



Beyond the Basics: Guaranteed Livable Basic Income & Bill S-233

Senator Kim Pate
Ontario

The Financial Costs of a Guaranteed Livable Basic Income

There are two ways to look at the cost of a Guaranteed Livable Basic Income (GLBI). The first examines the upfront costs of delivering the program and various ways to finance these costs. The second is to recognize that GLBI is an investment in the community that will pay off in terms of less pressure on existing social programs and higher tax revenues for various levels of government.

Upfront Costs

One criticism often made of GLBI programs is that they are very expensive and likely to lead to a significant increase in the tax burden that will make the middle class worse off. Some proposals do precisely that: they estimate very high program costs and suggest financing these costs by raising taxes and eliminating tax credits that benefit the middle class. The Basic Income Canada Network (BICN) has [documented](#) the impact of the decisions involved in designing and resourcing a GLBI.

The [Parliamentary Budget Office](#) (PBO), for example, considered a program that would guarantee individuals between 18 and 64 an annual income of \$16,989 and couples \$24,027, reduced by \$0.50 for every dollar earned. That is, the total amount of money received by any family would decline as their earned income increased, disappearing entirely for individuals at \$33,978 and for couples at \$48,054. People with disabilities would receive an additional \$6,000 per year. As a consequence, poverty rates would fall by 49% and the incomes of the poorest 20% of Canadians increase by \$4,535 or 17.5% each year.

This, however, would come at a very significant cost of \$87.6 billion per year. In order to fully pay this cost, the PBO suggested eliminating a variety of tax credits often used by the middle class, which would make the poorest 40% better off but leave 60% of households marginally worse off.¹ The PBO also considered potential savings from provincial income assistance programs.

This design was based on the Ontario GLBI [experiment](#). There are other ways to design a targeted GLBI. For example, the way in which adult children living with their families are treated might be changed. In the PBO calculation, benefits were based only on the income of an applicant and their partner, if they had one. However, this implies that adult children living with their parents in high-income families might receive support even though their parents would not qualify. This need not be part of the design. Benefits could be calculated based on the census family, in which adult children living with their parents receive a benefit based on total family income. If their family income is high, adult children living at home would not receive a benefit even if their own earnings are low. This design allows young people who are parents or are working and living on their own to receive necessary support, while ensuring that adult children living in families with adequate means do not.

This design could reduce costs by 40% while raising benefit levels and reducing the poverty rate by as much as the PBO design.² For each dollar earned, benefits would fall by \$0.50. Children under 18 would continue to receive the Canada Child Benefit, and seniors would receive OAS and, if they qualify, the Guaranteed Income Supplement and/or Canada Pension Plan. With this design, no current beneficiary of social programs would be worse off and most would be substantially better off. Deep poverty is virtually eliminated, and the poverty rate would decline by approximately the same amount as the PBO design.

The upfront cost of delivering a GLBI is very dependent on details. This example demonstrates substantial savings associated with one change in the definition of the family that reduces the gross costs to a level similar to other government expenditures that have been enacted.

It is, however, the net costs of the plan that are important. Approximately 5% of the population under 65 [currently receives](#) provincial social assistance. Since a BI would reduce the need for provincial social assistance, part of the necessary funding for a GLBI could come from the provinces.³ The rest could be paid for by progressive tax changes that primarily affect the highest-income earners. Middle-income earners and, in particular, seniors need not bear the burden.

¹ Annual after-tax and transfer income for the top three income quintiles fell by about \$1,600 on average.

² For families with three or more adults, the maximum benefit is calculated by multiplying the maximum benefit for a single adult by the square root of the number of adults in the family. The “square-root rule” is used in benefit design around the world to account for “economies of scale” – it costs less for two people living together to meet their basic needs, than for each to live separately. The numbers are from 2022.

³ Note that not all of the provincial income assistance budget could be diverted because the provinces would still be responsible for province-specific and emergency needs, as well as services for people with disabilities.

