

Senate Inquiry into Guaranteed Livable Income

Kim Pate - Senate of Canada – February 25, 2020

Honourable Colleagues, I rise today to call attention to the need to examine and evaluate concrete measures available to the Senate to support the implementation of guaranteed livable income initiatives and to promote substantive equality for all Canadians.

Canada's constitution entrenches a Charter of Rights and Freedoms that guarantees substantive legal rights and equality for all. Despite this legal reality, far too many people in Canada do not experience that equality of opportunity.

La pauvreté est l'un des principaux obstacles à l'égalité. La pauvreté affecte la façon dont les Canadiens vivent, les choix qu'ils font et les possibilités qui leur sont ouvertes.¹ Poverty also intersects with and amplifies sexism, racism, colonialism and other forms of systemic discrimination.

Half of Indigenous children in this country are growing up in poverty.²

The Canadian Human Rights Tribunal, in the *First Nations Child and Family Caring Society* case has ruled that, since 2006, at least 44,000 Indigenous children have been needlessly taken into state care largely due to their lack of access to services or resources.³ Even though Bill C-92 prohibits the apprehension of Indigenous children by child welfare services based on poverty, absent concrete provisions to remedy systemic inequality, First Nations have rightly criticized this as essentially an empty perfunctory gesture.

¹ **English Translation:** One of the most significant barriers to equality is poverty. Poverty affects the way Canadians live, the choices they make, and the opportunities available to them.

² Natasha Beedie, David Macdonald, Daniel Wilson, *Towards Justice: Tackling Indigenous Child Poverty in Canada* (Assembly of First Nations, Canadian Centre for Policy Alternatives, July 2019)
https://d3n8a8pro7vhmx.cloudfront.net/upstream/pages/684/attachments/original/1562604201/Upstream_report_final_English_June_24_2019.pdf?1562604201

³ First Nations Child and Family Caring Society of Canada, *Tribunal finds Canada wilfully and recklessly discriminated against First Nations children* (News Release, Sept 6, 2019)
https://fncaringsociety.com/sites/default/files/press_release_-_september_6_2019.pdf

Des millions de Canadiens vivent dans la pauvreté.⁴ The majority of Canadians live pay cheque to pay cheque.⁵ Many of those living under the poverty line are employed, but are not paid enough to get by.⁶ In 97% of neighbourhoods in cities across Canada, a person working a full-time minimum-wage job cannot afford to rent a one- or two-bedroom apartment.⁷

For young Canadians, this is part of being “Generation Squeeze”, young adults who are facing stagnant earnings, high costs of education, housing and childcare and mounting debts—including public debts associated with environmental degradation.⁸

Depuis près de cinquante ans, les sénateurs examinent le problème de la pauvreté et recommandent la solution du revenu viable garanti.⁹

A guaranteed livable income is an unconditional transfer of income sufficient to meet basic needs.

It could replace social assistance payments—sometimes known as “welfare”, while working alongside other social supports, including health care, pharmacare, pension and education supports. Guaranteed livable income would not obviate the need to carefully regulate such sectors as employment and housing to ensure that human rights are upheld. Rather, it would be just one component of a vital social safety net.

By comparison, current social assistance schemes perpetuate and entrench poverty. People receive inadequate resources that, rather than providing a leg up and out of poverty, keep them on the brink of crisis. They are also subject to complex, moralistic and, too often, arbitrary rules. If individuals are able to accumulate some savings, if they receive a loan from a family member,

