

POSITIVE CONSEQUENCES OF THE BASIC INCOME (2004)

- 1. Rationalisation and simplification of the present social security system** with the corollary of reduced administrative costs.
- 2. Guaranteed subsistence** for all – including those who are today excluded: parents at home, artists, self-employed, etc... The Basic Income is a better way of fighting insecurity, for it prevents it. And it does not preclude earnings from work.
- 3. Individualisation of social security:** The Basic Income is given to the individual without regard to his/her family or personal situation, whom one lives with, what responsibilities one has, etc. Society was characterised, earlier, by stable employment usually given to the father of the family; today society is one of unstable employment with an increased female workforce, in which all family members claim financial and psychological independence. The Basic Income represents a policy better adapted to such a society and recognises the undeniable dignity of each individual.
- 4. Recruitment incentives:** Being able to receive both the Basic Income and a salary encourages the creation of jobs of low financial worth, but of high social value: the district nurse, the social welfare officer, home help for the incapacitated, etc.
- 5. Abolition of the unemployment trap:** When welfare allowances are conditional, those out of work must find a job that is financially attractive before letting go of their unemployment benefit and taking up work again. When the Basic Income is unconditional and can be added to salary, even low salaries can give an acceptable total sum. Finding work and taking it up again is no longer penalised.
- 6. Reduction of the cost of labour** and, in consequence:
 - employers can more easily increase salaries,
 - taking up a second activity is facilitated,
 - firms will regain their competitiveness, above all internationally, without having to relocate,
 - the addition of new activities, requiring the hiring of new staff, will no longer be hindered,
 - better conditions for exporting will lead to improvement in the trade balance,
 - job creation will occur without the need for State intervention.