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BASIC INCOME GUARANTEE:

A Social Democratic Framework

BY

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Introduction

The speed and scale of job loss in the COVID-19 pandemic shutdown was unprecedented and disproportionately impacted low wage workers. This highlighted the fragility of our social safety net, especially for women and racialized low-waged workers, reigniting popular interest in a basic income. The size, simplicity and speed of the Canada Emergency Response Benefit (CERB), delivered to millions of Canadians within weeks of the economic shutdown, has opened up the possibility of addressing the gaps in our income support system. CERB left some groups behind, but did reach a wide variety of precarious workers that would not have been helped by Employment Insurance (EI), and was more generous than the average EI benefit or social assistance payment.

There is a great deal of noise on the topic of a basic income but very little clarity, since many different policies fall under its broad umbrella. Therefore, calls to transition CERB into a basic income are not as straightforward as they might seem. CERB was designed to stabilize income for workers and not to address poverty among those already struggling before the pandemic hit. CERB was also designed for a particular moment when there was consensus that as many workers as possible should stay home, and so it did not work well for those who still had some income from employment or self-employment. Finally, the cost of CERB

raises concerns that governments will cut services in order to pay for any further cash transfers. Any transition from CERB to a progressive basic income will require thinking through these issues and more.

We have an opportunity to boldly redesign social policy, but that doesn't necessarily mean that we should toss everything out and start over. This paper seeks to clarify the problem that a basic income might solve, and outline principles to guide policy development from a social democratic perspective. Thoughtful consideration of basic income requires a review of the policies and programs currently in place and evaluate what's working, what could be fixed, and what should be replaced. It's important we make sure we're asking the right questions before we try answering them.

What is a Basic Income?

The objective of a basic income is to ensure all people have enough income to meet their basic needs and live in dignity. The idea's simplicity has given it broad appeal, but it can have very different outcomes depending on the details of design and implementation. There are two main forms of basic income: a universal amount (demogrant) paid upfront and taxed back from higher income earners later, and schemes that top up income to a given threshold. Much of the remaining disagreement on design is around how much, who gets it, how we pay for it, and what it replaces.

Universal demogrant ensure that a person's income does not fall below a certain level, but because they are very expensive up front the amount provided is often not enough to meet basic needs. One example is Old Age Security (OAS), a near-universal payment of just over \$600 per month, based on age and years of residency in Canada, clawed back only at very high incomes. During the 2019 US Presidential Primary Democratic candidate Andrew Yang proposed another version, a payment of \$1,000 per month to every adult, a demogrant conditional on age.

Conservative economists such as Milton Friedman have advocated for providing families with an annual basic income

guarantee (BIG) through a negative income tax (NIT). NITs use the tax system to top-up anyone whose income is below a defined threshold. The famous Canadian basic income experiment in Dauphin, Manitoba in the 1970's was a NIT, as are current programs like the Guaranteed Income Supplement (GIS) and Canada Child Tax Benefit (CCB). GIS and CCB amounts are calculated each July based on the previous year's tax returns, and so are slow to respond to an individual's changing financial situation¹. A significant number of low-income Canadians, for various reasons, don't file taxes and end up missing out on receiving benefits administered via the tax system. The Federal Liberal Government's 2020 throne speech promised to implement free automatic filing for simple returns, which would eliminate a major barrier to filing taxes, improving the effectiveness of these programs² and any future income supports.

Designing a basic income that meets social democratic goals requires clarity about the values that guide us. Some of the questions we need to consider have been thoughtfully outlined in a paper by an Expert Panel commissioned by the BC government.³ A basic income is no silver bullet, it must work alongside social insurance programs, universal public services, and programs targeted to needs other than income.

What is a Basic Income?

A host of labour market policies such as full employment, residency status for migrant workers, employment standards, training supports, and union density interact with income support programs and must be taken into consideration. In Canada, addressing these questions is the responsibility of different levels of government, making any implementation of a basic income even more complicated. Designing a program that meets the expectations of social democrats will not be simple.



Thoughtful consideration of basic income requires a review of the policies and programs currently in place and evaluate what's working, what could be fixed, and what should be replaced.

What pieces of Basic Income do we already have?

