

# Notes and Brief Reports

## Assistance Expenditures per Inhabitant, 1950-51

In the fiscal year 1950-51, expenditures for public assistance payments from Federal, State, and local funds, excluding vendor payments for medical care, represented \$15.03 per inhabitant, or about 2 percent (37 cents) less per capita than they did in the preceding fiscal year. The changes for the year are given below.

Program	Expenditures per inhabitant		
	Amount excluding vendor payments for medical care		Percentage change
	Fiscal year 1949-50	Fiscal year 1950-51	
All programs...	\$15.40	\$15.03	-2.4
Old-age assistance...	9.51	9.36	-1.6
Aid to dependent children.....	3.44	3.63	+5.5
Aid to the blind.....	.34	.35	+2.9
Aid to the permanently and totally disabled.....		.20	
General assistance.....	2.11	1.49	-29.4

Costs went down for both general assistance and old-age assistance. The drop in general assistance costs was 62 cents per inhabitant, or more than a fourth, and was largely the result of the generally favorable employment conditions and the transfer of former general assistance cases to the new Federal grant-in-aid program for the permanently and totally disabled, which went into operation October 1, 1950. The decrease for old-age assistance—less than 2 percent—reflected both the improved employment opportunities and the liberalizations in the old-age and survivors insurance program, effective October 1, 1950, which lessened the need for supplementary assistance among old-age and survivors insurance beneficiaries.

More than half the decreases in costs for general assistance and old-age assistance was offset by an increase in per inhabitant expenditures for aid to dependent children (19 cents) and for aid to the blind (only 1 cent) and by the expenditures under the new program of aid to the permanently and totally disabled, which

amounted to 20 cents per inhabitant. Costs for aid to dependent children went up in spite of a declining case-load—largely because of the increase in average assistance payments when Federal matching was extended, beginning October 1, 1950, to assistance granted to one needy adult in a family receiving aid to dependent children.

The 1950 amendments to the Social Security Act also expanded the definition of assistance payments to include payments to vendors for remedial or medical care provided under public assistance programs. Since October 1, 1950, Federal matching has been available for such vendor payments within the maximums on individual assistance payments of \$50 per month for old-age assistance, aid to the blind, and aid to the permanently and totally disabled and, for aid to dependent children, \$27 for the adult, plus \$27 for one child and \$18 for each additional child. Few States, however, availed themselves in the fiscal year 1950-51 of the opportunity to obtain Federal funds for vendor payments for medical care.

Payments to vendors for medical care amounting to 50 cents or more per inhabitant are shown in the accompanying chart. These amounts do not, however, represent total payments for medical care because many States include all or part of the cost of medical care in money payments to recipients. Although 38 States reported vendor payments from general assistance funds, only 15 of them also made such payments from funds of the four special types of public assistance, and in only eight States were the vendor payments for medical care made from old-age assistance funds larger than those from general assistance funds.

General assistance funds are frequently used, however, to pay for medical care costs incurred on behalf of recipients of the other public assistance programs. Medical care payments to vendors in Nevada, for example, represented 83 percent of that State's total expenditures per inhabitant for general assistance, but general assistance funds were being used to provide medical care for all public

assistance recipients. Nevada was one of five States in which the combine cost of vendor payments for medical care for all five public assistance programs amounted to more than \$2 per inhabitant.

When vendor payments for medical care are included in assistance expenditures for both years, the total expenditures per inhabitant for the five public assistance programs show a decline from \$16.04 in the fiscal year 1949-50 to \$15.69 in 1950-51. In the fiscal year 1950-51, State per capita expenditures varied from \$1.14 in Puerto Rico to \$41.85, or 37 times as much, in Colorado. Twenty States spent more, per capita, than the national average, 32 spent less, and in one State (Utah) expenditures were equal to the average for the Nation as a whole.

