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# Basic Income & the 12 Bold Ideas Webinar/Community Dialogue

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# Basic Income: Calculating the Cost Savings and Downstream Benefits

- ❑ Previous research evaluating the feasibility of a basic income guarantee has tended to focus on the economic cost of the program, while **ignoring the economic benefits**.
- ❑ CUIR is a leadership group of university researchers and community organization representatives that engage in social research to reveal opportunities for improving quality of life.
- ❑ We are currently working with Basic Income Coalition Canada to **explore the true costs and benefits of a fully funded national basic income guarantee in Canada**.

# A Canadian Basic Income Guarantee

"A **Basic Income Guarantee (BIG)** is a type of UBI that is **universally available** but is only provided to **those who need it**. A BIG is an income floor beneath everyone's feet that eliminates the risk of falling into poverty should disaster strike — from a flood, fire, drought, pandemic or job loss from technological disruptions that force people out of one job and to retrain for another."

(Coalition Canada Basic Income, 2021)



## 12 BOLD IDEAS

- 1 Income
- 2 Asset Building
- 3 Social Enterprise
- 4 Childcare
- 5 Education
- 6 Healthcare
- 7 Transportation
- 8 Good Food
- 9 Housing
- 10 Justice
- 11 Literacy
- 12 System Navigation

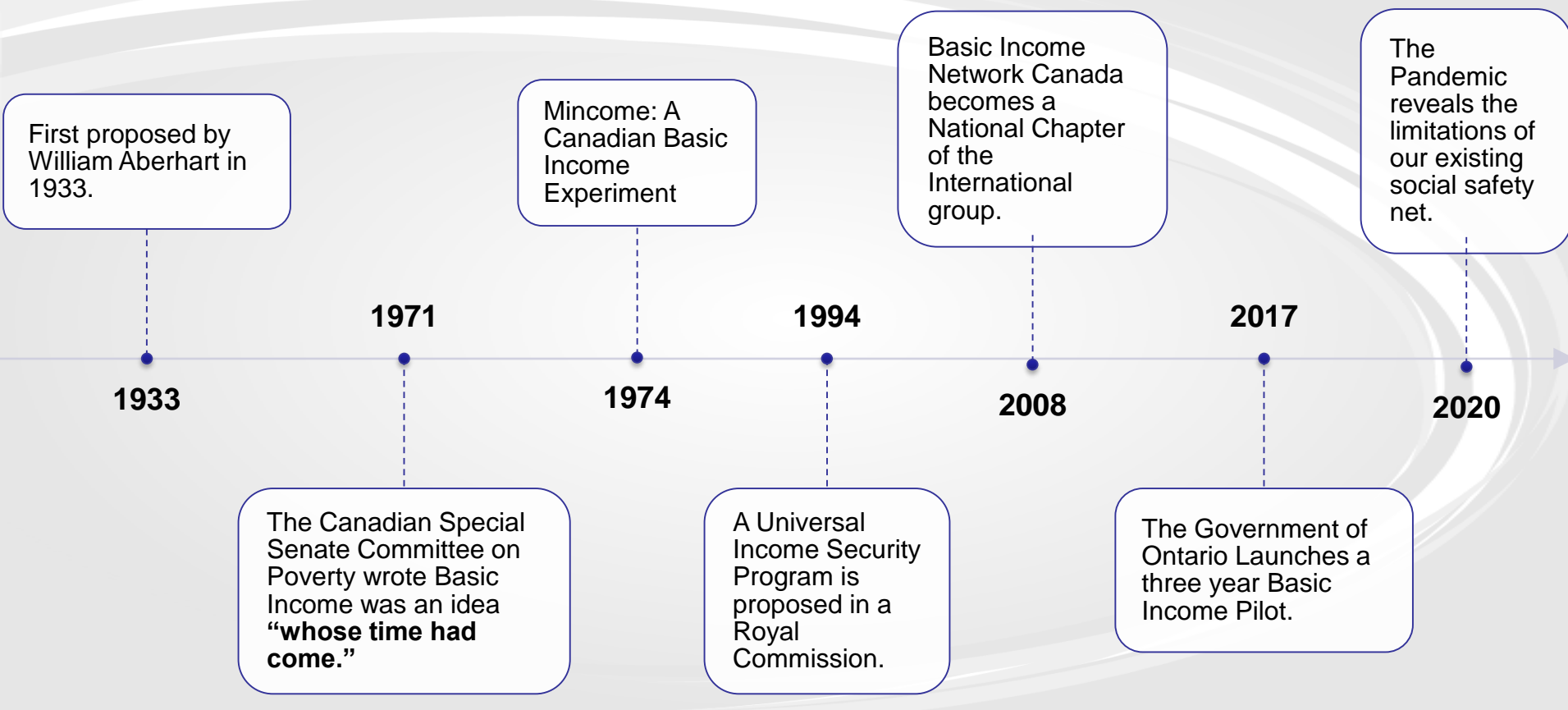
## 12 Bold Ideas To Eliminate Poverty

“We must design an **equitable system** that ensures everyone has **an income** needed to develop their **talents and abilities**, have the **choice to actively participate in an economic, cultural and social life**, while enjoying a good standard of living on a sustainable basis.”

(Saskatoon Poverty Reduction Partnership, 2019)



# The History of The Basic Income Debate in Canada



(Young & Mulvale, 2009)



# Mincome & S. Ontario's Basic Income Experience

## Similar Findings Nearly 45 Years Apart

- ⑩ Improvements in
