# Legislative Costing Note

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| Announcement date: | 2020-03-25 (C-13) |
| Publication date: | 2020-04-02 |
| Short title: | Increase to the maximum annual Canada Child Benefit (CCB) payment amounts |
| Description: | Increasing the Canada Child Benefit by $300 per child for the month of May 2020. The benefit for children under the age of six will increase from $6,639 to $6,939 and the benefit for children ages six to seventeen will increase from $5,602 to $5,902. |

**Data sources:**

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| 2019-2020 CCB benefit: | Canada Revenue Agency's indexation adjustment for personal income tax and benefit amounts |
| $300 increase to CCB: | Government of Canada, Department of Finance |

**Estimation and projection method:**

This analysis is based on Statistics Canada's Social Policy Simulation Database and Model. The assumptions and calculations underlying the simulation results were prepared by the PBO and the responsibility for the use and interpretation for these data is entirely that of the PBO. PBO used SPSD/M v. 28.0 to estimate the cost of this measure as well as the number of recipients. The 2019-2020 CCB benefit amounts were entered into SPSD/M for the baseline year, and the increased amounts were entered into the variant year.

This estimate accounts for any interactions with the previously announced increase to the Basic Personal Amount. PBO used its glass box file to account for this interaction. The Commodity Tax flag was de-selected.

**Aggregate Results:**

$1.9 billion for 2020-21;

3.4 million recipients with an average benefit of $556 per recipient.

**Source of Uncertainty:**

SPSD is a simulated database and the resulting calculations may differ from actual payments. PBO does not expect a behavioural response to this announcement.

**Prepared by:**

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## Cost of proposed measure

| $ millions | 2020-2021 |
| --- | --- |
| Total cost | 1,900 |

Notes:
Estimates are presented on an accruals basis as would appear in the budget and public accounts.
Positive numbers subtract from the budgetary balance, negative numbers contribute to the budget balance.
"-"   = PBO does not expect a financial cost