Return on Investment

Past BI programs have generated a wide range of positive outcomes on education (e.g., schooling, skill training), health (e.g., physical health, nutrition), entrepreneurship (e.g., employment), social integration (e.g., civic engagement), subjective well-being (e.g., emotional wellbeing, mental health), assets (e.g., income, savings), and housing (e.g., housing stability), but with no significant increases in spending on temptation goods (e.g., alcohol, drugs), in both [the developing world](#) and [the developed world](#).

A GLBI that reduces poverty would have substantial and far-reaching effects both on the families whose lives are transformed and on society at large. A conservative estimate of the costs of poverty is 4% of GDP, or approximately \$80 B annually.⁴ These costs include reduced economic growth and higher costs in our healthcare and criminal justice systems, as well as costs borne by others.

One third of these costs are borne directly by the government in the form of lower tax revenues and higher expenditures. A program that substantially reduces poverty will enhance economic activity and improve the health and wellbeing of the population making it at least partially self-financing over time.

Estimating the social return on investment (SRO), or the amount that could be saved by investing in a GLBI, is more challenging than estimating the upfront costs because of the uncertainty associated with how much and how quickly the costs of poverty might fall. The Community-University Institute for Social Research at the University of Saskatchewan used a design similar to the PBO and the best information available to [estimate](#) the Social Return on Investment at 1.06. In other words, every dollar invested in a GLBI generates \$1.06 in savings.

GLBI can reduce the fiscal burden on the government because recipients who become more financially independent rely less on social and health services. A recent Vancouver [study](#) of unconditional cash transfers to homeless individuals has demonstrated the \$7,500 cash transfer generated savings of \$8,277 per individual per year (a 110% return) via reduced reliance on social and health services. The \$777 net savings suggest that a carefully designed basic income program can be cost-effective, saving governments and taxpayers money.

⁴ According to the Homeless Hub, poverty costs Canada between [\\$72 and \\$84 B annually](#). Earlier estimates place the cost of poverty at [6.6% of GDP](#).

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Will Guaranteed Livable Basic Income Discourage Work?

The [Parliamentary Budget Officer](#), in consultation with David Green, reviewed the empirical evidence and concluded that a guaranteed livable basic income (GLBI) might reduce the number of hours worked by, at most, 1.5%. The recent [basic income experiment in Finland](#) showed no significant difference in hours worked between those who received a basic income (BI) and those who did not. Many basic income trials have shown that GLBI has [little negative impact](#) on labor supply. In fact, [a recent review](#) shows that BI actually increased labor supply globally among adults, men and women, young and old. The slight but insignificant reduction in labor supply was found in workers who were children, the elderly, the sick, those with disabilities, women with young children, and young people who continued their schooling after receiving BI.

This is entirely consistent with experimental evidence in Canada. A survey conducted in the wake of the cancellation of the [Ontario Basic Income](#) experiment suggested that recipients who were working before participation, continued to work while receiving support. Some took the opportunity to seek better jobs. Those who were not working used the opportunity to hone job skills.

The Canada Emergency Response Benefit (CERB) offered income support during the recent pandemic. While it differed in many respects from a GLBI, its impact on work is telling. A [survey](#) conducted by the Canadian Centre for Policy Alternatives suggested that the program allowed 66% of those who returned to work to re-enter the workforce on terms that worked for them. 62% took the opportunity to re-examine career choices, and 57% were able to find better work rather than settling for the first opportunity that arose. In addition, 37% of recipients invested in job training or education.

The fear that a GLBI might discourage work is not consistent with empirical evidence. The aggregate level of employment in Canada is strongly influenced by the monetary policy of the Bank of Canada, rather than the attitudes of individual Canadians.

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Will Guaranteed Livable Basic Income Cause Inflation?

[A recent analysis](#) suggests that guaranteed livable basic income (GLBI) is unlikely to cause inflation because it involves the redistribution of money rather than the creation of new money.

One of the fears that many people have is that money received by people with low incomes through GLBI will all be absorbed by rent increases leaving recipients no better off. GLBI will not solve the housing crisis, and there is still need of all the other tools available to make rental housing available in areas of low availability. However, it is not the case that recipients would be no better off if they receive cash from a GLBI.

