

***Challenging Income (in)security:
Lone Mothers and Precarious Employment***

by

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Abstract

The growth of precarious employment poses significant challenges to current income support policies yet it remains largely neglected in policy-making arenas. Using qualitative data from an Ontario study, this paper examines the particular implications of these challenges for women, who figure prominently both in non-standard employment and as targets for workfare policies. In the context of changing labour markets, this paper considers the potential strengths, and limitations, of Basic Income approaches to achieving economic security for lone mothers.

Introduction

Two significant and interwoven features of the globalized economies of liberal welfare regimes are the increasingly precarious nature of available jobs and the parallel rise of the workfare state. As Jamie Peck (2001:6) succinctly suggests: "...workfare is not about creating jobs for people who don't have them; it is about creating workers for jobs that nobody wants." While the language of workfare policies is meticulously gender-neutral, its impacts are not. In Canada, as elsewhere, the face of precarious employment is distinctly racialized and gendered (Cranford and Vosko, 2006). Significantly affected both by the growth in Canada of 'McJobs' and the expansion of workfare, the economic position of low-income single mothers provides an important lens for examining the desirability and feasibility of a Basic Income (BI). If a BI is the policy direction to pursue, it needs to work for lone mothers and their children whose risk of poverty is so very high and whose employment is so very often precarious and more difficult to maintain when caring for children on their own.

Precarious employment describes the shift in labour markets from full-time and more or less permanent jobs to those with at least some of the following characteristics: temporary, part-time, irregular hours, low wages, and few if any benefits (Cranford and Vosko, 2006). This prominent and persistent feature of the new economy challenges traditional forms of income support, especially in liberal welfare regimes that rely heavily on means-tested programs with sharp distinctions between those in 'work' and those not 'in work'.¹ These distinctions grow even harder to maintain in today's labour markets

which offer many people jobs that are unstable and poverty-level wages. Canada's array of complex and uncoordinated income support programs for working-age adults is not responsive to these new realities (for critique, see Battle, Mendelson, and Torjman, 2006; Mulvale, 2008). It is not surprising that increasing attention is given to some form of a BI to replace outmoded and dysfunctional modes of income support (Standing, 2004).

Workfare tightens the link between income and paid work by requiring participation in employment-related activities as a condition of social assistance, and, at least in the United States and Canada, by ensuring that other features, such as low benefit levels and extensive monitoring of recipients, serve to make receiving welfare extremely unappealing. A BI, in contrast, loosens the earnings-income link by providing an income to each individual which is not conditional upon fulfilling employment-related obligations.

In this paper, I use social assistance in Ontario, a province generally regarded as having the most developed workfare policies across Canada, to illustrate the challenge that workfare and precarious employment pose to social assistance policies and, from this base, to assess the implications of BI to the lives of low-income single mothers. I draw upon interviews from a qualitative study of Ontario single mothers who speak to their experiences of workfare and precarious employment. The first section of the paper links the economic insecurity of single mothers to precarious employment. This is followed by a discussion of the findings from the study of the experience that single mothers encountered with Ontario workfare. The paper concludes with an assessment of the potential of BI to reduce economic insecurity and its likely prospects in Canada.

Linking economic vulnerability and precarious employment

The economic lot of Canadian lone mothers has improved significantly over the last decade. Poverty rates are down by almost half, and employment rates are up significantly.² In Ontario, the number of lone mothers on social assistance has been more than halved over the past ten years (Ministry of Community and Social Services, 2008).

That's the good news. However, other indicators suggest a less rosy picture:

- Despite more paid work, the relative economic disadvantage of single mothers remains unchanged. In 1980, for every \$100 of income that two-parent families received, lone mothers received \$43. By 2005, they received \$44 (Statistics Canada, 2008a).
- In 2000, almost one-quarter of lone mothers were low wage workers (Morrisette and Picot, 2005) and women were much less likely than men to move out of poorly paid work (Saunders, 2006).³ As well, from 1980-2005, income earned by full-time and full-year workers at the bottom of the earnings quintile fell by 21 percent, while the earnings of those at the top went up by 16 percent (Statistics Canada, 2008a).
- It now takes more income to lift lone mothers with paid work out of poverty. In 2000, \$5500 was needed, but by 2006 the amount required had risen to \$6300 (Statistics Canada, 2008b).
- In 2005-2006, the average amount earned by single mothers fell by \$1000. This is more than three times the decrease (\$300) reported in two-parent families when one parent was in paid work, and ten times the decline when both parents were earners (Statistics Canada, 2008b).

