent.

The distribution of spending among program categories in 1985 changed only slightly from the previous year. Social insurance programs accounted for about half of the total, education for less than one-fourth of the total, and public aid for 13 percent.

Table 1.—Social welfare expenditures under public programs, selected fiscal years 1950-85

[Amounts in millions]

Fiscal year	Program								Total health care <sup>3</sup> spending	Total social welfare as a percent of—	
	Total <sup>1</sup>	Social insurance	Public aid	Health and medical care	Veterans' programs	Educa-tion	Housing	Other social welfare <sup>2</sup>		Gross national product	Govern-ment ex-penditures for all purposes <sup>4</sup>
	Total expenditures										
1950 .....	\$23,508	\$4,947	\$2,496	\$2,064	\$6,866	\$6,674	\$15	\$448	\$3,065	8.2	37.4
1955 .....	32,640	9,835	3,003	3,103	4,834	11,157	89	619	4,421	8.2	32.7
1960 .....	52,293	19,307	4,101	4,464	5,479	17,626	177	1,139	6,395	10.3	38.4
1965 .....	77,175	28,123	6,283	6,246	6,031	28,108	318	2,066	9,535	11.5	42.4
1970 .....	145,856	54,691	16,488	9,907	9,078	50,845	701	4,145	25,391	14.7	48.2
1975 .....	290,084	123,013	41,308	17,788	17,019	80,834	3,172	6,947	52,063	19.0	57.3
1976 .....	331,955	145,703	48,693	19,029	18,958	87,730	3,371	8,472	58,978	19.5	60.3
1977 .....	360,602	160,883	53,266	20,129	19,015	93,878	4,358	9,071	67,068	18.6	58.6
1978 .....	394,377	175,090	59,394	22,844	19,744	101,518	5,225	10,563	76,853	18.1	58.4
1979 .....	430,280	194,288	64,662	24,899	20,602	109,262	5,493	11,076	86,757	17.5	57.2
1980 .....	492,528	229,754	71,799	27,650	21,466	121,050	7,210	13,599	100,294	18.5	56.5
1981 .....	550,545	267,395	82,424	30,424	23,441	128,145	6,734	11,983	116,537	18.4	56.5
1982 .....	594,876	302,615	80,852	33,218	24,708	133,874	7,954	11,654	130,869	18.9	55.0
1983 .....	641,169	331,058	85,830	35,068	25,826	141,813	9,090	12,484	142,222	19.3	54.4
1984 .....	670,945	342,264	89,871	37,090	26,127	152,045	10,374	13,177	154,296	18.2	52.8
1985 <sup>5</sup> .....	727,861	372,583	95,965	39,955	27,171	166,362	11,878	13,946	173,264	18.4	51.6

See footnotes at end of table.

**Table 1.—Social welfare expenditures under public programs, selected fiscal years 1950-85—Continued**

[Amounts in millions]

Fiscal year	Program								Total health care spending <sup>3</sup>	Total social welfare as a percent of—	
	Total <sup>1</sup>	Social insurance	Public aid	Health and medical care	Veterans' programs	Educational	Housing	Other social welfare <sup>2</sup>		Gross national product	Government expenditures for all purposes <sup>4</sup>
Federal expenditures											
1950	\$10,541	\$2,103	\$1,103	\$604	\$6,386	\$157	\$15	\$174	\$1,362	3.7	26.2
1955	14,623	6,385	1,504	1,150	4,772	485	75	252	1,948	3.7	22.3
1960	24,957	14,307	2,117	1,737	5,367	868	144	417	2,918	4.9	28.1
1965	37,712	21,807	3,594	2,781	6,011	2,470	238	812	4,625	5.6	32.6
1970	77,337	45,246	9,649	4,775	8,952	5,876	582	2,259	16,600	7.8	40.1
1975	167,426	99,715	27,186	8,521	16,570	8,629	2,541	4,264	33,013	11.0	52.0
1976	197,003	119,600	32,527	9,552	18,796	9,023	2,906	4,598	39,937	11.6	57.0
1977	218,371	134,745	35,399	10,150	18,861	9,741	4,006	5,470	46,012	11.3	54.7
1978	239,753	147,365	40,013	11,068	19,570	10,901	4,887	5,949	52,366	11.0	55.3
1979	263,037	163,879	43,722	11,398	20,412	12,108	5,069	6,449	58,696	10.7	54.6
1980	302,631	191,162	48,666	12,703	21,254	13,452	6,608	8,786	68,801	11.3	54.3
1981	344,120	224,574	55,946	13,650	23,229	13,372	6,045	7,304	80,560	11.5	53.9
1982	367,620	250,551	52,485	14,528	24,463	11,917	7,176	6,500	90,705	11.7	52.6
1983	398,721	274,212	55,895	15,524	25,561	12,397	8,087	7,046	100,203	12.0	51.9
1984	419,435	289,884	57,666	16,666	25,822	12,999	9,068	7,331	108,754	11.3	50.1
1985 <sup>5</sup>	451,143	313,106	61,174	18,403	26,833	13,740	10,339	7,548	123,515	11.4	48.4
State and local expenditures											
1950	\$12,967	\$2,844	\$1,393	\$1,460	\$480	\$6,517	...	\$274	\$1,704	4.5	59.2
1955	18,017	3,450	1,499	1,953	62	10,672	\$15	367	2,473	4.5	55.3
1960	27,337	4,999	1,984	2,727	112	16,758	33	723	3,478	5.4	60.1
1965	39,464	6,316	2,690	3,466	20	25,638	80	1,254	4,911	5.9	60.4
1970	68,519	9,446	6,839	5,132	127	44,970	120	1,886	8,791	6.9	64.0
1975	122,654	23,298	14,122	9,267	449	72,205	631	2,683	18,249	8.0	65.3
1976	134,953	26,103	16,165	9,477	162	78,706	465	3,874	18,795	7.9	66.2
1977	142,231	26,139	17,867	9,979	155	84,137	353	3,602	21,055	7.3	66.3
1978	154,624	27,725	19,381	11,776	174	90,617	337	4,614	24,464	7.1	66.6
1979	167,243	30,408	20,940	13,500	190	97,154	424	4,628	28,061	6.8	62.4
1980	189,897	38,592	23,133	14,948	212	107,597	601	4,813	31,492	7.1	60.8
1981	206,424	42,821	26,477	16,774	212	114,773	688	4,679	35,977	6.9	61.9
1982	227,226	52,063	28,367	18,690	245	121,957	778	5,154	40,164	7.2	60.0
1983	242,447	56,846	29,935	19,544	265	129,416	1,003	5,438	42,018	7.3	59.9
1984	251,613	52,381	32,206	20,423	305	139,046	1,306	5,946	45,541	6.8	58.6
1985 <sup>5</sup>	276,718	59,476	34,792	21,553	338	152,622	1,540	6,398	49,749	7.0	58.8

<sup>1</sup>Includes expenditures under public laws and from trust fund accounts, including administration, capital outlay, and some payments outside the United States. The sum of individual categories may not equal the totals due to independent rounding.

<sup>2</sup>Includes outlays for vocational rehabilitation, institutional care, child nutrition and welfare, and social welfare expenditures not elsewhere classified.

<sup>3</sup>Combines health and medical programs with medical services provided in connection with social insurance, public aid, veterans' programs, and other social welfare programs.

<sup>4</sup>Expenditures for that part of workers' compensation and temporary disability insurance payments made through private carriers and self-insurers are omitted in computing percentages.

<sup>5</sup>Preliminary data.