

Debate Pack

13 June 2022

Number 2022-0104

By Frank Hobson,
Aaron Kulakiewicz

Potential merits of a universal basic income

1	Policy Background	4
1.1	Universal Basic Income	4
1.2	Pros and cons of UBI	5
1.3	Recent research on UBI in the UK	6
1.4	Work and Pensions committee inquiries	8
	2017 - Citizen's Income	8
	DWP's preparations for changes in the world of work	9
1.5	Basic income proposals in Wales and Scotland	9
	Wales	9
	Scotland	11
1.6	International examples	12
1.7	Coronavirus-related debate	14
1.8	Party leadership positions on UBI	15
2	UK Parliament Material	21
2.1	Debates	21
2.2	Committees	21

2.3	Early Day Motions	21
2.4	Parliamentary Questions	23
3	Devolved Parliaments/Assemblies	28
3.1	Welsh Parliament/Senedd Wales	28
3.2	Scottish Parliament	28
3.3	Northern Ireland Assembly	28
4	Press Articles	30
5	Further reading	33
5.1	Recent reports and briefings	33

Summary

There will be a debate on the potential merits of a universal basic income in Westminster Hall at 4:30pm on 15 June 2022. This debate will be led by Angela Crawley MP.

Universal Basic Income (UBI) is a term used to describe a number of different proposals where the state would provide income for all citizens, without any conditions attached, and regardless of their other resources. The idea has a long history and has attracted supporters from across the political spectrum at various times.

The most common definition of a UBI scheme is a scheme where universal, unconditional payments provide people with just enough money to live on. There are, however, other kinds of unconditional cash payments that use similar language.

UBI has attracted interest in recent years, and particularly during the coronavirus pandemic, with advocates arguing it would be an effective, simple way of providing comprehensive support without excluding any groups.

A petition, entitled [Implement Universal Basic Income to give home & food security through Covid-19](#) was considered in an [oral evidence session](#) of the UK Parliament Petitions Committee on 17 September 2020. In [response](#) to the petition, the UK Government said a UBI “does not target help to those who need it most”, stressing additional support provided during the coronavirus outbreak, such as the Job Retention Scheme, changes to Statutory Sick Pay and Universal Credit.

The Government has been joined by other critics such as the [Work and Pensions Committee](#), who have dismissed the idea of a UBI on the grounds

that it does not target support at those who most need it, has high costs, and risks diverting resources from other benefits and services.

Recent UK Labour Party leaderships have been more open to ideas espoused by UBI advocates than the Conservatives, but have stopped short of promising to introduce a basic income.

Administrations in Scotland and Wales have shown more interest in exploring basic income proposals. In 2018, the Scottish Government put £250,000 towards a feasibility study of a “Citizens’ Basic Income” (CBI), in partnership with four Scottish local authorities. [A final report](#) was published by [Basic Income Scotland](#) in June 2020. The Welsh Government has announced a pilot, “[basic income for care leavers](#)”, providing unconditional cash payments of £1,600 per month to over 500 young people for 2 years from their 18th birthdays.

The Commons Library previously published a debate briefing on [Universal Basic Income](#) in October 2020.

1 Policy Background

1.1 Universal Basic Income

Universal Basic Income (UBI) is a term used to describe a number of different proposals where the state would provide income for all citizens, without any conditions attached, and regardless of their other resources. The idea has a long history and has attracted supporters from across the political spectrum at various times.

There is some debate as to what constitutes a UBI. Some argue that it should be adequate to live on and could replace current social security arrangements. Others [push for more limited schemes](#) which would provide universal payments alongside the existing social security system.¹ The most common broad conception of a UBI scheme is one where **universal payments provide people with just enough money to live on**. This was summed up by the author and journalist Annie Lowrey in 2018:

It is universal, in the sense that every resident of a given community or country receives it. It is basic, in that it is just enough to live on and not more. And it is income.²

Both supporters and critics accept that full UBI schemes would be huge and society-transforming undertakings.

In some cases, the language of basic income has been used to describe schemes which are not universal, but seek to adopt some of the same features – for example the basic income pilot for care leavers announced by the Welsh Government in February 2022,³ and the Basic Income for the Arts recently consulted on in the Republic of Ireland.⁴

In this briefing we summarise the arguments put forward by advocates and opponents of UBI schemes. We also outline a selection of international examples where some form of UBI has been introduced or piloted.

¹ See, for example, New Economic Foundation, [Nothing Personal: Replacing the personal tax allowance with a Weekly National Allowance](#), 11 March 2019

² Annie Lowrey, *Give People Money: How a Universal Basic Income would end poverty, revolutionize work, and remake the world*, Penguin Random House, 2018, p4

³ Welsh Government, [Basic Income for Care Leavers in Wales, pilot announced](#), 15 February 2022

⁴ Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media, [Minister Catherine Martin launches Online Consultation on pilot Basic Income for the Arts](#), updated 5 April 2022

1.2

Pros and cons of UBI

Common arguments in favour

- A basic income should be a right of citizenship, providing material and psychological security throughout life.
- Criticism of existing features of social security provision such as means-testing, conditionality and the contributory principle.
- Changes to the labour market, particularly automation, may make UBI necessary.
- National income can be better distributed through UBI in a context where an increasing proportion of national income goes to capital rather than labour.
- UBI could reward valuable non-wage labour such as caring and domestic work.
- A full basic income replacing the social security system we have today would be simpler to administer and easier to understand.
- Interference in people's lives would be reduced through the removal of features such as means-testing and conditionality.
- An independent income stream gives workers freedom to choose other options, take entrepreneurial risks and bargain from a position of power with employers.
- UBI removes the risk of high [withdrawal rates](#) that claimants of means tested benefits can face as they earn through work.
- UBI would provide a quickly accessible infrastructure for comprehensive financial support during crises (such as the Covid-19 pandemic).

Common arguments against

The most common argument against UBI is cost. A Basic Income of £100 a week for each person over the age of 16 in the UK, and £50 a week for each child, would cost around £316 billion a year.⁵ To put this in context, total spending on benefits, state pensions and tax credits in the UK was forecast to be around £250 billion in 2022-23.⁶ Payments at this level would nonetheless

⁵ Based on ONS, [Population estimates for the UK, England and Wales, Scotland and Northern Ireland: mid-2020](#), 25 June 2021

⁶ OBR, [March 2022 Economic and fiscal outlook](#), Table 3.16

represent a significant reduction in support for many households currently claiming benefits.

Other arguments against UBI include:

- It would require a huge shift away from established principles of contribution, targeting and lifecycle distribution (linked to changing needs) in the existing social security system.
- It could undermine the role work plays in society.
- UBI would not target payments – unlike our current social security system which directs resources towards those who are unemployed, face high housing costs, are parents, or who have disabilities and long-term health conditions.
- A UBI would have unavoidable trade-offs in terms of winners and losers. For example, in terms of the level of payment, either;
 - It would pay at a level that creates few losers (in terms of benefit entitlement) compared to the status quo, but at huge cost requiring higher taxes; or
 - It would pay at a lower level, resulting in a significant proportion of the people who currently claim social security benefits losing out; or
 - It would pay at a lower level but sit alongside other targeted benefits – replicating or retaining the complexity and problems of the current system.
- It could undermine the responsibility of employers to pay wages that reflect living costs.
- There are no conditions for receiving UBI, so it could reduce the incentive to work.
- People’s identity and purpose is often tied up in paid work, so a system that facilitates a reduction in labour force participation could have negative effects on wellbeing.
- The money necessary to fund a UBI scheme could be more effectively spent elsewhere.

