

Basic Income Vancouver Guiding Principles: An ideological response to the Caledon Institute's paper "Guaranteed Income or Guaranteed Incomes?"

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A colleague once opened my eyes, telling me "The Best is the enemy of the Good". I didn't know they were quoting Voltaire at me. Neither did I expect to hear that on a construction site. But it was relevant then. It is relevant now. The trouble is that it is the issue the Caledon paper demands us to engage with as the Basic Income community.

Basic Income comes from a simple premise – that we have an obligation as Canadians to provide for the basic needs of people in our society. We have a duty to provide our people enough needs security. As a society we get to determine how much we can afford. Who we provide for defines us as a society. What we provide is a reflection of our compassion.

As advocates for Basic Income, we propose providing (we may as well use the [BIEN](#) definition) "an income unconditionally granted to all on an individual basis, without means test or work requirement". To all Canadians.

How we compromise on that idea defines us as a movement. But let's not mislead ourselves, we will have to compromise on that idea in order for Basic Income to become a political reality. The question is how, how much, and when.

Battle in the Caledon paper cautions us to understand this political reality and adopt an approach of "relentless incrementalism". It is a fair point.

As the champions and owners of Basic Income in Canada, we have some measure of political power in that process, as we define what is Basic Income (and what isn't). We understand the Basic Income conversation; we've seen the studies and the examples and counter-examples, and we have a very good intuitive understanding of what Basic Income looks like.

We struggle to agree on the specifics.

This makes the Basic Income movement very easy to co-opt and/or minimize politically. We should take ownership of this weakness and address it. We need to define specifics, and we need to be clear what is (and what isn't) Basic Income.

Caledon's proposal is not Basic Income.

Battle's 2015 paper is a policy presentation following on from the 2010 [paper](#) "A Basic Income Plan for Canadians with Severe Disabilities". It re-presents Caledon's tiered approach to

providing income provision for people who CAN'T work. The first two tiers "Temporary Income" and "Employment Preparation" are described as including "GAI technology", and the third tier is a population-specific "Basic Income". Battle uses the language of Basic Income, and calls the income support for those unable to work "Basic Income".

The tiered concept is part of the Caledon Institute's benefit reform architecture described in the 2006 paper "[Towards a New Architecture for Canada's Adult Benefits](#)". Oddly, reference to a fourth tier in the original paper of "Support for low-income workers" is missing in this new paper. Possibly because this tier, rather than providing financial support, provides "Minimum wages, working income supplements, tax credits and employment standards".

The Caledon paper requires that we make a distinction between those who CAN'T work, and those who WON'T work. The paper defines distinct segments of the population that are deserving of income support (including a segment of unemployable, non-productive people who literally "cannot reasonably be expected to earn an income from work"), and suggests we widen the "safety net" to include them, and bolster the welfare net to support other CAN'T workers.

This test of work capability does not meet the "conditionality" component of the Basic Income definition as "an income unconditionally granted to all on an individual basis, without means test or work requirement".

Still, the paper offers the tantalising potential to identify a distinct, politically supportable population segment that CAN'T work, and provides a solution in the form of a "fixed income". The "rational incrementalism" approach asks us to compromise and say things to ourselves like, "It is a good enough Basic Income, you just need to compromise on conditionality". "Don't be obstructive".

I'll present here a framework of five Guiding Principles for assessing Basic Income policies based on a 2008 Guy Standing [paper](#) "How Cash Transfers Promote the Case for Basic Income". I'll assert (for now) that any proposed compromises to the BIEN definition that "a Basic Income is an income unconditionally granted to all on an individual basis, without means test or work requirement" can be weighed against these five principles. The Basic Income movement's effectiveness in defining what is (and what isn't) Basic Income comes directly from our ability to agree on all five of these principles, and to talk confidently with one voice about what is and isn't Basic Income.

I say assert, because this is what we need to define for ourselves as a movement in Canada. We need a set of Guiding Principles for Basic Income, and for now what I offer is what we are using in Vancouver.

Basic Income Vancouver has adopted the following five principles as a framework for thinking about and discussing Basic Income proposals. It helps us.

They form a solid set of social justice principles which help to understand what kind of Basic Income policy is being presented. We'll take them for a test-drive on the Caledon paper, in the knowledge that this is a Basic Income proposal advocating compromise on the basis of "conditionality".

With Utrecht, Liberal Party resolutions for Basic Income, and Finland, I'm sure we'll be seeing more proposals as the political system increasingly engages with the idea. Each will advocate some form of compromise. We might as well agree early on a common framework to talk about Basic Income proposals. We can define what is "good" basic income and what isn't.

