

# **PROCEEDINGS AND FINAL REPORT**

## **Working Conference on Strategies to Ensure Economic Security for All Canadians**

Written by: Sally Lerner, University of Waterloo

*January 31 - February 1, 2003  
Ottawa*

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## Executive Summary

On Friday January 31<sup>st</sup> and Saturday February 1<sup>st</sup>, 2003, the Basic Income/Canada network and the Canadian Council on Social Development co-hosted a working conference in Ottawa on economic security for Canadians. Thanks to the generosity of Mike McCracken, the conference was held in the Informetrica offices. John Anderson, Vice-President, Research CCSD and Sally Lerner, University of Waterloo professor emerita, co-facilitated the discussion on basic economic rights of Canadians. The goal was to bring together a variety of interests, backgrounds and opinions in order to facilitate discussion of possible new policy architectures for income security.

Participants in the conference included academics and economists, income security advocates, members of non profit and social policy research organizations, as well as individuals with lived experiences of poverty. Together they ensured a colourful debate and raised many important questions regarding governments' responsibilities in providing basic income security, as well as social services and resources, to all citizens and the feasibility of initiating new programs or restructuring existing ones.

In welcoming the group, **Sally Lerner** noted that a major challenge lies in how a secure economic foundation can be created for the increasing numbers of 'flexible' workers demanded by employers. Participants discussed how policies could work across the life cycle and the three major life periods of childhood and youth, working age and older age. **Ken Battle** from the Caledon Institute outlined some of the work his organization was engaged in and presented the major findings of a new study on the Minimum Wage. **John Anderson** talked of the work of the CCSD in trying to develop a new social policy architecture coming out of the work within the voluntary sector over the past few years.

Some of the major topics of discussion included 'lessons learned' from previous experiences. For example, **Douglas House**, Professor of Sociology, Memorial University of Newfoundland, and Chair of the Economic Recovery Commission from 1989 to 1996, presented insights on his extensive work trying to implement a new system of income security in Newfoundland. **Derek Hum** of the University of Manitoba talked about his work as Research Director of Mincome Manitoba, a multi-million, multi-year project jointly funded by Canada and Manitoba designed to evaluate the economic and administrative consequences of a guaranteed annual income system. The focus of the project was on the work responses of families and individuals to a negative income tax plan. Also of interest were administrative costs and delivery mechanisms.

**Mike McCracken** of Informetrica detailed proposals for a basic income for each stage of the life cycle. **Armine Yalnizyan** emphasized the need to develop high quality social programs and the crucial relationship of these to income security.

**John Stapleton**, from St. Christopher's House in Toronto, and former Ontario government civil servant, gave invaluable insights into the debates around some of the existing programs. **Josephine Grey** from the Income Security Advocacy Centre talked about the "Pay the Rent and Feed the Kids Campaign" in Ontario.

All participants made important contributions in discussions on the relationship between economic security and human rights, how to erase the negative stigma of the current welfare system, connecting income security with accessibility to important social programs such as adequate and affordable housing, healthcare (including supplementary health benefits), childcare, post secondary education and training.

While many diverse views were represented, all agreed that the current welfare system fails to offer low-income Canadians dignity and the means necessary to have an acceptable quality of life, and that major change is needed.

More information about the conference and its participants can be found by contacting:

Sally Lerner, University of Waterloo, [lerner@watserv1.uwaterloo.ca](mailto:lerner@watserv1.uwaterloo.ca)

John Anderson, Canadian Council on Social Development, [anderson@ccsd.ca](mailto:anderson@ccsd.ca)

Information on basic income and economic security is located at the:

Basic Income European Network [www.basicincome.org](http://www.basicincome.org)

Or, Basic Income / Canada [www.basicincomecanada.org](http://www.basicincomecanada.org)

## **Introduction: Purpose and Objectives of the Conference**

Twenty invited participants met in Ottawa from January 31<sup>st</sup> to February 1, 2003 to address the issues and challenges inherent in ensuring economic security for all Canadians in a changing national and global context.

The purpose and objectives of the conference were outlined in the introduction to the set of background materials sent to participants prior to the conference, as follows:

"There is an emerging consensus in Canada that a redesigned social policy 'architecture' is needed to address the changes in waged work and family life engendered by the 'new' economy. At minimum, it must ensure economic security for all Canadians.

