

Basic Income and Gender Equality: Reflections on the Potential for Good Policy in Canada

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Abstract: *In this paper, I want to show how a basic income can make a significant contribution to gender equality, poverty reduction and human wellbeing and that it is, in Canada, both feasible and cost effective in policy terms. I suggest that it is not as radical a policy leap as many people might think. Nor is it an answer to everything. Many of the greatest hopes and worst fears of feminists and others are unlikely to come to pass, but a well-designed basic income can be good policy that makes a positive difference. Politics, however, is another story. I hope the Canadian experience also provides some insights for Americans that may not be as apparent when the US is compared to other countries where societal differences are much more marked.*

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Introduction

Both gender inequality and poverty are substantial problems with high individual, societal and financial costs. This reality does not change when it becomes politically uncomfortable to talk about these issues and difficult to work on solutions--indeed, it gets worse. It is through the pursuit of practical, although probably not perfect, solutions that progress will come.

This is not intended to be an academic paper but rather the reflections of a varied life and career. My conceptual thinking owes much to the theoretical work of many, many others in a wide range of fields while my professional experience over three decades has been mostly in the very messy world of policy and politics--on gender equality and income security, both inside and outside government. I have personal experience of poverty and of successfully changing an area of tax policy for the better. I also have a long-standing interest in ensuring that people without a great deal of specialized expertise and privileged access to academic studies and policy debates can understand and have an informed say in the decisions that affect them.

I am not trying to find answers to all the basic income and gender issues that exist. From a pragmatic and policy-based perspective, I want to know what a 'good' basic income design in Canada might look like. To evaluate a design, I am primarily interested in whether it will improve wellbeing for people with lowest incomes and whether it will have a positive gender equality impact, particularly for lone-parent families. These are my essential tests. (Wellbeing means more than poverty alleviation and gender equality is not the same as treating men and women alike, as will be discussed in the paper). In designing policy, it is also important to know how it 'fits' within the larger policy context and whether it is affordable and feasible to implement.

I start by breaking down some of the key elements and issues that I think are most critical to a discussion of basic income and gender equality. I then assess Canadian experience and the insights it can offer for the future of basic income. I draw out and connect key ideas to help guide policy development and activism to ensure that basic income design does make a positive contribution to gender equality.

Gender Equality

I commend anyone interested in the more theoretical aspects of gender equality and basic income to read the volume of Basic Income Studies from 2008 devoted to this subject¹.

At the core of gender inequality in relation to the focus on basic income is the reality that overall most of men's work is paid and most of women's work is not. This pattern holds even given women's dramatic increase in paid labour force participation in the last few decades.² The glacial pace at which men are starting to share more care work is one of the reasons. The gendered division of labour that tends to assign the bulk of the work of raising children and other essential, but unremunerated, work to women makes them economically vulnerable.

So too does a policy environment that ignores or undervalues care work and over relies on market mechanisms as if the market were the whole economy--it is not. The household (non-market/unpaid) economy that functions alongside, and underpins, market activity is an essential contributor to our health, wellbeing and social cohesion. It includes the cooking, cleaning, shopping, laundry, home maintenance, repairs and improvements that are a necessary part of life and the work of raising children, caring for each other and building relationships that makes life worth living. In Canada, in 1998 (the most recent year available)

time spent in non-market work (over 30 billion hours), converted to a dollar amount, was estimated at almost \$300 billion or equivalent to 33% of GDP.³

Women's economic vulnerability is most obvious when they are alone, and is often most acute among lone mothers of young children who are trapped in society's failure to come to grips with the fact that they cannot be in two places at once - caring for their children and out doing a paid job. The result, too often, is both time poverty and income poverty. Further, especially in highly monetized societies like Canada and the USA, income is power and the lack of it thus affects just about every aspect of a person's life--material, physical, psychological and social.

The time and money available to Canadians is changing in ways that matter very much to a basic income discussion. One especially revealing study looked at families with children from 1971 to 2006 and found that the wealthiest families have increased their income without increasing their hours of paid work. But for lower and middle income families their income has not improved, despite the family putting in significantly higher hours of paid work. The vast majority of those increased hours of paid work have come from mothers, and especially high proportional increases for mothers in low-income families. Strikingly, the patterns of time and income have changed so much that lower-income families in 2006 have the paid work hours of high-income power couples of the 1970s, but without the incomes. As for lone mothers, on average their incomes were in the second and third deciles in 2006, but their paid work hours were more similar to the married mothers in the sixth decile. These findings 'suggest that inequality in wellbeing has increased even more than inequality of income'.⁴

There are many ways in which gender equality can be advanced all along the income spectrum and it is important to pursue them. Systemic and lasting change however, requires improving the lives of the women, and their dependents, who face the worst consequences of the core gender inequality problem--the unequal gendered division of labour (time) and income. Solutions to poverty and gender inequality have to work for lone parents with young children; if they do not then all women remain economically at risk, their options are much more constrained than men's and their decisions carry more severe consequences.

Fixing gender inequality by making women's work patterns more like men's has been a popular policy goal and has achieved results (e.g., promoting full-time employment through employment equity and anti-discrimination laws to open up more occupations to women). But as a sole solution it is a rather doomed scenario -- taken to its logical end, if everyone is working full time all the time, no one will be having or looking after future generations and human wellbeing is bound to erode. In addition, the world of paid work is not all that promising for many men lately, with the growing trends toward low-paying, precarious and part-time work that have been more typically associated with women's labour force experience.