Our social safety net already contains some features of a basic income for children and seniors. The Family Allowance, popularly known as the ‘baby bonus’, was a universal payment introduced in 1945 and set the foundation for the current Canada Child Benefit (CCB). The CCB is a refundable tax credit based on net family income, providing families with a maximum of \$6,765 per year per child under 6, and \$5,708 per year for children between 6 and 17. Importantly, public pressure has prevented provincial and territorial authorities from clawing back this income. While the amount is based on household income, the CCB is an updated design that attempts to address gender equity concerns raised by defaulting to providing payments to the female parent in an opposite sex couple. Parents now have the option to transfer the benefit into the male parent’s name.

Old Age Security (OAS) was introduced in 1951 as a universal income guarantee for individuals over 70 who met residency requirements. It currently pays just over \$600 per month to individuals over 65 and is taxed back gradually from those with high taxable incomes. The Guaranteed Income Supplement (GIS), first introduced in 1967, was initially a temporary measure created to act as an income support bridge for seniors

as the Quebec and Canada Pension Plans were being phased in. The GIS was designed as a refundable tax credit, topping up household income based on tax filing. It proved so popular and useful in addressing poverty among seniors that it became permanent and now provides a maximum of just over \$900 per month to low income seniors, in addition to OAS payments. The OAS addresses gender equity concerns since it is paid to individuals, but the GIS does not. Not only is the GIS eligibility based on household income, it is very slow to respond to changing financial situations such as divorce or the death of a partner.

What problem(s) are we trying to solve?

People across the political spectrum agree that the current system isn't working. Existing social assistance programs are complicated, often demeaning, and insufficient to meet the basic needs of most recipients. Layers of programs interact with each other, making the system difficult to navigate and creating unintended and undesirable outcomes. For example, means-tested programs can include or exclude the value of other benefits in determining an individual's eligibility. The timing of benefit delivery and responsiveness to changes in income are different, with some responding almost immediately to changes, and others delivered as a lump sum based on the previous year's tax return. This can mean that eligibility for one program is withdrawn before income from another program is received, undermining the intent of both programs. As we saw with CERB, increases

in federal income supports without careful coordination can reduce access to provincial income benefits, affordable housing, dental care, medicines, and medical supplies, making the federal benefit less effective.⁴

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Gaps in Support

To start, there is a big gap in supports for working-age individuals, partly due to questionable concerns about discouraging labour market participation, and long-held biases about deserving and undeserving poor. These gaps also exist because the line between two different policy objectives - income stabilization and poverty reduction - has become fuzzier as working poverty becomes more prevalent. While the federal government has boosted a tax credit targeted at low-wage workers (the Canada Worker Benefit) and some provinces have expanded access to affordable childcare, both income support and services targeted at working-age individuals have largely stagnated since the deep cuts of the mid-1990's. Targeted supports for people living with disabilities, such as the Canada Pension Plan Disability (CPP-D) and provincial disability income assistance programs, are difficult to access and rarely enough to make ends meet.

INCOME STABILIZATION VS POVERTY REDUCTION

Some of the most challenging issues arise in the significant gaps between social insurance programs intended as temporary income stabilizers, poverty reduction programs such as social assistance, and access to services that both stabilize income and reduce poverty. For example, social assistance requires that

people exhaust their assets before they can access benefits, and claws back household earning and other sources of income. However access to some targeted, provincially-provided public services depend on qualifying for social assistance. In addition, current subsidized housing and childcare thresholds for those not in receipt of social assistance have been set based on low social assistance levels and are often phased out well below the poverty line. This leaves very low-income individuals and families with too much income to qualify for subsidies, but not enough income to afford the market price for the services they need.

Given the very different purposes and objectives of social assistance and social insurance, neither workers nor the economy at large would be well-served by merging the two purposes into one program. Social insurance provides income stabilization which helps individuals, but also improves overall labour productivity. EI especially acts as an automatic economic stabilizer, minimizing the depth and length of economic downturns both regionally and nationally. Employers and workers share responsibility for financing social insurance programs, unlike programs funded from general revenues. For the most part, entitlement is tied to the individual, not their household, offering some amount of financial independence from spousal



Gaps in Support

relationships. Social insurance is structurally sound in many ways but excludes far too many workers from access and often pays too little to provide proper stabilization during periods of unemployment.

disabilities, immigration policy, and access to services such as dental care, housing, and childcare.

The conditions that create poverty are not neutral. Discrimination in a number of dimensions means that persons with disabilities, women, and racialized persons experience barriers to employment and in accessing public services that affects their life-long income and health. Poverty continues to be criminalized, with devastating effects on health and well-being, especially for Black and Indigenous peoples in Canada.

