

Towards a Guaranteed Livable Income

A CPJ position paper on GLI

Approved by the Board of Directors: June 9, 2008

CITIZENS *for* PUBLIC JUSTICE





CITIZENS *for* PUBLIC JUSTICE

Our Vision

- CPJ is committed to seek human flourishing and the integrity of creation as our faithful response to God’s call for love, justice and stewardship.
- We envision a world in which individuals, communities, societal institutions and governments all contribute to and benefit from the common good.

Our Mission

- CPJ’s mission is to promote *public justice* in Canada by shaping key public policy debates through research and analysis, publishing and public dialogue. CPJ encourages citizens, leaders in society, and governments to support policies and practices which reflect God’s call for love, justice and stewardship.

Public Justice

- CPJ Public Justice is the *political* dimension of loving one’s neighbour, caring for creation and achieving the common good, and is particularly the responsibility of government and citizens.

CPJ addresses a range of public justice issues, from eliminating poverty to creating a climate of welcome for newcomers to fostering hopeful citizenship. CPJ’s professional staff actively engage in a number of activities to realize CPJ’s mission and keep public justice front and centre in policy debates.

Our members, who come from a wide variety of faith communities, are committed to public justice and its contributions to public dialogue. They participate in CPJ’s work through campaigns, dialogue and financial support. CPJ’s 13-member board of directors includes representation from across Canada and meets regularly three times per year.

The CJL Foundation
operating as CPJ.

Charitable registration
89438 3512 RR0001

309 Cooper Street
Suite 501
Ottawa, Ontario
K2P 0G5

T 613-232-0275
F 613-232-1275
cpj@cpj.ca
www.cpj.ca

Table of Contents

EXECUTIVE SUMMARY	1
INTRODUCTION	2
POLICY ANALYSIS	2
Current Situation	2
What is being advocated: Guaranteed Livable Income	3
Core Values and Principles	5
CPJ'S WORK ON GUARANTEED ANNUAL INCOME	7
PUBLIC JUSTICE, POVERTY AND GLI	8
CPJ'S POSITION ON GLI	9

Towards a Guaranteed Livable Income: A CPJ Position Paper on GLI

Approved by the Board of Directors: June 2008

Executive Summary

CPJ believes that an income security program, or guaranteed livable income (GLI), would ensure that everyone has access to the basic necessities of life, while respecting dignity and encouraging participation in society. Poverty rates in Canada have not changed substantially in the past twenty-five years, with the exception of seniors who benefited from targeted policies. Neither work nor social programs currently ensure that all people have enough income to meet their basic needs. Poverty has significant costs for individuals and for society, including health care, judicial costs, loss of productivity and social exclusion. In this context, GLI could offer greater income security.

Canada's current social policy embraces and reflects cultural values of work, human worth and social assistance that are influenced by the values of our economic system. Therefore we emphasize monetary productivity, for both work and people. As a result, social assistance is begrudgingly given to people who are considered unproductive, with the assumption that these people are failing to take responsibility by becoming self-sufficient through work. In contrast, our values around income security programs emphasize entitlement, universality and equality.

CPJ's public justice framework emphasizes dignity and justice within social relationships, but poverty and public policy focused on economic development both rob people of dignity and justice. A GLI with a benefit level set above the poverty line could be part of the solution, as it would decrease the financial burden of people living in poverty, allowing them greater opportunity for engagement and participation in society.

In order to achieve this, CPJ believes that a GLI must be based on a number of principles, including: a universal program with federal and provincial components to respond to different economic realities; available to all citizens, permanent residents and refugees; set high enough to foster social participation and ensure that everyone has adequate access to food, clothing and housing; structured to recognize family composition; enveloping existing income and social assistance programs, but not all social programs, since some enabling social infrastructure is necessary for well-being; with a progressive tax system maintained for all additional income.

CPJ's activity strategy is to contribute to awareness and education of both the public and policy makers through information and dialogue. With the growing appetite for a GLI at the grassroots level, CPJ is poised to make a unique contribution to the discussion as it takes shape, through our framing and suggested principles for design.

