Like other economically advanced democracies, Canada has had recurring discussions on how to provide more effective income security measures as a key component of the welfare state. This discussion has arisen on a regular basis, particularly since the period of rapid growth in Canadian social programs in the 1960s. Not only through numerous reports and academic publications, but also through the action of several groups ranging from trade unions to small associations, innovative proposals have been made and debated. Among these proposals, the most controversial might be the idea of giving all Canadians the right to an unconditional and universal “basic income” (BI)—frequently referred to in English-speaking Canada as Guaranteed Annual Income (GAI).¹

Since the late 1960s, this idea has surfaced regularly in official publications at the federal and provincial levels (especially in the French-speaking province of Quebec). In the 1970s, both levels of government experimented with a Negative Income Tax (NIT) version of GAI in Manitoba. The idea of a guaranteed income once again resurfaced in 2000, when some media sources indicated that federal prime minister (PM) Jean Chrétien wanted to “leave his mark with cradle-to-grave program of guaranteed annual income.”² Under catchy headlines, the press reported that the PM had decided to set up an expert group to study the feasibility of a federal GAI. Because of harsh criticism from the Conservatives, Chrétien denied his part in suggesting the idea, and the trial balloon was quickly shot down.³
More recently, federal senator Hugh Segal has been championing a NIT version of GAI (Segal 2011), and the idea has come up in parliamentary committee reports. In the 2011 federal election campaign, a significant issue that arose was the need to provide better pensions for the elderly, including an improved Guaranteed Income Supplement (GIS) that works like a NIT for very low-income seniors. This election also resulted in the Green Party of Canada gaining its first ever seat at the federal parliament, which is now occupied by party leader Elizabeth May. The Greens are committed in principle to a “guaranteed liveable income,” and May has already raised this idea in her early days in the House of Commons.  

In this chapter, we will examine the challenges and provisions of the Canadian income security system, some historical background and the current status of the BI debate in Canada, and the likelihood of some form of guaranteed income as a politically viable proposition in the foreseeable future. Today, the idea of GAI is neither absent from the political landscape, nor is it highly prominent in the minds and hearts of most politicians and social justice advocates. Still, in comparative perspective it remains clear that Canada is one of the OECD countries where the public debate about BI has been liveliest since the 1960s.

**The Canadian Welfare State:**
**Its Challenges and Provisions**

Canada is often described as being very close to the ideal type of the so-called “liberal” welfare regime. In his famous *Three Worlds of Welfare Capitalism*, Gosta Esping-Andersen even argues that Canada is, along with the United States and Australia, an “archetypical” example of the liberal welfare state, characterized by a low-level decommodification. However, a detailed examination of the Canadian welfare programs would suggest a slightly more balanced picture. For instance, in the field of health care and pensions, Canada has a long tradition of universal provision, which is said to be so typical of the “social democratic” regime (i.e., Scandinavia). Also, one should insist on the fact that speaking of a single “Canadian welfare model” is highly problematic, given the complex mix of federal and provincial competences in social policy. If some provinces (e.g., Alberta) are closer to the liberal tradition, others (e.g., Quebec) have clearly followed a social democratic path. These reservations notwithstanding, it remains true that Canada, along with the other so-called “English-speaking” nations, is characterized by high levels of inequality and poverty.

It is beyond the scope of this chapter to give an exhaustive description and analysis of Canada’s welfare state. We limit ourselves to provide the
reader with a brief general overview. Against this background, we then turn to the BI debate itself.\(^6\)

**Income Inequality and Poverty**

Canada is a wealthy, industrially developed, and resource-rich country, but it has relatively high rates of poverty and income inequality. According to the OECD (2011), the percentage of persons in Canada living with less than 50 percent of median-equalized household income in the late 2000s was 11.4 percent. This figure is close to the OECD average of 11.1 percent, and much lower than that of Canada’s southern neighbor, the United States, which stands at 17.3 percent. It is, however, considerably higher than other OECD countries such as the Czech Republic (5.4 percent, the lowest rate), the Netherlands (7.2 percent), France (7.2 percent), Germany (8.9 percent), or the Scandinavian countries. At the end of the 2000s, 14.8 percent of Canadian children were living in a poor household, against an OECD average of 12.3 percent. Similar trends can be observed in terms of income inequality, Canada being one of the most unequal countries within the OECD, with a Gini Coefficient of 0.32, above the OECD average of 0.31.\(^7\)

Canada has no official poverty line, but the measure most frequently used is the Low Income Cut-Off (LICO).\(^8\) Using this metric, Statistics Canada (2011) points out that after taxes and transfers “almost 3.2 million Canadians lived in low income in 2009, virtually unchanged from 2008. This accounts for 9.6 percent of the population.” Hidden within Canada’s overall poverty rate are constituencies that experience much higher and deeper rates of poverty including “women (particularly young mothers and unattached seniors), recent immigrants, people with disabilities, and Aboriginal people” (Hay 2009: 5). The rate of poverty among Aboriginal children is much higher than the rate among all children in Canada. In one study using 2006 data, the Aboriginal child poverty rate was double the general figure, specifically 36 percent compared to 18 percent (Campaign 2000, 2010: 5 [Chart 3]).

