



**Cooper Institute's 1st Annual Social Justice Symposium**

**on**

**Basic Income Guarantee (BIG)**

**Saturday, September 20, 2014**

**REPORT**



**Cooper Institute's 1st Annual Social Justice Symposium  
On Basic Income Guarantee (BIG)  
Saturday, September 20, 2014**

Cooper Institute held its first annual Social Justice Symposium on Saturday, September 20th at Holland College in Charlottetown. The idea for an annual social justice symposium came from members of Cooper Institute who were looking for a way in which to honour one of the founding members of the Institute, Father Andrew Macdonald, who died in 2013. The event would pay tribute to Andrew by inviting a speaker each year to present his or her thoughts about a particular issue of social justice.

Whether it was in the Dominican Republic or in Cardigan, Emyvale, Corran Bann/Covehead, or Fort Augustus, PEI, Father Andrew's work was based on a belief in the importance of fairness and dignity for every person and by a belief that it is within our power to create strong communities where no one is excluded. "We have missed his excitement about every step taken to make the world a loving and safe place for every person and all of creation", says Marie Burge.

The first memorial symposium highlighted **Basic Income Guarantee (BIG)** as a commonsense public policy to address the high percentage of people living below livable income, here in PEI and elsewhere. It is an urgent matter of social justice when so many people cannot meet even their basic human needs for food, clothing, housing and good health.

Father Andrew was proud of Cooper Institute's involvement with the PEI Working Group for a Livable Income and of the commitment of so many community organizations to a BIG campaign for PEI. He considered this to be one of the most hope-filled movements of the decade.

The guest speaker for the first symposium was **Chandra Pasma**, an Ottawa-based policy analyst specializing in issues of income security, poverty, taxation, electoral reform, and gender & politics. Chandra is an avid supporter of basic income and has written a number of papers and articles about it. She used her presentation to explore the potential impacts of Basic Income Guarantee on work and democracy. "Between rising precarity, growing income inequality, and loss of control over time, work often leaves people feeling dissatisfied and powerless. At the same time, voter turnout is dropping and citizens are tuning out political debates." Chandra asked, "Could these problems be related? And is basic income the solution that could help us to regain some control over our work and rekindle our interest in democratic debates?"

The symposium included presentations by three local speakers – Marcia Carroll of the PEI Council of People with Disabilities, Jane Ledwell of the PEI Advisory Council on the Status of Women, and Marie Burge of Cooper Institute – who looked at basic income guarantee as a means of creating a more inclusive and just society.

Symposium participants also had a chance to talk about various aspects of BIG in some facilitated group discussions. The following report includes the transcript of Chandra's presentation, notes from the panellists, and a summary of key points that were made in the group discussions. There is also a link to a video of Chandra's presentation.

For more information about BIG, please refer to the PEI BIG campaign's facebook page & website:

<https://www.facebook.com/cbigpei>

<http://cbigpei.wix.com/c-big-pei>

**Basic Income Guarantee (BIG) Symposium**  
**Saturday, September 20, 2014**

**AGENDA**

**1:00 Welcome and Introductions**

**1:10 Powerless Workers and Apathetic Citizens: Is Basic Income The Cure?**  
Presentation by Chandra Pasma

**2:10 Exploring Basic Income Guarantee**

Democracy & Basic Income – Marie Burge, Cooper Institute  
BIG & People with Disabilities – Marcia Carroll, PEI Council of People with Disabilities  
BIG & Gender Equality – Jane Ledwell, PEI Advisory Council on the Status of Women

**2:45 Break**

**3:00 Group Discussions**

**Disincentive to work:** Basic Income Guarantee essentially pays people to do nothing. Why would you go to work every day if you could stay at home? People will stop working and be more dependent on government.

**Cost:** BIG is expensive. Already our healthcare and education systems are underfunded. We can't afford to spend the amount that would be required.

**Losing more than we gain:** Existing welfare systems are based on the idea that some people need more support than others. We could lose some programs that are working well for some people.

**Inequality:** BIG doesn't adequately address the problem of inequality. There will still be people who are very wealthy and others who are just getting by. It doesn't address unequal access to services such as healthcare and education.

**Who benefits?** BIG will not provide any benefits to a large proportion of the population, and yet everyone will share the cost.

**3:50 Closing**

## **Powerless Workers and Apathetic Citizens: Is Basic Income the Cure?**

*By Chandra Pasma*

***The following is a transcript of Chandra's presentation. The audio-video recording of the presentation can be found [here](#):***

Thank you very much. It's a great pleasure for me to be here with you today. You have one of the most active – I think the most active – local basic income groups in the country here in PEI so I'm really thrilled to be able to...[applause] yeah!... I'm really thrilled to be able to contribute to your work here.

It also seems very appropriate to be here in PEI, on the one hundredth anniversary of the Charlottetown Conference that gave birth to Canada, discussing another BIG idea. This morning I walked around Province House and I saw the big numbers 1864 and beside it was a sign that said "This was a conference that gave birth to a BIG idea," and it was capital B-I-G, and I thought, "Yeah, that's very appropriate." And this is another nation-building idea, if you ask me.

I also believe, if you'll forgive me for a moment, that based on the precedent set by Mike Duffy, my 3 day visit here qualifies me for a Senate nomination for PEI.

Yeah, I'm just kidding. I'm a New Democrat – I don't believe in the Senate. It's another form of basic income...just for some people.

I'm also really honoured to have been asked to speak at this first symposium being held in honour of Father Andrew Macdonald. Although I never had the opportunity to meet Father Andrew, I really feel inspired by his lifelong pursuit of social justice, his deep and abiding concern for the marginalized, and his incurable optimism that citizen activism matters. So thank you very much to Ann and Marie and the others at the Cooper Institute for thinking of me and inviting me to take part today.

When Ann first contacted me about coming, I looked at the work done by the Cooper Institute on participatory democracy, sustainable development, and justice for workers, and I got really excited about how they converged about some themes I was already thinking about. I figured this gave me the perfect opportunity to come and talk to you about something that's been niggling away at the back of my brain for a while – the connections between work and democracy, and how basic income might help to reset that relationship.