About one-fourth of the States spent at least \$17 per inhabitant for public assistance, including vendor payments for medical care, and a like proportion spent less than \$10. The 13 States spending less than \$10 fall into two groups—eight low-income States with low average assistance payments and, in general, above-average recipient rates (Alabama, Kentucky, Mississippi, North Carolina, Puerto Rico, South Carolina, the Virgin Islands, and Virginia); and five States above average in fiscal ability and in assistance payments but with relatively low recipient rates (Delaware, the District of Columbia, Indiana, Maryland, and New Jersey). Similarly, the 13 States with the high-

Table 1.—Distribution of States by amount of assistance expenditures per inhabitant,<sup>1</sup> including vendor payments for medical care, and by specified programs, fiscal year 1950-51

Expenditure per inhabitant	Old-age assistance	Aid to dependent children	General assistance
Less than \$0.50...	0	2	13
0.50-0.99.....	1	1	9
1.00-1.49.....	0	5	10
1.50-1.99.....	4	3	5
2.00-2.99.....	3	11	8
3.00-3.99.....	1	9	3
4.00-4.99.....	2	10	2
5.00-7.49.....	9	11	2
7.50-9.99.....	14	1	1
10.00-14.99.....	12	0	0
15.00 or more....	7	0	0

<sup>1</sup> Based on population figures, excluding Armed Forces overseas, from the April 1950 enumeration made by the Bureau of the Census.

est expenditures per inhabitant can be classified in two groups—eight States above or near average in per capita income, in which monthly payments usually were high and recipient rates for public assistance generally were above average (California, Colorado, Idaho, Kansas, Massachusetts, Montana, Oregon, and Washington), and five States, all but one of which were

below average in income and generally had high recipient rates (Arizona, Florida, Louisiana, Missouri, and Oklahoma). Among the last group, average monthly assistance payments were below the median for aid to dependent children in all States and for old-age assistance in two of the five States.

There was likewise considerable

difference among the various assistance programs. Of the total per capita expenditure of \$15.69 for assistance, including medical care, for all programs combined, the largest part—\$9.59 or more than 60 percent—was for old-age assistance; \$3.70 or about 25 percent was for aid to dependent children; \$1.84 or more than 10 percent went for general assistance; and

Table 2.—Amount expended per inhabitant<sup>1</sup> for assistance payments, excluding vendor payments for medical care, by State and by program, fiscal years 1949-50 and 1950-51

