

BASIC INCOME: MAKING THE CASE FOR WOMEN & GENDER EQUITY

Submitted By: Tracy Smith-Carrier, MSW, PhD, OCT, RSW
Chloe Halpenny, MSc, MPhil

On behalf of the Case for Basic Income for Women, including Coalition
Canada Basic Income Guarantee, Ontario Basic Income Network, Basic
Income Canada Network, and Basic Income Canada Youth Network

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EXECUTIVE SUMMARY

The impacts of COVID-19 have not been gender-neutral. Relative to their male counterparts, women are more likely to shoulder the disproportionate share of unpaid and unrecognized caring labour; experience poverty; be precariously employed in minimum-wage jobs; receive less in pension and other contributory programs; and experience gender-based violence or abuse. Moreover, women are more likely to have fewer assets, less savings, lower wages, and less pensionable income compared to men. COVID-19 has exposed – and is exacerbating – many of these inequities. For women who occupy multiple marginalized identities (e.g., related to age, race, class, disability, sexual orientation, and so on), the effects of disadvantage are often compounded, resulting in poorer health, social, and economic outcomes.

A strong economic recovery plan must recognize women's disproportionate vulnerability to financial and health shocks. Now is the time to adopt a permanent basic income program in order to ensure that no one—and critically, no woman—gets left behind. A universally accessible, income-tested basic income would increase women's bargaining power related to employment; facilitate access to more options in housing and childcare; provide financial security for women to leave abusive relationships; and lead to improved physical and mental health. Crucially, a basic income has the potential to be an explicitly-feminist policy, supported by a Gender-Based Analysis Plus (GBA+) and intersectional feminist lens.

Recommendation:

- 1. By January 2021, the Government of Canada must commit to replacing all existing emergency benefits (e.g., Canada Recovery Benefit) with a permanent basic income for all Canadians who need it. Not a replacement for vital services and social supports, a basic income must be provided unconditionally and at an adequate level (e.g., at or above the poverty line) in order to eliminate income insecurity.**

INTRODUCTION

Despite Canada's progress on gender equity, disparities remain that disproportionately disadvantage women in this country. Relative to men, women are more likely to:

- Shoulder a greater disproportionate share of unpaid and unrecognized caring labour;¹
- Experience poverty;²
- Be precariously employed in minimum wage jobs;
- Receive less in pension and other contributory programs;³ and
- Experience gender-based violence or abuse.⁴

In addition to these inequities, the impacts of COVID-19 have been gendered, adversely affecting women to a greater extent than men:

- In terms of **health**, the World Health Organization estimates that 70% of health and social service providers worldwide are women. These women largely represent frontline workers with the greatest exposure to this deadly virus.⁵ Women have also reported poorer mental health outcomes and higher stress levels than men since the onset of COVID-19.⁶

- Thinking of **employment**, more than half (56%) of women in Canada are employed in the Five Cs: caring, clerical, catering, cashiering, and cleaning work.⁷ Given that a large share of women-dominated jobs reside in the low-waged retail and service sectors, women have experienced job loss at twice the rate of men in the working-age population. Countless others have seen their hours significantly reduced during this period.⁸
- The pandemic has intensified the **gendered division of labour**. In 1989, Arlie Hochschild⁹ described the burden of the “second shift,” whereby women are expected to perform both paid and unpaid (domestic, emotional, and caregiving) labour. Now, many mothers are finding themselves similarly thrust into a “third shift” as instructors to their school-age children in need of home schooling or tutoring.

For women who occupy **multiple marginalized identities** (e.g., related to age, race, class, disability, sexual orientation, and so on), the effects of disadvantage – prior to *and* during COVID-19 – are often compounded, resulting in poorer health, social, and economic outcomes.

The prevalence of poverty among Black, Indigenous, and women of colour, newcomer women, and women with disabilities is particularly high.¹⁰ In addition to being

¹ Neysmith, S., Baker-Collins, S., & Reitsma-Street, M. (2012). *Beyond caring labour to provisioning work*. University of Toronto Press.

² Sekharan, V. (2015, March 25). Infographic: Canadian Women in Poverty. *Homeless Hub*. <https://www.homelesshub.ca/blog/infographic-canadian-women-poverty>

³ Vosko, L. F. (Ed.). (2006). *Precarious employment: Understanding labour market insecurity in Canada* (pp. 43-66). McGill-Queen's University Press.