Introduction

Guaranteed livable income is money given by government to ensure that everyone has an income adequate for meeting basic needs. The concept of a guaranteed annual income (GAI), as it has historically be known, has existed in Canada for more than forty years in various proposed formats and with diverse proponents from across the political spectrum. CPJ supported the idea of a GAI in its first alternative budget in 1986, the proposal to create a Social Development and Job Creation Fund. GLI is also known as “guaranteed adequate income,” “basic income,” “livable income,” “social dividend or wage,” or “citizen’s income.” The variations in names reflect differing visions for the GLI as well as some of the difficulties in defining the terms utilized. Citizens for Public Justice believes that a GLI would offer income security to every Canadian, while protecting the dignity of low income citizens. CPJ recognizes that GLI does not represent a solution to many of the causes of poverty, but that it is a tool which could be used to address inequities and to ensure that all Canadians have access to the basic necessities of life. Through information, public justice framing and policy suggestions, CPJ can make a unique contribution to increasing Canadian interest in a GLI.

1. Policy Analysis

Current situation

Over the past twenty-five years, poverty rates in Canada have remained roughly steady for all sectors of society with the exception of seniors, who benefited from targeted policies to reduce their poverty levels. Every other age group has maintained poverty rates that, while varying cyclically along with unemployment, have stayed relatively close to 15%.¹ In 2005, 15.3% of all Canadians had incomes of less than the Low Income Cut-Off rate, measured by Statistics Canada – more than 4.9 million people.² A significant number of these Canadians have income from paid employment but their employment income, plus benefits they are eligible to receive, do not bring them up to the poverty line. Employment alone does not guarantee that people will be able to meet their basic needs.

Social insurance and assistance programs are not keeping people out of poverty either. The number of unemployed Canadians who can access EI has declined from 75% in 1990 to 38% in 2004,³ due to restructuring of the program in the early 1990s. Meanwhile, welfare rates across the country are too low to bring people up to the poverty line. Furthermore, welfare benefits for budgetary needs are set arbitrarily by regulation and do not necessarily reflect the actual cost of food, clothing, household expenses and shelter. Unable to meet even their basic needs, some people become trapped in poverty, prevented from seeking the training, the opportunities and the materials which might help them get back to work. Others who start to work lose out because of clawbacks that sometimes represent more than 100% of additional income, as government programs acting separately from one another withhold benefits and income support on the basis of rising income.

Poverty takes an individual and social toll – people may become withdrawn, depressed, anxious, hopeless. They may feel marginalized and isolated, and robbed of the opportunity to contribute as meaningfully to society as they would like to. Poverty and income disparities have both been linked to poor health. Poverty also has an economic cost – health costs, legal costs, and loss of productivity.

Certain demographics and groups are over-represented among those living in poverty: women have a higher statistical incidence of poverty than men, and in particular female single parents, visible minority and Aboriginal women, and women with disabilities have higher rates of poverty. Immigrants and Aboriginals more generally have higher rates of poverty than other groups. This suggests that poverty is

not a straight-forward result of economic circumstance, but in fact reflects other structural problems. These groups, which are already vulnerable to marginalization, are therefore doubly at risk of social exclusion.

The changing nature of work is also cause for concern in this context. Unemployment figures are low, but they do not take into account those who have given up looking for work, or those who are either underemployed or employed in non-standard or precarious jobs. As technological changes increase the demand for a highly skilled and well-educated work force, certain workers may face even greater likelihood of marginalization and lack of income security. Increased demand for a flexible workforce may feed the growth in non-standard jobs – currently estimated to be one-third of Canada’s labour force.⁴ This growth in non-standard jobs has also been linked to Canada’s growing income gap, as have stagnant wages including minimum wages set too low to bring people out of poverty. Meanwhile, concerns about the environment have given rise to questions about whether continued growth in productivity is possible, or even desirable.

What is Being Advocated

Guaranteed Annual Income

GLI is essentially money given by government to ensure that everyone has an income adequate for meeting basic needs. GLI can serve very different goals depending on how it is structured, and the idea therefore receives support from across the political spectrum. There are two basic models for payments: the Negative Income Tax (NIT) and Universal Demogrant (UD).

