



UBI Works — Basic Income Talking Points Factsheet

Last updated: August 13, 2021

On this page is an ever-evolving list of evidence-based talking points and narratives for Basic Income that UBI Works has compiled. We invite you to use this as a resource and share it with other activists and politicians who may find it helpful in their advocacy.

Want to suggest an edit? Email info@ubiworks.ca. Click on arrows to expand.

▼ **Technology has contributed to job displacement and wage stagnation over the last 40 years.**

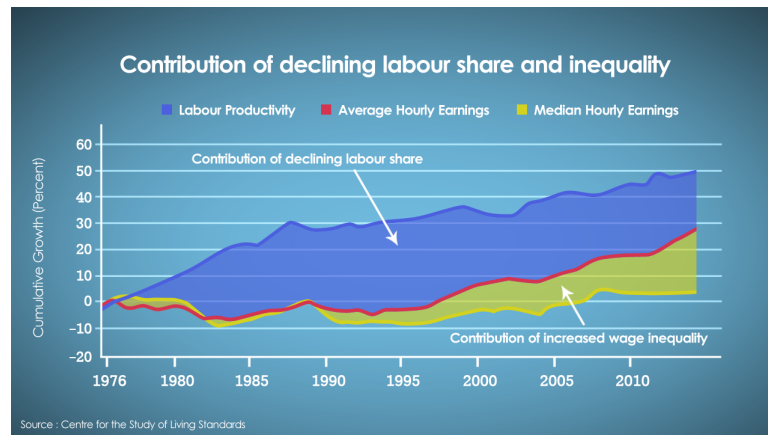
Technology is polarizing economic opportunity & quality of life, contributing to wage stagnation shifting

- The Great Decoupling: From 1976 to 2014, Canada's cumulative labour productivity grew 53%, while the median worker's hourly wage grew by only 3%. Increasing automation and globalization—itsself enabled by technological advances—are the most likely causes. [[Centre for the Study of Living Standards](#)]

The Great Decoupling: Our productivity has been growing, while workers' wages have been left behind

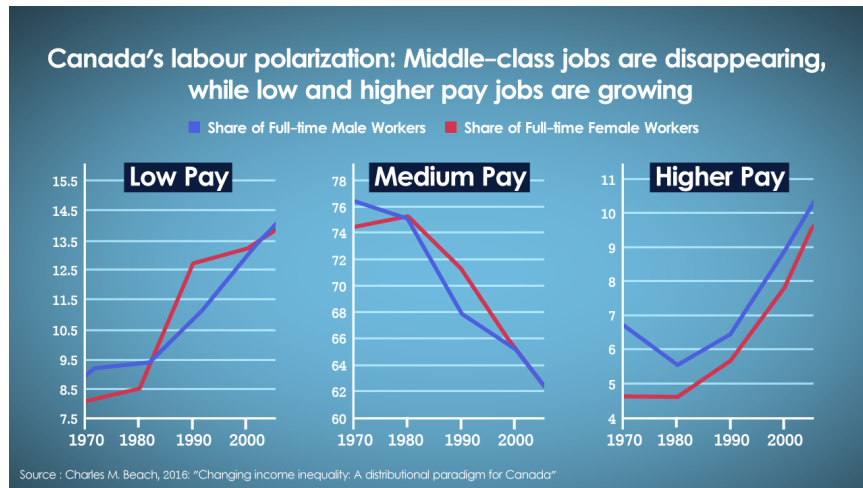
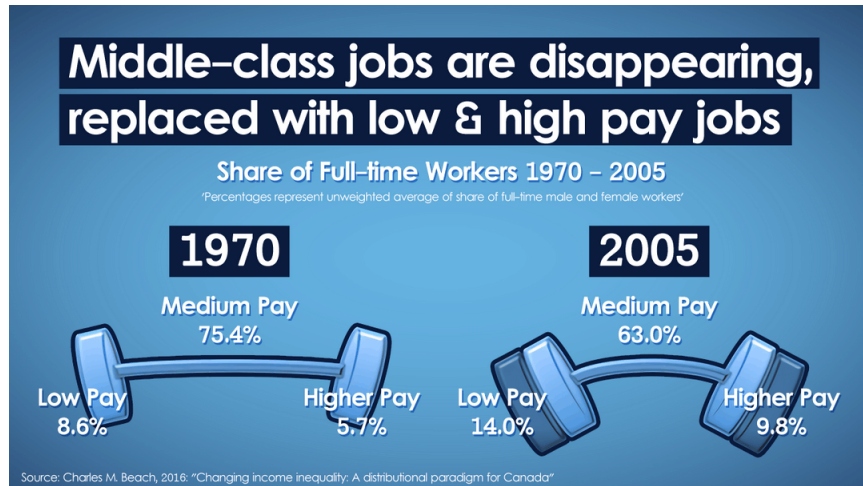


Source : Centre for the Study of Living Standards



Source : Centre for the Study of Living Standards

- Similarly, American households at the 50th percentile of income distribution earns less today than it did in 1998. [[Harvard Business Review](#)]
- Technology is leading to 'labour market polarization,' where work is concentrated in highly skilled, high-wage 'winners' and low-wage 'losers', and the middle is being hollowed out.—[[Centre for the Study of Living Standards](#)]



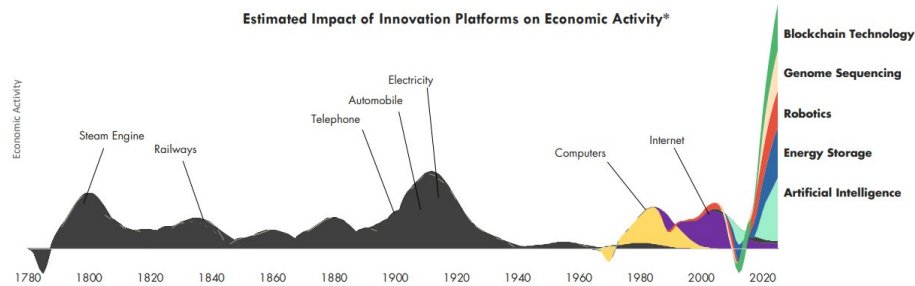
https://twitter.com/ubi_works/status/1232391728147189762

- We have never seen this scale of innovation in history. On a Richter scale, this would be 9, where the 1st industrial revolution was a 5-6. [ARK Invest CEO, Cathie Wood]



Why Now?

