

## BIG Agreement on Basic Income in the PEI Legislature

Perhaps it was the season, or the fact that the fall sitting was drawing to a close, or maybe MLA's had just grown weary of engaging in the kind of rancorous debate that had characterized the previous few weeks in the House. Or, perhaps it was simply because basic income guarantee is an idea whose time has come. But for whatever reason last December, in a show of unity members from all three parties represented in the Legislature rose to express their support for a Basic Income Guarantee pilot project for PEI. It was a pleasant surprise for supporters of Basic Income Guarantee in PEI and across the country.



Motion #83, put forward by Green Party Leader Peter Bevan Baker, called on the Legislative Assembly to “urge government to pursue a partnership with the federal government for the establishment of a universal basic income pilot project in Prince Edward Island”. It received unanimous support. Several MLAs from each party spoke in its favour, their comments revealing their acute awareness of the extent and the impacts of poverty in PEI, and their desire to find a solution.

The adoption of the motion, and most especially the positive manner in which it was received, gave new hope to the community organizers who have been promoting basic income and asking for a made-in-PEI pilot project for the past several years.

The idea of working with the federal government, which several of the MLAs spoke about, is of critical importance. BIG would require a substantial reorganization of existing federal and provincial programs, and would in all likelihood be administered through the federal tax system. Community activists have been consistent in stating very clearly that a BIG pilot project must be a collaborative effort among all levels of government.

As several MLAs also noted, Prince Edward Island is a perfect jurisdiction to test this idea – our size, and the fact that we are an Island with a fairly mixed economy, make it an ideal place to test BIG. At the same time, we will be watching and learning as other pilot projects roll out in Ontario and Quebec.

Several MLAs pointed out, rightly, that implementing a Basic Income would not negate the need for current social programs and services designed to support individuals and families. We would still need to invest in (and in fact increase our investment in) affordable housing, accessible childcare, public transportation and disability supports. Workers must be paid a living wage, and have access to Employment Insurance and adequate pensions. These are all things that are part of our social infrastructure and fundamental to the kind of healthy, inclusive and socially just communities we dream of.

It was especially encouraging to hear MLAs say that planning for a pilot project should not be seen as strictly a government task, rather, it should be an inclusive process, involving people from the community, people affected by poverty and their advocates. After several years of research and community engagement, the Working Group for a Livable Income is eager to continue this work with government and to participate in the design a program that works for Prince Edward Island.

In his introduction to the motion, Peter Bevan-Baker talked about how universal basic income could “enable the greatest unleashing of human potential ever seen” and allow people to be creative and to take risks, secure in the knowledge that they have a roof over their heads and enough food to meet their needs. This is in fact what is so compelling about BIG – it is about dignity and equality, building communities where everyone is valued and gets to participate.

*– Ann Wheatley represents Cooper Institute in the PEI Working Group for a Livable Income*

# The Canada Child Benefit: A Basic Income Guarantee for Families?

Do you have the 20th of every month circled on your calendar? If so, you are probably a parent. The 20th is when households receive the Canada Child Benefit, a monthly tax-free payment to adults who are raising children under 18.

Last year, when the Canada Child Benefit was implemented, Jean-Yves Duclos, federal minister for families, children and social development, described it as a basic income for families. The Canada Child Benefit is another example that demonstrates that basic income is not a new or radical idea in Canada. We already have some basic income guaranteed programs in place for specific groups, in this case for children.

The Canada Child Benefit includes some features consistent with BIG principles. It is a reliable, solid base that can be counted on month to month. It is calculated for every child whose parent files taxes: if you're a child under 18, you're eligible. Because the amount is adjusted according to income, those who need more receive more. Because it is untaxed income, parents don't have to worry about earning extra money that might bump them into a higher tax bracket. Because there are additional benefits still available for children with a disability, the Canada Child Benefit recognizes that "basic" needs differ for different people.

The Canada Child Benefit is not a livable income, set at a level that would meet all of a growing child's basic human needs, such as healthy food, safe and warm housing, learning resources, and social participation. And if the Canada Child Benefit is to succeed in lifting children out of poverty, we will have to confront the uncomfortable fact that you can't address children's impoverishment without addressing adult impoverishment. In our culture, it's easier to argue for a basic income for children, who are not expected to earn an income, than for adults, who are valued or judged based on the amount and the source of their earnings.

In PEI, in the years prior to the Canada Child Benefit being introduced, successive annual studies showed more than a fifth of children live in households that worry about having enough food. In future studies, we hope the Canada Child Benefit will improve this statistic.

For now, some food-insecure households get their income from social assistance, and the Province of PEI is in the midst of a five-year process to raise social assistance food rates to just 70% of the research-established cost of a basic healthy food basket. Some food-insecure households get their income from low-wage jobs that leave them dependent on charity such as food banks to make ends meet. Asking for social assistance or for charity costs a certain amount of dignity.

Basic income does not lessen a person's dignity. Like the Canada Child Benefit, it just arrives in your bank account on the 20th of the month. No one reviews how you spend it. No one threatens to take it away.

Basic income guarantees benefit women. Women in Canada carry a greater share of caregiving tasks, for both younger and older generations. The Canada Child Benefit provides much-needed financial support during the highest-demand time for caring, family commitments, community engagement, and volunteering – which for women is also the time of peak productivity in work and career. The Canada Child Benefit is there to support time away from work for caregiving – or to support childcare for more time at work. It does not discriminate against parents for working or for staying at home. We look forward to the day basic income guarantee programs will be in place for all Islanders, of all ages.