This Working Conference, convened by the Basic Income/Canada network and the Canadian Council on Social Development, with the support of the Atkinson Foundation, will allow a group concerned with effecting positive change to examine the design principles currently on the social policy agendas of lead organizations, with the aim of developing a consensus statement on how a redesigned social policy architecture can best ensure economic security for all.

The Basic Income/Canada (BI/Canada) network has explored the issues associated with the idea of a Canadian universal basic income for almost a decade, in close communication with the Basic Income European Network (BIEN) and recently with the new Basic Income Guarantee (BIG) group in the US. We are convinced that the goal--whatever name it has--is both desirable and necessary, given the changing world of work, and that in principle it is economically feasible with the appropriate changes in the architecture of Canadian social policy.

While some proponents of the basic income ideal envision a 'stand-alone' administrative structure for it, this is not essential. Nor may it be desirable, given that basic income still has to be viewed within a wider context of other social policies relating to health care, housing, education and similar necessities. The BI/Canada network is fully aware of the thoughtful analysis and years of work on the part of a number of organizations that have put forward comprehensive proposals for a redesign of social policy in Canada.

Many of you are participating in this Conference, and we see the commonalities between our concerns and yours. Since we can all focus on outcomes -- economic security, dignity, social inclusion for all Canadians -- rather than on terminology or programmatic means, we see the Conference as an opportunity to determine how we can all work collaboratively to bring about these outcomes.

The question to be addressed by our Working Conference is: What are the best ways to provide economic security, within the context of the existing proposals for a new architecture?

The aims of the Conference are:

- to review the proposals for a redesigned Canadian social policy, with special reference to issues concerning the economic security measures suggested;
- to identify problems, inconsistencies, gaps vis-a-vis those measures, and suggest how these might be dealt with;
- to develop consensus on strategies to create a more effective, coherent economic security system for Canada, building on the best that we have now as well as on new initiatives;

- to decide what our next steps should be, particularly with respect to stimulating public awareness and political consideration of the issues.

Meeting the economic-security challenge is economically possible, but politically and socially challenging. Yet Canada has made significant progress toward providing universal benefits--notably in child and elderly benefits as well as in health care--when the need for these became clear.

We are at an important crossroads now. Wages for work are less adequate and secure for many because employers feel compelled, or choose, to embrace "non-standard" employment and organizational re-structuring models. The results of this move to a more 'flexible' workforce--growing numbers of part-time and temporary jobs with low pay and few or no benefits--are reflected in recent statistics that show 42 per cent of the 500,000 Canadian jobs created in the first 11 months of 2002 were part-time, and 68 per cent of the remainder were low-paid. (Coates *The Record* 12/12/02)

The number of 'working poor' in every community attests to the need for a living wage. Social assistance doesn't provide a living wage either. Child poverty persists because adults too often have to choose between feeding the kids and paying the rent. But we know all that.

As the enclosed background materials indicate, there is already strong commonality among the agendas of the major social policy advocates. Notable is the agreement that personal and family income security must be embedded in a firm and coherent foundation of public goods. Access for all to quality health care and child care, affordable housing, education, recreation and transportation is required to translate income security into social inclusion.

There is also agreement on the imperative to meet the special needs of children, people with disabilities and other vulnerable groups. Finally, there is recognition of the harm inflicted by the stigmatization of disadvantaged Canadians associated with current methods of welfare program delivery.

What are the best design principles for a new social policy architecture that would ensure economic security for all? Our upcoming Working Conference will afford the opportunity for us, who have given much thought to this question, to reach a consensus on at least first principles that we can make widely available for public comment and political attention."

Included with the background materials was an overview of themes common to a number of the social policy documents included in the set. This was to give participants a sense of how much common ground they share.

