



OFFICE OF THE
PARLIAMENTARY BUDGET OFFICER



BUREAU DU
DIRECTEUR PARLEMENTAIRE DU BUDGET

Strategic and Operating Review - PBO's submission to the Library of Parliament Executive Committee

February 2012



Key Points of this Note:

- Government departments have been asked to submit proposals to find budget reductions of 5% and 10%. Parliamentary organizations have been asked to participate voluntarily. The Library of Parliament has asked PBO for a proposal to reduce its budget by 5 and 10% and to assess the impact of each of these proposals.
- PBO has adopted the government's strategic review assessment model, which involves an assessment of the resources and activities used to deliver an organization's legislated mandate.
- PBO's activities are focused exclusively on the requirements of its enabling legislation. There are no extraneous activities.
- PBO delivers on a mandate that is as broad as or broader than comparable offices in other countries, and does so with fewer resources than its peers. PBO uses its resources efficiently to deliver on its mandate largely by leveraging technology-based information, communication and publishing strategy.
- Savings are possible but can only be obtained by changing the enabling legislation.
- Legislative change is strictly within the purview of Parliament- PBO is not able to make any recommendation in this regard.

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Any errors or omissions are the responsibility of the author.

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1. Strategic and Operating Review

The Strategic and Operating Review will examine direct program spending, as appropriated by Parliament. About \$80 billion of direct program spending will be reviewed with the objective of achieving at least \$4 billion in ongoing annual savings by 2014–15 or 5 per cent of the review base. The review will place particular emphasis on generating savings from operating expenses and improving productivity, while also examining the relevance and effectiveness of programs.

2. Strategic Review Methodology: Input-Output-Outcome Model

A strategic review involves the assessment of the enabling legislation, programs, activities and their outputs used to deliver on the mandate, resources used to support the activities, and an assessment of the alignment of the program activities to the government's objectives and the legislated mandate. It is normal practice to ask the following questions when undertaking a strategic review:

a) What was the Government's objective in enacting the legislation?

The government's stated objective when creating the PBO was "Ensuring truth in budgeting with a Parliamentary Budget Authority" to enable Parliament to better hold government to account. It sought to provide parliamentary committees with access to independent, objective analysis and advice concerning economic and fiscal issues, supported by timely, accurate information from federal departments and agencies¹.

¹ <http://www.tbs-sct.gc.ca/faa-lfi/fs-fi/16/05fs-fi-eng.asp>, accessed December 2 2011. The release read: Improving the transparency and credibility of the Government's fiscal forecasting and budget planning process is fundamental to making the Government more accountable to Parliament and Canadians... Together these measures increase transparency in the Government's fiscal planning framework and enable Parliament to better hold government to account.

b) What is the legislative mandate and how do the program activities align?

PBO's legislative mandate is found in section 79 (2) of the Parliament of Canada Act² and are summarized in *italics* below. PBO's program activities are derived directly from the mandate and are as follows:

- PA-1: *Provide independent analysis on the state of the nation's finances* by developing independent fiscal forecast and assessing budgetary balances at regular intervals, maintaining and analyzing economic and statistical data. In the context of the budget-to-estimates link, providing analysis on the implementation of significant budget measures (e.g. infrastructure stimulus, operating budget freeze, etc.)
- PA-2: *Provide independent analysis on trends in the Canadian economy* by monitoring GDP trend inputs (labour, capital formation) relative to other jurisdictions, assessing impacts of other jurisdictions
- PA-3: *Provide independent analysis on the government's estimates* (i.e. planned expenditures) by breaking out and analyzing estimates of 98 federal departments and agencies, assessing trends, providing interim reporting tools and analysis to facilitate Parliamentary scrutiny of the estimates
- PA-4: *Estimate the financial cost of any proposal that relates to a matter over which Parliament has jurisdiction* by assessing legislative or program intent, gathering costing data, developing complex costing models and obtaining peer review for multiple types of legislation and programs

It is clear that PBO's activities are closely aligned with its legislated mandate. The PBO does not

² <http://laws-lois.justice.gc.ca/eng/acts/P-1/FullText.html?term=79.2>, accessed Feb 6 2012

undertake any activities extraneous to its enabling legislation.

c) Are the resources (inputs) commensurate with the program activities?

