

BC Basic Income Panel Final Report

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November, 2021

- Mandate was to consider whether to shift to centring the transfer and support system on a basic income or, alternatively, how to make other reforms based on basic income principles
- Commissioned over 40 research projects from researchers across Canada
- Extensive discussions with affected groups and a survey of opinions
- Simulations of different options using BC administrative data
- Consultations with related ministries after the interim report

- Goal: A more just society defined as one that provides the bases of self and social respect for everyone ‘
- Basic income principles focus on liberty and individual choice ⇒ Cash
- True autonomy stands on a base of good health, housing and community. This, not just the money to make individual choices, is what we owe our fellow citizens
- Just institutions are equilibrium constructs ⇒ reciprocity, public trust, fiscal responsibility

‘We Nisgaa have always organized our lives and society around a concept called Saytkilh Woosim, which means Our Common Bowl. Under this principle, it is understood that since everyone relies on the same resources and community, all must contribute. Its about sharing energy, wisdom, spirit, joy, and sadness and it touches all aspects of life. It means no one gets left behind.’

Chief Joseph Gosnell,

‘A First Nation, Again: The Return of Self-Government and Self-Reliance in Canadas Nisgaa Nation,’ 2003

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- Claims that it is needed because of the end of work are not supported in the data
- Claims about how it would re-make society lack clear empirical foundation

Should BC Run a BI Pilot?

No

- Expensive approach that would not be able to mimic a true BI
- Implement policies in a gradualist way that allows for evaluation and adjustment

Recommendations for Reform

- We present a co-ordinated, substantial reform
- Involves changes to how IA is delivered but also in Children in Care (ageing out of care), labour market regulation, health, and housing
- A key element is ongoing engagement with affected communities in initial design and ongoing adjustment
- Human Rights based approach can be a basis for this

Disability Supports

- Create a Basic Income like OAS/GIS
- Increase monthly payment by \$500 per month (to MBM line)
- New system of evaluation based on medical condition and integrated with other systems
- Support for work if desired (lower Benefit Reduction Rate to 70%) and create an Assisted to Work system
- Remove Asset test
- Deliver benefits through tax system
- Engage the Community

Women and Children Fleeing Domestic Violence

- Increase funding for domestic violence housing facilities
- Three tiered system
 - Immediate ‘basic income’
 - Integrated support involving medical support, housing, transportation, etc.
 - Transition to ETW only after establish stable housing and once medical conditions allow it
- Engage the Community

Expected to Work

- Make \$300 Covid increase permanent
- Eliminate 3 week job search test
- Eliminate asset test
- Reduce Benefit Reduction Rate from 100% to 70%
- For workers over 50, keep cases open for 2 years
- Evaluate the Single Parent Employment Initiative and consider extending it

20% of single adults living in poverty work more than 40 weeks per year

- **Labour Market Regulation**

- Develop Gig Work Employment Standards
- Enhance proactive Employment Standards Act enforcement
- Improve employment standards for fissured work
- Proactively facilitate Industrial Councils

- **Earnings Subsidy Targeted at Working Poor**

Youth Ageing out of Care

- 1000 per year but they make up 19% of IA payments to 20 year olds and 15% of deaths of those age 15 to 34
 - 1 Reform MCFD - more resources to have more 'boots on the ground'
 - 2 Have a specific ministry or agency in charge of youth
 - 3 Fund programs through community organizations with the main goal being a consistent, supportive base (education and employment secondary)
 - 4 Provide a guaranteed income equal to the poverty line for ages 19, 20, and 21. Reduce by 25% each year thereafter, but can be suspended for education attendance
 - 5 **Recommendation 4) must be done in conjunction with 3)**
 - 6 Engage the Community

Create an Extended Health Benefits System

- Cover all low-income persons irrespective of IA status
- Extend many health benefits now only for IA
- Benefits phase out smoothly with income (no notch)
- **PRIORITY:** Basic dental (employability, long-run health)
- Transfer all to BC Ministry of Health
- Establish independent insurance administrative agency

Housing

- Continue with Supply Side Policies
- Merge the Shelter Allowance into a single payment, paid irrespective of rent
- Establish BC Rent Assist program to replace existing programs
 - Benefit based on portion of gap between x% of median rent and 30% of income
 - Coverage all IA and non-IA based only on income and family size
 - Method to integrate with IA benefit; simple formula and application

Child Related Benefits

- Target Child Opportunity Benefit more on poverty by raising tax-back rates
- Reform increase base benefits per child by 50% (first child from \$1600 to \$2400)
- Reform feasible on cost-neutral basis, bring BC into line with other provinces

Create an Assisted to Work System

- Relevant groups for ATW eligibility:
 - IA category of persons with moderate-persistent disabilities
 - Youth aging out of care
 - Long-term unemployed persons
- Create ATW program for these groups to provide individualized supports and, if needed, long term
- Consider establishing public agency for assessment, rehab, work support services to encompass IA disabled, WorkSafe BC, ICBC

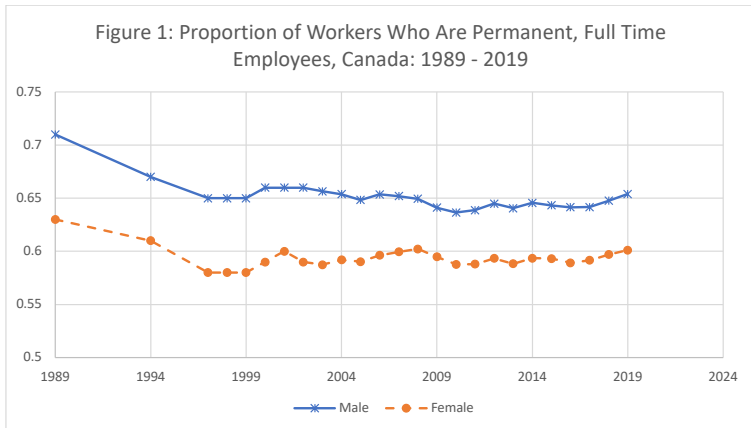
Technical Issues

- Harmonize definition of income across programs. Use concepts on income tax return: net income +/- adjustments
- Annual indexation of IA cash benefit levels by statutory requirement (MBM)
- Automatic tax filing: engage CRA to prepopulate tax returns for low incomes
- Increase within-year tax responsiveness to income changes: engage CRA
- Improve BC program access to tax data: engage CRA
- Cross-program accessibility: data provided cross-program and auto enrolment At what income level does an individual gain IA status? 'break-even' level versus guarantee level.

Conclusion

- We do not recommend that BC shift to relying on a basic income
- We do not recommend a pilot study
 - Instead, we recommend incremental change with evaluation and consultation built in
- We recommend a mixed system with both broad and targeted basic services, basic incomes for some groups, and labour market regulation and earnings subsidy reforms. The total cost is estimated between \$3.3 and \$5 billion.
- Process is important: ongoing approach to build public trust and to engage with affected communities in a human rights based outlook
- We believe these changes will help in moving British Columbia to being a more just society - a continuous quest

Proportion in Full Time - Full Year Jobs



Canada Labour Share

Figure 8: Canada: Unadjusted Labour Share
1961Q1 - 2020Q1