It is clear that the need for policy intervention is most dire for working-age individuals, and that thoughtful policy must reconcile labour market interventions, social insurance, social assistance, supports for those living with

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What shared values should guide us as we think about a Basic Income?

In the face of these failures the simplicity and immediacy of a basic income is appealing. It should be simple to understand and access, enough to provide for basic needs, and broadly accepted as fair. A basic income should fit seamlessly within the broader social policy framework. It should support, but not require, transitions into paid employment. It should be designed so that it strengthens worker power and fosters the social solidarity necessary to build the partner programs and services we need.

As we evaluate existing proposals or attempt to develop any new proposals for a basic income, we believe we should test them against the following principles.

DIGNITY FOR ALL

Overall, an anti-poverty plan should eliminate the stigma of current social assistance programs, provide a level of financial support that allows individuals to meet their basic needs, and free up provinces to provide valuable services rather than enforcing demoralizing rules.

SECURITY

It must provide income stabilization and the financial security that allows people to meet current needs and plan for the future.

RESPONSIVENESS

Any basic income program should work in concert with other social insurance and assistance programs and respond quickly to changes in an individual's financial situation, such as job loss, illness or injury, divorce or separation.

SUPPORT FOR LOW-WAGED WORKERS

We need to ensure that all jobs are good jobs, and that a basic income isn't an excuse for employers to short-change workers. Basic income should be enough money to allow workers to leave bad employers and still meet their basic needs, and phased out gradually to ease transitions into paid employment.

GENDER EQUALITY

Currently, members of a household do not necessarily have equal access to the income earned by that household. A new design should ensure that individuals providing unpaid labour to their family – usually women – have the financial independence to leave unsafe situations. This is best accomplished with individual entitlements rather than benefits based on household income.

RACIAL EQUALITY

Any policy that intends to address poverty must be aware of the ways that systemic

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racism intersects with income inequality to eliminate the higher levels of poverty experienced by Black, racialized, and Indigenous peoples.

UNIVERSAL PUBLIC SERVICES

Universal public services such as pharmacare, childcare, and long-term care complete the package. Universal services, paid for through progressive taxation, help ensure high-quality services and build the social solidarity needed to maintain a comprehensive social safety net.

NO CLAWBACKS OF NEEDS-BASED SERVICES

No current recipients of anti-poverty income or social supports such as subsidized housing, social assistance, CCB, or GIS should be made worse off by introducing a basic income. This requires coordination between other targeted programs and social insurance programs. The Ontario basic income pilot, for instance, replaced supports for persons with disabilities that were available under ODSP with an income supplement. The cost of medical and mobility supports are very different for each person depending on their need, making income supplements an inadequate replacement for most people living with disabilities. The delivery of CERB also resulted in unintended clawbacks for some recipients, at least partly because the

government did not clearly establish how the income was to be treated in advance.

MAINTAIN A ROLE FOR SOCIAL INSURANCE

Social insurance programs such as EI, Workers Compensation, and Canada Pension Plan (CPP) play an important role in income stabilization that is very different from anti-poverty programs and should therefore be maintained.

DETAILS MATTER

A basic income program will have a bigger impact on poverty if we maintain current anti-poverty programs and tax credits, but will cost significantly less if we consolidate some existing programs into basic income. For example, the GST credit is a good candidate to incorporate, but targeted credits for persons with disabilities should remain in place. A basic income set near the poverty line would be more than most low-wage workers would get from EI regular or special benefits. In this case policy makers would have the option to consider EI payments as employment income under a basic income program and phase them out in the same way. Determining how income from a basic income is defined and how a basic income treats income from other sources is central to making a program of this sort effective.



The role of decent work and social insurance programs

The pervasiveness of low income among working-age adults is partly due to the prevalence of low-wage, insecure jobs and failing social insurance. Over the past 30 years, employers have shifted more risks and responsibilities onto individual workers. We see this in the increasing use of misclassified self-employed workers, temp agencies, and gig employment. While each jurisdiction varies somewhat, federal and provincial labour law and employment standards have allowed precarious employment strategies to flourish -- such as subcontracting, contract flipping, and use of replacement workers -- as well as different wage and benefit structures for part-time, temporary and contract employees. Canada has also increased temporary immigration programs, relying on a large number of migrant workers in a variety of sectors. The structure of our immigration and labour legislation makes these workers extremely vulnerable to exploitation.