Recipients of additional money from GLBI do not all have identical needs and not everyone will spend all the money they receive on rent. Some will seek better housing; others will economize on housing by living with roommates or family, and spend the money instead on better food or transportation or education. One of the real benefits of a GLBI is that it does not restrict the ways in which recipients can spend the cash.

Consider the different ways in which a housing benefit might be designed. In traditional welfare programs, there is a “shelter benefit” and, in some cases, it is paid directly to landlords. The result of an increase is quite predictable; in the absence of rent control, the “rent” of the lowest-quality housing will increase proportionately with the shelter benefit leaving recipients no better off.

By contrast, a portable housing benefit allows recipients, whether they receive income support or rely on wage income, to rent where and how they like. In most cases, recipients are still required to show rent receipts, so they do not have complete control over the money. Some [evidence](#) suggests that rents on low-rent housing increase, but by less than the amount of the benefit. Landlords and recipients share the benefits of portable housing subsidies, possibly leading to improvements in the quality of the housing. This has been the reported effect in Manitoba, which has had portable housing benefits since 2015. [Canadian Mortgage and Housing Corporation \(CMHC\) data](#) does not suggest that Rent Assist is driving up rents in Manitoba, although there might be a small effect on the lowest-cost housing.

A GLBI goes one step further. Because households do not have to provide rent receipts, money received as a cash transfer does not need to be spent on housing at all. This creates an opportunity for households to have greater control over the ways they meet their perceived needs, and is likely to have an even smaller effect on the lowest quality of housing.

Overall, it is the fungibility of cash that ensures that GLBI will not be inflationary as long as the aggregate money supply is not increased.

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Reaching Those Most Marginalized

Guaranteed livable basic income (GLBI) can reach virtually everyone who needs it through channels even outside the tax system. For those who do not file taxes, GLBI presents a financial inclusion opportunity to integrate the most marginalized individuals into the financial system by providing them with free [ID replacement services](#), free [chequing accounts](#), and free [mobile phones](#), such that people can open accounts and receive payments, as demonstrated in many [cash-transfer programs](#) in the developing world.

Furthermore, the move to automatic tax filing for low- or zero-income earners – recently given a boost in the [2023 Budget](#) – will progressively make it easier to use the tax system to deliver a BI benefit. One example of such innovation is the [T1S-D Credit and Benefit Return](#) that was developed by the Canada Revenue Agency to facilitate the delivery of the Canada Child Benefit to Indigenous households living on reserve who are not required to file income tax returns.

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Guaranteed Livable Basic Income & Existing Programs

The relationship between a Guaranteed Livable Basic Income (GLBI) and existing social programs is a central concern. GLBI is a form of income replacement; it provides money to individuals, but not goods or services associated with special circumstances. It cannot replace goods or services offered to meet particular needs, such as healthcare, job training or education. It can, however, replace many cash transfers from the government to individuals, such as provincial income assistance or the GST credit. This could [reduce administrative costs](#) because it removes significant administrative processing resources (e.g., application, evaluation, monitoring costs). This said, how GLBI [intersects with existing social services](#) (e.g., disability, income assistance, child support) needs to be carefully thought out.

One example of how existing programs might work with a GLBI concerns people with disabilities (PWD). In all provinces, PWD are eligible for some forms of income replacement if they cannot work. In some provinces, such as Ontario, only people receiving disability support (e.g., ODSP) are eligible for necessary health supports, such as mobility devices, hearing aids, prescriptions, etc. The program uses caseworkers to help people navigate a complex system. The coupling of services and income support has discouraged some PWD from entering the workforce because they fear loss of access to specialized services that they might require at some point.

Other provinces are working hard to de-couple the provision of health supports from income replacement because some people who work and do not need income replacement may need help with prescriptions or mobility devices, while other PWD need income replacement but have no need for health services. Similarly, some seniors require health supports but do not need income replacement through the disability income support system. Some PWD rely heavily on their caseworker, while others find the caseworker either unhelpful or detrimental.

