

Guaranteed Living Income Toronto Newsbreeze



July 23 2017.

contains;

6 red hot hot links for your summer reading

An event happening in Hamilton worth getting to if you have transportation. The provincial NDP candidate Guy Caron will be explaining his ideas on a Basic Income.

Last week Caron was in Toronto speaking at CIRO's and we have a short article about that. Also an endorsement of Caron as NDP leader. (I might even join the NDP again just to vote for him)

The main article is about the excellent question and answer session held by the "Why Should I Care" group

Next issue will have information on the action around the Ontario government's Bill 148, Fair Workplaces, Better Jobs Act, 2017

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Hot Links

Basic income questions raised in Thunder Bay

http://www.cbc.ca/news/canada/thunder-bay/basic-income-pilot-forum-1.4185881?utm_source=ISAC+Media+%26+Policy+News&utm_campaign=b2b9df6c3e-Media+and+Policy+News+emails&utm_medium=email&utm_term=0_342c280cba-b2b9df6c3e-161199393

Basic Income according to Guy Caron. Better than Segal's ideas but not good enough.

http://en.guycaron.ca/basic_income?recruiter_id=14025

UBI is just a bedtime story Elon Musk tells himself to help the super-wealthy sleep (Sez a cynical lady.)

<https://qz.com/1024938>

(Interesting, but would have more credibility if the authors were not stooging for the NIT pilot in Ontario) On the Human Right to a #BasicIncome

<http://ow.ly/w3Qp30dHk7l>

Mass unemployment will start around 2025

<http://www.motherjones.com/kevin-drum/2017/07/mass-unemployment-will-start-around-2025/>

A BI really could end poverty forever. But to become a reality, it needs to get detailed and stop being oversold.

https://www.vox.com/_policy-and-politics/2017/7/17/15364546/universal-basic-income-review-stern-murray-automation?utm_campaign=vox&utm_content=entry&utm_medium=social&utm_source=twitter

EVENT!

Poverty is Not Inevitable - A Town Hall w Guy Caron -
Hamilton

<http://en.guycaron.ca/events>

Tuesday, July 25, 2017 at 05:30 PM

Good Shepherd Venture Centre Food Bank in Hamilton,
ON, Canada

Caron at Ciro's

The NDP leadership candidate Guy Caron was in town on Tuesday the 18th. He held a "meet and greet" at a restaurant in Bloordale. He is the one candidate with a policy regarding a Basic Income, so I went over there to ask him about it.

His BI policy is more enlightened than most of what is being proposed right now, including the Ontario pilot, but it is still a "Negative Income Tax" type of scheme. It would at least be a federal scheme. His plan would give people an income up to the low income cutoff and he believes it would cost \$35 Billion a year in new taxes to implement. He has not presented any details about this.

He is the most impressive of the NDP candidates, whom I frankly find to be a mediocre bunch. The possible exception is Jagmeet Singh, who has no BI policy. Unlike many political candidates these days, he handles himself well in informal settings like this and seems secure in his own skin.

He also had some points to make about electoral reform and promised to implement it if he becomes Prime Minister. He also wants reform of the tax system to insure enough money is available for social programs. Both of these points should be important to BI proponents.

I got myself into position to ask one of my short and direct questions. I am not someone who delivers a speech before getting to a question. I asked; "What is a Demogrant?"

I was not trying to be mean, or to throw him off, but if he is promoting the idea of a BI he should know the topic thoroughly and at least be aware of all options. The question seemed to throw him off a bit at first, but he handled it well.

He was able to explain the Demogrant as giving a grant to everybody and recovering much of it through income taxes. He did not support that approach because he felt it would cost too much; \$175 Billion a year at minimum. He did not

say how he derived that figure.

He did say that a BI cannot be administered by the provinces. It must come from a federal government. That is a very good point.

He finished by saying that he thought a Demogrant would be too hard politically to obtain. He made the analogy of hitting a home run. It would be too much so he would try to get to second instead. What he hit on here was the problem with BICN's whole strategy for achieving a BI in Canada. More on that below.

