

## Universal Basic Income (UBI): The Why, What, and How

1. **People’s Vital Need for Money:** Money has become essential for survival in modern economies, replacing the traditional self-sustaining lifestyle. Without it, people starve.
2. **Living on the Brink:** Imagine surviving on just \$49.50 per day (current Unemployment Welfare rate in Australia), for everything from rent and food to medical expenses. This is 70% of the Poverty Level, yet it is the reality for many, especially during job transitions, illnesses, or caregiving responsibilities.
3. **Systemic Poverty in Australia:** Over 3 million Australians now live in poverty. Mainly single women and their children, disabled individuals, the elderly, and those between jobs, all of whom lack savings and family support. Living in destitution shouldn’t be the result of such circumstances.
4. **Challenging the Status Quo:** The conventional solutions of jobs, job guarantees, and welfare are inadequate for tackling systemic poverty. These approaches leave 12–14% of the population vulnerable and impoverished: people who cannot do paid work for a time. While the people constantly change, the percentage in poverty remains fairly static. This shows that it is a system problem. A UBI is the solution.
5. **Defining UBI:** A Universal Basic Income (UBI) is a regular unconditional payment to all adults, providing enough to meet their basic needs without means-testing or work obligations – for life.
6. **Affordability:** Australia’s wealth can provide for all. The barrier isn’t financial but lies in outdated systems.
7. **System Change:** As this [YouTube video](#) explains, despite paying the UBI to all adults every week, our specific solution targets the money to those who need it. This would be done through the tax system. It requires no net increases in tax or debt, and can be implemented without causing inflation, or disadvantaging welfare recipients or those on higher incomes.
8. **Phased Implementation for Stability:** Gradually implementing the UBI over five years, starting at \$10 per week, prevents economic shocks and allows adaptation.
9. **It will be a Win for All:** As it is spent, the growing UBI will encourage the market to increase capacity, without taking anything from anyone.
10. **Broad Support for UBI:** A 2020 YOUNGOV survey [1] indicates strong support (58%) for a guaranteed living wage or UBI in Australia - once people are aware of the systemic nature of poverty. With further explanation and engagement, even more people can be convinced to back this transformation.
11. **UBI’s Transformative Impact:** Global experiments reveal UBI’s transformative potential [2][3][4]. It can combat poverty, crime, and social exclusion, while promoting well-being, sustainability, creativity, and democratic participation.
12. **Empowering, not Discouraging Work:** The experiments demonstrate that a UBI encourages responsible spending while maintaining participation in the workforce, contradicting fears of mass withdrawal. Because the UBI is not an alternative to work, it offers a foundation for individuals to build upon, rather than limiting their achievements.
13. **Adapting to Changing Labor Markets:** As automation and AI reshape traditional jobs, the UBI can be increased to support adjustment, preventing dislocation and scarcity. As the rate is raised, some people will drop out of the labour market, bringing it back into balance, with most people wanting paid work in a job, and most jobs filled. The rest will be doing other things with their life, as they choose. It will never be perfect, but it should work better than dropping interest rates to stimulate employment.

14. **Refocusing Support to Long Term Needs:** This gradual approach allows businesses and individuals to transition smoothly from traditional welfare-related services to more long-term help, aimed at providing the knowledge and skills to thrive. With less needed for emergency relief, more charitable resources can be devoted to helping those who cannot look after themselves for reasons of mental health, or addiction, or otherwise.
15. **UBI is Only One Side of the Solution:** UBI addresses demand by providing financial agency to all. Government responsibility lies in both regulating and providing housing, health, and education services, complementing the market's response, to ensure supply.

In a world facing unprecedented challenges like automation, AI, and climate change, a UBI emerges as a powerful tool, not just to alleviate poverty, but to foster creativity, innovation, and social stability. But it won't happen on its own.

[1] <https://www.abc.net.au/news/2020-12-11/survey-says-most-australians-welcome-universal-basic-income/12970924>

[2] <https://www.mayorsforagi.org>

[3] <https://www.givedirectly.org>

[4] <https://juliederowicz.libparl.ca/basic-income-private-members-bill-c-273/>

[5] <https://www.smh.com.au/business/the-economy/why-every-adult-should-get-500-a-week-from-the-government-no-questions-asked-20230713-p5dnyz.html>