Work and basic income have a pretty complicated relationship. One of the primary fears people have about basic income is whether or not people will keep working. The evidence suggests that they will. But I don't think we need to approach work that uncritically and assume that it's best for everyone if they keep working, especially given the way that work is currently structured.

We also seem to have a democratic deficit of historical proportions. Voter turnout in the most recent federal by-elections hit an all-time low – just 15% of all eligible voters in Fort McMurray turned out. And despite the fact that we're confronted by some pretty big challenges – social and environmental challenges, people don't seem to be engaging in much debate about how we as a country are going to move forward to tackle these challenges together. Apart from an activist segment, and I would guess that most of you here today are part of that activist segment, most Canadians seem to be tuning out politics altogether.

So this afternoon what I'd like to do is share with you some of the problems with modern work and how it's structured. And then look at some of the problems confronting our modern democracy and look at how they're related to the problems with work. And finally, I'll wrap up with some thoughts about how basic income will provide a way for us to move forward.

Work holds a very special place in North American society. In both the United States and Canada, it has become a deeply embedded part of our national psyche – part of the story we tell ourselves about why we are good citizens. According to Max Weber, the Protestant work ethic developed as a way to find some certainty in an uncertain Calvinist view of the world. You couldn't know if you were among the elect, chosen by God to receive salvation. But through your hard work, you could accrue wealth that would suggest that you were in fact being noticed and being blessed by God.

Over time, the religious underpinnings of this work ethic faded, to be replaced by a secularized understanding. Now, you no longer have to demonstrate that you are in good with God. Instead, you have to prove that you are a good member of society by having a good work ethic. Instead of wealth being a sign of God's favour, it has now become a sign of social blessing – a sign that you're doing your part! To use Mitt Romney's language, you are a giver, not a taker! We don't ask ourselves why this is, why work should so deeply relate to our standing in society, because it's such a deeply held social norm. Democracy is the best form of government, capitalism is the best economic system, and everybody – with a few exceptions for the disabled and the elderly – should work for a living. These are truisms we don't even question.

But far from being a democratic system in which everyone can put in their best effort and come out with a satisfying result, or one in which wealth is awarded to those who put in the most effort and stable careers are given to the most deserving, we have a pretty messed up system of work that doesn't justify the faith we put into it.

In the first place, we have a pretty fundamental distribution problem. Some people aren't able to find jobs at all. We've never created enough jobs in Canada to allow everyone to have a job. In the last 30 years, the official unemployment rate has never been below 6%. If we were to include people who have given up looking for work, discouraged by their prospects, the unemployment rate would be even higher. Then, there are the people who have work, but not enough to meet their needs. In 2013, 913,600 Canadians were involuntarily employed part-time. That is, they wanted full-

time work but could not get it. This is part-time employees who were involuntarily employed part-time over the last twenty years.

On the flip side, however, some people have too much work. In 2013, 1.2 million Canadians reported that they worked between 40 and 50 hours a week. 1.7 million Canadians reported they worked more than 50 hours a week. And you can see by recent standards, 2013 was actually quite low. This is not a minor phenomenon. This is nearly 3 million Canadians in a total labour force of 19 million.

Of course, not all of this is involuntary. Some people choose to work this much, and whether or not we would approve of their motives, it is at least a choice freely made. But for others, this is not a choice. This is a necessary condition of maintaining a job or of working multiple jobs in order to make enough income to provide for their families. The alternative is insecurity or unemployment, so they must allow their employers to take up ever-increasing amounts of their time.

A related problem is the growth in precarious or nonstandard work. Precarious work is work that is part-time, temporary, or self-employed, generally with low wages, few to no benefits, and very little stability. It is estimated that one in three jobs in Canada are now non-standard. Part-time work is growing faster than full-time work, especially following the 2008 recession. And temporary work is also growing faster than permanent work.

Precarious work leaves people very vulnerable. It is more difficult to make ends meet on low wages, often with unpredictable hours. With few benefits, there is no cushion for people to be able to protect themselves against unexpected situations. And contracts can be very short-term, leaving precarious workers far less likely to be able to access benefits like Employment Insurance, even though they're the most likely workers to become unemployed.

One way in which precarious work can make people's lives very difficult is by taking away their control over time. There has been an increasing shift towards on-demand scheduling, requiring part-time workers to be constantly on-call, ready to come in at very short notice. They can also be sent home early from a shift when management decides that they are not needed any more, regardless of the employee's need for income from the shift. It can make it impossible for people to hold multiple part-time jobs – even when they really need the extra income.

Last month, the New York Times did a big feature on the impact this approach to scheduling is having on families, featuring a single mother named Jannette Navarro. The feature highlighted how the inability to control her time was destroying her relationships with her boyfriend and her extended family, prevented her from going to school to improve her career opportunities, left her scrambling daily to figure out transportation and child care, left her unable to even schedule a doctor's appointment. Her work schedule even determined how much sleep her four-year-old son Gavin was able to get every night. That hits a little too close to home for me, since I have a four-year-old too, and I cannot imagine my job dictating her night-time routine instead of me, as her parent. The story generated hundreds of comments online, most of them telling similar tales of scheduling nightmares.

But precarious workers aren't the only ones struggling to meet employers' demands for flexibility. Even though they have more stable working hours and more stable income, many full-time, professional workers are also finding themselves in a new world of work flexibility. The nature of a job can change quickly, and workers are expected to adapt without complaint. They are confronted by constant demands for increased productivity, without corresponding increases in wages.

These demands can be enforced through constant monitoring or through competition with co-workers. Amazon reportedly sets targets for employees to meet each shift, and then doubles them at random. Supervisors are able to track the movements of employees via GPS and to chastise them for not being as completely efficient with every minute of their shift as they possibly could be. Employees who don't meet their targets are fired.