Manitoba, like some other provinces, offers all residents (and not just PWD) support for prescription drugs based solely on the level of their income and not its source. Working people with low incomes receive free or heavily subsidized prescriptions, just as do people on income assistance. Similarly, people who do not receive disability income support can receive assistance with technological or mobility supports, or with transportation. Therefore, there is no disincentive to undertake work that might be appropriate. This process of de-coupling goods and services from income replacement is ongoing in several provinces.

The role of the caseworker has similarly attracted scrutiny. Manitoba is implementing a system for people with long-term disabilities that makes the caseworker optional. People who do not require their services are not required to go through the caseworker. Those who find caseworkers helpful have greater access because there is less pressure on the system. The province is also working with trusted community organizations, such as CNIB (Canadian National Institute for the Blind), to certify and train community workers to serve as navigators. This has been appreciated by the disabilities community because of past experiences with government provided caseworkers. This process is both efficient from an economic point of view and empowering for individuals.

The bottom line is that GLBI does not replace goods and services that have been put in place to meet particular needs or goals. It can replace some cash transfers. Separating these two kinds of supports is already underway because the perverse incentives associated with tied provision have already been recognized by the provinces. GLBI will support and encourage this process.

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The Cognitive Tax of Scarcity

What Is Scarcity?

Scarcity is the condition of having insufficient resources to cope with the demand (e.g., having less money than you need). Most studies on scarcity focus on the shortage of money, but the same principles apply to other resources (e.g., scarcity of time, food, water, energy, social interactions; Zhao & Tomm, 2018).

What Is the Cognitive Tax of Scarcity?

Studies have found that having insufficient money makes people focus on the money issue at hand (e.g., paying rent) while causing them to neglect other things in their life that also need attention (e.g., paying attention to their children; Mullainathan & Shafir, 2013; Zhao & Tomm, 2017, 2018).

The cognitive tax of scarcity comes in at least three forms.

1. Having to Focus on Money Problems

First, having to focus on money problems is cognitively taxing because it requires people to think hard about how to solve the problem using their insufficient financial resources (Shah et al., 2012). An analogy is if you only have a small carry-on suitcase to pack for a week-long vacation, packing is a lot more difficult than if you have two large suitcases that you can check. Scarcity requires people to do trade-off thinking (e.g., if I spend money on this, what things do I have to give up?) which is mentally exhausting. Scarcity also highlights the monetary dimension of everyday experiences for people under scarcity (Shah et al., 2018). For example, hanging out with friends is a social experience for most, but for a low-income individual, it automatically raises the question of how much money it will cost.

2. Focusing on One Thing Means a Lack of Focus on Something Else

Second, focusing on one thing means a lack of focus on something else (Mani et al., 2013). Scarcity puts people in a firefighting mode in the present, causing them to neglect other important things in their life, such as long-term planning or taking care of their health. An even more detrimental effect of scarcity is that it can make people neglect beneficial opportunities (e.g., social assistance, job training opportunities) that can help them get out of scarcity (Tomm & Zhao, 2016). This is one reason that the take-up rate of many poverty-reduction programs is low. Scarcity can put people in a tunnel vision where they can only focus narrowly on something while losing sight of the bigger picture (Shah et al., 2012). Scarcity also reduces the mental bandwidth overall. For example, people under scarcity perform less well on a range of cognitive tests (Mani et al., 2013), are less able to control their impulses (Mani, et al., 2020), tend to forget more (Tomm & Zhao, 2017), and make more errors at work (Kaur et al., 2021). These behaviors can be particularly problematic because they can make people lose their jobs, incur larger fees or debts, which can make perpetuate the cycle of scarcity.

3. Social Environment

Third, money scarcity is often associated with a social environment characterized by discrimination, stereotypes, and stigma. For example, people with lower socio-economic status (SES) are typically seen by others as less competent (Durante, et al., 2017). These negative perceptions place a huge burden on the mind of people with lower SES (a term called stereotype threat). These threats make people self-monitor more and more concerned about others' views and behaviors, which take up mental bandwidth (Duquenois, 2022; Schmader et al., 2018).