**Social Assistance**

Canada’s income support program of last resort is social assistance, often referred to as “welfare.” It is means tested, as applicants for benefits must justify their need for financial help to caseworkers or civil servants. There is no federal minimum-income scheme or federal standard, since social assistance is the sole responsibility of the provincial/territorial governments, although its costs are shared with the federal government through the Canada Social Transfer (CST).
Canada’s relatively high levels of economic inequality and vulnerability are due in part to social assistance rates that are very low. The National Council of Welfare (2011) studied benefit levels for 4 family types across all ten provinces and three territories, for a total of 52 profiles. The Council concluded that “regardless of the measure used, welfare incomes were consistently far below most socially accepted measures of adequacy.” In only 3 of 52 cases across the country, did benefit levels reach or come close to the poverty line (LICO), namely the rates paid to lone parents in the provinces of Quebec, Newfoundland and Labrador, and Saskatchewan.

Since the mid-1980s, Canadian provinces and territories have adopted various versions of welfare-to-work programs, often referred to as “workfare.” This shift from “passive” to “active” provision of social assistance was intended to “to improve the attitudes and motivation of the unemployed,” and to this end “benefits were increasingly conditional upon job search and/or a demonstrated willingness to improve employability, with an overall goal of rapid labor market entry” (Lightman et al. 2010: 523).

This shift was hastened and facilitated by an important change in the way the federal money flowed to the provinces to help fund social assistance. In 1995, the Canada Assistance Plan (CAP, originally adopted in 1966) was replaced by the Canada Health and Social Transfer (CHST). At that time, and in a panic to eliminate the federal deficit, the Liberal government totally abandoned CAP standards for federal cost sharing of provincially delivered income security and social support programs. Day and Brodsky (2006: 7) point out that CAP “standards were significantly incomplete,” but that they did approximate a guarantee of economic assistance to the poor. These standards included accessibility (granting financial aid or other assistance to any person in need), adequacy (providing an amount that is consistent with a person’s basic requirements), universality (waiving any residency requirements), the right to appeal decisions of welfare agencies, and restraints on the imposition of work requirements upon those receiving social assistance. Lightman et al. (2010: 524) argue that CAP was “perhaps the most progressive social assistance legislation in Canadian history.” Under CAP, those in financial need (or at risk of being in need) were entitled to benefits; government officials could not impose qualifications or conditions.

As CAP’s successor, the CHST emphasized “compulsion rather than voluntarism, sanctions rather than incentives and individualized obligations rather than collective rights.” This change “formalized over a decade of incremental change during which time the foundations of Canada’s welfare state settlement had been gradually eroded” (ibid.).

The Canadian versions of welfare-to-work programs were somewhat less draconian than their US counterparts. Snyder (2006: 315) points
out that “while Canadian legislation now permits workfare, U.S. legislation requires it.” However, this may be a moot point. Despite political rhetoric about workfare giving social assistance recipients a “hand up,” “empirical evidence reveals that, while social assistance caseloads have decreased, the economic well-being of many former recipients has worsened” (Snyder 2006: 325). Gorlick and Brethour (1998a and 1998b) collected extensive data on provincial- and territorial-workfare programs in 1997–1998. Their studies led the Canadian Council on Social Development (CCSD) to conclude that “recent welfare reforms appear to be contributing to worsening poverty in Canada by lowering benefits and forcing some people off assistance and into uncertain employment” (CCSD 1999).

In 2004, the CHST was split into the Canada Health Transfer (CHT) and the CST. The CST is now the mechanism by which the federal government transfers to provinces and territories its share of funding for social assistance and social services, services for preschool children (early childhood development and learning and child care), and postsecondary education. The amount of cash allocations from the federal government to the provincial/territorial governments under these categories has been determined until fiscal year 2013–2014. Before that time, the federal–provincial transfer arrangement has to be renegotiated. The outcome of these negotiations will be very significant for the future of social assistance as the income-security safety net of last resort. Key matters to be determined include the amounts that the federal government is willing to transfer to the provinces and territories; the division of resources among the three envelopes; and what degree and kind of conditions are to be attached to distributing social assistance benefits.

**Social Insurance**

Canada’s major contributory programs at the federal level are Employment Insurance (EI) and the Canada/Quebec Pension Plan (C/QPP). Despite its contradictory name, EI pays benefits to those who have lost their job “through no fault of their own.” C/QPP is the national contributory seniors’ pension scheme, and also pays disability and spousal/child survivor benefits. Employers as well as employees contribute to EI and C/QPP. Workers’ Compensation (WC) that pays benefits for injury, illness, and death on the job is also in place across the country. The various WC programs are administered by the provinces, with funding coming from employers.

Of course, these social insurance programs do not follow the BI model, since benefits are limited to those who have contributed and are subject to complex sets of rules governing eligibility, the level, and duration of
benefits. However, these benefits are nonetheless very important sources of income security for many Canadians.

Other Cash Benefits

Canada has one benefit that is still paid out as a “demogrant” (i.e., on a universal basis) to all persons in a particular category—in this case individuals 65 years of age and over. The Old Age Security (OAS) is available universally, but since 1989, it is taxable for higher income earners. The basic OAS benefit was set at Can$534 per month in mid 2011. Seniors lacking other sources of income can also apply for a means-tested GIS.