State	Total		Old-age assistance		Aid to dependent children		Aid to the blind		Aid to the permanently and totally disabled <sup>2</sup>	General assistance	
	1949-50	1950-51	1949-50	1950-51	1949-50	1950-51	1949-50	1950-51	1950-51	1949-50	1950-51
United States.....	\$15.40	\$15.03	\$9.51	\$9.36	\$3.44	\$3.63	\$0.34	\$0.35	\$0.20	\$2.11	\$1.49
Alabama.....	8.99	9.59	6.40	6.50	2.04	2.34	.13	.13	.51	.42	.11
Alaska.....	12.21	12.86	8.62	8.55	3.23	3.96	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	.36	.35
Arizona.....	17.03	19.01	10.28	11.69	5.01	5.65	.81	.82	( <sup>3</sup> )	.93	.85
Arkansas.....	13.73	15.47	9.55	10.50	3.63	4.39	.34	.37	( <sup>3</sup> )	.21	.21
California.....	29.69	30.55	21.58	21.02	4.70	6.80	.93	1.01	( <sup>3</sup> )	2.48	1.72
Colorado.....	36.88	40.35	31.16	34.15	3.92	4.36	.20	.19	.17	1.60	1.48
Connecticut.....	11.40	12.23	6.55	7.22	2.82	3.58	.08	.11	( <sup>3</sup> )	1.95	1.32
Delaware.....	5.48	5.45	1.75	1.77	1.64	1.88	.25	.33	.07	1.84	1.40
District of Columbia.....	5.33	5.94	1.74	1.81	2.35	2.69	.17	.18	.34	1.07	.92
Florida.....	17.66	18.30	11.76	11.38	4.99	5.99	.59	.60	( <sup>3</sup> )	.32	.33
Georgia.....	10.05	11.76	7.61	8.46	2.01	2.83	.24	.28	( <sup>3</sup> )	.19	.19
Hawaii.....	12.61	14.63	1.91	1.88	6.82	7.81	.09	.10	.31	3.79	4.53
Idaho.....	16.16	16.46	10.64	10.47	4.70	5.03	.22	.22	.25	.60	.49
Illinois.....	14.10	12.84	7.56	7.10	3.31	3.07	.29	.28	.02	2.94	2.37
Indiana.....	8.80	8.61	5.62	5.64	2.07	2.23	.22	.22	( <sup>3</sup> )	.89	.62
Iowa.....	13.43	13.99	10.94	11.07	1.64	2.07	.30	.34	( <sup>3</sup> )	.55	.51
Kansas.....	16.74	16.17	12.18	12.13	2.75	2.50	.25	.21	.53	1.56	.80
Kentucky.....	9.04	9.82	5.34	5.65	3.19	3.64	.20	.23	( <sup>3</sup> )	.31	.30
Louisiana.....	37.60	34.47	25.51	24.92	7.37	6.04	.34	.36	1.65	4.38	1.50
Maine.....	14.14	15.15	8.24	8.62	3.07	4.03	.38	.39	( <sup>3</sup> )	2.45	2.11
Maryland.....	6.04	6.17	2.22	2.26	2.53	2.53	.10	.10	.13	1.19	1.15
Massachusetts.....	23.13	23.30	15.92	16.37	3.68	3.79	.23	.26	( <sup>3</sup> )	3.30	2.88
Michigan.....	16.62	14.87	8.60	8.48	4.42	4.33	.17	.18	.02	3.43	1.86
Minnesota.....	14.68	14.12	10.11	9.80	2.81	2.85	.25	.26	( <sup>3</sup> )	1.51	1.21
Mississippi.....	8.48	8.18	6.56	6.42	1.49	1.82	.39	.38	.01	.04	.05
Missouri.....	23.00	23.63	16.93	17.43	4.08	3.96	.35	.34	.60	1.64	1.30
Montana.....	17.74	18.57	12.23	12.64	3.85	4.02	.58	.63	.51	1.08	.77
Nebraska.....	12.95	12.70	9.42	9.24	2.72	2.64	.31	.38	( <sup>3</sup> )	.50	.44
Nevada.....	11.38	11.92	10.39	10.86	4.12	4.08	.13	.15	( <sup>3</sup> )	.74	.83
New Hampshire.....	12.54	12.95	7.18	7.51	3.09	3.74	.34	.35	( <sup>3</sup> )	1.93	1.35
New Jersey.....	5.75	5.28	2.87	2.80	1.13	1.22	.10	.10	( <sup>3</sup> )	1.65	1.16
New Mexico.....	11.87	13.25	6.13	6.70	4.68	5.31	.30	.32	.36	.76	.56
New York.....	15.09	14.85	5.15	5.10	4.73	4.78	.19	.20	.81	5.02	3.96
North Carolina.....	6.07	6.79	3.77	4.06	1.75	2.08	.37	.43	.04	.18	.18
North Dakota.....	12.53	13.11	8.19	8.66	3.51	3.62	.11	.11	.15	.72	.57
Ohio.....	12.87	11.80	8.82	8.31	1.26	1.62	.25	.26	.06	2.54	1.55
Oklahoma.....	34.81	32.75	27.11	24.46	6.41	6.97	.75	.70	( <sup>3</sup> )	.54	.62
Oregon.....	15.89	16.13	9.62	9.87	2.79	3.23	.18	.20	.42	3.30	2.41
Pennsylvania.....	13.72	11.21	4.07	3.73	5.42	4.51	.71	.70	.18	3.52	2.09
Puerto Rico <sup>6</sup> .....		1.14		.53		.38		.02	( <sup>3</sup> )		.21
Rhode Island.....	18.14	16.36	7.10	6.96	4.82	4.74	.13	.15	( <sup>7</sup> )	6.09	4.51
South Carolina.....	7.48	7.65	5.24	5.62	1.52	1.28	.25	.23	.25	.47	.27
South Dakota.....	11.79	12.54	8.66	8.90	2.58	3.05	.14	.15	( <sup>3</sup> )	.41	.44
Tennessee.....	11.45	12.03	7.09	7.28	3.93	4.27	.33	.37	( <sup>3</sup> )	.10	.14
Texas.....	13.47	13.27	11.71	11.48	1.24	1.30	.38	.35	( <sup>3</sup> )	.14	.14
Utah.....	15.99	15.69	8.12	8.01	5.55	5.35	.18	.18	1.07	2.14	1.08
Vermont.....	10.67	11.05	7.43	7.89	1.64	1.78	.23	.23	.04	1.37	1.11
Virgin Islands <sup>6</sup> .....		3.95		2.21		.81		.17	.10		.66
Virginia.....	3.26	3.68	1.47	1.55	1.24	1.48	.16	.17	.14	.39	.34
Washington.....	37.08	34.75	23.97	22.95	7.09	6.66	.30	.32	.78	5.72	4.04
West Virginia.....	9.69	11.41	3.92	4.24	4.97	6.22	.17	.20	.02	.63	.73
Wisconsin.....	12.45	12.18	7.65	7.74	2.95	3.03	.22	.23	.15	1.63	1.03
Wyoming.....	12.96	13.92	9.58	10.05	2.17	2.50	.21	.23	.58	1.00	.56