  - ⑩ Physical and Mental Health
  - ⑩ Labour Market Participation
  - ⑩ Food Security
  - ⑩ Social Relationships
  - ⑩ Self-Worth, and Overall Well-Being

## Social & Economic Impacts of COVID-19

"This situation wasn't caused by COVID-19; it reflected changes that had been ongoing for decades...It revealed the inequality and economic insecurity people were already living with, and it forced us to acknowledge the limitations of our existing social safety net."

(Forget, 2020, p. 9)



## Social & Economic Impacts of COVID-19

- ❑ Facing a two-month work stoppage, about one in four families did not have enough savings to avoid falling into poverty in the absence of government transfers.
- ❑ At the start of the pandemic those not working due to COVID-19 reported the lowest levels of excellent or very good mental health (34%). But this group reported the largest increase in July at 61% - possibly **reflecting the impacts of government support programs.**

(Statistics Canada, 2020)





# Social & Economic Impacts of COVID-19

- 36% of Indigenous participants reported that the COVID-19 pandemic had a strong or moderate impact on their ability to meet financial obligations or essential needs. The corresponding rate among non-Indigenous participants was lower at 25%.

(Statistics Canada, 2020)



# IMPACTS OF A BASIC INCOME

- Labour Markets
- Health & Wellbeing
- Food Security
- Justice
- Education



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# LABOUR MARKETS



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## LABOUR MARKETS

"A host of important activities are unleashed when basic needs are secured outside of the market. These include **care work, education, community engagement, and artistic endeavors**. These alternate activities are highly socially productive and may improve our collective well-being--even though as sources of wealth they are not tracked by conventional income statistics."

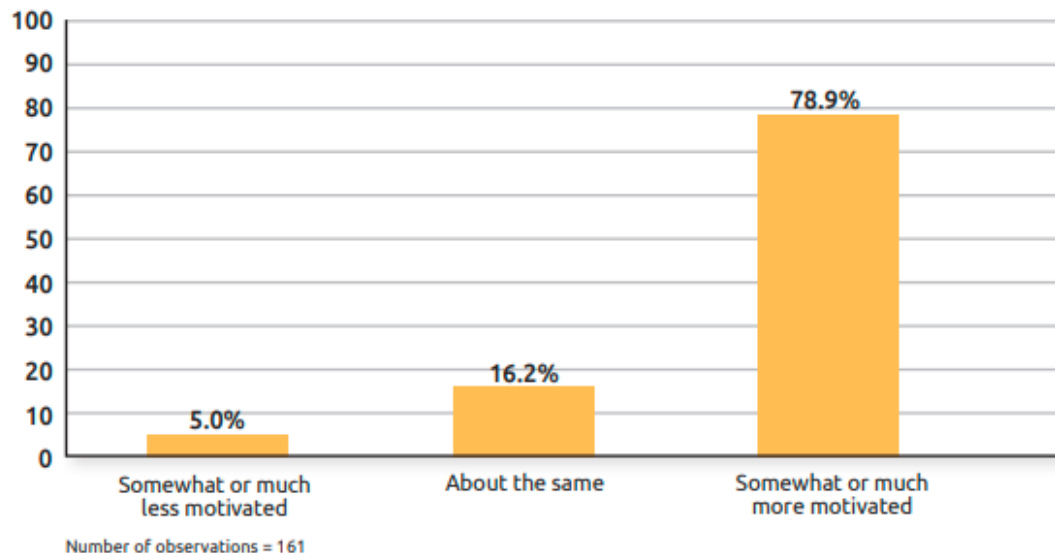
(Calnitsky & Latner, 2017)