⁴ **English: millions of Canadians are living in poverty.**

Numbers released February 24, 2020 by Statistics Canada indicate that poverty is decreasing—due in large part to the Canada Child Benefit, a type of guaranteed livable income—but that there are still millions of Canadians in poverty. StatsCan’s numbers indicate that in 2018, 3.2 million or 8.7% of the population was living in poverty, but these numbers were calculated based on living costs in 2008—over a decade earlier. When adjusted to realistically account for increased cost of living in 2018, StatsCan recognized that the actual number is more than 4 million people still living in poverty and indicates that discrepancy largely due to housing costs that have risen between 2008 and 2018: <https://ipolitics.ca/2020/02/24/poverty-rate-declined-to-8-7-per-cent-in-2018-under-expiring-formula/> Much more needs to be done to address the housing crisis, the fact that despite recent housing and poverty strategies, millions of Canadians remain in poverty, and that impoverished people are disproportionately likely to be women, Indigenous, racialized, to have disabling physical or mental health issues, etc.

⁵ Annual BDO Canada Affordability Index cited in Mike Lloyd, *More than half of Canadians are living paycheque to paycheque: poll* (CityNews, Sept 30, 2019) <https://www.citynews1130.com/2019/09/30/more-than-half-of-canadians-are-living-paycheque-to-paycheque-poll/>

⁶ Evelyn Forget, *Basic Income for Canadians* (Toronto: James Lorimer & Company, 2018) at 27.

⁷ David MacDonald, *Unaccommodating: Rental Housing Wage in Canada* (Canadian Centre for Policy Alternatives, July 18, 2019) <https://www.policyalternatives.ca/unaccommodating>

⁸ *What Is Gen Squeeze?* https://www.gensqueeze.ca/about_us

⁹ **English:** For more than 50 years, Senators have been studying the problem of poverty and recommending the solution of guaranteed livable income.

if they decide to train for more stable employment instead of searching for non-existent jobs or work that doesn't pay a living wage, they can find themselves without any supports.

By contrast, guaranteed livable income is intended to promote stability, to be unconditionally accessible to those in need, and to create breathing room to plan a pathway out of poverty – or as former Senator Segal describes, giving people the boots to allow them to pull themselves up by their bootstraps.

In 1971, following three years hearing from Canadians living in poverty, the Special Senate Committee on Poverty, chaired by Senator David Croll, reported:

“Poverty is the great social issue of our time. ... The poor do not choose poverty. It is at once their affliction and our national shame. ... No nation can achieve true greatness if it lacks the courage and determination to undertake the surgery necessary to remove the cancer of poverty from its body politic.”¹⁰

The Croll report called for a “Guaranteed Annual Income as the first firm step in the war against poverty.”¹¹ The committee intended this to be an immediate measure because it “felt the poor could not be asked to wait years for the help they so urgently need.”¹²

For nearly fifty years, this urgent call has gone unanswered.

Recognizing continued inaction as inexcusable, former Conservative Senator Hugh Segal and former Liberal Senator Art Eggleton worked to address the human, social and financial costs of poverty detailed in the Croll report. They championed guaranteed livable income in this Chamber and beyond. In 2009, along with our colleagues Senators Cordy, Dyck, Martin and Munson, they released a report of the Senate Social Affairs Committee's Subcommittee on Cities entitled, *In from the Margins*.

Focusing on poverty in Canada's cities, the committee asked: “What does this mean for the millions of Canadians that live with these daily hardships? It means making tough decisions about putting enough food on the table or paying the rent. It means making the decision to stay in school or to drop out to find a job to help the family. It means that by just struggling to get by, these families can not even dream about getting ahead. This problem reflects on each and every member of society and our inability or unwillingness to commit to significant changes.”¹³

The committee called on the federal government to examine the costs and benefits of a Canadian guaranteed livable income by the end of 2010.

¹⁰ *Poverty in Canada: A Report of the Special Senate Committee on Poverty* (1971) at vii.

¹¹ *Poverty in Canada: A Report of the Special Senate Committee on Poverty* (1971) at xi.

¹² *Poverty in Canada: A Report of the Special Senate Committee on Poverty* (1971) at viii.