The NIT is administered through the tax system, and provides a benefit targeted to low income citizens. As other income increases, the benefit is reduced. The income threshold at which the benefit is reduced by 100% is the cut off for receiving benefits. The benefits of the NIT model are that the targeted nature of the model represents a lower cost to the government’s budget, since only those below a certain income level receive any benefit, and what is considered to be a good work incentive.

The universal demogrant (UD) model, which is commonly known as basic income (BI), consists of a regular payment made to every citizen. The payment is non-taxable, however all other income is taxable, and at a rate higher than current income tax rates. Benefits of the UD model is that the universality of the benefit provides social cohesion and the absence of stigma, greater protection against cutting benefit levels, avoiding the problem of low take-up and simplicity of administration. Although the cost for the government’s budget is greater than with an NIT, the cost to taxpayers ends up being equal to that of the NIT, since those with higher incomes pay the amount of the benefit back through their taxes.

Regardless of how the payments are effected, outcomes of GLI are determined by conditionality, the benefit level and tax rates. Most GLI proposals are conditional only in the sense that they are targeted to low income earners, however, there are some that emphasize activity or distinguish between types of activity, employability, and family structure. In order to reduce poverty, the benefit level must not be set below the poverty rate, and cumulative tax rates must not negate the GLI. Many proposals of GLI set benefit rates quite low to ensure that a work incentive is retained, assuming that people will not work unless they are forced to by economic circumstance.

GLI benefits may also be attributed to individuals, or set according to family status. One of the challenges of family benefit rates is that income tax is set individually. Benefits that do not take into

account family structure may end up disadvantaging single parent families relative to two parent families, but individually attributed benefits may provide greater economic security to women, particularly in the case of abusive or exploitative relationships.

The funding of a GLI could take diverse forms, and will also have an impact on the outcome. For instance, many proponents suggest the collapse of all or most social services into a universal GLI. The additional funding necessary would then come from higher income tax rates on additional income. However, there are alternatives that would or could be less regressive in nature: special taxes on use of natural resources, consumption, wealth, capital transfers, information transfers, electronic transactions, an ecotax or a Tobin tax. In the Canadian federal system, funding could come from either the federal government or provinces, or both.

Arguments in Favour of GLI

GLI has supporters from across the political spectrum because, depending on how it is structured, it can be utilized to achieve a variety of goals. Right-wing economists have promoted it as a means of reducing government spending, in favour of a small handout. Environmentalists view it as a way of changing emphasis on productivity or of recognizing collective ownership of natural resources. Poverty activists appreciate its potential redistributive impact on income.

Key arguments in favour of a progressive GLI include economic, social and justice reasons. A GLI could reflect a redistribution of income and paid and unpaid labour. It could be a form of economic democracy that provides genuine economic opportunity and support to all citizens, regardless of activity. It is a simpler and more transparent approach to social assistance than the current system. It renders the work force more flexible and more adaptable to structural change, while at least in part detaching income from work. This could also ease the pressure of growth on the environment which is not ecologically sustainable. It is a reflection of the human right to adequate income and the provision of well-being. It maintains social cohesion, and provides protection for those in vulnerable situations, such as women in shelters or those living with disabilities. It could also be an “equal heritage” of society’s collective knowledge and expertise, or a “just compensation” for the use of private property or natural resources to create wealth.

Arguments Against GLI

Those who oppose a GLI also come from across the political spectrum. Arguments against GLI include issues around language: who defines what is adequate, what is basic, what is necessary? “Guarantee” makes some people believe GLI represents an abdication of personal responsibility, or they argue that no one should get money for doing nothing. Others fear labour shortages, believing that the incentive to work will be lost if people can survive without employment income. On the other hand, some fear that GLI allows employers to ignore their responsibility to provide a living wage and reasonable benefits for work performed. There are concerns that a one-size-fits-all program would be unresponsive to particular social needs – Aboriginal poverty, gender inequality and disability services. Finally, some hesitate at the price tag of promising income to those living in poverty.

