



OFFICE OF THE PARLIAMENTARY BUDGET OFFICER
BUREAU DU DIRECTEUR PARLEMENTAIRE DU BUDGET

Cost Estimate of Election Campaign Proposal

Publication Date:	September 2021						
Short Title:	Financial support for families hosting senior parents						
Description:	Introducing a non-taxable payment for adult children hosting parents 70 and older in their home. The benefit will be equal to an indexed \$200 per month and adjusted according to the sliding scale income test of the Canada Child Benefit.						
Cost of Proposed Measure:	\$ millions	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	Total
	Total cost	450	471	497	526	555	2,500
Notes:	<ul style="list-style-type: none">· Estimates are presented on an accrual basis as would appear in the budget and public accounts.· A positive number implies a reduction in the budgetary balance (lower revenues or higher spending). A negative number implies an increase in the budgetary balance (higher revenues or lower spending).· "-" = PBO does not expect a financial cost.						
Estimation and projection method:	Census data and SPSD/M ¹ were used to project the number of seniors living with adult children by income decile of the adult children. Where applicable, the benefit was then reduced to account for the income test based on the Canada Child Benefit. A behavioural response was not incorporated.						
Sources of Uncertainty:	The main sources of uncertainty relate to the projection of the number of seniors living with adult children and their corresponding income.						
Data Sources:	Variable	Source					
	Elderly living with adult parents	Census of 2016					
	Income deciles of Canadian families	Statistics Canada					
	Projections of population and incomes	SPSD/M					

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¹ This analysis is based on Statistics Canada's Social Policy Simulation Database and Model (SPSD/M). The assumptions and calculations underlying the SPSD/M simulation results were prepared by the Office of the Parliamentary Budget Officer (PBO) and the responsibility for the use and interpretation of these data is entirely that of the PBO.