After, I talked with one of his staff briefly, gave him my card, and told him I was really fairly impressed by Caron. If he is back in Toronto before the campaign ends, I would be happy to organize an event where he can talk specifically about a BI and give us more details. I don't think it is likely he will take me up, but it was worth floating it.

The aide said that Caron would actually be doing an event in Hamilton on the 20th. I had to tell him I was too poor to be chasing outside of Toronto to attend BI events.

However, Caron did not get to that event. He got caught on the 401 freeway behind a hazardous materials spill. The Hamilton event is rescheduled for July 25th. I hope all the subscribers to this newsletter who live in Hamilton will be able to fill us in on this event. Hey, John?

For what it is worth, this humble newsletter endorses Guy Caron as NDP leader. I urge any subscriber who is in the NDP to vote for him as leader; not just because of his BI stance but because he seems to be the best candidate.

However, as for his analogy about only trying for second base; with an issue like BI we really do need the kind of powerful social movement that can drive it all the way home. This is not an issue to take a "get what we can" approach with. A bad BI will be worse than no BI at all; we must understand this and remember it.

Senator Eggleton and Wingman Chan tell us 'Why We Should Care' about a Basic Income.

On July 17, the "Why Should I Care?" group once again turned to the topic of a Basic Income. They are the people who invite important people with things to say, to say them in a restaurant, usually the Madison restaurant in the Annex.

Perhaps this is intended to keep out riff-raff like me. Last time I was there I refused to order anything. This time I got myself some fries and a coke. This was still pretty steep. I am not inclined to pay \$20 for a blue cheese and bacon burger or a bell pepper stuffed with Hummus.

For this I got to listen to Art Eggleton from the "new and improved" senate, with Professor Steve Chan as his 'wingman'. Chan is writing a book about "Why technology makes Basic Income necessary".

Eggie asked why we have the rise in interest in BI now? The idea has been around or awhile. He acknowledged the various other models of income guarantee. Yet he talked about it as poverty relief. However, it was not a 'magic solution' and we will still need other social supports.

He gave three reasons for this new interest. One is persistent poverty. He is still framing it as 'poverty'. He hasn't got the memo that we should be calling it inequality so as not to denigrate low income people.

Eggie's second reason is "rising inequality". So he does indeed know the term. Does he understand that BI will not solve 'inequality' without also a tax on wealth?

Reason number three is the 'changing labor market' and "globalization". There is no real globalization. World trade is declining and isolationism is increasing mainly because of automation.

He definitely knows what automation is. He notes that it

has been around for awhile but only now is it getting into 'brain work'. Interest in BI is about finding a new 'safety net'. The old one is no longer working.

Eggie knows the word "Demogrant". He says it is not popular with politicians. Instead, a Negative Income Tax or "top up" can be done on a "revenue neutral" basis.

Now professor Steve speaks, for "Silicon Valley". He talks about the computer beating humans at chess, but then having to learn a much different way of thinking in order to beat humans at the game of "Go". Go has infinite numbers of possibilities, chess a limited number.

Somehow this shows that machine intelligence is "equivalent, not exceeding" human intelligence. I do not quite get it; I'll have to wait for the book, I guess. As well, says The Professor, machines have been replacing humans since ancient times, since the Wheel. But now it is replacing minds, not hands.

Eggie insists we have experience at BI. The Guaranteed Income Supplement is almost like an N.I.T. This is false; the GIS is more like a Demogrant. But Eggie says that the Demogrant gives money to those who do not need it. Maybe it can be used later, when people are more familiar with the idea of income guarantees.

What I would have said to this was, tax refunds seem to be all they know how to do. But what if it does not work the way they expect?

People started asking questions. A woman asked; if there is no work to give meaning to life will people turn to demagogues? Big applause but no answer.

Someone piped in that society is presently suffering from "pilotitis". There are too many pilots going on. It is evaluation which is important. There must be some regard for scientific methodology. This guy said he is a medical doctor.