### What's Needed: Common Themes in Social Policy Documents

- A Canadian child care policy
- Quality licensed child care and Early Childhood Education (ECE)
- Access to such care and education for all Canadian pre-school children
- Adequate wages for child care workers
- Accessible recreation programs for older children, teens
- More supports to families with children
- Increased Child Tax Benefit (CTB)
- No clawback of CTB from social assistance, student loan recipients
- Improved maternity and parental leave provisions
- "Family-friendly" workplaces to increase parental flexibility, lower stress
- Better quality jobs: improved wages and labour standards to help youth, working poor, people in non-standard jobs: eliminate 'bad' jobs
- Raise and index minimum-wage levels to approach a living wage
- Improve labour standards re part-time/temp pay and benefits
- Develop jobs having career potential, especially for entry-level youth
- "Make work pay": eliminate poverty traps, initiate low-wage supplements
- Improve current welfare system, e.g. raise welfare benefits, restore EI supports, retain income supports during move from welfare to work PLUS access to training, education, re-training over person's life course: generous income transfers for the unemployed, combined with active programs (European model) (CCSD/CPRN 2002 May)
- Replace current welfare system with a better system of ensuring economic security, e.g. Basic Income Support system: a Basic Wage (employable people), a Training Allowance (those taking training or educational upgrading), and Basic Support (those who cannot work or need temporary assistance.) plus "a national Employment Skills and Learning Strategy that starts with a statement of national vision and pursues that vision with investment in a broad range of initiatives to develop human capital." (Caledon 2002 Sept)
- *Finally, these changes are needed while at the same time maintaining and improving requisite social 'infrastructure': universal access to affordable*

*housing; promotion of home ownership; health care supplements for those without employer insurance; special supports for vulnerable groups: aboriginal Canadians, lone parents, persons with disabilities, youth at risk, many recent immigrants.*

## **Initiating the Discussion – Day 1**

Sally Lerner greeted participants, reminding them of the conference objectives:

“Welcome to everyone, and thanks to Charles Pascal and the Atkinson Foundation for supporting our working conference. Some people who were not able to be with us---Bruce Campbell, Rod Dobell, Ursula Franklin, Andrew Jackson, John Myles, and Jim Stanford--send their good wishes and support.

We're here to identify strategies that could better provide economic security for all Canadians. As wealthy a society as we are, we aren't yet meeting that challenge. The hope is that we here can forge a statement of what most needs doing and how to take the next steps toward that goal. At minimum, economic security means an assured income adequate to meet the financial needs of a person or family at a level that provides choice, dignity and the opportunity to participate in Canadian community life. It's true that money isn't everything. But in our urbanized, market-based society, it is essential.

Judith Maxwell's background paper offers a good brief description of the nature and sources of the economic insecurities of the times, where individuals and families are increasingly the insecure risk bearers. Much of this is summed up in the terms 'flexible workforce' and 'non-standard' employment. So one challenge is for us to think about how a secure economic foundation can be created for the increasing numbers of 'flexible' workers demanded by employers.

Other challenges are more familiar: how to ensure economic security and other needed supports for the frail elderly, lone parents, aboriginals, people with disabilities. All of the most vulnerable. While secure income is always key, assuring access to goods such as affordable housing, quality child care, education, training and adequately-waged jobs is, of course, part of the challenge. This is why we all believe that comprehensive, coherent social policy is essential.

Working closely with Region of Waterloo anti-poverty groups, I've seen the truth of what John Myles calls the 'life-course' nature of economic insecurity. Many people are literally one pay-cheque away from falling over the edge. The 'working poor' and the 'welfare poor' are typically the same people, as Richard Shillington has told us. Further up the ladder, overworked employees hang on to jobs they loathe, according to a recent study, and parents have less time than ever with

their children. No wonder that a 'new architecture' for social policy has become the buzzword.

What changes, perhaps fundamental change as Ursula Franklin suggests, are needed now in Canada's social policy to address the economic security built in to the rapidly-changing, just-in-time world of work? Is there a role for the concept of an assured Basic Income in designing strategies to ensure economic security for all Canadians over the course of their lives. These are some of the questions we can consider.

Let's put our time to good use, then, to create a clear overview of what's needed--with a map of realistic next steps. Let's make this something that we and all citizens can use to challenge--and initiate constructive dialogue with--those who aspire to be our political decision makers."

### **Morning session – Day 1**

Opening remarks from four participants—Ken Battle (Caledon Institute of Social Policy), John Anderson (Canadian Council of Social Development), Josephine Grey (Income Security Advocacy Centre) and Christa Freiler (Laidlaw Foundation)—about the goals and philosophies of their organizations provided the context for their agendas outlined in the background documents and opened the floor to comments and questions of clarification. [Only the contextually-relevant content is reported here. See the background documents(Appendix C) for details of the social policy proposals.]