Fundamentally, Canadian labour law, which was mostly designed immediately after World War II, only provides meaningful access to unionization for workers that have stable, long-term employment relationships in large, easily-defined workplaces. As a result, an ever increasing number of workers are essentially precluded from the right to unionize, a problem that can only be remedied by a fundamental change away from workplace bargaining and toward a model of sectoral, broader-based collective bargaining.

Rather than evolving to address the changing labour market, EI has also become more restrictive, creating a vulnerable class of workers even more exposed to employer exploitation. Access to EI is based on the unemployment rate in a worker's region of residence. This means that workers in low unemployment areas, such as Toronto, have to work almost double the hours to qualify for

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The role of decent work and social insurance programs

benefits as workers in high unemployment areas. This matters especially for workers who are laid off at the beginning of an economic shock, before the unemployment rate falls enough to lower the entrance requirement in their region. Migrant workers, who pay into EI, have been excluded from receiving even parental benefits since 2012. For low-wage workers, the replacement rate of 55% is another barrier, making benefits insufficient. Benefit eligibility and levels are established based on a report from the employer, called a Record of Employment (RoE). Workers often struggle to get employers to submit this form in a timely manner with the information required to receive benefits. Understaffing at Service Canada and difficulty automating a system as complex as EI has resulted in significant delays in receiving benefits for many workers.

These flaws are the main reason we needed CERB at the outset of the COVID-19 pandemic. As part of the transition from CERB back to EI, the federal government has proposed several temporary changes to EI to address some of the glaring gaps. Notably, they've proposed establishing a minimum duration of 24 weeks, a benefit floor of \$500 / week, and a single entrance requirement of 120 hours, a little more than three weeks of full-time work (the labour movement has

long called for a reduced single entrance requirement to EI). However, this does not solve the majority of EI's coverage problem, since the majority of workers that are excluded have either exhausted benefits, left their jobs for reasons that are not covered, or had employment that was not insured by EI in the first place.

EI is a social insurance program, not an anti-poverty program. It is meant to pool risk between workers and performs an important function as an automatic stabilizer to help workers and communities weather economic downturns. The income provided allows workers to take the time needed to find comparable employment or access retraining benefits rather than being forced into lower-wage, lower-quality employment. This helps individual workers as well as the economy as a whole, improving overall labour productivity and economic growth. There are good reasons to keep active labour market programs and social insurance such as EI in place, even with a basic income.

You may be fortunate enough to pay into EI for your whole working life and never need any benefits. Workers are willing to do this if they believe the program will be there for them if they need it. As it is, EI works reasonably well for middle-income workers in standard

The role of decent work and social insurance programs

employment relationships. Special benefits such as sick leave and parental leave work especially well for those who have been able to negotiate employer top-ups. But a growing number of workers are being left out and are questioning the value of a program that doesn't work for them. Integrating a basic income with EI could address concerns about EI's failure to meet the needs of precarious and low-wage workers.

While workers and unions should continue to work for stronger employment standards to address the unfairness in the current labour market, a sufficient basic income will give workers more power to demand fair wages and improved working conditions. This could make a basic income more expensive in the short-term, as workers remove their labour from bad employers, but over time this dynamic would shift, as bad employers are forced to change tactics or go out of business. Implementing a basic income that provides enough income, for a long enough period of

time to support this transition, would require broad social solidarity.

If we have strong employment standards and labour laws, and functioning social insurance programs, then work becomes a feasible path out of poverty for many and a basic income becomes far more affordable.

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Canada Worker Benefit

One proposal that has been getting a lot of attention is expanding the Canada Worker Benefit. The benefit is intended to boost the incomes of very low-income workers to encourage labour force participation. There are several problems with its current design that limit its ability to have any behavioural impact. First, the benefit is not delivered as income is earned, but much later if or when a tax return is filed. The CWB also uses employment income alone to determine eligibility of the benefit, but includes income from EI or social assistance to calculate the phasing out of the benefit. The CWB starts to phase in at \$3,000 in employment income, but recipients of EI and most social assistance benefits will have had some percentage of their employment income clawed back from the first dollar earned. Finally, the maximum amount of the benefit for an individual worker for the current tax year is only \$1,355.