As the chart below shows, the PBO's legislated mandate is virtually identical (or in some cases broader) to counterparts in the US, Australia, and the combined functions of the UK Office of Budget Responsibility and the House of Commons Scrutiny Unit.

	Mandate				
	Economy	Budget	Appropriations	Costing	Legislated?
Australia	N	Y	Y	Y	Y
United States	Y	Y	Y	Part	Y
United Kingdom (OBR+SU)	Y	Y	Y	Y	Y
Canada	Y	Y	Y	Y	Y

PBO has the widest scope of other jurisdictions when comparing the size of GDP and annual appropriations with staffing and resource levels.

	Coverage (Scope of work) (C\$ Billion 2010)				
	National GDP	Annual Appropriation (Spend)	LBO Staff (FTE)	\$Billion coverage per FTE (GDP)	\$Billion coverage per FTE (Spend)
Canada	1574	274	15	105	18
United Kingdom (OBR+SU)	2246	1096	29	77	38
United States	14582	3550	250	58	14
Australia	925	362	30	31	12

Finally, when looking at the size of comparable legislative budget offices relative to the legislatures they serve, Canada's PBO is the smallest both in terms of staff and budget.

	Resources (C\$ Million Annual & FTEs)					
	Legislative Budget Office (LBO) Budget	Legislature Budget	LBO Staff	Legislature Staff	LBO Staff as a % of legislature staff	LBO Budget as a % of legislature budget
Australia	6	157	30	472	6.36%	3.82%
United States	45.2	5 800	250	14000	1.79%	0.78%
United Kingdom (OBR+SU)	5.6	800	29	2000	1.45%	0.70%
Canada	2.8	585	15	2641	0.57%	0.48%

PBO has 17 FTEs to deliver on its legislated mandate, with a total operating budget of \$2.8 million³.

³ GDP- World Bank; Canada- legislature staff and budgets; USA- legislature budgets; UK- <http://www.guardian.co.uk/news/datablog/2010/oct/18/government-spending-department-2009-10>, accessed Dec 2, 2011; Australia- <http://www.aph.gov.au/house/pubs/ar09-10/contents.htm>,

The closest comparable organizations in the Government of Canada are Finance Canada with 787 FTEs and an operating budget of \$128.6 million, and the Treasury Board Secretariat with 2216 FTEs and an appropriation of \$262.6 million⁴.

d) Are the resources used efficiently (are the outputs created in the most efficient manner)?

In order to best deliver on its mandate, PBO relies on experienced analysts with specialized expertise. Senior PBO officials are required to do 'double-duty' by producing analytical reports in addition to undertaking managerial responsibilities. In order to make effective use of its small staff, PBO focuses exclusively on those projects deemed to have the highest fiscal materiality and risk. In the meantime, the operating mandate continues to get deeper as parliamentary committees attempt to integrate PBO's activities into their regular deliberations, evidenced by the House Finance Committee motion requiring the PBO to cost all private members' bill appearing on the order of precedence⁵.

The PBO gains additional analytical 'horsepower' by consulting and collaborating with leading experts worldwide. PBO also invests in specialized training for its staff, such as parametric modelling to assist in defence costing projects, as well as econometric modelling techniques to assist in economic forecasting. PBO also makes extensive use of electronic tools such as the Integrated Monitoring Database, as well as electronic means of publishing and communications rather than the more costly use of hard copy publications.

<http://www.aph.gov.au/Senate/dept/annual11/contents.htm>
<http://www.parliament.uk/about/working/>,
<http://www.comlaw.gov.au/Details/C2011A00170>, accessed Dec 2, 2011 and Feb 6, 2012.

⁴ Public Accounts 2010-2011.

⁵ <http://www.parl.gc.ca/HousePublications/Publication.aspx?DocId=5147206&Language=E&Mode=1&Parl=41&Ses=1>
<http://www.parl.gc.ca/HousePublications/Publication.aspx?DocId=5147206&Language=E&Mode=1&Parl=41&Ses=1>, accessed Feb 6 2012

Example of cost-effective delivery: The Integrated Monitoring Database (IMD)

The IMD is a structured database of budgeted and in-year expenditures listed by vote for each federal department and agency. Working with existing data sources, it is the first database that ensures congruence between the estimates and in-year financial reporting.

