

Election Proposal Costing

Funding a guaranteed liveable income in Prince Edward Island

April 25, 2025

Partially funding a guaranteed liveable income (GLI) in Prince Edward Island, effective January 1, 2026.

Cost of Proposed Measure (\$ millions)

Fiscal Year	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Total
Basic cost	-13	-53	-54	-55	-57	-232
Interaction cost	1	5	5	6	6	24
Total cost	-12	-47	-49	-50	-51	-208

Notes

- Estimates are presented on an accrual basis as would appear in the budget and public accounts.
- A positive number implies a deterioration in the budgetary balance (lower revenues or higher spending). A negative number implies an improvement in the budgetary balance (higher revenues or lower spending).
- Totals may not add due to rounding.

Estimation and Projection Method

The list federal funding measures identified in Appendix A of the 2025 PBO report ([A Distributional Analysis of a National Guaranteed Basic Income – Update](#)), excluding basic personal amounts (BPAs), along with Canada disability benefit, will be used to fund part of the proposed GLI in Prince Edward Island.

Interactions of this measure with the proposed change to the BPAs to \$40,000 for individuals with net income less than \$100,000 were also incorporated.

SPSD/M was used to calculate the federal measures in Prince Edward Island.¹ To incorporate interaction costs, we calculated the difference in the cost of federal measures under scenarios with and without the proposed change in the BPA.

Sources of Uncertainty

The main sources of uncertainty relate to the income structure and distribution assumptions in SPSPD/M.

Data Sources

Federal offsets

SPSD/M 30.3, Statistic Canada

Projected CPI

PBO EPC baseline

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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 SPSPD/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.

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