While the connections cannot be mapped precisely, the rise of precarious forms of employment helps to explain why, despite working more, many lone mothers are not economically better off. In Canada, employment is expanding in the very sectors where precarious forms of employment are most common. For example, 2006 was the first year that the Canadian labour market provided more jobs in retail than in manufacturing. It is not simply that hourly wages are one-third lower in the retail sector, but retail jobs

provide fewer hours than manufacturing jobs. As a result, the weekly wage packet averages only slightly more than half the pay in manufacturing (Flavelle, 2008). Clerical and financial services increasingly hire on a part-time basis, retail stores are upping their demands for split shifts, while call centre jobs often necessitate evening and weekend work (Stephenson and Emery, 2003; Zeytinoglu, Moruz, Seaton, and Lillevik, 2003). Temporary jobs are growing faster for women than for men, part-time workers are mostly women and wages for part-time work are declining (Jackson, 2003; Saunders, 2005). More women than men hold multiple jobs and work weekends and evenings (Statistics Canada, 2006, 2004). The situation for racialized women is particularly difficult: despite higher levels of education, their qualifications are frequently discounted and they are more likely than other women to be found in low-skill occupations and insecure employment (Khosla, 2003; Galabuzi, 2004).

The generally disadvantaged position of women in the labour market is most sharply etched in the situation of lone mothers. In 2000, almost one-quarter (23 percent) of single mothers were low-wage workers, more than double the incidence for lone fathers (Morissette and Picot, 2005). Lone mothers are also more than twice as likely as married women with children to report that they worked part-time because they could not find full-time employment (Stephenson and Emery, 2003). In addition, their earnings have become more unstable over the past two decades and is especially prominent among those with low earnings (Morrisette and Ostrovsky, 2006). Findings from a Toronto survey attests to the job instability of many single mothers on social assistance. The survey found that more than one-third (34%) report leaving their last job because of layoffs, company closures, and other reasons associated with job insecurity. These findings

did not include other reasons for job exits that may also reflect precarious employment--- such as child care issues, insufficient wages/hours, and personal illness and disability (calculated from Toronto Social Services, 2004).

For this paper I draw upon interview data collected for research that examined welfare restructuring in Ontario and its impact on women leaving abusive situations (for initial findings, see Mosher, Evans, Little, 2004). We had current employment information for 58 women, 15 of whom were employed at the time they were interviewed. Of those employed, eight women had wages that were so low, and/or jobs that were so unstable, that they also received social assistance income. Most of the women we interviewed had some type of job experience, almost always in poorly paid jobs that very often required irregular hours and shifts. They served in coffee shops, they provided day care, they worked in stores, and occasionally in offices and factories.

Mathilde, a participant in the Ontario study, is unable to use the education certificate she acquired in her home country. After experiencing two lay-offs, she receives social assistance income to top up her low and volatile earnings from her current job sorting mail on the night shift. Mathilde provides a graphic description of precarious employment:

Because whenever the work slows down, they can dismiss me. Usually I work 8 hours. Some weeks I get work once or twice a week. Sometimes they give me work 5 days a week. Sometimes if they do not get enough orders they ask us to go home, even if it's midnight ... Sometimes I get \$900 and sometimes I get \$100 from welfare. To tell you the truth if I get a steady job there is no reason for me to get welfare.

It is no coincidence that workfare develops as precarious employment proliferates. There is a 'brutal but undeniable logic' (Peck, 2001: 12) to workfare policies

and practices. Workfare reinforces precarious employment which make employees “...particularly reliant on the income provided by the while employers have particularly structured their operations so as to minimize their dependence on individual employees and maximize the flexibility of their operations” (Canada, 2004: 19). The ramifications for single mothers are particularly troubling, as Randy Albelda (2000) underlines:

The welfare-to-work "solution" can be thought of as a match made in hell. It puts poor mothers who need the most support and flexibility into jobs in the low-wage labour market which often are the most inflexible [and] have the least family-necessary benefits.

