

UBI: Solution or Illusion?

**The Implications of
Universal Basic Income
for Disabled People in Britain**



Note on language

Disabled People Against Cuts (DPAC) follows the social model of disability. Within the term disabled people, we include people with physical, mobility or sensory impairments, people with learning difficulties/disabilities, people who experience mental distress, people who are neuro-divergent, people living with life limiting chronic illness and long-term health conditions. For more information about the social model of disability see: <https://www.inclusionlondon.org.uk/disability-in-london/social-model/the-social-model-of-disability-and-the-cultural-model-of-deafness/>

Abbreviations

- BI** – Basic Income
- CBI** – Citizens’ Basic Income
- DPAC** – Disabled People Against Cuts
- DWP** – Department for Work and Pensions
- ESA** – Employment and Support Allowance
- JSA** – Job Seekers’ Allowance
- OCAP** – Ontario Coalition Against Poverty
- PIP** – Personal Independence Payment
- RSA** – Royal Society for the encouragement of Arts, Manufactures and Commerce
- UBI** – Universal Basic Income
- UN** – United Nations
- VAT** – Value-Added Tax
- WDR - 2019** – World Development Report 2019: The Changing Nature of Work

UBI: Solution or Illusion?

Disabled People Against Cuts

There are over three million disabled people currently receiving benefits in the UK today. In 2016, the United Nations Disability Committee found reliable evidence of grave and systematic violations of disabled people’s rights occurring in the UK since 2010 due to welfare reform. DPAC argues that the implications of UBI for disabled people must be a central consideration within debate on the role of UBI within an alternative vision of social security for the future.

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A “Universal Basic Income” (UBI) is a regular cash payment made to individuals without means testing or conditionality, so is paid regardless of how much money you already have coming in and is not tied to any requirement to be in or looking for work. It is universal so that all citizens within a certain country or region are entitled to receive it. UBI is also known as a “citizen’s income” or “basic income”.

Introduction

Support for Universal Basic Income has been steadily growing worldwide, on both sides of the political divide, over the past few years. While right wing libertarians see UBI as a means to eradicating the entire welfare state, supporters on the left argue it has the potential to free us from being tied to wage labour and foster individual creativity and fulfilment.

Within the UK, UBI is being presented as a solution to a number of modern economic and political problems, including the need to find an alternative to the considerable and well-evidenced failings of the current benefit system. But it is notable how little attention has been given to the specific implications of UBI for disabled people.

Conditionality - the idea that social security claimants must prove they are looking for work and be involved in work related activity in return for out of work benefits - has intensified progressively with every year of Tory rule. The punishment for not meeting these benefit conditions is to have your payments

stopped through a punitive regime known as sanctioning. The rollout of Universal Credit will further extend the reach of benefit sanctions to those in part time work not deemed to be looking hard enough for additional work, while the introduction of the Health and Work Conversation as a new stage within the application process for Employment and Support Allowance will bring conditionality to all disabled people including those with high support needs and terminal illness, with very few exemptions.

In such desperate times, there is an obvious attraction to the idea of UBI as an automatic payment administered without assessments. Supporters argue that with everyone - regardless of income status or disability - in receipt of a universal payment, it could lead to the de-stigmatisation of social security, ending the scapegoating of benefit claimants and associated hostility towards disabled people.

However, to date there is no precedent for replacing an existing complex social security system with UBI. If we look beyond the



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Welfare reform has brutally affected disabled people. Any proposals for the future of social security must prioritise the reversal of damaging policy measures and address how to meet the needs of the millions of disabled people reliant on the benefit system.

basic concept of UBI at what the details of implementation would mean for disabled people, we see a more complicated and potentially regressive picture.

The Citizens' Income Trust, one of the major supporters of a basic (or "citizens" income) in the UK, now advocate that both disability and housing benefits would need

to remain outside a model of UBI – which would mean continuing assessments and, potentially, conditionality for disabled people.

Concerns have also been raised that funding a UBI would entail cuts to benefits and services that "vulnerable" groups including disabled people now receive.

