

Frequently Asked Questions (FAQs)

Q1: What is a basic income?

A basic income is money the government gives regularly and unconditionally to individuals.

It helps people meet their basic needs and live with dignity, no matter their work status. Different terms are used to describe a basic income:

- A *Basic Income Guarantee (BIG)*, also called a *Guaranteed Basic Income (GBI)*: Creates an income floor, so no one falls into poverty. It's universal (like healthcare), but income-tested, meaning it's only given to people who need it.
- A *Guaranteed Livable Income (GLI)*: Is basically the same as a BIG, but it highlights the need for the amount to be enough to live on, not just survive. In this document we use a "livable BIG" to keep that idea front and center.
- A *Universal Basic Income (UBI)*: Is given to every adult, no matter their income. It's usually a smaller amount (like [\\$500–\\$1,000](#) per month) and not enough to live on. In Canada, people often call all basic income programs "UBI," which causes confusion. Opponents use this to argue that a livable BIG is unaffordable, even though they're not the same.

Q2: What kind of program is being proposed for Canada?

Coalition Canada supports a livable, income-tested BIG for adults aged 18–64 and consistent with the six principles described [here](#). It should be part of a broader system of supports and services and respect Indigenous rights and self-determination.

The amount for a single adult should be at or above the [poverty line](#) and go up with the cost of living. As people earn money from work, their BIG should decrease slowly—with the benefit clawed back at no more than 50 cents for every dollar earned—so it is always worthwhile to work. Those with extra costs, like people with disabilities, should get additional support. A [2021 Parliamentary Budget Office report](#) shows that basic income could dramatically reduce poverty in Canada. [A Proposal for a Guaranteed Basic Income in Prince Edward Island](#) also confirmed this.

Q3: How much money would a livable BIG provide?

It should be close to or above the poverty line, to help reduce poverty and income insecurity.

The benefit level should be high enough to lift every resident out of poverty. Canada's official poverty line is called the Market Basket Measure (MBM). While MBM sets the standard for tracking poverty across regions, the right benefit level will depend on the design of the BIG.

Q4: What current programs would a national livable BIG replace?

It should replace some provincial and territorial welfare programs.

Current welfare programs are often [stigmatizing](#), [create barriers](#) to work, and are [too low](#) to meet basic needs. They can expose people to [discrimination](#) and are [stressful and harmful to health](#). The federal government could use the tax information system to deliver a better, fairer income support program, set at livable levels and adjusted to local costs. Because tax information is collected only once a year, provinces would still need to offer emergency programs for people with sudden income drops until they qualify for the national BIG when they file their next tax return.

Q5: Would other provincial programs be replaced?

In general, no. Basic income must work alongside other social supports and services. People need both income and public services to live with dignity—especially those with unique needs.

Federal, provincial, territorial, and Indigenous governments should work together to [design](#) a federal livable BIG to decide which programs to keep or change. Support programs like job training, counselling, and rehabilitation services should stay and may need to be improved and expanded.

Q6: What federal income support programs would work with a national livable BIG?

A livable BIG could work well with existing programs such as the Canada Child Benefit (CCB), Old Age Security (OAS), Guaranteed Income Supplement (GIS), and Canada Pension Plan (CPP), which all act like a basic Income for children and seniors, although these may need to be raised to a livable level. That's why a livable BIG is needed for working-age adults (18–64). Employment Insurance (EI) should be retained but needs updating to better support gig workers and others with insecure (precarious) jobs. The new Canada Disability Benefit has been criticized for being too low and hard to access. A livable BIG could be used as an income top-up for people with disabilities.

Q7: What are the benefits of a livable BIG?

There are many benefits of a well-designed national livable BIG program.

A livable BIG would provide reliable, [steady income](#) for all working-age adults - to people currently on welfare or with [unstable jobs](#) doing seasonal or creative work, and more. It would support unpaid work, like caregiving. It would reduce poverty, which would create savings in [health care](#), policing, and [justice](#) systems. It would Improve mental and physical health, reduce stress, and increase participation in education and training and in community involvement. It would [put more money into local economies](#), which helps small businesses. It would help individuals and communities [transition to a greener economy](#) by providing financial stability during the change. Overall, a livable BIG would improve everyone's quality of life while [saving taxpayer dollars](#).

Q8: Will people stop working if they get a BIG?

When people stop working, it's usually to care for young children or to go to school.

Research in Canada and other countries shows [most people keep working](#). The [Mincome](#) experiment in Manitoba (1970s) and the [Ontario pilot](#) (2017) found most people kept working, and many found better

jobs. The [2021 Parliamentary Budget Office study](#) found a livable BIG would cause only a small drop in labour supply, as did the [PEI Guaranteed Basic Income Proposal](#), and other [basis income trials around the world](#). In fact, [better income support](#) encourages people to gain skills, start businesses, or afford work-related costs like daycare and transportation.

Q9: Will employers use BIG to avoid paying fair wages?

No. A livable BIG does not replace the need for fair wages.

Minimum wages still need to rise. A livable [BIG gives workers more power](#)—they can walk away from unsafe or underpaid jobs, and take time to train for better ones.

Q10: How much would a livable BIG cost?

A livable BIG is affordable and a smarter use of tax dollars than our current system.

Because it's income-tested, only those who need it receive it. The Parliamentary Budget Office (PBO) study ([2021](#)) estimated the total gross cost for 2021–22 at \$85 billion. However, the [PEI Report](#) and the [2025 PBO report](#) found that this cost could be lowered by 40% if the way household income is calculated includes other adult family members living in the same home. When reductions in costs in other areas of government spending are included, the total cost drops even further (see Q11).

Q11: How do we pay for it?

There are many examples of ways to pay for a BIG including: using federal transfer funds now going to pay for welfare; replacing non-refundable tax credits with refundable ones; introducing new tax fairness measures like taxes on wealth, inheritance, financial transactions, robots, and AI (job replacement technologies). And again, a livable BIG will reduce costs in other areas, like health care, policing and justice, saving money in other government-funded systems.

Q12: Are any provinces or territories interested in BIG?

Yes. Support for a livable BIG is growing across Canada.

In Prince Edward Island (2020), the [legislature unanimously supported](#) a province-wide BIG pilot, and a [federal-provincial working group](#) is now studying how to design it. Manitoba had the [Mincome](#) project for five years in the 1970s, and data demonstrated many social and health benefits. Ontario had a pilot project in 2017, which was cancelled early. Yet, a McMaster University study ([2021](#)) demonstrated how “transformational” BIG was for many participants. Quebec has had the [James Bay Cree Income Security Program](#) for hunters and trappers since 1976, resulting in increased participation in traditional harvesting and conservation, and improved health and community outcomes. Quebec now has a targeted basic income program for [people with disabilities](#). Newfoundland has new targeted basic income programs for [youth aging out of care](#), [adults with disabilities](#), and for [adults aged 60- 64](#). British Columbia also has a targeted basic income program with supports for youth aging out of care ([SAJE](#)).