Even for supposedly valued knowledge workers, there is no long-term stability. They can be laid off at any time when a company goes through a downturn, changes focus, or is acquired by new corporate masters. There is no long-term loyalty. Two generations ago, people were expected to stay in one career their whole working lives. They might have even worked for only a single company. Today's young people are expected to have at least ten different jobs, and to change careers several times.

Now, there's nothing wrong with career flexibility per se, but losing that sense of a trajectory also robs people of a narrative for their working lives. It is difficult for them to achieve the sense of working patiently towards long-term goals, whether those goals are the top of a career ladder or a secure and comfortable retirement. They are vulnerable to having the bottom cut out from under them at any time. They can be laid off, forced to switch tasks, or forced to take wage or benefit cuts. The result, according to the American sociologist Richard Sennett, is a "corrosion of character."

According to Sennett, quote "Character particularly focuses upon the long-term aspect of our emotional experience. Character is expressed by loyalty and mutual commitment, or through the pursuit of long-term goals, or by the practice of delayed gratification for the sake of the future end."

"How do we decide what is of lasting value in ourselves in a society which is impatient, which focuses on the immediate moment? How can long-term goals be pursued in an economy devoted to the short term? How can mutual loyalties and commitments be sustained in institutions which are constantly breaking apart or continually being redesigned?" end quote.

Workers may not be happy with the conditions they face in the modern economy, but they have few choices. Employers depend on a large contingent of unemployed and precarious workers. If you don't want to accept the conditions of employment, you are easily replaceable from the ranks of the unemployed while your own alternatives are pretty unenticing. The result is that our economy increasingly transfers risk from employers to workers.

One form that this transfer of risk has taken is education. Now you might think that sounds like a funny statement, given that the Association of Universities and Colleges Canada likes to advertise that university grads will make on average \$1.3 million more over their careers than a high school or college grad. The trouble with this figure is that it's an average. Some of them will make much more than that. Many of them will make much, much less than that. In fact, some of them will make much less than a college or high school grad. Not everybody sees a high rate of return on their investment in education. But because some lucky ones will see a very high rate of return, there's a great deal of pressure on young people to gamble that they will be one of the lucky ones. Instead, a high proportion of them end up with significant amounts of debt, working low wage jobs not even remotely connected to their field of study.

For example, take the solidly middle class profession of teaching. According to Macleans magazine, nearly one-third of the previous year's graduating class from the Ontario Teacher's College was unemployed in 2011. Nearly half the class was working either supply teaching jobs or non-teaching jobs, making them severely underemployed. Everyone took on the same debt – but less than one-third of the class actually got access to the stable income of a teaching career.

Another form that this risk transfer takes is downward pressure on wages. As markets have globalized, employers have either off-shored jobs to cut down on labour costs or they have threatened to do so in order to wring concessions out of employees on wages and benefits. Average weekly wages have not increased in the last thirty years, when adjusted for inflation. But this average masks winners and losers. Those at the higher end of the pay scale have seen their wages rise. Those at the lower end have seen their wages decline. According to Statistics Canada, the minimum wage in Canada was the same in 2013 as it was in 1975, once adjusted for inflation. Over that time period, economic growth has vastly exceeded inflation – but the gains from economic growth are not being evenly distributed.

In fact, work is contributing to the growth of income inequality in many ways. Productivity and wages have become de-linked as wages have stagnated over the past thirty years, while productivity has increased dramatically. Meanwhile, the share of income going to capital has increased, while the share of income going to labour has decreased.

There are multiple reasons for this trend, but the biggest is certainly the rise of neo-liberalism. According to neo-liberal economic theory, wages are fairly determined by the market and supply and demand result in both labor and capital getting paid what they are worth. Neoliberals don't recognize that relative bargaining power or institutional frameworks can affect wages. So they argue that there is no need to intervene to increase wages, because people are already being paid what their work is worth. In fact, neoliberals will argue that intervening to increase wages will actually be detrimental and drive unemployment, because you are interfering with supply and demand. They also believe that at the aggregate level, free markets are perfectly efficient, and will not waste productive capacity. Therefore they will self-adjust to full employment, or at least a quote-unquote "natural rate of unemployment."



Once again, any interference through monetary or fiscal policy is deemed unnecessary and detrimental.

As a result, neo-liberals have also attacked and dismantled institutions like labour unions that support workers and build social solidarity. They are seen as “interfering” in the market, preventing the market from perfectly balancing itself.

Besides growing inequality, another result of the problems with work is the time crunch. People are so busy working, commuting to work, waiting for work, searching for work, or preparing for work, that leisure time is getting massively squeezed. According to the Canadian Institute of Well-Being, average time devoted to leisure and social activities declined 20% between just 1998 and 2005. And often, what little time we have is not devoted to activities that make us feel relaxed, refreshed and restored. People are burnt out and stressed out, so we crash in front of the TV or we surf the internet, letting our minds just zone out. Time for reflection, engagement on social and community issues, and family and friends gets diminished or eliminated altogether.

There is also less solidarity than before and a certain sense of hopelessness or inevitability. Many workers feel powerless to change their conditions. They are in no position to demand anything better.

Work hasn't been the only arena to see big changes over the past few decades. Politics has also been greatly affected by globalization and by economic changes. And one result, it would seem, is apathetic voters who are hardly bothering to get involved. One of the biggest markers is declining voter turnout. Voter turnout, which used to be in the high 70s in the golden years of the 1960s has now declined to historic lows, dipping below 60% in the 2008 election. More than 4 in 10 eligible Canadians chose not to cast a ballot in that election despite the fact that one could argue there were high stakes in that election – how Canada would deal with big issues like climate change, poverty, and a looming recession.

In fact, we don't seem to have much of a public debate about big issues like these at all. There is an activist crowd – although some of them have eschewed democratic politics altogether – and then there are the majority of us, sitting on the sidelines, not getting involved. Even the Occupy movement, which managed to push income inequality into the headlines for a while involved only about 10 – 15,000 Canadians in active protests and has largely faded from public view without achieving any major political changes.