The Rise of a Bad Idea

The World Bank's proposals in its draft annual report for 2019 (2019 WDR) are a far cry from the urgent demands for greater security of income and employment being made by those currently suffering under changes to the welfare state. It puts forward a policy programme of extensive labour deregulation, including lower minimum wages, flexible dismissal procedures and zero-hours contracts, compensated for, in part, by a basic income. It recommends a basic income that is "modest in size" so as to "be complementary to work"¹, and financed largely by regressive consumption taxes (i.e. increasing VAT).

The approach taken by WDR 2019 in affirming "the importance of work as a complement to healthcare and education in the production of human capital" has worrying echoes of the mantra that "work is good for you" reinforced throughout Tory welfare reform policies that have caused avoidable harm to millions of disabled people.

Neoliberal versions of UBI promoted by right-wing economists

and politicians offer a stark warning of its dangers. Paying each person a minimum basic income rather than investing in a living wage and social protection is seen as a way of 'saving money', reducing the size of the state and public services. Sam Bowman, executive director of the Adam Smith Institute, wrote in 2013: "The British government spends more on welfare than it does on anything else apart from healthcare...The ideal welfare system is a basic income, replacing the existing anti-poverty programmes the government carries out."²

In the US, Charles Murray has proposed an annual unconditional grant of \$10,000 for every adult while scrapping the rest of the welfare state, including Social Security and Medicare.³ Milton Friedman advocated a similar system called Negative Income Tax, where those who earned below a certain income threshold would receive money back from the government instead of paying any income taxes, but also where all other existing welfare

programmes would be abolished. The implications of such proposals on those with the greatest needs, including disabled people, would be devastating and as pernicious as our social security system has become, would affect an even more dramatic regression of living standards.

DPAC's Canadian allies, Ontario Coalition Against Poverty (OCAP), have warned that placing a welcome mat for the introduction of a basic income legitimises the neoliberal agenda of undermining social provision, increasing the rate of exploitation and disregarding the needs of disabled people.⁴

John Clarke speaking on the neoliberal dangers of UBI at DPAC's international conference 2016.



Worldwide UBI pilots

Although the last few years have seen UBI pilots announced across the globe, examples cited by UBI supporters are limited in their applicability and tell us little more than that giving money to people is popular and that decreasing poverty produces positive outcomes. More significantly, trials in Finland and Canada demonstrate how UBI can be used to fulfil a neoliberal agenda focused on pushing unemployed workers into poorly paid and insecure work.

Case Study

MADHYA PRADESH, INDIA

Two pilots launched in 2011 produced positive social and economic outcomes for the recipients, with disabled people benefiting more than others through greater access to food, medical assistance, and greater autonomy and opportunity to become economically active.⁵ However, this is hardly surprising given that many of those benefiting

had received no previous support at all. Unconditional payments enabled disabled recipients to move from dependency upon family members to being able to meet their own basic needs. Giving something to people who previously had nothing is very different to what would happen with the introduction of a UBI in Britain to replace existing social security payments.

Canadian campaigners protesting against the Ontario Basic Income pilot called on their government to urgently increase benefits slashed by a previous Tory administration.



Case Study

DAUPHIN, MANITOBA, CANADA

'Mincome', a pilot conducted in 1970s credited with eliminating poverty from the town of Dauphin, provided a guaranteed income to those who had fallen out of work with 50% of every C\$1 earned on returning to work clawed back. The aim was to test whether giving unconditional payments to top up the incomes of the working poor would dis-incentivise paid employment. Working hours did not significantly decrease (although it could be argued that these drops may be artificially low because participants knew the guaranteed income was temporary).

The Conservative government that took power provincially in 1977 had no intention of rolling the programme out more widely and shut the project down, with no final report ever compiled. A recent survey of the data as it related to other services in Dauphin found a significant reduction in hospitalisation, especially for

admissions related to mental health and to accidents and injuries, relative to the matched comparison group. It is again unsurprising that increasing the incomes of the poor leads to improved health outcomes and again the findings are too limited as an evidence base to justify the replacement of existing social security systems with a UBI. They do support the idea that ensuring the population has an adequate income will produce cost savings in areas.