Canada has a multilayered set of income-tested benefits for children. These benefits have superseded the Family Allowance program, a universal “demogrant” that was eliminated by the federal government (after many years of attrition) in 1993.\textsuperscript{11} The current range of benefits mainly include the Canada Child Tax Benefit (CCTB), “a tax-free monthly payment made to eligible families to help them with the cost of raising children under age 18,” and the Universal Child Care Benefit (UCCB) program, which “issues a taxable Can$100 monthly payment to families for each child under the age of six.” The federal and provincial/territorial governments and First Nations also jointly offer the National Child Benefit (NCB) program targeted at low-income families. The NCB is a complex mixture (varying from one province/territory to the next) of cash benefits, incentives for parental attachment to the paid-labor force, and intervention services for low-income parents.\textsuperscript{12}

Other cash benefits include the Working Income Tax Benefit (WITB), a small refundable tax credit for low-paid workers, and the Goods and Services Tax/ harmonized Sales Tax (GST/HST) Credit, a program designed to lessen the financial burden on low-income people of regressive sales taxes levied by the provincial and federal governments. Even if the amount of the yearly benefit is very modest, the GST/HST Credit could be seen as the seed of a guaranteed income program for Canada, based on a negative income mechanism, if there were the public support and political will to increase the level of benefits and breadth of coverage.

BI and Canadian Politics

Official Reports

BI had already been briefly on the agenda in the 1930s, thanks to the rise of the Social Credit Party that came to power in Alberta in 1935.\textsuperscript{13} The real public discussion, however, started in the 1960s, under the impulse of a few social scientists who were inspired by the American
debates on “demogrants” and the NIT.\textsuperscript{14} Between the early 1970s and the mid-1980s, an impressive number of official reports were published on the issue of a GAI, both at federal and provincial level. Even if most of them were cautious on the idea of implementing such a reform in the short term, some concrete proposals were made to engage Canada (or a given province) into this direction.\textsuperscript{15} For instance, the Castonguay-Nepveu report in Quebec (1971) suggested the introduction of a NIT-like “General Social Benefits Regime” that was partly inspired by US president Nixon’s Family Assistance Plan [elaborated by Caputo’s chapter on the United States in this volume].\textsuperscript{16} The same year and in a similar vein, the influential Croll report (1971) issued by the federal senate was advocating a NIT scheme with a maximal benefit at 70 percent of the poverty threshold.\textsuperscript{17}

Perhaps the most widely discussed publication was the report by the Royal Commission on the Economic Union and Developments Prospects—the “Macdonald Commission” (1985).\textsuperscript{18} Among its most important recommendations to the then federal PM Mulroney were the idea of a free-trade agreement with the United States, and the introduction of a Universal Income Security Program (UISP). The UISP would have replaced most existing transfers by a single guaranteed income for all Canadians, under the form of a NIT or even a modest “demogrant.”\textsuperscript{19} The report was criticized by some on the left (see the discussions on trade unions, infra) on the grounds that it paid too much attention to economic efficiency, and that its UISP was close to a Friedman-like scenario that amounted to dismantling the welfare state. On the right of the political spectrum, some were afraid that such a GAI scheme would amount to paying the “undeserving poor.” As one columnist of the Toronto Star commented on the report, they believed that BI would “spawn idleness” (Jones 1985).

Interestingly, in a later interview, the head of the commission, Donald Stovel Macdonald from the Liberal Party argued that the main issue, during the discussions on economic security within the commission, was precisely the question of the deserving working poor, “the number of people who wanted to work but who were punished by the structure of the support system.” According to Macdonald, the UISP was “representing a way for enabling the working poor…to work their way out to get something from a job.”\textsuperscript{20}

Aside from the 1986 Forget report, which was focused on the unemployment insurance and argued for a UISP-like scenario, BI did not resurface in official publications at federal level until very recently. Exceptional political circumstances in the Parliament of 2008–2011 offered new opportunities to the supporters of income security reform. During this Parliament, the Conservatives had a minority of seats in the
elected House of Commons and (at the beginning of the parliamentary sessions) also in the appointed Senate. This resulted in a minority Conservative Party government, led by Stephen Harper, which was opposed by the Liberal Party as the official opposition, as well as the New Democratic Party (NDP [with a social democratic orientation]) and the Bloc Québécois (dedicated to the sovereignty of Quebec). This composition of the parliamentary chambers ensured a majority of opposition members on committees of both the House and the Senate. As a result, there was the ability to not only discuss but also make recommendations concerning creative ideas, even though the Conservative government was not likely to support them or ensure their passage into legislation.

In this political context, the idea of guaranteed income or BI resurfaced in at least two significant forums. The Senate Sub-Committee on Cities published a report entitled *In from the Margins* on a wide range of measures to address poverty, housing, and homelessness (Senate of Canada 2009). The report makes two recommendations specifically on guaranteed income:

The federal government publish a Green Paper by 31 December 2010, to include the costs and benefits of current practices with respect to income supports and of options to reduce and eliminate poverty, including a basic annual income based on a negative income tax, and to include a detailed assessment of completed pilot projects on a basic income in New Brunswick and Manitoba.

(Recommendation 5)

The federal government develop and implement a basic income guarantee at or above LICO for people with severe disabilities.

(Recommendation 53)

On the one hand, a House of Commons Committee also made a recommendation to the Conservative government that it should “create a federal basic income program for persons with disabilities and support a disability-related supports program to be delivered by the provinces and territories” (House of Commons 2010: 143). On the other hand, this committee “decided not to make a recommendation regarding a universal GAI, considering it preferable to take one step at a time and begin with a program benefitting only persons with a disability” (ibid.: 194). Although the Commons Committee was less supportive of a GAI than the Senate Committee, the former did not dismiss the goal of a universal guaranteed income out of hand. Rather, the MP’s who sat on the committee recommended an incremental approach that would first of all extend GAI benefits to persons with disabilities.
At Federal Level: Discussed in All Parties, Supported by a Few Individuals

Despite the criticisms (see supra), the BI scenario that was at the core of Macdonald’s social policy recommendations in 1985 also received some support from both left and right. During the debates around the UISP proposal, the Winnipeg Free Press even ran as headline “guaranteed income gets support from all sides.”21 This seems to be a permanent feature of the GAI discussion in Canada (see for instance the current situation in Quebec, infra): advocates and opponents of a guaranteed income can be found across the whole political spectrum. The major parties themselves, however, never incorporate GAI into their electoral platform. In the 1960s, the NDP and the Liberal Party did adopt vague motions in favor of a GAI (Bryden 1969; Head 1969), but it was a short-lived move. Overall, in political circles support for BI was and remains the matter of a few committed individuals.