Perhaps it's not a surprise then to learn that elites are seeing their preferences reflected in policy far more often than average citizens. According to a recent US study which looked at major policy decisions over a twenty year period, the preference of average citizens had no bearing at all on policy choices. Even strong majorities favouring a policy did not increase the likelihood that that policy would be adopted. The policy preferences of economic elites and business lobby groups, on the other hand, had a major impact on policy decisions. Policies they favoured were far more likely to be implemented, and policies they opposed were almost never adopted.

We don't know if things are quite so seriously tilted in Canada as there's no similar study for Canada yet, but we don't need to look very far for examples that suggest the same principle is operational here. Take CETA, for instance – the Comprehensive Economic and Trade Agreement that our government is working on with Europe. Officially, Canadians still do not know what is in the text of the agreement, even though the negotiations have concluded. Parliament, provincial and municipal governments, academics, and civil society groups have been kept in the dark about what is in the text. But the same is not true of business groups. Industry groups were consulted throughout the negotiations, and were able to give their input on what they wanted to see in the agreement.

Meanwhile, municipalities across the country were asking to be exempted from local procurement provisions that will make it impossible for them to promote local job creation. Citizen advocacy groups like the Council of Canadians and the Canadian Centre for Policy Alternatives were asking the government not to give corporations the ability to use panels that meet outside of the court system to allow corporations to sue governments for millions of dollars based on policy decisions made in the public interest. But based on what we know from leaks made by a German TV station, neither of them got what they wanted. There's one practice for corporations and another for everyone else.

Another example comes from the government's willingness to intervene in the labour market. As I've already mentioned, our neo-liberal government does not like to intervene to try to create full employment or to raise wages. It has no such qualms, however, about interfering in the labour market on the side of employers. Look at the Temporary Foreign Worker Program, which until recently allowed employers to not only lay off Canadians and replace them with foreign workers, but also allowed them to pay the foreign workers less than they paid the Canadians. Or consider the government's changes to EI, which focus not on ensuring that the unemployed have adequate financial support and access to good training programs, but on forcing people to take lower waged jobs that are farther from home and have nothing to do with their career or skill set. These are the actions of a government that is not making choices in the best interest of citizens, but is making choices in the best interest of employers who want a cheap workforce.

You can already see how the problems with work and democracy are connected. Elites are able to use their influence to generate policy that benefits them at the expense of ordinary workers. They might not be able to donate at the federal level in Canada, but they lobby heavily. They have ways of calling governments to heel, such as through financial markets or corporate ratings agencies, which can affect a government's revenues by increasing the cost of credit. They are also able to influence elections, particularly through the role of corporate media in shaping public opinion and creating a public narrative. For example, in the recent Ontario election, the Globe and Mail ended up endorsing the Progressive Conservative Party even though the editorial board wanted to endorse the Liberals, simply because the powerful Thomson family which owns the Globe preferred the Conservatives.

But the other side of the equation is also important, even if it's much less obvious. The problems with work are also contributing to our democratic deficit. One of the biggest problems plaguing our democracy is the decline of trust and social solidarity. According to opinion polls, people's trust in politicians and in political institutions has plummeted. There are multiple reasons for this – and even though I work in politics, I wouldn't absolve politicians of blame. But the truth is that trust in all institutions has declined and a major reason is the changing values of our globalized economy.

Where once institutional loyalty was expected, and you could work your whole life for a corporation that would treat you like a family member concerned for your welfare (even if it was in a very paternalistic way), now there is no corporate loyalty. Anyone can be laid off at any time, no matter how long they have worked somewhere, how hard they have worked, or how well they have performed. Anyone can find their wages or their benefits slashed, their hours cut or their job description changed. And in this new economic order, we've been told that flexibility and loyalty only to yourself are the virtues that are required to survive and succeed. So no wonder people no longer feel any sense of loyalty or trust towards institutions!

Not only does this purely selfish, economic relationship with institutions erode our trust in them and our willingness to participate in them, but it also chips away at our sense of social solidarity, our belief in a common good, and our willingness to pursue that common good. As George Monbiot has recently highlighted, research has shown that emphasizing threats or danger drives people to express extrinsic values, such as power, prestige and status, while subduing their sense of intrinsic values, such as empathy, intimacy and kindness. When people feel constantly under threat because of their economic situation – whether it's from long-term unemployment, chronic precarious employment, or overwork to hang onto a job in an uncertain environment – this suppresses their tendency to empathize with and be concerned about others, focusing instead on their own survival. This makes people less likely to get involved in politics and civic debate, which, after all, are common projects.

According to a recent feature in Macleans magazine, even the geography of work – the fact that most Canadians leave home all day for a long work day surrounded on either end by a long commute – is having an impact on politics, as fewer and fewer of us actually get to know our physical neighbours. Interacting regularly with our neighbours – people who do not necessarily share significant interests with us – is an important moderating activity that forces us to engage in respectful dialogue, change our way of thinking based on another person's viewpoint, and learn to care about issues that are not our own.

There is also one more factor that I think makes a big difference for people's civic participation and that is simply time. It takes time to develop an understanding of issues and to grapple with them. It takes time to get involved in the democratic process in a bigger way than just voting. It takes time to be an activist for a cause you care about. When people are feeling stretched thin by work, and commute, and waiting for work, and preparing for work, and recovering from work, they don't have the time and the leisure to actively engage with big issues.

All they are doing is recovering from one day and preparing for the next. We can hardly be surprised if people are reactive on emotional issues like crime and immigration or if they ignore major issues with long-term consequences like income inequality or climate change when they are just focused on surviving day-to-day. And until people have more power over their own time, this is a dynamic that is not likely to change.

So we're stuck in this cycle. Corporations and economic elites have undue influence over politics and policy, which allows them to aggressively push for the adoption of policies that make life more difficult for workers. Average Canadians, meanwhile, are stuck in a rat race of survival that robs them of the time, energy and trust required to actively engage in democratic debate and therefore to push for policies that would benefit them. So how can we break this cycle?

