

Spring 2026 Debt Management Strategy Consultations

Overview

The Department of Finance and the Bank of Canada (BoC) are seeking the views of government securities distributors (GSDs), institutional investors, and other interested parties on the Government of Canada's (GoC's) domestic debt program and relevant market developments.

The fundamental objectives of the debt management strategy (DMS) are to raise stable and low-cost funding to meet the financial needs of the GoC and to maintain a well-functioning market for GoC securities. Regular consultations with market participants are an integral part of this. Under the [new budget cycle](#), in-person consultations for the preliminary 2027–28 DMS (to be published in the fall 2026 budget) will be held in Spring 2026.

The listed questions follow from the [2026–27 DMS](#) and [comments from Fall 2025 consultations](#).

GoC bonds and treasury bills

Projected gross domestic issuance of bonds and bills for 2026–27, versus previous fiscal years

Billions of dollars, end of fiscal year

	2024–25 Actual	2025–26 Actual	2026–27 Projected
Treasury bills	285.2	285.7	291
2-year	94.0	120.8	110
5-year	63.0	84.0	80
10-year	63.0	84.5	80
30-year	17.0	24.0	24
Green bond	4.0	4.5	4
Total domestic issuance	526.2	603.5	589

Source: Department of Finance Canada. [Budget 2025, Annex 4: Debt Management Strategy](#). (2025–26 numbers updated)

Notes: Rounded to nearest \$100 million. 2025–26 numbers include off-the-run reopenings.

1. How would you characterize the evolution of dealer and client participation dynamics in GoC auctions, in the context of increased issuance in recent years?
2. Have you seen any shifts in demand for GoC securities relative to other Canadian dollar instruments across the curve? How might market borrowing trends affect this?
3. How has non-resident demand for GoC securities evolved across tenors and for different investor types?
4. How aligned is the 2026–27 bond program with your and your clients' needs? What key factors, such as well-functioning markets, should be considered when determining issuance amounts in 2027–28?

5. The GoC plans its annual issuance with guidance from a [Medium-Term Debt Strategy](#), which considers market functioning constraints in future years. How do you see minimum issuance sizes and maximum absorbable amounts evolving across each bond and bill tenor, given the [projected fiscal path](#) (see [Table A1.10](#))?

Repo and other markets

6. How has the evolution of balance sheet constraints for some dealers affected your activities? Have you observed any resulting changes in clients' access to repo funding, in terms of pricing, volumes, or timing?
7. Canadian Collateral Management Service (CCMS): Do you expect a material increase in client interest following the [BoC's planned entry into CCMS](#) by early 2027? What barriers, if any, do you anticipate?
8. On swap spreads and the growing futures market, how have recent trends impacted client demand and GoC bond liquidity at different tenors?

Forward-looking questions

9. Under the new budget cycle, a preliminary DMS will be released several months before the start of the fiscal year. Does this timing create uncertainty for you, and if so, do you have any suggestions for managing it?
10. The GoC is exploring ways to expand the number of participants at its auctions. Discuss your experience and comment on key barriers that prevent some secondary market participants in GoC debt from participating in primary auctions.
11. With nearly a year since [the implementation of the Debt Distribution Framework changes and reopening policy](#), any comments on the impacts and effectiveness of these changes? How has your firm adapted to them? Any future changes worth considering?
12. What are your views on benchmark sizes and frequencies for current tenors, and thoughts on introducing a new tenor in the future?
13. Do you have any comments on Canada's Green Bond Program or the GoC's plans to explore a sustainable bond framework to issue new transition bonds aligned with Made-in-Canada Sustainable Investment Guidelines?
14. How well has the cash management bond buyback program (CMBB) been serving your needs? Any views on the design of this program?