Significantly, one of the most prominent BI advocates today is a so-called “Red Tory” Senator Hugh Segal from the Conservative Party. In recent years, he has publicly and repeatedly defended the introduction of a federal GAI, arguing that Canada has the money to ensure that every citizen can live with dignity: “when we look at the billions we now spend on social policy, it’s clear we have the capacity,” he says.22 In February 2008, he introduced a notice of motion in the federal Senate calling for “a fulsome study on the feasibility of a Guaranteed Annual Income... or Negative Income Tax as a means of reducing poverty and providing a real solution to those currently living below what is considered the Canadian poverty line.”23

In the final months of the minority Parliament in 2011 (see supra), the NDP poverty critic Tony Martin—interestingly, with support from colleagues in the Liberal Party and the Bloc Québécois—introduced a private member’s Bill C-233, An Act to Eliminate Poverty in Canada.24 This Act did not specifically propose guaranteed income, but outlined a number of measures that would “impose on the federal government the obligation to eliminate poverty and promote social inclusion.” This bill was not adopted, but was intended to send a political message on the need to act politically at the national level and in a concerted manner on the problem of poverty in Canada. Tony Martin himself took part in a debate on BI with Hugh Segal at the 2011 North American BI conference in New York City.

Today, the only federal party that explicitly supports a guaranteed income is the small Green Party of Canada, which has one seat at the House of Commons in Ottawa. It proposes a NIT, or Guaranteed Livable Income (GLI), for all. This Green Party version of BI would
see “various ‘poverty-industry’ programs of welfare, disability pensions, seniors’ benefits, unemployment insurance...collapsed within one simple single payment system, administered through taxes.” It would go to everyone, regardless of income, but would be clawed back completely from the well off. According to the Greens, their GLI proposal could yield significant savings through “policy coherence” between the federal, provincial, and municipal levels of government, while “simultaneously reversing the negatives of a shame-based system that perpetuates poverty” (Green Party 2011: 91–92).

At Provincial Level: The Special Case of Quebec

BI has not only been discussed at federal level. Across Canada, several proposals have also been made to introduce a GAI at provincial level, but with the noticeable exception of Quebec—they never attracted much public attention.

In September 2010, for instance, the leader of the NDP in Yukon (one of Canada’s three federal territories), Steve Cardiff, had put forward a notice of motion for the Yukon government to introduce a “Guaranteed Minimum Annual Income Allowance.” According to the official report from Yukon’s legislative assembly, he urged “the Yukon government to implement a guaranteed minimum annual income allowance for all eligible Yukon citizens,” referring to the work of federal senator Hugh Segal and the report of the Macdonald Commission (see supra).25

In November 2010, the Green Party of British Columbia (one of Canada’s most populated provinces) released a statement advocating a BI plan under the form of a GLI. According to the statement, such a GLI would “reserve people’s dignity and assume people want to do what is best for themselves and their families.” Significantly, it also expresses the view that there will be no move into this direction from the current conservative federal government. Hence, the Greens argue, one has to “consider how British Columbia could finance such a change on its own.”26

One province has even implemented a small BI under the form of an oil dividend, be it for a short period of time. At the end of 2005, the government of Alberta led by Progressive-Conservative PM Ralph Klein announced that residents of the province would start seeing Can$400 per person “Alberta Resource Rebate” checks in their mailboxes in January 2006.27 At the time, Finance Minister Shirley McClellan said, “Albertans work hard and contribute to the strength of the province. Alberta has eliminated the accumulated debt, invested in priority programs, and sustained the lowest overall tax burden in Canada. This is money Albertans can use for themselves, to spend or save as they see fit.”28 However, no
dividend was paid in subsequent years, and this controversial prosperity bonus remained a one-shot operation.

The BI discussion, however, has nowhere been more intense than in the French-speaking province of Quebec, where several political actors and movements have expressed favorable views toward a provincial GAI. As was mentioned above, in the 1970s official publications from the government of Quebec—such as the Castonguay-Nepveu report (1971) and the Fréchette report (1978)—did explicitly consider the implementation of some sort of guaranteed income for all residents of the province. In the 1990s, partly under the influence of the ongoing discussions in French-speaking Europe (esp. France and francophone Belgium), BI regularly resurfaced in the media. These developments led to the drafting of an unpublished report by a directorate within the Ministry of Employment, which was entirely devoted to the examination of the BI debate in Quebec and Europe. The conclusion was cautious: in the short term, the authors argued, its implementation seems “highly unlikely.”