## LABOUR MARKETS

Adapted from: Southern Ontario's Basic Income Experience

"My motivation for higher paying work stems from a motivation to escape work of the sort I was forced to engage in. ... I have attempted to end my own life on three occasions in the five years I've spent employed in those situations and consider the completion of my university education to be a means of avoiding danger just as much as I consider it a means to achieving a better life."

**10: Change in motivation to find a better paying job compared to before receiving basic income**



(Ferdosi et al., 2020, p.12)



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# HEALTH & WELL-BEING: CANADIAN FINDINGS

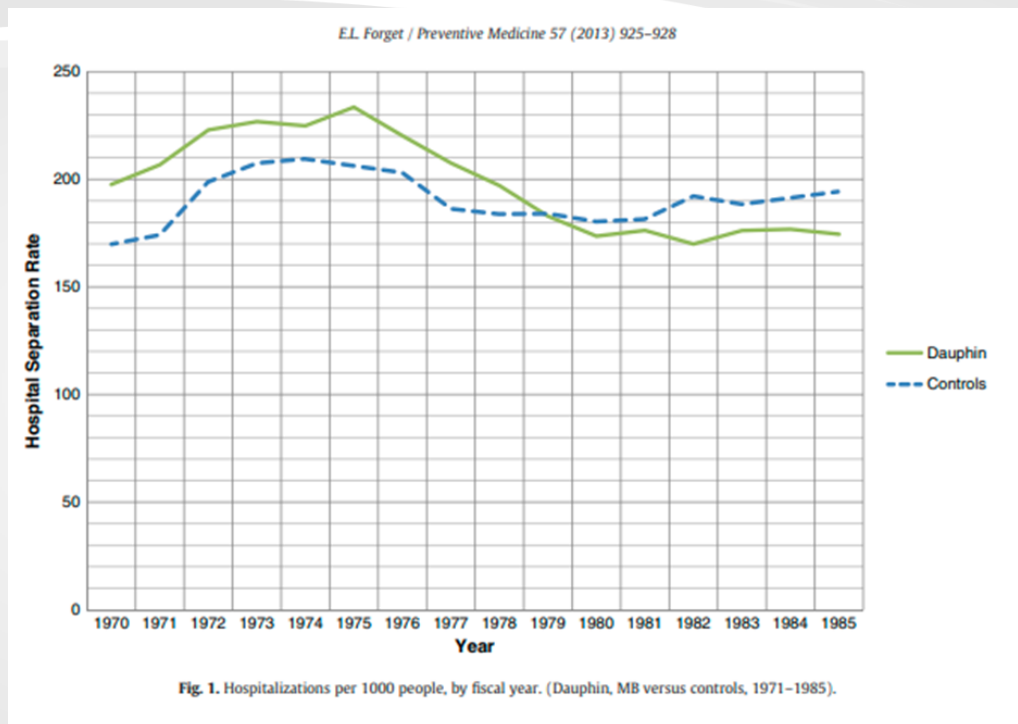


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## HEALTH & WELL-BEING: CANADIAN FINDINGS

Adapted from: New questions, new data, old interventions: The health effects of a guaranteed annual income.



Hospital separations fell 8.5% in Dauphin compared to control regions during Mincome, with significant differences in "accidents and injuries" and "mental health."