Experiencing Ontario Workfare

In Canada, social assistance is a provincial responsibility and, although all provinces have acted to increase paid work and to decrease the caseloads, not all have embarked on workfare.⁴ Ontario leads the country in the size of its population and operates the most detailed and developed workfare program in the country. Workfare was officially introduced in 1997 when Ontario Works (OW) replaced previous social assistance programs. It transformed a general work requirement that did not apply to single mothers into a specific work-related obligations that included single mothers whose youngest child was eligible for part-time school (as young as 3.8 years old).

OW requires activities that fall into one of three streams: 1) Community Participation: up to 70 hours a month of unpaid work in a public/non-profit setting; 2) Employment Support: job preparation/search activities, educational upgrading and skills training; or 3) Employment Placement: up to six months of subsidized employment in the private sector. The program reflects a ‘workfirst’ approach -- the design compels participants to secure a job, any job, as rapidly as possible. The directives outline that

individuals must be informed that education/training programs will only be approved if they provide the *shortest* route to employment.

In addition to the specific workfare obligations, other changes to welfare were made to ensure that welfare operates as a program of ultimate and last resort. Benefits were reduced by a draconian 22 percent, reporting requirements increased, fraud investigations dramatically expanded, and toll-free ‘snitch’ lines were introduced. These changes constitute a workfare ‘regime’ in which mandated employment activities are imposed and combined with other restrictive changes to further residualize welfare (Peck, 2001). In this context, it is hardly surprising that study after study, including reports from the Ontario and Toronto governments, document concerns regarding the impacts of wholly inadequate benefits, the lack of appropriate services, the excessive information and monitoring requirements, and the ways that recipients are too frequently accorded stigmatizing and demeaning treatment by staff (Mosher, Evans, and Little, 2004; Matthews, 2004; City of Toronto, 2003; Herd and Mitchell, 2002; Herd, Mitchell, and Lightman, 2005; Stapleton, 2007).

The women who participated in our study, with very few exceptions, found Ontario Works a hindrance and not a help. Women who were ready and able to undertake employment found that workfare was “not busy in the right places.” For women who were not ready for employment, workfare could feel “like a dagger to your throat.” The encounters that women describe with their workers are troubling and included seemingly deliberate efforts to withhold information as well as out and out rudeness (Mosher, Evans, and Little, 2004). While the behaviour of workers seemed frequently problematic, it is it is also important to identify the systemic nature of

problems produced by programs that are structured to ensure inadequate incomes, to provide minimal education/training opportunities, and require intensive scrutiny.

“Not busy in the right places...”

Contrary to the assumptions of workfare, women who receive welfare are only too aware of the importance of paid work in their lives (Hays, 2003; Smith, 2002; McMullin, Davies, and Cassidy, 2002). It is precisely this awareness that led a number of women in our study to explain that, at the start, they were pleased to find out the emphasis OW placed on employment and were very hopeful that they would find the help they needed to get decent jobs/good training. The reality was, with some exceptions, strikingly different. As Louise explains:

I thought they were there to help you...try to get you a better job...they hate to tell you anything. They like you to have to ask them for things....”

Mary appeals to her welfare worker’s supervisor to get information on available programs but finds her efforts stymied. Recalling the OW introductory session she attended, she comments:

I’m in here watching this video and it sounds all good; that’s what they say but....it’s not here for you.

Two of four women who are newcomers to Canada and need English as a Second Language (ESL) training were refused OW reimbursement for their course-related expenses. Suruju and Wilma attended nonetheless, stretching further their already seemingly impossibly tight budgets. Both women report that their workers were ‘angry’ that they attended, suggesting that they should be at home with their children. Suruju comments, “To improve my language skill is the most important thing for me now, which

they are not allowing me... I have to think of my son's future." All individuals who are exempt from workfare are entitled to access programs on a voluntary basis. Ironically, while ESL attendance might have been compulsory were their children of school age, the ages of Suruju and Wilma's children appeared to serve as a prohibition.

Helen wants to take a computer upgrading/business skills course but is unable to secure approval. She decides it is probably too expensive to be funded so shifts her efforts to enrolling in a tuition-free personal support worker course which only requires coverage of her expenses, but this too is refused. Ann is able to attend a personal support worker course that charged \$374 because her mother paid the fee. Jacqueline's experience is a little better and she gets support for a six month nursing course at a community college. However, she reports "They didn't want to (provide support). I had to fight to get it."

