We need Emergency Basic Income now!

To: Parliament and Government

We are in a critical period with the Covid-19 pandemic and it is very important that the population can meet their basic needs. Much of the activity in the business community has stopped and it is uncertain when or if it will start again. The population has very limited opportunity to earn extra income.

Our welfaresystem(NAV) now has a huge number of applications for unemployment benefit and it is uncertain whether they will be able to handle it. For many, a delay or not receiving unemployment benefit or other income will be very problematic.

In addition, there are other groups that fall through our welfare-net and have no form of income security. BIEN Norway therefore will propose an Emergency Basic Income as an effective and practical solution that can relieve NAV and ensure the safety of the population in a very unpredictable time.

BIEN Norway proposes to pay a cash amount of 19,000 NOK(1850 USD) to all Norwegian citizens who are between 18 and 67 years of age. This sum represents the poverty line based on OECD calculations, which is 50% of median income which is a more conservative sum than the EU poverty line, which is at 60% of median income.

We suggest the following specifications of the payouts:

* The amount should be paid every month for three months to come, with the possibility of prolonging.

* You can choose not to receive the cash amount if you do not need it.

* Unemployed people will receive the post-paid unemployment benefit which exceeds the amount, while everyone who has less income irrespective of their connection with the worklife will keep the whole amount.

* The cash amount can be settled in relation to the tax settlement. The amount is in principle a repayment on future tax payments, and is settled in the tax settlement for 2020. To avoid excessive residual tax level, the maximum level of «minimum-deduction» is raised to NOK 150,000(14,600 USD) which all are granted regardless of income. Anyone who does not reach such a large taxable income after these adjustments should not be required to repay.

This solution will allow us to avoid delays and thus spend less time and resources on calculating details of who is entitled to what kind of benefits.
The board of BIEN Norway,

v Anja Askeland (leader) and Kristine Endsjø (spokesperson)

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