

BASIC INCOME FACTSHEET

An Investment in Canada's Future

It is well established that a basic income guarantee could virtually eliminate poverty in Canada for a fraction of the cost of poverty. What is lesser known are the wide-ranging benefits of investing in working families, students, and business owners. This short brief shares key research showing the economic imperative of basic income in Canada.

ENHANCE EMPLOYMENT & EDUCATION

No study has found meaningful reduction in work, beyond students and new parents. Many show it boosts employment prospects.

- The PBO estimates that a guaranteed basic income would **impact hours worked just 1%**, or “basically a few hours a year”.¹
- **Sam Altman's UBI study** found no conclusive impact on work,

except for single parents. Recipients on average took the equivalent of an extra 15min break/day.²

- During the **Manitoba Mincome Experiment**, the only groups who worked less were new mothers and teenage boys who completed high school at higher rates. Median wages increased 6.8% as a result of greater bargaining power at the bottom.³
- During the **Ontario Basic Income Pilot**, 1/3 of recipients surveyed who were continuously employed found

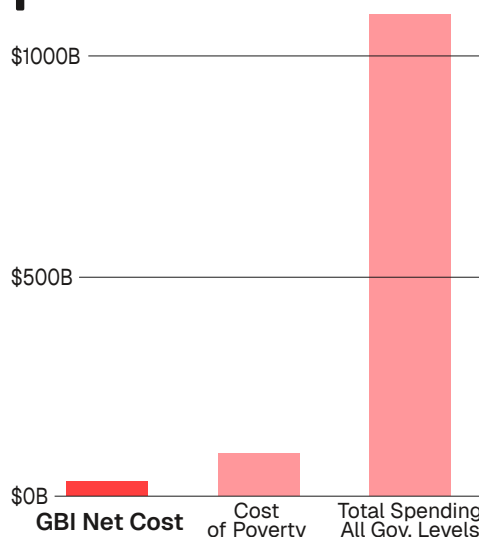
higher paying work. 1/3 said basic income helped them in their employment or building a business. 1/4 started an educational or training program.⁴

- A **meta-analysis of over 105,000 participants across 16 studies** found no meaningful reduction in employment or hours worked.⁵
- **Germany's largest UBI pilot** found no difference in employment or hours worked among recipients, compared to control. More recipients enrolled in university.⁶

CHEAPER THAN POVERTY

A broad-based basic income can be funded with just 3% of total government spending and no new taxes on working Canadians.

- The PBO estimates that such a program could **reduce poverty rates by 40%** according to the Market Basket Measure (MBM) or **80%** according to the Low Income Cut-off (LICO).¹



- A basic income that guarantees all Canadians aged 18-64 an income of 75% of the Low-Income Measure could be funded at net cost of \$36B/year, roughly 3% of spending at all levels of government.

The **cost of poverty** in healthcare, crime, and lost productivity is estimated to be at least **\$85B/year**.⁷

1. Ammar, N., & Laurin, M. (2025, February 19). A distributional analysis of a national guaranteed basic income – update. Office of the Parliamentary Budget Officer. 2. UBI Works. (2024). Sam Altman's Basic Income Study – What the facts actually tell us. <https://ubiworks.ca/openresearch> 3. Tomchuk, T. (2022, August 10). Manitoba's Mincome experiment. Canadian Museum for Human Rights. 4. Ferdosi, M., McDowell, T., Lewchuk, W., & Ross, S. (2020, March). Southern Ontario's Basic Income Experience. McMaster University, School of Labour Studies. 5. Gilbert, R., Murphy, N. A., Stepka, A., Barrett, M., & Worku, D. (2018). Would a Basic Income Guarantee Reduce the Motivation to Work? An Analysis of Labor Responses in 16 Trial Programs. Basic Income Studies, 13(2). 6. Mein Grundeinkommen e.V. & Deutsches Institut für Wirtschaftsforschung (DIW Berlin). (2021). Pilotprojekt Grundeinkommen. 7. UBI Works. How to Pay for Basic Income. <https://www.ubiworks.ca/howtopay>

GROW THE ECONOMY & CREATE JOBS

Putting money into the hands of families is one of the most effective ways to stimulate the economy.

SUPPORT WORKERS IMPACTED BY AI

Basic income is an economic floor to help workers transition through the AI revolution.