⁴ Gunraj, A., & Howard, J. (2020, April 9). Why is the COVID-19 pandemic linked to more gender-based violence? Canadian Women's Foundation.

<https://canadianwomen.org/blog/covid-19-pandemic-gender-based-violence/>

⁵ Wright, T. (2020, April 10). COVID-19 has greater impact on women advocates say. *National Observer*.

<https://www.nationalobserver.com/2020/04/10/news/covid-19-has-greater-impact-women-advocates-say>

⁶ Moyser, M. (2020). Gender differences in mental health during the COVID-19 pandemic. *Statistics Canada*. <https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00047-eng.htm>

⁷ Moyser, M. (2017). Women in Canada: A Gender-based Statistical Report. *Statistics Canada*. <https://www150.statcan.gc.ca/n1/pub/89-503-x/2015001/article/14694-eng.htm>

⁸ Wright, T. (2020, April 10). COVID-19 has greater impact on women advocates say. *National Observer*.

<https://www.nationalobserver.com/2020/04/10/news/covid-19-has-greater-impact-women-advocates-say>

⁹ Hochschild, A., with Machung, A. (1989). *The second shift: Working parents and the revolution at home*. Viking.

¹⁰ Canadian Women's Foundation. (2018). Fact sheet: Women and poverty in Canada. <https://www.canadianwomen.org/wp-content/uploads/2018/09/Fact-Sheet-WOMEN-POVERTY-September-2018.pdf>

feminized, frontline work is also racialized, with up to 80% of women working as aides in long-term care homes in Montreal being Black.¹¹ Ongoing systemic inequalities increase the vulnerability of Indigenous families living on reserves due to overcrowded housing and a lack of clean water for regular handwashing.¹² As such, Indigenous peoples, particularly Indigenous women, have been subjected to greater exposure to COVID-19 than their non-Indigenous counterparts. For many women, citizenship status and employment history serve as major barriers to accessing existing federal emergency benefits.¹³

Quoting a recent report by YWCA Toronto, “when viewed through an intersectional lens that is centred on gender, it is evident that diverse communities of women in Canada face a range of risks during this pandemic.”¹⁴ COVID-19 has exposed and exacerbated existing inequities, in addition to creating new ones. A strong economic recovery plan must recognize women’s disproportionate vulnerability to financial and health shocks. Now is the time to adopt a permanent basic income program in order to ensure that no one – and critically, no woman – gets left behind.

¹¹ Bouka, A.A., & Bouka, Y. (2020). Canada’s COVID blind spots on race, immigration and labour. *Policy Options*.
<https://policyoptions.irpp.org/magazines/may-2020/canadas-covid-19-blind-spots-on-race-immigration-and-labour/>

¹² Carling, A., & Mankani, I. (2020). Systemic inequities increase Covid-19 risk for Indigenous people in Canada. Human Rights Watch.
<https://www.hrw.org/news/2020/06/09/systemic-inequities-increase-covid-19-risk-indigenous-people-canada>

¹³ Lim, J. (2020, April 2). A third of unemployed Canadians left out of EI and the CERB, analysis says. *iPolitics*. <https://ipolitics.ca/2020/04/02/a-third-of-unemployed-canadians-left-out-of-ei-and-the-cerb-analysis-says/>

BASIC INCOME

A basic income is a regular payment made through the tax system to ensure that everyone has income security. The principles of basic income include:

- *Adequacy* – it is enough money to live on
- *Autonomy* – it offers people more choice
- *Dignity* – there is no stigma attached
- *Equality of Opportunity* – it offers opportunities for everyone
- *Non-conditionality* – it is administered with no strings attached
- *Universality of Access* - anyone who needs it, gets it¹⁵

A basic income ensures that everyone has the right to an adequate standard of living.

IMPACTS OF A BASIC INCOME

Employment

Offered as an adequate, non-conditional, and individual benefit, the provision of a basic income could facilitate women’s economic independence. With a basic income guarantee, women would have access to greater opportunities and choices: to further their education or training, to start a business, to stay at home to raise a family or to leave a toxic or unsafe job.

[unemployed-canadians-left-out-of-ei-and-the-cerb-analysis-says/](https://www.ywcatoronto.org/Assets/YWCA/Documents/An%20Intersectional%20Approach%20to%20COVID-19%20She-Covery.pdf)

¹⁴ Rezaee, J.R. (2020). An Intersectional Approach to COVID-19 She-Covery. YWCA Toronto.
<https://www.ywcatoronto.org/Assets/YWCA/Documents/An%20Intersectional%20Approach%20to%20COVID-19%20She-Covery.pdf>

¹⁵ Basic Income Canada Network. (2020). The basic income we want.

https://www.basicincomecanada.org/the_basic_income_we_want#:~:text=We%20believe%20principles%20including%20universality,basic%20income%20dialogue%20and%20design.

