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Report summary

Collecting CPP/QPP at 60 and the Guaranteed Income Supplement (GIS)

2026

Strategic and Service Policy Branch, Social Policy Directorate

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Why this study

The Guaranteed Income Supplement (GIS) provides extra money to Canadian seniors who have low-income. To get GIS, total income after age 65 must stay below a set limit. Total income changes when a person starts getting Canada Pension Plan (CPP) or Quebec Pension Plan (QPP) benefits.

If seniors claim CPP/QPP early at age 60 rather than at 65, there is a permanent cut in monthly payments of about 36%. While this lowers their total retirement income, it may also make some retirees eligible for GIS.

This study looks at how the timing of CPP/QPP benefits affects retirement income. It asks:

- How does income change for people who retire at 60 compared to 65?
- Does starting CPP/QPP early at 60 make it more or less likely that seniors get GIS after age 65?
- Does starting CPP/QPP at 60 change how much GIS people get at 65?

What we did

We used tax data from 2012 to 2019 to see how retiring early affects income sources like the GIS. First, we looked at how common early retirement is. Then, we compared the income from each source for people who retire early at 60 and those who wait until 65. Finally, we examined how early retirement changes the chances of getting GIS and the amount received.

We also looked at personal factors like income level, family size, and whether someone was born in Canada or immigrated. We studied groups who retired over several years to see both short-term and long-term differences.

What we found

- Many people retire early: Of the retirees we looked at, about 65% start collecting CPP/QPP at age 60. This shows that most prefer to retire early.
- Retiring early means less money: People who retire at 60 earn up to 16% less than those who retire at 65. This is because they get smaller payments from CPP/QPP, GIS, and Old Age Security (OAS).

- Early retirees are eligible for GIS a little more often: They are 12% more likely to get GIS than others at their age, but when they do, they get about 16% less money.
- Who you are matters more than when you retire: Low-income seniors and recent immigrants depend on GIS much more than early retirees. Immigrants are up to 14 times more likely to qualify and can get twice as much GIS as Canadian-born seniors.

What it means

Seniors retiring early do not create a big risk for government spending. Issues like poverty and the challenges faced by immigrants are much more significant. Poor and immigrant seniors depend on the GIS far more than people who retire early.

Our study also shows that retiring early is not a good way to get the most money during retirement. People who retire early usually have lower total income because their CPP/QPP payments are smaller. They also receive less GIS when they qualify.

Contact us

For access to the full report, please contact us using the email address below.

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