

Bill #1

The Welfare and Wage Reform Act

WHEREAS in 2011, Statistics Canada's Market Basket Measure (MBM) estimated the average disposable income required to secure a "modest, basic standard of living" for persons not in an economic family in Canada at \$16 790/year (\$18 191.55 in 2015 dollars)¹; and

WHEREAS an increasing number of economists and technology experts are concluding that the job losses caused by the current wave of automation will not be recovered, making unemployment more of a norm across the world²; and

WHEREAS in 2009³, total welfare incomes for a non-disabled individual only reached 60% of the MBM in 2 of 10 provinces, and was in the range of 23-45% of MBM in the 8 others⁴;

THEREFORE HER MAJESTY, BY AND WITH THE ADVICE AND CONSENT OF THE YOUTH PARLIAMENT OF MANITOBA ENACTS AS FOLLOWS:

- 1** As of January 1, 2016 the Government of Canada shall implement **PAPER** [Per Annum Payment Encouraging Responsibility], a guaranteed minimum income of \$19 000 per year for all Canadian citizens and permanent residents 16 years of age or older.
 - (1)** **PAPER** shall be distributed in 24 bi-weekly increments, on or on the business day most closely preceding the 1st and 15th of each month.
 - (2)** The base amount of \$19 000 shall be rolled back at a rate of \$1 per \$2 of earned income above \$9 134.
 - (3)** Parents or legal guardians of children under 16 years of age shall be eligible for a supplemental annual income of \$8 000 for their first child, \$6 000 for their second and \$5 000 for each subsequent child.
 - (a)** Only one parent may claim this supplement per child.
 - (b)** The child supplement shall be rolled back \$1 per \$2 of income above \$85 134.
 - (4)** **PAPER** shall be tax-exempt.

- 2** All provincial and federal social security payments and tax credits made redundant by **PAPER** shall be eliminated, including but not strictly limited to:
 - (1)** Employment and Income Assistance ("welfare");
 - (2)** The Working Income Tax Benefit;
 - (3)** the Universal Child Care Benefit;
 - (4)** the National Child Benefit;
 - (5)** the Federal Income Splitting Tax Program;
 - (6)** Employment Insurance;

¹ Statistics Canada, National Household Survey. *Market Basket Measure (MBM) thresholds for economic families and persons not in economic families, 2010*. 2011

² Erin Brynjolfsson & Andrew McAfee. *The Second Machine Age: Work, Progress, and Prosperity in a Time of Brilliant Technologies*. 2014

³ Lack of more recent data due to 2012 defunding of the National Council on Welfare.

⁴ National Council of Welfare, Welfare Incomes 2009. *2009 Welfare Incomes for Single Person Considered Employable*. 2010

- (7) Old Age Security including the Guaranteed Income Supplement; and
 - (8) all Disability Tax Credits.
- 3** Persons with disabilities shall be disbursed a tax-exempt sum of \$2,500 per month to account for additional costs of care, medical equipment and treatments relating to their disability.
- (1) Persons receiving this allotment must include a statement, filled out in consultation with their physician, of all expenses directly related to their disability incurred in the preceding 12 months; the difference between actual expenses and provided funds shall be included in their annual tax refund.⁵
 - (2) If the person is under the age of 16 or is otherwise incapable of managing their own finances, this sum will be disbursed to their primary caregiver, who will be responsible for submitting the financial statement described in Article 3-(1).
- 4** The Government of Canada shall implement a nation-wide minimum wage across all sectors.
- (1) This wage shall be set at \$11/hour as of January 1st, 2016, increasing by \$1 annually until it reaches \$15/hour in 2020.
 - (2) The wage shall be indexed to the annual rate of inflation, as reported by the Bank of Canada, from January 1st, 2021 onwards.
 - (3) The Ministry of Human Resources shall be tasked with developing legislative strategies that prevent employers from utilizing employment loopholes that result in de facto pre-tax wages below the legislated minimum.
- 5** With the exception of Article 4-(1), all figures in the Act shall be indexed to the annual rate of inflation, as reported by the Bank of Canada.

⁵ If the difference is negative (provided funds exceed actual expenses), this will result in a balance owed to the Canadian Revenue Agency, equal to provided funds not spent on medical equipment, treatments or disability care.