



GUARANTEED BASIC INCOME (GBI)

The National Advocacy Circle is comprised of Vincentians from across Canada that are interested in Social Justice. Our intention is to identify advocacy issues for our fellow Vincentians and suggest actions we can take for the benefit of our neighbours in need. We are presenting a series of articles promoting the consideration of a Guaranteed Basic Income to address the needs of Canadians living in poverty. Please share this information with your conferences, councils and parishioners

The purpose of this article is to further explore and examine the concept of a Guaranteed Basic Income (GBI). The goal is to provide greater context for discussions and to garner support from the Society of Saint Vincent de Paul members.

GBI represents systemic change. This is not a novel concept; it's one that has been discussed for the last two centuries. Current systems are not working. Increasing poverty levels, soaring health care costs, lack of affordable housing, food insecurity, and ever-increasing income disparity illustrate this. Guaranteed income enables people to live with dignity and meet basic needs regardless of employment status. Further, inclusiveness offers a critical advantage over existing targeted benefits.

GBI is not a concept that Canadians are unfamiliar with. There are very similar government programs providing guaranteed income that have been in existence for decades. These programs are supported, popular, and well entrenched in the fabric of the country. There is a good reason for this. They have had a significant impact on the income and hence, daily life for recipients. What are these programs?

- Old Age Security (OAS)
- Guaranteed Income Supplement (GIS)
- Canada Child Benefit (CCB)

Nearly 8.5 million Canadian seniors receive OAS or a related benefit (GIS). As of July 2022, these taxable OAS benefits are \$666.83 for ages 65-74 having an annual income below \$129,757. For age 75+ the benefit is \$806.86. OAS benefit reduction applies with income between \$74,779 - \$121,070.

For seniors with little or no additional income, the non-taxable Guaranteed Income Supplement (GIS) is a benefit to a maximum of \$10,462, with OAS totalling a maximum of \$20,208. Combined OAS and GIS annual cost for 2017-18 was \$50.6 billion.

The Canada Child Benefit (CCB) is provided to an estimated 3.6 million families. It offers a non-taxable maximum annual benefit of \$6400 for children aged 0-5 years and maximum \$5400 for children aged 6 to 17 years. Supplements are available for children with disabilities. Benefit reduction starts with a family income of \$30K, based on income and the number of children. Maximum income is \$180K. The annual cost in 2017-18 was \$22.4 billion.

As a society, we must thoughtfully consider the best use of our time and money. GBI is not a magic solution, but one of several tools whose benefits are well documented in various global pilots. Prevention, as opposed to treatment, offers a better long-term solution. Basic income reduces future problems and the resulting costs of shelters, food banks, health care, and crime prevention measures. A universal, or at least an income dependent model coupled with a range of public services, offers a win-win solution for both society at large and the individuals in that society.

Whatever the design, the endgame is poverty reduction, leading to dignity, security, autonomy and independence. The payback will be better health outcomes, greater access to higher levels of education, individual empowerment, and decreased crime and violence. This, all for significantly less money.

Perhaps the time has come to seriously consider GBI. It could well be a systemic game changer.

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For further information please see www.obin.ca/bi_and_catholicism

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