(Forget, 2013, p. 928)

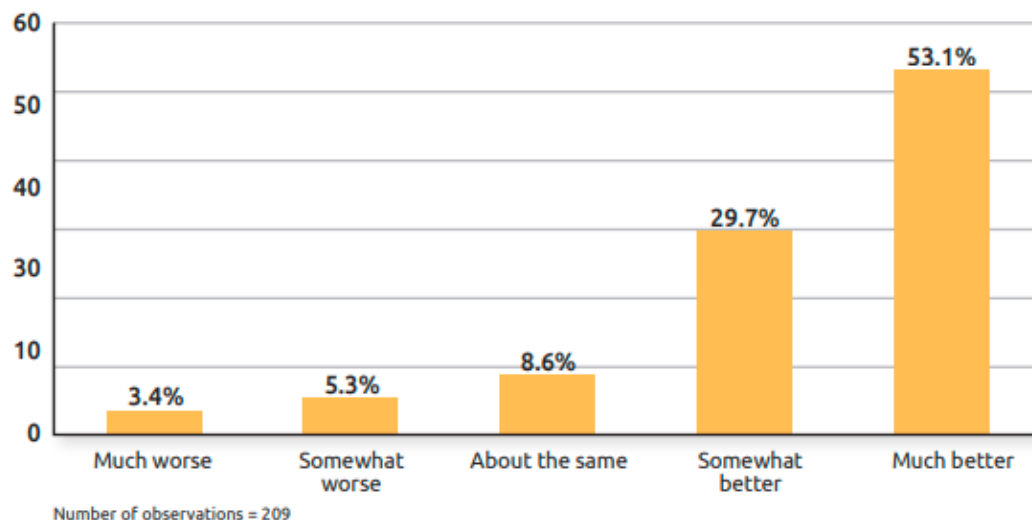


## HEALTH & WELL-BEING: CANADIAN FINDINGS

Adapted From: Southern Ontario's Basic Income Experience

“When I got basic income, the stress was gone, and it was just easier. ... Knowing I had a purpose, and being able to make a plan, because the extra financial resources allowed me to do that, does something profound to your mental health.”

2: Change in mental health status compared to before receiving basic income



(Ferdosi et al., 2020, p.7)

## HEALTH & WELL-BEING: CANADIAN FINDINGS

### **How do Canadian Families spend Benefits Income to increase well-being?**

Jones et al., suggest in their 2019 study that low-income families use benefits across multiple expenditure categories to improve childhood outcomes across a variety of categories.

### **Increased expenditure on:**

- ☐ Childcare
- ☐ Food at home
- ☐ Transportation
- ☐ Tuition & Computer Supplies

### **Decreased expenditure on:**

- ☐ Tobacco
- ☐ Alcohol

## HEALTH & WELL-BEING: CANADIAN FINDINGS

### Unconditional Prenatal Income Supplement and Birth Outcomes: Evidence from Manitoba (2003-2010)

- ❑ Placing conditions on income supplements may not be necessary to promote prenatal health
- ❑ Positive Outcomes Included: increased breast-feeding, reductions in low birth weight and premature births, as well as shorter hospital stays

(Brownell et al., 2016)



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# FOOD SECURITY: CANADIAN FINDINGS



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## **FOOD SECURITY: CANADIAN FINDINGS**

- ❑ 12.7% of Canadian households experienced some level of food insecurity in 2017-2018; there were more than 1.2 million children under the age of 18 living in food-insecure households. (Tarasuk & Mitchell, 2020)
- ❑ Compared with total annual health care costs in food-secure households, adjusted annual costs were:
  - ❑ 16% (\$235) higher in households with marginal food insecurity.
  - ❑ 32% (\$455) higher in households with moderate food insecurity.
  - ❑ 76% (\$1092) higher in households with severe food insecurity.

(Tarasuk et al., 2015)



## FOOD SECURITY: CANADIAN FINDINGS

### **How a Guaranteed Annual Income Would put Food Banks out of Business?**

• Emery et al., find in their 2013 study find that food insecurity prevalence decreases by almost 50 percent for low-income Canadians eligible for federal public pension benefits.

- ❑ This due to a shift in income source from employment and various transfer payment to seniors' benefits (largely OAS and GIS.)
- ❑ Self-reported health and self reported mental health status are consistently better among the food secure.