And this is where I think basic income comes in. Basic income, to recap quickly for those of you who are less familiar with it, is a payment made regularly from government to citizens without conditions. It can be delivered through a negative income tax in which only those below a certain income level receive a payment, or through a universal demogrant in which everyone receives a regular instalment. The key element, however, is that there is no work requirement and no means test. No one is allowed to harass you about whether or not you could be or should be working, or whether or not you have other resources you can and should use first. And everybody would be given the resources necessary to live a modest but dignified life.

There are strong philosophical, social, economic and environmental arguments in favour of a basic income that I'd be happy to speak more about if you ask me during the question and answer period. But in addition to these perhaps more foundational reasons, I believe a basic income would be transformational for the way we work and the way we practice democracy.

With regard to work, basic income gives people some bargaining power and therefore some breathing room. It gives them the right to say no to dangerous or exploitative work, without fear of penury. It gives people the power to make more choices – to bargain with an employer over wages, over hours, over working conditions, or over tasks, without fearing that the alternative is humiliating unemployment programs or dire poverty. It might not give people an equal power in the bargaining process, but at least it tips the playing field back toward neutral, instead of being so heavily tilted in the employer's favour.

In so doing, it would also give people more control over their time. Some people might of course still choose to work long hours. But others would be able to bargain with their employer to work fewer hours or to simply cut back on their hours of paid work without taking an unaffordable financial hit. The result would be more leisure time to engage with important issues and to participate in political debate and political activism.

It would also give people the security to protest. Unlike other social benefits or wages, a basic income could not be taken away because the government or your employer does not approve of your political opinions or your participation in a political protest.

Basic income would also help to foster a renewed sense of social solidarity. Everyone would be eligible for the basic income, no questions asked. Instead of categorizing people into worthy and unworthy, and endlessly stigmatizing and questioning the behaviour of the unworthy, as so many government programs do now, there would only be one category of people. And there would be an understanding that everyone was part of the program because everyone shared the same fundamental attribute – we are all part of this community that is sharing this common wealth, this common heritage, funded by our common resources.

And finally, basic income could help to restore trust in government. As tax cuts for the wealthy have been funded through cuts to services that middle and low income Canadians depend on and policies have repeatedly favoured this same economic elite, the average Canadian can be forgiven for believing that government is dysfunctional and uninterested in his or her welfare. But if one of the signature programs of government is a program that fairly taxes everyone in order to provide economic security for the poor and middle class, that will go a long way to restoring people's trust in governments.

Now I realize that the very problems I've described this afternoon regarding our democratic deficit make it very difficult for us to achieve basic income in Canada. Economic elites are going to howl that basic income is bad for the economy. Employers are going to howl that they won't be able to get workers any more if we have a basic income. But that's why citizen activism like the Cooper Institute's is so important. It's going to take citizens working together, educating one another, and demanding change together to achieve basic income in Canada. It will be an enormous challenge, but I believe it can be done. And the difference that it will make for our democracy and for our working lives make the challenge worth undertaking.

Thanks.

## **Powerless Workers and Apathetic Citizens: Is Basic Income the Cure?**

*The following are notes from the Questions and Answers Session that followed Chandra's presentation*

### **1. How would you encourage people to vote?**

*Chandra* - I'm a fan of mandatory voting – I know there is a philosophical debate pro and con, not all parties agree – but it is an important part of being a citizen – secondly, as we start to make changes and address the political process and address the democratic deficit, people will start to feel more engaged and want to debate – I am speaking as a volunteer, not as a representative of a political party – we need reform of the voting system, I feel, because our “first past the post” system prevents people from feeling that their vote makes a difference.

### **2. What did they find in the Mincome Pilot Project in Dauphin?**

*Chandra* - Good question – the experiment was killed before it was finished. There were never any *final results* of it. They did collect reams and reams of data, which is sitting in a warehouse somewhere, untouched.

The one thing that they did analyze, several decades ago – was the effect on work – they found there was a minimal impact on work – the one area where it did have an impact was among tertiary workers– that is, kids. So kids were staying in school longer. The other people who were impacted were women who either stayed at home longer after they had a child because in the 1970s they didn't have maternity leave. Or women who lived on farms could stay at home and look after the family farm and not take another job for income.

But what has happened since the 1970's is that Dr Evelyn Forget at University of Manitoba has looked at publicly available data – that is largely education and health records – and she's found some fascinating things. Number 1, she's backed up this idea that people are staying in school, the enrollment in the years of Mincome went really high, especially for Grade 12, so there were kids who were staying in school, finishing school and going on to other things instead of going out to work for their families. And she looked at health data and found some equally fascinating things – she found that health outcomes were much better during the years of Mincome and also stayed higher for a number of years after the experiment ended – so people were less sick, less ill, they had fewer hospitalizations and fewer diagnoses of mental health issues.

Dr Forget is trying to get a hold of the original data, so that she can do more analysis of it – so we do have some data available and there were 4 other experiments going on in the United States around the same time and we have data from that. We do rely on the original data but I also know that there is a tendency of policy makers to discount it because it is 30-40 years old now, and incomplete.

### **3. Question about the Election Cycle – where high-end people make decisions, supported by the high-end – corporations – and an ordinary person cannot really run for office and be heard.**

*Chandra* - I'm not as pessimistic as that – I do think in the US that it is that bad, because there are no limits on campaign spending. But here because we do have limits on campaign financing and campaign expenditures, it is possible for an ordinary citizen to run and win.

I don't want to leave you with an overall pessimistic sense of what ordinary citizens can achieve. It is true that elites have undue influence over policy. But right now I work in politics and I've seen first-hand what a difference people can make when they do get upset about an issue. It doesn't happen very often, but it does happen. This is a kind of silly and simple example but in the last throne speech the government was going to change the words to the national anthem – two days later they had entirely backed off that plan because of the outcry they heard from people.

On economic policy we haven't seen that same level. One of my files is the Employment Insurance file. Two years ago the government made changes to “working while on claim” – and there was enough of an outcry that we forced them to back down on that. It's not a major policy change but it was a policy change that did affect the lives of people for the better and I think that if we were to have that kind of massive outcry on issues we would be able to achieve change.