How to Remove the Cognitive Tax of Scarcity?

Studies have shown that cognitive training targeting the individual (e.g., cognitive training, teaching people to think differently) don't work (Sala & Gobet, 2019). But interventions targeting the scarcity situation (e.g., raising the income floor, providing income security) work the best (Ong et al., 2019). For example, a recent study (Dwyer et al., 2023) shows that providing a cash transfer to people experiencing homelessness not only provides cognitive benefits, but also a range of behavioural improvements for the long term that end up saving governments money. But providing these individuals with coaching and workshop had no impact whatsoever.

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How Guaranteed Livable Income Benefits and Supports Indigenous Communities & Peoples

“While the effects of colonialism have been devastating to the social, physical, and mental health of our communities, one of its most nefarious objectives was the deliberate exclusion of Indigenous Peoples from sharing in the wealth of this country.”

- National Indigenous Economic Strategy of Canada, 2022

A national guaranteed livable basic income (GLBI) designed in collaboration and through consultation with Indigenous Peoples could be one tool available to Indigenous Nations to enhance self-determination. It could provide individuals in need with pathways out of poverty and ensure Nations have increased financial flexibility to self-govern.

Critically, GLBI would operate as an addition to, not a replacement for, specific programs and supports available to and implemented by and for Indigenous Peoples. A GLBI could represent an investment for Canada in redressing the systemic economic injustice it has perpetuated while also honouring historic and ongoing Treaty obligations.

Chief Darlene Bernard, Chief of the Lennox Island First Nation and Co-Chair of the Epekwitk Assembly of Councils, [supports GLBI](#) to help lift people out of poverty. In PEI, 50% of Mi'kmaq Peoples live below the poverty line. In 2020, Chief Bernard called on the provincial government to implement GLBI with the direct involvement of the Mi'kmaq, to reduce poverty for community members and all Islanders.

Indigenous Support for a Guaranteed Livable Basic Income

Bill S-233 proposes a national framework for implementing a GLBI based on consultation with Indigenous Nations. Consistent with *The United Nations Declaration on the Rights of Indigenous Peoples*, such consultation, cooperation, and informed consent are integral to ensuring the success of GLBI.

NDP Member of Parliament, Leah Gazan, from Treaty One Territory, sponsors Bill C-223 in the House of Commons. Bill C-223 is identical to Bill S-233. [MP Gazan sees](#) GLBI as “the most effective way to eradicate poverty, support the health care and justice systems, and is our best chance at eliminating gender-based violence.” She emphasizes the essential role of consultation and coordination with Indigenous governments and leaders in both bills, in order to advance reconciliation and uphold inherent Indigenous rights and sovereignty.

Anishinaabe writer, scholar and activist, Dr. Niigaan Sinclair, supports MP Gazan’s bill, stating GLBI “would mean those most marginalized by an economy never have to worry about being without. It would act as a safety net, not a luxury ride, for those who access it.”

Indigenous women are disproportionately harmed by the intersections of colonialism, racism, poverty, and sexism. GLBI offers economic and social support and a grassroots approach that can help women and keep communities safe and secure. Responding to social and economic marginalization is one of the four key pathways to end and redress genocide identified in the ***Missing and Murdered Indigenous Women and Girls*** (MMIWG) Calls for Justice:

MMIWG Call for Justice 4.5: We call upon all governments to establish a guaranteed annual livable income for all Canadians, including Indigenous Peoples, to meet all their social and economic needs. This income must take into account diverse needs, realities, and geographic locations.

Other key findings in the report of the MMIWG Inquiry as well as the Truth and Reconciliation Commission Calls to Action focus on economic initiatives that could intersect with GLBI.

Colonialism & Poverty

Canada’s current approach to ending poverty is leaving millions behind, especially First Nations, Métis and Inuit Peoples who experience high levels of poverty. Colonialism and methodical, state-sponsored policies forced Indigenous Peoples and communities from their homes and lands, depriving them of their traditional ways of life, economies, food sources, languages, and culture. The genocidal impact of systemic colonialism is evident in current rates of

marginalization, impoverishment, isolation, and institutionalization – especially when it comes to criminalization and incarceration.

