



MODERATOR OF THE 2019 GENERAL ASSEMBLY
The Rev. Amanda Currie, B.A.Sc., M.Div.

May 12, 2020

COVID-19 Pandemic –Guaranteed Basic Income

The Right Honourable Justin Trudeau, P.C., M.P.
Prime Minister of Canada
Office of the Prime Minister
80 Wellington St
Ottawa ON K1A 0A2

The Honourable Chrystia Freeland, P.C., M.P.
Deputy Prime Minister
Privy Council Office Room 1000
85 Sparks St
Ottawa ON K1A 0A3

The Honourable Bill Morneau, P.C., M.P.
Minister of Finance
90 Elgin St, 17th Floor
Ottawa ON K1A 0G5

Dear Prime Minister, Deputy Prime Minister and Minister Morneau:

The COVID-19 pandemic has reached every corner of Canada and upended people's lives, communities, the labour force, the health care system, food systems and the economy. The Government of Canada's actions to assist people and businesses with programs such as the Canada Emergency Wage Subsidy and Canada Emergency Response Benefit are helping individuals and families cope with the financial strains of these unprecedented times. We commend the Government for swift action.

Those who were vulnerable to economic insecurity before COVID-19, however, have been disproportionately impacted by the pandemic. Additionally, the loss of jobs from businesses that had to close to slow the spread of the disease has increased the numbers of economically insecure people. Many still fall through the cracks when there is no program that readily fits their situation. Others are unsure how to navigate the myriad of programs available to see if any fit or live in fear that a change in their circumstances will disqualify them from receiving needed support. It is past time for structural change that addresses the marginalizing forces of socioeconomic inequities and economic injustice. Canada needs a Guaranteed Basic Income.

The Presbyterian Church in Canada affirms that the Church has a calling to seek justice in the world, and that the church's pursuit of justice requires concern for the poor as well as seeking the best way to create well-being in every society. Creating such well-being entails addressing issues such as employment, education, and health, as well as rights and responsibilities.¹ As early as 1973, the Presbyterian Church in Canada communicated its support of what was then called a "guaranteed annual income" to the federal government. It also approved of church participation in and funding for an ecumenical body (then called PLURA, which has since become part of the ecumenical group KAIROS) created in part to voice and

¹ Summarized from *Living Faith: A Statement of Christian Belief*, The Presbyterian Church in Canada; "Justice" section 8.4.4.

address the needs of those with low income.² The words of our 1973 report could not be more timely: “the Church is called to combat poverty. The usual way of prescribing an antidote for poverty is to provide more money and more consumer goods. But we may now be entering an era when all of us should be eating and consuming less for our own good and for the sake of the environment. It may be that the style of life now lived by the poor people in our society resembles the pattern the rest of us may be compelled to follow in the future. In fact, leisure [from lack of employment] is a way of life which may be forced upon many people as time goes on.”³

Statements from the church such as these have been followed, to cite just a few examples, by appeals to the federal and provincial governments during the recession in the early nineties to ensure that efforts directed towards economic recovery should not occur in concert with the curtailment of social programs, and again in 2007, affirming the need for a national strategy with measurable targets and a timeline to reduce poverty in Canada, including that minimum wage should be indexed to the annual cost of living and that there should be the establishment of a national social housing program. Thus The Presbyterian Church in Canada has a decades-long history, beginning with advocating for a concept similar to Guaranteed Basic Income, of advocating for the end of poverty and that all should be able to live with dignity and meet their basic needs.

The Government of Canada has also engaged with concepts similar to Guaranteed Basic Income previously: Senators have debated, and called for, such steps, in both the 1971 Report of the Special Senate Committee on Poverty and again in 2008 when Senator Hugh Segal called for a guaranteed income to address poverty in Canada. It is past time for the Canadian government to enact legislation guaranteeing an annual income as a means to transform the economic landscape of Canada and end poverty.

The ongoing challenges facing economically disadvantaged people cannot be understated and can leave people feeling powerless and isolated, deeply scarring those who experience it. Experiencing income-insecurity related issues – such as hunger, homelessness and increased vulnerability to violence – can also have lasting physical, emotional, relational and spiritual consequences. Many of those consequences can be social as well as personal: economic instability can contribute to increases in crime⁴, to health problems⁵ that add to the cost of health systems, and difficulties in accessing important basic human rights, such as education. All of these outcomes end up costing Canada significantly in terms of providing healthcare, dealing with crime, and loss of potential skilled workers who face too many barriers to needed education.

