

KAREN GLASS

ONTARIO BASIC INCOME PILOT



A basic income is a payment to eligible families or individuals that ensures a minimum income level, regardless of employment status.

JOBS FOR TODAY AND TOMORROW

2016 ONTARIO BUDGET



2016 Ontario Budget

One area of research that will inform the path to comprehensive [\[income security\] reform](#) will be the evaluation of a [Basic Income pilot](#). The pilot project will test a growing view at home and abroad that a basic income could build on the success of minimum wage policies and increases in child benefits by providing more [consistent and predictable support](#) in the context of today's dynamic labour market. The pilot would also test whether a basic income would provide a more efficient way of delivering [income support, strengthen the attachment to the labour force](#), and achieve savings in other areas, such as [health care](#) and [housing supports](#). The government will work with communities, researchers and other stakeholders in 2016 to determine how best to design and implement a Basic Income pilot.

2016 Ontario Budget



June 2016 Hugh Segal Appointed



*Finding a Better Way:
A Basic Income Pilot
Project for Ontario*

A discussion paper by Hugh D Segal

2016 Ontario Budget

June 2016

Hugh Segal Appointed

November 2016 Paper & Consultations

2016 Ontario Budget

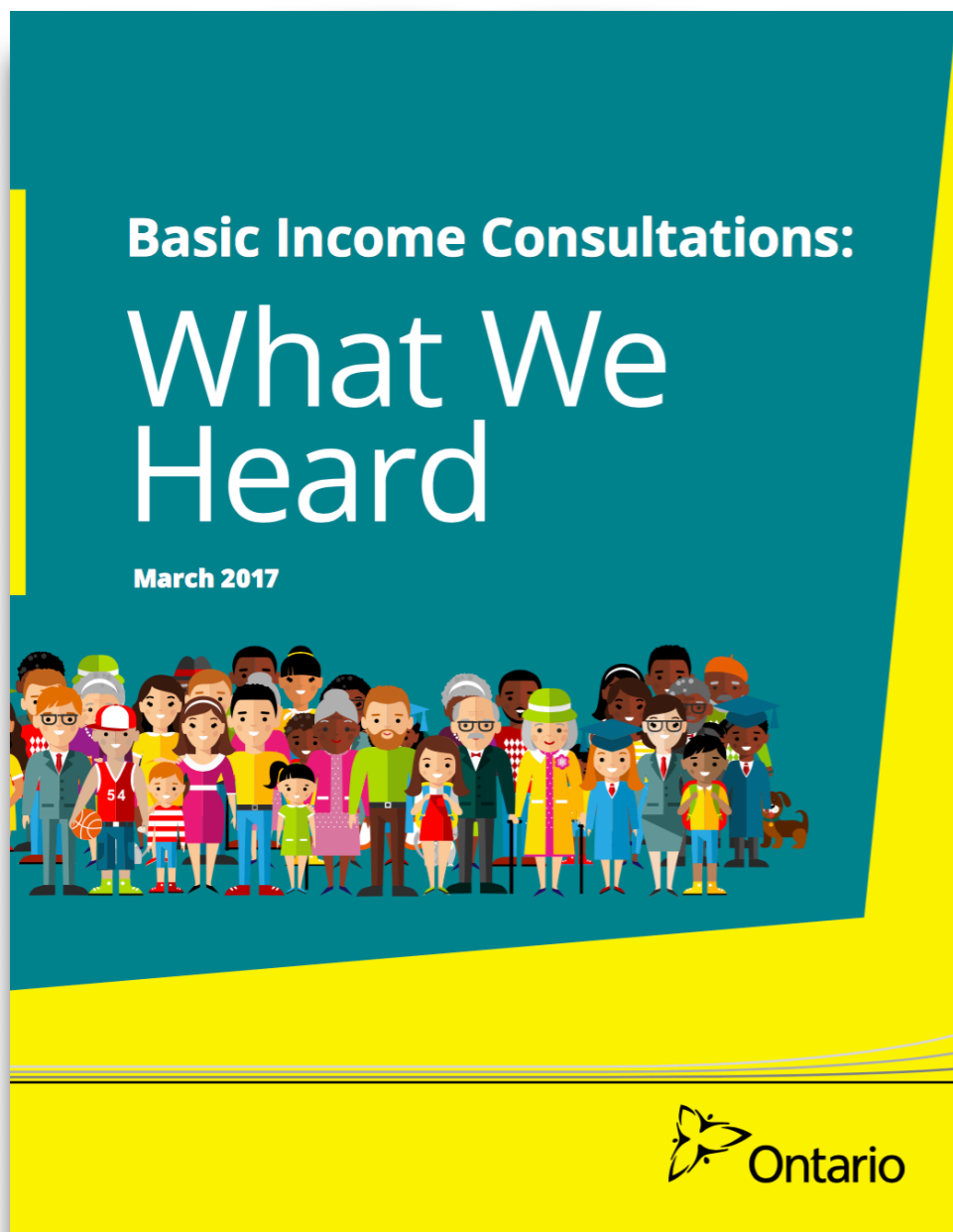
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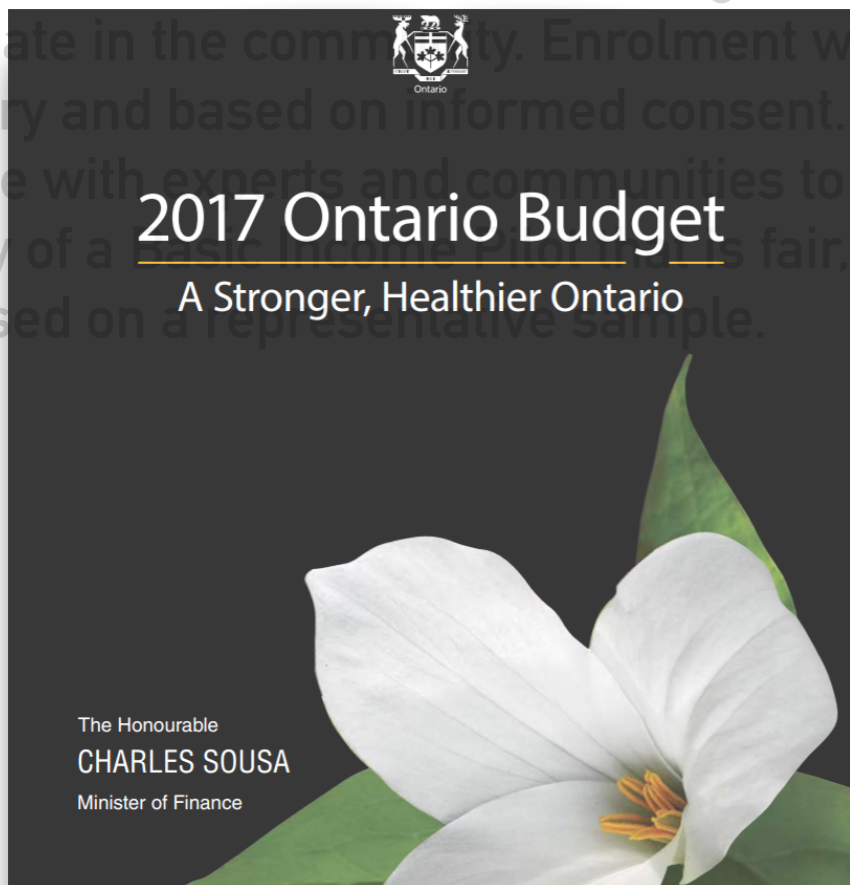
November 2016

Paper & Consultations

March 2016 What We Heard Report



In response to structural changes in the labour market, the government is developing innovative approaches to support Ontarians. This includes moving forward with the **Basic Income Pilot**, first announced in the 2016 Budget. A **three-year pilot** will **test the idea** that providing people with a basic income could be a simpler and more effective way to ensure **security and opportunity** in a **changing job market**, **support people living on low incomes**, and **reduce poverty**. Three communities across the province — **Hamilton, Thunder Bay, and Lindsay** — will be eligible for participants aged 18 to 64. Through this pilot, people earning below a specified amount will receive regular payments that will help them better afford basic needs like housing or food, and participate in the community. Enrolment will be voluntary and based on informed consent. Work will continue with experts and communities to ensure delivery of a fair, effective, and based on a representative sample.



