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News Release

Guaranteed Livable Basic Income Could Cut Poverty Rates by 40%

FOR IMMEDIATE RELEASE

OTTAWA, FEBRUARY 19, 2025—Canada can significantly reduce poverty at minimal cost by implementing a guaranteed livable basic income (GLBI). This is the bottom line in the latest [report of the Parliamentary Budget Office](#) (PBO).

GLBI programs consist of cash transfers sufficient to live on and available to anyone with income below a certain point. Particularly as Canada faces tariffs and increasing economic uncertainty, a GLBI would ensure no one is abandoned to poverty and simultaneously build Canada's economic capacity and social well-being.

Consistent with its previous reports on the topic, the PBO work further dispels several common myths and misconceptions about GLBI.

"The report found that one potential model for GLBI could be implemented at a relatively low cost of \$3.6 billion annually—a small price to pay for reducing poverty by 40%, especially when you consider that we currently expend more than [\\$80 billion per year](#) on approaches that are not alleviating poverty, homelessness, mental health and addictions", underscored Senator Kim Pate, sponsor of Senate legislation on GLBI.

The PBO report concluded that any negative impact on work would be minimal, estimating some 1.1% fewer hours worked as a result of GLBI. In the past, most of those who have opted not to work while receiving cash transfers instead [attended school or raised children](#).

"Guaranteed livable basic income is not a new idea," concluded Senator Pate. "It is an idea whose time has come. Especially as Canada faces unprecedented economic challenges, it is time to invest in communities."

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