## FOOD SECURITY: CANADIAN FINDINGS

Following the implementation of the Canada Child Benefit in 2019, households with children experienced a drop in the likelihood of experiencing severe food insecurity from 3.6% to 2.5%. (Brown & Tarasuk, 2019)

Further research suggests that families use child benefit income on meals at home rather than meals at restaurants and fast food establishments.  
(Jones et al., 2019)





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# JUSTICE



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## JUSTICE

### **The Impact of Basic Income on Crime & The Cost of Crime in Canada**

- ❑ Mincome was associated with a change in violent crimes that amounts to 350 fewer violent crimes per 100,000 people compared to other towns.
- ❑ Mincome was further found to be associated with 1,400 fewer total crimes per 100,000 people.

(Calnitsky & Gonalons-Pons, 2020)

The Fraser Institute estimated the total cost of Crime in Canada was \$85.2 billion dollars (2012 dollars) in 2009/10. Pain and suffering comprised \$47 billion of this total cost. (Easton et al., 2014)



**JUSTICE**

**Income Changes and Intimate Partner Violence:  
Evidence from Unconditional Cash Transfers in Kenya**

- ❑ Following unconditional cash transfers in Kenya, there were decreases in intimate partner violence.
- ❑ There were also spillover effects, where physical violence towards non-recipient woman in treatment villages decreased.

(Haushofer et al., 2019)



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# EDUCATION



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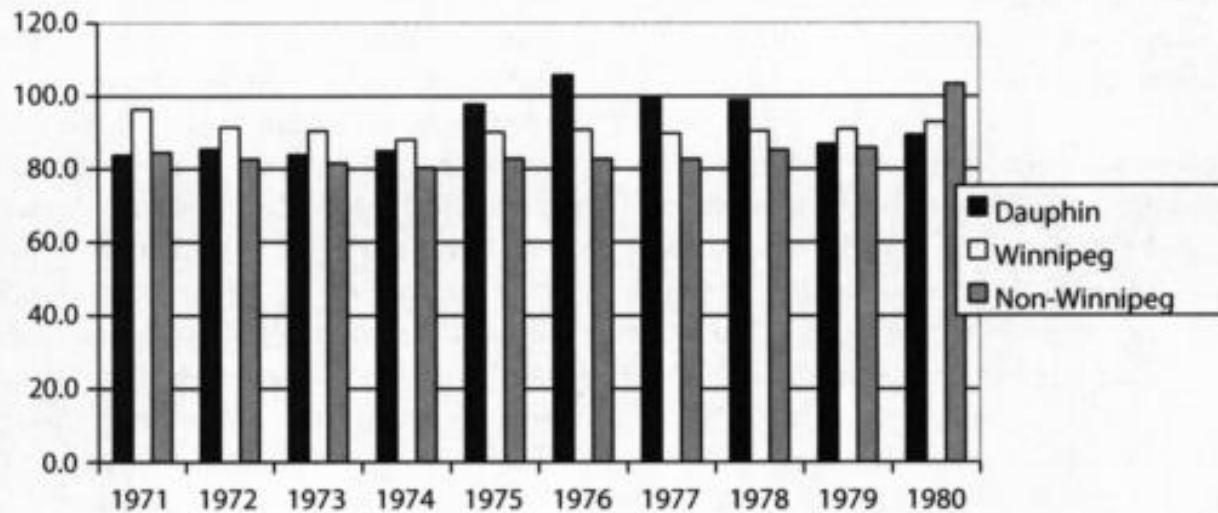


## EDUCATION

Adapted from: The Town with No Poverty: The Health Effects of a Canadian Guaranteed Annual Income Field Experiment.

FIGURE 1

Grade 12 Enrolment as a Percentage of Previous Year Grade 11 Enrolment



Source: Compilation by author.

(Forget, 2011, p.291)



## EDUCATION

S. Ontario's Basic Income Experience

“Basic income made things less stressful because we had some income coming in from the pilot, and from our work, and I could focus on my studies and not worry about how we were going to pay the rent.”

➡ 25% of respondents following the Southern Ontario Basic Income Pilot reported starting an educational program during the pilot.