1.3

Recent research on UBI in the UK

In the UK, the most detailed work on UBI in recent years is probably the research undertaken as part of the University of Bath Institute for Policy Research (IPR) research programme, [Examining the case for a basic income](#).

This looked in detail at the case for a UBI scheme and what such a scheme might look like in the UK context.

A September 2017 IPR policy brief, [Assessing the Case for a Universal Basic Income in the UK](#):

- looks at the recent increase in interest in the idea of UBI schemes;
- examines the core issues relating to UBI's desirability, surveying the existing theoretical and empirical literature on UBI's likely effects;
- assesses its feasibility as a realistic proposal in the UK; and
- considers various options regarding policy design and implementation strategies.

It also gives a review of existing literature and secondary data, and the findings from further microsimulation work undertaken by researchers at the IPR.

[Pages 11-16 of the University of Bath policy brief](#) give an overview of the findings from the (very limited) experiments undertaken up to 2017. None of the experiments undertaken, however, involved testing a full UBI model, and such evidence as is available is of limited value in assessing the case for a UBI in the UK (and indeed elsewhere), for the reasons set out on pages 15-16.⁷

The policy brief was the culmination of extensive research, seminars and workshops. Two earlier reports from the research included:

- [The Fiscal and Distributional Implications of Alternative Universal Basic Income Schemes in the UK Money for everyone: The state of the Basic Income/Citizen's Income debate](#), March 2017
- [Exploring the Distributional and Work Incentive Effects of Plausible Illustrative Basic Income Schemes](#), May 2017

In 2018, the Scottish Government put £250,000 towards a feasibility study of a "Citizens' Basic Income" (CBI), in partnership with four Scottish local authorities (see section 1.5). A final report was published by Basic Income Scotland in June 2020.⁸ As well as proposals and feasibility analysis, section 3 of the report evaluated the published evidence on various basic income and other unconditional cash transfer schemes.

⁷ Luke Martinelli, [Assessing the Case for a Universal Basic Income in the UK](#), September 2017

⁸ See Basic Income Scotland, [Exploring the feasibility of a Citizens' Basic Income Pilot in Scotland](#), 6 October 2020

1.4

Work and Pensions Committee inquiries

2017 - Citizen's Income

On 28 April 2017, the House of Commons Work and Pensions Committee published a short report on [Citizen's Income](#).⁹ In light of recent interest in Citizen's (or Universal Basic) Income as a possible solution to many of the problems and uncertainties of the modern welfare state and labour market, the Committee held a one-off oral evidence session at the University of Birmingham on 12 January 2017, during which it heard both sides of the argument from an expert panel.

The Committee concluded that Citizen's Income was a “distraction” from finding workable solutions to welfare state problems, and urged the then incoming Government “not to expend any energy on it.”

[...] CI may be an attractive idea on several counts. We convened a panel of experts to help us understand the appeal of CI and its practical application. Ultimately, we were at a loss to understand how CI could even partially resolve the issues it purports to address

There are fundamental practical problems with implementing CI. A universal CI would simplify welfare by replacing the existing benefit system. Yet providing an adequate unconditional income for all would require prohibitive increases in taxation and may undermine incentives to work at all. Some proponents of CI therefore suggest a more modest unconditional payment; CI would be paid alongside some existing benefits to avoid creating substantial losses for claimants with, for example, disabilities or high housing costs. Yet the complexity of such a system would undermine a key argument for introducing CI, and leave the promises of income security and poverty reduction largely unrealised. At best, we would end up with something very similar to Universal Credit.

There are significant challenges to overcome within the welfare system: ones that supporters of CI rightly take an interest in addressing. But CI is not a panacea. Indeed, there are many problems to which it is neither the optimal, nor even an appropriate, solution. CI risks being a distraction from workable welfare reform. We urge the incoming government not to expend any energy on it.

[Commenting on the publication of the report](#), the then Chair of the Committee, Frank Field MP, said:

A universal Citizen's Income would either require unthinkable tax rises or fail to deliver its objectives of simplification and a guaranteed standard of living. There are problems in the welfare system, but CI is not the solution to them. Rather it is a distraction from finding workable solutions

⁹ Work and Pensions Committee, [Citizen's Income](#) (PDF), HC 793, 28 April 2017,

DWP's preparations for changes in the world of work

In June 2021, the Work and Pensions Committee published a report looking into the DWP's preparations for changes in the world of work. Section 5 of the report again briefly examined the case for a UBI against the backdrop of the coronavirus pandemic, and a 2020 petition calling the implementation of UBI.¹⁰

The committee reached a similar sceptical conclusion to their predecessors. They argued that effects of automation on unemployment will likely not be as great as some argue, and that UBI would not be an efficient use of resources (original emphasis):

The evidence we have heard suggests that changes such as automation are unlikely to lead to mass unemployment. That does not mean that there will be no displacement at all, especially as job roles and requirements change, and it is vital that people who do find themselves out of work have access to a robust safety net. Some people have argued that a Universal Basic Income could act not only as a safety net for the unemployed, but also provide people with underlying financial security should they decide to undertake training or start their own business. A Universal Basic Income would, however, be extremely expensive, and would not target support at people who need it most. Instead, it risks diverting resources away from the existing social security system and other vital public services. We are not convinced that it would be the right way forward for social security in the UK. ***Instead, we recommend that the Department should focus its efforts on ensuring that the value of benefit payments under the current system are sufficient to meet claimants' basic needs.***¹¹

1.5

Basic income proposals in Wales and Scotland

Wales

The Welsh Government plans to pilot unconditional payments to care leavers beginning in 2022, "subject to the resolution of remaining practical matters, including the interface of our basic income payments with the benefits system". A 16 February 2022 press release provided more detail of how the scheme will work:

All young people leaving care who turn 18 during a 12 month period, across all local authority areas, will be offered the opportunity to take part in this pilot. The pilot will begin during the next financial year and we anticipate over 500 young people will be eligible to join the scheme.

¹⁰ E-Petition 302284, [Implement Universal Basic Income to give home & food security through Covid-19](#), 17 September 2020

¹¹ Work and Pensions Committee, [First Report - DWP's preparations for changes in the world of work](#), 29 June 2021, HC 216, section 5

The pilot will run for a minimum of three years with each member of the cohort receiving a basic income payment of £1600 per month for a duration of 24 months from the month after their 18th birthday.¹²

£1,600 a month is a significant amount, and more than what a full-time worker on the National Living Wage would earn. Anna McMorrin, the MP for Cardiff North, noted that the scheme is the “most generous basic income in the world.”¹³

While it is relatively generous, the Welsh Parliament Petitions Committee has criticised the plan for not being sufficiently universal. It recommended that the Welsh Government expand the size of the pilot scheme, perhaps including groups beyond care leavers.¹⁴

Some questions also remain to be resolved about how the Basic Income payments will affect other benefits. The key problem is that, unless the Welsh and UK Government agree to disregard Basic Income payments, any income paid as part of a pilot will reduce any means-tested benefits (such as Universal Credit) the participant is also receiving.

