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Canadian Government Expenditures, 1980-2004
Data Description and Codebook

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Here we provide a description and codebook for the data on Canadian government spending used in Stuart Soroka and Christopher Wlezien, "Opinion Representation and Policy Feedback: Canada in Comparative Perspective," Canadian Journal of Political Science, 37(3): 531-559. The sources and design of the dataset are also provided in that article.

This dataset includes measures of government spending, in millions of constant 2000 Canadian dollars, in the following spending domains:

1. Defense
2. Education
3. Environment
4. Health
5. Transportation
6. Welfare

These data are drawn from Statistics Canada CANSIM matrices. Reliable data are available in a single matrix for expenditures by function back to fiscal year (FY) 1988-89 (that is, from April 1988 to March 1989). These data are functionally consistent over time—that is, yearly changes reliably reflect changes in functional spending rather than changes in functional definitions. (On the potential problems here, see Soroka Wlezien and McLean, "Public Expenditure in the UK: How Measures Matter," *Journal of the Royal Statistical Society*, Series A 169(2): 255-271.)

A second Statistics Canada matrix contains functional spending data from FY1965-66 to FY1994-95. These data are also functionally consistent over time, but use slightly different definitions than the current series. (In fact, there are minor changes in functional definitions, and also in the definition of total government expenditures. That said, the differences in spending estimates are relatively small. For a complete description of the differences between the old and new CANSIM matrices, see Statistics Canada. 2002. Financial Management System (FMS) 2002. Canada: Minister of Industry.)

Directly merging the two dataset without any manipulation would create a strange punctuation in FY1988-89 for many series. Accordingly, in lieu of a single matrix that covers the entire period we are studying, we merge the two datasets as follows: the percentage difference from FY1988-89 to FY1987-1988 is calculated based on the old series, and this percentage change is then applied to the new series. This is repeated back to FY1984-85, the first year for which we have public opinion data.

The pre-FY1988-89 data are included here only for a few domains, for reasons discussed below. They should be regarded as preliminary.

The dataset includes spending data for all eight domains for consolidated government (federal, provincial and municipal). In addition, it includes spending data for most domains at both the federal and provincial levels. Note that for our work we rely on consolidated spending. The nature of funding in most major policy domains in Canada is such that federal spending estimates are quite poor measures of federal budgetary policy. More precisely, federal spending estimates do not include general- or combined-purpose transfers from the federal to provincial governments. This is a particular problem in social policy domains, where a vast majority of federal funding occurs via transfers such as the Canada Health and Social Transfer (CHST)—transfers that are entirely excluded from federal spending figures. As a consequence, budgetary policy in these domains can *only* be accurately measured using consolidated spending data.

Some of the spending series here are based on general functional classifications, and so can be estimated using the procedure outlined above from FY1984-85 to the present. Other series rely on data derived from a combination of functional and subfunctional estimates. These data are available only back to FY1988-89. The exception is the (subfunctional, federal) defence spending series, which was made available to us by Statistics Canada, and which runs from FY1965-66 to the present.

Complete descriptions of functions and subfunctions are available from Statistics Canada, *Financial Management System (FMS) 2002*. For the CJPS paper, all series are in 1992 Canadian dollars; this dataset presents all series in 2000 Canadian dollars. Series were transformed using the deflator in CANSIM series V735319. Brief descriptions of the series follow.

Defence: Subfunction 12.01, National Defence. A series that is functionally consistent from FY1965-66 was made available by Statistics Canada. All spending is by the federal government.

Education: Function 16, Education. Includes elementary and secondary education, and retraining services. Consolidated expenditures estimated from 1980-81; from FY1988-89, federal spending accounts for between 6 and 12 per cent of consolidated spending.

Environmental Protection: Function 18, Environment. Includes water purification and supply, pollution control and other environmental services. Consolidated expenditures estimated from 1980-81; from FY1988-89 to 1992-93, federal spending accounts for about 10 per cent of consolidated spending; following the Green Plan (FY1993-94), federal spending accounts for about 16 per cent of consolidated spending.

Health: Function 14, Health. Includes hospital care, medical care, preventative care and other health services. Consolidated expenditures estimated from 1980-81; from FY1988-89 to 1995-96, federal spending accounts for between 15 and 20 per cent of total spending; following the establishment of CHST (FY1996-97), federal spending accounts for about 2 per cent of consolidated spending.

Transportation/Infrastructure: Function 13, Transportation and Communication minus federal expenditures on subfunction 13.07, Telecommunications (provincial expenditures on subfunction 13.07 are unavailable). Includes air transport, road transport, public transit, rail transit, water transit, etc. Consolidated expenditures available from FY1988-99; federal spending declines steadily from 25 to 10 per cent of total expenditures.

Welfare: Subfunction 15.01, Social Assistance. Includes income maintenance, social security, family allowances and miscellaneous social services. Consolidated expenditures available from FY1988-99; federal spending accounts for between 75 and 90 per cent of consolidated spending.

This codebook and data are available at http://degreesofdemocracy.mcgill.ca.