The corporations do have undue power, but at the end of the day they only have a set number of votes - there are only a certain number of people who work at a corporation or whose ideas are influenced by a corporation. So if the vast majority of Canadians could agree on wanting something, they'd get it.

### **A secondary question about Harper Government, based on only 40% popular vote (60% voted against him):**

*Chandra* – It's another reason for arguing in favour of voting reform, so that 40% popular vote doesn't give someone 100% of the power.

### **4. What about costing for BIG? How much would it cost to deliver, vs savings from other programs being eliminated – can it be delivered in a cost-neutral way?**

*Chandra* – Nobody in Canada has done that level of number crunching yet. With the BIG-PUSH campaign we've talked about it but it's kind of stalled. We know it will have to be done eventually. I've done some back-of-the-envelope-type calculations on it. I think it could be done at the national scale for 40-60 billion dollars extra compared to what we have now. I don't think it could be done in a cost-neutral way.

That's speculation, since we don't have the number crunching. And it's based on the current fiscal framework – I think you would need additional forms of taxation – it

could be a carbon tax, or it could be a progressive income tax, or it could also be a tax on financial transactions such as a Tobin Tax. We have plenty of alternatives and since so much of the action on taxation in the past 30 years has been to cut taxes, we certainly have space to increase taxes.

I don't think there is ever going to be a fully adequate sense of what you are going to save. There was a study done 5-6 years ago about the cost of poverty in Canada that costed it at about 90 billion dollars – that included costs to the healthcare system, and to the court system. But the problem is that it's hard to see a one-to-one relationship all the time so just because you give someone income security it doesn't necessarily mean that health costs are going to come down especially if there have been long-term health problems because of long-term income insecurity. I would argue that the same would go for the justice system.

What we do know is that we would also likely see increased income taxes as people have the financial security that they need to test whether or not they can get into the workforce – you'd probably see more people who are able to work.

Even if we could compare before and after, I don't think you'd ever get a complete sense of what your cost savings were. It's just the nature of policy.

**Secondary question about data re: costs of poverty:**

2008 study by the Canadian Association of Food Banks – costs of poverty in Ontario.

**5. How would BIG reduce/eliminate discrimination based on financial status? What would that mean if you went to a bank or credit union looking for a car loan?**

*Chandra* - (For example at banks when you are looking for a loan) people could not treat you as if you have no income – because everyone has a source of income.

It reminds me of a presentation at the BIG conference in Montreal – someone who worked for ACORN – a US community activist group – took a group of community people to protest a bank but as soon as cameras/media showed up, they disappeared. They did not dare to be seen on t.v., protesting in front of a bank – they were afraid of what their banks would do, down the road, if they were seen, and of what their welfare person would do. And how they would be treated harshly for daring to protest. It gives you the security to protest, which is important. People could not take away your financial security anymore because they don't like your actions.

**6. Was there costing done when Mincome was introduced in Manitoba?**

*Chandra* - There must be some numbers somewhere; I imagine it is in some government database somewhere.



### **What inspired the Manitoba government to introduce Mincome?**

*Chandra* - There was a lot of interest in guaranteed annual income in the 1950's and 60's as a revolutionary way of addressing poverty. It got a lot of attention in the US, where they came close to introducing one. There was also interest in Canada. Senate report in 1971 – the Crow Report recommended having one in Canada – there was interest in having a similar Canadian experiment – and the Manitoba government jumped on the opportunity and said if Canadian government would fund it, they would host it.

There were three different amounts of money that people got – they were set high enough that if you were to get it today you would get above the LICO. But I have no idea how many people actually received it so we don't know the cost. It was well-staffed, with several hundred people who actually worked on it. So administrative costs were high.

### **Why was it cancelled?**

*Chandra* - Stagflation – costs were soaring through the roof. Also, the federal government lost interest in income security reform. So it was easy for them to pull the plug.

### **7. With recommendations about BIG and all the positive impact on society and individuals, has there been a study about how it will affect the ecology, our natural resources?**

*Chandra* – There are no studies that I know of – arguments on either side are being made. If you give people a basic income they don't need to engage in environmentally destructive work any more to make a living, but on the flip side if you give more people more income to spend - so if they are just going to go out and spend it on environmentally destructive things you are no further ahead. So I think it's something that in of itself is not sufficient to achieve environmental change but it could be part of a necessary process to achieving that change.

### **8. How does BIG affect people who are living with a disability, especially because such a high proportion of Island households living in poverty that are headed by a person with a disability?**

*Chandra* - (*Paraphrasing*) I think that the answer is two-part, number one is that basic income is a non-stigmatizing form of income security – One of the reasons I'm a fan of basic income and basic income for everybody, not just for certain segments of the population which some people propose, is because my husband has chronic fatigue syndrome – so he's been on disability leave for the past 7 years, and he's been fighting with his insurance company constantly. And when people look at him he doesn't necessarily seem disabled. It's being able to spend you know all day all the time with him all day that you see the impact. There's a large proportion of disabilities that are like that now – you haven't lost your legs, and there's nothing for people to see – and you've definitely affects your ability to work and to provide for yourself – but by the traditional

definitions of disability that insurance companies or governments use you don't necessarily count as disabled. And therefore it's really hard to get support. Therefore I think it's really important not to set up boundaries that stigmatize people again. By the same token, basic income is not going to be enough for some people with disabilities – you still need support for the particular expenses that come with having a disability.

**9. Question about what can we do to change our values and declining respect for one another and a shift away from the common good and can we reflect the fact that other countries have different approaches than we do?**

*Chandra* - This is where I think our values and economy are so closely intertwined and it's really hard to shift one without the other. I don't necessarily know which is the chicken or the egg. It can be done, other countries don't have this obsession with self-promotion and greed that we have suggests that it can be done.