According to ARK's research, the global economy is undergoing the largest technological transformation in history.



*ARK created this chart based on the relative impact of an innovation scaled by the degree of consensus between economic historians that a particular innovation should be considered an innovation platform. The underlying data assumes that all innovation platforms follow a characteristic investment and realization cycle of similar duration.

Forecasts are inherently limited and cannot be relied upon.
Source: ARK Investment Management LLC, (2018); Helpman, E. (2010). General Purpose Technologies and Economic Growth. Cambridge, MA: MIT Press; Brynjolfsson, E., & McAfee, A. (2018). The second machine age: Work, progress, and prosperity in a time of brilliant technologies. Vancouver, B.C.: Langara College; Kurzweil, R. (2016). The singularity is near: When humans transcend biology. London: Duckworth.

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- Automation technology has been the primary driver in U.S. income inequality over the past 40 years. 50% to 70% of the changes in the US wage structure since 1980 can be accounted for by relative wage declines among workers who specialize in routine tasks in industries hit by rapid automation. [[MIT & Boston University](#)]
- The rapid growth in high- and low-education jobs has substantially reduced the share of middle-skill jobs in the US, with similar trends internationally. In 1979, the 4 middle-skill occupations (sales; office and administrative workers; production workers; and operatives) accounted for 60% of employment. This dropped to 49% in 2007, and down to 46% in 2012.

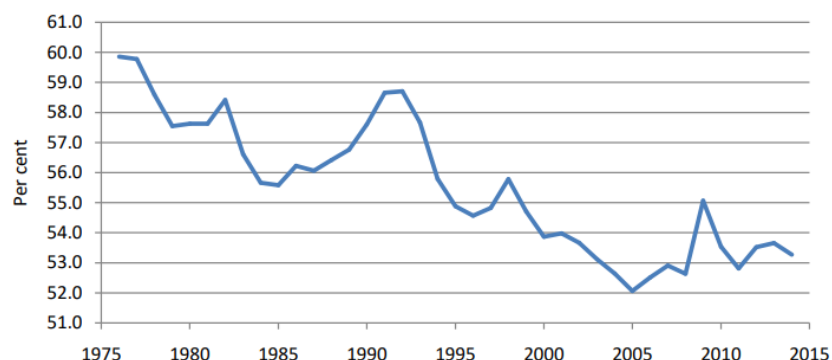


- Technology has enabled the rapid growth of globalization. Due to advances in technology, companies are finding it easier and more cost-effective to outsource around the world, making it an increasingly competitive alternative to hire and manufacture locally. [[Journal of Economic Perspectives](#)]

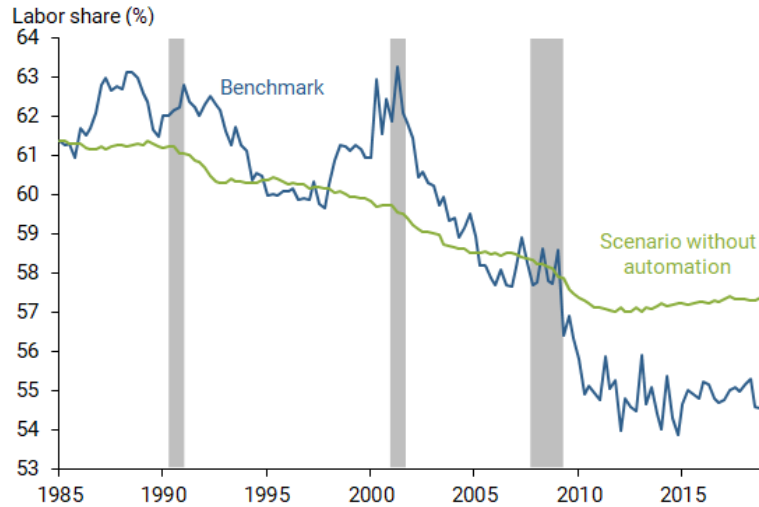
Labour is diminishing in importance to production due to technology

- Automation reduces the overall labour share, the portion of national income going to workers. There has been a slowdown in the growth of labour demand over the last 3 decades and an almost complete stagnation over the last 2. [[Journal of Economic Perspectives](#)]
- Canada's labour share of income has fallen from 60% in 1976 to 53% in 2014, and continues to fall. The OECD suggests that the technological developments of recent decades are entirely different than those in the past which relied on workers. [[Centre for the Study of Living Standards](#)]

Chart 7: Labour Compensation as a Share of GDP, Canada, Per Cent, 1976-2014



- In the past 2 decades, the US labour share has declined from 63% in 2000 to 56% in 2018. Automation has been shown to contribute to a significant portion of this decline. [[Federal Reserve Bank of San Francisco](#)]