Treating the raising of children as if it were a job is also problematic, because it is a 24-hour-a-day, 7-day-a-week proposition, but one that is time limited and ever changing as children grow and develop. Treating the raising of children as a career is even more problematic, because that assumes that women cannot or should not make any other contribution to their society in their adult lives, nor have access to any other reward. With high life expectancy now reaching well beyond the reproductive years, narrowly supporting women in such a limited role is not in their or society's interests. In reality, the vast majority of women and men are earners and carers and there is enormous fluidity in how various kinds of paid and unpaid work of economic value are combined in any given day and throughout the life span.

In my approach to income policy, gender equality is understood as based on a greater valuing and sharing of all kinds of work and reward and is compatible with the goals of supporting children, families and communities. Whether we reach gender symmetry in the

division of labour (where there is perfect sharing between men and women) or not, and I think it highly unlikely, is not the key issue. It is most critical to ensure that women and men are able to obtain adequate income for themselves and their dependents and that they are supported by society in general in their roles as carers and earners.⁵

It is also necessary in thinking about gender equality policy to go beyond aggregates. There is huge variation among women, among men and among family configurations that must be recognized along with more generalized differences between women and men. Further, in care work, especially the raising of children, the complexity and unpredictability of daily life requires supports that are flexible and enable carers to make decisions about how to best meet their specific immediate and longer term needs.⁶

I am firmly on side with the authors contributing to the Basic Income Studies volume who think feminists should endorse a basic income. I find some of the dissenters' points intriguing from a Canadian policy perspective, however. One author⁷ compares Sweden and the United States and argues that a welfare state like Sweden and even a low benefits regime like the US are superior to a basic income in their effect on gender equality. Her arguments centre on the assumption that a basic income and policies like long parental leaves undermine women's labour force participation and that gains in paid work are the main drivers of gender equality. Canada sits in the middle of these two countries, with both welfare state provision of services as well as programs that look more like a basic income. This experience, as I will describe in greater detail later, shows that it is not a question of either/or (welfare state/basic income) but rather a question of getting the best policy mix possible for the context.

Sweden, for example, has a history of much greater cooperation among government, business and labour sectors than the USA, or Canada. For this and other reasons, it also has greater policy coherence in supporting people as workers and carers who need to combine both roles. In this context, lengthy parental leave does not foster reduction in labour force commitment, as the author fears, but actually promotes the ability to stay attached to the labour force for the long term while getting children off to a good start in life. In Canada's case, parental leave and benefits are not as generous as Sweden's, but the benefit period has been doubled in recent years without undermining women's labour force participation.

Where Canada is closer to the United States is in having a more ambivalent or even conflicted policy sense of what it wants women to be - earners or carers. As a result, there are mixed policy goals and a higher probability that specific programs may not work as well as expected or have unintended effects.⁸ The bottom line is that context matters and the design of a basic income has to take that into account.

In an effort to make gender equality more tangible and to better measure whether gender equality objectives are being met, in a way that does not rely on male norms, Canada developed a set of Economic Gender Equality Indicators⁹ in the 1990s, using categories of income, work and education. The indicators could also serve to provide a basic litmus test for assessing policy options. They compared total income (including people who report no income, because for some women in any given year that is a reality)¹⁰. Breakdowns of income before and after tax provided information on the extent to which market income trends and trends in the tax/transfer system are moving towards gender equality or not. The work indicators showed total workload as well as the extent to which paid and unpaid work are being shared between women and men, especially those with pre-school children. The third group of indicators focused on education and training.

The indicators were to be used as a set. So if a policy option being developed to improve women's income, for example, only did so in a way that added to women's total workload, widened the care gap or reduced access to education and training it would not be

genuinely moving towards equality. I find a set of indicators like these provides a useful basis from which to analyze basic income options.

Hopes and Fears:

I want to stress at this point that I share the perspective of those who caution against expecting, or hoping for, far too much of a basic income. This is especially true regarding gender equality. There are so many social, cultural, historical, biological and other factors that influence gender roles, expectations and outcomes; a basic income is not going to change all that. However, in a highly monetized society, it is logical that any real progress towards gender equality does require autonomous income to enable women to have a greater say in shaping their future, at the household level and at the wider societal level.

On the flip side, the fears that a basic income will induce women to leave the labour force and set them back I think are rather alarmist and unfounded. The greater concern to me is the fear of those opposed to gender equality, and a basic income that would contribute to that end, because they think it will undermine families and communities. Canada's experience shows that gender equality, family support and societal wellbeing goals can be very compatible.

Basic Income

When developing any policy, it is important to distinguish between identifying the goals and the equally important work of finding the most appropriate delivery mechanism to get the best results.

I would describe the policy goal of a basic income as the provision of a stable income platform available to all that is adequate to meet basic needs and enable participation in society. As a platform, it should enable individual adults to gain from efforts to get other income, through paid employment and through education and training that increases earnings capacity for the longer term. It should be flexible and unconditional in enabling individuals and families to improve their wellbeing through efforts to save, economize and organize their lives to suit their own best interests and priorities in their particular circumstances.

Viewed through a gender equality lens, there are other critical goals that are often unclear, treated superficially or overlooked in basic income debates. It is usually understood that women should have autonomous income and that the basic needs of children would be factored into a basic income. But basic needs are most commonly understood, and calculated, based only on material items, such as the cost of food, clothing and shelter. They do not factor in that time is as valuable a resource as money and much more constrained (wages can go up but the 24-hour day does not change). For women with young children this has enormous consequences.

