



Six principles to guide a basic income program

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The growing interest in the concept of a basic income has created an important opportunity for broad discussions about reducing poverty and ensuring dignity through the sound design of income security programs.

The discussion of a basic income is rife with debate. Many skeptics question the motives of neoliberal proponents of a basic income, given the potential cost of implementation and the potential risk of dismantling Canada's hard-won income and social security programs as well as social and public services architecture.

Many progressive proponents of a basic income, meanwhile, believe that a new system is the only way to fix punitive social assistance delivery, enable personal choice to pursue fulfilling livelihoods, and compensate individuals for unpaid care work. They also question the limits of the imagination and aspirations of basic income critics.

Campaign 2000 is a national anti-poverty coalition and public education movement committed to holding government accountable to achieve the eradication of child and family poverty. We engage in social policy analysis and formulate policy recommendations to lift children and families out of poverty.

Campaign 2000's national Steering Committee has been attentive to the basic income debate and has itself debated the perils and potential of a basic income as a tool in the battle against poverty. This chapter focuses on current consensus points in our discussions of basic income principles. Our discussions are ongoing and we will make further contributions to the basic income debate, including on the topic of implementation, in the coming months.

We believe fundamentally that the delivery of basic income must complement a strong program of public and social services, a well-developed strategy to create quality jobs, and robust employment standards that support families struggling to escape the multiple dimensions of poverty. Continuing to build a stronger public service architecture is vital to the eradication of child and family poverty.

Consider the example of a single parent in poverty. An adequate basic income may bring her family above the poverty line, but the supports she requires are even greater: accessible, high quality, reliable child care; access to a post-secondary education or skills development program that she can afford; more affordable rent; and public prescription drug and dental coverage to maintain her family's health.

Access to this broader list of supports will help reduce her stress, give her hope for the future, and position her family for greater lifetime success.

A basic income coupled with strong social infrastructure will enable her to participate in the valuable training or education she may need without having to worry about paying for child care or vital medications, paying the rent, or whether her child is getting the care and early education she or he needs.

Ontario's basic income pilot is North America's first in over 40 years. With that in mind, we set out six principles for a child and family poverty eradication approach to basic income in the context of strong intergovernmental coordination of income security and social infrastructure programs.

1. A basic income must be designed to eradicate poverty and contribute to reducing income inequality.
2. To reduce and prevent poverty, a basic income must fill the adequacy gap of current income security programs by bringing individuals and families at least 10 per cent above the poverty line, as measured by the Low-Income Measure-After Tax (LIM). Receipt of a basic income should be irrespective of educational or labour market attachment. A basic income should be accessible to all immigrants and refugees, refugee claimants, and those amid appeals processes.

Existing punitive rules and stigma associated with needs-based and means-tested income assistance programs make a basic income an attractive alternative, but programs that currently use an income or income and assets-based approach to eligibility and benefits determination should not be dismantled until it is clear that a basic income brings individuals and families to the income target of 10 per cent above LIM.

Interactions between a basic income and existing income security programs should be governed by the principles that everyone living in poverty will be better off as a result of implementing a basic income and that no one above LIM plus 10% will fall below that threshold. Until a basic income brings recipients to 10 per cent above the LIM, no reduction or claw back of income received through children's or seniors' benefits, income/social assistance, employment insurance or other programs, ought to occur. In other words, government must not give with one hand and take away with the other.

3. A basic income should be an income program that is aimed at meeting basic needs only. It should not replace existing programs that meet extraordinary needs or programs required to strengthen our social safety net. Instead, a basic income should lay the groundwork for improving population health and mental health by complementing needed programs, such as public prescription drug and dental coverage, income support programs for people with disabilities, early learning and child care, and parental leave benefits.
4. Provision of a basic income should not lead to the marketization of public services or an expectation of individuals to purchase social services. A basic income should not replace existing or underdeveloped public services, including the national early learning and child care framework and the national housing strategy.

5. A basic income is not a panacea for structural and systemic inequality. Alone, it cannot address the many dimensions of poverty outlined in research on the social determinants of health. Nor can it replace critically important social programs and public infrastructure. Well-developed public policy is needed in addition to a basic income to address the effects of racism, sexism, and ableism, and to reduce barriers in accessing housing, child care, employment, and other services.

6. A basic income should not act as a subsidy for employers who pay low wages, nor should it be an excuse for reducing employment. A program of quality employment options requires a minimum wage that lifts workers above the poverty line, livable incomes that can support a family, pro-active enforcement of modern labour standards, and improved access to employment insurance.

These principles provide an anti-poverty framework through which to assess any basic income program and, specifically, the Ontario pilot.

To avoid additional undue hardships for people living in poverty, a basic income, like other social policy innovations, must be carefully monitored, evaluated, and improved through a broad, transparent process that works at the levels of the individual, the local community, and the provincial economy.

It is critical to take guidance from basic income recipients living in low income who, navigating various systems, may be vulnerable to negative program interactions that leave them worse off, intentionally or not.

With 20 per cent of Ontario children and families currently living in poverty as parents struggle to gain access to decent work, affordable housing, high quality childcare and nutritious food, income security programs like a basic income must be carefully analyzed to ensure that no one falls further behind.

Campaign 2000 is a non-partisan, cross-Canada coalition of over 120 organizations committed to ending child and family poverty in Canada. *Campaign 2000* works to increase public awareness of the levels and consequences of child/family poverty by publishing research on the indicators of child poverty and developing public education resources. Please visit www.campaign2000.ca for more information.

The above chapter is part of a compendium released in October 2016 by the *Canadian Centre for Policy Alternatives Ontario Office* entitled, "Basic Income: Rethinking Social Policy." Alex Himelfarb and Trish Hennessy are the editors.

The full compendium can be found at: <https://www.policyalternatives.ca/publications/reports/basic-income>