#### Ken Battle – Caledon Institute of Social Policy

Caledon's work deals with the politics of social policy and they are interested in getting ideas legislated. The beliefs that drive the Institute's work are: that the fundamental aims of social policy haven't changed in the past 30 years; however, we have to change the means of social policy because we have had drastic economic, political and social change. We have to adapt our current policies and programs so that they will work in the 21<sup>st</sup> century.

Social policy has its core in capitalism – its role is to socialize capitalism and support it. Thus it is important to support human capital and development. Civilizing capitalism can be achieved by financing healthcare, education and providing a basic income. Canada's system (the income tax system) has done well with redistribution of income.

Our income programs aren't passive, dependency-creating programs. There are two kinds of inequality: inequality of opportunity and inequality of outcome. We need to increase access to opportunity because equality of opportunity leads to equality of outcome – this is why social policy is so important.

The federal government is increasing their role in income security and they should continue to do so. Should leave the provinces to focus on social services, health care and education. We can still have progress despite asymmetry in Canada's provincial programs

Social security reviews have all failed politically. Change doesn't happen through design, it comes from "*relentless incrementalism*". Basic income programs should get away from universality - they should be income-tested. But we still need universal services, an integrated universal vision. Simplification of programs is desirable because programs often work at odds with each other.

There is a need for a strong connection between income supports and services – social policy architecture should look at both services and income. These are difficult policy issues – e.g. early child development and child care – do we put public money into programs or raise incomes so people can afford them? It's natural for us to focus on anti-poverty programs but we have to look at more broad groupings i.e. private contributions in the form of pensions and other things. We also need to look at the role of community economic development and capacity building.

#### John Anderson – The Canadian Council on Social Development (CCSD)

Social policy architecture is in a new era. Social programs/the welfare state have always had weaknesses. The government hasn't tried to maintain and control the market to aid social policy; rather they have put budget cuts at the top of the agenda. The depth of poverty has increased even when poverty figures have gone down. The government needs to look at *who* is poor - there are certain groups plagued by poverty (e.g. visible minorities, aboriginals).

Diversity in urban centres has changed dramatically and we need to address this with the new architecture.

We need to look at a life-course approach. Income support, services and work/employment programs all need to be looked at and a living wage is needed as a basic policy – this will alleviate poverty and have success at all levels of government and in the private sector. We don't need to wait for the federal government to try and change this as a basic policy. A sectoral approach should be considered. An example is the decree system in Quebec for domestic, live-in workers. This could be done in other sectors. It would also be beneficial to expand the number of unionized workers.

We should look at the possibility of developing a unified strategy for creating programs in the welfare state: 1) develop a family strategy – basic services like housing, child care, child benefits. Right now the support for this is weak in the government; 2) industrial strategy – employment is a starting point. Good jobs versus flexible jobs; 3) the question of wealth – we find not only income

inequalities, but also low assets/negative assets in measuring wealth for the working poor and those on social assistance. We need to examine home ownership and the tax system. We don't have a tax on wealth/inheritance tax as a redistributive tax/income measure. We need to move on these issues.

Josephine Gray - Income Security Advocacy Centre (ISAC)

With respect to access to the welfare system, we need national standards for accountability and enforceability, which we don't have now. Viable delivery mechanisms are needed - accessibility of the system is key.

Human rights, the legal aspects, need more emphasis. There is a lack of accountability to humanity in our legal structure, so legal reform is also key. The right to income security, to meet basic needs, to an adequate standard of living must be recognized in the legal system as a human right. We shouldn't overlook this.

Time is important – as a measure of economic security (i.e. how many hours are worked). If a low income person is working 2-3 jobs and 70-80 hours a week, this is not economic security.

Demands on the table from grass roots organizations point to a structure of where we should go in the future. Law reform is an important aspect – the Income Security and Advocacy Centre focuses on this.

Christa Freiler – Laidlaw Foundation

Laidlaw funds child and family policy work. They fund Campaign 2000 – this is directly relevant to our work here at the conference. There was a multi-year project – Family Security in Insecure Times (8 to 10 years ago with the CCSD). This project should be recycled and the information updated.

We should highlight that poverty isn't just about income – we should also talk of “near poverty” and vulnerability. We need to look at more than just who is below the poverty line

Social inclusion looks at social aspects and outcomes – this allows solidarity for those other than just low-income people. Focus on both income and services available to people

It is important to build inclusive communities and cities. The Canadian Federation of Municipalities, a cross-Canada civic alliance, points toward the future, which will lie in horizontal alliances and activities, cities and communities working together across Canada.

