

countries, which no doubt accounts for the fact that where the Beveridge Report is definitive and specific in its proposals, the United States scheme is more exploratory and educational. In this respect, the Canadian proposals fall somewhere between the two.

## Section 1.—British and United States Proposals

**A British Plan.**—The most important document that has arisen out of the proposals so far put forth, and one that has had a potent influence on American thought in the field of social security, is the "Report on Social Insurance and Allied Services"\* by Sir William Beveridge, issued in Great Britain in November, 1942, under the auspices of the United Kingdom Government. The background of this report is to some extent a consolidation and extension of existing United Kingdom social legislation strongly supported by broad general recommendations for the development of a comprehensive social insurance program based on a strong foundation of social responsibility.

Sir William Beveridge uses the term "social security" to denote the securing of a national minimum income to take the place of "earnings when they are interrupted by unemployment, sickness or accident, to provide for retirement through age, to provide against loss of support by the death of another person, and to meet exceptional expenditures such as those connected with birth, death and marriage".

The Beveridge Plan is a tax plan by which specific levies, supplemented from general taxation, would be earmarked for specific purposes on condition of service and contribution and is based on the maintenance of the minimum *family* income. It is admitted that a high average level of employment is essential to the success of the Plan and it is assumed that such re-adjustments of economic policy will be made that productive employment can be maintained at the required level. There are other basic assumptions such as an assurance of political security, economic regularity and technical efficiency. In the light of present uncertainty as to post-war conditions, it is perhaps significant that these assumptions of the report rather than its recommendations have received attention from its critics.

By introducing the principle of comprehensiveness of application (the Plan is designed to cover the entire nation) and a set rate of contribution for each of six classes into which the population is divided, the Plan is designed to distribute the burden on the shoulders of the whole community.

All classes would be insured for medical treatment and funeral grants; children's allowances would be payable for minors and retirement pensions for the aged. The benefits available for housewives are a special feature of the Plan and are explained in paragraphs 339 to 347 of the Report: they include marriage grants, maternity grants, widowhood and separation provisions and retirement pensions: housewives also share in the husband's unemployment or disability benefits. Maternity grants would differ for housewives who have no occupation outside their homes and those who are gainfully occupied.

The financing of the Plan is based on the contributory principle (by insured persons, employers and the Government) but two items viz., children's allowances and national assistance are left to be financed from general taxation. About 47 p.c. of the increased expenditures that the Plan entails would be met by the insured

\* *Social Insurance and Allied Services* by Sir William Beveridge. Published by His Majesty's Stationery Office, London, Price 2s 0d net.