The [Canadian Poverty Institute](#) continuously reports higher rates of Indigenous Peoples living in poverty compared to non-Indigenous individuals. According to data from the [2016 census](#), four out of every five First Nations reserves have median incomes that fall below the poverty line.

Infrastructure Gaps & Lack of Capital in Indigenous Communities

Indigenous communities have significant infrastructure gaps in essentials like housing, water treatments, education facilities, and energy grids. A recent report estimated that a total of \$425 billion dollars is needed to close the infrastructure gap.

Colonial policies like the *Indian Act* made Indigenous Peoples wards of the state, displaced them from their traditional territories, and dismantled Indigenous governance and economic systems. These colonial practices denied Indigenous Peoples meaningful participation in the economy, leaving them increasingly dependent on federal funding. Today, many reserves have inadequate and overcrowded housing. The infrastructure gap is a product of purposeful exclusion of Indigenous Nations from full participation in Canada’s economic development, in addition to ongoing failure by Canada to meaningfully and systemically redress this discrimination.

Canadian laws characterize Indigenous reserves as property of the Crown, which means that Indigenous communities have fewer options to secure capital and leverage existing assets as collateral within Canadian financial systems. Too often, the result is increased borrowing rates that create a barrier to equity investments. The reserve system and other practices created and perpetuated by the Indian Act have reduced Indigenous communities' access to capital and equity, and meaningful participation in the economy.

Indigenous GLBI Initiatives and Self-Governance

Assembly of First Nations, National Chief Cindy Woodhouse Nepinak has called on the government to provide sufficient funding to close the infrastructure gap and respond to the Calls for Justice of the ***National Inquiry into Missing and Murdered Indigenous Women and Girls***.¹

The ***United Nations Declaration on the Rights of Indigenous Peoples*** recognizes and upholds inherent rights to self-determination, including the ability to self-govern and finance internal affairs, as well as the right to freely determine economic, social, and cultural development. GLBI could support Indigenous self-determination while also supporting individual entrepreneurship and social mobility.

¹ Assembly of First Nations, 2024 Press Release, “Budget 2024 Leaves a Long Way to Go for First Nations, says AFN National Chief Woodhouse Nepinak”.

Indigenous Children

A financial safety net can help parents maintain custody of their children, provide basic needs, and raise their children within culture and community. Indigenous children are overrepresented in foster care. [As of 2021](#), 26.3% of children in Canadian foster care were registered as Indigenous children from communities off reserve, 7.6% from on reserve communities, 5.8% were Métis children, 2.6% were Inuit, and 9.2% were non-status Indigenous.

A [study](#) conducted by the Canadian Centre for Policy Alternatives found that Indigenous children in Canada are more than twice as likely to live in poverty than non-Indigenous children.² Indigenous children face poverty rates five times higher than the national average. The government reports that Canada's policies [have left 53%](#)—more than half—of children in Indigenous communities in poverty.

One of the first guaranteed income programs in North America was established in 1976. The **Economic Security Program for Cree Hunters** provides income support for Cree families who hunt, trap and fish, as part of the traditional ways of life at the heart of Cree culture and identity. This ongoing initiative has helped ensure financial security and independence for nearly 50 years. It is an example of how an unconditional, national GLBI can facilitate self-governing means of creating and enhancing cultural and economic opportunities.

Dignity and Addressing Systemic Economic Harm

Systemic barriers and racism too often also lead to increased poverty, criminalization, housing insecurity, and other social issues like addiction that disproportionately harm Indigenous Peoples.

Indigenous Peoples are overrepresented in the criminal legal system, over-surveilled and socially excluded, resulting in mass incarceration and criminalization dating back to the creation of the *Indian Act*. Indigenous Peoples are [ten times more likely](#) than others in Canada to be incarcerated and more likely to serve out their entire sentence. [Indigenous youth are overrepresented](#) in both custody and community supervision, accounting for 50% of custody admissions and 42% of community supervision admissions in Canada.

