

FIRST NATION CONCERNS REGARDING A BASIC INCOME GUARANTEE PROPOSED IN BILL S-206

TO: ONWAA MEMBERSHIP

FROM: ONTARIO NATIVE WELFARE ADMINISTRATORS ASSOCIATION

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Bill S-206, titled *National Framework for a Guaranteed Livable Basic Income Act (B.I.G)*, was first introduced to Parliament in May 2025. B.I.G is intended to be a federal cash transfer payment for Canadians over the age of 17 who are in financial need to ensure wide-spread access to a basic livable income for all Canadian adults and families. Under the proposed B.I.G. program, pre-existing social, health, education, and training supports *may* continue to operate and labour market participation would not be required to receive payments. Bill S-206 is currently in its second reading in Senate (See Figure 1) and is making its way to the House of Commons. After readings in the House of Commons, it will reach the final step of Royal Assent which is when the Bill is implemented into law.

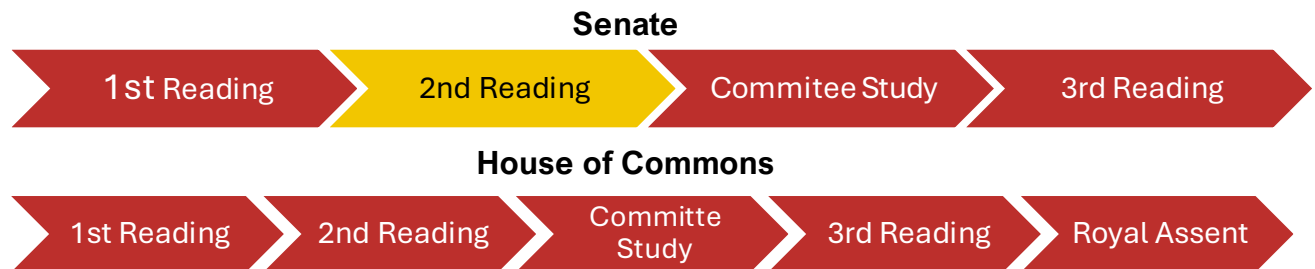


Figure 1 | Bill S-206's Progression as of January 2026

ONWAA advocates for increased income assistance rates in Ontario, as well as the concept of a basic income for all citizens, to offset the high and increasing cost of living. Women's organizations also point out that a basic income guarantee will reduce things like family/household violence. However, there are several concerns that have been identified for First Nations communities in relation to a basic income guarantee dispersed by the Government of Canada. The historical and ongoing presence of assimilation and colonization, including through the design and implementation of social services, impacts how programs like B.I.G will work for First Nations populations. In 2017, ONWAA released a report titled *B.I.G and First Nations: Cautions for Implementation* in response to concerns from First Nations and other advocates about this framework. ONWAA's stance remains unchanged on Bill S-206 and continues to pose the following questions:

1. Will a B.I.G. program result in equitable benefit rates (and benefits) for First Nations members?

There are unique circumstances for First Nations in terms of cost of living, access to goods/services, health status, family dynamics, intergenerational trauma, and more. Due to this, the benefit rate for any B.I.G program should be set in a culturally aware manner according to First Nations needs, in order to provide a basic, livable income for individuals and families living in First Nation communities. For example, would a B.I.G. that reduces food insecurity in an urban setting be sufficient to do so in a remote First Nation where three bananas might cost \$18? Additionally, there could be significant effects of cash transfers under B.I.G. in First Nations communities beyond the reduction of poverty. For example, would a B.I.G. intended to reduce poverty also contribute to worsened health outcomes for individuals experiencing substance use disorder? While ONWAA advocates for the reduction of poverty in First Nations communities, recognizing all potential impacts a B.I.G. program will have is necessary to ensure substantive equality for First Nations.

2. Will there be adequate consultation and pilot-site testing with a diversity of First Nations communities? How will the timeline for pilot-site testing be guaranteed?