<sup>1</sup> Based on population figures, excluding Armed Forces overseas, from the April 1950 enumeration made by the Bureau of the Census; for 1949-50, population data preliminary.

<sup>2</sup> Program initiated October 1950 under Social Security Act Amendments of 1950.

<sup>3</sup> No program approved by the Social Security Administration.

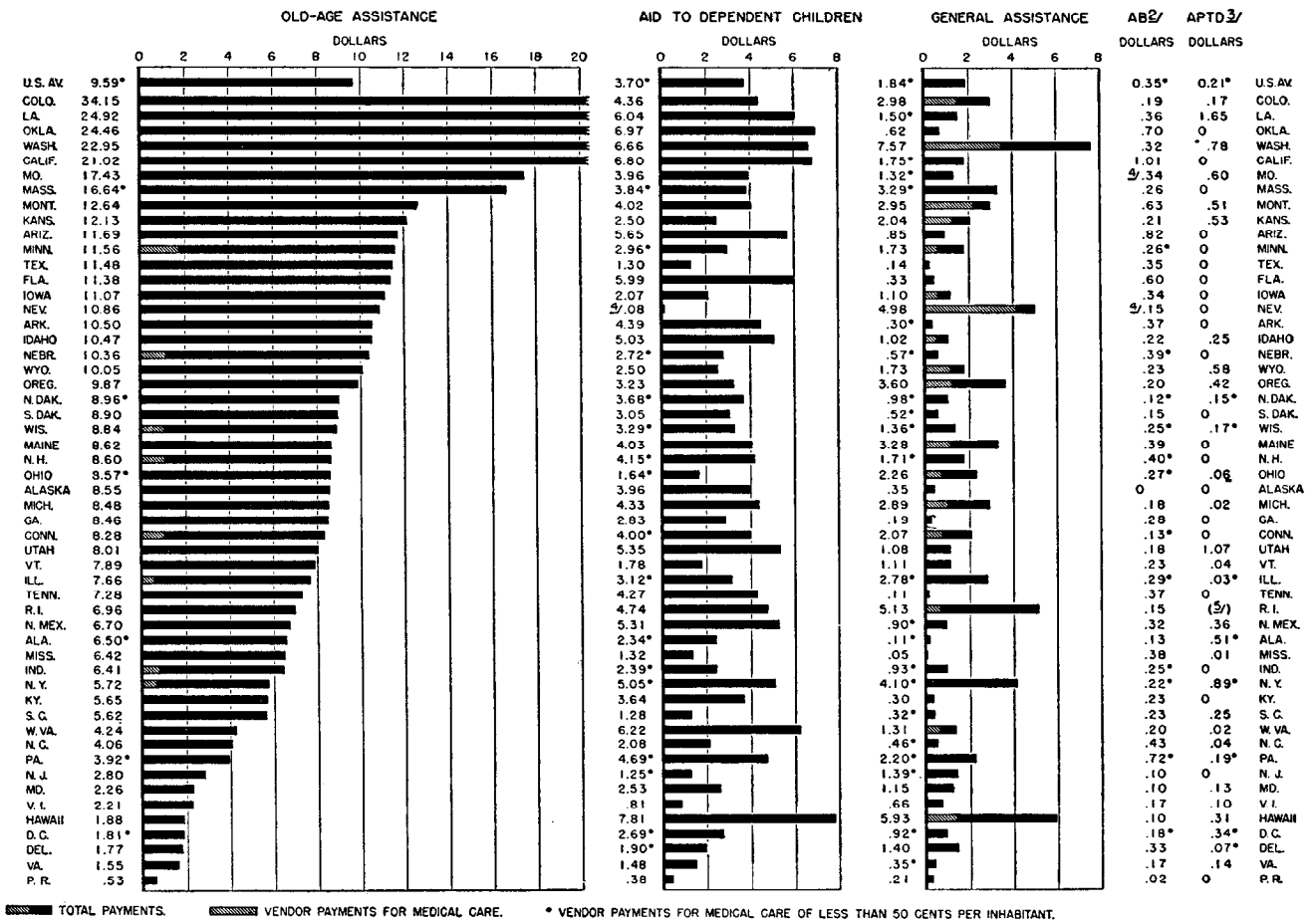
<sup>4</sup> Program administered under State law without Federal participation.