When asked for more details about the provincial pilot, Eggie explained that it was set at seventy five percent of the Low Income Measure, and that the tax clawback above that would be fifty percent. They are testing different

methodologies of delivery. Just so we all know.

Chan chipped in that Silicon Valley is proposing a 'robot tax' as a way to finance a BI. Also, many down there are saying there is no time for pilots, the unemployment crisis is coming on fast.

Someone asked; how do we protect a BI from predatory landlords? Says Eggie; we need a national housing program. As well, we need to get more money into people's pockets.

Neither of these are very good solutions and show a misunderstanding of the problem. Anyone who does understand housing problems will say that enough housing is being built, but people cannot afford it. A BI will solve nothing, more housing will solve nothing, if speculation is not stopped and rents controlled.

Someone came up with a cute question; what if there is a rebellion against the robots? Chan's reply; there are lots of movies like that out now. Some of them star an ex-politician called Shwarzenegger.

Someone asked, since it is so expensive in Toronto, why not a pilot here? No answer. You would really have to ask the province about that, anyway.

Here was a very good question; If all we do is replace social programs with BI, what is the point? There is not enough money in the system to get people decent living standards without tax reform. Eggie talked a bit about Federal Income Tax and tax havens. But he seems to think a BI will not cost more than existing programs.

Question; Any community service component to the plan?
Answer; No obligations.

Question; Where will the money come from with fewer people working and what would success look like? "See how it goes" seems to sum up Eggie's answer to that.

Question; If 40% fewer people are employed, who will pay for what the machines produce? Chan had an excellent

reply to this. The wealth of society is not going down due to automation. BI is about redistribution.

Question; We used to have baby bonuses. People who did not need it got it taxed back. If that worked, why would it not work with a demogrant?

Eggie started talking about “confidence building”. She said, “ you are not answering the question!” He said, he did not disagree with a Demogrant. That was strange.

That did not answer the question either, but the real answer is that the baby bonus ultimately did not work. It probably did not actually get taxed back because the wealthy have ways of evading taxes. But it was just unacceptable to a certain mindset and it was used by opponents of social programs in order to kill the baby bonus. Now we have the child tax credit, with all the problems of negative income tax systems.

By the way, the same people who would get a baby bonus taxed back are the ones who would evade the tax themselves.

Here was a question that related to earlier questions about why there was no BI test in Toronto. Why were they all in small towns? Eggie insisted they were testing in many kinds of areas. False! These locations are all small centres and yet most people live in big cities.

Someone dropped the big turd about “guaranteed jobs.” Eggie simply said that governments cannot guarantee jobs for all. I might have added; the last people to try were the Nazis. Look how that worked.

Here was a very good question; “I am deaf and blind. I need help now. WHEN?” Eggie lamely replied that we need to test models first. There were some rumblings about that answer which almost broke into a “boo!”

Question; How about people on BI working under the table? This guy was clueless; it isn't like welfare, people have to file income taxes to get their BI. And of course, since welfare is so far below survival, why shouldn't

people on welfare try to find work “under the table” so they can survive?

But this led to the best heckle of the night; “most of the people gaming the system are rich!”

One of the last questions was about “taxing robots”. My mild heckle there was “no, you tax the owners of the robots!” This brought Chan to a discussion of not letting people take publicly created knowledge and wealth and try to privatize and profit from it. I whole heartedly support that!

At the end, Eggie said “If we have the wealth we should give everyone the money to live”. There was great applause for that. Of course, we do have the wealth. With that the audience started to break up, some into private discussions, some to go home.

To sum up, Eggie was somewhat inconsistent. He often evaded questions. At some points he talked about a BI that could be revenue neutral, and at others, about the need for tax reforms, implying raising new revenues. He did not “disagree” with a Demogrant, but said we could not afford it.

The debate goes on.

Next GLI breeze will be due on August 6th.

It will include some discussion of the province’s Bill 148, improvements to the labor act, and why this is very important to proponents of a UBI. Also, why a UBI movement needs to work with labor unions. Further, why the present poor strategy of BICN makes it very hard for UBI proponents to work with labor groups.