Frequently unable to access programs, women are, however, required to attend 'job-readiness' workshops. One woman captures the frustration of a number in our study when she comments, "Instead of engaging people in workshops all the time they should have a strategy and proper planning, not engage people just for the sake of it." Aisha, with two years of university education from her home country reports that she had to attend résumé and a host of other workshops which she thought, initially, would be helpful. She comments, "I want to work and I don't mind attending workshops if they are useful. They are not....like a broken record."

'Life skills' workshops are prominent in the 'workfirst' tool-kit, and criticized for socializing women to 'realistic' (i.e.lower) job expectations, ignoring women's experiences of paid work, and the demands of their unpaid work. Attitudes, motivation,

appropriate dress, and the idea that a poor job serves as a stepping stone to a better job are stressed, while the need for and value of education or job-specific skills is played down (Vosko, 2000, Kortweg, 2003). Herd, Lightman, and Mitchell (forthcoming) underline the ‘one size fits all’ approach that OW life skills programs take on, especially in the context of limited funding. The difficulties of acquiring education and training that the respondents report, again and again, are also identified through a survey conducted by Toronto Social Services (2004). The findings revealed that 40 percent of single mothers on social assistance had participated in ‘volunteer’ work during the year they were interviewed. In contrast, only 12 percent accessed education/training programs and 5 percent were placed in a job.

Volunteer placements, almost all found by participants themselves and workshops focused on individual attitudes, motivation and basic job search skills are cheaper to provide than job-specific training programs. These short-term strategies are emphasized, despite their overall failure to improve economic outcomes while, at the same time, the work experience and qualifications of many people, especially newcomers to Canada, are ignored (Human Resources Development Canada [HRDC], 2000; Herd, Lightman, and Mitchell, forthcoming; Mitchell, Lightman, and Herd, 2007).

The experiences of women on social assistance who are ready to tackle employment/employment preparation stand in sharp contrast to the discourse of welfare reform. Rather than receiving a ‘hand up’ women are more likely to feel trapped and imprisoned (see also Hanson, Hanson, and Adams, 2001; Provencher and Bourassa, 2005). Participants in the Ontario study agree: “Like you’re a lost cause and there’s no programs. Just keep you on welfare, keep you down, keep you low...”.

“Like a dagger to your throat...”

Women who were not ready for paid work because of their own or their children’s needs/health issues were likely to experience workfare, as one woman put it, “like a dagger to your throat.” Most women in our study were subject to workfare regulations. They were usually applied rigorously, even for a number of women who were entitled to exemptions because of abuse, children’s ages, or on grounds of ill health.

Sheila very reluctantly applies for Ontario Disability Support---she is afraid that she will be even less likely to receive employment help when she is better than were she to continue on OW. However, she is not able to meet her workfare requirements, as she explains:

..I have days where I could be around people and I have days where I can’t... I went to a job interview, for example, and they said: “We are just one big happy family here,” and I almost ran out the door. I can’t stand being close to people right now...

When Anne moved cities, she finds that she is suddenly expected to fulfill job search requirements, even though she is attending university full-time and works a part-time job. She explains:

So that created so much pressure...I got pneumonia that month...And then I was worried because when I got sick I hadn’t done my job search...it continuously made me fearful that I would be cut off, that I wouldn’t have a place to live, that I wouldn’t meet my goals (which included regaining custody of her children). She felt like she was “put under a guillotine” and it did not make sense to her: “I was getting where I needed to go. I was getting my degree.

Despite disclosing abuse and applying for OW from a shelter, Judy’s workfare requirements are applied to her immediately. She tells her worker:

*I am not a **welfare monger** but I cannot jump into something I'm not ready for at the moment, I'm just going to get fired and then that wouldn't help because you can't qualify (for welfare) if you're fired. Later in the interview she comments: That was one of the things I thought: that under the circumstances, there should be a period of time, not to get lazy, but just to get yourself together.*

For women who must deal with their own or their children's physical and mental health issues, including the impacts of abuse, workfare can be experienced as a significant, and at times overwhelming, source of stress.