¹³ *In From the Margins: A Call To Action On Poverty, Housing And Homelessness The Standing Senate Committee On Social Affairs, Science And Technology Report Of The Subcommittee On Cities* (December 2009): <https://sencanada.ca/Content/SEN/Committee/402/citi/rep/rep02dec09-e.pdf> at Foreword.

In 2017, this Chamber passed Senator Eggleton’s motion calling on the government to support provincial, territorial and Indigenous initiatives aimed at evaluating the cost and impact of guaranteed livable income programs.¹⁴

Next year is the 50th anniversary of the Croll report. I hope that, by that time, we can work together to build on at least fifty years of studies, recommendations and pilots to ensure action for millions of Canadians still waiting for equality.

Honourable Senators, the time is right. The government has committed to the implementation of the United Nations Declaration on the Rights of Indigenous Peoples by the end of 2020. Article 21 recognizes that “Indigenous peoples have the right, without discrimination, to the improvement of their economic and social conditions” and requires states to take “effective measures and, where appropriate, special measures to ensure continuing improvement of their economic and social conditions.”

When the Arctic and Aboriginal Peoples committees met with communities throughout the country, many Elders expressed keen interest in the many human support and economic development possibilities that guaranteed livable income initiatives could provide.

Canada has also committed to implementing the UN Sustainable Development Goals, the first of which is eliminating poverty. Guaranteed livable incomes have the potential to achieve this goal, as well as other UN Sustainable Development Goals relating to environmentally sustainable, inclusive and equitable communities and economies. Provincial governments, notably PEI and British Columbia, have expressed interest in guaranteed livable incomes. Last month, the Basic Income Canada Network released a report outlining several routes for delivering immediate, feasible, fully funded guaranteed livable incomes across the country.¹⁵

I hope that in the coming weeks, this inquiry will allow us to explore together potential ways forward from the shortcomings of social assistance programs and the devastating impacts of poverty, to the successes of provincial pilot projects and our two existing varieties of guaranteed livable income—the Canada Child Benefit and the Guaranteed Income Supplement for seniors.

Today, however, I want to emphasize the importance of guaranteed livable income when it comes to the criminal legal system.

Right now, about 80 per cent¹⁶ of those in prison come from among the approximately 11 per cent of Canadians living below the poverty line.

¹⁴ Art Eggleton, *Speech May 9, 2017 – Basic Income Motion* <https://senatorarteggleton.ca/speech-may-9-2017/>

¹⁵ Basic Income Canada Network, *Basic Income: Some Policy Options for Canada* (Jan 23, 2020): https://www.basicincomecanada.org/policy_options

¹⁶ Hugh Segal, *Bootstraps Need Boots* (2019) at 170; Senator Segal refers to 15% in his book; this is updated to reflect the February 2020 StatsCan numbers indicating that more than 4 million or 11% of Canadians are below the poverty line.

In past decades, as national standards for social assistance, health care and education were eviscerated, women and particularly Indigenous and other racialized women became and have remained Canada's fastest growing prison population.

Imagine trying to live in Toronto on \$733 per month: \$343 for basic needs and \$390 for housing.¹⁷ Ontario's social assistance program expects individuals to pull off this impossible feat.

Supplementing this income, even by accepting a gift of groceries from one's family, can result in this already inadequate allowance being clawed back. If people do not report, they can be charged with a criminal offence. We have created a system in which people must choose between going hungry and breaking the law, between being homeless and breaking the law, between clothing their children and breaking the law. We have created a system where poor people are infinitely criminalizable.

Eighty per cent of women in prisons are there for poverty-related crimes.¹⁸ The most common convictions for Indigenous women are theft under \$5,000, theft over \$5,000, fraud, and trafficking drugs or stolen goods.¹⁹

The Final Report of the National Inquiry into Missing and Murdered Indigenous Women and Girls demonstrates how poverty contributes both to the victimization and criminalization of Indigenous women. It puts women at greater risk of violence and creates barriers to escaping it.²⁰ In Canada, 2 out of 5 women leaving an abusive partner are immediately rendered homeless.²¹

Eighty-seven percent of all women and ninety-one per cent of Indigenous women in federal prisons have histories of physical or sexual abuse.²² As the National Inquiry has highlighted, marginalized women seeking protection from abuse too often do not receive it. Worse still, if they take steps to protect themselves or their children, they too often end up criminalized and imprisoned.