These examples, often cited by basic income supporters, have limited relevance to Britain, where taxation would be the most likely source of funding. The same is true of Alaska, where citizens each get a variable amount annually (averaging around \$1,100 (between 2010 and 2012)). This money comes from taxed oil windfalls via the Alaska Permanent Fund and is paid as an annual dividend. Iran similarly uses oil revenues to subsidise a

cash payment of about \$33 a month given unconditionally to most of the population. The payment has partially replaced heavy subsidies to basic commodities such as bread and fuel including petrol.

Neither example goes anywhere near providing a living for their recipients and neither is an adequate replacement for safety net support.

Furthermore, Basic Income (BI) pilots being taken forward by neoliberal governments in Finland and Canada exemplify how UBI supports negative employment trends such as low pay and insecure employment and can facilitate exploitation.

Case Study

ONTARIO, CANADA

Ontario's then Liberal Government launched a basic income pilot from 2016 which is now being wound down by the successive Tory administration. The amount paid under the pilot is insufficient to live on and has acted as top ups to low paying employers, effectively subsidising business from general tax revenues with the potential to make it easier for employers to lower minimum wages.

Participants were subject to fewer conditions in return for BI payments but lost other support and services they could previously rely on. A whole range of additional entitlements benefiting disabled people were also lost including the Special Diet that provides additional income on the recommendation of medical providers, medical transportation assistance and mobility aids.

Case Study

FINLAND

The two year basic income pilot launched in Finland in January 2017 has received positive press in Britain yet Finnish left wing commentators are critical of its impacts. The findings will not be published until the two-year pilot is over at the end of 2018 and positive reports in the media coverage are based on anecdotal evidence from individual participants. The Finnish finance minister, Petteri Orpo has said he is looking into trialling alternative welfare schemes, including a universal credit system similar to that being introduced in the UK, when the basic income pilot ends.

The trial has involved 2000 mandatory participants randomly selected from unemployment rolls and paid €560 (£500) per month. This effectively replaces the payments from the existing Finnish basic unemployment allowance and labour market subsidy, but

participants continue to receive the payments if they find work.

For the Finnish government, UBI is about increasing employment, which was a key Centre Party manifesto commitment in the 2015 election, encouraging workers to take bad jobs with low pay. Low-paid workers or adults out of the labour force for reasons other than unemployment were deliberately excluded from the pilot. Its version of UBI is a way to replace social protections with minimum payments while dismantling the welfare state through accelerated privatisation of health and social care. This represents a direct attack on Finnish trade unions whose collective bargaining power has remained higher than in the UK, and if rolled out has the potential to reduce the income security of unemployed workers while reducing the strength of organized labour.

Left wing commentators in Finland have described this as “a cautionary tale for basic income proponents on the Left”, evidencing how support for UBI on the basis that it will deliver progressive outcomes opens the door for the introduction of a scheme “forcing unemployed workers into bad jobs while undermining organized labour, earnings equality, and the welfare state.”⁶

Aside from the regressive realities of the Finnish scheme, there are considerable differences between the two countries that make it inappropriate to transpose any progressive benefits of the current experiment to the UK. Writing in The Guardian, Ellie Mae O’Hagan warns against a UBI “simply parachuted into a political economy that has been pursuing punitive welfare policies for the last 30 years.”⁷

UBI as “unworkable” Policy

In September 2017, while launching the SNP’s “Programme for Government”, Nicola Sturgeon announced plans for the Scottish government to fund local authorities to conduct experiments into a “Citizens’ Basic Income” (CBI). Sturgeon’s announcement was welcomed by the think-tank Reform Scotland who in 2016 published a report making the case for UBI heavily influenced by Green Party policy.

The four Councils who are set to run the pilot schemes with the support of a £250,000 grant from the Scottish government were identified by the RSA (Royal Society for the encouragement of Arts, Manufactures and Commerce) who made a call for local experiments in their 2015 report ‘Creative Citizen, Creative State: the principled and pragmatic case for a Universal Basic Income’. The models to be adopted by each of the pilot areas have yet to be announced but will likely require a two year lead-in and last for around two years, following principles for UBI pilots

outlined by Guy Standing in his book “Basic Income and how we can make it happen”⁸. These include the principle that pilots be conducted on a saturation basis involving all residents. This will provide a more universal test of the impacts of UBI than either the Finnish or Ontario trials, which have selected groups of particular groups of people to test.