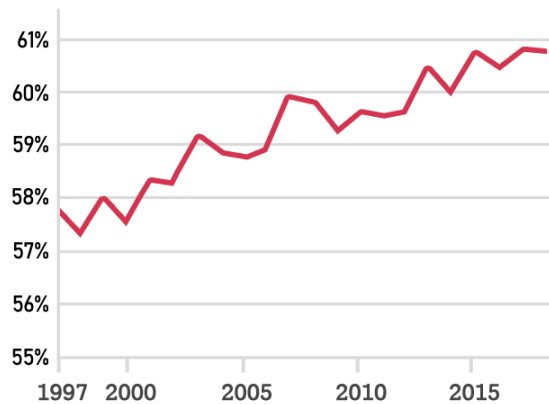


Growth in low skill & low income jobs is outpacing high income

- The share of low-paying jobs (jobs paying below the average wage) in Canada has been rising steadily over the last 2 decades. [[CIBC Economics](#)]

More and more Canadians are working low-paying jobs

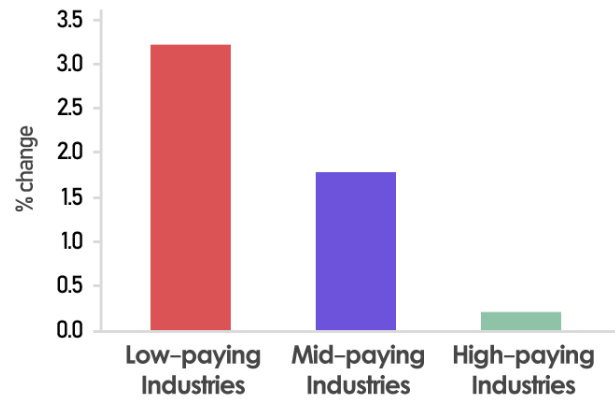
Share of Below Average Wage Jobs



Source: Statistics Canada, CIBC

Job growth concentrated in low-paying industries

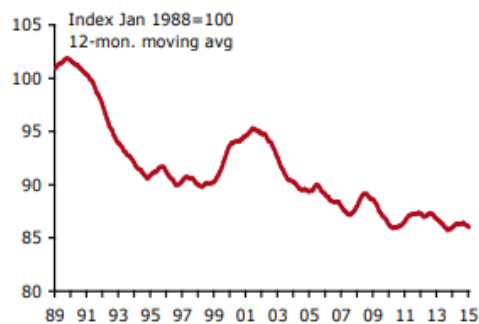
Jun 2018–May 2019 vs Jun 2017–May 2018



Source: Statistics Canada, CIBC

- Employment quality in Canada has been trending down. This long-term trend suggests that the decline is more structural than cyclical. [[CIBC Economics](#)]

CIBC Employment Quality Index



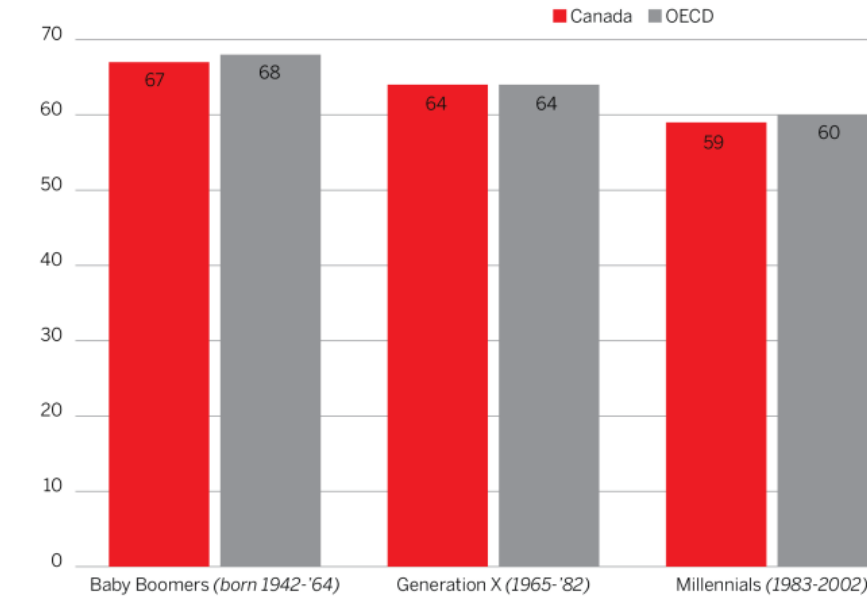
Source: CIBC calculations based on Statistics Canada's tabulations

- The likelihood of being in the middle class is decreasing with each successive generation. [[National Post](#)]

MIDDLE CLASS MISSING MILLENNIALS

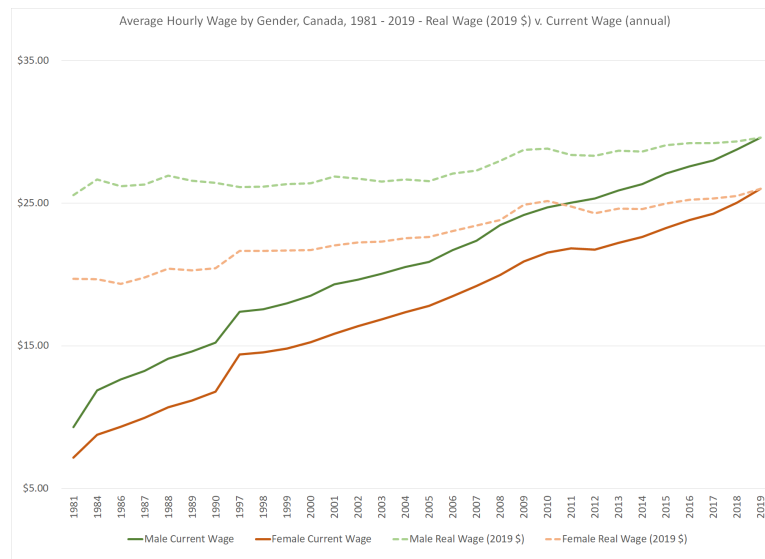
Millennials are significantly less likely to be in the middle class than previous generations

% of the population in middle-income households when in their twenties, by generation

