



December 5, 2012

Mr. Michael Horgan
Deputy Minister of Finance Canada
Finance Canada
140 O'Connor Street
Ottawa, ON K1A 0G5

Re: PBO Information Request IR0097

Dear Mr. Horgan:

Pursuant to statutory authority under section 79.3(1) of the Parliament of Canada Act, I would like to request the data pertaining to the Department of Finance Canada's impacts of changes to interest rates on its projections of revenues and on program expenses since Budget 2012.

Specifically, for the fiscal years 2011-12 to 2016-17 inclusive, I am requesting the annual impacts (in billions of dollars to one decimal, or in millions of dollars) on budgetary revenues and on program expenses of the changes to interest rate projections since Budget 2012. As noted – in qualitative terms – in the November 2012 *Update of Economic and Fiscal Projections*, changes to interest projections have led to a lower outlook for revenues and higher program expenses compared to Budget 2012.

The impacts on budgetary revenues and program expenses presented in Table 3.3 of the 2012 *Update* reflect changes to all economic projections since Budget 2012. The quantitative impact of the changes to interest rates on budgetary revenues and on program expenses, however, is not explicitly provided. I am requesting this data to improve PBO's recent analysis which attempts to reconcile the revisions to the fiscal outlook presented in the 2012 *Update*.

Thank you for your attention to this matter. Please do not hesitate to contact my staff if any clarification is required.

Yours truly,

A handwritten signature in black ink that reads 'K Page'.

Kevin Page
Parliamentary Budget Officer

c.c.: Rick Stewart, Assistant Secretary to the Cabinet, Privy Council Office, Liaison Secretariat for Macroeconomic Policy



PBO Information Request

REQUEST NUMBER: IR0097

PBO CONTACT NAME: Chris Matier (chris.matier@parl.gc.ca, 613-355-8969)

TYPE OF REQUEST: Ad hoc

PRIORITY: Normal

DATE REQUEST SENT: December 5, 2012

RESPONSE REQUIRED BY: December 11, 2012

PBO OBJECTIVE: To reconcile the revisions to the Government's fiscal outlook since Budget 2012.

RELATION TO MANDATE: To provide independent analysis to Parliament on the state of the nation's finances.

INFORMATION AND DATA REQUESTED:

Data pertaining to the Department of Finance Canada's projected fiscal impacts of changes to its interest rate assumptions since Budget 2012.