– Michelle Jay and Jane Ledwell represent the PEI Advisory Council on the Status of Women in the PEI Working Group for a Livable Income

## Seniors and Basic Income Guarantee

The PEI Working Group for a Livable Income (WGLI) is the community based group which is advocating for a pilot program of Basic Income Guarantee (BIG) in PEI. Over the past four years the Working Group has researched the experience of other jurisdictions where basic income programs are in place.

After many meetings with Island communities and dialogue with PEI policy makers, we have a picture of how BIG might work in PEI. One thing was clear in our meetings with Islanders: that BIG should be universal in that ALL Islanders 18 years and older would be guaranteed an income which would cover their basic needs (housing, utilities, food, clothing, medications, transportation, child/elder care, modest recreation, and occasional emergencies). When it comes to seniors there are added living costs such as snow removal, grass cutting, mobility devices. Seniors tend also to think of their end of life and do not want funeral costs left to their relatives.



### Some Federal Programs Models of BIG

Currently Old Age Security (OAS) and Guaranteed Income Supplement (GIS) indicate that the Federal Government has already embraced the basic Income guarantee model as does the Canada Child Benefit.

OAS is interesting in that it is in the same category as a number of Basic Income Guarantee “Universal” programs which are in practice in different parts of the world. This concept of universal means that everybody regardless of income is a beneficiary. High income people are taxed back above an agreed threshold. The model of BIG that PEI Working Group for a Livable Income is proposing for PEI is the one that is paid out only to those who are below an identified income.

Both the seniors’ GIS and the Canada Child Benefit programs are administered through the federal tax system. This is the administration structure that PEI Working Group for a Livable Income proposes for BIG. Beneficiaries are identified by their Income Tax return. These programs are now functioning well as federal government programs. This should encourage PEI to proceed in its dialogue with the federal government with the aim of setting up a Basic Income Guarantee pilot in Prince Edward Island.

### Seniors: Potential Beneficiaries of BIG

Old Age Security (OAS) is around \$578 per month, well below what is required to cover basic needs. There are many who, because of their inadequate income in younger years or lack of workplace pensions, have insufficient income in their senior years. These seniors are eligible to receive the Guaranteed Income Supplement (GIS) More than one-third of Island seniors are receiving (GIS) to supplement their Old Age Security. The maximum amount receivable with the GIS is \$17,311, not a livable income. In December, 2016 there were 10,031 seniors receiving GIS. Therefore this many Island seniors are in a low income bracket.

Given that women tend to outlive men, we assume that many low income seniors are women living alone. Living alone is expensive. Some would want to stay in their own home, which may not be an option. We would expect BIG to ensure that seniors have all their living needs met. Another way that might work as the PEI Government enters its collaboration dialogue with the Federal Government is: leave the OAS and GIS in place and increase GIS to meet livable income standards.

The other would be to rely on BIG as a top-up.

– Marie Burge represents Cooper Institute in the PEI Working Group for a Livable Income



# A BIG Difference Possible in the Lives of People with Disabilities

A basic income guarantee (BIG) would transform the current social welfare system and policies to a system based on human rights and basic needs. Why is basic income especially important for people with disabilities?



A basic income guarantee would be a move away from determining a person's value based on their work. It would eliminate the discriminatory attitude that people with disabilities are "takers", not contributors, and challenge the harmful idea that wealth is for the blessed.

Disability and poverty are interlocking. Today, 70% of people born with a moderate to severe disability will live their whole lives in poverty. The current social assistance system designed to support impoverished people is not working, and it is discriminatory in its effects. The statistics are astonishing: two-thirds of households in which Social Assistance is the main source of income are headed by people with disabilities, and almost three-fifths of persons with disabilities are unemployed or underemployed. The vast majority of Human Rights challenges on PEI are related to disability and work.

When Islanders with disabilities talk about their experience, they say that many people with disabilities don't have enough to live on. Healthy food isn't affordable for people. Isolation is also something many people with disabilities face and housing is a huge issue. Too many people are living in unhealthy places, and this is making people sick. A basic income guarantee would allow people to live in healthier, safer places.

People with disabilities don't have equal access to jobs. Many are unemployed or underemployed. When people with disabilities do get jobs, they often have to be more qualified than other job-seekers in order to be hired. In the workforce, people with disabilities are often paid very little. Social Assistance rules claw back earnings above \$75.00 per month, and this is unfair. People with disabilities, especially people with intellectual challenges, are sometimes expected to work for free.

A basic income guarantee would reduce discrimination against people with disabilities. If every Islander received a basic income guarantee, it would be a step towards true equality among people with different abilities. A basic income guarantee recognizes what people contribute to society just by being human – as people who are valuable for themselves, valuable for their relationships and connections, valuable whether their contribution looks like a traditional job or not, valuable whether what they do is paid or unpaid in the workforce.

A basic income guarantee designed to meet people's real day-to-day needs would, of course, need to recognize that the basic needs of a person with a disability may be different from others' basic needs. A basic income guarantee could replace social assistance, for instance, but would not replace disability supports. For example, for some people with mobility issues, a wheelchair is a basic need. Disability supports are basic needs, not "extras".

A basic income guarantee would promote inclusion, about including people better in society, and it is about equality and being treated fairly. A basic income guarantee could reduce isolation (make it more possible to use transit for instance) and make it easier to have a social life – which is good for individuals' mental health and good for all of society.

A basic income guarantee would celebrate all of our uniqueness, instead of pressuring people with different abilities to be "normal". By valuing people as people, rather than just as earners, a basic income guarantee would help normalize differences.

*– Marcia Carroll represents the PEI Council of People with Disabilities  
and Leo Garland represents PEI People First in the PEI Working  
Group for a Livable Income*