Compare, for example, 2 households each with 3 people and assume that each individual gets the same basic income amount so each household has exactly the same income. One household, however, has 2 adults and 1 school age child and the other has 1 adult and 2 preschool children. The amount of adult time available for earning and caring and sharing those tasks is double in the first household, while the time required for care is much smaller because the child is in school full time. In the second household, the time available is less, the time demand for 2 young children is much higher and there is no one with whom to share earning and caring responsibilities. The second household is significantly disadvantaged economically compared to the first and is also likely to have reduced wellbeing as a result. Recognizing that the lone parent household is most likely to be headed by a woman, she also

faces a high probability of discrimination in the labour market and other factors that further limit her earning potential.

A basic income that accounts for the time demands on lone parents with young children should also increase the options available to these parents to engage in education and training to improve earning capacity as children grow older and more time is available for labour force participation.

Another issue related to gender also concerns family composition. That issue is how to reconcile the desirability of ensuring that women have autonomous income with the fact that some may have low or no earnings themselves, either on a temporary basis or longer-term, but live in a household with a high-income earner. Those families can take advantage of economies of scale as well as the time of an additional adult compared to the lone parent who is most at risk of poverty as a consequence of gender inequality.

This is a difficult dilemma when anti-poverty and broader gender equality goals may compete and policy makers concerned with fiscal realities may not be able to readily reconcile the two. It may be a matter of expecting a basic income policy to do too much. Perhaps there are other complementary policy vehicles that could be utilized to support greater income security for women and time sharing between parents within relatively advantaged two-parent households.¹¹

For lone parents, and for low-income couples, a basic income should include key gender equality goals of valuing care work and facilitating the sharing of care work by women and men, and society at large. Women's autonomous income through a basic income, for example, gives her more bargaining power in the household that can lead to greater task sharing. On the other hand, some time cannot be shared. Time spent by women during pregnancy, childbirth, recovery and nursing cannot be shared, but it can be valued. This is done through maternity benefits, for example, benefits that in Canada are unfortunately often not accessible to those with lowest incomes who need them most. This gap is a key one that could be addressed in a basic income model for Canada.

One possible scenario to address the issue of women living in households with a higher-earning partner, might be to enable new mothers with little or no individual income to access a basic income for the same period of time covered by maternity/parental benefits for those who qualify. This would support greater valuation of care work, support labour force participation after this period (in order to maintain independent income) and could encourage task sharing in the household.

With these several goals for a basic income in mind--stability, adequacy, autonomy, flexibility, unconditionality, rewarding work effort, valuing care, supporting the sharing of caring and earning, and addressing time as well as income poverty--the next question is what delivery mechanism is most likely to work effectively.

I find that the most logical delivery mechanism is a refundable tax credit model, or what is often called a negative income tax, and this is especially the case for Canada. We are increasingly using this model and it is the type of model tested in guaranteed income experiments in the 1970s. It is likely more feasible than a demogrant (universal cash transfer) but, in addition, there are ways in which a demogrant model alone could exacerbate inequalities among women and proportionally disadvantage those who are already at most at risk of poverty.¹²

In the section that follows, I show a number of ways in which the goals of a basic income have come to be accepted in Canada and how they are reflected in a variety of policies. I

assess the extent to which these policies are able to achieve certain goals, where there are gaps and inconsistencies and how a basic income could be much more effective, in human and financial terms. I also give attention to the larger policy environment within which a basic income would be situated.

Canadian Policy Context

As a very general context for non-Canadian readers, Canada's income programs are complemented by public services which interact to affect income adequacy and program effectiveness.

Our public health care system covers doctor visits, tests, hospital care and much more, but it does not cover prescription drugs (unless administered in hospital), eyeglasses and other aids or dental care. Poverty drives up health care costs because it becomes the fallback for failures in the income security system. When people can't afford good food and basic medicine, they then end up in far more expensive hospital settings for more acute problems. People in poverty also have difficulty getting and keeping employment given their health issues (the majority of adults in poverty in Canada are employed). Some provinces provide limited support to people with low-income to access prescription and dental services. Often supports are only available to social assistance recipients.

Education is publicly funded through high school but students must pay for post-secondary education. Costs are rising, and while loans and grants are available for many students, debt loads are also increasing and the prospect of good jobs upon graduation is not rosy for many. Access to post-secondary education or other extended learning is difficult to impossible for anyone receiving social assistance where the focus tends to be on as quick an exit as possible into employment of any kind. Employer-based training and upgrading is rather weak in Canada.

Child care is arguably Canada's most studied and least implemented policy area. A national child care plan was recommended in 1984, but nothing even close has materialized except in Quebec. Canada routinely receives embarrassing international rankings for its weak support for child care. Canada also has one of the highest labour force participation rates for women, most of it full-time, including among women with young children. The time and income demands on Canadian mothers are enormous. Some child care subsidies are available for low-income households but the lack of spaces, quality and affordability remain major issues for all parents.

Basic Income Policy Experience

The concept of a basic income floor -- some level at which people can meet basic needs and below which no one should be allowed to fall -- is not a new or radical idea. It has been well established in policy in Canada for many decades. However, that basic income concept is currently delivered in very different ways, with age as the primary defining criteria. A guaranteed income is available to seniors¹³ and children¹⁴. For everyone else, and far too many children as well, there is social assistance.

Tax-based Income for Seniors and Children

Both the seniors' and children's programs for people with low income are federal, based on income, and delivered as a type of refundable tax credit (the less income, the higher the

benefit). They are both substantial from an adequacy perspective¹⁵ (although not quite reaching that standard according to many) and they incorporate individual and household considerations to establish the benefit level and the delivery. For low-income senior couples, household income is used to establish the level of benefit, which is then divided and a cheque issued to each individual. It is worth noting that the benefit system for seniors include a base amount provided on an individual basis that is available to almost all seniors irrespective of income. It is taxed back from those with high incomes and the guaranteed supplement added for those with low income. The base amount is therefore more similar to a demogrant model and the supplement is like a refundable tax credit.