In October 2005, an informal group of prominent intellectuals that included the former PM of Quebec Lucien Bouchard published a widely discussed manifesto on the future of la nation québécoise. In “Pour un Québec lucide” (“A clear-eyed vision of Quebec”), the group suggested a few paths for change, including massive investments in education and innovation, and a substantial tax reform. They also strongly argued for a BI: “Quebec could also consider creating a guaranteed minimum income plan. This plan would make direct transfers to each citizen and would replace several existing income transfer programs...Such a system would have the advantage of reducing the cumbersome bureaucracy required to administer multiple, complex programs. The Quebec model is founded on the ideal of social solidarity that we espouse with conviction” (Bouchard et al. 2005: 9).

Within the Parti Québécois (PQ) itself—of which Lucien Bouchard was a former leader—BI was officially endorsed by two of the candidates for the leadership of the party in 2005, Pauline Marois and, in a more vigorous way, Gilbert Paquette. In a short but detailed document, Paquette argued for a “citizen’s income,” which he saw as a major reform to be implemented in an independent Quebec. Marois became leader of the party in 2007, but did never reaffirm her support to BI.

Again, as was the case for federal parties (see supra), one should stress the fact that this individual support did not translate into an official party line of the PQ. More than that, other prominent figures of the party have openly expressed their skepticism toward a provincial GAI. For instance, when in 2001 the newly created small left-wing party Rassemblement pour l’alternative progressiste (RAP) stated its support for an “unconditional citizen’s income,” Bernard Landry—the then
PQ leader and PM of Quebec—clearly expressed his rejection of GAI: "it has been carefully examined in all western democracies, including ours. One has always stumbled over the exorbitant cost of such a universal measure." Since then, RAP has merged with other parties to form Québec Solidaire (QS), a larger left-wing political movement that has won one seat at the 2008 provincial election. Even if BI has been widely discussed within the party, QS did not incorporate it into its 2008 electoral platform (Douville 2010).

Somewhat surprisingly, however, new developments in the political discussion of a GAI in Quebec might come from the right side of the political spectrum. A new political party, Coalition pour l’avenir du Québec (Coalition for the future of Quebec, CAQ) was about to be launched in the Autumn of 2011. One of its two cofounders, businessman Charles Sirois, is a long-standing advocate of BI (Sirois 1999). Opinion polls suggest that if it took part in the next provincial elections, CAQ would gain a significant portion of the vote, and might even become Quebec’s first political force.\(^3\)

**Basic Income and Civil Society**

*Trade Unions and Grassroots Movements*

In 2008, the OECD measured Canadian union density at 27.2 percent, a rate that has shown very little fluctuation over the last decade.\(^4\) Canada’s union density is much lower than in several European countries (although it is much higher than the US figure of 11.2 percent). Aside from being a numerically weak constituency, Canadian unions have been marginalized in social policy debates due to the liberal character of the Canadian welfare system (see *supra*). Nevertheless, unions are a more important social force in Quebec, where coverage extends to almost 40 percent of total employees (Statistics Canada 2009).

According to Haddow (1994), the Canadian union movement did not always take coherent positions on the issue of BI. In fact, Haddow argues, “organized labor’s early response to the GAI was muted and confused… it was slow to form a coherent assessment of the implications of a negative income tax for its program” (1994: 353). Overall, negative feelings were clearly dominant, as Canadian unions have “always treated the GAI with considerable caution and viewed it as potentially antithetical to [their] social policy goals” (1994: 350). The publication in 1985 of the bulky and influential report by the Macdonald Commission (see *supra*) triggered harsh reactions. In 1986, the convention of the Canadian Labour Congress (CLC), Canada’s largest union confederation, expressed serious doubts about the desirability of such a reform and denounced its
“neoliberal” character. A GAI, the CLC argued, was going to undermine the minimum wage legislation, and more generally the whole welfare state (Haddow 1993). These views have remained widespread within Canada’s union movement. According to Jim Stanford, a highly regarded economist working for the Canadian Auto Workers (CAW) union, “if a BI ever were to be enacted, its benefits would turn out to be significantly lower than the rates envisioned by these well-meaning advocates” (as quoted in Canadian Centre for Policy Alternatives 2000: 10).

Once again, the story is quite different in Quebec. In a reaction to the Macdonald report in 1985, labor leader Louis Laberge (Federation of Labour [FTQ]) declared that “the labor movement has long favored the idea of a guaranteed income.” 35 His colleague Michel Chartrand, a colorful and tremendously popular figure of Quebec’s trade union movement, publicly supported BI for many years before his death in 2010. 36 In 1999, Chartrand’s union CSN (Confederation of National Trade Unions)—Quebec’s main union in terms of membership—published a detailed and balanced study on BI in order to foster a reasoned discussion of the proposal (Aubry 1999). Even if other unions (FTQ and the Trade Union of Quebec [CSQ]) did not undertake similar initiatives, they never expressed any hostility toward the idea of an unconditional minimum income. It does not mean, however, that they would support any move into that direction.

Indeed, interviews with Quebecois union officials have shown that they have mixed feelings about the possible introduction of a BI in Canada or in Quebec (Wernerus 2004). Most of them do actually endorse the proposal on ethical grounds, but reject it for pragmatic reasons. They see themselves as lacking the power resources needed to impose a truly progressive package of reform. At present, they fear, a discussion of the introduction of a BI might degenerate into a Friedman-like scenario as advocated by the Macdonald commission in 1985. In other words, Quebecois unions are clearly on the defensive: “we should defend what we already have,” a FTQ official says (Wernerus 2004: 113). “We should keep fighting for higher wages” and “progressively improve the current welfare system,” a CSN representative argues (Wernerus 2004: 114; Vanderborgh 2006).