Criminal records jeopardize access to housing and employment, which in turn is detrimental to reintegration into community and can lead to re-criminalization and entrenched poverty.

Indigenous populations, particularly in northern and remote communities, experience higher rates of homelessness. [As of 2023](#), 29% of people living homeless in Canada are Indigenous. Over 13% of those in core housing need (i.e., paying more than 30% of their income for shelter) are Indigenous. Inuit households are overcrowded at more than [double the rate](#) of non-Indigenous

² Canadian Centre for Policy Alternatives, [Delivering the Goods: Alternative Federal Budget](#), 2015, page 106.

people living in the same areas and more than triple the rate of Indigenous compared to non-Indigenous households are in need of major repair in most provinces.

Conclusion

Providing a financial safety net could be part of Canada's work to redress colonial barriers rooted in poverty for Inuit, Métis, and First Nations Peoples. A federally funded national GLBI developed through a nation-to-nation process could provide options for Indigenous Peoples that could help redress specific systemic poverty-related inequalities and injustices and enhance economic self-determination and self-governance.

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Beyond the Basics: Guaranteed Livable Basic Income & Bill S-233

Senator Kim Pate
Ontario

How Guaranteed Livable Income Benefits and Supports Farming and Fishing Industries

Farmers, fishers and ultimately all Canadians can benefit from easing pressure and stress on the food production and supply chain through guaranteed livable basic income (GLBI).

Canadians working in the fishing and agricultural industry face financial uncertainty due to various natural events and circumstances that are outside their control, but which can greatly impact and vary income, all of which can cause significant stress. In addition to the costs of operating farms and fisheries, these industries rely on favourable weather for lucrative crops, as well as economic factors such as tariffs and trade agreements.

Farmers and Fishers: Mental Health and the Lack of Supports

While research on the connection between GLBI and food production is in its early stages, a starting point has been the mental health crises experienced throughout the Canadian agricultural industry. According to the [Mental Health Commission of Canada](#), the major reason for these crises is financial instability. Approximately half of all farmers regularly experience depression, anxiety and stress. In a 2022 study, one third of farmers [reported](#) that they thought about suicide within the past year.

In a 2023 report, the National Farmers Union Mental Health Working Group made six [recommendations](#) to implement policies which enhance economic stability for farmers and farm workers and to continue to enhance supports to farmers transitioning to sustainable farming practice.

National income support programs could work to address these issues by providing a safety net to relieve farmers of some financial pressure, as the current Employment Insurance (EI) program tends to leave out many fishery employees and there are no real, concrete support services or programs targeted at supporting food producers and their employees in their fight against income insecurity.

EI fails most employees, especially those whose income comes from inconsistent hours, and those who do not work a more traditional, five-day work week.¹ As a result, workers are turning to existing forms of incremental support from provincial and federal governments. A GLBI could work with, not replace, existing supports, to ensure that upon coming into force, no beneficiary of social programs would be worse off and most would be substantially better off.

Better Conditions in the Food Production Industries

GLBI could sustain the livelihood of food producers in addition to improving labour conditions for their employees and improving product quality for farmers and fishery owners. With the safety net provided by GLBI, food producers could be granted crucial freedom of choice and decision making in their production.

Fishery and agricultural producers are under immense pressure to meet food supply demands in order to produce revenue. When working conditions along the food supply chain become healthier, Canadians can expect the quality of food supply to follow the same path.

Future of Food Production

Income support programs can be one aspect of a national strategy for supporting the future of the Canadian food industry. By 2033, [40% of Canadian farm operators will retire](#), placing agriculture on the cusp of one of the biggest labour and leadership transitions in the country's history.

GLBI could create a safety net for new and incoming producers. It can serve rural communities across Canada as startup support for entering the fishing and farming industry, ultimately supporting industry growth and sustainability.

A program that substantially reduces poverty can enhance financial security across all industries, generally relieve our agricultural producers of financial stress, as well as improve labour conditions and produce quality in our national food industries.

¹ Employment Insurance benefits for farmers have strict requirements: <https://www.canada.ca/en/services/benefits/ei/ei-farmers.html>

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