The child amounts are based on an amount per individual child and household income is used to establish upper benefit level. These benefits are stable, regular and adjusted if circumstances change. There is no stigma attached (the vast majority of families with children get some benefit even if very small for higher income ones), no intrusiveness and a gradual reduction as earned income increases so that families can benefit from their paid work effort.

Security and stability are key factors in the government-stated child tax benefit goal of supporting parental labour force participation. With the steady child-related income added to low or intermittent earnings, families who would otherwise have to resort to social assistance stand a better chance of weathering temporary setbacks, staying employed and getting out of poverty.

While Canada usually does a much better job of tracking how much money it spends on programs than how well the programs are meeting their goals, there are some good indicators that the seniors' and children's basic income programs are achieving success. One of the best indicators for seniors is the dramatic reduction in poverty incidence and depth since its inception¹⁶. Poverty rates are still an issue for single seniors, especially women, but the depth of poverty is not as severe as it is for younger people in poverty. There are also indications, in data that could offer more insights if further mined, that seniors now compared to the times prior to the availability of basic income benefits are healthier, living longer, enjoying life, and contributing back to their families and communities, through care for grandchildren, for example, and other informal care, charitable donations and intergenerational transfers.¹⁷

There is also evidence suggesting that low income seniors are proportionately more generous with their time and money than their more well-off counterparts¹⁸. One reason for some of these positive outcomes, even at a relatively low level of benefit, especially for singles, may be related to the design of the benefit that enables recipients to retain autonomy, dignity and control. Two sisters, two friends or a younger senior and elderly parent, for example, can pool resources to create more options to meet their care and income needs.

The policy outcomes of children's benefits are a more mixed story. There is some poverty reduction attributable to the benefit. It functions best as a basic income platform for families with two parents who can between them spend enough time in the labour market to earn the rest of the income they need. At a low-paying job, it would take significantly more than the 40 hours per week of one person to get above the poverty line. It is also a good support to lone parents who have some combination of: ability to command a relatively good hourly income in a stable job; reliable, affordable child care; reliable child support payments; older, more self-sufficient children. For other lone-parents it works less well.

For families who must rely on social assistance (SA) for the rest of their income, however, the best features of the children's basic income - autonomy, stability, security - are severely diminished or completely undone. Any child whose parent is on SA is also on SA and is as impacted as the parent by the stigma, the countless rules and time-consuming meeting of administrative demands, inadequacy and unreliability of income, loss of autonomy and dignity,

and disincentives to work, save and get ahead. Social assistance will be further described following the tax-based measures.

Other Tax-based Income Measures

Some other elements of the tax system are also part of, or related to, basic income goals. One that is universal in that it applies to everyone, is the basic personal exemption. At \$11,038 (2013) it is substantial but still short of the basic income amount set for a single senior or the poverty line for someone living in a large city. If you earn only that much you will pay no tax which is a help to low-income earners who will likely have other deductions as well. As you earn more, you are taxed.

If you earn less, however, and if you are not a senior and don't have children at home, your basic income will amount only to a refund of goods and services tax and possibly, if you meet some narrow conditions, some earned income tax refund¹⁹. Both are very small. The gap between these benefits and even the basic personal exemption let alone the poverty line, is several thousand dollars. There are measures that recognize limits to the ability to pay tax, related to disability and lone parenthood, for example, that could be looked at as potential sources for modification to support basic income goals but at present they are non-refundable and thus not available to the lowest income earners.

Social Assistance Income

Social assistance, or welfare, provides Canada's most basic income floor. It costs a great deal, it is almost tailor-made for failure, and as I outline below, is arguably one of the best reasons why Canadians should be seriously working towards a basic income that is designed very differently. Its problems were laid out in 1971 in the Senate's Croll report, which first recommended a guaranteed income, and new evidence continues to build a case against social assistance design.

Social assistance is the program of last resort, but with a much smaller percentage of unemployed Canadians being eligible for employment insurance in recent years that last resort can come quickly. And the basic income floor is actually many floors, depending on circumstances. There are different systems in each province and territory across Canada and further complications for First Nations people living on reserve where the federal government has responsibility. Some clients in some places may receive an income that is close to the poverty line, while the income floor for others keeps them in very deep poverty thousands of dollars below any measure of low income.²⁰ The National Council of Welfare (before it was eliminated by the government in 2012) monitored SA rates for decades and it showed clearly that there is no relationship at all between any reasonable measure of low income and the setting of rates. They appear to be set arbitrarily, they have rarely taken inflation into account and thus devalue over long periods of time, and they can change rapidly, often for the worse, due to political factors, making the income floor unstable and insecure.

All of these systems are anchored on the same model. All have extensive rules and regulations governing application, eligibility, and ongoing conditions to be met. The administration and policing of the programs, and their interaction with other policy areas, is complex, confusing and highly time consuming for workers and clients alike. These interactions can leave people worse off for trying to get ahead.²¹ The focus is on year-over-year spending with little attention to larger or longer term impacts, despite concerns about intergenerational poverty and the challenges faced by cities as rich/poor neighbourhood polarization is increasing.

Social assistance is stigmatizing, intrusive and infantilizing. To varying degrees, with few exceptions the programs discourage work effort, savings and the kind of confidence, autonomy

and courage it takes to cope and to get ahead.²² In many cases, applicants must be completely destitute before being eligible for help. The stated and/or de facto goal has largely been to get clients off the rolls as quickly as possible. Some would argue this is in the clients' own best interests, yet there is scant information available to determine what happens to clients while they are on welfare and when they leave, and to what extent their wellbeing improved or whether they were enabled to overcome poverty at some point.