Workfare gets in the way of paid work

The specific participation obligations of workfare cause much frustration for most lone mothers who are ready for employment/employment-related activities, and are a source of considerable anxiety for those who are not. Yet other aspects of the workfare regime also serve as significant barriers to employment. First, woefully inadequate level of benefits get in the way of paid work by adding considerable amounts of stress and time to the work of caring for their children and themselves. Mothers worry about their ability to meet their children's needs. Providing food and clothing takes more time, and typically requires trips to the food banks and second-hand clothing stores which can be some distance and must almost always be reached by public transport (see Mosher, Evans, and Little, 2003; Hanson, Hanson, and Adams, 2001). In order to ensure that their children are fed as well as possible, mothers compromise their own nutrition (McIntyre et al, 2003). In addition, time, energy and worry are spent in trying to comply with the increasingly complex rules of welfare. Meeting the additional demands for more information, acquiring the necessary documentation, reporting monthly to the welfare

office, dealing with the very frequent problems caused by errors in the amount of benefit, left women in the Ontario study “walking on eggshells” in case they might break a rule they did not even know about and be cut off from benefits (Mosher, Evans, and Little, 2004).

Inadequate benefits also interfere in concrete and direct ways with job-seeking. As one participant put it, “How do you find a job if you can’t afford a ‘phone?” Judy speaks powerfully of the impacts of low benefits on being able to look for paid work:

Instead of cutting everything back, they have to give a little bit more for people in order for people to get out and get a job....dress themselves properly to go to interviews....to build their self-esteem up instead of putting them down and giving them next to nothing to live on. They have to encourage people to get out and get a job or to go for help instead of giving you, like peanuts, and then you are humiliated and degraded and you don't even want to go.

In 2003, a Liberal government replaced the Conservatives who introduced OW. The Liberals had argued when in opposition that the inadequate welfare rates imposed by the Conservatives operated as a barrier to paid work; the Liberals continues to acknowledge this problem (Matthews, 2004). Yet, since forming the Government, the cut in benefits of 22 percent that they decried has been only very partially compensated through a modest 8 percent increase, which takes little account of the actual loss in purchasing power, 1995-2008.⁵

Other aspects of OW design also impede paid work. The treatment of earned income by welfare and the interaction between earnings and other income-tested benefits, as well as the tax system, can make it very difficult to benefit financially from paid work. The treatment of earnings has been improved since the time that women were interviewed for the Ontario study: currently, social assistance income is now reduced by 50 cents for every dollar that is earned (net of allowable child care expenses).⁶ Even with

these improvements, individuals can find that the impact of the welfare tax-back, combined with effects from other geared-to-income programs (such as subsidized housing, child care) and compulsory payroll deductions, wipes out all of their earnings (Stapleton, 2007).

Although workfare is often hailed as a success because declining caseloads are assumed to equate with economic 'self-sufficiency', the reality is considerably more complex. The provinces that have experienced the greatest declines also operate the most restrictive social assistance regimes (Sceviour and Finnie, 2004). Making welfare harder to access, lowering benefits, and ensuring that the conditions of receipt are even more unattractive will indeed exclude and deter entrants and hasten exits from the caseload. US and Canadian research shows that many who leave social assistance, are no better off in paid work, some are worse off, and a number return to the caseload (Lightman, Mitchell and Herd, 2005; City of Toronto, 2002; Klein and Pulkingham, 2008; Scott, Edin, London, and Kissane, 2004; Kissane and Krebs, 2007). Even so, these studies typically do not take account of employment expenses and must, to some extent, overstate the material benefits of paid work. As well, research is beginning to look more closely at the type of employment lone mothers take on when they leave welfare. It links precarious jobs for lone mothers, not only to poorer economic outcomes, but also to increasing their own levels of stress as well as problematic behaviour on the part of their children (Scott, Edin, London, and Kissane, 2004; Kissane and Krebs, 2007; Johnson, Kalil, and Dunifon, 2007).

If workfare does not work and is not fair, what are the implications of a BI for improving the economic security of low-income lone mothers?

Basic Income: a solution?