DWP Minister David Rutley was asked about the conversations the DWP is having with the Welsh Government about this in a December 2021 Welsh Affairs Committee evidence session. He made clear that the UK Government does not support the idea of a Basic Income. Andrew Latto, Deputy Director for Devolution at the Department for Work and Pensions, added that the UK ministers “need to see in quite a lot of detail—including the legislation—exactly what it is before we can work out how it is going to interact with the reserved benefit and HMRC with the tax system.”¹⁵

The official position has not yet been announced, but BBC coverage notes that the payments will be taxable and that the “Department for Work and Pensions has confirmed the payment will affect people claiming Universal Credit as it is a “means tested benefit” and this counts as income.”¹⁶ If this is the case, most eligible care leavers will not be eligible for means-tested support through the standard benefits system, since only Universal Credit payments made to families with children, high housing costs or disabilities that severely limit capability for work are likely to exceed £1,600 a month.

¹² Welsh Government, [Basic Income for Care Leavers in Wales, pilot announced](#), 15 February 2022. Also see Welsh Government, [Written Statement: Basic Income Pilot for Care Leavers in Wales](#), 16 February 2022.

¹³ [HC Deb 3 March 2022 c1251](#)

¹⁴ Ibid. p12

¹⁵ Welsh Affairs Committee, [Oral evidence: The benefits system in Wales](#), HC 337, 8 December 2021, Q251-253

¹⁶ BBC News, [Basic income: Wales pilot offers £1,600 a month to care leavers](#), 16 February 2022

Scotland

In 2018, the Scottish Government put £250,000 towards a feasibility study of a “Citizens’ Basic Income” (CBI), in partnership with four Scottish local authorities. [A final report](#) was published by [Basic Income Scotland](#) in June 2020.¹⁷ It set out proposals for what would be, in the international context, a very ambitious pilot:

- Including the entire population of two zones, socioeconomically similar to Scotland as a whole, with populations of at least 2,500.
- Testing high and low-levels of payments. Proposed high-level payments are based on the Joseph Rowntree Foundation and Loughborough University’s Minimum Income Standard (MIS), and low-level payments are set at the rate of existing benefit payments, but applied universally.
- Payments would include extra amounts for children.
- The pilots would have a 3 to 4 year duration.

Many studies elsewhere in the world are much narrower than this, including a smaller number of participants, and (including the Welsh proposal) focussing on particular groups such as existing benefit claimants.

The Basic Income Scotland report also pointed to significant practical difficulties in implementing a pilot given interactions with the wider social security system, powers over which are still largely reserved to the UK Government:

The practical difficulties in implementing a pilot alongside our current benefits system would require substantial resources to address current IT and legislative constraints. The levers to address these barriers sit within the UK government and considerable political effort would be required in order to make the legislative and regulatory changes required.¹⁸

The Scottish Government welcomed the study and remains committed in principle to the project. However, the 15 April 2021 [SNP manifesto](#) made it clear that the Scottish Government will not proceed given the current powers of the Scottish Parliament:

We have long been supportive of a citizens’ basic income or universal basic income. Over the last parliament we funded four local authorities to explore the feasibility of piloting a citizens’ basic income in Scotland.

Despite the local authorities concluding that a citizens’ basic income pilot is desirable, it is not feasible within the current powers of the Scottish Parliament. That will obviously change if Scotland becomes independent.

¹⁷ Basic Income Scotland, [Exploring the feasibility of a Citizens’ Basic Income Pilot in Scotland](#), 6 October 2020

¹⁸ As above p161

While we cannot bring forward a citizens' basic income until Scotland is independent, we want to do all we can within our current powers to offer safety, security and dignity.¹⁹

The Scottish Government is instead exploring a “[Minimum Income Guarantee](#)” which would ensure that “everyone has enough money to live a dignified life” through a mix of public services and changes to the social security system.²⁰

1.6

International examples

An analysis of international examples of UBI and other unconditional cash transfer schemes can be found in section 3 of the Scottish Government funded [Basic Income Scotland final report](#).²¹

There is no model of a permanent, state-wide, unconditional UBI (fitting Annie Lowrey's description above) anywhere in the world today, although experiments and comparable schemes have been trialled. A selection of these are described below.

The Finnish experiment

The most high profile experiment in recent years has been the [Basic Income Experiment](#) conducted in Finland in 2017–2018. During the experiment, a total of 2,000 unemployed persons between 25 and 58 years of age received a monthly payment of €560, unconditionally and without means-testing. The experiment was conducted by Kela – the Finnish Social Security Agency – and the final results from the evaluation were published on 6 May 2020.

The headline findings from the evaluation were that there were small positive employment effects, and better perceived economic security and mental wellbeing, for basic income recipients compared with the “control group” in receipt of ordinary unemployment benefits.

The [Kela website](#) summarises the findings:

The employment effects of the basic income experiment were measured for the period from November 2017 to October 2018. The employment rate for basic income recipients improved slightly more during this period than for the control group. However, the interpretation of the effects of the experiment is made more complicated by the introduction of the activation model at the beginning of 2018, which meant more stringent entitlement criteria for unemployment benefits asymmetrically in both groups.

¹⁹ SNP, [SNP 2021 Manifesto: Scotland's Future. Scotland's Choice](#), 15 April 2021, p29

²⁰ SNP, [SNP 2021 Manifesto: Scotland's Future. Scotland's Choice](#), 15 April 2021, p28

²¹ See Basic Income Scotland, [Exploring the feasibility of a Citizens' Basic Income Pilot in Scotland](#), 6 October 2020

During the first year of the experiment, when the activation model had not yet been introduced, the basic income did not have any employment effects for the basic income recipients at group level. All in all, the employment effects were small.

The effects of the basic income experiment on wellbeing were studied through a survey. Survey respondents who received a basic income described their wellbeing more positively than respondents in the control group. They were more satisfied with their lives and experienced less mental strain, depression, sadness and loneliness. They also had a more positive perception of their cognitive abilities, i.e. memory, learning and ability to concentrate. In addition, the respondents who received a basic income had a more positive perception of their income and economic wellbeing than the control group.

A total of 81 basic income recipients were also interviewed for the study. The interviews highlight the diverse effects of the experiment and the differences in the starting points and life situations of the basic income recipients.

The Utrecht experiment: “Weten wat werkt” (What Works)

A [recently-concluded 16 month randomised control trial](#) of different social security interventions in the Netherlands looked at employment and wellbeing outcomes. Participants were randomly divided into four different treatment groups. The trial included a group who received unconditional benefits without further mandatory interventions, as well as additional financial work incentives and more intensive interventions from caseworkers in other groups. The study found positive effects for all the interventions it tested against the status quo.