There is an undervaluing of women's work – in particular of mother's work and the work of primary care givers. We can't focus solely on entry into the labour market as the way to economic security. While children are young we can't focus on the labour market as a means to achieving security for mothers

### **Breakout Groups: to discuss issues and strategies for change**

#### Key Points – Group A

- Agreed that the current welfare system is ineffective, entrapping and built to control people
- There should be a basic living wage, implemented through a contractual obligation, minimum wage, and/or government supplements
- There is a human right to a basic quality of life: food, housing, health care, education, drug and dental benefits
- Change should occur gradually
- Move toward requiring the state to provide the right to employment

#### Key Points – Group B

- How do we go forward? What is acceptable to this society? Do we start with a statement of values and principles to ensure a humane architecture? Trying to change values is not a good starting point
- The current programs are too old and fail to match the current society and economy. There is too much dispute over what the poverty line is
- Moral core sees basic income as a component of human rights
- Any form of participating in society should be given value
- There is a limit to incrementalism

#### A sampling of the questions and comments in both groups:

- Instead of checking up on recipients, make assistance universal - remove the stigma
- Need to assure an income level for people to keep their dignity
- How do we arrive at this amount? How do we pay for this?
- Basic income would have to be developed politically
- But the principle is attacked and people can't agree, from left to right.

- Should welfare be deconstructed?
- How do we provide a better system than the current negative welfare system?
- Canadians value human dignity, but not enough to pay people for it
- We value people working as a form of dignity don't support paying people to stay at home.
- Problems occur with high levels of unemployment; it's also problematic when a high UI wage brings the benefits of working versus not working into question

### **Afternoon session – Day 1**

The discussions initiated by the breakout groups continued into the afternoon, with participants choosing to re-convene in a plenary session. To give the flavour of the afternoon session, examples of individual contributions to the wide-ranging discussion are included in Appendix B.

### **Looking for Common Ground - Day 2**

#### The need for an integrated approach to ensuring economic security

The question was raised as to why the topic of a universal basic income was introduced at the conference. It was generally agreed that a basic income, if delivered unconditionally and automatically, perhaps via the tax system, could reduce the economic insecurity fostered by increased non-standard and impermanent employment as well as remedy the injustice and negative effects of the stigma attached to receiving social assistance.

But the need to look at the big picture, not just one mechanism such as basic income or any other single program, was continually emphasized.

"We need a multifaceted approach to economic security -- national goals that promote full employment, maximum participation in the labour market, and a strong social infrastructure (health care, child care, housing, education), a safety net provided with dignity for those in need."

The possibility of full employment was questioned, because producers and employers have to remain competitive - creating jobs is not why they are in business. It was also noted that there doesn't seem to be enough adequately-waged work to go around and that certain groups are shut out of employment because they don't have valued skills or for other reasons. It was suggested that the public is ignorant of the fact that not everyone has the opportunity to work

and make a living wage; thus they fear the introduction of a basic income even though this would not mean that people would choose not to work. On a positive note, it was also suggested that public investment in better social infrastructure could contribute to higher levels of employment.

### The Life-Cycle Approach

Participants agreed that it would be useful to examine generally the needs for economic security, and ways of meeting these, for three major life-cycle stages.

#### *Children and Youth*

It was agreed that parents should be able to count on a child benefit program that substantially underwrites the costs of housing and other child-rearing expenses, and that the benefit should ideally provide the option for a parent to stay at home while children are small. Making maternity benefits consistent with UI was also urged, as was societal recognition that raising children is real work. Universal rather than targeted child benefits were considered preferable because universal programs avoid stigma. It was also stressed that families need to retain assets, including savings, so that they can plan for the future.

Discussion of the needs of older children and youth emphasized that young people from all income strata should be able, from an early age, to believe that they have a chance for post-secondary education. Ideas differed on how to achieve this, ranging from lower tuition to substantial student subsidies in the form of grants rather than debt-producing loans. One argument for subsidizing post-secondary education was that the higher incomes of graduates lead to their paying higher taxes.

