

UNIVERSAL BASIC INCOME OR UNIVERSAL BASIC WORK

UNIVERSAL BASIC INCOME

Universal Basic Income (UBI) is a proposed social policy where governments provide regular, unconditional cash payments to all residents, regardless of their income or employment status. Designed to combat poverty, reduce bureaucracy, and provide a safety net against automation-driven job loss, it aims to guarantee a basic living standard. This policy is gaining traction among socialist minded persons and is supported by research that alleges great benefits for a society and its economy. Other than taxing the wealthy, there is no other explanation as to how these payments would be funded. Socialist Modern Monetary Theory, advocates that the government should just print whatever money they require to meet this cost. If you accept and follow the socialist logic, then in theory, this could work, but relying upon taxing the wealthy and then printing money to cover the shortfall, is where their case falls down. The wealthy do not like paying tax and most will leave a country that tries to force them. So, the revenue is unlikely to come from taxing the rich. This leaves MMT, which again, in theory, could work, but will place great pressure on inflation, which would negate any benefits the UBI was intended to provide.

UNIVERSAL BASIC WORK INCOME

If we take the concept of UBI; and for the purposes of this exercise ignore the negative effects of printing money, then could UBI be used in a more constructive way. Rather than paying people for doing nothing, why not pay them to work and earn, this way you will receive something in kind for the money expended. The reason why people leave the countryside to live in the urban areas, is, for work. The countryside simply does not have enough jobs to warrant staying. So, could a Universal Basic Work policy change this. If people could be guaranteed enough work and earnings, would this stop them leaving the countryside. The answer is, yes. Printing money where there is no return of the money, is a recipe for hyperinflation. But what if the money was printed solely for the purposes of paying a wage and not for wage increases. If the money is just used to pay wages for the purposes of creating jobs, then in theory, you are just stimulating the local economy by creating jobs, which in turn help the local community to thrive. Which is more beneficial, paying someone the dole not to work or paying someone a basic normal wage and have them work.

HELPING BUSH TOWNS TO SURVIVE AND GROW

Every town should have the following;

Bank, Post Office, Dentist, Doctor, Baker, Butcher, Green Grocer, Food Store, Chemist, Mechanic, Police Station, Fire Station, Ambulance, Council Office, Café, Pub, Restaurant and Hairdresser.

The problem is being able to make a living. If a town only has 520 people, then the hairdresser can cut on average 10 heads per week. At a typical one-hour session, that is ten hours a week work. Even At \$40 per haircut, this is only \$400 a week or \$20,800 a year. This is not enough to live on, so, there is no incentive to open a hairdresser in the town. This typifies the problems facing bush towns. Not enough people to generate enough income. Towns will not grow because business cannot thrive. Without business there is nothing to incentivise the growth of the town, in fact, the opposite happens and people leave, compounding the problem.

If you have a Universal Basic Work Income, that guarantees you to have work, that will pay you the minimum income, then business owners can run their own business part-time, whilst supplementing their income by working on the Government Work Programme.

The forestry clearance programme, where people clear the undergrowth of the surrounding bush land and forests, will enable local residents to have guaranteed work, with a guaranteed income. This is better than the dole, as it will incentivise people; and potential businesses can open, in the knowledge that they will have two income streams.

Investing into the Universal Basic Work Income will indirectly invest into the bush communities, enabling towns to thrive and grow. Pensioners and workers can all apply to work on the Government Work Programme to supplement their income. With a focus of investing in the bush, we will help preserve the country life of Victoria and Australia. Also, strategically placed specialised industries, such as munitions manufacturing or military or industrial equipment manufacturing, will all help create and grow employment in the country areas. With an emphasis of ensuring that each town

has the minimum amenities, each town should thrive. Tax incentives should be introduced to encourage people to move to country towns.

Low-cost sovereign houses along with low-cost council houses, will help the poor of the town to maintain a life style, all whilst the town is invigorated.

Build a new building that houses the post office, bank, police station and fire station. Rear parking for the police car, ambulance and fire truck. Small vehicles as opposed to the full-size standard ones. You employ two Police officers, two firemen, one fireman can double as the ambulance driver, so he would be trained with basic medical paramedic training.