For the group facing no conditionality, the [key findings](#) were:

- Negative effects on labour market participation occurred in the first months of the study but disappeared towards the end. Effects on a complete exit from benefits could “not be distinguished from zero”, but indicated a positive effect in the last month.
- Lower educated people clearly benefited more than intermediate and higher educated people. For lower educated people, the chances of complete exit from benefits, a job of more than 12 hours per week and a permanent contract increased. For intermediate and higher educated people, the approach did not seem to have any effect.
- A shift took place with regard to the type of work contract entered by participants. While participants in other groups mainly entered into temporary contracts, in this group the percentage of participants with a permanent contract increased.

Further information can be found in the Utrecht University briefing, [Final report What works \(Weten wat werkt\)](#) (1 May 2020).

The Permanent Fund Dividend in Alaska

Since 1982, the US state of Alaska has paid every citizen an unconditional dividend, largely out of revenues from the state's oil industry. In a study [Looking at the Permanent Fund Dividend's \(PFD\) impact on employment](#), University of Chicago academics Damon Jones and Ioana Marinescu found that the scheme had not had a significant employment effect:

The unconditional cash transfer thus has no significant effect on employment, yet increases part-time work.... In a world where trade, technology, and secular stagnation threaten people's incomes, there is growing interest in a universal basic income to promote income security. Our study of Alaska contributes to our understanding of the likely impacts of a small universal basic income on the labor market. Our results show that adverse labor market effects are limited, and, importantly, a small universal and unconditional cash transfer does not significantly reduce aggregate employment.

The PFD has existed for 40 years, and proved popular enough that in the most recent gubernatorial election in 2018, the winning candidate ran on a platform promising to increase it significantly.²²

1.7

Coronavirus-related debate

The coronavirus pandemic prompted significant Government action to support household finances as the country went into lockdown and sectors of the economy were closed. This, including the "furlough" Coronavirus Job Retention Scheme and the Self Employment Income Support Scheme, as well as significant changes to the pre-existing social security system, are explored in the Commons Library briefing [Coronavirus: Withdrawing crisis social security measures](#).

During the crisis advocates [made the case](#) that a UBI could quickly extend support to groups such as the self-employed who, early in the crisis, did not get any.²³ A number of Members from across the House also called for some kind of basic income – such as the Conservative [Edward Leigh](#), [Alison Thewliss](#) from the Scottish National Party, [Ed Davey](#) from the Liberal Democrats and Labour's [Beth Winter](#). These arguments often relied on the difficulties governments face providing a universal and watertight safety net through traditional policy instruments.

A petition calling on the government to "implement an immediate Universal Basic Income trial for all UK residents to ensure home and food security through the coronavirus Covid-19 crisis, to support the needs of those that need to self-isolate as well as the public health at large, and the wider

²² Vox, [Alaska's universal basic income problem](#), 5 September 2019

²³ FT Opinion, Daniel Susskind, [Universal Basic Income is an affordable and feasible response to coronavirus](#), 18 March 2020

economy” attracted 114,574 signatures.²⁴ This was considered in an oral evidence session of the UK Parliament Petitions Committee on 17 September 2020.

The Royal Society for the Encouragement of Arts, Manufactures and Commerce (RSA), long-time supporters of a UBI, argued for an “emergency basic income.” The RSA said this would provide support for the self-employed people and others who might have been missed out by the then proposed schemes.²⁵

[Responding to calls for UBI](#), Torsten Bell, Chief Executive of the Resolution Foundation and an early advocate of some of the policies such as the Job Retention Scheme subsequently adopted by the Government, argued that introducing UBI would take time and finite state capacity to implement. He added that calls are “misguided given the pace of what is happening.”²⁶

1.8

Party leadership positions on UBI

The Conservative Party

The flagship social security policy of the contemporary Conservative Party has been Universal Credit. The [case for Universal Credit](#)²⁷ was made with some of the same goals UBI proponents claim today – increased simplicity through replacing multiple benefits with one, and removing financial disincentives to work created by high and uneven withdrawal rates as claimants earn more.

However, Universal Credit also strengthened some principles – targeting low-income households through means-testing, and conditionality – that UBI seeks to remove or diminish.

Commitment to these principles, as well as worries about cost, form the basis of contemporary Conservative resistance the idea. The coronavirus crisis has given the Conservative Government multiple opportunities to reject calls for UBI. It has done so not only on the grounds of practicality, but also on principle.

On many occasions this Parliament, government ministers have dismissed proposals for UBI. The most comprehensive response was provided by Will

²⁴ E-Petition 302284, [Implement Universal Basic Income to give home & food security through Covid-19](#), 17 September 2020

²⁵ RSA, [UBI and the self-employed](#), 24 March 2020

²⁶ Torsten Bell (@TorstenBell), Lots of discussions rightly about how to support the economy and specifically people through the coming months, Twitter, 16 March 2020 (accessed 13 June 2022). Available from: <https://twitter.com/TorstenBell/status/1239480660135378944>

²⁷ See Centre for Social Justice, [Dynamic Benefits: Towards welfare that works](#), 16 September 2009

Quince, the former Minister for Welfare Delivery, in oral evidence to the Petitions Committee in September 2020:

UBI is a perennial issue, and in my time within the Department for Work and Pensions, it has reared its head several times, but its supporters still remain unable to answer many of the key questions that undermine its appeal.

Let us not underestimate the scale of what UBI entails. This is a cheque written by the Government to every person in the United Kingdom regardless of their age, wealth or employment status. For me, that raises three important questions, which remain unanswered: how do you afford it, how do you deliver it and, finally and perhaps most fundamentally, what would the actual impact be?

I turn first to the cost. A 2018 report by the Centre for Social Justice found that giving every working-age adult in the United Kingdom £10,000 per year would cost in the region of £400 billion, rising to well over £500 billion if you wanted to extend that to everyone over the age of 16. Making the payment equivalent to the average universal credit claim of around £16,000 per year—I hasten to add that that is far more than proposed by most UBI advocates—would cost in the region of £670 billion for all working-age adults. That is five times the spending on the NHS in 2018-19. Those numbers are absolutely eye-watering.

I would hasten to add that those were simply raw numbers of the pay out under a UBI scheme. They do not include cost of delivery, so let me turn to that. My Department and HMRC have done exceptional work throughout the pandemic to stand up new services and increase the capacity of existing ones. We have been able to move quickly to support over 9 million people through the CJRS—the furlough scheme—and since mid March we have accepted over 3 million new claimants to universal credit. However, that would pale into insignificance compared with the infrastructure and bureaucracy required to deliver a nationwide UBI, particularly in the midst of a global pandemic. In universal credit, we have one of the most advanced welfare systems in the world and, despite its detractors, it has successfully met the demand of a hugely increased case load and demonstrated the scalability required to meet future pressure. Replacing the system at potentially astronomical cost would provide little benefit to anyone, not least those who rely on our welfare safety net the most.

I turn next to impact—and this is the fundamental case against UBI. The welfare system is fundamentally a safety net and should be there for those in need, so making billions of pounds of payments to the wealthy and those who do not require them is wasteful in any environment. Unlike our UC system, UBI does not target support at those in greater need or take into account additional costs faced by many individuals, such as those with a disability or those with childcare responsibilities. To put this into perspective, Chair, UBI would be paid to you, me and all Members of this House. I would much rather see that money spent on supporting those who need it. That is before we discuss things like actual outcomes.