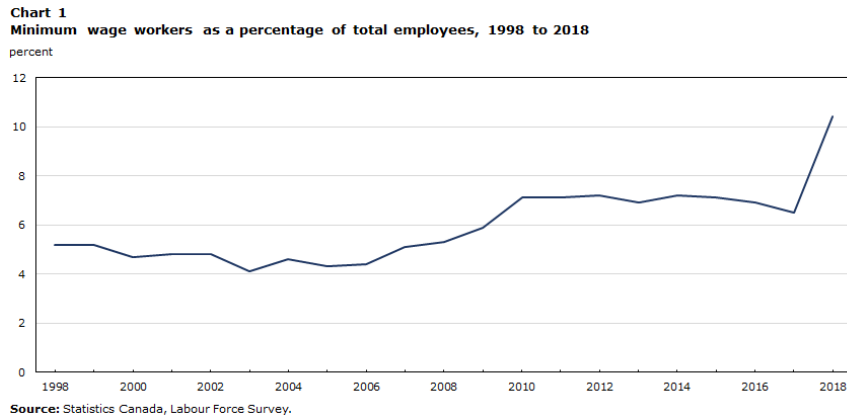


Source: OECD (2019), *Under Pressure: The Squeezed Middle Class*, [Figure 1.7]

- Growth in average Canadian wages has barely caught up with inflation over the last 40 years. [StatCan]



- The proportion of employees earning minimum wage in Canada has doubled from 5.2% to 10.4% between 1998 to 2018, with most of that growth occurring between 2017 and 2018. [[Statistics Canada](#)]



- Growth in part-time work has outpaced full-time work in the last 20 years. Workers in part-time jobs have had a steady rise in the length of time that they hold these jobs, rising from an average of 60 weeks in a part-time job, to an average of 77 hours. Over the same period, the average tenure of full-time workers has only risen by 4 weeks, from 104 to 108 hours. [[Statistics Canada](#)]
- Automation is threatening a wide range of jobs, working its way up and down the skills chain. Meanwhile, the cost of an industrial robotics system is projected to fall to less than \$20/hr in 2020, which is below the average worker's wage. [[Global News](#)]
- In October 2019, the Bank of Canada's Business Outlook Survey reported that job growth in Canada was set to slow over the next 12 months, while investments in automation remained steady. [[Bank of Canada](#)]
- There is considerable evidence that displaced workers are re-employed at lower wages. Re-employed displaced workers are also more likely to work in part-time or non-permanent jobs than prior to displacement, and work shorter hours on average. [[OECD](#), [CBC](#)]
- Displaced workers suffer earnings losses as high as 25% per year, 6 years after displacement. [[American Economic Review](#)] [[Mirror](#)]

- The earnings loss can be even more severe for high-seniority workers: as high as 35%, 5 years after displacement. [[Statistics Canada](#)]
- Workers displaced by mass layoffs experience *large* and *persistent* earnings losses relative to similar workers who remained continuously employed with the same firm. [[Bank of Canada](#), [The Mowat Centre for Policy Innovation](#)]
- Due to the rise of Amazon and global e-commerce, in 2019, US retailers announced 9,302 store closings, a 59% *jump* from 2018. This number is estimated to be 14,000 in 2020. In 2020, hundreds of stores are due to close in Canada. [[Business Insider](#), [Retail Insider](#), [CTV News](#), [Wikipedia: Retail Apocalypse](#)]

▼ **42% of Canadian jobs are at high risk of automation in the next 20 years.**

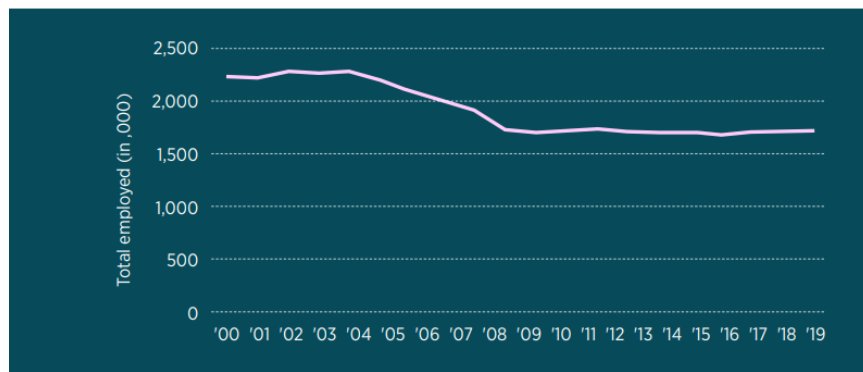
- 42% of the Canadian labour force are in occupations that are at high risk (70% + probability) of automation over the next 20 years. [[Brookfield Institute](#)]



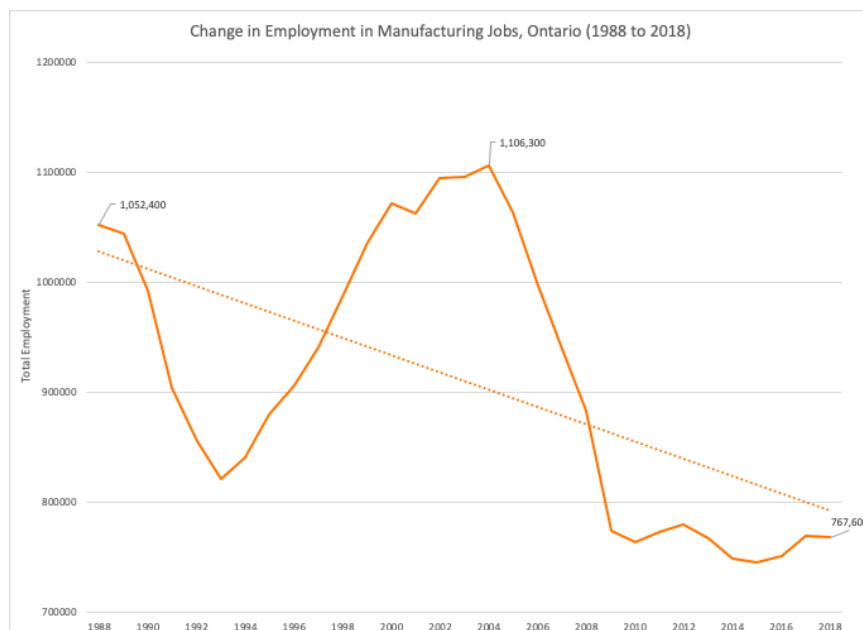
- On average, the arrival of one new industrial robot in a local labor market coincides with an employment drop of 5.6 workers. [[NBER](#)]
- Some human-replacing technology costs as low as \$3/hour to operate. [[Tech Startups](#)]
- Machines to 'do half of all work tasks by 2025'. [[BBC](#)]