I will focus on Tier 3, because in fairness to Battle this is the only element of the policy that is described as "Basic Income". Tier 1 and Tier 2, which claim "GAI technology", look to fail these tests comprehensively.

The five tests:

· **The Security Difference Principle** – A policy or institutional change is socially just only if it improves the security of the least secure in society.

*Does a Basic Income policy support the people who have the least security of basic needs in becoming more secure?*

In summary, the Caledon paper advocates a three tier approach: Tier 1 provides "Temporary Income" support for unemployed workers, Tier 2 provides income benefits with support for employment preparation (again for unemployed workers), and Tier 3 provides support for "people who cannot reasonably be expected to earn an income from work".

Basic Income advocates need to decide if we think this group of "Tier 3" people - "CAN'T Workers", or whatever stigma would be attached to them – represent the least secure in our society.

That is a very divisive question. It is the trap that a non-universal and contingent schemes place a Basic Income advocate in. It's one we should avoid on principle alone, but here we are.

It could do. It could - if it represents populations which have been marginalized to have inadequate life skills and work skills. This would include people who are "fit and healthy", but who cannot reasonably be expected to work. That would include people struggling with addictions. People with the least needs security.

Caledon's position is that Tier 3 should initially focus on "persons with severe disabilities". This group will intersect with a sizeable proportion of the least needs secure in society as Battle notes.

On the basis of the Security Difference Principle, the Caledon proposal has merit.

The extent of compromise on conditionality and/or universality is a function of the funding available. Pereira's [paper](#) "Universal Basic Income and the Cost Objection: What are we Waiting For?" goes a significant way to describing how a full Basic Income policy could be funded in Canada. It isn't enough though.

This is a critically important area for Canadian Basic Income advocates to focus on to advance the Basic Income conversation. We are hoping to see a lot more work in this area for Canada-specific policies. It would be interesting to hear what is in the pipeline.

· **The Paternalism Test Principle** – A policy or institutional change is socially just only if it does not impose controls on some groups that are not imposed on the most free groups in society.

*Is a Basic Income policy free of any judgment as to what is “best” for someone?*

On the face of it Caledon's Tier 3 “Basic Income” looks to pass the test by providing an unconditional sum to people who CAN'T work.

However, to pass the test, the policy needs to address what happens when the "persons who can't reasonably be expected to work" find imaginative ways to convert their time and energy into wealth creation. It won't be a Basic Income if there is a condition that Tier 3 "Basic Income" eligible people cannot supplement their basic income with additional earned income.

That would be a difficult policy to define. In outline the policy looks like: "You are incapable of work, and therefore you can't earn an income from work. We therefore take away your ability to increase your wealth and needs security through compensated work. If you attempt to earn additional income through work, we will sanction you by removing your Tier 3 eligibility, as you have proved you can work."

This fails the Paternalism test. Rephrasing this so the paternalism is clearer - effectively the policy would say, "We know better than you, we know you can't work."

Perhaps let's call it the "Paternalism Paradox". Basic Income does not have the "Paternalism Paradox".

The Caledon proposal fails the Paternalism principle on this basis, but it will be interesting to see whether the policy can be described in a way that addresses this paradox. It will be tricky as the paternalism is encoded in the selection criteria for who Tier 3 includes.

· **The Rights-Not-Charity Principle** – A policy or institutional change is socially just if it enhances the rights of the recipient of benefits or services and limits the discretionary power of the providers.

*Is the discretion in a Basic Income policy minimized?*

Caledon's Tier 3 is to "ensure an income-tested safety net for people who cannot reasonably be expected to earn an income from work". Inherent to this policy is some form of benefit gatekeeper whose sole job is to decide who CAN work and who CAN'T work. You just have to look to the [UK's foray](#) into this welfare policy realm to see how fundamentally dangerous and dehumanizing it is. How can giving the state discretion as to whether a person is a productive unit be anything other than fundamentally dehumanizing?

Even if applied with some compassion and thought, this is a massive discretionary power that would be handed to the state. We can't justify such a policy passing this test. It leads to obvious and societally damaging consequences.

We suspect it will be challenging for the Caledon Institute to gain traction on Tier 3 in light of the UK's recent experience (with plenty of stories from the UK).

· **The Ecological Constraint Principle** – A policy or institutional change is socially just only if it does not involve an ecological cost borne by the community or by those directly affected.

