

LIFT THE FLOOR: WOULD A UNIVERSAL BASIC INCOME GUARANTEE A GOOD LIFE FOR ALL CANADIANS?

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A | **ATKINSON FELLOW**
on the **Future of Workers**

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What is Basic Income?

- **Definition:** As many definitions as people talking about it; always about redistribution, not predistribution (job numbers and quality)
- **What problem does it solve?** Poverty? Red tape? Precarious work?
- **How much does it cost?** More than what we spend now? The same? Less?

Three Questions about BI

- **How much**
- **Who gets it**
- **Who pays**

How Much?

- 4 ideas about BI in Canada
- 2 pilots
- **Manitoba Mincome (1974-78)** 9 basic incomes, ~=\$21k fam of 4, 60% of poverty line
- **Ontario Basic Income Pilot (2017)** \$16,989/yr (single); \$24,027/yr (couple) 75% of poverty line, + \$500 if living with disability; lose 50% of earned income [100% of EI benefits].

How Much?

- 4 ideas about BI in Canada
- 2 proposals, never implemented
- **Macdonald Commission (1985)** roll up all federal income supports, offer \$2750 per adult, \$759 per child (~=\$5,039 per adult, \$1,647 per child)

House Report (Newfoundland (1993))

\$3,000 per adult, \$1,500 per child (~= \$4818 per adult, \$2,404 per child)

Who gets it

- **Everyone?** (Seniors currently get a guarantee of no less than ~\$18K, Kids < 6 \$6.6K, Kids 6-17 \$5.6K from feds alone today)
- **Working Aged?** Everyone? Just Welfare Reform? What about EI?

“Why Not Cut Everyone A \$2K Cheque?”

- \$24,000 a year
- \$48,000 a year for a household of two adults

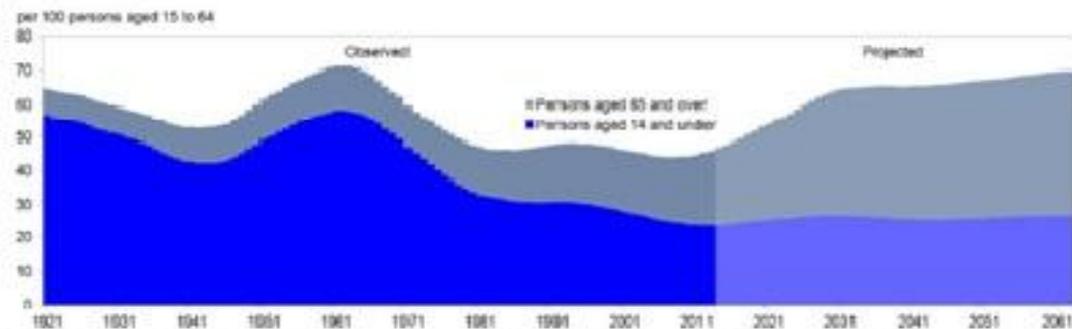
Who pays for any level of UBI for the working aged? The working aged.

Canadian Population Aging

Approaching the same dependency ratio as in 1960s, *BUT*
for longer, and with half the rate of GDP growth

Population Projections for Canada (2013 to 2063), Provinces and Territories (2013 to 2038)

Figure 2.7
Demographic dependency ratio, observed (1921 to 2013) and projected (2014 to 2063) according to the medium-growth (M1) scenario, Canada



Note: The demographic dependency ratio is the number of persons aged 14 and under or 65 and over per 100 persons aged 15 to 64 years.
Source: Statistics Canada, Demography Division.

What will we choose to give one another?

- Decent work, yah or nah?
- Basic services? (Medicare is profoundly redistributive, what about potential impact on inequality of housing, childcare, dental/vision care, pharmacare, internet?)
- Income supports not all we redistribute
- Shouldn't we aim for more than basic? Minimum? Time to get strategic.
- Watch what you wish for, for you may get it.