There is mounting evidence, however, of the harm this income delivery method can cause and how expensive it is for all of us. For example, there are studies showing that more unequal societies have worse health outcomes and more social problems like crime that are very costly.²³ In Canada, income poverty is especially deep for many social assistance clients and this has a particular perverse effect due to our universal health care system. People who cannot afford good food and basic medicine, bus fare for the trip to the doctor, or care post-surgery or during cancer treatment, end up being cared for in expensive hospital settings with much more serious health conditions.

For SA recipients, who are kept in poverty but sometimes get prescription and dental benefits covered, there is also a catch 22 situation. There may still be too little income to take proper care of the family's health but at least medicine is available, which is particularly important for chronic or episodic conditions. If recipients get low-wage employment and go off welfare, however, they may be even more economically disadvantaged without health benefits if a family member gets sick, or needs glasses or dental work.

Perhaps even more critical to understanding the inherent failure of SA design is the growing knowledge base from varied fields looking at how human beings react to stressors, particularly stress related to situations of stigma, fear, and loss of respect, autonomy and control. These studies show that humans respond to highly stressful social situations and living conditions with the same fight or flight responses, like racing hearts and adrenaline surges, that being chased by a wild animal would produce--and these are beyond our control. Too much stress and irreparable damage can be done to our brain functions, bodies and immune systems.²⁴

Regardless of the reasons that people find themselves in poverty, the odds are very high that the social assistance system will make some aspects of their lives worse even as it enables them to materially survive.

There are some recent indications that this is starting to be understood and that less conditionality and intrusion is better. They provide insights into what to do and not do in a basic income design. One province with extremely low welfare rates for singles, took a step beyond raising rates a bit and also removed a condition that prevented two single recipients from sharing accommodation without being docked. That additional control over the use of money resulted in people getting off welfare sooner.

Acting contrary to the fear some have that higher benefits will make people less likely to want employment, one province has found that increasing rates for lone parents to the poverty line and coordinating with child care and other services is producing good results.²⁵ It is not just getting people off welfare but they are getting better jobs and helping the next generation get a better start. Another example is where much higher asset limits than the norm enable applicants to get income support without giving up everything they have worked and saved for previously.

I have my own historical story from 30 or so years ago in a province that used to provide family benefits with very few conditions compared to other forms of welfare and also allowed

clients to access student loans for university. In most parts of Canada that is no longer possible. As a young single parent, this was like an unconditional basic income for me. I saw an intake worker only once in my two years on benefits, I changed cities, still struggled with little income, got a Masters degree, and afterwards had a tough time paying off my student loan - this was certainly not a life of ease. But my education got me a good job and I have paid enough in taxes over the years, as have my children, to help many other families. I have met others like me, by chance. To my knowledge there was never an evaluation that might have shown what a good investment that program was - it fell victim to cost cutting and later, to poor bashing.

Guaranteed annual income experiment

Canada's historical experience with a four-year guaranteed annual income experiment that was conducted in the 1970s, might also have never come to light. Thanks to Dr. Evelyn Forget, however, we now have findings of the 'MINCOME' from the unique site in Dauphin, Manitoba.²⁶ They show positive health outcomes during the basic income regime, not just for recipients of the income but for the whole community. The results were also in line with other similar North American experiments showing that fears about a guaranteed income discouraging work effort were unfounded. The small work reduction in Dauphin was generally related to students staying in school longer and women spending more time with young children, both good long term investments. In the case of students staying in school, she suspects there was a 'social multiplier' at work whereby young people would consider whether their friends were staying in school so the more who are able to do so financially would have an encouraging effect on others.²⁷

This kind of social multiplier effect in a neighbourhood where many people would qualify for a basic income could have significant positive effects. And it could prevent polarization in neighbourhoods that still have a more mixed income profile.

The MINCOME offered stability and predictability that were very important to families who 'knew that sudden illness, disability, or unpredictable economic events would not be financially devastating'²⁸. This highlights the importance of a basic income as an insurance policy so that those who don't qualify still benefit from the reduction of risk.

Despite the positive impacts of the experiment, even beyond those hoped for, some critics still argue that the findings of the 1970s, especially in small town Manitoba, are not very relevant today. So let us consider some of the main things that have changed (or not), particularly from a gender perspective.

First, high rates of poverty persist, women and children are still more vulnerable to poverty than men and poverty among singles is especially acute. Second, women's labour force participation rates climbed dramatically and have stayed very high for many years. This is especially the case for mothers, including mothers of young children, despite the inadequacy of child care. Their income is critical to most families but despite so many more hours of paid work, they are not much better off. There are more lone mothers and more of them are in the labour force. Third, women have made tremendous gains in education and in accessing a wider range of occupations but the need for higher education for women and men is even greater now. Fourth, employment is increasingly precarious and a job is still not a guarantee of a life free of poverty. Fifth, the larger economic environment is increasingly volatile, making life riskier for everyone and the weather that was a key unpredictable factor for the agricultural-based Dauphin has shown the power of its impact, in recent flooding in Calgary and Toronto and the harshness of the winter of 2012/13 in much of the country. Lastly, health care and other social costs are soaring, and poverty is a key contributor to that pressure. All these factors suggest that a basic income is equally relevant today and perhaps even more urgently needed.

Gender Equality Policy Experience

In addition to Canada's policy experience with basic income, there are some key features of those policies and others that make a particular contribution to gender equality. It is critical that these should inform the design of a basic income that is going to serve both women and men well. And there is some policy experience that we should learn not to repeat.