Within the civil society, other groups have been more active in advocating BI, at least since the 1980s. In particular, the National Anti Poverty Organization (NAPO) was directly involved in the hearings of the Macdonald Commission (see supra). It urged the commission to include GAI into its reflections on the future of Canada’s social policies. The executive director of NAPO at the time, Patrick Johnson, wrote in a letter to Donald S. Macdonald, “I would like to suggest that the Commission itself initiate or contract with a third party to undertake research on a guaranteed annual income.” 37 Already in the 1970s,
NAPO had published several documents in order to explain the differences between a NIT and a “demigrant.” More recently, it launched a nationwide campaign in favor of a “guaranteed adequate income.” In 2009, it changed its name into Canada without Poverty, and continues to support the idea.

**Think Tanks and Academics**

In the framework of the Macdonald commission hearings (see supra), the most vigorous plea for a federal GAI came from the Vanier Institute of the Family, an independent think tank committed to the defense of the interests of Canadian families. “It is recommended,” it argued in 1983, “that a basic living (money) income be available to the Canadian population, universally, through a form of flat-rate-tax-related demigrants or a negative income tax variation…Such a universal program could probably be funded at sufficient levels of adequacy if all basic and many subsidiary income transfer programs in Canada were blended.” In a somewhat radical fashion, the Vanier Institute considered that this GAI program could be a good way to value unpaid activities, those activities “where the work is more varied, self-defined, self-scheduled, self-managed.” (Dyson et al. 1983:15).

By contrast, however, most social policy think tanks have not been enthusiastic about BI. The very influential Caledon Institute of Social Policy, for instance, has consistently argued for targeted, income-tested benefits for segments of the population such as children, seniors, and persons with disabilities. In 2000, as federal PM Jean Chrétien was told to be in favor of a federal GAI (see supra), it released a short and illustrative commentary: “While its simplicity is appealing, a ‘one-size-fits-all’ GAI would fit no one, because income security needs are so varied and diverse…A big bang, one-size-for-all guaranteed income plan is not the way to go…there is no single magic bullet to achieve the goal of a guaranteed adequate income” (Battle and Torjman 2000: 2).

Significantly, in one of its more recent publications, it applies, somewhat misleadingly, the term “BI” to a proposed set of benefits for a very specific category of individuals, persons with severe disabilities (Mendelson et al. 2010). In fact, Caledon argues for the need for “a high fence around the Basic Income program in respect of determining eligibility”—that is, one must be judged to have a “severe disability.” However, “once a person is over the fence, there will be relatively generous treatment and many fewer rules” (Mendelson et al. 2010: 18). Interestingly, the authors also express a “vision for the longer term” that “the Basic Income program should become a mainstream measure not just for people with severe disabilities, but available to anyone who
cannot reasonably be expected to earn an adequate income from employment” (Mendelson et al. 2010: 18).

The leading left-of-center public-policy think tank in Canada is the Canadian Centre on Policy Alternatives (CCPA). It has published one study on guaranteed income (Young and Mulvale 2009) in which arguments for and against this model are presented, reflecting the fact the one of the authors (Young) is skeptical, and the other (Mulvale) is favorably inclined toward the BI approach.

Given the partly neoliberal genealogy of BI in the work of Friedman (1962), it is notable that the most well resourced and visible right-wing think tank in Canada, the Fraser Institute, does not focus on guaranteed income. The major preoccupation of the Fraser Institute in regard to poverty and welfare is the need to lower poverty lines, and to focus on absolute rather than relative measurement of poverty (e.g., Sarlo 2008). In this way, there would be a large decrease in the number of people in Canada judged to be poor, and there presumably would be even less need for income-support programs.

Aside from “grey papers” produced by policy think tanks, there has been a significant production of scientific work on BI (see for instance Lerner et al. 1999; Blais 2002; Araar et al. 2005; Mulvale 2008). One important piece of recent academic analysis focuses on the guaranteed income experiment called Mincome that took place in the town of Dauphin, Manitoba in the 1970s. Evelyn Forget has analyzed health and educational data from this community for the period of time when Mincome was providing guaranteed income supplements to those with low incomes. Forget found that hospitalizations, accidents, injuries, and mental health problems declined, and that the high school completion rate increased, during the Mincome experiment. It is possible, she argues, to demonstrate linkage between these undesirable health outcomes and failure to complete school on the one hand, and income inequality and poverty on the other hand. Therefore, it appears that Mincome had demonstrably beneficial effects for the community, while at the same time having very little negative impact on labor-market participation (Forget 2011).

Much more academic research needs to be done on Mincome and various other topics related to BI in Canada. Whether or not findings from such research will inform future political debates will depend, no doubt, on politicians’ willingness to be guided by evidence rather than their own preexisting (and perhaps stereotypical) views and those of their constituents. In order to foster an informed debate on the topic, several academics and BI activists launched the Canadian BI network, which was officially recognized by Basic Income Earth Network (BIEN) in 2008. Since 2010, BIEN Canada holds its annual conference together with the United States Basic Income Guarantee Network (USBIG).
Feminists' Faint Support for Guaranteed Income

BI has both opponents and proponents among feminist writers and researchers (Robeyns 2008). Feminist calls for a form of guaranteed income that would benefit women have been heard, but only to a limited extent, in Canada.40 Until 1998, the National Action Committee on the Status of Women (NAC) was the leading feminist umbrella group in English-speaking Canada and represented a broad range of organizations and constituencies. NAC favored guaranteed income as a step toward justice and equality for women (Mulvale 2001: 103). However, NAC is no longer active, due in large measure to its loss of federal funding after many years of success in advancing feminist positions with politicians and in the media. With the waning of NAC’s influence, a major organizational proponent in Canada that took a feminist position for guaranteed income has fallen silent.