Another key principle promoted by Standing is that people should be no worse off than if they were in receipt of means-tested benefits. Based on the detail of models promoted by UBI proponents involved in the pilots, it is unclear how this can be achieved. A research paper prepared for Fife councillors concerning plans for their local pilot explains that most models set the level of basic income at £73.10 for working age adults. There is no detail on what benefits will be replaced, but the paper is clear that “Housing and Disability Benefits payments would need to remain and be kept separate” and that “Means-testing of benefits

Black Triangle Campaign in Scotland do not see UBI as a solution to the human catastrophe caused by welfare reform.



Summary of concerns

A basic income will not cover the extra costs of disability. A system of disability benefits will still be needed alongside a UBI. Any additional payment would almost certainly mean a system of assessments for eligibility. Claims that a UBI would end such testing and the associated stigmatisation are overstated.

There will be even more pressure to restrict eligibility due to the financing of a UBI. Disabled people will face more pressure on funding for the extra support we need while the state subsidises the cost of living of a large section of the population that should be covered by higher wages paid by employers.

The crisis in funding for social care support is taking disabled people's right to independent living dramatically backwards. Introducing a UBI would lead to unnecessary funding pressure on services disabled people rely on in order to effectively subsidise profits.

Disabled people in work especially need job security with regular hours and sick pay. UBI adapts to a flexible model of employment which favours employers while further disadvantaging disabled workers.

We have experienced through Universal Credit and personalisation how what can be presented as progressive ideas can in practice affect widespread harm. We must not repeat this mistake through UBI.

UBI as “unworkable” Policy – continued

would continue, but the amount received by each household or individual would be recalculated to account for the amount of basic income”.

Glasgow Council has commissioned the RSA to develop its proposals, which advise £71 per week for working age adults, which appears to replace ESA. Although housing and non-means tested disability benefits will be retained, this nevertheless represents a loss for disabled people in the ESA support group. **Modelling of the RSA scheme undertaken by the Housing and Social Justice Directorate for the First Minister estimates that: over 10% of the poorest households in Scotland will experience negative financial impacts. Most households would be losing in the region of 20% of their income.**

The RSA report makes strong comments on the importance of doing away with the devastating impacts of conditionality and sanctioning, but is also clear in its

primary intention of incentivising employment and making work pay. It proposes to pay no more than a “basic” income in order to ensure that those who are “fit and able to work...would have a very strong incentive to do so.”⁹

Using proposals from the Scottish Greens as the basis for their financial workings, Reform Scotland suggests a Basic Income could be set at £5,200 per year for adults and £2,600 for children, which would replace the personal allowance, tax credits and a number of benefits. Under this model, Employment and Support Allowance, Housing Benefit, Severe Disablement Allowance, Carers Allowance and Personal Independence Payments are all retained. The cost of this model would be £20.4 billion. Reform Scotland proposes raising all levels of income tax by 8% but their calculations for affording the model are still short by some £2 billion. This is substantially more expensive than the RSA model which the First Minister has already suggested is unfeasible.

In October Nicola Sturgeon, while continuing to support the trials, publicly raised the possibility that CBI might prove unworkable as a policy. Attention from right wing media focused on figures within the briefing taken from RSA’s Basic Income model costing implementation at £12.3 billion with a £3.6 billion shortfall raising the prospect of cuts elsewhere.¹⁰ Her comments followed publication of a briefing for the First Minister obtained by the Scottish Tories via a Freedom of Information Response. The briefing also highlighted work by the Joseph Rowntree Foundation which found CBI would need a tax rate on all earned income of about 40 per cent if housing benefit was not included, rising to over 50 per cent if it was.

The briefing is strongly critical of CBI, citing potential negative

impacts on disabled people and “vulnerable” groups and pointing out that “most governments will not be able to afford both CBI and a generous welfare state.” It states **“The higher the CBI the more likely it is to lift people out of poverty, but the higher the public finance cost to fund it and the harder it would be for government to fund other supportive social policies.”**

Concerns are raised about the potential of CBI to further entrench inequalities and increased stigmatization of remaining benefits, which will be claimed by a smaller group of the population. The briefing concludes that a “significant modelling effort would be required to establish levels which did not impact negatively on vulnerable groups”.