2016 Ontario Budget

June 2016

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November 2016

Paper & Consultations

March 2016

What We Heard Report

2017 Ontario Budget

OBIP CONSULTATIONS

WHAT WE HEARD

Eligibility
Design
Site Selection
Administration
Evaluation

5 KEY TOPICS

14 PUBLIC SESSIONS 1,193 Attended



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1,193 Attended

2 ONLINE SURVEYS

34K Submissions
80 Municipalities
+ Community
Orgs



14 PUBLIC SESSIONS

1,193 Attended

2 ONLINE SURVEYS

34K Submissions

80 Municipalities

+ Community

Orgs

+ EXPERTS
ACADEMICS

THOUGHT LEADERS

Finland, Netherlands



- Negative Income Tax (NIT)
- Universal basic income model
- Non-filers, financial literacy and supports needed
- Support for careful, phased implementation
- Simple, straightforward intervention – start small, build out
- Communities across Ontario included - urban, rural, and urban-rural sites
- Reduce poverty, measure individual + community outcomes



- Top three outcome areas: education, health, and housing
- Amount at poverty level or higher, coupled with other services/supports; consider cost of living
- Existing tools, expertise and frameworks to support development, implementation and evaluation
- Differing views on merits of saturation study or randomized controlled trial
- More general the basic income, the more likely it can be scaled and expanded to serve the broader Ontario population
- Do not select outcomes that/which may not materialize from participants.



GUIDING PRINCIPLES

- Reflect the core definition of Basic Income as much as possible
- Research and evaluation approach that has integrity and defensibility
- Sufficient sample size to obtain quality data and outcome measures
- Ethical: informed choice and consent to participate
- Follow a tax credit model
- Responsive to significant changes in individual circumstances
- Site selection criteria representative of Ontario population, economy
- No one worse off

ONTARIO CONTEXT

SITE SELECTION CRITERIA

- OBIP targets low-income Ontarians in geographic regions that include **urban, urban/rural mix, and rural locations**. Sites and locations were
- assessed based on **need, economic indicators, demographics, and**
- availability of **resource and services**, reflective of **provincial averages**.

LOW-INCOME INDIVIDUALS AND SUB-POPULATIONS

Comparability to provincial averages

More than 1M living in poverty:

- 39% female lone-parent families

- 32% newcomers

- 21% Indigenous persons

900K+ adults and kids access social assistance

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LOCAL NEED AND LOCAL ECONOMIC CONDITIONS

Unemployment rate 6.5%

Prevalence of low income

Median income across family types

Local cost of living

Institutional stabilizers

Health system indicators

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AVAILABILITY OF RESOURCES

Labour market participation and demand

Minimum wage from \$11.40 to \$15 by Jan 2019

Primary household income per capita \$38K

Availability of housing (vacancy rates)

