

The United States and Canada are, beyond question, among the most fortunate of nations -- and not only in terms of material achievement but also in appreciation of cultural and spiritual values. Our two countries have shown that national progress and national development side by side are not incompatible with international understanding. Our friendship is firmly based on tolerance, understanding and good faith. Our two countries have a common purpose in building on this continent an unrivalled way of life in which security buttresses freedom.

We have this common objective: to build a wholesome, satisfying and secure family life in a free society. To achieve this, we have kept abreast of industrial progress, while recognizing the part that social measures should play in protecting the individual citizen from the injustices and inequalities.

#### Basic Principles Of Canada's Social Programme

Canada's approach to social security recognizes certain basic principles:

(a) The Source of all Security Lies in Production: Social security must be paid for out of production. We know that it is the people themselves who -- through their hard work -- give governments the financial resources to maintain these social services.

(b) Responsible Social Measures Reinforce Prosperity: Social security is not an end in itself -- neither is it a dead-end. In Canada, our experience shows that social payments help to stabilize income and employment at high levels.

(c) Over-Emphasis on Social Measures can Strain the Nation's Economy: Each proposed new social measure should be designed to meet an evident need. The cost of such a measure should bear a close relationship to the significance of the service to be performed. For countries, as for individuals, there are impossible, crippling burdens.

(d) Social Measures Should be Kept Close to the People: It is better, when this is possible, to avoid centralization of social services. In Canada, it is our view that the Federal Government should undertake no health or welfare measure that a province could do better; and the province should leave to the municipality, and the municipality to the family or the individual citizen, whatever can best be done on their level.

#### Gradual Growth Of Social Legislation In Canada

Social measures in Canada have steadily developed on foundations laid by pioneers in the voluntary agencies, and by early pathfinders in the municipal and provincial public services. To keep pace with recognized need, municipal welfare programmes gradually expanded; the provinces then took measures to protect the health and well-being of their citizens; and, finally, the magnitude of the problem led to action by the Federal Government.

In 1913, the total amount of money spent on public health and welfare measures in Canada was \$15 millions. Five-sixths of this expenditure was provincial and municipal; only one-sixth was federal. Today, however, provincial and municipal welfare expenditures represent only about