UBI and Disability benefits

Disabled people are among those groups who have been disproportionately hit by austerity measures and welfare reforms through a deliberate agenda to cut back the various different inter-related social security payments and public services that we depend upon. A Cumulative Impact Assessment of tax and welfare changes and public spending cuts since 2010 finds that the more disabled a person is, the more adversely they have been affected.¹¹ Nevertheless, and despite overwhelming evidence to the contrary, the Tories publicly maintain they are continuing to support “those most in need”.

The suffering and avoidable harm that disabled people have gone through over the past eight years demonstrate the devastating impacts that an overhaul of the welfare system can cause unless the interests of the poorest and disabled members of society are properly understood and protected. Research linked the roll out of the Work Capability Assessment with an extra 590 suicides, 279,000 self-reported cases of mental distress

and prescribing of 725,000 anti-depressants from 2010 – 2013.¹² It is estimated that around 450,000 households with disabled members will be financially worse off under Universal Credit. Into this context, the introduction of UBI, replacing a targeted system with universal coverage, is likely to entrench growing inequality and the struggle to survive.

Simulations for “full” UBI schemes that would entirely replace the existing social security system in Britain show big losses for disabled people, among other groups.

Although all three schemes examined by the think-tank Compass also retained Disability Living Allowance (DLA) and Carer’s Allowance as additional to a universal payment, the proposed rate for the UBI of £73.10 per week, equivalent to Job-Seekers Allowance (JSA) would be insufficient to compensate people who are out of work long term. JSA is set at a level only able to offer adequate social protection for short periods of time, and disabled people are more likely to be out of work

for much longer periods: 10% of unemployed disabled people have been out of work for five years or more, compared with just three per cent of the non-disabled population.

Disabled people would not be the only losers. The Compass paper concludes that the three full UBI schemes simulated are not feasible due to severe negative impacts on the poorest households. Although there are no separate figures for the impact of poverty on disabled people, all the schemes lead to sharp rises in relative child poverty alongside modest increases in working-age adult poverty and increases in pensioner poverty.

Given findings such as these, prominent supporters of UBI such as the Citizen’s Income Trust now recommend a partial UBI where disability benefits and housing are retained as separate parallel systems. In Annie Miller’s 297-page Basic Income Handbook, she includes just one page on “The needs of disabled people” (of which half a page is about carers) where she says “Disability benefits are based on need and are therefore a different system from BIs... Both housing and disability benefits are very much in need of revision but are beyond the scope of this book.” **In other words, the introduction of UBI will not fix the failures of the social security**



Disabled campaigners are calling for an immediate end to disability benefit policies that have led to deaths and suicides. Introducing UBI could increase rather than relieve pressure on disability benefits.

system for disabled people and is seen as a separate issue.

Meanwhile, the implementation of UBI risks detracting attention and resources from the urgent task required to overhaul the disability benefits system and make it fit for purpose. The current assessment regime has been designed to push disabled people off essential benefits and there are high levels of inaccuracy and unacceptable standards in assessment reports leading to thousands of disabled people being wrongly found fit for work. Capita's own auditing found that at points in its contract to carry out PIP assessments, almost 60% of its reports were "unacceptable". There was an unprecedented response to an inquiry into ESA and PIP assessments carried out by the Parliament Work and Pensions Committee at the end of 2017¹³ and the latest figures for ESA and PIP appeals show 71% of decisions over-turned at tribunal.¹⁴

The introduction of a partial UBI scheme alongside a parallel system of disability benefits could instead create further problems

and pressures to tighten eligibility even further in order to afford both systems. Donald Hirsch in his paper for the Joseph Rowntree Foundations warns of "a political pressure to lower the safety net to the citizen's income level."¹⁵

Supporters of a partial scheme where disability benefits are retained assure us that no disabled person will be worse off under UBI. We were told the same thing about Universal Credit and that has proved not to be true.

Alongside an adequate standard of income, disabled people require other support services in order to enjoy full and equal participation in society. Disabled campaigners are calling not only for the reversal of social care cuts, but for the introduction of a national independent living support scheme funded from general taxation and free at the point of need, which would compete with a UBI for additional government spending. Many of the public finance options currently being considered as ways to address the funding crisis in social care have also been put forward as ways to fund a UBI.

