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## Hamilton Roundtable for Poverty Reduction

June 4, 2023

Dear Mayor Horwath and Members of Hamilton City Council,

## Re: Motion to support a Guaranteed Liveable Basic Income

Five years ago, the Ontario Basic Income Pilot ended abruptly and tragically. The Pilot was a critical social policy experiment that attempted to answer whether providing a basic income could stabilize housing, improve health, support mental well-being, and move people into the jobs of the future. When the project commenced, half of those selected to participate had been subsisting on distressingly inadequate social assistance programs – Ontario Works and ODSP; many were poorly housed, had insufficient diets, and didn't have the resources to break the cycle of poverty. Another third of those participants had paid employment, but most were not earning enough at their jobs to pull themselves or their families out of poverty. They were part of our community's 'working poor'. The Basic Income doubled incomes in many cases.

More than 1,000 courageous Hamiltonians signed up for the pilot in good faith with hopes of being able to move out of poverty and plan for a better future. Chosen randomly following an application process, selected participants could receive between \$17,000 to \$24,000 a year for those three years, depending on family type and disability status.

Receiving a basic income was a transformative experience for almost all of those who signed up. Participants reported reduced stress and anxiety about meeting their basic needs. Deciding between purchasing food, paying for rent, and caring for one's health was no longer a precarious balancing act. There were strong indications that Basic Income was providing a significant injection into the local economy, one of the reasons the <u>Hamilton Chamber of Commerce was so</u> enthusiastic about the program.

Less than a year later after the Pilot started, a provincial election was held, and <u>despite promises</u> <u>made during that election to continue the pilot for the full three years</u>, within weeks, <u>the new</u> <u>provincial government cancelled the pilot</u> and the plans and dreams of those 1,000 participants in Hamilton and another 3,000 in Thunder Bay and Lindsay were thrown into chaos.

The Government also cancelled the official evaluation of the pilot. Yet, an intrepid group of researchers at Hamilton's McMaster University led by Wayne Lewchuk and Stephanie Ross would not let the data from this critical experiment fade into oblivion. They <u>conducted their own</u> <u>survey of pilot participants</u> and found that in addition to improvements in food security, housing stability, financial status and social relationships, Basic Income also had a noticeable impact on

the use of health services, with many of the survey respondents indicating less frequent visits to health practitioners and hospital emergency rooms. Basic Income also had a positive impact on labour market participation, with many participants using the Basic Income as an opportunity to upgrade skills and get better jobs.

The pilot demonstrated the potential of a basic income to address the social determinants of health and reduce healthcare costs to society in the long term.

It's now been five years since the cancellation of the Pilot but the transformational experiences of those who participated remain firmly entrenched. A book called <u>'Case for Basic Income' by</u> <u>Jamie Swift and Elaine Power</u> released in 2021 chronicled the stories of many participants –the authors have graciously made copies available to members of City Council in recognition of Hamilton's key role as a pilot community.

This July, the Hamilton Roundtable for Poverty Reduction will host a screening of a short documentary -which also shares the stories of participants. It will be an opportunity **to** bring together former Ontario Basic Income Pilot participants; not only to recall the potential of that pilot but to advocate for a future where all Canadians can be transformed by a Guaranteed Liveable Basic Income.

Councillor McMeekin's motion provides an important bookend to this story. City Council has in the past supported the concept of Basic Income, but this motion before you reaffirms to Canada and the world Hamilton's unique position as a community that has tested, tried and understands the power of a Guaranteed Liveable Basic Income to transform lives, reduce poverty and create a more just society. It challenges our senior levels of government to work together to find a way to make Basic Income a reality. I strongly encourage you to support the motion, and as always would value the opportunity to discuss the ongoing work of the Hamilton Roundtable for Poverty Reduction.

Sincerely,

Tom Cooper Director Hamilton Roundtable for Poverty Reduction

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