

Guaranteed Livable Basic Income & Existing Programs

The relationship between a Guaranteed Livable Basic Income (GLBI) and existing social programs is a central concern. GLBI is a form of income replacement; it provides money to individuals, but not goods or services associated with special circumstances. It cannot replace goods or services offered to meet particular needs, such as healthcare, job training or education. It can, however, replace many cash transfers from the government to individuals, such as provincial income assistance or the GST credit. This could reduce administrative costs because it removes significant administrative processing resources (e.g., application, evaluation, monitoring costs). This said, how GLBI intersects with existing social services (e.g., disability, income assistance, child support) needs to be carefully thought out.

One example of how existing programs might work with a GLBI concerns people with disabilities (PWD). In all provinces, PWD are eligible for some forms of income replacement if they cannot work. In some provinces, such as Ontario, only people receiving disability support (e.g., ODSP) are eligible for necessary health supports, such as mobility devices, hearing aids, prescriptions, etc. The program uses caseworkers to help people navigate a complex system. The coupling of services and income support has discouraged some PWD from entering the workforce because they fear loss of access to specialized services that they might require at some point.

Other provinces are working hard to de-couple the provision of health supports from income replacement because some people who work and do not need income replacement may need help with prescriptions or mobility devices, while other PWD need income replacement but have no need for health services. Similarly, some seniors require health supports but do not need income replacement through the disability income support system. Some PWD rely heavily on their caseworker, while others find the caseworker either unhelpful or detrimental.

Manitoba, like some other provinces, offers all residents (and not just PWD) support for prescription drugs based solely on the <u>level</u> of their income and not its <u>source</u>. Working people with low incomes receive free or heavily subsidized prescriptions, just as do people on income assistance. Similarly, people who do not receive disability income support can receive assistance with technological or mobility supports, or with transportation. Therefore, there is no disincentive to undertake work that might be appropriate. This process of de-coupling goods and services from income replacement is ongoing in several provinces.

The role of the caseworker has similarly attracted scrutiny. Manitoba is implementing a system for people with long-term disabilities that makes the caseworker optional. People who do not require their services are not required to go through the caseworker. Those who find caseworkers helpful have greater access because there is less pressure on the system. The province is also working with trusted community organizations, such as CNIB (Canadian National Institute for the Blind), to certify and train community workers to serve as navigators. This has been appreciated by the disabilities community because of past experiences with government provided caseworkers. This process is both efficient from an economic point of view and empowering for individuals.

The bottom line is that GLBI does not replace goods and services that have been put in place to meet particular needs or goals. It can replace some cash transfers. Separating these two kinds of supports is already underway because the perverse incentives associated with tied provision have already been recognized by the provinces. GLBI will support and encourage this process.

Key References

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