Aldridge and Kapoor (2020) outline the inadequacies of the CWBs ability to raise the floor for those with little to no earnings, and make several suggestions to address these shortcomings. They propose targeting an enhancement at single individuals with no children, increasing the maximum benefit to \$2,500, introducing a minimum benefit of \$500, and better aligning the program with social assistance and EI.⁵

Even with these enhancements, the CWB would fall short in terms of the principles we have laid out. First of all, while it does reduce the depth of poverty, and avoids the stigma of some current anti-poverty programs, it is not in itself sufficient to allow people to meet their basic needs. Secondly, the low benefit level and requirement to have employment income in order to receive the maximum amount effectively makes the benefit a wage subsidy for low-wage employers. Improving the timeliness of benefit delivery would only increase this effect, as we could see a potential change in the behavioural response not only in workers, but in employers as well. Introducing a minimum benefit for those with no income, and integrating with social assistance and EI would bring the CWB closer in line with our principles. It's worth noting that, with these changes to the program, the CWB would no longer be targeted to workers.

Where do we want to go?

Our ultimate goal is to eliminate poverty through a combination of decent work, universal public services, and cash transfers. Here, we present a medium-term proposal to enhance employment and labour standards, extend universal public services, and implement a new cash transfer for working-age adults. Even with willing federal, provincial, territorial, municipal and First Nations governments, this plan will take significant time to negotiate and implement. Therefore we also propose concrete first steps that will help address poverty immediately and move us closer to our medium-term proposal and ultimate goal.



A Proposal

The federal government, already primarily responsible for delivering income security programs, could take over social assistance cash support as well. The federal government would negotiate agreements with the provinces to use the substantial fiscal room created by being relieved of social assistance payments to implement universal services and require provinces to improve employment standards at the same time. Improvements to employment standards would include addressing misclassified self-employed workers, mandatory employer-paid sick days, minimum wage standards, and enforcement efforts. Universal services such as pharmacare, dental care, mental healthcare, childcare and housing would be key priorities that would make life more affordable for everyone. Provincial opt-in would be voluntary, but we think that the amount of fiscal space that this would free up for provinces would create an incentive to participate. It also leaves control of social services and other program delivery in the hands of the provinces.

The federal government could replace social assistance with an income transfer to working-age adults, leaving GIS and CCB in place for seniors and children and making improvements to EI. The new benefit would be conditional on age and income, and the threshold should be established based on the

poverty line for a single adult, which varies by location but is around \$19,000 - \$22,000 per year. The cash transfer would be phased out at 40% - 50% of income for the month and would include employment or other market income such as self-employment income or EI. The design and coordination with provincial, territorial, and municipal programs should ensure that people are always significantly better off if they work.

Basic Income plans targeted to this level of income have been costed by Guy Caron⁶, the Parliamentary Budget Office (PBO)⁷, and the Basic Income Canada Network (BCIN)⁸ between \$35 billion and \$134 billion per year. While the gross costs are always large, the net cost varies depending on which current programs are replaced by the new income transfer and which ones remain in place. The PBO costing includes eliminating a large number of federal tax expenditures⁹ without clear justification for each one. We believe that current tax expenditures should be evaluated based on their purpose and current reach. For example, the GST credit is targeted at low-income households and is a good candidate for rolling into a new benefit. However, this would affect families who receive GIS and CCB, so these benefits would have to be adjusted to compensate for the loss of the GST credit.

A Proposal

With a basic income in place, it may make sense to reduce or eliminate the “basic personal amount” income tax exemption, as its main goal is to boost low incomes. However, the basic personal amount provides a significant tax benefit to all taxpayers, and so eliminating it would increase the tax burden on both low- and middle-income individuals above the basic income threshold. Beyond rolling in current anti-poverty transfers, many proposals suggest broader tax reform as a way to pay for a basic income. For example, both the PBO and BICN plan to cut tax expenditures that the Broadbent Institute has advocated for eliminating¹⁰ as part of tax reform, such as tax breaks on capital gains and business entertainment expenses. Most of these changes to tax policy have provincial cousins, necessitating even more negotiations with the provinces to coordinate.

Even with willing provinces, this proposal involves substantial changes to tax policy and current federal transfers such as Canada Social Transfer (CST) and Canada Health Transfer (CHT). It requires updating our tax system from an annual self-assessment to more regular auto-filing, to ensure that tax expenditures are responsive and reach low-income individuals. It also relies on improvements to labour and employment law. It is clear that this plan would take time to sort out the details and implement a workable solution.



First Steps on the Road to a Basic Income

While it may take some time to design and implement a basic income that social democrats could support, there are clear concrete actions that can help address poverty immediately and move us along a path towards our chosen model for basic income.