- The jobs most at risk of automation (retail salesperson, administrative assistant, transport truck driver, cashier, food counter attendant and kitchen helper) are also among the most common occupations in Canada. [CTV News]
- Since 2000, Canada lost about 500,000 manufacturing jobs. In Ontario alone, 340,000 manufacturing jobs have been lost since 2004. [Statistics Canada]

FIGURE 1: MANUFACTURING EMPLOYMENT IN CANADA, 2000 TO 2019



Source: Statistics Canada. (2020). [Table 14-10-0023-01 Labour force characteristics by industry, annual \(x 1,000\).](#)



- Automation has been shown to be responsible for **6x more job loss** in manufacturing than global trade. [[Ball State University](#)]
- A 2019 internal report from Wells-Fargo projects that 10% of banking jobs will be displaced by technology over the next decade. [[CBC News](#)]
- Canadian food and beverage manufacturers are expected to deploy more industrial robotics over the next 5 years in order to speed up and improve the production time of products. [[Food in Canada](#)]
- 63% of Canadians are seriously concerned that technology will displace more jobs than it creates. Meanwhile, 75% of Canadians support universal basic income as a way to help workers displaced by automation. [[Angus Reid Institute](#)]
- Retraining programs have been shown to be mostly ineffective. In Ontario, only 15% of people who went through a skills training program—which cost the province \$1 billion—found a job in their new field. [[CBC News](#)]

▼ **Basic income increases entrepreneurship and gives everyone the ability to take risks.**

- 10% of people who received CERB started a business. [[NABIG 2021](#)]
- A Basic Income pilot in Japan increased interest in starting a business by 3.9x. [[Maezawa Basic Income Experiment 2020](#)]
- In 2018, over 100 Canadian CEOs representing over \$2.3B in annual revenues signed a letter in support of basic income. [[CEOs for Basic Income](#)]

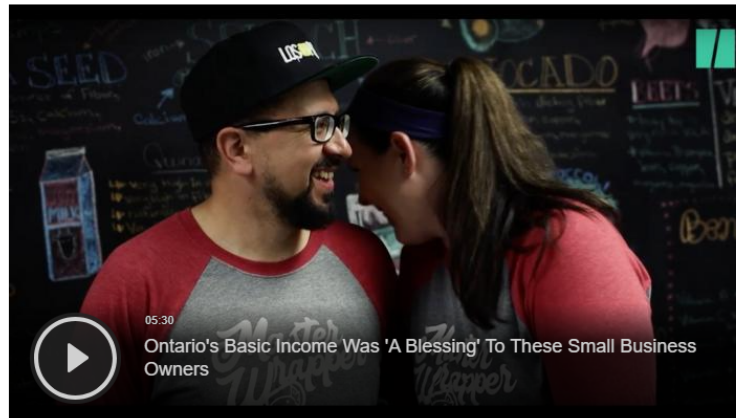
BUSINESS

How Basic Income Could Create A Whole New Class Of Entrepreneurs

The evidence is mounting that unconditional cash payments could unleash a new wave of business innovation.

By Daniel Tencer and Emma Paling

08/01/2018 04:41pm EDT | Updated August 2, 2018



https://www.huffingtonpost.ca/2018/07/26/basic-income-good-for-business_a_23490194/

- The rate of small business startups in Canada has declined by almost 13% since the early 2000s. Most small businesses are self-funded, and if people have less money, there will be fewer new businesses starting. [[Fraser Institute](#), [Ontario 360](#), [The Brookings Institution](#)]
- In the Namibia universal basic income pilot, entrepreneurship increased by 301%. In the India UBI pilot, villages provided UBI saw 3x the entrepreneurship of control villages.

<https://twitter.com/scottisantens/status/1397007953220313092>

- "What would the world look like if entrepreneurship was easy and common?"—Tobi Lütke, CEO/Founder.

- "Compared with the Industrial Revolution, digital technologies are more likely to create winner-take-all markets." - [Harvard Business Review](#)
- Basic income has been shown to boost business activity and encourage entrepreneurship right here in Canada. [\[Huffington Post\]](#)
- Data shows that federal stimulus coincided with a surge in US small business start-ups. [\[New York Times\]](#)
- "If I had to support my family growing up instead of having time to code, if I didn't know I'd be fine if Facebook didn't work out, I wouldn't be standing here today."—[Mark Zuckerberg](#), Co-founder & CEO of Facebook and supporter of universal basic income.
- "AirBnB and Reddit would not exist had they not gotten something like a basic income from [Y Combinator]."—[Sam Altman](#), CEO of OpenAI and former President of Y Combinator.

