



An Act to develop a national framework for a guaranteed livable basic income

Submission to the Standing Senate Committee on National Finance's Study of Bill S-233

September 6, 2023

Submitted by: Basic Income Alberta

Basic Income Alberta (BIA) is a coalition of local organizing groups across the province, and supports the implementation of a Guaranteed Livable Basic Income (GLBI) in Canada. Basic Income Alberta recommends that the Standing Senate Committee on National Finance supports Bill S-233, *An Act to Develop a National Framework for a Guaranteed Livable Basic Income*, and send it to third reading as soon as possible.

Basic Income Alberta recommends the following principles are incorporated in the design of a basic income program for Canada:

- Enables individuals to have both (1) autonomous income to use as best meets their own needs; and (2) access to public services that benefit all of us.
- Need not replace other income programs that are working well, such as other forms of basic income already provided to children (0-17) and seniors (65+) e.g., employment insurance, CCB GIS, Canada and Quebec Pension plans.
- Replaces income provided through social assistance systems that impose paternalistic and stigmatizing conditions not applicable to other Canadians.
- Provides the security of an income floor that increases over time with the cost of living, declines gradually as income increases, and is enhanced in particular circumstances such as disability and lone-parenthood, consistent with the recognition such circumstances receive now in the tax system and other programs.
- Leaves no one receiving income support worse off than before a basic income program was implemented, substantially improves the wellbeing of those in the deepest poverty and to these ends changes services currently tied to social assistance receipt to ones that are geared to income.

- Works together with universal public services such as health care, education, child care, and pharmacare, and over time reduces the volume of need for services that treat the consequences of poverty and exclusion.
- Does not substitute for minimum wage or pay equity laws or other measures that ensure the paid labour market operates fairly, nor for the creation of new and better jobs; nor does a good basic income program design remove the need for an affordable housing strategy, the need to combat racism, other forms of discrimination and other factors linked to inequality.
- Is based on fair and progressive taxation.

These [Foundational Principles of a Basic Income Guarantee](#) were agreed upon by basic income advocates around the country, including the Basic Income Canada Network, Coalition Canada Basic Income – revenu de base, and many others. The GLBI framework proposed in Bill S-233 is aligned with these principles, and Basic Income Alberta is thus highly supportive of Bill S-233 and believes that developing a national framework is an important first step in establishing a GLBI in Canada and improving our social safety net.

The GLBI will come with significant, but not insurmountable, costs. The income testing proposed in the GLBI would help limit these costs by delivering payments only to those Canadians who are in need. Coordination and alignment with provincial income support programs (Alberta Supports, AISH) and federal benefits (OAS, GIS) would further reduce costs by eliminating duplications and creating efficiencies within our current social support systems while still allowing for the targeted supports these programs offer. Long overdue reforms to the tax system, such as automatic tax filing, could help fund the remaining costs of the GLBI and ensure benefits are delivered to those who need it the most. As demonstrated in a paper published by the University of Calgary’s School of Public Policy, it is also possible to fund a basic income entirely by lowering tax exemptions and eliminating the GST credit.¹ A basic income funded in this way would be both effective and affordable.

The GLBI has the potential to deliver significant cost savings in other systems (health care, social services, etc.) with no adverse effects on the labour supply. Evidence from the basic income pilot program completed in the 1970s in Dauphin, Manitoba show a minimal impact on labor supply, a reduction in hospitalizations, fewer mental health diagnosis, and fewer high school dropouts.² After Ontario’s newly elected government ended its basic income pilot half way through, a study was released showing that many of those previously employed not only kept their jobs but moved to higher-paying and more secure jobs.³

Creating a GBLI framework in Canada has multifaceted benefits. It not only eases the burden on healthcare and social services but also equips the country with a versatile tool to tackle its most pressing challenges namely, it will alleviate the strain on our healthcare system, further reduce poverty, and offer security for disruptive technologies like AI and automation. In a survey conducted in June of 2020,

¹ Stevens, Lee, et al. “A Guaranteed Basic Income for Canadians: Off the Table or within Reach?” *The School of Public Policy*, vol. 15, no. 20, 5 July 2022, <https://doi.org/10.11575/sppp.v15i1.75092>. Accessed 12 Sept. 2023.

² Forget, E. L. (2011) The Town With No Poverty: The Health Effects of a Canadian Guaranteed Annual Income Field Experiment. *Canadian Public Policy – Analyse de Politiques*. 37(3). Pp. 283 – 305. Retrieved from: <https://utpjournals.press/doi/pdf/10.3138/cpp.37.3.283>

³ See Ferdosi et al (2020). *Southern Ontario’s Basic Income Experience*. Retrieved from: <https://labourstudies.mcmaster.ca/documents/southern-ontarios-basic-income-experience.pdf>

Vibrant Communities Calgary and End Poverty Edmonton found that the majority of Albertans (60%) support the idea of implementing a basic income. The reasons behind support for a basic income included its ability to help people and families who need it most, to help people meet their basic needs, and to reduce poverty, including homelessness.⁴

Basic Income Alberta strongly encourages members of the Standing Senate Committee on National Finance to support Bill S-233, and to send it to third reading as soon as possible. Establishing a national framework for a GLBI will be an important first step in modernizing Canada's social safety net.

Sincerely,



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⁴ Vibrant Communities Calgary. (2020). Basic Income Perception Survey. <https://enoughforall.ca/resources/basic-income-perception-survey-with-albertans>