The existing evidence base suggests that UBI systems are a disincentive to work. The lauded Finnish trial, which was mentioned earlier, noted improvements to employment, but they were only marginal, and the impact of external factors could not be ruled out. It may have been for that reason that the Finnish Finance Minister stated in an interview he gave in 2019 after the trial that the case was closed for UBI and that there must be conditionality in

the social security system. What is more, a 2017 OECD report found that, for most high-income countries, a UBI would increase poverty and negatively affect the poorest, with middle income households most likely to see gains.²⁸

The Labour Party

In recent years most advocates of UBI have been on the left of the political spectrum. Contemporary supporters of UBI can be found in many of Labour's aligned interest groups and in the trade union movement. Notably, the Labour Government in Wales is introducing its pilot basic income for care leavers (see above).

Recent UK Labour Party leaderships have also been more open to ideas espoused by UBI advocates than the Conservatives, but have stopped short of promising to introduce a basic income. Former Shadow Chancellor John McDonnell commissioned Guy Standing, an Economics Professor and prominent basic income supporter, to write a report proposing a pilot of basic income in the UK. The report was published in May 2019, and the subsequent Labour General Election manifesto promised a pilot:

we will explore other innovative ways of responding to low pay, including a pilot of Universal Basic Income.²⁹

Naz Shah, speaking in response to the September 2020 petition on behalf of the Labour front bench, said that “a universal basic income would not have been the correct response to the covid-19 pandemic.” She explained that Labour wanted to support jobs and the link between employers and staff, target support at those who were most affected by the pandemic, deliver help quickly, and noted that Labour supports universality elsewhere in public service delivery.³⁰

Jonathan Reynolds, the Shadow Secretary of State for Work and Pensions from April 2020 to November 2021, wrote in 2016 about how he “[learnt to stop worrying and love basic income](#).” However, since becoming Shadow Secretary of State, the approach to UBI has become more equivocal. The Labour front bench did not join calls for a crisis Basic income in response to the coronavirus pandemic. Quoted in a 30 July 2020 interview with LabourList, Mr Reynolds said, however, that he remained interested in UBI:

I like benefits that aren't means-tested. I think something that is genuinely comprehensive and universal and open to everyone is clearly a plus.

However, he added that it is “not a magic bullet” and the need to provide additional support for people with disabilities and with housing costs meant

²⁸ Petitions Committee, [Oral evidence: E-petitions session: Support for individuals and households during COVID-19](#), HC754, 17 September 2020, Q12

²⁹ Labour party, [It's time for real change: the Labour Party manifesto 2019](#), 21 November 2019

³⁰ Petitions Committee, [Oral evidence: E-petitions session: Support for individuals and households during COVID-19](#), HC754, 17 September 2020, Q11

that basic income would need to be a “component of the system”.³¹ Quoted speaking at a Labour conference fringe event in the Mirror in September 2021, Reynolds was more sceptical about plans for UBI, and instead hoped to “take the best of that political debate and use it to build a genuinely real world, effective system for the future.”³²

His successor, Jonathan Ashworth, has not yet addressed the issue to the same extent.

The Liberal Democrats

There have been advocates for UBI in the Liberal Democrat Party, and before it the Liberal Party, for some time. The party developed its own proposal for a Citizen’s Income in 1990, although these were subsequently dropped in 1994.³³ During the coronavirus pandemic there has been a resurgence in interest, with Liberal Democrat politicians expressing support for the introduction of a form of Universal Basic Income which the party recently endorsed at its conference in September this year.

Whilst a candidate for the leadership of the party (and as acting leader), Sir Ed Davey argued in April 2020 during a debate in the Commons that:

Economic policy must tackle Britain’s unequal society, so exposed in this crisis, including the poor pay of people in the care sector, the problems with the universal credit system and the low levels of statutory sick pay. All these problems show that we must do far more to increase social justice in our country, and I believe that they show that we should look more seriously at proposals for a universal basic income.³⁴

On 29 July 2020, he set out proposals for a new ‘Sovereign Wealth Fund’ to finance a new UBI scheme. Under this plan, firms unable to pay back their government-backed loans, or who believed repayments would hinder their growth, would be able to exchange the debt for shares which could be used to fund UBI once the business recovered.³⁵ This, he argued, would “help the most vulnerable, who too often slip through our byzantine welfare state, from the homeless to young people starting out” and that it would “recognise the crucial work of millions of unpaid carers in our society”.³⁶

³¹ [Reynolds promises “no return” to George Osborne rhetoric on social security](#), LabourList, 30 July 2020

³² [Labour’s DWP chief pours cold water on Universal Basic Income for every Brit](#), The Mirror, 27 September 2021

³³ [‘Liberal Democrats’ Conference: Citizens Income Plan Dropped](#), The Independent, 22 September 1994

³⁴ [HC Deb 27 April 2020 c156](#)

³⁵ [‘Exclusive: Ed Davey tells Rishi Sunak to fund universal basic income with coronavirus debt-for-shares plan’](#), The House Magazine (PoliticsHome), 29 July 2020

³⁶ [‘Covid economics have made a Universal Basic Income possible’](#), The House Magazine (PoliticsHome), 29 July 2020

At the Liberal Democrat conference on 25 September 2020, the party passed a [motion](#) committing it to “campaign for a Universal Basic Income, paid to all long-term UK residents”, to be “funded in a socially just and equitable manner to create a fair social security system for all”. The party’s Federal Policy Committee will work further on the details of implementation. Announcing the passage of this motion, newly-elected party leader, Sir Ed Davey, argued:

Trials of UBI have suggested it can improve mental health, financial wellbeing, and boost people’s confidence. It can properly value carers and caring for the first time and in practice can be a huge boost to the incomes of many women in particular. It can act as a second safety net for those in difficulty, for the most marginalised who fall through the current complicated system

We never know what’s around the corner. Coronavirus has shown us just how fragile our system is, and how easily it can fail people. From shielding people from another global crisis to rewarding informal caring, we need a system which prioritises social and economic resilience for individuals and for our country.

UBI is a huge step towards the fairer society we, as liberals, should champion. I couldn’t be prouder that so many Liberal Democrats today voted to fix our broken system.³⁷

The Scottish National Party

As explored in section 1.5 above, the Scottish National Party (SNP) Government in Scotland has supported proposals for a Citizens Basic Income, though does not believe these are feasible to enact without UK government cooperation or Scottish independence.