Post-secondary education institutions

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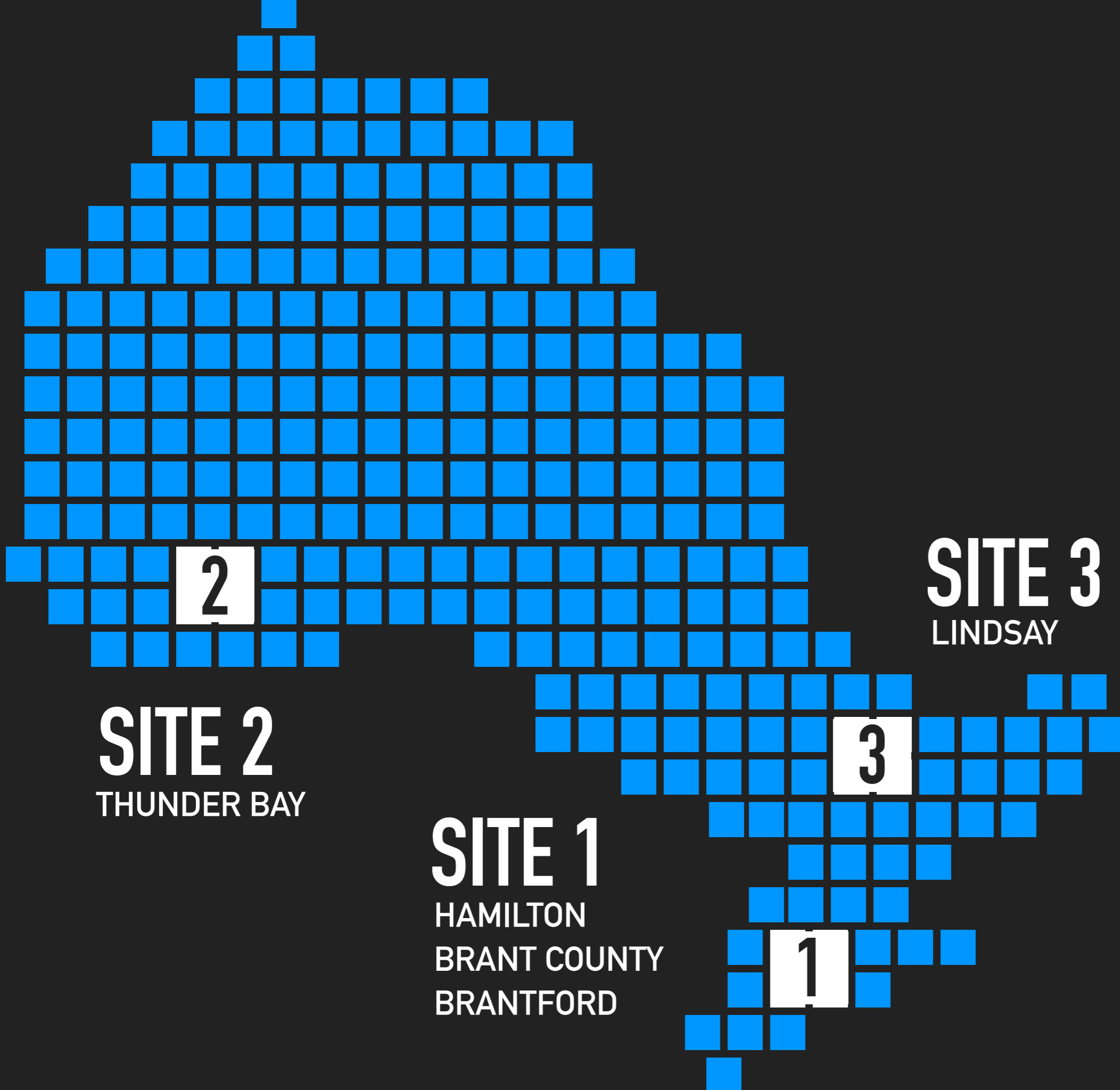
OTHER RESEARCH FACTORS

13.9M population

Population growth 1%

Life expectancy male 79, female 84

Geographic isolation



2

SITE 3
LINDSAY

SITE 2
THUNDER BAY

3

SITE 1
HAMILTON
BRANT COUNTY
BRANTFORD

1

ANNOUNCED APRIL 24, 2017



PREMIER KATHLEEN WYNNE



MINISTER DR. HELENA JACZEK



MINISTER CHRIS BALLARD

ONTARIO BASIC INCOME PILOT

Launched to test whether a basic income can:

- better support vulnerable workers
- improve health, education and housing outcomes for people on low incomes
- help ensure that everyone shares in Ontario's economic growth