Critics of a guaranteed basic income have argued that it could become a disincentive for people to stay in or re-enter the workforce. The evidence suggests the opposite. A preliminary report on a basic income experiment in Finland found that benefit recipients were happier and healthier, reporting greater well-being as well as opportunity to volunteer in the community or help care for vulnerable family members or neighbours. Some even viewed it as a chance to start businesses on creative projects.⁶

² *The Acts and Proceedings of The Presbyterian Church in Canada*, 1973, pp. 274-278, 282, 40

³ Ibid.

⁴ See for example Peter Kitchen, *Exploring the Link between Crime and Socio-Economic Status in Ottawa and Saskatoon: A Small-Area Geographical Analysis*. Accessible at: https://www.justice.gc.ca/eng/rp-pr/csj-sjc/crime/rr06_6/rr06_6.pdf

⁵ See for example work by Paula Braveman and Laura Gottlieb, “The Social Determinants of Health: It's Time to Consider the Causes of the Causes” accessible at <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3863696/>

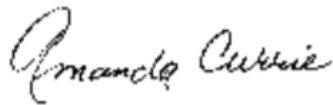
⁶ Jon Henley, “Finnish basic income pilot improved wellbeing, study finds” *The Guardian*, 7 May 2020. Accessible at: <https://www.theguardian.com/society/2020/may/07/finnish-basic-income-pilot-improved-wellbeing-study-finds-coronavirus>

Outcomes similar to those in Finland were also beginning to be seen in the pilot program in Ontario, before it was prematurely ended. Results from the Ontario experiment show it enabled participants to invest more in their lives, health, businesses, homes, and education.⁷ It also allowed them to invest more time – and money – in their communities. As one article discussing that pilot project notes, “[Guaranteed basic income] functions in different ways for different people. [For some], it’s fuel for cultural development... [or] a food subsidy, an educational grant, and a neighborhood improvement fund all in one. For a married couple who own a health-food restaurant that barely covers its costs, it’s a small-business booster. A man who hurt his back working in a warehouse told me he hoped it could augment his employer’s disability payments. A student who was about to graduate from a technical college and had a job lined up said he planned to use the extra income to pay down school loans and start saving for a house. For [some advocates], the basic income is something broader: a social equalizer.”⁸

Ensuring that all in Canada have a basic level of income would increase levels of social equity and economic equity. Had a Guaranteed Basic Income been in place before the COVID-19 pandemic hit, we would not be seeing nearly the same level of drastic and alarming economic repercussions, and the fear that many will not be able to make rent or afford to eat, that businesses will close, causing cascading unemployment that further contributes to economic chaos. Canada, and indeed the world, is facing a mounting recession that threatens to repeat the Great Depression. Now is *exactly* the time that we desperately need a guaranteed income for all, a safety net that can help stave off economic collapse. We cannot afford not to have such a safety net. Joining with many other churches, religious groups, and civil groups, we urge the Government of Canada to swiftly and fully explore the various ways that a Guaranteed Basic Income can be modelled, and then implement this vital policy.

These are difficult times for everyone, and we understand that many--including Parliamentarians--are working under the shadow of grief, loss, and uncertainty. Please rest assured of our prayers for the work of Parliament in this difficult time. Meanwhile, we look forward to your response.

Sincerely,



The Rev. Amanda Currie
Moderator
145th General Assembly
The Presbyterian Church in Canada

⁷ Dan Taekema, “People kept working, became healthier while on basic income: report” Accessible at: <https://www.cbc.ca/news/canada/hamilton/basic-income-mcmaster-report-1.5485729>. See also a study funded in part by the Social Sciences and Humanities Research Council (SSHRC) on Ontario’s basic income experiment: “Southern Ontario’s Basic Income Experience” accessible at <https://labourstudies.mcmaster.ca/documents/southern-ontarios-basic-income-experience.pdf>

⁸ See for example an article in the MIT Technology Review by Brian Bergstein, “Basic Income Could Work--If You Do It Canada-Style.” June 20, 2018. Accessible at: <https://www.technologyreview.com/2018/06/20/141704/basic-income-could-work-if-you-do-it-canada-style/>