**Cooper Institute's Social Justice Symposium on Basic Income Guarantee (BIG)**  
September 20, 2014

## Panel Discussion

*Three members of the PEI Working Group for a Livable Income (the group that has been promoting the idea of a BIG pilot project for Prince Edward Island) were asked to speak about Basic Income and Democracy, Gender Equality, and People with Disabilities.*

*Marie Burge of Cooper Institute, Marcia Carroll of the PEI Council of People with Disabilities and Jane Ledwell of the PEI Advisory Council on the Status of Women all spoke. The following are notes from their presentations.*

## **Basic Income Guarantee (BIG): A contribution to Democratic Advancement** Presented by Marie Burge (Cooper Institute)

### *Functioning Democracy requires the majority of citizens'/residents' engagement*

First of all, it may be necessary to say that when we talk about democracy, we are not referring only to elections and the electoral process. Some people in recent workshops on democracy here in PEI say that in their experience, elections are unfortunate anti-democratic experiences. Party politics in the current Canadian electoral system is often self-serving and does not engage citizens or communities over the long run.

Democracy (of the people, for the people, and by the people) proposes to provide wide representation of the people, their interests, diversities and the common good. It is further observed that democracy must encompass the ecosystem. The planet, land, water, air, and all animate and inanimate beings must also be represented. Governance based on this inclusion would better serve true democratic goals by means of a carefully designed system of proportional representation (PR).

### *Low Income, determinant of health; determinant of inclusion in democratic processes*

Sometimes we have to repeat the obvious to each other: if you are struggling with inadequate income, it is highly improbable that you will enjoy the “luxury” of community involvement. By necessity, your concerns are more focussed inward than out towards the wider community. Your attention and energy must be concentrated on food, clothing, housing, paying monthly bills. Not to mention trying to negotiate the low-income-caused health threats to yourself and your family. Parents also have to expend energy to protect their children from inevitable discrimination because of family poverty. Put simply, if you are living on low income you do not have enough energy and/or self-assurance to be involved in society concerns.

Lack of access to basic economic security presents other obvious sources of exclusion. You don't get out of the house; can't afford transportation; can't afford child/elder care; don't have appropriate clothing; low self-esteem (due to self-blame); not up to “society's standards”; may feel that you lack knowledge or experience.

### *Basic Income Guarantee: a liberating factor for democratic engagement*

We can visualize, that eventually, as people see that a permanent system is in place to cover their basic necessities they will have the freedom to be massively involved in democratic processes. However it is not magic nor would its results be instant. For example, the culture of poverty is so entrenched in PEI that concerted effort will need to be expended to create new self-perception and social interaction. In other words, it is not just the alleviation of poverty that is required, but also the alleviation of the mindset that, for example, we don't deserve better as a community or as individuals, or that sooner or later we will likely be returned to the previous low-income standards. It will take a few years to overcome “the poor you will always have with you” attitude or the attitude that people are poor because of laziness, lack of skills and genetic predisposition and to overcome the mistrust of government programs.

For the implementation of BIG as a step toward inclusive democratic involvement, therefore it will probably have to be accompanied by programs of “de-programing” and deliberate training in how to do democracy. Just as important as this, is that the process of implementing BIG must be from the bottom up, engaging the community in the design of a BIG system, generating new questions and possible answers.

Programs would be developed at the preparation level to hear and project the voices of people on low incomes who for reasons listed above may not show up in numbers at community forums. We need to be careful in working “from the ground up”, that we do not create the impression that this system can be instituted by the community. The implementation and maintenance of BIG – first, last, and always – is the responsibility of governments (federal and provincial, especially in PEI). The community has a major interest, has the wisdom to identify challenges and can convince government to act. The current obsession with “evidence-based” decisions (often a construct of government to distract, keep us busy, and provide governments with delay time) may tend to urge groups to “further study the last study”.

Another note about how BIG will be a liberating force. PEI, in particular, is cursed with a long history of patronage, which gives us poor governments and creates a false sense that if we toe the line the government will take care of us one-by-one. This not only creates and maintains a culture of submissive dependence, it pits us one against the other and further entrenches an attitude of individualism.

### *BIG is political*

This goes beyond which parties will put **BIG** on their election platforms. This is important. But it is easy compared to the deep political clash that brings us to the question of who holds real political power (often non-partisan) in Canada. Of course it is the one percent (or even the ten percent). They are the owners of the doors and holders of the keys to policy development. This sector has interests (their ownership and entitlement), which they ferociously protect. There is a major clash between the promoters of **BIG** and the small owner class. The interests of **BIG** to create a system of greater equity may be perceived by the rich and powerful as a big grab on “what belongs to them”. This is not to discourage us, but to help us keep the whole scenario in mind. We cannot wait until we have a new economic system in order to establish **BIG** and to establish a path for more inclusive democratic involvement.

In conclusion: Democracy does not thrive in an economic system which in itself is undemocratic, so firmly based on the inequality of access to goods, services and effective voice. Very few people owning and controlling wealth while the majority cannot have their basic needs makes a mockery of claims that our country is democratic. Democracy cannot thrive where a high percentage of people are unable to participate fully, on the economic, social and political level. So here we are on the cusp of something great, something that can change the life of 4 million Canadians and 19,000 Islanders.

## **Notes on Basic Income and Gender**

Jane Ledwell, PEI Advisory Council on the Status of Women

My comments are about gender and basic income and will focus on women. However, it is important to note unattached men's vulnerability to poverty, especially if there are barriers to their working full-time, such as physical or mental health challenges of ability challengers. The traditional expectation of men as "breadwinners" is a part of gender stereotyping. Basic income can assist this vulnerable group to shake the stigmas about who can and who should work – and at what kind of job and for what kind of pay.

Transforming the idea of paid work and who does it would also support men who choose to spend more time in nontraditional caregiving roles.

I will mostly speak about women because inequalities of pay and value placed on different kinds of work, unequal division of unpaid labour, lack of adequate investment in children's needs, and unequal caregiving responsibilities, among other factors, mean that women feel the disproportionate effects of poverty, especially women who are lone parents or have a disability or are facing situations of violence, or are Aboriginal or trans or racialized or, or, or... women who face any of a number of multiplying discriminations.

