

## Now is the time for universal basic income

Canadian Mental Health Association (CMHA) supports access to a universal basic income that aligns with four core principles: human rights, equitable access, poverty reduction and adequacy.

Income security is one of the important social determinants of health. With respect to the factors that promote positive mental health, the three most significant determinants of mental health are social inclusion, freedom from discrimination and violence, and access to economic resources, including access to a stable source of income.<sup>1</sup> There is a large body of evidence that illustrates the causal effect between socioeconomic status (SES) and health. Those with lower SES generally report poorer physical and mental health than those in higher SES.

Although there is no single definition of “basic income,” it is generally understood as an unconditional payment from the government to individuals or families, to ensure a minimum income level.<sup>2</sup> Typically there are “no strings attached” to receiving a basic income, and recipients are not required to work, look for work, or participate in education or training to receive the payment.<sup>3</sup> In a universal basic income program, benefits are paid to everyone, regardless of their level of income, and this type of model can be supported by Canada’s progressive income tax system where benefits can be “recovered” from households with higher levels of income.<sup>4</sup>

Various jurisdictions across the country employ a number of income support programs, some more generous in amounts than others. Common to virtually all income support programs is some type of a strict regulatory framework that oversees such programs. Such regulatory frameworks often employ strict guidelines on who can access such programs, with punitive measures used for breaking the rules. Therefore, basic income is often seen as a way to *remove* much of the current policing, control, and monitoring functions that accompany income support programs across Canada.<sup>5</sup>

As noted by the Hon. Hugh Segal in his discussion paper [Finding a Better Way: A Basic Income Pilot Project for Ontario](#), the key measure of success of a basic income plan must be intricately connected to whether such a plan is able to reduce poverty more effectively, encourage employment, reduce the stigma associated with a physical or mental health-related disability, and produce better health outcomes and improved quality of life as determined by the recipients themselves.<sup>6</sup> Another feature of a successful basic income plan is that *any additional earned income* is not clawed back and should not be a liability for earners of basic income. In other words, a basic income plan is a kind of cash transfer that has *no strings* attached. Recipients are not required to work, look for work, or participate in education or training to receive the basic payment.<sup>7</sup>

During these uncertain times, the Government of Canada has taken a progressive step forward and provided the Canada Emergency Response Benefit (CERB) to thousands of Canadians impacted by the loss of income due to the COVID-19 pandemic.<sup>8</sup> Without this important income support program, many Canadians would not have been able to make it through this difficult time. This type of universal basic income support must continue beyond the days of this pandemic – universal basic income must become a cornerstone of our society. A universal

basic income cannot replace investment in accessible and high-quality mental health care, community resources, and specific supports for persons living with disabilities.

CMHAs across Canada have had a long history of supporting initiatives such as poverty reduction, overhauling social assistance, increases to minimum wage, homelessness prevention and improving access to affordable housing while fostering an environment that addresses stigma, promotes economic and social inclusion, and builds equity and fairness for all. We advocate for basic income because we know the positive impacts it has on our mental health.

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#### References

<sup>1</sup> Canadian Mental Health Association Ontario, et. al. (2008). Mental Health Promotion in Ontario: A Call to Action. Retrieved from: [https://ontario.cmha.ca/wp-content/uploads/2008/11/mental\\_health\\_promotion\\_in\\_ontario\\_2008.pdf](https://ontario.cmha.ca/wp-content/uploads/2008/11/mental_health_promotion_in_ontario_2008.pdf)

<sup>2</sup> Government of Ontario. (2016). Consultation Guide for the Basic Income Pilot Project. Retrieved from: [https://files.ontario.ca/bi\\_pilot\\_consultationguide\\_nov02.pdf](https://files.ontario.ca/bi_pilot_consultationguide_nov02.pdf)

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> Ontario Government Archives. (2016). Finding a Better Way: A Basic Income Pilot Project for Ontario. A discussion paper by Hugh D Segal. Retrieved from: <https://www.ontario.ca/page/finding-better-way-basic-income-pilot-project-ontario>

<sup>6</sup> Ibid.

<sup>7</sup> Ibid

<sup>8</sup> Government of Canada. (2020). Canada Emergency Response Benefit (CERB). Retrieved from: <https://www.canada.ca/en/services/benefits/ei/cerb-application.html>