- Canadian workers' share of income has steadily decreased since the 1970s. Automation has been shown to be a main contributor of this decline. ¹⁰
- Since 1973, Canada's productivity has far surpassed workers' wages, due mainly to increasing automation and

AI LEADERS OVERWHELMINGLY SUPPORT BASIC INCOME

Leading AI researchers and luminaries are virtually unanimous in their support of basic income as a way to address job automation.

- Canada's basic income for families, the Canada Child Benefit, **grows the economy \$2 for every \$1 invested.** It contributes over 450,000 full-time equivalent jobs (roughly 2.5% of the Canadian labour force), drives \$85B/year in revenues and \$18B/year in gross profits to businesses, and keeps 600,000 children and 250,000 families out of poverty. ⁸

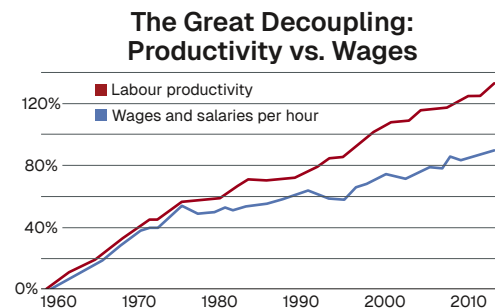
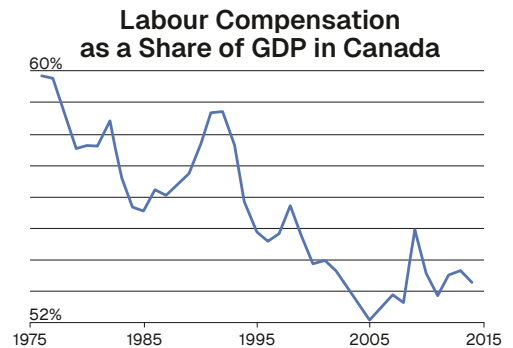
globalization enabled by technology. ¹⁰

- A survey of 2,778 top-tier AI researchers predicts a 10% chance that **AI will outperform humans in every possible task by 2027** and a 50% chance by 2047. It predicts the full automation of all human labour by year 2100, with many predicting much sooner. ¹¹
- **40% of employers polled worldwide** said they expect to reduce staff by 2030 due to AI. ¹²
- **Technology is splitting the labour market in two**, replacing middle-income with low- and high-income work. ¹³

"I'm very worried about AI taking over lots of mundane jobs... I certainly believe in universal basic income."
— **Dr. Geoffrey Hinton**, Nobel Prize in Physics and "Godfather of AI"

"We need governments to **update our social safety net** because the transitions AI will bring on are going to **happen very quickly...** This is one reason why so many people in the tech industry want to see some kind of **universal basic income.**"
— **Dr. Yoshua Bengio**, most-cited scientist globally and "Godfather of AI"

- According to the Canadian Centre for Economic Analysis, a national basic income could **grow Canada's economy \$80B/year**, create 600,000 FT-equivalent jobs, and cause private capital investments to increase up to \$15B/year, while lifting millions of families out of poverty. ⁹



"Let's do look into basic income, because it seems to me the right solution... It seems to me the most Canadian possibly we could accomplish."
— **Tobi Lütke**, Founder of Shopify

Over **175 Canadian CEOs** representing more than \$1.5B in combined annual revenues and 5,300+ employees signed a letter endorsing basic income to support workers impacted by automation. ¹⁴



← learn more

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UBI Works

8. Canadian Centre for Economic Analysis. (2019). *Economic contribution of the Canada Child Benefit: A basic income guarantee for Canadian families with children*. <https://www.ubiworks.ca/ccb> 9. Canadian Centre for Economic Analysis. (2020). *Potential Economic Impacts and Reach of Basic Income Programs in Canada*. www.ubiworks.ca/groweconomy 10. Ugucioni, J., Sharpe, A., & Murray, A. (2016). *Labour productivity and the distribution of real earnings in Canada, 1976 to 2014* (CSLS Research Report No. 2016-15). Centre for the Study of Living Standards. 11. Grace, K., Stewart, H., Sandkühler, J. F., Thomas, S., Weinstein-Raun, B., & Brauner, J. (2024). *Thousands of AI authors on the future of AI* 12. World Economic Forum. (2025). *The Future of Jobs Report 2025*. 13. Carney, M. (2018, April 12). *The future of work*. Public Policy Forum, Toronto. 14. CEOs for Basic Income. ceosforbasicincome.ca