

# Social Policy Simulation Database and Model, version 28.0

*Released at 8:30 a.m. Eastern time in The Daily, Monday, December 2, 2019*

The Social Policy Simulation Database and Model (SPSD/M), version 28.0, is now available. This version is based on 2016 data and incorporates changes resulting from government announcements between May 1, 2019 and November 15, 2019. It can be used to study the effects of changes to federal and provincial tax and benefit programs on families and governments from 1997 to 2025.

The SPSP/M is a tool designed to analyze the financial interactions of governments and individuals/families in Canada. It allows estimation of the income redistributive effects or cost implications of changes in personal taxation (including the Goods and Services Tax and other commodity taxes) and cash transfer systems. The SPSP/M facilitates the analysis of the potential effects of changes in taxes, earnings, demographic trends and a wide range of other factors.

Given specified assumptions, the SPSP/M allows users to answer "what-if" types of questions. What if there were changes to the taxes Canadians paid or to the transfers they received—who would gain and who would lose? Would single-parent households in a particular province be better off? By how much? How much extra money would federal or provincial governments pay out or collect?

The SPSP/M includes both a database (SPSD) and a model (SPSM). The SPSP is a synthetic database that statistically represents individuals in their family context with enough information on each individual to compute taxes paid to, and cash transfers received from, federal and provincial governments. It is created by statistically combining data from survey and administrative sources, including the Canadian Income Survey, the Survey of Household Spending, the T1 Family File, and Employment Insurance administrative data.

The SPSM is a static accounting model that processes each individual and family on the SPSP, calculates transfers and taxes (including income, payroll, and commodity taxes) using legislated or proposed programs and algorithms, and reports on the results. Detailed documentation on both the database and model is included with the SPSP/M.

*The Social Policy Simulation Database and Model (SPSD/M), version 28.0, is available by Electronic File Transfer ([89F0002X](#)).*

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