The SNP was vocal in its support for the implementation of UBI across the UK, and in Scotland in particular, during the course of the coronavirus pandemic. During Prime Minister’s Questions on 18 March 2020, before the Government announced the Coronavirus Job Retention Scheme, Ian Blackford MP, leader of the SNP at Westminster, expressed support for a temporary UBI to support people during the crisis and called on the Government to “provide people with the security of a universal basic income”.³⁸

At Prime Minister’s Questions on 22 April 2020, Mr Blackford announced that the SNP was “leading a cross-party call for a universal basic income to finally protect everyone” and to “help to ensure a strong economic recovery and a fairer society”.³⁹

In an article for The House Magazine on 28 April 2020, the SNP Spokesperson for Business, Energy and Industrial Strategy, Drew Hendry MP, argued that “Universal Credit has never been enough to support families”, and that a UBI

³⁷ [‘Lib Dems back universal basic income’](#), Liberal Democrats website, 25 September 2020

³⁸ [HC Deb 18 March 2020 c997](#)

³⁹ [HC Deb 22 April 2020 c45](#)

scheme would support people during the coronavirus crisis, as well as “get us through the recovery phase as we strain our collective muscle to get our economy working again”. He argued that UBI would support the economic changes brought about by increased automation of traditional workplaces and the subsequent effect on the labour market. He further suggested that it would provide “a platform for more productivity – removing low-level risks around entrepreneurship and new small business development”.⁴⁰

The Green Party

The Green Party of England and Wales has for several years been in favour of introducing a UBI scheme. It published a [proposal for a ‘Basic Income’](#) in advance of the 2015 General Election, and in November 2019 announced a proposal for a “fully costed Universal Basic Income for every resident by 2025”. Under these most recent proposals, all benefits aside from Housing Benefit and Carers Allowance would be incorporated into the new payments for every adult of “at least £89” per week (with additional payments for those who face barriers to working), to be phased in over five years.⁴¹

The Party reiterated its calls to introduce UBI during the coronavirus pandemic. Its co-leader, Jonathan Bartley, argued in May 2020 that “[i]t’s clear that only universal and unconditional protection ensures that nobody is left behind”, and that:

Universal basic income says proudly that each of us is deserving of a dignified life, whether or not we are deemed economically productive especially when that toil is often in a pointless job which serves to make men like Richard Branson even richer while driving our climate off a cliff.⁴²

In September 2020, Caroline Lucas MP noted that some people (particularly the self-employed and freelancers) had struggled during the crisis to access adequate support, and called on the Government to adopt UBI to protect people’s incomes during the pandemic:

There is a simple and effective way to start to put things right and a universal basic income delivered via a welfare system that lifts everybody up would be a key cornerstone of that.⁴³

⁴⁰ [‘Universal Credit has never been enough to support families, we need a universal basic income’](#), The House Magazine (PoliticsHome), 28 April 2020

⁴¹ [‘Green Party announced plan for fully costed Universal Basic Income for everyone’](#), Green Party website, 15 November 2019

⁴² [‘Labour’s failure to embrace UBI shows they haven’t grasped the scale of the crisis’](#), Bright Green, 8 May 2020

⁴³ [HC Deb 17 September 2020 c567](#)

2 UK Parliament Material

2.1 Debates

HC Deb, [Universal Basic Income](#), cc51-74WH, 13 Oct 2020

HL Deb, [Income equality and sustainability](#), cc486-525, 6 May 2020

HC Deb, [Universal Basic Income](#), c541, 6 May 2020

HC Deb, [Covid-19: DWP update](#), cc421-39, 4 May 2020

HL Deb, [Covid-19: People living in poverty](#), cc329-43, 30 April 2020

HC Deb, [Universal Basic Income](#), cc420-34WH, 14 September 2016

2.2 Committees

Work and Pensions Committee, [DWP's preparations for changes in the world of work](#), 29 June 2021

Petitions Committee, [Support for individuals and households during COVID-19](#), HC 754, 17 September 2020.

Work and Pensions Committee, [Citizen's Income](#), HC 793, 26 April 2017

2.3 Early Day Motions

[Universal Basic Income pilot in Wales](#)

EDM 53 (session 2021-22)

17 May 2021

Beth Winter

That this House applauds the Welsh Government for committing to a Universal Basic Income (UBI) pilot in Wales; thanks all the Senedd candidates who signed the pledge for UBI ahead of May's elections; acknowledges that

the current system of social security provision in the UK is not sufficient to provide financial security, nor protect public health during the covid-19 outbreak; believes that the provision of UBI would establish a welfare system with no gaps and an income floor that nobody could fall below, with the effect of reducing poverty without lessening the incentive to work; and calls on the Government to provide co-operation through the Treasury, HMRC and the Department for Work and Pensions, in addition to financial support, to enable that pilot in Wales to take place.

[Universal Basic Income pilots](#)

EDM 1092 (session 2019-21)

03 Nov 2020

Beth Winter

That this House acknowledges that the current system of social security provision in the UK is not sufficient to provide financial security nor protect public health during the covid-19 outbreak; asserts that the provision of a Universal Basic Income (UBI) would establish a targeted system with no gaps and an income floor that nobody could fall below, with the effect of reducing poverty without reducing the incentive to work; notes that local authorities and devolved Governments across the four nations of the UK have called for pilots of UBI in their communities; and calls on the Government to provide co-operation through the Treasury and the Department for Work and Pensions, in addition to financial support, to enable those pilots to take place.

[ASSESSING THE FEASIBILITY OF CITIZENS' BASIC INCOME PILOTS IN SCOTLAND](#)

EDM 679 (Session 2019-21)

2 July 2020

Ronnie Cowan

That this House notes the recent publication of the report entitled *Assessing the Feasibility of Citizens' Basic Income Pilots in Scotland* which presents comprehensive and detailed research into the feasibility of a citizens' basic income pilot in Scotland; further notes that it has been developed by a successful collaboration of local government and public health bodies supported by the Scottish Government; and calls on the UK Government to work with the Scottish Government on developing a basic income pilot and to instruct HMRC and the Department for Work and Pensions to co-operate with the Scottish Government as they seek to establish such a pilot scheme.

2.4

Parliamentary Questions

Basic Income

28 Jun 2021 | PQ 901864

Asked by: Christine Jardine,

What recent discussions she has had with the Chancellor of the Exchequer on the potential merits of introducing a universal basic income.

Answering member: Will Quince | **Department:** Department for Work and Pensions

The Secretary of State has not had any discussions with the Chancellor on this issue. This government does not believe a Universal Basic Income has merit, as it does not target provision according to people's needs and circumstances, which would inevitably lead to an inefficient use of public funds.

Universal Basic Income

28 Apr 2021 | 914670 | (HC Deb 28 April 2021 693, cc360-1)

Asked by: David Linden

What recent assessment his Department has made of the potential merits of trialling a universal basic income in Scotland.

Answered by: The Parliamentary Under-Secretary of State for Scotland (Iain Stewart) | **Department:** Scotland

The UK Government's approach to welfare is to recognise the value and importance of work, make work pay and support people into work, while giving extra help to the most vulnerable in society. On that basis, we consider that a universal basic income is fundamentally the wrong approach.

Basic Income

18 Dec 2020 | PQ 128074

Asked by: Sir Mark Hendrick

To ask the Chancellor of the Exchequer, what recent assessment he has made of the potential merits of implementing a universal basic income.

Answering member: Steve Barclay | **Department:** Treasury

There are fundamental problems with the realities of a Universal Basic Income. Providing sufficient support through a UBI would require both a significant reduction in other public spending and an increase in taxation. A flat rate UBI would also not account for the additional needs and costs faced by some and could markedly increase inequality.

We are focussed on helping people get into work, making up to £30 billion available through our Plan for Jobs and have supported those on the lowest incomes through the pandemic by investing an additional £7.4 billion in the welfare system this year.