Child-related tax benefits and the supplement for low income families, like the federal family allowance before it, continue to provide the benefit to the mother of the child unless there are specific reasons why a change would be requested. This is a positive policy that reflects the reality that mothers are usually the primary care provider for children. Statistics Canada time use surveys show that even where both parents are employed full time, the mother usually spends far more time in child-related activities in the household.

Maternity and parental benefits²⁹ in Canada are delivered through the system that provides for insurance against unemployment so it is not a basic income program. It is tied to past labour force participation and not available or sufficient for many who need it most, but it is a good example of policy that recognizes and supports some key realities: women need time to recover after childbirth; the first year of a child's life is developmentally very important; caring for children is societally and economically valuable work and work that can be shared between parents; and reasonable income replacement is required to ensure the health and wellbeing of parents and children. The fact that these realities of family formation are supported for only some mothers, fathers and children is a key gap that a basic income could usefully fill.

The value of raising children and the acknowledgement that mothers' time and earnings are usually sacrificed in the process is also taken into account in public pension policy³⁰. A child-rearing drop out ensures that periods of no or low earnings while raising a child under 7 do not reduce a mother's earned retirement pension. Unfortunately, there is no comparable financial recognition during the high demand years when actually raising the child. Public pension credits and benefits can also be split between spouses which is a further support for women's economic autonomy.

For earlier age cohorts where most women were not in the paid labour force, the old age security benefit was often the first independent income they ever received and it was very important, both as income and as a symbol of their contribution to society. The guaranteed supplement for low-income seniors also has features that recognize women's autonomy in couples. The benefit is split in half and each partner receives his or her own cheque. It would even better reflect basic income goals and gender equality if the cheques were more proportionate to the income of each spouse. This way the partner with the lower income would receive a larger share of the supplement.

For lone parents, there are also income-related measures that recognize the additional demands of their situation. Federally, there is a credit initially designed for tax payers with dependent spouses that has also been available for many years to a lone parent for one child in the household. It is deemed the equivalent-of-spouse amount in terms of its monetary value although in fact the situations are not substantively equivalent. An adult spouse generally *contributes* care and other work of economic value to the tax payer and the household whereas the child in a lone-parent household *requires* the care-related work of the tax payer. It nevertheless helps to offset the double duty of care and labour force participation, but only for those lone parents with sufficiently high income to be able to take advantage of the credit. It would be more effective in supporting lone parents if it were refundable. A similar sort of

equivalency provides enhanced benefits for lone parents under the federal working income tax benefit, which is a refundable tax credit. A number of provisions for lone parents also exist at provincial/territorial level.

As a necessary complement to income policy, Canada's public services such as health care, education, student loans and grants for post-secondary education, child care provision (even though far insufficient to meet needs, outside of Quebec) and labour laws, contribute significantly to gender equality and to wellbeing generally. All Canadians benefit economically from the provision of services that would be impossible or cost-prohibitive for individuals to purchase.³¹ Were they not available to enable women to participate more fully in society, and to build their own economic resources, poverty and hardship in this country would be far more prevalent.

Again, however, we come to social assistance, and it fares as badly on the gender equality front as it does in terms of meeting basic income needs. As an example, for many women the route to social assistance follows the break-up of a relationship, especially when children are involved, or an escape from an abusive relationship. Formerly middle-class women whose ex-partners are fighting custody and support orders are among them. At a most difficult period of life transition, social assistance usually imposes further psycho-social and economic damage, such as asset stripping before being eligible, and the control over decisions and behaviour imposed by restrictive rules and regulations.

One lone mother I met lived in housing where social services paid the landlord directly at the beginning of the month, leaving her only a few dollars for her and her two children to get by until the other half of her income arrived via federal child benefits three weeks later. Asked how she managed she said she learned to be still and do nothing so she would not use energy or get hungry.³² This is not the way to support families or productivity. Other women during a consultation in a different province said that social assistance there was worse than the sex trade because SA officials could too easily take their children away.³³

Women with children on welfare tend to get higher overall welfare incomes than other family types in most jurisdictions. When a lone mother loses her children, she is then subject to single rates, extremely deep poverty and lower odds of getting out. Subsidized family housing will also be lost.

The extreme poverty to which unattached individuals on welfare are subject is punitive and along with many other problems that creates, it exacerbates unhealthy relationships between women and men. Having far too little to make ends meet makes women highly vulnerable to male exploitation and violence, for example. The requirement to personally pursue a child's father for support can put women in danger. The deduction of child support dollar for dollar also leaves fathers who are trying to help with having made their child's life no better at all.

Impoverishing men also robs families and communities of sons, brothers, fathers and uncles who otherwise could be contributing to their own and others' wellbeing. There is so little other support or recourse for single people with relatively low earnings that the severe drop to welfare as the result of job loss, difficulty finding a job after leaving school or immigrating, illness, injury, or family breakdown can happen very quickly. And getting out has been described as trying to run up the down escalator.³⁴ In the face of this problem, a basic income could have large and varied benefits in low-income neighbourhoods.

Politics

While the policy environment in Canada is one where the development of a basic income is logical and feasible, the political environment currently is more mixed. The federal government in power has shown little interest and even hostility to issues of poverty reduction, income security, gender equality, and societal wellbeing generally. Doing nothing, however, will not make societal ills and their costs go away, and therefore pressure will continue to mount.

At provincial/territorial and municipal level, there is more interest and some positive work being done, but those jurisdictions do not have the ability or the tax base to effectively resolve issues of national scope that require federal action. Other orders of government may be instrumental in pushing for a basic income in Canada, especially as the many of the problems arising in the current system relating to costs in health care, crime and other areas are their more direct responsibility. The federal government, however, has constitutional footing for issues of income transfers, especially those linked to the tax system.³⁵ If a future federal government could be persuaded of the merits of a basic income, therefore, it does have the ability to contribute to the wellbeing of Canadians through tax instruments more readily and simply than through other instruments that become very complex in our federal system.

