

Social security payments cannot, of themselves, guarantee prosperity. But, they are designed to strengthen the weak links in our economy. The objective of government policy is to encourage private initiative to thrive and to ensure that everyone gets a fair break. Canadians also want to act through the agency of their governments in protecting their fellow-citizens against the major unavoidable hazards of life.

Social Security is Good Business

In a country like Canada, our greatest achievements are made possible by individual initiative and ingenuity, assisted and encouraged where possible by Government, so it would be unwise to over-burden the individual and thus defeat the prime objective of economic activity -- which is to encourage prosperity and not, by rash expenditures, to endanger it.

In this connection, I was interested in reading what Mr. Harvey Perry, the Director of Research for the Canadian Tax Foundation, said to a group of businessmen in New York last week. He pointed out that the true genius of Canadian fiscal policy is reflected by the gradual introduction of social measures in harmony with a continuous and accelerating industrial growth in a free economy.

While Canada's greatest period of social progress has been over the past dozen years, its history has been the steady unspectacular development of measures responsibly conceived and unhurriedly brought into effect. This is easily proved. From 1939 to 1952, the percentage of our gross national product devoted to voluntary and governmental health and welfare expenditure has increased by only about one percent.

There are always reasonable and sensible limits to what governments or other agencies can do. No one can establish the extent to which governments can provide for the welfare needs of their people. It must be considered within the stringent framework of national security and balanced against the competing demands that the defence effort makes on the capacity of the nation. Each new act must also be judged in the light of its relative priority in our total welfare pattern and against the overall record of national productivity.

There can always be too much social security; there can, just as truly, be too little.

Canadians have good reason to be proud of the way that, over the past dozen years, as this country has become more and more productive, we have steadily maintained the proportion of our national income that is devoted to measures for the health and well-being of our citizens. As our prosperity has increased, we have found better ways to provide against ill-health and insecurity.

The development of social measures which protect the health and welfare of the individual citizen, protect the very prosperity dependent on his well-being. If we should fail in our future planning to recognize that social justice is good business, then we would be closing our eyes to one of the most significant lessons of modern times.