

New report on distributional and work incentive effects of basic income

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In "Exploring the Distributional and Work Incentive Effects of Plausible Illustrative Basic Income Schemes," Author Dr Luke Martinelli, Research Associate on the IPR's research project 'Examining the Case for a Basic Income', draws on microsimulation data to model the distributional and work incentive effects that various basic income schemes might have.

Developing on work presented in Dr Martinelli's previous publication. The Fiscal and Distributional Implications of Alternative Basic Income Schemes, published in March 2017, the new report explores in more detail the impact of basic income schemes by sex and disability status, and provides a crucial analysis of how a basic income could affect people's motivation to work.

Dr Martinelli commented: "This study moves beyond existing analyses in two important ways. Firstly, it represents an attempt to really dig into the effects of alternative basic income schemes on households containing disabled adults, female-headed households, workless households, and households in receipt of means-tested benefits. The second contribution of our work, unique among UK microsimulation analyses, is to present data on how different models of basic income would affect individuals' financial work incentives."

"Both of these elements are crucial to efforts to evaluate whether basic income has desirable effects and what types of design features would help make the policy politically feasible. The models we examine in this



paper present a number of issues that basic <u>income</u> advocates will have to address as they think about implementation and policy design more closely."

More information: Exploring the Distributional and Work Incentive Effects of Plausible Illustrative Basic Income
Schemes, www.bath.ac.uk/ipr/publication...on-basic-income.html

Provided by University of Bath

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