

What is it?

- An income unconditionally granted to all on an individual basis, without means test or work requirement. (Basic Income Earth Network, BIEN)
- It provides a floor of income below which no one should fall. This safety net, in turn, provides for a number of other benefits.

What is it not?

- a sole means of alleviating poverty;
- an alternative to publicly funded education and healthcare;
- an excuse to withdraw other public services.

Generally, it would be the aim of the system that individuals on the margins of society, or already in difficulty would not be made worse off, so a number of those payments could be maintained.

What are the Benefits of Basic Income?

Changing World of Work

- Our economy is changing in many ways, with the growth of various forms of part-time, precarious and different forms of self-employment over recent years. While the number of people employed is higher now than in most years since 2007, part-time employment has become a more frequent occurrence and now represents almost one in five jobs.
- Judged over time, the CSO labour force data suggest the emergence of a greater number of workers in precarious employment situations. This is a major labour market challenge and one which may grow in the period ahead.
- Employment in the future, in certain sectors, may be scarce as the impacts of automation and globalisation are realised.

Choice and Flexibility

- Having the safety net of a Basic Income also allows for flexibility to innovate without the worry of a

complete loss of income.

- This allows prospective entrepreneurs to start up a new business; to return to full- or part-time education; or to take some time out for caring responsibilities, to care for children or sick or elderly relatives.
- Because you get to keep your Basic Income payment irrespective of your situation, individuals will know that they are always better off taking up employment. No more unemployment traps.

Improved Quality of Life

- Basic Income is an enabler. It allows everyone the freedom to choose how to spend their time and how much of that time they want to spend in paid employment, caring, volunteering, accessing education, engaging in leisure activities and so on.
- This improves the quality of living standards in Ireland, one of the objectives of the Government's paper on Wellbeing and the Measurement of Broader Living Standards in Ireland, published with Budget 2021, and of the Wellbeing Framework subsequently to be designed.

Environmental Benefits

- Not only is economic growth alone not enough to achieve our new public policy goals on social wellbeing and environment, very often, economic growth and full employment can be pursued in a manner which is contrary to these goals.
- Basic Income facilitates a society and an economy that promotes environmental protection and the wellbeing of all.

More Equal Societies are Better Societies

- Substantial evidence has emerged in recent decades to support the view that economies and societies perform better across a number of different metrics, from better health to lower crime rates, where there is less inequality.

Social Justice Ireland's Basic Income Model

The Programme for Government has a commitment to introduce a pilot Universal Basic Income (UBI) scheme in the lifetime of the Government and the Arts and Culture Recovery Task Force Report recommended that the pilot UBI be applied to artists and arts workers. We are proposing a four-year pilot for artists and arts workers so that the benefits and any unforeseen impacts can be assimilated and assessed.

Eligibility

- Derived from the Social Welfare Scheme for Professional Artists on Jobseeker's Allowance.
- Aged over 18 and under 65.
- Meet the Habitual Residence Condition.
- Be a member of a certifying professional organisation and provide a certificate or declaration from a professional body as to your status as a professional artist.
- Be registered as self-employed with Revenue.
- At least 50% of your income must be derived from your work as a professional artist in the previous year.

Rate of Payment

- Secured for the duration of the pilot, that is, 4 years.
- Set at €208.00 per week, with top-ups available for Artists and Arts Workers.
- Withdrawn from higher earners through the taxation system. This would be done gradually as market income grows from €170,000 to €250,000.
- This will not affect existing or future eligibility for Social Welfare entitlements currently paid in respect of particular individual circumstances (such as Rent Supplement, Household Benefits Package, Child Benefit and so on).

Tax Implications

- Payment will be included in Total Income and be part of the tax base.
- Initial tax rate will be very low and will not be levied when only income is UBI.

- Once Total Income exceeds UBI, tax will apply and the rate of tax will increase progressively in accordance with Total Income.
- Maximum effective tax rate (that is, tax ÷ market income) will be 50%.
- No tax credits or allowances, including Artists' Exemption.
- Participants will be credited with Class A PRSI contributions.

Spouses / Partners

- For spouses and co-habiting partners who are artists/performers, they can apply to participate in the pilot.
- If they are not in the pilot:
 - Treated as dependent adults for Social Welfare purposes.
 - For Income Tax, PRSI, USC, they will pay contributions based on their own income.
 - They will benefit from the single person tax credit and the employee (or earned income) tax credit.
 - They will also be able to avail of other tax credits and allowances.
 - There will not be joint Income Tax assessment.



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Number of Participants and Potential Cost

Option 1: All eligible applicants are included in the Pilot

- On-line applications will be invited from eligible artists/performers.
- Confirm that they will facilitate research of the pilot.
- If 14,200 eligible participants apply and are accepted into the pilot, the annual Exchequer cost will be c.€27 million.
- A key benefit of this option is that all artists/performers will be able to avail of the advantages of UBI.

Option 2: Limit the number of participants to 3,000

- On-line applications will be invited from eligible artists/performers.
- Confirm that they will facilitate research of the pilot (whether or not they are selected).
- Applicants who fulfil the criteria will be selected based on the date and time of application. Quotas for age and gender can be applied so that the pilot is representative.
- If the pilot has 3,000 artists/performers, the annual cost will be c.€5.3 million.
- A key benefit of this option is that comparisons are possible between those artists/performers on UBI and those artists/performers who are not.

Timeline

Phase 1: 3 Months

- A Steering Group is appointed and commences work. A Memorandum goes from the Minister of Media, Tourism, Arts, Culture, Sport and the Gaeltacht to Government.

Phase 2: 23 Months

- The Revenue Commissioners and the Department of Social Protection prepare legislative amendments. Revenue establish a Unit to implement the pilot and commence IT preparations.
- Applications are invited from artists/performers and their eligibility is assessed.
- The pilot is up and running. Minor modifications are considered and agreed by the Steering Group if indicated by formative evaluations.
- The Steering Group prepares an Annual Report to include the results of evaluations.

Phase 3: Post-25 Months

- The Further research conducted on extending UBI across the society, using the results of the evaluations. Such additional research will include:
 - Total Income (level and security);
 - Market income;
 - Ability to develop skills;
 - Ability to plan ahead;
 - Level of stress;
 - Health;
 - Wellbeing (aspects not covered above such as capacity to participate, contribution to local community etc.).
- The research will also cover other areas, including:
 - The Exchequer implications of extending UBI across society;
 - The likely impact on labour supply;
 - The distributional consequences.