

Canada Disability Benefit



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The Canada Disability Benefit (CDB) will provide monthly payments of up to \$200 (indexed to inflation) to individuals with disabilities aged between 18 and 64. The amount will vary based on the income and marital status of the recipients and their spouses, if applicable. Eligibility for the benefit begins in June 2025, with payments starting in July 2025.

The PBO estimates that this measure will cost \$6.5 billion from 2025-26 to 2029-30.

5-Year Cost

\$ millions

Fiscal year	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Total
Total cost	936	1,211	1,335	1,445	1,556	6,482

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

PBO used its model of the Canada Disability Benefit (CDB) to project the program costs. The model used data from Statistics Canada's 2017 Canadian Survey on Disability (CSD) and updated Canada Revenue Agency (CRA) data on disability tax credit (DTC) certificates to estimate take-up rates for CDB benefits. The CSD data was linked to income data from the 2017 T1 Family File, which were used to calculate the benefit reduction amounts of each recipient.

Statistics Canada's Social Policy Simulation Database/Model (SPSD/M)¹ and PBO's Election Proposal Costing (EPC) baseline were used to project income growth and inflation. Historical growth in the number of working-age DTC certificate holders was used to scale the projected take-up rates into future years. Administrative cost was assumed to be 2 per cent of benefit cost, as was done in PBO's 2023 CDB report.

Sources of Uncertainty

The main sources of uncertainty relate to the data and assumptions for CDB take-up, as well as the growth of CDB take-up over the projection period. There is also uncertainty around the projections of income, disability severity, and inflation.

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Data Sources

Statistics on disability severity, Disability Tax Credit (DTC) certificates and usage

Statistics Canada Canadian Survey on Disability, [CRA Disability Tax Credit statistics](#), CRA response to PBO information request IR0769

Income data and future income projections

Statistics Canada SPSPD/M, PBO EPC baseline, T1 Family File 2017

Consumer Price Index (CPI)

PBO EPC baseline

Administrative cost ratio

[The Canada Disability Benefit: Model and Scenarios](#)

¹ This analysis is based on Statistics Canada's Social Policy Simulation Database and Model (SPSPD/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.