Accordingly, a basic income would give women:

- More bargaining power in employment;¹⁶
- More flexibility in determining and negotiating their hours of work, with resources to pay public or private childcare providers (e.g., other family members) as necessary; and
- Recognition for their unpaid labour, “not as a payment for care work but as a universal support for care work, providing everyone with a more effective opportunity to engage in it.”¹⁷

This is particularly relevant in the context of COVID-19, with accelerating technological advances putting women at a distinct risk of automation-related job loss.¹⁸

Housing

A basic income would help ensure women’s access to adequate housing options and would equip them with the financial means to improve their housing prospects. Women would have improved ability to select housing to better meet their families’ bedroom and space requirements, broaden their choice in neighbourhood selection (including those perceived to be safer), and secure accommodation in closer proximity to important amenities.¹⁹

Intimate Partner Violence

Intimate partner violence has been on the rise amidst the COVID-19 pandemic.²⁰ Access to finances is one of the most significant factors in determining whether a woman stays or leaves an abusive relationship. A basic income would provide more choice for women if, and when, fleeing intimate partner violence, as well as support in choosing a housing neighbourhood that would ensure their family’s access to safety.²¹

Health and Well-being

Income is the single most important determinant of health—the lack of it results in a multitude of adverse health consequences.²² Significant research documents a strong connection between maternal and child health outcomes. The provision of a basic income, a veritable exit out of poverty, would invariably improve the health and well-being of mother and child. Moreover, it is expected that the assurance of income stability is likely to result in improvements for women in terms of both mental health as well as food security.

THE COST OF A BASIC INCOME

Canada is a wealthy country, and yet, its expenditures on health and income transfers are relatively low. In fact, Canada’s total public social expenditures as a percentage of Gross Domestic Product (GDP) is one of

¹⁶ Zelleke, A. (2011). Feminist political theory and the argument for an unconditional basic income. *Policy and Politics*, 39(1), 27-42. 9

¹⁷ Baker, J. (2008). All things considered, should feminists embrace basic income? *Basic Income Studies*, 3(3), p. 4. 9

¹⁸ Statistics Canada. (2020). Automation of job tasks may affect more women than men. <https://www150.statcan.gc.ca/n1/daily-quotidien/200924/dq200924e-eng.htm>

¹⁹ Smith-Carrier, T., & Benbow, S. (2019). Access to a basic income: Exploring a matricentric feminist approach to

poverty alleviation for mothers in Ontario. *Journal of the Motherhood Initiative: Matricentric Feminism*, 10(1-2), 45-58.

²⁰ Owen, B. (2020, October 15). Calls to Canadian domestic violence helplines jump during pandemic. CTV News. <https://www.ctvnews.ca/canada/calls-to-canadian-domestic-violence-helplines-jump-during-pandemic-1.5145983>

²¹ Smith-Carrier, T., & Benbow, S. (2019). Access to a basic income: Exploring a matricentric feminist approach to poverty alleviation for mothers in Ontario. *Journal of the Motherhood Initiative: Matricentric Feminism*, 10(1-2), 45-58.

²² Raphael, D. (2011). *Poverty in Canada: Implications for health and quality of life*. Canadian Scholars’ Press.

the lowest among Organisation for Economic Co-operation and Development (OECD) countries, at 17.3% relative to 28.0% for Denmark and 31.2% for France in 2018.²³

Rather than assigning funds to the charitable food sector or emergency aid—supports that do not meaningfully address poverty and food insecurity²⁴—a basic income represents a valuable **investment in people** that directly addresses income insecurity and its adverse consequences.

The ability of the government to respond quickly in the wake of this pandemic demonstrates that we can act swiftly to ensure a prosperous future for all. The Canada Emergency Response Benefit (CERB) and Canada Recovery Benefit (CRB) offer vital supports to individuals and families. These programs provide a useful platform for the launch of a permanent program that will provide necessary security and stability post-COVID-19.

People behave differently if they know that the income assistance they can receive is only temporary. With a permanent basic income, people – and women in particular – will be better equipped to make important decisions that have long-term implications for them and their families. They may choose to go back to school, start a business, or find new work opportunities.