Policy Context: Income Security

GLI has been proposed numerous times in Canada, by federal government departments, parliamentary committees and a Royal Commission. While no proposal of GLI has ever been implemented, Canada does have several elements of social policy that approach GLI in principle because they emphasize income security. Old Age Security (OAS) and Child Tax Benefits (CTB) are both unconditional transfers targeted to certain demographics. OAS is a guaranteed monthly benefit available to all Canadians over

65 without regard to work history or retirement, paid by the federal government. It is taxable, so that higher income recipients pay the benefit back through their taxes. The Guaranteed Income Supplement (GIS) is a non-taxable federal benefit paid to recipients of OAS with little or no other income, with benefit rates determined according to income and marital status. GIS is topped up by provincial supplements to provincially guaranteed income levels. Similarly, the CTB include several different non-taxable monthly benefits paid to the parents of children under 18 to help with the cost of raising children. The benefits are rated according to income and number of children.

Core values and principles

CPJ's public justice framework⁵ states that all people are created by God to live in dignity as God's image bearers with rights and responsibilities within a social context in which justice and compassion are the foundation for peace and joy in social relationships. The role of government is to promote just relations and foster conditions that enhance the common good by adopting fair laws, legally recognizing rights and responsibilities, identifying and resolving injustices and ensuring access to services and infrastructure that benefit all. This means that public policy must make human well-being its priority, rather than economic growth.

However, public policy in Canada is focused largely on economic development based on a monetary notion of productivity. Even more problematic, the values of our economic system have influenced our predominant cultural values regarding work, social assistance and the intrinsic worth of human beings. Just as "growth" is measured by total monetary transactions, "productive" work and "productive" people are valued according to how much money they produce. Value is placed on how much people's labour is worth not only on the basis of what they produce, but according to the *person's* worth.

Many of our value assumptions about labour are hidden by our market-based approach to work, that allows wages to be paid that are insufficient for meeting basic material needs. At the same time, in contradiction, we assume that poverty exists only when people don't work, and that the solution to poverty is to make people work. This emphasis on work for low income earners – which does not apply equally to high income earners – increases the possibility of exploitation of people who must participate in the workforce at all costs. It also contributes to the downgrading of work from a meaningful, beneficial activity that adds value to people's lives to merely any activity done for money, while excluding valuable activities such as caring work, that are unpaid.

Social Assistance

In this context of productivity and monetary value, social assistance is viewed as helping those who are not productive. Those who receive social assistance are perceived as free-loaders, a burden upon people who are productive. As a result, it is feared that if living on social assistance is too comfortable, people won't bother to become productive again. There is also an assumption that poverty is merely a matter of income and consumption. People are poor when they cannot buy what they need. Helping people in poverty means merely transferring enough money to help them purchase what they need, or forcing them to take any employment available on the assumption that it will make them independent.

Social assistance is also affected by individualist tendencies in Canadian culture, including the suggestion that those who are wealthy worked hard to earn it, while those who are poor have not worked hard and therefore deserve to be poor. This attitude contributes to the policy of only allowing people to qualify for social assistance when they are destitute – if they have any asset whatsoever, they need to rely on themselves before they will be offered any help. These individualist tendencies are actually exacerbated by the growing income gap between rich and poor in Canada – those who are above the poverty line but

are uncertain about their economic future want to make sure that they are on the “right” side of the income gap.⁶

There are also assumptions made about the motivations of people who live on social assistance. For a working age adult to depend on others for income, regardless of circumstance, is considered immoral or wrong. Reasonably high levels of assistance or generous rules regarding access merely encourage dependency, from this point of view. Regardless of their behaviour, people on welfare are thus assumed to be lacking motivation or seeking to defraud the system.

Income Security

While social assistance is viewed very negatively, income security programs are actually viewed quite positively. Rather than dependency, these programs are associated with entitlement. They are conceived in terms of citizenship, and there are no generalized assumptions that seniors and parents who receive OAS or child benefits are bereft of responsibility, independence and productivity, nor that they should be removed from the program as quickly as possible. The only requirements to receive income security are age and income level. However, these programs are also for two age cohorts that do not have a work expectation.