#### *Working-Age (independent of children, disability or student status)*

If the new labour market means for many working from contract to contract, in insecure jobs or for low wages, how do we deal with this reality? It was agreed that low-income people, many of whom are low-skill, have a limited choice of jobs and few options for upgrading training and education. Because they often alternate between low-wage jobs and social assistance, it is difficult for them to find the time or resources to better their situation. There was strong agreement that there must be much better access to training for all who want and need it, and that eligibility rules that act as barriers must be removed. It was noted that in England, 80 per cent of firms are required to re-train the workers they lay off.

Again the larger picture was presented: economic security comes not only from income but equally from benefits (health care, drugs) and assured access to affordable housing, via a shelter allowance and other basics. Self-employment is increasing and these people are the most insecure in terms of health benefits.

There was discussion of the feasibility of creating a refundable tax credit to match the existing personal tax credit as a form of basic economic security. Many felt this was an excellent idea, well worth exploring further. However, it was noted that the tax system is complex and interconnected, so that any changes to one part of the system have to be thought through because you can't assume the rest of the system will remain static. And the same is true of federal-provincial financial arrangements.

### *Seniors*

A number of problems with the current income security arrangements for seniors were flagged: marginal tax rates for those in residential health care are very high (110-120 per cent); RRSPs can have real drawbacks for seniors, who are poorly-informed about these; CPP and pensions are tied to earned income; and too few employers offer pension plans. It was also noted that “if you're poor when you're working, you're poor when you retire”.

Two distinct approaches to the economic security needs of seniors were discussed. The current OAS/GIS system could be replaced by a non-taxable basic income. Or the equivalent of a basic income for seniors could be provided by improving existing programs, beginning with a more generous OAS and automatic topping up via the GIS, which now has a less than optimal take-up?

Because there is, across Canada, a stratification of income delivery to seniors, rationalization of the system was felt to be a priority. It was noted that Statistics Canada has a “life paths” model (*When the Baby Boom Grows Old*) that could be of use in designing better economic-security programs for seniors.

### **Lessons from Newfoundland**

Douglas House, currently a professor of sociology at Memorial University, outlined some of the lessons of a nearly-successful attempt to institutionalize economic security in Newfoundland during his tenure as Chair of the Economic Recovery Commission from 1989 to 1996.in the early 1996. (See his book, *Against the Tide*. (Toronto: University of Toronto Press, 1999), for an account of this endeavour).

The proposed Newfoundland income security program involved a basic income supplement as well as an earned income supplement. “But we couldn't get away from ‘welfare’ completely”, House noted. The program allowed for preservation of assets and provided an educational supplement for up to four years after high school graduation (equivalent to covering tuition at Memorial).

All of this had to be negotiated with the federal government. A preliminary proposal in the early 1990's, not written for public release, was well-received by the government but community relations problems arose because it was leaked to the public and community groups hadn't been consulted.

The proposal gathered support in the Maritimes and from several political leaders of the day, but was eventually abandoned by the end of 1995 when a new government took office in Newfoundland.

House stressed how important it is, if seeking fundamental social change, to do your homework and get other interest groups involved. Convene a social partnership group of people to address major social issues (business, grass roots, activists, politicians). As well, if you are working at the provincial level, expect opposition in federal finance department because of concern that the program will get out of hand and spread across the country, that if you do it for one province you have to do it for all of them.

## **Addressing the Issues – Day 2**

As discussion progressed, it became increasingly clear that certain issues were central to participants' thinking about ensuring economic security for all Canadians. One of the most valuable aspects of the conference was that it allowed these issues to surface and be addressed in a face-to-face situation.

It also became clear that basic income was not an economic issue, that economic means and strategies could be found to 'make it happen'. Economists at the Conference said repeatedly "Tell us the kind of basic income you want and we will tell you how to fund it." This is to say that basic income is really a policy choice, or rather that it is a political choice, a choice that reflects politics at its most basic level—the role of citizens in society and the role of the state vis-a-vis citizens.

The following issues are clearly ones that will have to be dealt with as new social policy on economic security is developed.

### Should economic security be a recognized human right?

Unconditional income security versus income conditional on participation in approved societal activities. Concern was that citizens have responsibilities to fulfill as well as rights, and that unconditional income security could lead to disengagement from society, to the detriment of the individual as well as society. But also concern that there be recognition of the intrinsic worth of every human being.

### Must values change first?

Move forward with change now versus change societal values before seeking change

Concern was that change could not be effected unless and until societal values change, e.g. toward valuing work other than paid work.

How best to effect change?