[Personal Income: Scotland](#)

2 Jul 2020 | PQ 68356

Asked by: Dr Phillipa Whitford

To ask the Secretary of State for Work and Pensions, with reference to the Citizens Basic Income Feasibility Study Steering Group's report entitled Assessing the Feasibility of Citizens' Basic Income Pilots in Scotland, if she will hold discussions with (a) the Scottish Government and (b) HMRC on the potential merits of a universal basic Income pilot in Scotland.

Answering Member: Will Quince | Department for Work and Pensions

I do not intend to meet with the Scottish Government officials to discuss the report on the feasibility of piloting a Citizens Basic Income (CBI) in Scotland as I do not think a CBI is the right approach for the UK. A CBI does not take any account of people's needs and circumstances, is not targeted at the poorest in society and would be hugely expensive.

This government believes Universal Credit is the right strategy for the UK because it simplifies the benefits system, promotes and incentivises work and provides targeted support to those in most need in a way that is affordable.

[Oral Questions to the Prime Minister](#)

1 Jul 2020 | 904107 (HC Deb 1 Jul 2020, c323)

Asked by: Christine Jardine

There are 3 million people in this country who get no support at the moment because they are self-employed or on contract. Our black, Asian and ethnic minority communities have an unemployment rate that is twice the national average and women are disproportionately affected by covid-19. The Prime Minister said a few minutes ago that he stands ready to help. Will he look at a universal basic income so that these people can get the help that they need now? [904107]

Answering Member: The Prime Minister

The hon. Lady raises a very important point about the self-employed. As she knows, we have provided very considerable support as part of the overall package of £120 billion—I think we have given £22 billion altogether through the furlough scheme for employed and self-employed people. Her further suggestion for a universal basic income is one that we have looked at. The best way forward for our country is to get the disease under control in the way that we are doing; get our people back into work; build, build, build; and take this country forward.

[Personal Income: Scotland](#)

24 June 2020 | PQ 64254

Asked by: Owen Thompson

To ask the Secretary of State for Scotland, what assessment he has made of the feasibility of devolving sufficient powers for the Scottish Government to undertake a national basic income experiment per the recommendations of Basic Income Scotland's Report on the feasibility of Scottish Citizens' Basic Income pilots published in June 2020.

Answering Member: Alister Jack | Scotland Office

Since 2016, the Scottish Government have had the power to provide assistance for social security purposes in areas of devolved responsibility. Scotland has significant tax and welfare powers and can top-up existing benefits, pay discretionary payments and create entirely new benefits altogether.

The funding of the Scottish Government's social services programmes is entirely a matter for them out of the funds allocated to it for that purpose. Where the Scottish Government introduces a new policy which has expenditure implications it is for them to find the appropriate funding, including through their own tax raising powers where appropriate.

[Personal Income](#)

24 June 2020 | PQ 64255

Asked by: Owen Thompson

To ask the Chancellor of the Exchequer, whether he has had discussions with Cabinet colleagues on implementing a basic income to support the UK economy's recovery as the covid-19 lockdown restrictions are eased.

Answering Member: Jesse Norman | HM Treasury

The Government is committed to helping families get through this crisis. The Government has announced a significant package of welfare measures to support those who need it most, including a £20 per week increase to the Universal Credit standard allowance.

The Government's approach to welfare is to recognise the value and importance of work, while protecting the most vulnerable in society. The Government considers that there are fundamental problems with the realities of a Universal Basic Income (UBI) and does not see it as an effective method of advancing social equality.

This is because a flat rate UBI does not take into account the additional needs and costs faced by some individuals. It therefore has the potential to increase inequality markedly. Any practical implementation would also be expensive, and would require a significant increase in taxation.

[Personal Income](#)

21 Apr 2020 | PQ 38615

Asked by: Christine Jardine

To ask the Chancellor of the Exchequer, whether he has made an assessment of the potential merits of introducing a universal basic income.

Answering Member: Steven Barclay | HM Treasury

There are fundamental problems with the reality of a Universal Basic Income (UBI). A flat rate UBI would not take into account people's circumstances, and the additional costs faced by some individuals. Therefore, a UBI would not target support where it is most needed.

To protect people's incomes during the Covid-19 crisis, the Government has announced alternative measures, including the Coronavirus Job Retention Scheme and Self-Employment Income Support Scheme, and additional support for low income families which can be delivered quickly and effectively through the existing welfare system. This includes increasing the Universal Credit (UC) standard allowance, the Working Tax Credit basic element, and the rates used to calculate Housing Benefit and the UC housing element. At a time when the Department for Work and Pensions and HM Revenue and Customs are experiencing unprecedented demand, we have rightly prioritised the safety and stability of the existing tax and benefit systems.

[Personal Income: Sheffield](#)

17 June 2019 | PQ 265451

Asked by: Chris Ruane

To ask the Secretary of State for Work and Pensions, if her Department will take steps to monitor the roll out of a universal basic income pilot by Sheffield City Council; and if she will make a statement.

Answering Member: Alok Sharma | Department for Work and Pensions

We are aware of experiments in universal basic income (UBI) around the world and we do not believe there is a case for UBI. We believe Universal Credit is the right approach for the UK because it simplifies the benefit system, promotes and incentivises work, including progression in work, and provides targeted support to those in most need in a way that is affordable.

In February 2018 the OECD concluded in its [survey of the Finnish Economy](#) that the complexity of the current benefits system in Finland was an obstacle to stepping into work and that the basic income experiment, whilst possibly enhancing work incentives, may increase poverty and would require increasing income taxation by nearly 30%. More recently, findings from the evaluation of the Finnish basic income experiment show some improvement in perceived wellbeing, but that it did not increase the employment level of the participants in the first year of the experiment. The OECD also developed a scenario for Finland inspired by the UK's Universal Credit (UC). They found that this 'would consistently improve work incentives and reduce complexity, with limited changes to the income distribution and limited fiscal cost.

This [OECD blog post](#) is particularly useful on the OECD's work to compare UBI and UC.

3 Devolved Parliaments/Assemblies

3.1 Welsh Parliament/Senedd Wales

Welsh Government, [Written Statement: Basic Income Pilot for Care Leavers in Wales](#), 16 February 2022

Welsh Government, [Universal Basic Income](#), OQ56695, 23 June 2021

[Universal Basic Income, Motion NDM7384: Jack Sargeant](#), 30 September 2020

3.2 Scottish Parliament

Parliamentary proceedings

Scottish Parliament, [Universal Basic Income](#), 27 March 2019

Scottish Parliament, [Citizens Basic Income Pilot Schemes](#), 24 January 2019

Committee proceedings

Social Security Committee, [Oral session: Citizens Basic Income Pilots](#), 28 November 2019

Social Security Committee, [Oral session: Citizen's income](#), 9 March 2017

3.3 Northern Ireland Assembly

Assembly Questions

[Short-term Basic Income](#)

18 March 2020 | AQW 3818/17-22

Asked by: Colin McGrath

To ask the Minister for the Economy what consideration is being given to the provision of a short-term basic income model especially for self employed people to assist them during the COVID-19 outbreak.

Ministerial Answer:

The cost of a short-term basic income model, for the self-employed is beyond the funding envelope available to the Northern Ireland Executive. Consideration of such a proposal would be a matter for the UK Government. However, this is an evolving situation and my Department, along with Executive colleagues, continue to explore all potential options to identify further means of offering support to as many local businesses as possible during the Covid-19 pandemic.

