

Why Women Would Gain from a Guaranteed Livable Income

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A l'évidence, un revenu qui assure un niveau de vie adéquat est une initiative nécessaire pour assurer la santé physique et sociale de toutes et de tous à la grandeur de la planète, tout comme l'eau propre et l'hygiène sont reconnues indispensables pour contrer la maladie. Cet article nous donne les raisons de faire bénéficier les femmes d'un revenu annuel garanti.

With increasing numbers of women around the world and here in B.C. are being pushed into ever deeper poverty, the Victoria Status of Women Action Group (SWAG) has recently decided to promote the idea of a Guaranteed Livable Income.

According to the authors of the Capital Urban Poverty Project report, women in the Victoria area were more likely than men to be poor; and further, women accounted for more of the poor population in the CRD in their youth and senior years; women in poverty performed more unpaid childcare and housework than men and non poor women. These findings herald the need to address issues of the gendered nature of poverty and work (Engleder and Reitsma-Street).

Women are poor largely because of one factor: the market system insists that mothers are not economically productive members of society, and, therefore, they do not get paid a salary. Rather calling for an inadequate wages-for-housework campaign, which does not address the needs of single people, SWAG wishes to introduce a discussion of the benefits of a guaranteed income system from which all of society, but especially women and children, would benefit.

This idea has been around for over 100 years and has had proponents and opponents on all sides of the political spectrum. It has been called a guaranteed annual income, citizen's dividend, negative income tax, and a basic income guarantee (BIG). Around the world the concept of a guaranteed income is being promoted as a practical, dignified and low-cost way to meet people's basic needs for health and security.

One proponent notes that rapid technological change, downsizing, mechanization, and temp work create people who earn less than needed to participate fully in Canadian society. She views a guaranteed income as a just means to underpin the peaceful transition to a new era of less traditional employment (Lerner).

SWAG is promoting a guaranteed income as we see an ever-growing stream of crisis, despair and even tragedy in women's lives because they lack the income to meet their basic needs and the needs of their children. Increasing numbers of low-income women are being forced into the sex trade to pay the bills and feed their kids. This trend has been noticed in both Victoria and Vancouver since the welfare cuts in 2002. This is not acceptable.

SWAG does not accept the solution put forward by both the political right and left that it is possible to solve social and economic problems by increasing economic growth to provide a living wage job for all. There is simply no evidence to support this premise.

More importantly, this economic growth 'solution' does not acknowledge the fact that parents who are raising young children are already working very hard at an intense, time consuming and high stress job. Raising the next generation is essential to the health of society, it is work that cannot be abandoned, yet it is work that is currently a huge financial sacrifice for those who do it (though you may be paid with hugs and affection, hugs do not pay the rent).

The idea that you can work hard and get ahead is only true if you are being paid. If you work hard at unpaid work you get behind financially. This is the reason that 70 per cent of people living in abject poverty in the world are women (UNDP).

"Motherhood," writes Ann Crittenden in her book *The Price of Motherhood*, "is the single biggest risk factor for poverty in old age. Individuals who assume the role of nurturer are punished and discouraged from performing the very tasks that everyone agrees are essential."

How and Why It Could Work:

To work, a guaranteed income program would have to be universal for women, children and men and it would have to be at a level high enough to meet a person's needs for food, shelter, health and dental care and other things necessary to a healthy life. This is why SWAG chooses to call it a Guaranteed Livable Income.

It would replace the many costly income support programs now in place and would remove the stigmatization that the welfare system engenders. It would also not

no one needs an income guarantee program because everybody can meet their needs by getting a job. B.C.'s welfare minister, Murray Coell, has asserted that "a job is the best social safety net" to justify the provincial government's plan to cut single people off welfare after two years.¹ Thus, in April 2004, almost 10,000 single people in Victoria will be completely cut off welfare and families with dependents will have their benefits cut by \$100 to \$200 per month. (This stat is no longer correct due to the fact that there are 57,000 less people on income assistance than one year prior. In Victoria there are 6350

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penalize people if they find short term employment. Under current B.C. welfare laws, any earnings are deducted dollar for dollar (unless you are on disability benefits). Naturally, our progressive tax system would mean that those whose earnings are high would return the guaranteed income through their taxes.

A guaranteed income system would be less costly than allowing people to live in poverty. One study has shown that it costs \$30,000 to \$40,000 for one homeless person per year for service and emergency shelter costs with an average of \$11,410 being spent just on criminal justice costs (*Costs of Homelessness in British Columbia*).

