

Tay Valley Township Council Meeting – June 18th, 2024

The Corporation of the Town of Smiths Falls Resolution Regarding Basic Income Guarantee.

RESOLUTION #C-2024-06-18

MOVED BY: Rob Rainer **SECONDED BY:** Angela Pierman

“**WHEREAS**, the Council of the Corporation of Tay Valley Township supports The Corporation of the Town of Smiths Falls’ Resolution #2024-04-074 regarding Basic Income Guarantee;

WHEREAS, per the 2021 Census of Canada 515 out of 5925 residents of Tay Valley Township (9.1% of the total) lived in low income, based on the Low Income After Tax (LIM-AT) measure;

WHEREAS, of the 515 Tay Valley Township citizens living in low income in 2021, 20 of them were children five years old or younger, 50 of them were children between the ages of 6 and 17, and 150 of them were seniors aged 65 or over;

WHEREAS, the province of Ontario recognizes that the LIM-AT does not include the cost of housing, food, transportation, etc. and therefore set its low income workers tax credit for 2021 at \$30,000 (up to \$38,000) for an individual and \$60,000 (up to \$68,500) for a household, resulting in a total of 790 – 985 residents of Tay Valley Township or 13% -17% identified as being unable to meet their basic living requirements without some government assistance;

WHEREAS, the province of Ontario has recognized the impacts of the costs of inflation (following Covid-19, continued supply chain disruptions due to wars and climate change, and record high profits by companies providing necessities such as food, fuel, and housing) and has increased the low income tax credit eligibility to \$32,500 (up to \$50,000) for an individual and \$65,000 (up to \$82,500) for a household, indicating the economic pressures an increasing number of Tay Valley residents experience;

WHEREAS, the level of income is one of the most important social determinants of health, and relates to many other determinants including education and literacy, healthy behaviours, one's social environment, and employment and work conditions;

WHEREAS, low income is strongly correlated with a wide range of negative health outcomes, including heart disease, cancer, diabetes, and poor mental health, and with shorter life expectancies compared to higher income persons;

WHEREAS, the minimum wage in Ontario and the maximum amounts of financial support available through Ontario Works (OW) and the Ontario Disability Support Program (ODSP) are deeply insufficient to meet the basic needs of full-time minimum wage workers, or of individuals or families drawing OW or ODSP support;

WHEREAS, ongoing, widespread, and rapid changes in labour markets, including due to outsourcing, artificial intelligence, automation, and advance of the "gig" economy, are causing more and more people to be exposed to labour changes beyond their control, adding to their vulnerability to low income;

WHEREAS, basic income is a means by which individuals, families, and whole communities can be less vulnerable to negative changes in health, relationship or family status, and labour markets, and better able to navigate transitions and challenging circumstances;

WHEREAS, basic Income is money distributed to eligible people, regularly, reliably, and without work requirement, and which, absent other income, should meet basic human needs;

WHEREAS, basic income exists in Canada in the form of longstanding programs like the Canada Child Benefit and the Guaranteed Income Supplement for seniors, programs with demonstrated positive impacts on basic income recipients, economies, and our greater society;

WHEREAS, there is need to establish basic income security for working-age adults in Canada who, at present and in general, lack sufficient social protection against low income;

WHEREAS, there is a growing body of evidence that basic income is not a disincentive on the pursuit or retention of employment and that, further, basic income is more likely to support such pursuit or retention given its stabilizing effect in the lives of people;

WHEREAS, the gross cost of a basic income program is reduced to a net cost once various funding options are exercised and the fiscal benefits of basic income are realized (e.g., basic income as a local economic stimulus);

WHEREAS, Canada, one of the wealthiest nations in the world, has the fiscal capacity to support a basic income guarantee for working-age adults;

WHEREAS, the call for basic income in Canada has been and is being made by public health authorities, including the Leeds, Grenville and Lanark District Health Unit per its November 2023 report on food insecurity within the health region;

WHEREAS, the call for basic income in Canada has been and is being made by many other interests, including a growing number of municipalities in Ontario and beyond, and by a range of provincial and federal parliamentarians;

WHEREAS, a 2022 national public opinion poll suggests that six in 10 adults in Canada support the concept of basic income;

AND WHEREAS, Tay Valley Township wishes to add its municipal voice to the call for a basic income guarantee for working-age adults in Canada.

NOW THEREFORE BE IT RESOLVED THAT:

- 1) Tay Valley Township supports the concept of a basic income guarantee for working-age adults to help combat low income and economic vulnerability within our community;
- 2) Tay Valley Township calls upon the federal and the provincial and territorial governments to collaborate on the design, introduction, implementation, and ongoing evaluation of a national basic income guarantee program for working-age adults;
- 3) The Council of Tay Valley Township directs the Reeve write (a) a letter to Prime Minister Justin Trudeau, copy to relevant federal ministers and to Lanark-Frontenac-Kingston MP Scott Reid; and (b) a letter to Ontario Premier Doug Ford; copy to relevant provincial ministers and to Lanark Frontenac-Kingston MPP John Jordan, calling on these orders of government to collaborate on the design, introduction, implementation, and ongoing evaluation of a national basic income guarantee program for working-age adults;
- 4) The Council of Tay Valley Township directs the Reeve to write a letter to each of the Reeve's counterparts in the lower-tier municipalities in Lanark County, encouraging each municipality to also pass a resolution similar to that adopted by Tay Valley Township;
- 5) A copy of this resolution be shared with all other municipalities in Ontario, and with the presidents of the Eastern Ontario Mayors Caucus, the Eastern Ontario Wardens' Caucus, the Association of Municipalities of Ontario, the Rural Ontario Municipal Association, and the Federation of Canadian Municipalities.”

ADOPTED