UPDATING HOW WE COLLECT AND ASSESS TAX INFORMATION

Tedds (2020) points out that two key changes to our tax system would address problems with current refundable tax credits, and would be necessary prerequisites for delivering a responsive basic income through the tax system.¹¹

The first is a move to automatic income tax assessments, based on information that the Canada Revenue Agency (CRA) already receives. This could immediately help reduce the depth of poverty in Canada and prepare the way for delivery of a basic income through the income tax system. For example, Stapleton (2018) found that about one-third of social assistance recipients in Ontario don't file taxes¹², and so miss out on tax credits. The CRA already issues a T5007 Statement of Benefits slip for social assistance and worker's compensation benefits and can calculate the amount owed to each household or individual. The CRA could send out assessments to

individuals pre-filled out with information that the CRA already collects and allow individuals to update any missing information. This gives low-income individuals who have not previously filed the opportunity to see the value of benefits that they are entitled to and makes it straightforward to collect those benefits. In the speech from the throne in fall 2020 the federal government promised to implement automatic-filing for simple returns.

Secondly, in order to make benefits more responsive, we could move from an annual tax-filing system to a pay-as-you-go model, similar to the tax systems in the United Kingdom and Australia. Employers in Canada already withhold income tax, EI and CPP premiums from each paycheck, but only provide official individual tax data once per year. Integrating real-time payroll data with our tax system would allow benefits to adjust on a monthly rather than annual basis.

UPDATING LABOUR AND EMPLOYMENT LEGISLATION

The federal government has a leadership role to play in updating labour and employment legislation to meet the challenges of the changing labour market. There are already some very good recommendations from the Report of the Expert Panel on Modern Federal

First Steps on the Road to a Basic Income

Labour Standards¹³ around setting a minimum wage and ensuring precarious and gig workers are covered by the same basic protections as workers in standard employment relationships.

The federal government should also play a leadership role in convening a national task force on labour relations legislation in Canada, building on some of the work done as part of Ontario's recent Changing Workplaces Review. Such a task force could review best practices at the Canadian provincial level as well as internationally and provide a road map for the modernization of Canada's outdated labour laws.

When COVID-19 hit, lower-wage women and racialized workers were more likely to be required to continue working without adequate protections, exposing themselves and their families to the virus. Proactive pay and employment equity legislation will help eliminate the power imbalance that allowed this to happen. Low-wage workers are also least likely to have any paid sick day coverage, making it incredibly difficult for them to stay home when they are sick. All levels of government should establish at least 10 employer-paid sick days a year for all workers during the pandemic, with no less than seven employer-paid sick days during other times.

FIXING EMPLOYMENT INSURANCE

The Atkinson Foundation (2020) outlined several changes that would improve EI, centered on three principles - the federal government playing a role in funding EI, expanding access for workers, and ensuring the adequacy of benefits.¹⁴ We agree that EI needs to be fixed so that it can perform its important role as social insurance. This includes making the temporary single entrance requirement permanent, improving benefit levels, and including more workers who don't currently pay into EI. Updating the labour standards definition of an 'employee' and increasing enforcement would help make sure that more workers can pay into EI and be eligible to receive benefits. The federal government should also reverse the 2012 change that disallowed migrant workers from receiving parental benefits.

ENHANCING PUBLIC SERVICES

Cash transfers are not the only way to improve the quality of life for those experiencing financial insecurity; public services have long played an important part of the social safety net in Canada. Services like childcare, long-term care, dental care, mental healthcare, and pharmacare will help make life more affordable by reducing the amount of income a family or individual requires to meet their basic needs. Universal access means that

First Steps on the Road to a Basic Income

workers don't have to rely on their employer to provide these necessities, reducing the impact of job loss on workers. Replacing subsidized services with universal ones also makes it easier to transition between government-provided income supports and employment income. Expanding public services can also create good jobs for workers. Making access to these services universal reduces stigma, improves quality, and helps build social solidarity.



If we have strong employment standards and labour laws, and functioning social insurance programs, then work becomes a feasible path out of poverty for many and a basic income becomes far more affordable.

Conclusion

Basic income can be designed to address many of the valid critiques posed by the broader left in Canada, but doing so is not simple.

A quick-fix solution that has not carefully thought through trade-offs and interactions may unintentionally exacerbate many of the issues it hopes to solve. Universal public services, rather than being an alternative to basic income, are necessary for a basic income to be successful in eliminating poverty and improving workers' lives. There are concrete steps that we can take to make a basic income more feasible in the future and help to address poverty right now.

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