

Managing Editor
[The Hill Times](#)
2017-Oct-30

OPINION

Basic income: the case for incrementalism

Challenges that stand in the way of immediately implementing a basic income program shouldn't stand in the way of a phased-in approach.

By [JOE FOSTER](#)

PUBLISHED :Wednesday, Oct. 25, 2017 12:00 AM

When discussing the concept of basic income, those on the front lines, whether living in poverty or helping those who struggle with it on a daily basis, are most often in favour of the “Big Bang” approach—namely, ensuring that all Canadians have a livable income now.

Indeed, a national basic income program should and can be initiated immediately. However, when examining the challenges through a political, economic, and social lens, it becomes clear that an incremental approach is the best, and possibly the only, way to actually achieve a basic income in Canada. These challenges include:

- Potential loss of existing benefits: Those who presently receive a combination of benefits rightly fear that they may be worse-off if any of these are replaced by a basic income. Starting small means that existing programs need not be immediately modified.
- Determining the appropriate basic income level: This level will vary across Canada and requires extensive consultation.
- Avoiding rapid change: People are skeptical of change, especially when initiated by government. An incremental approach allows time for consultation, education, dialogue, and building of goodwill. It also allows for adjustments to be made before any unforeseen issues become problems.
- Avoiding further delays and unnecessary costs of more pilots: Despite the fact that there already exists a great deal of data on pilot projects in Canada and around the world, nervousness persists. The incremental approach is less threatening than the “Big Bang” while still ensuring that implementation starts immediately.
- Avoiding economic shocks: By introducing a basic income over a period of years, the impact on the federal and lower-level budgets will be more easily accommodated with marginal, if any, negative impacts on inflation. Recipients will also be able to make lifestyle adjustments more gradually.

There are valid concerns associated with a program as significant as basic income. However, none of these concerns should delay the immediate start of an incremental program.

This article proposes that the federal government's role be to provide the core of a national basic income, similar to the guaranteed income supplement (GIS) for seniors and adjusted for

inflation, for individuals between 18 and 64 inclusive. Provinces and territories would then be responsible for making necessary adjustments for local conditions.

One possible implementation would progress as follows:

- Start with \$500 per month for recipients between 18 and 64 inclusive. Adjustments could be made for multiple individuals living in one household, as is being done in the Ontario pilot. No changes would be made to existing programs.
- At six months, increase the grant to \$750 per month, with a process of consultation for determining which existing programs can be modified or eliminated.
- At 12 months, with a grant of \$1,000 per month, begin the actual process of modifying the existing welfare system, including the refocusing/retraining of social workers for support services.
- At 18 months, with a grant of \$1,250 per month, determine the low-income measure level that will be paid for by the federal government and begin the analysis for the top-up to be covered by provinces and territories to adjust for local differences.
- At 24 months, begin the gradual phase-out of the existing administrative burden where these services are no longer required. Review and adjust the claw-back mechanism for fairness and affordability.
- At 48 months, the contributions from all levels of government should now approach a guaranteed livable income to all those living near or below the poverty line. At this state, a report to Parliament should be prepared with recommendations for efficiency, effectiveness, and sustainability of the basic income program as part of a revamped social safety net for Canada.

As with all new initiatives, the basic income program would be vulnerable to changes in political priorities. It is therefore essential, preferably through legislation, to ensure that there is a clear path from the initial grant level to a livable income in a reasonable time frame. This benchmark should ensure that any reductions to existing benefits during the implementation period are matched by an equivalent increase in the basic income level.

Strong support from the public and courageous leadership will be required to seriously attack poverty via a basic income, and to recognize the need for a radical re-engineering of the existing social welfare system. We should start now as a way to achieve “recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family [which] is the foundation of freedom, justice and peace in the world,” as outlined in the United Nations Universal Declaration of Human Rights.

The Hill Time