Alternative Discourses

These are not the only values that Canadians hold regarding poverty, social assistance and responsibility, even if they are the predominant ones. Poverty is recognized as a human rights issue by international agreements to which Canada adheres, including the UN Declaration of Human Rights, which recognizes the right to an adequate standard of living for well-being, including food, clothing and housing. These human rights cannot simply be met through charity, they must be recognized by government policy that addresses both poverty prevention and poverty alleviation. Poverty can also be viewed through the lens of social determinants of health, suggesting that in order to truly promote a healthy population, governments must tackle income inequality, food and housing insecurity, and social exclusion. Canadians also adhere to values of basic fairness. Significant income disparities that prevent some people from accessing basic necessities of life are viewed as inherently unfair. We expect government policy to provide at least a minimum effect of redistribution.

Canadians’ Core Beliefs

In 2006, the Canadian Centre for Policy Alternatives commissioned a poll from Environics on the income gap between rich and poor. The poll revealed that the majority of Canadians believe the gap is growing, and that they are worried, both for their own financial security and for the future of Canadian society.⁷ 86% of Canadians believe that government action is required by this gap, while 85% believe that government action could significantly reduce poverty in Canada.⁸ Similarly, 97% of those who responded to a 2006 poll by the National Council of Welfare believed that governments should place a higher priority on fighting poverty in Canada.⁹ This suggests that there is very strong public support for action on poverty in Canada.

However, a 2007 poll by Angus Reid suggested that 46% of Canadians believe that government programs that try to improve the conditions of poor people in Canada are not having an impact.¹⁰ Meanwhile 37% of Canadians polled believe that individuals are primarily responsible for their own poverty.¹¹ It does not come as a surprise, then, that welfare is generally seen to be universally unpopular among Canadians, including welfare recipients.¹² On the other hand, income security programs such as OAS and child benefits are popular.¹³

2. CPJ's Work on Guaranteed Annual Income

CPJ has made several specific calls for a GAI in the past:

- In February, 1986, CPJ submitted its pre-budget proposal to the House of Commons Standing Committee on Finance and Economic Affairs, "A Proposal that the Federal Government Establish an \$11 Billion Social Development and Job Creation Fund." This proposal included a GAI that would bring people up to the poverty line after all sources of income from employment and social programs were calculated. This would be financed by \$4.3 billion from the Fund, and \$4.1 billion from the federal contribution to the Canada Assistance Plan (CAP), leaving part of the federal CAP contribution untouched for special services. CPJ's proposal was endorsed by many church leaders and organizations. A response from the Department of National Health and Welfare stated that the proposal's expansion of the public sector conflicted with government policy and that CPJ had undercalculated the cost of such a GAI. The response also complained about the lack of details on taxation and jurisdiction.
- In a *Catalyst* article that same month, CPJ expanded on the idea by suggesting that higher initial expenditure would represent cost-savings in the long-term by helping people to become self-sufficient, and countering fears that GAI would undermine work incentive. CPJ also proposed that the federal government carry the cost of the GAI for the working poor, and share the cost with the provinces for those on social assistance.
- Income security remained a key element of CPJ's financial proposals for the next few years. In submissions to Ontario's Social Assistance Review Committee and the Finance and Economic Affairs Committee of the Legislative Assembly of Ontario in 1986-1988, CPJ-Ontario urged that the Ontario government "make the fight against material poverty a top priority of public policy, with the aim of achieving economic justice for the poor by 1990." GAI was central to the recommendation that adequate income security be a major public policy objective.
- At the same time, CPJ-Alberta approved an Income Security Policy Statement that reaffirmed proposals for income security are based on the recognition of every person as an image bearer of God with responsibilities and rights. The statement called for community-based economic and social development programs, fair wage policies, and an adequate income proposal for those on welfare, those performing unpaid work, and the working poor.

CPJ's proposals for GAI never focused on GAI as the sole solution to poverty and social problems. Rather, CPJ always emphasized the importance of social infrastructure, the necessity of social programs, and most importantly, the need for a fundamental shift in our priority-setting away from economic growth only to social and economic development focused on people. And income security focused not only on money, but on providing quality of life, access to work for those who were able, and the ability to participate in society.

