



Doug Auld
Board of Health Chair
Wellington-Dufferin-Guelph Public Health
160 Chancellors Way
Guelph, On N1G 0E1

RECEIVED

APR 25 2016

APR 19 2016

Dear Mr. Auld:

On behalf of the Honourable Jean-Yves Duclos, Minister of Families, Children and Social Development, I am responding to your letter of March 2, 2016, concerning a basic income guarantee.

The Minister of Families, Children and Social Development's overarching goal is to increase economic and social security for all Canadians, especially those among us who are the most vulnerable. Supporting families and ensuring every child gets the best possible start in life is a priority of this government, and the Government is taking a number of steps to assist people who are living in low income.

Poverty is a complex social challenge that remains a concern for all levels of government. With Budget 2016, the government has already taken action to address poverty through measures such as the proposed Canada Child Benefit, the increase to the Guaranteed Income Supplement for single seniors, and investments in social infrastructure.

A major reform of the income security system such as a basic income guarantee would require a number of considerations to be carefully weighed. These would include fiscal implications, impacts on work incentives, as well as federal, provincial and territorial roles and responsibilities in delivering income security to Canadians.

The Government currently delivers a guaranteed income to seniors through the Old Age Security (OAS) pension and the Guaranteed Income Supplement (GIS). Budget 2016 proposes to increase the GIS top-up benefit by up to \$947 annually for the most vulnerable single seniors starting in July 2016, which will support those seniors who rely almost exclusively on OAS and GIS benefits and may therefore be at risk of experiencing financial difficulties. This measure represents an investment of over \$670 million per year and will improve the financial security of about 900,000 single seniors across Canada.

The Government has also committed to introducing the Canada Child Benefit (CCB) in July 2016. The proposed CCB will be a tax-free, income-tested benefit that will be more generous than the current suite of federal child benefits and will be targeted to families who need it most. The CCB will provide a maximum annual benefit of up to \$6,400 per child under the age of 6 and up to \$5,400 per child for those aged 6 through 17. Families with less than \$30,000 in net income will receive the maximum benefit. With the introduction of a much better-targeted CCB, about 300,000 fewer children will be living in poverty in 2017 compared with 2014. The CCB can be considered a form of basic income guarantee for families with children.

In addition, the government has committed to developing a Canadian Poverty Reduction Strategy that will align with existing provincial, territorial and municipal strategies. As part of this process, the government will engage with stakeholders, including municipalities, and explore a variety of options – such as a basic income guarantee – for reducing poverty and strengthening the middle class.

I trust that this information is helpful. Thank you for taking the time to write.



Tushara Williams
Senior Director
Social Policy Directorate
Employment and Social Development Canada