¹⁷ *Monthly Ontario Works Amounts* <https://www.toronto.ca/community-people/employment-social-support/employment-support/employment-seekers-in-financial-need/ontario-works-rates/>

¹⁸ Pollock, Shoshana. *Locked In, Locked Out: Imprisoning Women in the Shrinking and Punitive Welfare State*. Waterloo: Wilfred Laurier University, 2008 at 6.

¹⁹ *Final Report of the National Inquiry into Missing and Murdered Indigenous Women*, vol 1 at 636 https://www.mmiwg-ffada.ca/wp-content/uploads/2019/06/Final_Report_Vol_1a-1.pdf

²⁰ *Final Report of the National Inquiry into Missing and Murdered Indigenous Women*, vol 1 at 636 https://www.mmiwg-ffada.ca/wp-content/uploads/2019/06/Final_Report_Vol_1a-1.pdf

²¹ Chelsea Kirby & Kathryn Mettler, *Women First: An Analysis of a Trauma-Informed, Women-Centered, Harm Reduction Housing Model for Women with Complex Substance Use and Mental Health Issues* <https://www.homelesshub.ca/sites/default/files/attachments/2.1%20Kirby.pdf>

²² *Final Report of the National Inquiry into Missing and Murdered Indigenous Women*, vol 1 at 636 https://www.mmiwg-ffada.ca/wp-content/uploads/2019/06/Final_Report_Vol_1a-1.pdf

The Canadian Resource Centre for Victims of Crime recently noted the role that poverty plays in criminalization and the importance of addressing poverty as part of the rehabilitative process.²³ Guaranteed livable incomes could do this and could provide options for victims that are too often unaffordable for those who need them most, from the ability to take time away from work to resources for counselling. Senator Boisvenu and Senator Moncion have reminded us that victims and jurors alike need such supports.

Le revenu viable garanti ferait bien plus que réparer des dommages. Il pourrait aussi les prévenir.²⁴

Honourable Senators, millions of our constituents are impoverished and every single Canadian is negatively affected by poverty and inequality. In a human-rights-promoting democratic country as rich as ours, failure to end poverty is shameful. It also costs us between 72 and 84 billion dollars per year.²⁵ Nous payons cette somme chaque année en frais de soins de santé, en frais liés au système juridique et en pertes de recettes fiscales directement attribuables à la pauvreté.²⁶

I ask you to imagine, for a moment, Honourable Colleagues, how guaranteed livable income programs could spend that money to prevent human suffering before it happens, give people a leg up and out of poverty, and create more equal, more vibrant, healthier and safer communities.

I look to your expertise and ingenuity to tackle what has remained for far too long the greatest social issue of our time. We have fifty years of work to build upon. The time to act is now!

Miigwetch, merci, thank you

²³ Ariana Kelland, *An impossible task? Victims' rights advocate, lawyer weigh in on rehabilitation* (CBC, February 8, 2020) <https://www.cbc.ca/news/canada/newfoundland-labrador/victims-resource-centre-crime-pynn-doc-1.5454511>

²⁴ **English Translation:** Guaranteed livable incomes could do much more than redress harm. They could also prevent it.

²⁵ Canada Without Poverty, *Top 10 Reasons Why Poverty must be Eliminated in Canada* <http://www.cwp-csp.ca/2014/08/top-10-reasons-why-poverty-must-be-eliminated-in-canada/>

²⁶ **English Translation:** We pay this amount each year in healthcare costs, criminal legal system costs, and lost tax revenues tied directly to poverty.