

Recommendations:

- 1. A commitment to supporting the Working Group of departmental officials established by Minister Jenna Sudds and PEI Minister Barbara Ramsay to share tax, survey and administrative data and information in support of the creation of a Federal/Provincial 5-7 year Guaranteed Basic Income demonstration project in PEI.**
- 2. Indicate, in the 2025 budget, your willingness to fund the federal portion of a guaranteed basic income demonstration project with and for PEI.**

A guaranteed basic income (GBI) has been discussed for more than half a century in Canada, but a well-researched proposal that takes into consideration both economic and political realities has never been put forward. Therefore, it has never been possible to develop viable alternatives to the status quo targeted approach to poverty reduction – [an approach that is sometimes viewed as keeping people in poverty](#).

Until now.

The November 2023 publication of the report [A Proposal For A Guaranteed Basic Income Benefit For Prince Edward Island](#) addresses this omission at a crucial moment – when steps toward the goals of Canada’s [Poverty Reduction Act](#) (2019) are faltering.

This report presents a basic income model for a fully funded 5-7-year demonstration program in PEI which would effectively eliminate poverty for Islanders while being more cost-effective than previously presented basic income models. Written by experienced economists, federal and provincial public servants and politicians, and advocates from PEI and across the country, and supported by many economists, academics, sector-based organizations and more, this report has significantly advanced the conversation about the implementation of a basic income guarantee benefit. It is the outcome of more than 2 years of collaboration and research and is now being used to guide crucial conversations on poverty reduction and income assistance in PEI and across the country.

The Proposal for a GBI benefit in PEI presents a feasible and affordable collaborative federal/provincial model for funding and administering a basic income guarantee for working-age adults living in poverty, without increasing taxes on the middle class. It has shown that the cost of a GBI can be decreased by approximately 40% compared to previous estimates.

The report clearly addresses issues of cost, financing, labour market disruption, interactions with other key programs and sectors. It provides [net costing estimates](#) and an overview of [evaluation requirements](#). A Federal/Provincial GBI demonstration project in PEI would provide both governments with the opportunity to evaluate and modify federal and provincial income support systems to make the process as effective and efficient as possible. Upon evaluation it could be extended to other provinces and territories. Newfoundland and Labrador and Quebec, have made substantial moves towards a basic income guarantee and [many municipalities](#) across Canada have passed resolutions calling for a basic income guarantee, particularly in the Atlantic provinces, Ontario, and British Columbia.

A [recent poll](#) found that six in ten Canadians support implementing a basic income guarantee, while only two in ten oppose it.

If COVID-19 has taught us anything it is that we need systemic change to meet the needs of our transforming economy, society, and environment. The current systems we have in place to address poverty and help Canadians in a time of crisis now fail many of our working age citizens and residents, are deeply unfair, and woefully inadequate. Tinkering around the edges of these outdated mechanisms merely extends the harm Canadians face now and in times of crisis. The proposed GBI benefit for working-age adults would complete Canada’s social safety net, which already includes a guaranteed basic income for seniors – through Old Age Aecurity and the Guaranteed Income Supplement – and for children – through the Canada Child Benefit. A GBI is not a revolution, it is an evolution.

With a rapidly changing labour market, climate change, artificial intelligence, automation, and growing extremism, we find ourselves in a moment where the systems of yesterday do not address the context and crises of today. In this moment, we must ask ourselves: what is the cost we face by continuing to address income insecurity with inadequate, piece-meal measures? For example, the proposed 1B dollar school lunch program [would not be required if adequate income was provided to those living at or below the poverty line](#). There is even indication that sufficient income support can lead to an increase in the [trust in government](#).

We need to be innovative and think about our future. There are [many](#) indications of the [benefits a basic income could bring](#) to government economies and communities. The time has come to commit to a proper evaluation of a poverty reduction plan which has been supported and recommended for over 50 years in Canada: guaranteed basic income.

By establishing the Federal/Provincial (PEI) departmental working group, the federal government indicated its openness to considering and studying innovative ways to support those most in need while addressing the realities of our changing economies. Please support the already established departmental Working Group and indicate your willingness to finance the federal share of the demonstration project in PEI.

For more information about a basic income guarantee, please see our [FAQs](#) and [Cases for Basic Income Series](#).

Recommendations:

- 1. A commitment to supporting the Working Group of departmental officials established by Minister Jenna Sudds and PEI Minister Barbara Ramsay to share tax, survey and administrative data and information in support of the creation of a Federal/Provincial 5-7 year Guaranteed Basic Income demonstration project in PEI.***
- 2. Indicate, in the 2025 budget, your willingness to fund the federal portion of a guaranteed basic income demonstration project with and for PEI.***