Recent costings by the Basic Income Canada Network²⁵ as well as the Parliamentary Budget Officer²⁶ provide useful benchmarks in terms of the cost of a basic income. The costs of providing a basic income will depend on the generosity of the program and how it interacts with existing income support programs. Crucially, however, the costs of *NOT* providing a basic income are immense. We cannot afford to perpetually deal with the symptoms of income security.²⁷ We must tackle the root causes, including those related to economic and health crises, poor economic conditions, and our precarious labour market.

Canada is the only G7 country not to apply wealth, gift, or inheritance taxes on its citizenry. It is also the G7 country with the lowest corporate tax rate on wealthy corporations, and a country that taxes income from wages at a higher rate than income derived from capital gains and dividends. The current tax system provides a wealth of tax breaks for those in the upper quintile of the income distribution; it may be time to consider moving to a more progressive system.²⁸ These changes are one means of contributing to the funds necessary to support the provision of an adequate basic income. The savings associated with eliminating provincial social assistance programs should also be considered.

²³ Banting, K., Forget, E., & Segal, H. (2020). A federal Basic Income within the Post COVID-19 Economic Recovery Plan. https://rsc-src.ca/sites/default/files/FBI%20PB_EN.pdf

²⁴ Smith-Carrier, T. (2020). Charity isn't just, or always charitable: Exploring charitable and justice models of social support. *Journal of Human Rights and Social Work*, 5(3), 157-163.

²⁵ Pasma, S. & Regehr, S. (2020). Basic Income: Some Policy Options for Canada. *Basic Income Canada Network*. https://www.basicincomecanada.org/policy_options

²⁶ Ammar, N., Busby, C., & Ahmed, S.M. (2020). *Costing a Guaranteed Basic Income During the COVID Pandemic*. Parliamentary Budget Officer. https://www.pbo-dpb.gc.ca/web/default/files/Documents/Reports/RP-2021-014-M/RP-2021-014-M_en.pdf

²⁷ Canada Without Poverty (n.d.) *The Cost of Poverty*. <https://cwp-csp.ca/poverty/the-cost-of-poverty/>

²⁸ Macdonald, D. (2018). *Born to win: Wealth concentration in Canada since 1999*. *Canadian Centre for Policy Alternatives*. <https://www.policyalternatives.ca/publications/reports/born-to-win>

RESEARCH & EVIDENCE

The body of research demonstrating the advantages of a basic income (alternatively referred to as citizens' incomes, guaranteed annual incomes, and more) is substantial. Basic income pilots and experiments consistently show favourable outcomes, including improvements in individuals' health and mental health, positive gains in work and education outcomes, and economic growth.²⁹ In Canada, results from the Mincome study in Manitoba showed an 8.5% decrease in the

hospitalization rate over the span of a mere three years of the pilot project.³⁰

It is important to note that there is no evidence that supports the work disincentive argument. People in receipt of a basic income have not been shown to reduce their participation in the labour force because they receive an income benefit. Modest decreases, in the few cases where they have been found, are largely related to people either taking time off work to improve their education and training or to better care for their families.³¹

RECOMMENDATION

1. By January 2021, the Government of Canada must commit to replacing all existing emergency benefits (e.g., Canada Recovery Benefit) with a permanent basic income for all Canadians who need it.

Not as a replacement for vital services and social supports, a basic income must be provided unconditionally and at an adequate level (e.g., at or above the poverty line) in order to eliminate income insecurity.

CONCLUSION

A basic income is not intended to replace vital services and social supports like housing and childcare. Rather, it is an effective, just, and evidence-based approach to engender income security and directly address poverty and food insecurity. A basic income would also offer women more choices and opportunities in many significant domains of their lives. As such, it represents an important step forward in the pursuit of gender equality, as well as an opportune policy in light of this government's feminist approach to public policy.

²⁹ Smith-Carrier, T. A., & Green, S. (2017). Another low road to basic income? Mapping a pragmatic model for adopting a basic income in Canada. *Basic Income Studies*, 12(2), 1-25. 0

³⁰ Forget, E. (2011). The town with no poverty: The health effects of a Canadian guaranteed annual income field experiment. *Canadian Public Policy*, 37(3), 283-305.

³¹ Gilbert, R., Murphy, N. A., Stepka, A., Barrett, M., & Worku, D. (2018). Would a basic income guarantee reduce the motivation to work? An analysis of labor responses in 16 trial programs. *Basic Income Studies*, 13(2).