

Any discussion of social welfare expenditures inevitably involves the question of what items should be included. In this review, a broad and commonly used interpretation of social welfare expenditures has been employed. Briefly stated, it covers outlays under municipal, provincial and federal government programs in the form of general welfare payments, social insurance benefits, social assistance payments, health services, welfare services and administrative costs involved in the operation of these measures.

As social welfare expenditures have increased over the years, the proportion financed by each of the three levels of government has changed. In 1874, a few years after Confederation, total outlays amounted to approximately \$1,400,000, of which about 50 p.c. was borne by the provincial governments, 36 p.c. by municipal governments and 14 p.c. by the Federal Government. By 1913, about four decades later, outlays on social welfare had increased to \$13,700,000 and the position of the municipalities and provinces had almost reversed, the former paying out 59.8 p.c. of total expenditures and the latter 31.4 p.c.; the Federal Government's share had dropped to 8.8 p.c. After World War I, the amount and proportion of federal expenditures increased dramatically and the position of the Federal Government as the heaviest spender in this field has remained unchanged since that time.

Social welfare expenditures by the three levels of government reached \$99,000,000 by 1926-27, which was about \$10.48 per capita. Of the total, federal expenditures accounted for 50.2 p.c., provincial expenditures for 28.9 p.c. and municipal outlays for 20.9 p.c. Throughout the depression years of the 1930's, expenditures on social welfare rose substantially. In 1939-40, the total amounted to \$317,200,000, or \$28.15 per capita, of which the federal share was 48.6 p.c. During the war years, however, such expenditures declined; in 1942-43, for example, government outlays dropped to \$230,000,000 and the per capita figure to \$19.73.

GOVERNMENT EXPENDITURES ON HEALTH AND SOCIAL WELFARE: AMOUNT AND PERCENTAGE OF NET NATIONAL INCOME, YEARS ENDED MAR. 31, 1948-61