Concluding comments

Given the positive income and gender equality policy experience and experiment in Canada, the maturation of the income tax system as a delivery mechanism for other income security measures with similar goals, and established social infrastructure, a well-designed basic income delivered as refundable tax credits is feasible and could be a very effective 'fit'. It would be an enormous improvement over the one area, social assistance, that currently provides an income floor in a way that harms people, costs a great deal, does not reduce poverty and undermines the effectiveness of much of the rest of the income-related system and social infrastructure. Social assistance is actually a poorer fit and more radical departure from the rest of our social security system than a basic income.

A basic income could make a critical contribution to increasing adequacy, autonomy, security and flexibility for women, men and families in order to improve their wellbeing, close many of the cracks through which people fall into poverty initially and enable them to rebound from setbacks. It can reduce risk for everyone and provide more options to women to balance the varied demands of their lives and help close gender gaps in income, work time and access to learning.

For Canada and Canadians more widely, it would improve overall policy consistency, reduce administrative costs and time burdens, and make the income security system simpler, fairer, more transparent and more understandable. Because income security and social infrastructure are so closely linked, the greater policy consistency that a basic income provides enables increasingly significant savings to be realized over time in high-cost services that treat social ills after the fact. It provides a good return on investment and enables all parts of the system to be more cost effective and goal effective. Public debate about basic income resurfaces periodically in Canada because it does make sense. Adopting it sooner rather than later would be to our advantage.

NOTES

¹ Basic Income Studies, Volume 3, no. 3 December 2008, Debate: Should Feminists Endorse Basic Income, The Berkeley Electronic Press. www.bepress.com/bis/vol3/iss3. This volume includes articles by six authors, some more inclined to endorse basic income as a support for gender equality, others opposed or more reserved.

² See Statistics Canada. General Social Survey - Time Use (GSS) 2011 for the most recent information.

³ Hamdad, Malika. Valuing Household's Unpaid Work in Canada 1992 and 1998: Trends and Sources of Change. Statistics Canada Economic Conference. Ottawa: Statistics Canada, May 2003. For more detail on methodologies and earlier data, see Statistics Canada, Household's Unpaid Work: Measurement and Valuation (1995). The Statistics Canada Total Work Accounts System pioneered by Leroy Stone in the late 90s integrated data concerning the paid and unpaid work done by individuals in order to support analyses in a wide variety of fields of public concern e.g., child care, patterns of use of time in health promotional activities, intergroup differences regarding time spent in acquiring new skills and knowledge, patterns of total work over the life courses of men and women, time use while doing paid work, and unpaid work of economic value done by groups with low levels of participation in paid labour markets. Unfortunately, given that gender equality has fallen from the federal agenda in recent years, much of this important work that can help us understand the whole economy better has not been continued.

⁴ Peter Burton and Shelly Phipps. 'Families, Time and Well-Being in Canada' in Canadian Public Policy Volume XXXVII, No.3, 2011, 395-423.

⁵ Christa Freiler, Felicite Stairs and Brigitte Kitchen with Judy Cerny. Mothers as Earners, Mothers as Carers: Responsibility for Children, Social Policy and the Tax System. Status of Women Canada Policy Research, 2001. This policy research program is another of the programs cancelled by the current government.

⁶ Time use studies in Canada and elsewhere show that on average, women's time during a day is broken up into many, smaller chunks of time on different activities than men's time which has longer stretches of time devoted to fewer activities.

⁷ Barbara Bergmann is the author most opposed to a basic income. My perspective is closer to that of John Baker and especially Almaz Zelleke with her focus on women most at risk and her view that a basic income can be designed without reinforcing the gender division of labour. Ingrid Robeyn, as guest editor of this volume, suggests that it is time to move to a focus on the details of an entire package deal of a basic income society that is more grounded empirically. I have tried to start that approach to the extent I am able in this short paper, for Canada.

⁸ One example is the tax treatment of child support, that prior to 1997 when it was changed, provided greatest benefit to separating families with a high earning father and a financially dependent or low earning mother. While family law was setting support awards with expectations that custodial mothers should improve their own earnings fairly rapidly after separation and divorce, the tax policy on child support actually penalized the mothers for doing so.

⁹ Federal-Provincial/Territorial Ministers Responsible for the Status of Women. Economic Gender Equality Indicators. Ottawa: Status of Women Canada, 1997.

¹⁰ Traditional measures compare full-time, full-year earnings, reflecting male work patterns.

¹¹ Spousal and other non-refundable credits that an earning spouse can claim, for example, could potentially be redesigned to deliver equivalent credit amounts to the non-earning spouse.

¹² In Canada, Francois Blais, who is now a Minister in the Quebec government, discusses negative income tax and demogrant models, and favours the latter, in *Ending Poverty: A Basic Income for All Canadians*. Toronto: James Lorimer and Company, 2002.

¹³ Old Age Security (OAS) is almost universal (seniors who have lived in Canada for a required number of years) and it is taxed back from high income (over \$115,000 in 2014) individuals. The Guaranteed Income Supplement (GIS) is available for seniors with little other income. Detailed program information available from Employment and Social Development Canada (formerly Human Resources and Skills Development Canada and several other names) at www.esdc.gc.ca.