AMOUNT

EARNED INCOME

DISABILITY SUPPLEMENT

BENEFITS

MODEL

OBIP DESIGN

ELIGIBILITY

VOLUNTARY

LENGTH

SIZE

TAX FAMILY

AMOUNT

EARNED INCOME

DISABILITY SUPPLEMENT

BENEFITS

**SIMULATE A TAX CREDIT
THAT DECREASES AS
INCOME INCREASES**

OBIP DESIGN

ELIGIBILITY

VOLUNTARY

LENGTH

SIZE

TAX FAMILY

**75% OF LOW INCOME
MEASURE
(E.G. \$16,989 FOR A
SINGLE INDIVIDUAL)**

EARNED INCOME

DISABILITY SUPPLEMENT

BENEFITS

MODEL

OBIP DESIGN

ELIGIBILITY

VOLUNTARY

LENGTH

SIZE

TAX FAMILY

AMOUNT

**REDUCED BY 50% OF
EARNED INCOME**

DISABILITY SUPPLEMENT

BENEFITS

MODEL

OBIP DESIGN

ELIGIBILITY

VOLUNTARY

LENGTH

SIZE

TAX FAMILY

AMOUNT

EARNED INCOME

INDIVIDUAL DEEMED TO
HAVE A DISABILITY
WOULD RECEIVE AN
ADDITIONAL \$500 PER
MONTH

BENEFITS

MODEL

OBIP DESIGN

ELIGIBILITY

VOLUNTARY

LENGTH

SIZE

TAX FAMILY

AMOUNT

EARNED INCOME

DISABILITY SUPPLEMENT

**DRUG AND DENTAL
BENEFITS FOR SOCIAL
ASSISTANCE
PARTICIPANTS**

MODEL

OBIP DESIGN

ELIGIBILITY

VOLUNTARY

LENGTH

SIZE

TAX FAMILY

AMOUNT

EARNED INCOME

DISABILITY SUPPLEMENT

BENEFITS

MODEL

OBIP DESIGN

**AGE (18 TO 64),
RESIDENCY (12+
MONTHS IN PILOT SITE),
INCOME TESTED**

VOLUNTARY

LENGTH

SIZE

TAX FAMILY

AMOUNT

EARNED INCOME

DISABILITY SUPPLEMENT

BENEFITS

MODEL

OBIP DESIGN

ELIGIBILITY

VOLUNTARY

LENGTH

SIZE

BENEFIT UNIT DEFINED
AS TAX FAMILY (SINGLES
AND COUPLES),
EXCLUDING CHILDREN

AMOUNT

EARNED INCOME

DISABILITY SUPPLEMENT

BENEFITS

MODEL

OBIP DESIGN

ELIGIBILITY

VOLUNTARY

LENGTH

**UP TO 4,000
PARTICIPANTS**

TAX FAMILY

AMOUNT

EARNED INCOME

DISABILITY SUPPLEMENT

BENEFITS

MODEL

OBIP DESIGN

ELIGIBILITY

VOLUNTARY

3 YEARS

SIZE

TAX FAMILY

AMOUNT

EARNED INCOME

DISABILITY SUPPLEMENT

BENEFITS

MODEL

OBIP DESIGN

ELIGIBILITY

**PARTICIPATION IS
VOLUNTARY WITH OPT IN
AND OUT**

LENGTH

SIZE

TAX FAMILY

FIRST NATIONS

- Ontario Government is working with First Nations communities and partners on an approach that reflects the advice and unique perspectives of First Nations communities, organizations and peoples.
- In separate but parallel process a basic income pilot for First Nations is being co-created and designed in collaboration with First Nations partners.

OBIP

KEY OPERATIONAL ELEMENTS

PHASED IMPLEMENTATION

1

Test design and implementation elements and set baseline data in Sites 1 & 2.

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Second recruitment allows the opportunity to re-calibrate implementation if issues were identified in Phase 1. Completion of participant recruitment in Sites 1 & 2. Participant recruitment begins in Site 3.

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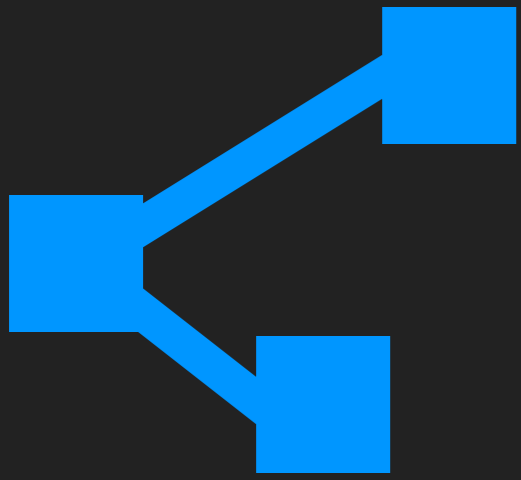
Exit Strategy. As part of informed consent, participants will be aware that the Pilot is for three years and that there will be a phasing out process. Rapid reinstatement and reapplication process available for former social assistance recipients who wish to return to social assistance.

RECRUITMENT & ADMINISTRATIVE APPROACH

- Randomized application-based recruitment process administered centrally
- Opportunities for individuals to make informed choices about participating in OBIP and informed consent for evaluation
- 3 service channels: ontario.ca, email, phone; connection to local community supports available via Ontario 211
- Research structure and organization in development: recruiting study participants and establishing the evaluation framework

NEXT STEPS

- Meetings and technical briefings with key partners in OBIP sites
- Randomized mail out in Sites 1 and 2; enrolment is beginning; Site 3 in coming months
- Community Information sessions
- Continue co-creation process with partners on the First Nations Pilot
- Continue preparing for ramp up in Lindsay later this year



CONNECT



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ONTARIO BASIC INCOME PILOT

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■ #ONbasicincome

 @ONSocialService