

the extension of the Plan to cover more persons within the labour force, including those whose risk of loss of income through unemployment is admittedly very remote. But this principle of universality, if pursued to its logical conclusion, demands protection against loss of adequate income for all Canadians, not only those currently related to the labour force under certain stipulated conditions. Likewise, the principle of universality as well as reasons of equity and security lead us to readily accept the view that the federal government has the basic responsibility to provide necessary resources to protect against loss of adequate income, and that it should do so with funds raised from the general public through the general taxation system. However, having accepted this principle, there is little logic in applying the responsibility only when unemployment has reached some arbitrary figure, whether 4 per cent or anything else. All this strongly suggests the meshing of the unemployment insurance scheme with, or even its replacement by, a completely universal program such as some form of guaranteed annual income.

5. We are in total agreement with the stated objective that benefits should be more on the basis of need than is now the case. Yet this goal, within the context of a wage-related social insurance program, has a built-in dilemma because wages themselves are not paid on the basis of need, and hence unemployment benefits by their very nature are equally unrelated to need. The increase in benefit