

Opinion Editorial – February 18, 2021:

Basic Income Guarantee not guaranteed success

The Greater Charlottetown Area Chamber of Commerce (GCACC), on behalf of its more than 1,000 members, has been watching with keen interest, the recent discussions regarding reducing poverty on Prince Edward Island and introducing the concept of a Basic Income Guarantee (BIG). The recent report from the Special All-Party Committee on Poverty in PEI and Mary Boyd's opinion editorial (dated February 11, 2021) both add to this important discussion.

The majority of GCACC members are small business owners. These are people who live on the Island, work hard every day to keep their businesses going, and support their employees and the broader community. We hear from our members that they too are concerned about the levels of poverty in our province and they too want action to ensure all Islanders can live and work with dignity and are not falling through the cracks. They see the impact poverty has on our communities and they want solutions.

We know that actions can't wait, and that's why our first thought is to the 2018 PEI Poverty Reduction Action Plan. The extensive work to create the Island's poverty reduction strategy included initiatives in education, childcare, training, and workforce supports. While many of the initiatives in the action plan have been implemented, and some are ongoing, we do not have a progress report outlining what solutions have been effective in reducing poverty in our province.

When reviewing the work of the Special Committee and hearing feedback from others in the poverty reduction community, it is our opinion that there are still unanswered questions and a need for further engagement before any major policy decisions are made. There are strategies aimed at poverty reduction across the country that should be examined, examples of such are referenced in Ms. Boyd's letter. Like her, we wonder what other options were reviewed by the Special Committee as it is unclear if alternatives were considered that could be implemented quickly with similar or greater impact for individuals.

For a full BIG program, the Special Committee on Poverty's report suggests an investment of \$318.5 million gross paid to 50,238 recipients or 39.3% of the eligible population in PEI. With this level of investment, we would suggest that clear baseline data and measures of impact be created. We also wonder if there has been an analysis to demonstrate how a new program like BIG would achieve successes that existing programs could not if they were more adequately funded or adjusted. It is vitally important that measures be created to consider not only the impact of BIG on individuals but also on the broader community and the economy.

With such a wide-reaching social program being considered, a workforce analysis to understand any potential impacts for businesses across the Island should be applied. When speaking with our members, we hear that finding and retaining employees at all levels is still one of the top

challenges across sectors. If a workforce lens is not used prior to rolling out any new policy, there could be unintended impacts on our local small businesses and the provincial economy.

We recognize that within our community there are individuals of working age who are not able to participate in the workforce for a variety of reasons. Ensuring we have the right programs in place to provide support is something we all value and want. The Island business community wants to be a part of finding the right solutions for everyone; and we are eager to be included in the Special Committee on Poverty's consultation process.

We want to be an ally in tackling this complex and critical issue. With a full review of options, a workforce analysis, and broader input, we can work together on the common goal of ensuring a higher quality of life and dignity for all Islanders.

Penny Walsh-McGuire
CEO
Greater Charlottetown Area Chamber of Commerce