▼ **Basic income can end poverty and improve health & educational outcomes.**

- A national basic income could lift 3.2 million Canadian families out of poverty — ending poverty. [\[Canadian Centre for Economic Analysis\]](#)
- The Canada Child Benefit, a basic income for families, has lifted 250,000 families, including 588,000 children, out of poverty. [\[Canadian Centre for Economic Analysis\]](#) It has also reduced the number of low-income households experiencing severe food insecurity by 1/3. [\[University of Toronto\]](#)
- The Canada Child Benefit, a Basic Income for families, is "overwhelmingly" responsible for Canada's reduced poverty and income inequality. [\(The Tyee\)](#)
- The cost of poverty in Canada is estimated to be between \$72 - \$84 billion a year. The cost on the Canadian health care system alone is estimated to be at least \$7.6 billion. [\[CWP-CSP\]](#).
- UBC researchers gave \$7,500 to homeless residents: 70% were food secure after 1 month, spending on alcohol, cigarettes, drugs went down 39%, and it saved the shelter system \$8,100/person. [\[New Leaf Project\]](#)
- The increase in income disparity between the poorest 10% of Canadians and the richest 10% grew by 10% between 2000 and 2016. [\[Feed Ontario\]](#)

- Since 1982, the income share of the bottom 50% of earners declined by 28% while the incomes of the top 1% rose by 53%. [[Statistics Canada](#)]
- The top 1% of earners are seeing their incomes rise faster than the average Canadian. This growth discrepancy increases in the top 0.1%, and even more so in the 0.01%. [[Financial Post](#)]
- 48% of Canadians are \$200 or less away from insolvency. [[BNN Bloomberg](#)]
- Canada's income equality ranks low compared to other developed nations (12th out of 17 peer countries), and is getting worse. [[Conference Board](#)] Meanwhile, Canada ranks as the 10th largest economy globally, with a nominal GDP of \$1.73 trillion. [[Investopedia](#)]
- Poverty is the single largest determinant of health, and ill health is an obstacle to social and economic development. Poorer people live shorter lives and have poorer health than affluent people. [[World Health Organization](#)]
- The poorest 1% of Canadian men die 8 years younger than the richest 1% of Canadian men. For Canadian women, the longevity gap is 3 years. [[C.D. Howe Institute](#)]
- Poverty has been shown to negatively affect cognitive functioning, equivalent to a drop in IQ of 13 points. [[CBC News](#)]
- Research shows that food insecurity, the lack of access to nutritious foods, can shorten lifespans by 9 years. 1 in 8 households in Canada is food insecure, amounting to over 4 million Canadians, including over 1 million children. Universal basic income would virtually eliminate food insecurity. [[CBC News](#)]
- The number of single person households accessing food banks grew by 45% between 2007 and 2019. [[Feed Ontario](#)]
- Mental strain from poverty can result in a 13-point drop in IQ. [[Princeton & UBC](#)]
- Poverty results in poorer school performance:
 - Students in families earning less than \$30,000/year score 20-30% lower on Gr. 3 EQAO math and literacy tests than students in families earning more than \$100,000/year. This gap widens in Gr. 6. Child poverty accounts for 21% of the risk of poor education outcomes.

- 50% of Ontario students who drop out of high school live in families earning less than \$30,000/year. [[Homeless Hub](#)]
- "I'm now convinced that the simplest approach will prove to be the most effective—the solution to poverty is to abolish it directly by a now widely discussed measure: the guaranteed income." - [Martin Luther King Jr., *Where Do We Go From Here: Chaos or Community?* \(1967\)](#).

▼ **Basic Income encourages work and ends the poverty trap of current social assistance programs.**

- A survey of Canadians receiving CERB showed that 50% learned a new skill, 42% took an online class, and 10% started a business. They spent more time on unpaid work like housekeeping, caregiving, civic and voluntary work. [Mount Allison research presented at [NABIG 2021](#)]

Evidence of employment commitment under the Cana... NABIG Congress

FINDINGS: Top Activity

	Prior % who Ranked #1	During % who Ranked #1
Ranked as #1 top time-consuming activity		
Paid work	67.5%	2.6%
Education and related activities	16.9%	19.7%
Cooking and washing up (for your own home)	1.3%	10.5%
Housekeeping (for your own home)	2.6%	14.5%
Childcare	2.6%	13.2%
Free time	3.9%	18.4%
Civic and voluntary work	0.0%	2.6%
Other passive leisure	0.0%	3.9%

Michelle Pascoe-Deslauriers

Evidence of employment commitment under the Cana... NABIG Congress

FINDINGS: Engagement

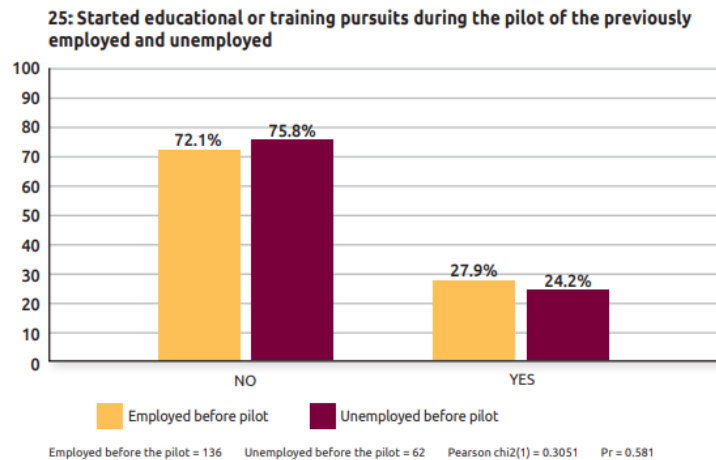
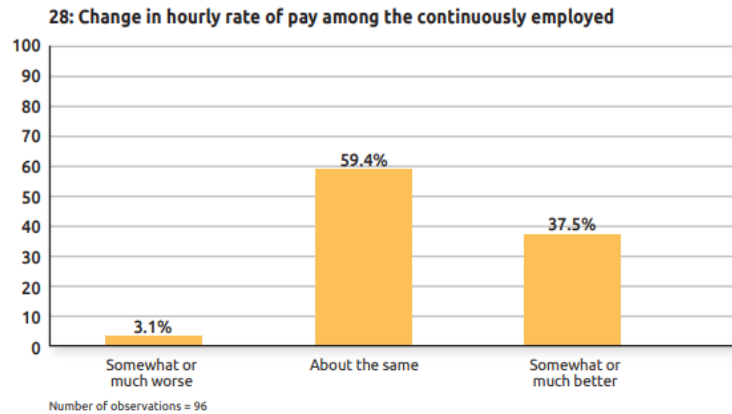
Started/launched business	10.4%
Started/launched community/social/study activities online	15.6%
Learned a new skill or hobby (including learning a new language)	49.4%
Took an online class	41.6%
Joined Virtual Social Group	35.1%
Joined Study Group	5.2%
Joined Reading Group	6.5%
Joined community events/clubs	9.1%
Other	18.2%