(Ferdosi et al., 2020)

## EDUCATION

### Priceless: The Nonpecuniary Benefits of Schooling.

- ❑ Offers more opportunity for self-accomplishment, social interaction, and independence.
- ❑ Generates occupational prestige
- ❑ Reduces the chance of being on welfare or underemployed
- ❑ Improves success in the labour market and the marriage market
- ❑ Leads to better health, happier marriages, and more successful children
- ❑ Encourages patience and long-term thinking
- ❑ Reduces risky behaviour
- ❑ Promotes trust and civic participation

(Oreopoulos & Salvanes, 2011)





## IMPACTS OF A BASIC INCOME

# *Changing the Narrative*

### Federal Liberals deride 'beer and popcorn' money

Medium:  
Television

Program:  
CBC News: Sunday  
Night

Broadcast Date:  
Dec. 11, 2005

Guest(s):  
Rona Ambrose, Paul  
Martin, Scott Reid

Reporter:  
Terry Milewski

Duration:  
2:11

The Story [f](#) [t](#) [r](#) [in](#) [✉](#)

Forget the kids and crack open a cold one! And bring on the Jiffy Pop while you're at it, 'cause we're gettin' a hundred bucks a month for beer and popcorn! If a Liberal aide is to be believed, that's how parents will react to the Conservatives' child care plan that would pay \$100 monthly for every child under six. Early in the 2006 election campaign, communications director Scott Reid says that giving people money to "blow on beer and popcorn" is no substitute for a universal daycare system. In this CBC-TV clip, the Conservatives pounce on the gaffe. "It goes to show the Liberals don't trust Canadians with their own money," says MP Rona Ambrose.

<https://www.cbc.ca/archives/entry/federal-liberals-deride-beer-and-popcorn-money>





# DIFFERENT POPULATIONS

- Population specific considerations for a Basic Income
- LGBTQ2S Community
- Indigenous Community



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# LGBTQ2S COMMUNITY



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## LGBTQ2S COMMUNITY

"For the disproportionate number LGBTQ+ people living in situations such as – victims of discrimination, abuse and poverty – a UBI would be a game-changer.... not only are LGBTQ+ people facing financial barriers as alluded to above, but some places are a lot less accepting than others, and to even contemplate moving towns or countries is an impossibility for many. A UBI would allow someone to save their money and eventually move to a more accepting place."

(Rozental-Devis, 2020)

## LGBTQ2S COMMUNITY

### Canadian Findings

- ❑ Trans PULSE findings showed that while 71% of trans people in Ontario have at least some college or university education, about half make \$15,000 per year or less.
- ❑ 18% of Trans Ontarians had been turned down for a job because of their trans identities or histories and another 32% were unsure if they were turned down because they were trans.
- ❑ 13% say they were fired for being trans and another 15% were fired from their jobs, but were unsure if it was because they were trans.

(Bauer et al., 2011)

## LGBTQ2S COMMUNITY

It is clear from the previous Canadian findings that Canada's LGBTQ2S community members are victims of discrimination. Discrimination occurs in many contexts and serves to prevent community members from accessing the supports needed to move out of poverty.

(Badgett et al., 2013)



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# INDIGENOUS COMMUNITIES



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## INDIGENOUS COMMUNITIES

"A UBI could serve as a necessary cycle breaker. A Basic Income could provide the same opportunities to First Nations people that Canadians born on the other side of the system enjoy. This crisis could help Canada move away from systems that perpetuate poverty and marginalize First Nations people."

(Avveduti, 2020)

## INDIGENOUS COMMUNITIES

### Key Considerations

"Benefits that other jurisdictions might realize from a B.I.G. cannot be automatically assumed to apply to First Nations. For example, would a B.I.G. that reduced food insecurity in an urban setting be sufficient to do so in a remote First Nation where three bananas might cost \$18? With such a contrasting "face of poverty" evidenced in First Nations communities, can a policy that might be viable in municipalities and rural communities be adequate for the needs of First Nations members and communities?"

(Broad & Nadjiwon-Smith, 2017)

## INDIGENOUS COMMUNITIES

What are the benefits that stand to be gained? Education as an Example.

The Total Social Benefit of closing the Indigenous Education Gap is \$137.3 billion. This captures rates of criminality, welfare dependence decline, volunteering, civic minded individuals, improved childcare, reduced teen pregnancy, and improved healthcare. (Howe, 2017)



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# Thank you for attending!

## Questions or Comments?



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