In addition, there is ample research that shows the biggest determinant of health is income. The Canadian Public Health Association document called "Health Impacts of Social and Economic Conditions" states: "the pathways between socio-economic status and health are well documented. The path that leads from poverty to poor nutrition and on to infectious diseases and chronic conditions is generally well understood."

Dr. Dennis Raphael from York University raises the alarm that "Poverty, not smoking, a bad diet or lack of exercise is the single best predictor of heart disease, and that because of social spending cuts, what the [Ontario] provincial government is doing to low-income families is like what they did to water" (Elliot). (A reference to the cuts in funding that led to the Walkerton tragedy.)

While many people will say we cannot afford a guaranteed income, we would argue that we cannot afford to do without it because of the high social and health costs of poverty.

Jobs For All Not the Solution

The main argument against a guaranteed income is that

"employables"—including singles and employable parents—as of January 2003)

Even those on the opposite side of the political spectrum have espoused the jobs-for-all solution to poverty. Jim Stanford, an economist for the Canadian Auto Workers, argues against a basic income program. He states, "Progressives should be demanding a living wage for everyone." (Canadian Centre for Policy Alternatives, Monitor, Nov. 2000)

Jean Swanson from End Legislated Poverty in Vancouver has called the idea of a guaranteed income a "guaranteed disaster" on the basis that it would encourage employers to pay inadequate wages.

All these arguments presuppose that the solution to poverty is full employment at living wages. However there is absolutely no evidence to show that this solution is possible or desirable.

The first staggering fact to digest is that almost half the world's population—2.8 billion people—lives on less than \$2 (U.S.) per day and 1.7 billion of those live on less than \$1 per day (World Bank statistics). Add to that the increasing numbers of people living in poverty in developed countries and one quickly realizes that the only way to give all those people a living-wage job would be to have a monumental increase in consumption and production.

This would break the bank, so to speak, of the world's natural resources and would put an impossible strain on the environment to absorb ever more industrial waste. William Rees, an urban planner at the University of British Columbia, estimates that it requires four to six hectares of land to maintain the consumption level of the average person from a high-consumption country. However, worldwide (in 1990) there were only 1.7 hectares of ecologically productive land for each person.

In addition, there is nothing compelling industries or

corporations to try to create more jobs. In fact, the opposite is true. There is more incentive for industries to reduce their workforces whenever possible either through replacing people with machines or by downsizing. David Noble summed this up in the title of his book: *Progress Without People*.

Another major blind spot in this vision of full employment is that it does not differentiate between work that is beneficial to society and work that is harmful. So we end up with the bizarre reality that cigarette company executives who work very hard at addicting new generations to cigarettes are paid very big salaries while mothers who work very hard raising healthy children get paid no salary at all.

New Zealand author and activist Marilyn Waring is renowned for pointing out that under our current national accounting system, anything that raises the GDP, even if it is an oil spill, a car accident or any other calamity that generates measurable economic activity, is considered beneficial.

Many people work in industries that are damaging to our health or the health of the planet: tobacco, alcohol, gambling and junk food, cutting down old growth forests. If there was an accounting of actual costs and benefits of all economic activities, we would need to provide a guaranteed income so that people who must stop working in harmful industries can still meet their needs in a dignified way.

In their book *The Subsistence Perspective*, Maria Mies and Veronika Bennholdt-Thomsen suggest we redefine our notion of productive work to include only work that "produces, maintains and enhances life."

Many others are also trying to design a better economic system that takes into account the needs of all living things and not just meeting the needs of a short term bottomline. Ecofeminist Mary Mellor calls this a move from a ME-economy to a WE-economy. Writer David Korten says that we need to change from a suicide economy to a living economy. I would call this a move from a death-cycle economy (where things that are damaging to life are counted as an economic benefit) to a life-cycle economy.

The only way to make such a monumental change, is if we have a transition period, and the best way to do that is by providing a guaranteed income, because it enables us to stop making economic decisions based on fear of poverty. Unlike our grandparents who met most of their needs directly from the land by farming, fishing and logging, we who live in industrialized countries need income to survive. One could imagine however, that many people with an income guarantee would minimize their monetary expenditures and would endeavour to barter and grow food for subsistence.

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¹This policy was modified in 2004 to only cut off people not compliant with their employment plan.

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