UBI has been credited with the power to achieve radical social and economic impacts such as ending the idea that human worth is tied to a person's ability to labour and produce profit and freeing humanity to unleash our creative potential. The emancipatory potential of UBI to provide equality and freedom can only be realised by a basic income paid at a sufficiently generous rate to make wage work unnecessary for financial survival. Meanwhile, until we win a socialist society, and under the current political-economic conditions of a Long Depression under pro-capitalist governments, it is more likely that models of UBI will be adopted that make savings and cut public services. A basic income approach also leaves the fundamental inequalities and power structures of society unchecked. As an approach to the changing nature of work it facilitates greater job insecurity and wage reductions rather than challenging them.

Lessening the impacts of automation?

The future of work and replacement of jobs with machines is a very

current concern that supporters of UBI believe it can address. Advances in technology would improve productivity growth after years of stagnation since the financial crisis in 2008. The Government argues that this will lead to wage rises for workers, but this will be of little consolation to those whose jobs are replaced.

Rising automation will result in higher profits for those who own companies at the expense of workers' jobs. As the UK government is urged to address the sharp growth in inequality that this would cause, there are calls for redistribution of profits from automation through a UBI to ensure that the many rather than the few benefit from technological advances. Jeremy Corbyn used his party conference speech in September 2017 to suggest a Labour government would use the tax system to ensure that the benefits of automation are widely shared across the economy. This idea was quickly dubbed the "robot tax".

The fundamental issue with automation is not the need to

Disabled protesters supporting campaigns against zero hours contracts



replace income for workless humans but the question of the ownership of the technology itself, from which the call for UBI serves as a distraction operating in the interests of the current owners of technology.

A basic income only addresses the question of distribution, while ignoring that of production and would not confront the labour market inequalities that would arise from a more automated labour market.¹⁶

It is through common ownership of technology, as opposed to redistribution of profit, that it would be possible to go further, extending free services such as a national health service, education and independent living support while enabling people to work for fewer hours.¹⁷ The problems of worsening working conditions are immediate and ongoing, and of particular concern for disabled people who are more likely to be in low paid work to start with. Demands for a living wage and workers' rights need to be at the forefront of what we continue to fight for.

Facilitating insecure employment

One of the arguments put forward in support of UBI is that it is a better fit with current trends in employment than the existing social security system. As a "solution", this approach seeks to effectively subsidise business, supporting trends towards payment of low wages and lack of job security using public finance to facilitate increased private profit-making and with the potential to further depress wages.¹⁸ This is exactly the proposal put forward by the World Bank that proposes UBI as a way of using social assistance to "relax pressure" on "setting the minimum wage and replace "severance pay"¹⁹, reducing the burdens on employers and enabling labour markets to be "more flexible to facilitate work transitions"²⁰. Their response to what they describe as "the changes reshaping work today [that] are fundamental and long-term" is to facilitate greater insecurity and lower wages.

Disabled people engaged in mandatory work related activity are

Conclusion

all too familiar with pressure from the DWP pushing them towards self-employment and insecure work in order to move off out of work benefits. A publication by the right-wing think-tank Reform argues that disabled people are missing out through lack of access to employment in the gig economy and that this could solve the poor job outcomes of long-term Employment and Support Allowance claimants.²¹

The drive to push disabled people into unsuitable work and self-employment is deeply concerning.

The idea that UBI rather than greater employment regulations are the answer is problematic. Whereas supporters of UBI commonly cite its transformative potential as one of its major advantages, it is being put forward by the World Bank as a way to maintain and facilitate inequality and insecurity.

The basic income demand is, as argued by the economist Michael Roberts, just too basic and not radical enough: As a reform for labour, it is not as good as the demand for a job for all who need

it at a living wage; or reducing the working week while maintaining wages; or providing decent pensions; or making full reasonable adjustments for disabled workers including guaranteeing sick pay and disability leave.

These are demands that we need to be putting loudly here and now alongside calling for full and unconditional support for those of us unable to work. Deferring these demands in favour of putting our hopes in UBI risks ending up with a system that is more of a helping hand for employers than for disabled people.