I use the term BI in the sense of an unconditional, individually-based income transfer that provides an adequate (however difficult to define) income (Blais, 2002; Lerner, Clark, and Needham, 1999). Just as workfare tightens the link between income and paid work, a BI loosens it. The arguments in favour of de-coupling income from employment are made pragmatically, on the grounds that the money spent on enforcing workfare is costly and inefficient, as well as unjust from philosophical and ethical perspectives. People who carry the most disadvantages from structural social and income inequalities should not have imposed on them a loss of freedom that applies to no one else (for an excellent review of the major arguments, see Noguera (2004).

As the discussion in this paper shows, there are very specific implications of workfare for lone mothers. The gender divisions in paid and unpaid work are powerfully reflected in their economic vulnerability. Social assistance policies in Canada and elsewhere are less likely than ever before to recognize the work of caring for children. Indeed, by cutting benefits, instituting workfare, and subjecting single mothers (and others) to expanding scrutiny, workfare regimes complicate and increase the difficulties lone mothers confront in combining earning and caring for children. A BI begins to reduce them.

Despite the indeterminate and controversial nature of the concept of ‘adequacy,’ a BI that reduces poverty must offer more than a marginal improvement to the current shockingly low income levels provided by Canadian social assistance programs. In 2005, the income ‘guarantee’ provided by welfare (combined with other federal and provincial

income-tested supplements), amounted to 56 % of the poverty line, a decline of 8 percentage points since 1995 (National Council of Welfare, 2006).⁷

Improving low income is important, but a BI can do little to alter the precarious employment that is identified as a major concern of this paper. A BI cannot be a substitute for measures to address job quality, such as strengthening minimum wages and labour standards legislation and ensuring effective forms of collective representation in workplaces (Saunders, 2006). A BI does provide an exit option, however. By expanding the ability of paid workers to leave their jobs, a BI can begin to re-calibrate the imbalance of power of between employers and employees (see for example, Standing, 2002; Vanderborght, 2006). Such an exit option is especially important as the growth of precarious employment erodes traditional bases of worker protection. Union membership is declining, from 35 percent of non-agricultural paid workers in 1997 to 30 percent in 2007 (HRSDC, n.d.) and is lower among low-paid and private sector workers . Cuts to Employment Insurance have sharply reduced its coverage, especially for women: currently, only one in three unemployed women receives benefits, down from 70 percent in 1990 (Canadian Labour Congress, 2007). Precarious employment also means that more workers fall outside the diminishing protection offered through the enforcement of labour standards and regulations (Chaykowski, 2005).

While a BI increases the ability of lone mothers to leave unstable and low-paid jobs, it can also operate as a wage supplement and increase the financial rewards of paid work. Unlike other proposals for wage supplements and income-tested benefits already in place in Canada for parents who have jobs and are not on welfare, a BI benefits the poorest of lone mothers, those outside or marginally attached to the labour market.

However, a BI also runs the risk (as do other forms of wage supplementation) of subsidizing and entrenching precarious employers by raising the effective wage. This risk increases in times of high unemployment (Jackson, 2005). Such a possibility underlines the central importance of ensuring that public policy measures are put in place to improve the quality of jobs.

An important advantage of a BI is that it eliminates the need to continue the distinction, increasingly hard to maintain, between people in ‘work’ and people on welfare. Instead of reducing social assistance to minimal and counterproductive levels of protection in order to ensure that no one, in paid work or not, prefers welfare to employment, a BI reduces, simplifies, and smoothes out the fluctuations to individual and family income that low wages and job interruptions inflict. At the same time, A BI provides the opportunity to weave coherency and simplicity into what is now a very complicated patchwork of Canadian income support programs. A critical feature of particular importance to a lone mother is that it is an unconditional benefit which does not substitute the state’s judgement for her own, on how to balance paid and unpaid work.

While a BI helps to reduce poverty and eliminates a work requirement, it does not solve the issues that lone mothers face. A BI must not deflect from ensuring that quality child care and the opportunities for education and training that many lone mothers want to improve their prospects for decent and meaningful paid work.

A BI: a Canadian possibility?

While a Basic Income in and of itself is not enough, does it represent an important first step in reforming worn out forms of income support? What are the prospects for a Canadian BI? What would/should it look like?