Marcia noted to me before this session that 60% of women in disability live in greater poverty than men with the same disability.

Women's equality, autonomy, and independence mean that participating in the workforce is incredibly important. It is workforce participation that has moved women out of being seen as property of fathers and husbands. Therefore, it is an important conclusion of research on basic income pilots and projects that basic income does NOT take people out of the workforce.

Basic income benefits distributed to every woman, man, and child in a basic income format have a great potential to help women.

As Chandra Pasma alluded to, basic income is not a lime on labour force participation; however, it has the potential to transform how we see work, and especially unpaid work, such as volunteering in the community or caring for young children, seniors, or adults who need support. It may provide options for time outside the labour market for these activities, or for work to supplement the basics.

Earning income above the basic income means not just having enough to eat every day, but having birthday cake sometimes. We must be in favour of birthday cake!

Not only would a basic income paid to a woman as an individual allow her to leave the labour market occasionally, it would also allow her to leave unhealthy, violent, or abusive relationships and transition to personal and economic autonomy more quickly and safely. It would have the potential to move us beyond a system where women must choose between a secure income and physical and emotional safety.

We want to create an incentive for people to build the households and families they want, or to be able to leave those households and family relationships that no longer serve their good.

A final, important point: From a gender perspective, even with basic income, it is essential that there still be public support for wraparound services such as childcare, public transit, and violence prevention. This makes good sense from a policy perspective. If you think about public transit, an investment of \$140,000 into an Island-wide public transit system would go further and benefit more people than an increase in the basic income of \$1 per person.

### **Notes on Basic Income and Disability**

Marcia Carroll, PEI Council for People with Disabilities

*Why is Basic Income important for people with disabilities?*

Disability and Poverty are interlocking and cyclical.

Equal Rights are not special rights – equal rights are what make a level playing field.

70% of people born with a moderate to severe disability will live their whole life in poverty.

The current system is not working; based on a prosecution model, it is discriminatory  
65% of households in which Social Assistance is the main source of income are headed by people with disabilities.

75% of men who receive Social Assistance have mental health issues.

58% of persons with disabilities are unemployed or under-employed.

80-90% of Human Rights cases on PEI are related to disability and work.

People with disabilities need higher levels of education to do the same jobs as others.

BIG would be a move away from:

- work values-based society,
- people with disabilities being seen as takers not contributors,
- the idea that wealth is for the blessed.

BIG would celebrate all of our uniqueness instead of pressuring us to be "normal". BIG would help normalize differences.

About political engagement - we know that people have to have their basic needs met before they can even think about politics:

- most people with disabilities don't have the money to run for office
- they may fear repercussions if they lose
- the current system is elitist
- the current campaign system not accessible to people with disabilities (whether that disability relates to mobility, sight, hearing or intellectual)

## Social Justice Symposium on Basic Income Guarantee

### Group Discussion Notes

Participants gathered in small groups. Each group discussed one of 4 common concerns about BIG. The following notes highlight some important points, taken from each group discussion.

**A. *Disincentive to work:*** *Basic Income Guarantee essentially pays people to do nothing. Why would you go to work every day if you could stay at home? People will stop working and be more dependent on government.*

- People have a basic desire to work. We value work. It enhances quality of life and self-esteem.
- BIG addresses *the system* – it is about justice, not charity.
- BIG provides an option to work. Results of other basic income projects suggest that people do not stop working.
- BIG would allow people to work if they choose to, in more meaningful capacities.
- Everybody does something. Unpaid work is still work and it has value: volunteer work in the community, being a parent . . . BIG could provide people with more time for caring for children which could in turn enhance children's literacy.
- A worker could say NO to unsafe or poorly paid jobs. In this way, BIG promotes dignity and safety and freedom. It allows people to be human (also allowing time for socializing and communicating). It can be seen as a foundation for building community and active citizenship.
- BIG ensures that people have inherent dignity. It is about being human, being alive and feeling connected. It is about realizing democracy.

**B. *Inequality:*** *BIG doesn't adequately address the problem of inequality. There will still be people who are very wealthy and others who are just getting by. It doesn't address unequal access to services such as healthcare and education.*

- Our taxation system is one of the reasons we have inequality. We need to change it, to make sure everyone is paying his/her/their fair share.
- We need to change the electoral system at the same time, to something like proportional representation.
- Even with BIG, there will be those who require extra support. It is important to note that some programs (i.e. disability supports) will still need to be there.



**C. Losing more than we gain:** Existing welfare systems are based on the idea that some people need more support than others. We could lose some programs that are working well for some people.

- BIG = enough income for food, housing, basics + health, transport = dignity
- Systems will still be responsible for equity, which is different from equality.
- The current system is easily undermined. For example:
  - private insurance
  - clawbacks
  - gatekeeping
  - barriers to accessand in these ways, the current system entrenches inequality.
- Long-term benefits – BIG could systematically alleviate the underlying inequity that increases health/justice/welfare costs.
- BIG will remove the patronage factor – of access to these programs and barriers caused by various interpretations.
- BIG values dignity, empowerment, self-fulfillment and emancipation.

**D. Cost:** BIG is expensive. Already our healthcare and education systems need more money. We can't afford BIG.

- We need to change the culture. We need a more collective mindset.
- We can't afford *not* to have BIG. We need to make it a priority. Ask people if they think what we are doing now is working.
- Needed: more analysis of Mincome (Dauphin project)
- We need to come up with a business model, but based on reforming the tax system to ensure that wealthy people and corporations are taxed appropriately. There is evidence that people will support higher taxes for good results/benefits.
- Develop a demonstration project of 5-6 years to gather data to show the financial impact including impacts on health and education.
- Examine how money is allocated.
- BIG would take pressure off the healthcare system and result in better educational achievements.
- Poverty is expensive. It is the #1 determinant of health.
- Source of wealth is labour, not capital.

And in closing, a suggestion for a campaign slogan:

***PEI: Small enough to be BIG.***