Currently there are UK wide means of support available to the self-employed, including the Self-employed Income Support Scheme. This offers 80% of trading profits up to a maximum of £2,500 per month for 3 months. To date over 69,000 claims have been made to the scheme from individuals in Northern Ireland. Other support is available such as HMRC Time to Pay, Income Tax Deferral, the recently extended mortgage holiday and changes to the rules of Universal Credit. Further details are available at <https://www.nibusbusinessinfo.co.uk/business-support/coronavirus> .

Specific to Northern Ireland, the Minister of Finance announced a 3 months rates holiday which has been extended by one month for all businesses and for the remainder of this financial year for businesses in the retail, hospitality, tourism and leisure sectors, childcare facilities and Belfast City Airport, Belfast International Airport and the City of Derry Airport.

Additionally, on 5 May 2020 I announced the development of the NI Microbusiness Hardship Fund. Self-employed people who employed at least one other person were eligible to apply for the fund. This scheme closed to new applications 12 June 2020.

[Short-term Basic Income](#)

18 March 2020 | AQW 3815/17-22

Asked by: Colin McGrath

To ask the Minister of Finance what consideration is being given to the provision of a short-term basic income model, especially for self-employed people, to assist them during the COVID-19 outbreak.

Ministerial Answer:

I have lobbied the British Government on provision for the self-employed and the Chancellor announced the Coronavirus (COVID-19) Self-employment Income Support Scheme on the 26th of March 2020.

I am disappointed that the first payments from this scheme are not expected until the beginning of June. My officials will be working with their Treasury counterparts to monitor its impact locally and I will continue to press Treasury Ministers on their support for the self-employed.

4 Press Articles

The following is a selection of reports and other articles relevant to Universal Basic Income (UBI). Please note that the Library is not responsible for either the views or accuracy of external content.

[Basic income could cut poverty to lowest for 60 years at no net cost, according to new research](#)

University of York

20 May 2022

[The pandemic exposed a clear feminist argument in favour of universal basic income](#)

The Independent

27 March 2022

[Wales trials paying universal basic income of £19,200 a year](#)

The Independent

9 March 2022

[Universal basic income can be the worst of all worlds - but 'free money' schemes do work](#)

The Guardian

18 February 2022

[What is universal basic income? Wales trial explained and how likely the scheme is to emerge in rest of the UK](#)

The i

16 February 2022

['A basic income to improve population health and well-being in Wales?'](#)

Public Health Wales

22 June 2021

[What might a Universal Basic Income mean for Wales?](#)

Senedd Research

17 June 2021

[Is Universal Basic Income a good idea?](#)

Joseph Rowntree Foundation

27 May 2021

[Cheques and balances: Might the pandemic pave the way for a universal basic income?](#)

The Economist

4 March 2021

[Lib Dem members expected to commit party to UBI in vote at online conference](#)

The Independent

24 September 2020

[Leeds becomes largest city in UK to call for UBI pilot](#)

The Independent

17 September 2020

[“Our generation’s NHS”’: Support grows for UBI](#)

The Guardian

10 August 2020

[Citizen’s basic income: Pilot scheme “challenging but desirable”](#)

BBC News

11 June 2020

[Spain to push through minimum income guarantee to fight poverty](#)

The Financial Times

28 May 2020

[Furlough scheme strengthens case for UBI, says Institute for Economic Affairs](#)

The Times

26 May 2020

[A universal basic income to safeguard our future](#)

The Royal Society for Arts, Manufactures and Commerce

Ronnie Cowan MP

13 May 2020

[Finnish trial of UBI should encourage similar system in the UK](#)

The Scotsman

6 May 2020

[Coronavirus in Scotland: Nicola Sturgeon eyes plans for UBI](#)

The Times

5 May 2020

[More than 100 UK opposition politicians call for UBI after lockdown](#)

Financial Times

22 April 2020

[Coronavirus: Over 170 MPs and Lords call for UBI during pandemic](#)

The Independent

20 March 2020

[DUP joins Commons call for basic universal income as Covid-19 crisis deepens](#)

The Irish News

19 March 2020

[Government considers UBI to help workers through coronavirus crisis](#)

The Telegraph

18 March 2020

5 Further reading

5.1 Recent reports and briefings

Cemal Karakas, [Basic income: Arguments, evidence, prospects](#), European Parliament briefing, September 2016

OECD, [Basic income as a policy option: can it add up?](#), policy briefing, May 2017

Andrew Harrop and Cameron Tait, [Universal basic income and the future of work](#), Fabian Society report commissioned by the TUC, July 2017

Luke Martinelli, [Assessing the Case for a Universal Basic Income in the UK: An IPR Policy Brief providing a detailed insight into the implications of implementing a universal basic income](#), University of Bath, September 2017

Chris Goulden, [Universal Basic Income - not the answer to poverty](#), Joseph Rowntree Foundation blog, 25 April 2018

Stewart Lansley and Howard Reed, [Basic Income for All: From Desirability to Feasibility](#), Compass, January 2019

World Bank, [Exploring Universal Basic Income : A Guide to Navigating Concepts, Evidence, and Practices](#), February 2020

Citizens' Basic Income Feasibility Study Steering Group, [Assessing the Feasibility of Citizens' Basic Income Pilots in Scotland: Final Report](#), June 2020

Disclaimer

The Commons Library does not intend the information in our research publications and briefings to address the specific circumstances of any particular individual. We have published it to support the work of MPs. You should not rely upon it as legal or professional advice, or as a substitute for it. We do not accept any liability whatsoever for any errors, omissions or misstatements contained herein. You should consult a suitably qualified professional if you require specific advice or information. Read our briefing '[Legal help: where to go and how to pay](#)' for further information about sources of legal advice and help. This information is provided subject to the conditions of the Open Parliament Licence.

Sources and subscriptions for MPs and staff

We try to use sources in our research that everyone can access, but sometimes only information that exists behind a paywall or via a subscription is available. We provide access to many online subscriptions to MPs and parliamentary staff, please contact hoclbraryonline@parliament.uk or visit commonslibrary.parliament.uk/resources for more information.

Feedback

Every effort is made to ensure that the information contained in these publicly available briefings is correct at the time of publication. Readers should be aware however that briefings are not necessarily updated to reflect subsequent changes.

If you have any comments on our briefings please email papers@parliament.uk. Please note that authors are not always able to engage in discussions with members of the public who express opinions about the content of our research, although we will carefully consider and correct any factual errors.

You can read our feedback and complaints policy and our editorial policy at commonslibrary.parliament.uk. If you have general questions about the work of the House of Commons email hcenquiries@parliament.uk.

The House of Commons Library is a research and information service based in the UK Parliament. Our impartial analysis, statistical research and resources help MPs and their staff scrutinise legislation, develop policy, and support constituents.

Our published material is available to everyone on commonslibrary.parliament.uk.

Get our latest research delivered straight to your inbox. Subscribe at commonslibrary.parliament.uk/subscribe or scan the code below:



 commonslibrary.parliament.uk

 [@commonslibrary](https://twitter.com/commonslibrary)