The prospects for a Canadian BI may be brighter now than they have been for a long time (for a full and interesting discussion of the past and present of some form of a BI in Canada, see Mulvale, 2008). The issues of poverty, low income, and social exclusion appear to be more seriously on the agenda of governments than has been the case in over two decades. The government of Ontario has promised to deliver a poverty reduction strategy, complete with targets, by the end of 2008. This follows the lead taken by Newfoundland and Labrador, and Québec (Collin, 2007). A variety of working groups and organizations have put forward broad-ranging proposals to enhance and modernize income security and improve wages and working conditions (see, for some examples, St. Christopher House and Toronto City Summit Alliance, 2006; Battle, Mendelson, and Torjman, 2006; Freiler and Rothman, 2004). None, however, recommend an unconditional individually-based benefit.

Of particular relevance to a Basic Income is the more limited and more radical proposal embedded in the motion put forward by Senator Hugh Segal who has addressed this conference. His motion requires a Senate sub-committee to study and report in June 2009 on the feasibility of implementing a negative income tax (n.i.t.) to reduce poverty and to improve income security (<http://www.sen.parl.gc.ca/hsegal/speech.php?ID=118>).

The mechanism of a negative income tax is a long way from what many view as the ideal of an entitlement to a universal benefit available to each citizen, but it is also likely to be a more achievable objective in the foreseeable future. Senator Segal's proposal calls for an n.i.t. at no increase to overall spending on income support, thereby significantly constraining possible impacts on poverty reduction but almost certainly expanding its chances for adoption.

The enormous difficulties that single mothers experience with Ontario's social assistance regime have been outlined in this paper and attest to the importance of abolishing workfare and de-coupling income benefits from employment-related requirements. At the very minimum, an n.i.t. eliminates the extensive (and expensive) surveillance and deeply stigmatizing features of current social assistance programs. The devil is, as always, in the details, which are not yet known. However, any n.i.t. proposal that emerges from the Senate deserves support if it meets four essential conditions. It should: 1) increase the amount of disposable income available to those with and without earnings; 2) replace at least social assistance as an income support program; 3) impose no employment-related conditions; and 4) provide payments at regular intervals (i.e. monthly).

In short, an n.i.t. might provide the critical first step that paves the way to fulfilling the broader ideals of a Basic Income that include

...a sufficient amount to live decently...not simply a cheque in the mail but as the keystone of basic economic security embedded in a social context that assures universal access to decent housing, health care and education as well as varied opportunities to contribute to community, social and material well-being (Lerner, Clark, and Needham, 1999: 4).

ENDNOTES

¹ These distinctions lead to many anomalies. For example, Ontario imposes a dollar for dollar reduction on the earnings during the first three months of social assistance receipt in order to close the caseload to otherwise eligible working poor individuals and avoid expanding the costs of social assistance. This rule was retained even when other changes were made to improve the treatment of earnings by recipients (see endnote 6).

² In 1997, 49% of single mothers had low incomes; by 2006, the rate had fallen to 28% (Statistics Canada, 2008b). In 2004, 68% of all lone mothers reported earnings, up from less than 50% in 1974 (Statistics Canada, 2006).

³ While 73 percent of men who worked full-time and full-year had moved out of low-paid work during the period 199-2001, this was true for only 28 percent of women (Saunders, 2006).

⁴ In addition to Ontario, the provinces of British Columbia, Alberta, Manitoba, and Nova Scotia impose workfare on single mothers. Most of the other provinces operate more generalized versions, considering single mothers as 'employable' but with far more worker discretion regarding precisely what is required. Québec is the only province that has eliminated work-related conditions for eligibility for social assistance including the removal of penalties for refusing or giving up a job (Québec, 2006).

⁵ In 2002, the benefits for a single mother with one child under 12 were \$957 per month, increasing to \$1029 in March 2008.

⁶ Prior to these changes, earnings were 'taxed back' by lowering social assistance benefits at different reduction rates, depending on the total number of months of employment an individual had accumulated while on welfare. With 12 months or less, 75 cents of every dollar was deducted, 85 cents with 13-23 months of employment, and dollar for dollar with 24 months + of paid work.

⁷ Although Canada has no official poverty line, Statistics Canada establishes low-income cut offs (LICOs) that are wide and generally accepted use as poverty lines. Seven cut-offs are identified, differentiated by size of family and community population and are determined by the income levels at which, typically, individuals must spend 20 percentage points more than the average family on housing, food, and clothing

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