Michelle Pascoe-Deslauriers

- Basic income-like benefits such as CERB and CRB allowed workers to push for higher wages and seek better opportunities. It showed us that basic income can make jobs work again for Canadians. [[UBI Works article: It's not a labour shortage—it's a wage shortage](#)]

https://twitter.com/ubi_works/status/1397209387928784896

- A meta-analysis published in 2018 encompassing 16 separate basic income experiments and over 105,000 research subjects, including those in Manitoba, found that people who receive a basic income do not work less. [[Basic Income Studies](#)]
- In a 2019 survey of Ontario Basic Income Pilot recipients, 34% of respondents said they found that the basic income supported employment by affording transportation to work, child care or ability to start or expand a business, while 32% of respondents were able to go back to school or upgrade skills. [[Basic Income Canada Network](#)]
- In a 2020 survey of Ontario Basic Income Pilot recipients, over one-third of continuously-employed respondents said they experienced an *increase in their hourly rate of pay* following the start of the basic income program. More than three-quarters of respondents who were unemployed 6 months before the pilot remained employed during the pilot, while nearly one-fifth of those unemployed 6 months before the pilot became employed during the pilot. [[McMaster University](#)]



- Instead of relying on food banks, we should give people a basic income to purchase their own food. 85% of people on the Ontario Basic Income Pilot bought more healthy food.

https://twitter.com/ubi_works/status/1417516897659146246

- 70% of those signing up for Ontario's Basic Income pilot project were working people trying to make ends meet. [MyKawartha]
- Since 1982, all Alaskan residents have been entitled to a yearly cash dividend from the Alaska Permanent Fund. Research shows that the dividend had no

effect on employment, and *increased* part-time work by 17%. [[The University of Chicago](#)]

- Welfare recipients may find themselves worse off financially if they have some earnings from paid employment than if they just stayed on welfare. [[Huffington Post](#)]
- Due to the stringent conditions of welfare programs, they often fail to help the very people they target and who most need them. In the US, 13 million people living in poverty are entirely disconnected from the federal safety net. They receive no assistance at all. [[Scott Santens](#)]
- With basic income, because it is unconditional and therefore never withdrawn as income is earned, people with basic incomes are always rewarded for working. [[Techcrunch](#)]
- The 25 billion hours of unpaid work done in Canada every year is estimated to be worth \$319 billion in the money economy, or about 41% of GDP. Two-thirds of unpaid work is done by women, especially as caregivers, which our market economy currently fails to attribute value to. A basic income allows Canadians to better contribute in areas beyond traditional definitions of work, including caregiving, volunteerism, and artistic pursuits, which are vital to a thriving Canadian economy. [[Introducing Human Geographies](#)]

▼ **Basic income has broad public support across the political spectrum.**

- 75% of Canadians polled by Gallup in 2019 said they supported a UBI as a way to help those who've been displaced by A.I. [[Gallup](#)]

Support for a Universal Basic Income Program in the U.S., U.K. and Canada

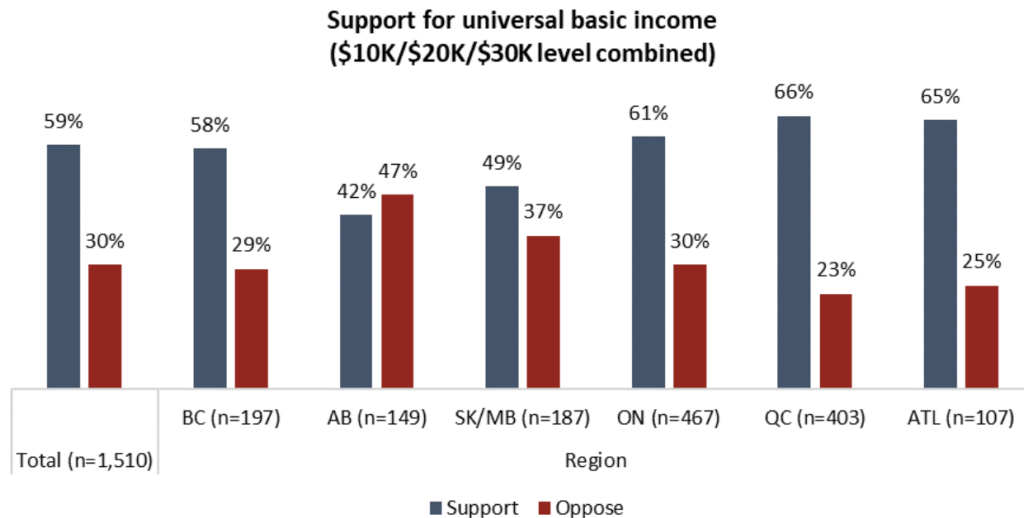
Do you support or not support a universal basic income program as a way to help people in [the U.S./the U.K./Canada] who lose their jobs because of advances in artificial intelligence?