‘Welfare demolition’ and reconstruction versus ‘relentless incrementalism’

The latter was proposed as the viable political path to change while the former was espoused as necessary to fundamental change in social policy.

Allocating resources – necessarily a zero-sum game?

Assuring adequate income versus assuring adequate public goods/social services (stressing importance of the social infrastructure, e.g. child care, rent geared to income, health care, housing, education). The concern here was whether resources could be found to meet both objectives and that a focus on income would sideline public goods required to assure social inclusion.

Is it still work if you don’t get paid?

Advocating guaranteed jobs versus advocating support for non-market activity

(“Do not assume paid employment”) Concern here was that paid employment would continue to be seen as the only legitimate adult activity, ignoring the time and work properly devote to child-rearing, volunteering, citizenship responsibilities, self-development.

Universalism or targeting?

Social programs for everyone versus programs targeted at certain groups

Some were concerned that universalism cannot be justified except for children and the elderly, and that some groups (e.g. aboriginals, new Canadians, people with disabilities) have special needs. Others saw removal of stigma as a major goal, and thus argued for universalism.

Focus on inputs or outcomes?

Basic economic security as a goal (outcome) versus as a program (input) like Basic Income

Concerns were that a BI would be too narrow an input to address social inclusion issues and that it would not be politically acceptable if unconditional. Others saw

BI as a foundational component of a broader program that would assure access to health care, housing, education and other public goods.

## **Concluding Thoughts**

It is fair to say that the group of social policy analysts and advocates at this working conference reached no real consensus. What was achieved was a face-to-face airing of positions on issues that are integral to the social policy field in Canada. As we concluded our meeting, opposing views were still being debated -- about the extent of people's intrinsic motivation to work in the absence of some form of social sanction, as well as about whether there is an unconditional human or citizen's right to the basic necessities required for social inclusion. There was a continuing emphasis on the political and not the economic issues. Who are we and how do we see ourselves as Canadians? What are universal rights in an advanced industrial economy?

However, agreement was expressed that taking a life-cycle approach to improving economic security for Canadians would be fruitful if problems with the current arrangements for groups at various life-cycle points were first identified, then addressed within the existing system. Long-term movement toward a basic income approach for each life-cycle phase, employing the tax system creatively, was also endorsed.

## **Appendix A: Participants and Agenda**

### **Working Conference on Strategies to Ensure Economic Security for All Canadians, Ottawa, January 31-February 1, 2003**

John Anderson Co-Convener  
Canadian Council on Social  
Development

Ken Battle  
Caledon Institute of Social Policy

Sarah Blackstock  
Ontario Coalition for Social Justice

François Blais  
Dept. of Political Science  
Universite Laval

Steve Cumming  
Canadian Council on Social  
Development

Arthur Cordell  
Industry Canada

Rick Eagan  
St. Christopher House

Christa Freiler  
Laidlaw Foundation

Josephine Grey  
Income Security Advocacy Centre

Douglas House  
Dept. of Sociology  
Memorial University

Derek Hum  
Dept. of Economics  
University of Manitoba

Joan Johannson  
Kairos

Brigitte Kitchen  
Atkinson Faculty of Liberal and  
Professional Studies  
York University

Sally Lerner Co-Convener  
University of Waterloo

Mike McCracken  
Informetrica Ltd.

Kate Rexe  
Canadian Council on Social  
Development

Richard Shillington  
Tristat Resources

John Stapleton, Visiting Fellow  
St. Christopher House

Michael Wolfson-ACS  
Analysis and Development  
Statistics Canada

Armine Yalnizyan  
Social Analyst

## Agenda

### Friday, January 31

- 9:30- 10 am Welcome and review of the Conference purposes and goals  
10 – 12 pm Overviews from participants of the economic-security/ social-inclusion agendas currently endorsed by several social policy organizations:  
Caledon – Ken Battle;  
CCSD – John Anderson  
Income Security Advocacy Centre – Josephine Grey  
Laidlaw Foundation – Christa Freiler
- 12-1:30 pm Lunch.  
Breakout groups to initiate discussion of issues and strategies for change
- 1:45 - 4:15 pm Identify specific changes needed in social policy proposals to ensure universal economic security and promote social inclusion. Work toward consensus.
- 4:30 – 5:00 pm Summary of today's progress. Tasks for tomorrow.

