Brief Report on Workshop on Livable Income: Enabling Democratic Engagement

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Two main points arising from this workshop or what Basic Income Guarantee (BIG)/ Livable Income calls for:

- Redistribution of resources to enable basic needs are met – be with a basic livable income (using tax system to bring all people).
- Focus on Social Justice rather than Charity

Report on workshop proceedings:

The workshop began with an overview of poverty in Prince Edward Island. Statistics reveal that in 2011, 13% of population or 19,000 people were living in low income. From among them, 39% make under $20,000 per year, and 65% of households on income support are headed by an Islander living with a disability. Other vulnerable groups on the Island include: Seniors, Newcomers, Aboriginal Islanders, primary producers, entrepreneurs and artists.

According to the Canadian Centre for Policy Alternatives, the direct cost of poverty to the government is almost $100 million per year. The indirect cost of poverty on PEI is up to $220 million a year. The total cost of poverty is $315 million per year, that amounts to $2,700 per person, per year.

At the global front, 1.2 billion people live in extreme poverty, and 870 million people face food insecurity. Half the world’s wealth is now owned by a minimal 1% who have 65 times the total wealth of the bottom half of the world’s population. Further, the bottom half of the world’s population owns the same as the richest 85 people.

The root causes of poverty can be identified as:

- Economic/political systems
- Conflict
- Climate Change
- Poverty > Hunger > Poverty

The Basic Income Guarantee for PEI or BIG stands by the big idea that each and every Prince Edward Islander receives enough income to meet basic needs. This calls for a more equitable redistribution of resources.

The Basic Income Guarantee idea is also referred to by other names including:

- Basic Income
- Citizen’s Income
- Guaranteed Annual Income
- Guaranteed Adequate Income
- Livable Income
- Universal Basic Income

According to the Basic Income Canada Network, the Basic Income Program has been tried in 9 countries across the world, including Canada and the USA. In Canada, the basic income idea was piloted in Manitoba. The program was implemented from 1974-1979 and was known as MINcome. Similar programs can be seen today:
Follow-up studies on Manitoba MINcome provides much needed proof that providing a basic livable income has positive effects in several realms:

- People stay in the workforce
- Better choices for those outside the workforce: students staying in school, parents able to choose to care for children
- Fewer visits to the Emergency Room
- Fewer people criminalized

The BIG Idea for PEI is that benefits be delivered through the tax system; people living on low income receive a top-up to a livable level so that their basic needs are met.

The workshop also dealt with the following key questions:

- What might be the impact of low income on participating in the democracy process? And What are examples of poverty being a challenge to participating?
  - The democracy process favours people from the 1% highest income group and in doing that discourages people from the lower income groups. Eg. You don’t own a car and hence are not able to make it to the discussions or venues where discussions may take place.
  - Having a low income does not allow to stand for elections in the democratic process.
  - When one is working 2-3 jobs, and does not have access to safe child care, it is difficult to engage in the democratic process.

**The PEI Working Group for a Livable Income** is a coalition formed in 2003 as an outcome of an island-wide community participatory project on minimum wages (Cooper Institute) and is made up of twelve community-based organizations:

- ALERT
- Cooper Institute
- PEI Advisory Council on the Status of Women
- PEI Federation of Labour
- PEI People First
- Women's Network PEI
- Actions Femmes de l'Î.-P.-É.
- PEI Council of People with Disabilities
- Saint Vincent de Paul Society, Holy Redeemer Parish
- PEI Association of Newcomers to Canada
- MP Sean Casey's office
- CUPE PEI
The mandate of this coalition is: Public engagement; changing attitude; addressing poverty and livable income and doing it from a social justice and not a charity perspective. The stress is to focus on systemic or root causes. Supporting fuel in winter is clearly a charity approach to a long term issue. The goal is that everyone on the province has a livable income.

Mandate of this coalition:

- to give voice to Islanders who do not have a livable income.
- to forge alliances with organizations, local and national, committed to livable income for all.
- to create public engagement and community attitude changes relating to livable income issues.
- to move public policy makers towards addressing the root causes of poverty in PEI.
- to move toward public policy solutions based on social justice rather that a charity model.

In the next two years, the goals include:

- Put livable income on PEI election and federal election platforms
- Meet with the PEI Government caucus
- Monitor Employment Standards Board re: minimum wage
- Continue action around Employment Insurance.

The major challenges faced are:

- Political mind-set: commitment to a low-wage, low income economy; political patronage which desensitizes and silences the population; charity is an answer
- Community attitudes: blaming the “victim” ; hiding behind “the poor you will always have with you”; promotion of a “we should be thankful to have anything” inability to recognize alternatives; charity is the answer
- Business sector intransigence: fear of insolvency due to higher wages; inability to accept livable income as good for business; reliance on threats (“we’ll take our business elsewhere); inability to recognize alternatives.

There have also been some successes:

- Formal discourse change: “livable income” becoming part of the language
- The number and intensity of interchanges with public policy makers
- Increased clarity of the difference between poverty reduction strategies and poverty elimination strategies
- Gradual increase in dialogues in the community around solutions with balance between social justice model and charity model.
- The number of exposures in the community: workshops/talks; news releases; letters to the editor; flyers, etc.