

depressions and by levelling out purchasing power they help to keep the economy on an even keel.

Social security payments, by their very purpose, are designed to strengthen the weak links in our economy. The objective of government policy is to create a climate in which private initiative thrives and fair opportunities are accorded to all who want to take advantage of them, while at the same time protecting our people against those unavoidable hazards of life over which willingness to work alone cannot prevail.

On the welfare side, social security provides assistance to those who, because they are living in this country, have a right to expect to share in its wealth and productivity -- our veteran servicemen, our very young or aged citizens, our sick and handicapped, and those who cannot find work. But in lightening the load of the needy, we must bear in mind the capacity of our economy to carry the extra burden.

In a country like Canada, where our greatest achievements are made possible by individual initiative and ingenuity, assisted and encouraged where possible by Government, it would be unwise to over-burden the individual and thus defeat the prime objective of economic activity -- to increase individual wealth and thus to increase national wealth.

RESPONSIBLE LEVEL OF CANADIAN SOCIAL MEASURES

While there is still room for improvement, Canada's present social security programme is one of the most advanced and comprehensive in the world. The money to be spent on social security this year by all governments in Canada will total \$1,300,000,000. By itself this seems an impressive figure, but the reasonable level of social expenditures in Canada is indicated by the fact that they have never exceeded five to six per cent of our gross national product.

While Canada's greatest period of social progress has been over the past dozen years, it has been a story of steady, unspectacular development of measures responsibly conceived and unhurriedly brought into effect. From 1939 to 1951 the percentage of our gross national product devoted to voluntary and governmental health and welfare expenditure has increased by only a fraction of one per cent.

Social security payments cannot, of themselves, guarantee prosperity. There are always reasonable and sensible limits to what governments or other agencies can do to help meet welfare needs. We must never lose sight of the fact that for every dollar that is paid out in social security a dollar in taxes must be paid in. The assistance that social measures give represents work that has been contributed for this purpose.

The extent to which governments can provide for the welfare needs of their people is a delicate decision to make. It must be considered within the stringent framework of national security with the competing demands the defence effort makes on the capacity of the nation.