¹⁴ Canada Child Tax Benefit (CCTB) base benefit and the National Child Benefit Supplement (NCBS) for those with low and modest income. Detailed program information available at www.esdc.gc.ca. A Universal Child Care Benefit is also available. It is much smaller, taxable, and is not tied to child care as the name implies, in fact is far too small in relation to actual child care costs in Canada to have much influence over decisions about parental labour force participation, but is another contribution to child-related costs for families.

¹⁵ The maximum OAS amounts as of June 2014 is 551.54 or about \$6000/year (adjusted quarterly). The maximum GIS for a single person is \$747.86. Total income from a senior receiving both would be about \$15,590. This is lower than the after tax low income cut off for a single person living in a large city.

¹⁶ Canada does not have an official poverty line, but it does have several measures of low-income that demonstrate patterns over time and provide other valuable information. While there are some differences based on methodology, they are not widely divergent in overall pattern and could together contribute meaningfully to the establishment of reasonable benchmarks for a basic income adequacy amount.

¹⁷ *The Dollars and Sense of Solving Poverty*, Chapter 8. National Council of Welfare, 2011.

¹⁸ *ibid*

¹⁹ Working Income Tax Benefit (WITB) is similar in concept to the Earned Income Tax Credit in the United States but is much smaller with much lower thresholds.

²⁰ The Welfare Income series has been taken up by the Caledon Institute of Social Policy since the demise of the National Council of Welfare. Information for 2012 is available at www.caledoninst.org/Publications/Detail/?ID=1031. The lowest welfare rate for a single person that year was only 35.9% of the after tax poverty line (LICO) at \$7,037. For a single parent with a 2 year old child, the rates range from a low of 63% of the poverty line to 103.2% in Newfoundland and Labrador. For this family type, Saskatchewan and PEI have rates just over 90% so they are closer than most to the poverty line.

²¹ John Stapleton provides a detailed example of how perverse our system can be in his paper “Zero Dollar Linda”: A Meditation on Malcolm Gladwell’s “Million Dollar Murray,” the Linda Chamberlain Rule, and the Auditor General of Ontario. Metcalf Foundation, November 2010. Linda has a disability, tries to work and ends up far worse off because of complex, rigid rules that treat everyone with suspicion, where helpful social service workers can’t help.

²² A program called Women Moving Forward run out of the Jane/Finch Community and Family Centre in Toronto is one response to this problem. It was created with the involvement of single mothers on social assistance who were not willing to accept their situations passively and wanted to build skills, get more education and otherwise get ahead but too often ran into hurdles with the welfare system when trying to be their own agents of positive change. Since 2005, it has helped over 100 women. For more information see www.womenmovingforwardcanada.org.

²³ See especially Richard Wilkinson and Kate Pickett. *The Spirit Level: Why Equality is Better for Everyone*. Penguin Books, 2010. There are other examples from Canada and elsewhere of costly programs that reflect failure to address poverty and inequality at their roots in the National Council of Welfare's *The Dollars and Sense of Solving Poverty*.

²⁴ See, for example, Joseph Ledoux. *The Emotional Brain: The Mysterious Underpinnings of Emotional Life*. New York: Simon and Schuster Paperbacks, 1996. For more on how this implicates society and policy see Peter A. Hall and Rosemary CR Taylor. "Chapter 3: Health, Social Relations and Public Policy". *Successful Societies: How Institutions and Culture Affect Health*. Peter A. Hall and Michele Lamont (Editors). Cambridge University Press, 2009. For particular effects related to poverty, see Mario Luis Small, David J. Harding and Michele Lamont. *Reconsidering Culture and Poverty*. Philadelphia: The ANNALS of the American Academy of Political and Social Science, May 2010.

²⁵ See information on Newfoundland and Labrador's progress on its Poverty Reduction Strategy at www.aes.gov.nl.ca/poverty/pdf/prs_progress_report.pdf.

²⁶ Evelyn L. Forget, *The Town with No Poverty: The Health Effects of a Canadian Guaranteed Annual Income Field Experiment*. *Canadian Public Policy*, Volume XXXVII, 20.3, 2011

²⁷ *ibid*

²⁸ *ibid*

²⁹ Maternity and parental benefits are delivered through Employment Insurance program. Workers and employers contribute and it is run by the federal government. More information is available from Employment and Social Development Canada at www.esdc.gc.ca.

³⁰ The Canada and Quebec Pension Plans (CPP/QPP) are contributory programs funded by employer and employee contributions and run by the federal government.

³¹ Hugh Mackenzie and Richard Shillington. *Canada's Quiet Bargain: The benefits of public spending*. Canadian Centre for Policy Alternatives, 2009.

³² This mother subsequently became part of the Women Moving Forward project mentioned above. The program is small and highly effective, a good model that could be expanded and would be aided by a basic income to help women to get out of such traps and others, such as the onerous process of having to go on and off welfare in any given year in order to pursue post-secondary education funded by student loans.

³³ This information was provided verbally by participants during consultations with women's organizations that Status of Women Canada held in the lead up to a 2005 United Nations review of progress on gender equality.

³⁴ This graphic way of expressing the plight of welfare recipients was developed by le Collectif pour un Quebec sans pauvreté described to the National Council of Welfare at a meeting in Quebec City in 2006. Their website at www.pauvrete.qc.ca has a feature that translates into English and Spanish.

³⁵ In April of 2008, the Library of Parliament held a Seminar on Rethinking Income Support: A Guaranteed Annual Income. At that seminar, Keith Banting of the School of Policy Studies and the Department of Political Science at Queen's University offered several reasons why the guaranteed income debate is an old idea with continuing currency and is worth attention. In addressing the question of why now, he identified the fact that the current system is broken and also that the kinds of cost-shared federalism that created much of it has eroded and that going forward we need a strategy which relies on governments working within their own areas of jurisdiction.