Disabled campaigners fought to stop the closure of the Independent Living Fund (ILF). Financing a UBI could compete with social care for urgently needed additional funding.



UBI is not the demand we should be making if we want an end to the suffering that welfare reform is causing. We urgently need the abolition of sanctions and conditionality, of benefit assessments designed to deny disability and of Universal Credit. The social security system is now one that is intended to create an intolerable environment for benefit claimants. The social security system of the future must be one capable of providing adequate social protection and standard of living for all in need of safety net support. Achieving such a radical

transformation is no small task, requiring wholesale scrapping of existing systems and a fundamental redesign. Given the history of disabled people's exclusion and the marginalisation of our issues it is reasonable for disabled people to fear that attention and resources dedicated to the task of implementing a UBI will be at the expense of affecting the level of change needed to ensure disabled people receive adequate support.

Supporters of UBI tell us that disabled people would not be worse off under UBI but there is a lack of evidence to support this claim. On the contrary, simulations for the introduction of a UBI to the UK indicate that the only way to ensure this would be through a partial UBI system run in parallel to a continuation of disability benefits. Supporters for such a system are then silent on the detail of how this separate system would work for disabled people, how it would address the many and considerable failings of the current system and how it would be afforded. A recent paper from the

University of Bath presents an idea for a UBI with additional disability and severe disability premiums but concludes: **“The unavoidable reality is that such schemes either have unacceptable distributional consequences or they simply cost too much.”**²²

In the UK a monthly BI amount that would cost the same as existing benefits and tax free allowances would pay £230 yet the poverty line for a single person is £702. The fact that benefit levels in Britain are so far below the poverty line point back to issues with the current social security system that need urgently addressing.

While many disabled people would be in favour of tax rises to fund welfare provision – particularly corporation tax and a rise in the higher rate of income tax – the use of this for a UBI rather than more traditional forms of disability and unemployment support would mean much of the benefit flowing back to employers rather than those in most need. In functioning as a wage subsidy UBI would act to significantly reduce employers’

National Insurance contributions. It would be hard to make a case that this is a more progressive solution than simply reversing the damage that the Tories have done to current systems. For example, measures such as restoring the Independent Living Fund, scrapping conditionality and sanctions, and re-establishing the principle of universal benefits paid for by progressive taxation where the rich pay a greater proportion

Britain is currently home to the biggest socialist movement in Europe where demands for a living wage, for health and social care support services free at the point of need and a social security system that provides an adequate standard of living free from conditionality are all popular. These are what we need to fight for, not opening the door to policies that will be used to maintain existing power inequalities, facilitate greater job insecurity and low wages and risk further public service cuts.

Notes

¹ World Bank (2018, May 7) World Development 1 Report 2019: The Changing Nature of Work, p.92. Available at: <http://pubdocs.worldbank.org/en/816281518818814423/2019-WDRDraft-Report.pdf> [NB this is being continuously updated with updated materials uploaded every Friday at 5pm]

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Disabled People Against Cuts

is a disabled people led campaign set up in 2010 to oppose the disproportionate impacts of austerity on disabled people.

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UBI: Solution or Illusion?

The Implications of Universal Basic Income for Disabled People in Britain

Disabled People Against Cuts



Universal Basic Income represents the proposal to replace complex social security systems with a single non-means-tested flat payment to all citizens. In Britain, as Labour prepares for the possibility of a Corbyn-led government, UBI has emerged as a key component within efforts to develop an alternative vision for social security.

Given current failings within the benefit system and evidence of systematic harm caused to disabled people by welfare reform, there is an obvious attraction to the idea of UBI as an automatic payment administered without assessments. However, to date there is no precedent for replacing an existing complex social security system with UBI and if we look beyond the basic concept of UBI at what the details of implementation would mean for disabled people, we see a more complicated and potentially regressive picture.

With over three million disabled people currently receiving social security payments in the UK today, DPAC believes that disabled people and our allies need to involve ourselves in the debate on UBI. This pamphlet aims to outline arguments for and against UBI and examine both the specific implications of UBI for disabled people and wider economic aspects.