***BUSINESS***

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**What Is Ontario’s Basic Income Pilot Project?**

The province planned to give cheques to 4,000 people for three years, with no strings attached.

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BRENT LEWIN/BLOOMBERG VIA GETTY IMAGES

Basic income, sometimes called guaranteed income or minimum income, is a fixed income that people receive from the government.

Ontario's new Progressive Conservative government announced Tuesday that i[t will scrap the province's basic income pilot project](https://www.huffingtonpost.ca/2018/07/31/ontario-basic-income-pilot-cancelled-by-minister-lisa-macleod_a_23493366/).  
  
The previous Liberal government had launched it to give away free money in the hopes it would make recipients healthier and encourage them to get more education.

The program [launched in April 2017](https://www.ontario.ca/page/ontario-basic-income-pilot#section-4) and reached full enrollment with 4,000 participants a year later. Residents of a range of cities and towns — Thunder Bay, Hamilton, Lindsay, Brantford and Brant County — were eligible.

Basic income, sometimes called guaranteed income or minimum income, is a fixed income that people receive from the government. Ontario's project is not a universal basic income because it only includes people below a certain income level. Theoretically, a universal basic income would go to every resident, whether they earn $0 or $100,000.

**How it works**

Residents were invited to apply if they were between 18 and 64 years old, had lived in one of the five target areas for at least a year, and lived on less than $34,000 individually or $48,000 as a couple.

Single participants get up to $16,989 a year and couples receive $24,027. People who are working will see that amount reduced by 50 per cent of their income.

So a person who earns $20,000 annually would get topped up with $6,989, bringing their total income to $26,989. A couple who earns $35,000 together would get $6,527, bringing their total income to $41,527.

The program aims to provide enough money for people to meet their household and health costs.

**Why it's different from welfare**

Ontario's current social assistance program, Ontario Works, is means-tested, which means that government workers examine every detail of a person's finances to determine their eligibility.

A Thunder Bay mother [who's now on basic income](https://www.huffingtonpost.ca/2018/05/05/ontarios-basic-income-experiment-pilot-project_a_23425399/) told HuffPost Canada that it's less invasive than Ontario Works. Previously, if her parents gave her $40 or she received a scholarship at school, she'd have to call a case worker and report it, and that amount would be clawed back from her payments.

Now, Sherry Mendowegan can accept gifts and awards without worrying that her money to live on will be reduced.

She also receives twice as much money on basic income as she did on Ontario Works.

Welfare programs are designed to tide people over until they find work. Ontario's basic income pilot aims to raise people to a living wage. The province says that 70 per cent of participants have a job of some kind.

*This story is part of*[*HuffPost Canada's No Strings Attached project*](http://projects.huffingtonpost.ca/no-strings-attached/)*, which follows Thunder Bay's Sherry Mendowegan, Lindsay's Segura family and Hamilton's Jessie Golem on their journeys with the Ontario basic income pilot project and its aftermath. Through them, we will examine the debate over the potential for basic income in a future where precarious work is increasingly common.*