

Mundy
6.04.17 my

UPDATE ON MOTION No. 83, Universal Basic Income –April 2017

On December 6, 2016, the Leader of the Third Party, Dr. Peter Bevan-Baker, put forward Motion 83 in the Legislature calling on government to pursue a partnership toward a universal basic income pilot with the federal government. This motion was discussed and passed unanimously. The motion requires Government to report on progress during every session of the Assembly.

Government supports the idea of a guaranteed annual income and recognizes that any pilot project in this area will require active and committed federal financial participation.

Government is always open to partnerships with federal government to improve the financial well being and overall health of families and individuals in our province.

Tina Mundy, Minister of Family and Human Services had conversations about a Guaranteed Annual Income pilot project with Families, Children and Social Development Minister, Jean Yves Duclos shortly after she became Minister in early 2016. Minister Mundy also contacted Minister Duclos in writing regarding a Guaranteed Annual Income pilot in February, 2017. He responded indicating that his Department could provide data to support PEI in developing a pilot. Financial commitment would be required from the Federal Government to support a Guaranteed Annual Income pilot in PEI.

Senior officials from the Department of Family and Human Services have also communicated with Human Resources and Social Development Canada regarding the Province's interest in such a partnership.

Government will continue to pursue opportunities to engage the Government of Canada in discussions regarding a guaranteed annual income pilot project.

In a digital town hall event with Huffington Post Business on March 30, 2017, Finance Minister Bill Morneau responded to a question about government's plans for a basic income as "not something we are looking at." The media coverage referred to work underway in Ontario and the Motion passed in the PEI Legislature seeking support from the Federal Government for a basic income pilot.

The Province of Prince Edward Island continues to support the income needs of Islanders in a number of ways. Recent program and service enhancements include:

- A multi-year food rate increase for social assistance recipients, beginning in 2013/14. Increases took place in January, 2014, September, 2015, and November 2016
- The new Generic Drug Program October 2015
- The PEI Catastrophic Drug Program
- Implementation of the PEI Home Renovation Programs in October 2013 followed by intakes in June 2014, October 2015, and April 2016.
- \$400,000 increase in the PEI Home Renovation Programs budget in 2016/17.
- The Personal Care Allowance, a social assistance benefit, was increased by \$18 per month in April 2015
- In spring 2015, changes to the *Income Tax Act* assisted approximately 12,000 lower income Islanders, 2,300 of whom will no longer pay personal income tax.
- Support for the Island's Breakfast Programs doubled to \$200K.



Family and
Human Services

Services à la famille
et à la personne



Office of the Minister
PO Box 2000, Charlottetown
Prince Edward Island
Canada C1A 7N8
15 February 2017

Bureau du ministre
C.P. 2000, Charlottetown
Île-du-Prince-Édouard
Canada C1A 7N8

Hon. Jean Yves Duclos
Minister of Children, Families and Social Development
House of Commons
Ottawa, Ontario K1A 0A6

Dear Minister Duclos:

It was a pleasure to see you again at the Ministers of Social Services meeting in Toronto on February 2nd, 2017. All in attendance were saddened by the tragic deaths in Quebec City and fully understood your need to attend the funerals. Minister Hajdu's facilitation at the meeting, on your behalf, was appreciated.

I had hoped to have the opportunity to speak with you at the meeting about Prince Edward Island's interest in a Basic Income Guarantee project. As you are aware, poverty reduction is one of my mandates and there is significant interest in Prince Edward Island in pursuing a basic income guarantee to address poverty and grow social capital among our citizens. Premier MacLauchlan has communicated his support for exploring this concept, with one possibility being the implementation of a pilot project in our province to gather evidence of its impact. Motion 83 (attached), Universal Basic Income, promoted by the Leader of the Third Party, was debated in Prince Edward Island's Legislative Assembly in December and passed unanimously, further growing awareness and support for the concept.

We recognize that an undertaking of this magnitude would require federal engagement and support. Our respective Deputy Ministers have discussed PEI's interest in exploring the interest of the Government of Canada to support such an initiative. I appreciate that you are focusing on significant mandated work, and at this time, it is clear that your department is not able to support any such pilot projects. Please consider this letter as an indication of my province's interest in having meaningful conversations when your government is ready to explore partnerships regarding of basic income guarantee pilot projects.

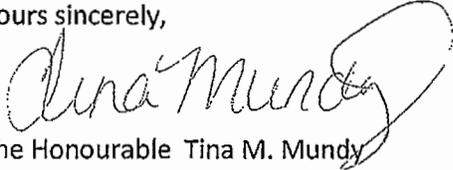
.../2

/2

Minister Duclos

I look forward to continued Federal / Provincial/ Territorial collaboration into the future in our areas of common responsibility.

Yours sincerely,

A handwritten signature in cursive script, reading "Tina Mundy". The signature is written in black ink and is positioned above the printed name.

The Honourable Tina M. Mundy
Minister, Family and Human Services

MOTION

No. 83

Universal Basic Income

Peter Bevan-Baker gives notice that tomorrow he will move, seconded by Hal Perry, the following Motion:

WHEREAS implementing a universal basic income in Prince Edward Island would significantly reduce or potentially eliminate poverty in the province;

AND WHEREAS a universal basic income would likely have many other positive effects, including local economic growth, supporting entrepreneurship, reducing administrative complexity and costs, improving working conditions, reducing crime, improving health, and helping to build vibrant rural communities;

AND WHEREAS all four Prince Edward Island political parties have indicated their support for exploring a universal basic income;

AND WHEREAS the federal government has indicated an interest in exploring a universal basic income;

THEREFORE BE IT RESOLVED that the Legislative Assembly urge government to pursue a partnership with the federal government for the establishment of a universal basic income pilot project in Prince Edward Island;

THEREFORE BE IT FURTHER RESOLVED that Government shall provide an update on the progress of this initiative in every session of this assembly.

Signed by: Peter Bevan-Baker

Signed by: Hal Perry

29 November 2016