



EXECUTIVE SUMMARY

A Federal Basic Income within the Post COVID-19 Economic Recovery Plan

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COVID-19 has shone a harsh light on the extent of poverty in Canada. The arrival of the pandemic in Canada affected the health of the population and made unprecedented demands on the healthcare system across Canada. The greatest impact fell on expressly vulnerable populations in long term healthcare facilities, amongst migrant guest worker clusters and in areas of more intense concentrations of large urban populations. That these Canadians were living in low-income, high-density areas of larger communities where space and self-isolation were more difficult, contributed to their enhanced infection rate. Their diminished health prospects affect their families, neighbourhoods, and resistance to any infection, let alone an infection as potentially life threatening as the COVID-19 Coronavirus.

When normal economic activity was interrupted by the exigencies of public health driven lockdowns, the shutdown disproportionately affected people who, before the pandemic, were living on incomes beneath the poverty line, or dependent upon low paying hourly remunerated jobs, usually part time and without appropriate benefits. Those living beneath the poverty line in Canada, three million of welfare poor and working poor, include a disproportionately large population of Black and Indigenous people and people of colour.

This paper addresses the challenge of inclusive economic recovery considering:

- why poverty must now be effectively addressed within any coherent and inclusive economic and health strategy
- the weakness of income security frameworks as they existed before the onslaught of the pandemic
- empirical evidence indicating more effective ways of reducing poverty
- a rational and pragmatic implementation plan for substantial poverty eradication

Recommendations

It is the authors' recommendation that, rather than an endless federal-provincial negotiation of how best to proceed, the federal government should announce its intention to:

- Introduce a Basic Income Guarantee close to the Market Basket Measure, paid monthly, to residents of Canada between the ages of 18 and 64;
- Design the Basic Income Guarantee so that those with no income would receive the full benefit, but those with other sources of income would receive a benefit reduced by a proportion of their other income;
- Deliver the benefit using the same set of on-line accounts supplemented with direct access for those without on-line accounts as was used to deliver the CERB;
- Allow the benefit to vary monthly in response to changing needs.