From 1974 to 1979 a minimum income guarantee (“Mincome”) was piloted in two Manitoba municipalities using the same framework as B.I.G. When the experiment ended abruptly, many families fell back into poverty and struggled once again. The data collected from the participants was not analyzed until the next decade. In more recent years, another pilot program was attempted called the Ontario Basic Income Pilot (OBIP) that planned to run from 2017-2019 in three municipalities. It too was cancelled unexpectedly just one year later in 2018, driving participants back into poverty, often deep and cyclical. Six years later, four thousand participants of OBIP brought a class action lawsuit seeking damages up to \$200 million from the Government of Ontario. These examples contribute to an established culture of distrust between government research and First Nations, particularly when the continuance (or cancellation) of said research may have significant material impacts. Experiments of this nature can create devastating outcomes on the vulnerable community members who participate, and First Nations communities have even greater reason to distrust these largely unstable pilot programs based on their previous results.

3. If the program shows success, is there sufficient political and government commitment to full implementation?

Both previous pilot programs listed above were cancelled unexpectedly due to a change in the elected provincial party. Given the unique material impacts of programs such as B.I.G., a commitment to full piloting and implementation (if successful) regardless of political party is necessary to adequately support participants. If pilot programs show success, Canadian citizens deserve to know that B.I.G will be fully implemented.

4. How would essential employment, pre-employment, and life stabilization services be delivered under a basic income program?

Rural and remote communities often experience high unemployment levels, lower rates of literacy and high school completion, and higher rates of poverty. These experiences can be heightened for individuals living on-reserve. Employment-related services, pre-employment supports, and life stabilization services remain crucial in these communities to connect individuals with training, education, and other services in addition to finding employment income. Sufficient planning should be outlined for these services to continue to be delivered in conjunction with B.I.G on and off-reserve.

5. If as part of the B.I.G program being proposed; life stabilization, pre-employment supports and employment delivery were developed, how could the quality of service delivery be guaranteed, including their cultural appropriateness, especially given the diversity of First Nations across the province?

For the past 50+ years, thousands of First Nations social service staff worked with ONWAA to establish a consistent, culturally appropriate standard of service provision. This standard continues to build capacity on reserve, including in small, rural, and/or remote communities. Through research, analysis, and in-person experiences, ONWAA has illustrated the diversity of needs and goals of First Nations communities located across Ontario. Many different regions and the communities within them hold their own ideals in terms of service quality and delivery. If implemented, how would B.I.G adequately account for these diversities and align with the cultural values across diverse communities?

6. What would be the loss of capacity by First Nations, particularly those in rural and remote areas, of professional staff currently employed in welfare administration? What would be the costs of the loss of employment?

It can be assumed that the piloting and potential implementation of a B.I.G. program will impact income assistance currently provided on reserve, including Ontario Works, Ontario Disability Support Program, and Old Age Security. Additionally, B.I.G. may impact other social programs that are closely related to income assistance, including

homemakers and nurses' services or child and family services. After years of building capacity in First Nations, how will this potential loss of capacity/staff who currently disperse financial and other resource based benefits be managed? How will this loss of capacity be mitigated and accounted for?

In summary, Bill S-206 presents a unique opportunity to address poverty in Canada. However, poverty is deeply intertwined with many other aspects of life and cannot be understood as a standalone phenomenon. In many First Nations communities, historical and ongoing colonialism has created a culture of distrust in programs like B.I.G. However, there are opportunities within basic income programs to address First Nations poverty in a culturally appropriate way that contributes to substantive equality for First Nations in Canada. As Bill S-206 makes its way through parliament, ONWAA emphasizes the necessity and responsibility to include a culturally aware approach to B.I.G. that addresses the diverse needs and goals of First Nations in Canada. First Nations governments located across the country require direct consultation with appropriate leadership. Feedback should be gathered from the consulted leaders and should be implemented into the Bill.

References

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