% Support

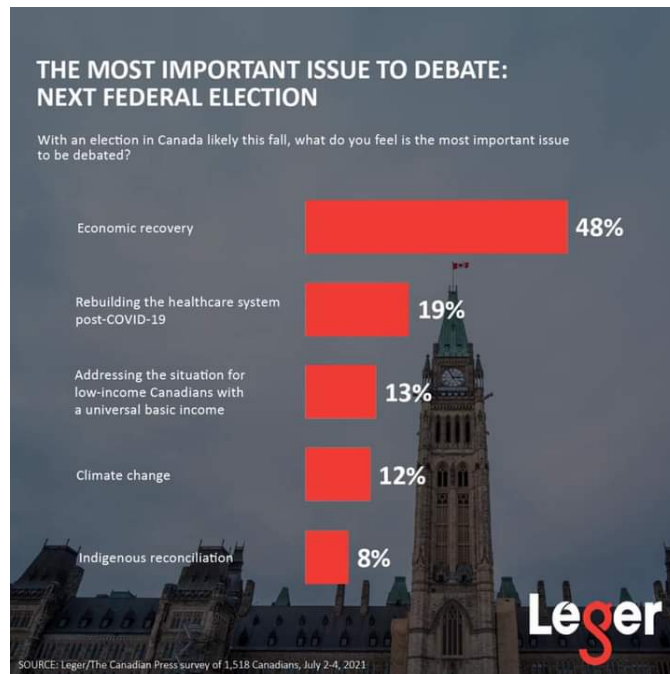


GALLUP/NORTHEASTERN UNIVERSITY, APRIL-JUNE 2019

- 59% of Canadians polled by Angus Reid in 2020 supported a UBI of between \$10,000-\$30,000. [[Angus Reid](#)]



- In 2021 poll showed that UBI was a top 3 election issue for Canadians. [[Ledger](#)]



- In 2020, over 50 Canadian Senators signed a letter in favour of basic income [[Read their letter](#)].
- **Liberals:** At the 2021 Liberal National Convention, Liberals voted overwhelmingly in support of Basic Income, with both of their Basic Income policy resolutions among the top 5 most endorsed by delegates. Many members of the Liberal caucus are vocal supporters of basic income.

In 2021, Liberal MP Julie Dzerowicz (Davenport) introduced Canada's first private member's bill for a guaranteed basic income, [Bill C-273](#). [[UBI Works Liberal Party Page](#)]

- **NDP:** At the 2021 NDP National Convention, members proposed more than a dozen Basic Income policy resolutions. To date, the party has been silent on whether or not they support Basic Income as part of the official party platform.

In its 2019 election platform, the NDP had committed to creating a national Basic Income pilot project, without taking a stance on whether or not they support a national Basic Income policy.

In 2020, NDP MP Leah Gazan (Winnipeg) introduced the landmark [Motion 46 for a Guaranteed Livable Basic Income](#). In 2021, the NDP included [Guaranteed Livable Income as part of their election platform](#). [[UBI Works NDP Page](#)]

- **Greens:** The Green Party is only party to have GLI as part of their official platform. Their members have been very vocal supporters of basic income. [[UBI Works GPC page](#)]
- **Conservatives:** Basic income has been championed by many prominent conservatives, including Nobel-winning economist [Milton Friedman](#), former Canadian conservative senator [Hugh Segal](#), former federal PC leader [Robert L. Stanfield](#), former ON PC leader and Mayor of Toronto [John Tory](#). The Alaska Permanent Fund was established under republican governor Jay Hammond in 1976 and pays an annual dividend to every resident.

To date, the Conservative party has not made an official position on basic income. [[UBI Works Conservative page](#)]

- To read more about each party's stance on basic income, visit the [UBI Works Party Pages](#).
- Members of every single party have publicly supported basic income. [[House of Commons Positions on Basic Income, spreadsheet by activist Sam Vekemans](#)].

▼ **Basic Income can grow Canada's economy more than it costs, while ending poverty.**

- **Canada's basic income for families, the Canada Child Benefit, is working to grow our economy while keeping Canadians out of poverty.**

The CCB is growing our economy by \$2 for every \$1 invested while contributing over 450,000 full-time equivalent jobs — roughly 2.5% of the Canadian labour force —

driving \$85B/year in revenues & \$18B in gross profits to businesses, and keeping 588,000 children and 250,000 families out of poverty. [[Canadian Centre for Economic Analysis](#)]

- **Basic Income can grow the economy and create jobs.**

Basic Income could grow Canada's economy \$80 billion a year — more than

Canada's tourism and hospitality industries combined — and create nearly 600,000 jobs in 5 years.

- **Basic Income can be good for business.**

Putting money in Canadians' hands lets them spend it in their local economies, which could cause private capital investments to increase up to \$15 billion a year — more than double all Canadian venture capital investments a year.

- **Basic Income is a raise for working Canadians.**

Economic activity from Basic Income would cause businesses to hire, spending up to \$32 billion a year in total wages— as much as the profits of our top 3 banks.

- **Basic Income can be a self-sustaining investment.**

Basic Income could grow the economy more than it costs in the long term, making this a sustainable investment over time. It could generate \$22 billion a year in new government revenues from new economic activity— as much as all EI Premiums paid by employees and employers.

- **All while ending poverty and growing the middle class.**

Basic Income could grow the economy sustainably while lifting 3.2 million families out of poverty and giving a raise to most Canadians.

[Canadian Centre for Economic Analysis]

- **We can pay for basic income without needing to raise personal income taxes on working Canadians or eliminating important needs-based programs.**

We've compiled \$800B+ worth of funding options, from across the political spectrum, that can pay for a national basic income.
