

Susan Hubay
Peterborough
Ontario

Canadian Response to the COVID-19 Pandemic

Members of The Standing Committee on Industry, Science and Technology,

The Basic Income Peterborough Network recognizes the income security issues created by the COVID-19 pandemic. However, income insecurity was widespread in Canada, predating the virus. We agree that the CERB was an essential response. Now, as economic uncertainty continues, BIPN recommends that the Federal Government transform the Canada Emergency Response Benefit (CERB) into a Basic Income for all 18-64 year olds regardless of work status at the monthly amount of CERB (\$2000), with a gradual reduction as other income rises. This policy option is well researched and modelled for Canada by leading economists.¹

The Federal government has demonstrated through the Canada Child Benefit, the Guaranteed Income Supplement for seniors, and most recently with CERB that it has the capacity to administer effective programs that meet the needs of many Canadians. A Basic Income is needed, however, since the programs to date have been targeted to specific groups, leaving many adults behind.

The pandemic has shown that anyone's circumstances could turn abruptly. A Basic Income provides an income floor for all individuals. It is a response to a crisis that addresses the needs of everyone, especially those with so little income security now. It is also proactive, allowing people the security to plan for their futures, enabling them to stay healthy and providing a stimulus for the economy. Likewise, it helps ensure that the Government has a strong system of support in place before the next major crisis occurs.

Evidence from basic income pilots here and around the world, and from established Canadian basic income-like programs that provide unconditional cash, reveals the same pattern of results—people work differently, the same or more. People have options to go back to school to get a better job, undertake care work for a dependent or better combine care work and employment. They get better jobs² and start their own businesses and community enterprises³. This is in addition to overall improvements in wellbeing.⁴ The *cost* of a basic

¹ https://www.basicincomecanada.org/policy_options - https://www.basicincomecanada.org/revenu_de_base

² <https://labourstudies.mcmaster.ca/documents/southern-ontarios-basic-income-experience.pdf>

³ *Signposts to Success*, BICN results of a survey of Ontario Basic Income Pilot recipients shows Canadian experience. See also *Basic Income: A Transformative Policy for India* by Sarath Davala and Guy Standing, Bloomsbury Publishing, 2015

⁴ <https://www.theguardian.com/society/2020/may/07/finnish-basic-income-pilot-improved-wellbeing-study-finds-coronavirus>

income is not a *loss*—the money goes directly back into the economy, especially locally, for food, rent, home repairs, haircuts, and everything else needed for daily living. Canada's Child Benefits are credited with strengthening the economy and providing a stimulus⁵.

Recommendations:

- 1. That the federal government establish a basic income guarantee for 18-64 year olds comparable to the CERB monthly amount of \$2000, ensuring that some benefits continue into the middle-income deciles, consistent with the design and principles of Option One in *Basic Income: Some Policy Options for Canada*⁶ This option recognizes that a small boost in income will also be needed for low-income seniors, especially single seniors, in order to ensure fairness.**
- 2. That the federal government consult and work with recognized academic and non-government experts who have been researching, working for a basic income and developing policy design for Canada as well as those who have expertise in developing and implementing related pilots and programs.**
- 3. That the federal government lead in immediately adopting a basic income guarantee in response to the pandemic and as a way to recover and rebuild the economy, adapting as evidence may require, while working towards a fully national basic income, in collaboration with provinces, territories, municipalities and First Nations, to ensure that all orders of government contribute and benefit fairly and that other necessary changes and supports are made appropriately to ensure that no one is left behind.**

About BIPN

Basic Income Peterborough Network is a non partisan group run by volunteers, which have been bringing together community members and representatives from local organizations to advocate for a Basic Income for people living in Canada since 2015. BIPN sees a basic income as a means of eliminating poverty, while revitalizing our local economy. We are guided by academic research, citizen input and government reports. We have conducted local public education sessions on a Basic Income, and have advocated for a Basic Income at municipal, provincial, and federal levels of government.

⁵<https://www.ctvnews.ca/politics/bank-governor-credits-liberal-stimulus-with-stronger-economy-1.3500252>

⁶https://www.basicincomecanada.org/policy_options - https://www.basicincomecanada.org/revenu_de_base