NAC’s francophone counterpart is La Fédération des femmes du Québec (FFQ). FFQ (2008a) points out that the right to a decent standard of living is part of the la Charte des droits et libertés du Québec, but it is contained in a Charter section that is not justiciable and therefore does not provide an effective legal guarantee against poverty. FFQ actively participates in campaigns against poverty and for women’s economic autonomy. It also staunchly defends collective public measures for women’s equality. In 2008, when the opposition leader Mario Dumont called for a Can$100 weekly payment to families in Quebec with children under five years old who are not enrolled in the public child-care system, FFQ strongly opposed this proposal. The FFQ (2008b) argued that such a policy would impede labor market entry for women—thereby increasing women’s poverty—and would undermine the highly developed child-care system that is a source of pride for Quebec.

While both the FFQ and NAC (in its day) have supported the principle of guaranteed income, this new model of economic security has not been a key priority in the social campaigning of either organization. Both groups have been much more focused on improving existing income-support programs such as the GIS for seniors, which benefits mostly women as they are much less likely than men to have substantial income from a corporate pension or C/QPP. These leading feminist groups have also made a priority of services such as child care, and policies such as pay and employment equity, that are likely to advance gender equality in ways other than paying cash benefits.

The Canadian Feminist Alliance for International Action (FAFIA) seeks to “further women’s equality in Canada through domestic implementation of its international human rights commitments.”41 FAFIA examines how Canadian social programs could more closely approximate
expectations set out in international documents such as the United Nations Convention of the Elimination of All Forms of Discrimination against Women, and the International Covenant on Economic, Social and Cultural Rights. FAFIA addresses various issues of importance to women, including federal and provincial cost sharing of social programs, pay equity, child care, housing, and family violence prevention. FAFIA has called for the adoption of a new Canada Social Programs Act to govern federal transfer payments to provinces for income support. Such legislation would “set out funding formulas and standards, specify the programs and services that the CST is intended to support, and establish monitoring and accountability” (Day and Brodsky 2006: 16). Such measures would fill in the gap left by the federal government’s repeal of the CAP in 1995 (see supra).

Articulating, adopting, and implementing such a new set of standards for federal cost sharing of income-security programs, and doing so in cooperation with the 13 provincial and territorial governments who deliver these programs, would be a very complex and politically challenging undertaking. The inherent difficulty of attaining national standards for income security as advocated by FAFIA begs the question. Perhaps, a better feminist strategy for economic security for Canadian women would be to press for an unconditional and universal guarantee of adequate income as one of our first premises in social policy. Should feminists—as well as other progressives in think tanks, the labor movement, and other organizations who seek better economic security for all—adopt a more radical commitment to guaranteed income? Such a clearer and conceptually simpler model might, at least in the longer run, offer greater hope of achieving positive practical outcomes.

**Conclusion: What Political Prospects for BI?**

Canada is undoubtedly one of the few western democracies where the BI debate has been noticeable and ongoing over the past decades. The idea has been promoted by numerous social and political actors, and it has even attracted sporadic but significant media attention. However, as its advocates are spread across the political spectrum, its political viability remains relatively low. No doubt, making progress toward some sort of guaranteed income for Canada will depend upon building and connecting these points of interest and support. This is far from being an easy task, since not everyone has the same vision of what they want to achieve and how they want to get there. Even in progressive circles and on the political left in Canada, fear persists that certain versions of GAI would
leave working people and the poor worse off than they are now. As we have shown, this was at the core of the controversy in the aftermath of the Macdonald commission’s report in 1985.

There are certainly no glimmerings on the horizon that Canada will implement a full-fledged BI anytime soon, and it will inevitably be the result of a compromise. The Canadian way in past social policy development has been to move forward in incremental, pragmatic, and fiscally prudent steps. In this framework, the most promising avenue for BI advocates might consist in taking advantage of political windows of opportunity for fostering the development of a tapestry of programs that would approximate a guaranteed income framework. Such a framework could include a modest unconditional income support, improved labor-market access and mobility, and robust public services.

A first feasible step should be the reintroduction of a true universal child benefit, a program that existed in Canada until 1993. The current child benefit system is nothing if not complicated (see supra); one could even argue that the array of benefits is almost the antithesis of the BI model in regard to design and delivery. The BI model is often touted as relatively simple to understand, uncomplicated to administer, and transparent in its costs and benefits (De Wispelaere and Stirton 2011). These features are of crucial importance in the case of needy families, which are too often lost in the labyrinthine complexity of targeted schemes.

Another, complementary step is the establishment of a federal legislative framework that would set an income floor below which no one is to fall across Canada. Both steps would reinforce the historical role of the federal level as responsible for income security, while maintaining provincial and territorial responsibility for social services.

As always, practical progress toward such a framework would have to navigate the labyrinth of constitutional jurisdiction and division of powers between the federal government and the provincial and territorial governments in regard to who does what and who pays. Part of this challenge would be to accommodate Quebec’s distinctiveness, perhaps in an asymmetrically federalist or cofederalist model of governance.