<sup>5</sup> Approved by the Social Security Administration for Federal participation beginning February 1951.

<sup>6</sup> For October 1950-June 1951; programs for special types of public assistance initiated October 1950 under Social Security Act Amendments of 1950.

<sup>7</sup> Less than 1/2 cent; program not yet approved for Federal participation by the Social Security Administration.

Amount expended per inhabitant<sup>1</sup> for assistance payments, including vendor payments for medical care, fiscal year 1950-51



<sup>1</sup> Based on population figures, excluding Armed Forces overseas, from the April 1950 enumeration made by the Bureau of the Census.  
<sup>2</sup> Aid to the blind.

<sup>3</sup> Aid to the permanently and totally disabled.  
<sup>4</sup> Program administered under State law without Federal participation.  
<sup>5</sup> Less than 1/2 cent.

less than 5 percent—35 cents and 20 cents, respectively—for aid to the blind and aid to the permanently and totally disabled.

Variations among the States in per capita expenditures for the four federally supported programs were large, but not nearly so large as those for general assistance, which is financed entirely from State and local funds. Per capita expenditures in the State with the highest expenditures were, for general assistance, 150 times those in the State making the lowest per capita expenditures; but for aid to dependent children the ratio was 98 to 1, and for old-age assistance it was 64 to 1. More was spent for old-age assistance, however, than for any other public assistance program in all but six States;

in these six, expenditures for aid to dependent children were largest.

### New Canadian Programs for the Aged

Canadian income maintenance programs for the aged took a new form in January 1952, when payments were first made under two Federal laws passed in 1951. The Old Age Assistance Act provides for needy persons between the ages of 65 and 70; the Old Age Security Act provides pensions to all Dominion residents aged 70 and over, regardless of their need.

In this new and broad pattern the Canadian program achieves objectives first proposed about 1945. In

1943, the Marsh Report<sup>1</sup> had envisioned a contributory system of old-age, invalidity, and survivors insurance with a flat-rate benefit. Other proposals by Canadian authorities had emphasized, respectively, social insurance<sup>2</sup> and social assistance,<sup>3</sup> but in neither case was the new program foreseen.

At the Dominion-Provincial Conference of 1945, however, Govern-

<sup>1</sup> L. C. Marsh, *Report on Social Security for Canada*. Prepared for the Advisory Committee on Reconstruction, House of Commons Special Committee on Social Security, Sess. 1943. Ottawa, King's Printer, 1943.

<sup>2</sup> Harry M. Cassidy, *Social Security and Reconstruction in Canada*, Toronto, Ryerson Press, 1943.

<sup>3</sup> Charlotte Whitton, *The Dawn of Ampler Life*, Toronto, Macmillan Co., 1943.