*Does a Basic Income policy have an unsustainable cost to the environment?*

Battle notes that income-testing is required to get to "cost neutral", and says the "net cost of the universal demogrant option was \$123 billion in today's dollars". Cost is presented as a choice between either income-testing or economic infeasibility. Battle settles on cost-neutrality and that is likely enough for a policy to pass the Ecological Constraint principle with no net increase in environmental impact.

Proponents of other Basic Income policies in Canada will have to engage with this principle.

· **The Dignified Work Principle** – A policy or institutional change is just only if it does not impede people from pursuing work in a dignified way and if it does not disadvantage the most insecure groups in that respect.

*Does a Basic Income policy promote people's ability to make their own choices about the kind of paid work they do?*

Tier 3 clearly disadvantages people, as it literally labels some people as being unable to work. It excludes an entire group of people from all employment opportunities, and then even excludes that group from the dignity of working.

Worse - it defines our society in terms of people who CAN work, people who CAN'T WORK, and people who [WON'T work](#). History is enough of a guide to tell us that many of the least secure will find themselves labelled as WON'T workers.

Discussion of "Tier 3" creates a great space for Basic Income advocates to own a conversation about the nature of work – that when we say "not to work", what people seem to mean is "not to earn an income". And that is not the same thing at all as not working. There is plenty enough of societally beneficial, uncompensated work for people.

The Caledon proposal fails the Dignified Work Principle.

Conversations about Basic Income come back to the heart of the work motivation discussion. That fear, that "people will just goof off and not work". That is another conversation that as Basic Income we must own. Our society is based on a meme that financial compensation to meet basic needs is required to for people to engage with work.

It is a meme which is valid in a world where: (a) there is 100% employment for everybody, (b) that employment provides enough individual income for everybody to meet their basic needs, and (if only for fairness) (c) subject to the same minimum universal input of time by an individual. That's not how our world works.

It doesn't work now, and it won't work in the imminent future when there is mass technological under or unemployment. We need another meme - and that meme is Basic Income.

Proposals like the Caledon proposal start with the premise that we don't want to work. [Pink](#) and [Schartz](#) make several valuable contributions in opposition to that premise. What I've been struck with in the many conversations I have had with people, is that there seems to be a universal drive for people to want to be useful. To want to contribute and engage with the dignity of work as a means of providing meaning to their life.

The Tier 3 'Basic Income' work paradox - the "Paternalism Paradox" - would further marginalize an already marginalized segment of society. It would tell a sizeable proportion of people with disabilities that they literally CAN'T work. As for which sizeable proportion of our society - well the [definition](#) from the Ontario Human Rights Code is as good insight as any into the challenges of classifying people as disabled.

And if there remains a question about that challenge, take a look at how Canada defines disability administratively in the "[Federal Disability Reference Guide](#)". The guide notes 'because of its complexity, there is no single, harmonized "operational" definition of disability across federal programs.' The guide goes on to define four guiding principles based on the United Nations Convention on the Rights of Persons with Disabilities. The third principle states:

"The principle of independent living advocates for a society where people with disabilities have opportunities to live life to its fullest and take advantage of what society has to offer. Independent living enables people with disabilities to self-actualize and fulfill their rights and responsibilities as Canadian citizens." This is contrary to the test of work capacity which is needed to implement Caledon's "Tier 3".

The Caledon solution attempts to offer a patch to a problem, but doesn't address the root problem and it doesn't offer a solution which addresses the political, cost and practical drivers of social change: precarious work, social determinants of healthcare, and technological work obsolescence. That is an problem requiring ingenuity.

Caledon's is a divisive approach which asks people to patiently wait for the next Basic Income bus. It misses the point that there is a real political problem right now that needs addressing. The exhausted and tired 40% that Guy Standing asserts form the Precariat – and that number is supported by [Statistics Canada numbers](#) – form an exhausted bloc. In Vancouver, support for Basic Income is as high as [52%](#).

Basic Income will happen when politicians have to deal with the [reality](#) of technological job replacement and corresponding mass unemployment. It will take time to get there (perhaps around [2050](#) when computing power is forecast to match the power of all humanity), but we don't need to compromise now on what Basic Income is.

Simply picking select "GAI technologies" does not create a Basic Income policy. Long story, short, the policy outlined by Caledon does not meet three of these five guiding principles for Basic Income. A pass on all five principles is our objective for policy development.

Perhaps that is all we need to say, as Basic Income's owners and champions, about this Caledon paper. This is a policy that has merit, if adopted with compassion and thought then it could bring much needed support to a sizeable segment of the least needs secure.

But it isn't Basic Income, not by a long shot.

8

#basicincomevancouver

#basicneedsbasicincome

<https://github.com/basicincomegithub/guidingprinciples>