Furthermore, at first sight the political context looks rather gloomy. Like other countries, Canada’s welfare state has sustained ideological attacks by the political right in recent years. Neoliberal forces have delegitimized social programs designed to redistribute wealth and to promote equality and justice for women, racial minorities, and others. Neoliberal forces have supported deep tax cuts, thereby diminishing public revenue streams and making social programs less affordable. The conservative government elected in May 2011 cuts spending in order to tackle the federal deficit that results from heavy spending to
stave off the feared negative economic effects of the global financial crisis. It is extremely unlikely that there will be any bold new spending initiatives in such a fiscal environment. This will lead many to believe that something like a guaranteed income framework is ill-advised or unattainable.

However, there are also signs that the ideological ground is currently shifting. There is evidence of increasing concern about the persistence of poverty and the growing levels of inequality, and about the fact that the federal government needs to take steps to address these problems (CCPA 2007). This partly explains the electoral success of the left-of-center NDP at the May 2011 federal elections. The NDP, which is the current official opposition, promised a broad array of improvements and extensions to existing in-cash and -kind programs.

Time will tell if the idea of BI takes hold in Canada, and if practical progress is made toward implementing some sort of guaranteed income framework. A careful look at the recent history of the Canadian discussion about BI shows that one should not be overly optimistic about its political chances. However, it is also remarkable that—contrary to what happens in many other OECD countries—in Canada BI is not simply dismissed as a somewhat eccentric idea. Turning this proposal into reality will, obviously, require that proponents of more universal and unconditional approaches to economic security continue to mobilize, do critical analysis and careful research, and develop and execute effective forms of political advocacy. The launch in 2008 of the Basic Income Canada Network/Réseau Canadien pour le Revenu Garanti (an affiliate of the BIEN) can be considered as a helpful step in fostering such mobilization, research, and advocacy.

NOTES

* We would like to thank François Blais for useful suggestions.
1. In French-speaking Canada, one often refers to a “Revenu minimum garanti” or a “Revenu annuel garanti.” In recent years, however, the expression “Allocation universelle” (universal grant, see Vanderborght and Van Parijs 2005), which is widely used in French-speaking European countries (France, Belgium, Switzerland), has gained increasing visibility.
5. See Esping-Andersen (1990: 27). In a more recent attempt to measure the degree of decommodification in 18 OECD countries, Scruggs and Allan (2006) conclude that Canada has a higher decommodification score (25.0) than in Esping-Andersen’s seminal essay (22.0). Among the countries they have reexamined, Canada is “perhaps the most confounding case,” they argue. Whereas, “most of the literature has grouped [Canada] with the United States as a case of unadulterated liberalism,” it has “more decommodifying programme scores than all other liberal countries, especially for pensions” (2006: 62).

6. For further information on the Canadian welfare state, see for instance Rice and Prince (2000); Fortin, Noël, and St. Hilaire (2003); Lightman (2003).

7. These data are from OECD (2011).

8. LICO is a relative measurement of poverty that takes into account average expenditures on the essential items of food, shelter, and clothing.


10. In the 2011–2012 fiscal year, the amount of the CST totalled Can$11.5 billion, of which Can$6.8 billion was allocated to social assistance and related services, Can$1.2 billion to early childhood programs, and Can$3.5 billion to postsecondary education.

11. A clawback on family allowances of upper-income families had already been introduced in 1989 (Battie 1999: 3).

12. There is also a Child Disability Benefit (CDB), “a tax-free benefit for families who care for a child under age 18 with a severe and prolonged impairment in mental or physical functions.” Information in this paragraph is drawn from multiple pages of the website of the Canada Revenue Agency: http://www.cra-arc.gc.ca/menu-eng.html.


14. For a significant example, see Cutt (1968).

15. For further details, see Young and Mulvale (2009).

16. Bracketed information inserted by editor.

17. The Croll report was said to be “as important a social document in Canadian social history as the Beveridge report was for postwar Britain” (McCormack 1972: 366).


20. The interview was conducted by Patrick Tanguy in Toronto on January 11, 2001 (see Tanguy 2001).


23. Quoted from a “Communique” and “Notice of Motion” released by the Office of Senator Hugh Segal (2008), Senate of Canada, February 6, 2008.

25. BIEN NewsFlash 63, November 2010. Steve Cardiff was killed in a car accident in early July 2011. The Yukon NDP has formed the territorial government in the past, but currently holds 1 / 18 seats.
30. The document was published on his website http://www.gilbertpaquette.org/, retrieved on August 9, 2011.
33. Le Devoir, June 11, 2011. In the 2000s, another right-wing political party, the Action démocratique du Québec (ADQ), had incorporated its own version of the NIT into its electoral platform. The ADQ could possibly merge with the CAQ in the near future.
36. Cf. Bernard and Chartrand (1999). Chartrand was a leader of the CSN.
38. See NAPO News Spring 2007, or visit http://www.napo-onap.ca/.
40. Brossard and Morel (2002) offers an overview of Quebec’s academic debate on basic income from a feminist perspective.
42. However, De Wispelaere and Stirton (2011) caution against underestimating the administrative complexity of basic income.

References


Douville, Luc. 2010. “Qu'est devenu le revenu de citoyenneté?” Vigile 27 (January 2010).


Fédération des femmes du Québec. 2008a. Projet de loi 63 – Loi modifiant la Charte des droits et libertés de la personne: la fédération des femmes
du Québec somme le gouvernement de mettre en œuvre les moyens pour une égalité réelle. Québec: FFQ.

———. 2008b. 100 $ par semaine: une recette pour la pauvreté des femmes (lettre ouverte). Québec: FFQ.


Van Trier, Walter. 1995. *Everyone a King. An Investigation into the Meaning and Significance of the Debate on Basic Incomes with Special Reference*