The same with the Doctor, dentist and small surgical theatre for minor operations.

Full employment costs, but it will help build regional Victoria.

YOU USE A PROBLEM TO FIX A PROBLEM VIA GOVERNMENT WORK PROGRAMME

So, take unemployed. They are being paid to do nothing. It is morally wrong that an able-bodied man should be paid to sit around doing nothing all day. It is no good for them and no good for the country.

We will abolish the dole and replace it with a government work programme. You will report to your local council and they will enrol you on to the work programme. You will be employed for a 37.5-hour week and paid \$10 per hour. This is slightly more than you get on the dole, but less than the current minimum wage. The point of this is that you are not meant to stay on the work programmes for ever, they are simply something for you to do whilst you are looking for full time employment. There is no mandatory requirement for you to join the work programme, in fact, you can sit at home. The only difference to now, is that we will not pay you to sit at home doing nothing.

Because we will have an increase in manpower, we will be able to do all those tasks that are just left. Such as removing graffiti, weeding foot paths and roads, picking up litter, cleaning rivers, restoring river banks and eco systems, cleaning beaches and coast lines of all plastic and rubbish, cleaning the seashore of rubbish in the water and clearing undergrowth in the bush.

Currently the practice of back burning is the only method in use to reduce fuel for bush fires. The back burning is thorough, but it kills slow creatures, that cannot out run the flames. The resultant smoke also adds to the air pollution. We are not opposed to back burning and will undertake it where and when necessary. However, as we have an army of workers, we propose that we will use those workers to enter the forests to manually clear the undergrowth of bush fire fuel and to collect all the leaves, bark and brambles and mulch them to create compost. This process of physically removing the undergrowth, will allow creatures to escape, it will cause less damage to the forest and we get the benefit of collecting large quantities of green waste that can be recycled into compost. The main focus of the work programmes will be centred on the bush surrounding towns and villages that are exposed to potential bushfires.

The green waste collected will be taken to special sites through the state, where the waste will be mixed with common household green waste to create large scale compost and soil. The process will take a few years to get going, but as we start creating composted soil, this soil can then be transported to land that we will start rejuvenating. Dead or dying land can be covered with the compost soil and dug in to reform the soil. Then we can plant saplings to hold the soil together and to allow the water table to be lowered or allow the ecosystem to recover. This process will be especially good for those areas of land that have been over farmed and defoliated resulting in the water table rising and bringing salt to the surface. We will remove the salt and the top layer of salty soil, which will be transported to a site to be de-salted and then the process of using the compost soil to rejuvenate the land will be repeated. Over many years we will be able to recover lost farming land and convert it into mini forests. All this would not be possible if we didn't put the unemployed to work.

THE COST - UBW OR GWP OR DOLE

Dole Annual – \$20,633

Minimum Wage – \$49,000

UBWI – \$45,600

So, if the minimum wage is \$49K, if we make the Government Work Programme similar, this then becomes the Universal Basic Work Income. Better than the dole, but slightly less than the minimum wage.

$\$25 \times 38 \text{ hours} = \950 week 48 weeks = \$45,600

They have four weeks unpaid leave. No super is applied, No Tax, No Medicare

Hairdresser Example:

Own Job Saturday 10 hours – 10 customers \$40 per hair cut = \$400 = Annual \$20,800

GWP Monday – Friday 38 hours – \$25 per hour = \$950 = Annual \$45,600

Total Annual income \$66,400 most of which is tax free.

Cost Difference Per Person

181,000 unemployed Victorians

\$793.60 Dole fortnight = \$20,633.60

GWP \$45,600 – Dole \$20,633 = \$24,967

Total Cost Difference

181,000 x GWP 45,600 = 8,253,600,000

181,000 x Dole 20,633 = 3,734,573,000

Difference = \$4,519,027,000

Number of Regional Country Unemployed

4% Regional Country Unemployed (181,000 x 4%) = 7240

7240 x \$24,967 = \$180,761,080

To employ all the Regional Country Unemployed will cost an extra \$180,761,080 per annum. The dole payments of \$149,382,920 for the 7240 unemployed would need to be redirected and combined with the Government Work Programme Payments making a total of \$330,144,000.