

Election Proposal Costing

Increasing Guaranteed Income Supplement benefits

April 19, 2025

Increasing Guaranteed Income Supplement (GIS) benefits by 5%, from July 1, 2025 to June 30, 2026.

Cost of Proposed Measure

Fiscal year	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Total
Total cost \$ millions	1,137	391				1,527

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 cost of the proposed measure was estimated as the difference between the proposed increase in GIS benefits and current GIS benefits. Statistics Canada's Social Policy Simulation Database and Model (SPSD/M) 30.3¹ was used to estimate the proposed 5% increase in GIS benefits. SPSPD/M estimates were adjusted using PBO's EPC baseline projections of the Consumer Price Index and elderly benefits. A behavioural response was not incorporated.

Sources of Uncertainty

The main source of uncertainty relates to the projected number of GIS recipients and the Consumer Price Index.

Data Sources

GIS and Other Related Benefits and Total Elderly Benefits

SPSD/M 30.3, Statistics Canada

CPI and Total Elderly Benefits Projections

EPC Baseline – April 2025, Office of the Parliamentary Budget Officer

1. This analysis is based, in part, 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.