After 1990, CPJ has made no specific statement on GAI, but its socio-economic work continued to emphasize a shift in government priority-setting towards an economy of care. A GAI fits within this larger socio-economic policy framework proposed by CPJ, ensuring that all people have the necessary resources for a life characterized by dignity, opportunity and participation in community.

3. Public Justice, Povertyⁱ and GLI

CPJ's public justice framework recognizes the fundamental dignity of all people, who are created by God with rights and responsibilities within a social context in which justice and compassion are the foundation for peace and joy in social relationships. Within this context, the role of government is to promote just relations and foster conditions that enhance the common good by adopting fair laws, legally recognizing rights and responsibilities, identifying and resolving injustices and ensuring access to services and infrastructure that benefit all.

Public policy focused on economic development robs people of dignity and justice within social relationships. Public policy needs to be people-centered. Economic development is not a bad thing, but it should always be pursued and understood in human and environmental terms, rather than as an ultimate goal. We need to find cultural ways of expressing value that do not rely on money, but that can take into account impact on people, and intangibles like emotion and experience. Social policy needs to address root causes. A public justice understanding of poverty also shifts our understanding of poverty from a matter of consumption to a quality of life approach, in which basic human needs are not being met.

In making the shift from economic focus to public justice focus, we also make a shift from social programs as generosity towards the undeserving to responsibility towards those whose rights are not being respected by our current socio-economic system. The right of every person to live with dignity, to participate in society, and to meet their basic needs, is undermined by poverty; it is the responsibility of governments and those who are not living in poverty to respond to this situation.

The responsibility of government lies in its nature as the collective expression of society's intention and its power to enact structural changes. Insofar as poverty and income disparity represent structural problems, actions by government are necessary to reduce poverty and redistribute income. Taxes and social programs are primary examples of this; GLI would be another way in which government could accomplish this. But government also has a leadership role to play, as recognized by CPJ's public justice guidelines, and past work. As CPJ advocated in its brief to the Macdonald Commission over twenty years ago, government should pursue social policy that promotes and facilitates responsible social action by other actors. This means the government has a role to play in promoting responsible behavior from corporations, whether by encouragement, setting a good example, or legislative coercion. The government also has a role to play in promoting responsible behavior from individuals, through the voluntary sector or in community development. The government's responsibility does not negate corporate or personal responsibility.

A GLI with a benefit level that was set at or above the poverty line could be part of the solution, as it would decrease the financial burden of those living in poverty, allowing them more dignity and more opportunity for engagement and participation in society. But GLI cannot be the only piece of the puzzle. Money alone does not create dignity, and to believe that it would do so merely perpetuates our economy of productivity. GLI needs to be seen as a tool that, in conjunction with other tools, reduces inequities that result from unjust structures. It does not resolve the root issues of poverty, although it could be used to change our predominant values on some issues.

ⁱ This section will be expanded upon once CPJ's background on poverty and the framing of our poverty activity is completed.

4. CPJ's Position on GLI

CPJ affirms the right of every person to have access to the basic necessities of life, in recognition of the fundamental dignity and equality of every person. In our monetary economy, this means that people must have adequate income in order to be able to acquire these basic necessities, including food, clothing and housing. CPJ recognizes that poverty and the stigma that is often associated with poverty undermine the dignity of people who are created in the image of God. CPJ furthermore acknowledges that far too often social assistance programs do not respect the dignity of those who live in poverty. Not only are these programs associated with social stigma, they can also take away choices and opportunities from those who are forced to rely on them. CPJ believes that those living in poverty deserve economic justice, not charity.

However, CPJ also understands that poverty is not simply a matter of income and consumption. Poverty has a harmful impact emotionally, socially and physically that can result in social exclusion and the loss of community participation. As well, poverty results from many complex causes and programs focused on income cannot respond to all the causes or effects of poverty. CPJ recognizes that income security programs are inadequate to address the particular reasons why certain groups are more likely to be disadvantaged by poverty, including the disabled, single mothers, newcomers, and Aboriginal Canadians. While structural changes will have an impact on poverty for these groups, the larger question of how certain people are labeled as “other” and assigned less value in our society must be dealt with. CPJ will be addressing this question in its work on diversity.

