



April 8, 2021

The Right Honourable Justin Trudeau  
Prime Minister of Canada  
Ottawa, ON  
K1A 0A6

Dear Prime Minister:

Re: Measures to Assist Canadians Impacted by COVID-19 and Facilitate Economic Recovery

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We commend you and your Cabinet for all efforts to ensure Canadians have received vital economic support as we continue into the second year and third wave of this current pandemic.

**We are also heartened by your government’s commitment to reducing poverty by 50% by 2030. The new report from the Parliamentary Budget Office (PBO) concludes that a guaranteed livable income would achieve this by next year.** Moreover, it reveals that this could be achieved at a net zero cost with minimal impact on the labour market. In short, the PBO estimates that guaranteed basic income—a cash transfer sufficient to meet basic needs and available to anyone with income below a certain cut off—would cut poverty in half by 2022.

The PBO revealed that a guaranteed basic income program would result in only a 1.3% reduction in hours worked and could deliver \$80 billion in supports for a net cost of only \$3 billion, by replacing tax measures like the GST credit and basic personal amount, as well as provincial and territorial social assistance payments.

This estimate does not include future cost savings associated with downstream social and economic benefits. As Canadian pilots have revealed, a guaranteed livable income would result in reduced reliance on emergency health care due to overall better health outcomes, as well as reduced reliance and consequent costs of police and criminal legal systems.

In addition, the PBO did not include the cost savings and value of allowing people to care for children, the elderly and those with disabilities, take time away from work to complete education or skills training or launch new and innovative enterprises.

The COVID-19 pandemic has reminded us that leaving people in poverty is not only harmful but can also be fatal.

We urge you to consider endorsing guaranteed livable income at this week's Liberal Policy Convention, with a bill and a motion on this topic on the agenda in the House of Commons, with PEI on board to pilot implementation of a guaranteed livable income program, Canadians are right to ask: What are we waiting for?

As each day passes and we all work to build necessary health, economic and social supports and repair our tattered social safety net, we are all well aware of both the unmet needs and wide public support for ensuring support for the 3.5 million people still falling through the cracks.

They need a basic livable income.

It is our humble opinion that your next step need not be additional, incremental patches. The next step could and should be an unconditional extension of the CERB to all who are in need.

In the context of *Building Back Better* and *Recovery for All*, a basic livable income measure would be efficient and effective. It would reduce, if not eliminate, costs associated with managing application processes. It would get support to those most in need without delay, while freeing up government workers to carry out outreach with those most marginalized in our communities and ensure they are in the system and able to benefit.

We are in support of a basic livable income. We believe that it is the solution that Canadians and the country need to ensure that no one else is left behind and everyone can bridge out of this crisis toward economic stability.

Please do not hesitate to call on us for support. We are ready to roll up our sleeves to work with you to make this a reality.

Sincerely,



The Honourable Frances Lankin and Kim Pate, Senators