### Saturday, February 1

- 8:30-9:00 am Review consensus progress and remaining issues. Identify tasks and cooperators to undertake them, including preparation of materials for public dissemination
- Develop framework to present consensus statement and to flag alternatives with regard to remaining issues
- 12 – 3:00 pm Lunch, followed by work on final statement and other materials

## **Appendix B: Individual views on strategies to ensure economic security** *(Day 1)*

The key context for providing basic income is poor economic performance, insufficient demand, economic security decreasing

Disposable income essentially the same since the early 1980's

Unemployment remains high: it's a waste to have high unemployment in terms of GDP economics.

We should look at basic income (not taxable income) with health benefits, child benefits, etc.

A basic sufficient income to choose to not work but not to be excluded from society

Families: realistic incomes of scale, the same amount for men and women, encourage families to form

Free from ties to the program, i.e. welfare tests.

Look at target groups and their needs (economic training, delivery, method etc.) For example, seniors have different needs than students.

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People have been robbed of the power to choose but should be encouraged not to disengage

There are all types of forms of engagement: political, family, etc.

Get back to responsibility, and decomodify our lives, we shouldn't put dollar amounts on the quality of our lives and needs for life

To change basic quality of life, instead of basic income: put the money back and have services like health, water, housing

\$12,000 tax free basic income could be done and put extra into services. This would be for all income levels (no taxes on the first \$12,000 of income)

Raise tax exempt threshold and raise all incomes to this level, but don't express in basic income terms

Citizenship is based on taxpayers –that's how politicians see it

Inconsistent views of dependency. Conservatives think stay-at-home moms are only good when they're married or family-based: parents providing basics for young adults

Conflicted attitudes on utility of work and experiences, based on who pays for it

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Need a grand design for a blueprint for incrementalism

Design has to be comprehensive in developing new programs

Living wage a good idea to allow participants a lifestyle of choice, dignity, necessities of life. The problem in practice is that this can't be done on minimum wage and small businesses can't afford to pay higher wages

Ideal: vibrant economy allows this through the market alone - full employment helps

Have EI based at a living wage

Those who can't work, should have a basic income with additional income

Have an education supplement as part of a program and provide public services for quality of life

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People would be more involved if we weren't commodified and were recognized instead as citizens

Low-income people don't have a sense of inclusion

We need a basic income with health benefits

Have to push limits and the status quo to achieve change

Minimum wage should be at the poverty line, but which one?

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Our unemployment rate too high to model ourselves after Europe

Likes sectoral wage ideal as a way to go towards basic income

Public services fee for reduced costs – education, child care, drug benefits, etc

Set national standards- right now the standards are too low and different across the country

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Values as a starting point. A person should have a natural given value as a human right

Welfare system is ineffective because it's based on the idea that recipients need to be controlled and they have no value in society

Now the value of a person is seen as the value of their paid work in the market

Everyone has the right to be included in society whether they work or not

## **Appendix C: List of Background Materials**

A New Welfare Architecture for Europe? Lessons for Canada: Andrew Jackson, CCSD/CPRN Seminar, May 2002

Checklist of Key Commitments in the Speech from the Throne, CCSD, September 2002

Social Policy That Works: An Agenda, Ken Battle, Sherri Torjman, Caledon Institute of Social Policy, September 2002

Does Work Include Children? The Effects of the Labour Market on Family Income, Time and Stress, Andrew Jackson, Katherine Scott CCSD/Laidlaw Foundation Working Paper Series: Perspectives on Social Inclusion, May 2002

Conference: A New Way of Thinking? Towards a Vision of Social Inclusion, CCSD/Laidlaw, Ottawa, November 2001

Smart Social Policy – “Making Work Pay” (Submission to the TD Forum on Canada’s Standard of Living), Judith Maxwell, July 2002

“Labour workbook drafts blueprint to rebuild Ontario”, The Record, November 26, 2002

A People’s Charter campaign, The Ontario Federation of Labour, December 18, 2002

“Low-income seniors face a stacked deck”, CARP News, October 2002

A Law Against Poverty: Quebec’s New Approach to Combating Poverty and Social Exclusion, Alain Noel, CPRN, December 2002

“Children at risk: one million still living in poverty”, The Record, December 6, 2002

“A Social Policy Strategy for Children”, Robert Glossop, The Vanier Institute of the Family, February 25, 2002

In Introduction to Basic Income, Sally Lerner, 2002