CPJ also appreciates the impact of enabling social infrastructure – the institutions, programs and services that support citizens, whether created by the different levels of government or communally by citizens. Some social supports can only be maintained if they are paid for or provided collectively. People of all income levels find their lives enriched by social interactions, community supports and respect for social diversity, and CPJ believes that income security policies should never come at the expense of social infrastructure.

Within this context, CPJ believes that Canada should implement an income security program for all Canadians. CPJ proposes that this income security program be called a guaranteed livable income, in recognition of both the human rights perspective and the Canadian value of fairness. However, CPJ recognizes that a variety of naming options exist, and that there are many citizens’ groups with identical goals advocating for a guaranteed livable income under a different name. CPJ therefore considers this name to be a working name, less important than the principles that are being advocated.

CPJ believes that a GLI would ensure that every citizen had access to the basic necessities of life, while respecting dignity and encouraging participation in society. A GLI could have other positive effects as well, including better recognition of the value of unpaid and poorly paid work, and of contributions to community and cultural life that do not involve monetary transactions; a shift away from participation in a labour market in order to obtain income, and thus a partial decommodification of people; and environmental sustainability through a decreased reliance on constant economic growth.

While structures and policies would need to be worked out in consultation with governments and citizens, CPJ believes that several principles should guide the development of a guaranteed livable income in Canada:

1. Within Canada's federal system, there must be both a federal and provincial component. The program would thus be universal, while responding to different economic realities of Canada's provinces. Both OAS/GIS and child tax benefits provide a good model for a guaranteed livable income. The federal government could provide a base grant, which could be supplemented by the provinces to provincially guaranteed levels.
2. It must be available to all citizens, permanent residents and refugees without means test or obligation to work.
3. It must be set at a level high enough to foster social participation and ensure that everyone has adequate access to food, clothing and housing. It should not be set below the poverty line.
4. It must recognize family structure, even if the income is attributed on an individual basis, in such a way that parents and single parents are not disadvantaged.
5. While welfare, OAS and child tax benefits should be rolled into the guaranteed livable income, other social programs should be maintained.
6. A progressive tax system should be maintained for all additional income, so that the cost of guaranteed livable income is fairly shared among Canadians.

In recognition of the negative associations attached to social assistance, CPJ believes that a GLI for working age adults must be understood in the same terms as income security programs for children and seniors. Therefore, CPJ suggests that the GLI should be made universal. The basis for the income will thus be recognized as citizenship, and people will not be pressured out of the program or stigmatized for participating. CPJ recommends that funding for the GLI be achieved through the progressive tax on all additional income. Other progressive taxes, such as an eco-tax, should also be considered.

¹ "Poverty Profile 2001" National Council of Welfare, 2001, p. 10.

² "Persons in low income before tax, by prevalence in percent" Statistics Canada Summary Table, www.statcan.ca.

³ Kevin Hayes, "Making the Case for a 360 Hour Employment Insurance Qualifying Requirement," Canadian Labour Congress, <http://canadianlabour.ca/unionize/pdf/equalify.pdf>.

⁴ Battle, Mendelson and Torjman, p. 7.

⁵ "Public Justice: What does it mean for Citizens, Government, and CPJ?" Citizens for Public Justice, www.cpj.ca.

⁶ "Growing Gap, Growing Concerns: Canadian Attitudes Toward Income Inequality," Canadian Centre for Policy Alternatives, November 20, 2006, p. 11.

⁷ "Growing Gap," p. 4.

⁸ "What Can Governments Do About Canada's Growing Gap? Canadian Attitudes Toward Income Inequality", Canadian Centre for Policy Alternatives, March 2007, p. 3.

⁹ "Report on Responses to the Poverty and Income Security Questionnaire," National Council of Welfare, Prepared by MiroMetrica, January 2007, p. 5.

¹⁰ Angus Reid Global Monitor, "Canada and United States Concerned over Poverty," September 5, 2007.

¹¹ *Ibid.*

¹² Stapleton, p. 7.

¹³ *Ibid.*, p. 37.