The IMD permits legislators to identify significant variations in planned and actual spending, as well as key differences among fiscal years. This allows members and committees to focus their attention on areas that merit in-depth scrutiny.

The IMD is developed and maintained by 1 FTE and a part-time student intern, along with the assistance of a professional services contract that cost \$24 000.

e) Are the outcomes of the program activities aligned with the government's objectives?

PBO is clearly delivering on its mandate to increase transparency in fiscal planning. PBO analyses are widely cited both in and outside of Parliament. Monthly page views on the PBO website have increased by 30% over the past two years and now average 160,000. Most PBO studies count in excess of one thousand downloads; with some approaching thirty thousand.

It is also clear that PBO provides parliamentarians with relevant information. The number of Parliamentary requests for information and analysis has increased steadily over the last three years. Recently, the House Committee on Finance passed a motion to ensure that PBO provide the committee with an independent costing of all private members' bills on the order of

precedence, thus ensuring that a bill's fiscal impact is included in future committee and parliamentary debate.

f) Are there opportunities to reduce PBO's budget by 5-10%, and what would be the impact of such a reduction?

It is clear PBO's activities are directly related to its legislated mandate, that its resources are focused singularly on those activities, that its resources are used efficiently, and that in comparison to its international and domestic counterparts, Canada's PBO has a broad legislative mandate but with comparatively few resources with which to undertake it.

There is no scope to reduce resources without having an impact on program activities. Consequently, any budget reductions would have to be realized from the elimination of a program activity. Since PBO program activities derive directly from the legislated mandate, any budget reductions at the PBO would have to arise as a result of an amendment to that legislated mandate. Legislative amendments are strictly within the competence and jurisdiction of Parliament. PBO is not qualified to make any recommendations on legislative change.

Outcome: Increase transparency in the Government's fiscal planning framework and enable Parliament to better hold government to account

Output	Notes
PA 1- State of the Nation's Finances:	
Federal Fiscal Sustainability and Elderly Benefits (February 2012)	To provide Parliamentarians with an assessment of the fiscal sustainability of the Old Age Security program. The GoC has not provided a similar assessment.
Renewing the Canada Health Transfer: Implications for Federal and Provincial-Territorial Fiscal Sustainability (January 2012)	To provide Parliamentarians with an update to the September 2011 Fiscal Sustainability Report taking into account the significant changes announced to the Canada Health Transfer. Fiscal sustainability reports are not published by the GoC.
PBO Economic and Fiscal Outlook (November 2011)	To provide Parliamentarians with current independent analysis of the economic and fiscal outlook over the medium term including an analysis/quantification of risk and uncertainty (e.g. probabilities of certain fiscal outcomes) and estimates of the GoC's structural balance. The GoC does not publish its estimates of the uncertainty/risks surrounding the budgetary balance nor the structural balance over the medium term.
Fiscal Sustainability Report 2011 (September 2011)	To provide Parliamentarians with an independent assessment of the sustainability of the current federal and provincial-territorial fiscal structure over the long term and provide estimates of trends in the national economy over the long term. Sustainability reports are routinely provided by governments and budget offices in OECD countries. The GoC does not publish sustainability reports nor long-term fiscal projections.

PBO Economic and Fiscal Outlook (June 2011)	To provide Parliamentarians with current independent analysis of the economic and fiscal outlook over the medium term including an analysis/quantification of risk and uncertainty (e.g. probabilities of certain fiscal outcomes) and estimates of the GoC's structural balance. The GoC does not publish its estimates of the uncertainty/risks surrounding the budgetary balance nor the structural balance over the medium term.
Economic and Fiscal Assessment Update (February 2011)	To provide Parliamentarians with current independent analysis of the economic and fiscal outlook over the medium term including an analysis/quantification of risk and uncertainty (e.g. probabilities of certain fiscal outcomes) and estimates of potential GDP and the GoC's structural budget balance. The GoC does not publish its estimates of the uncertainty/risks surrounding the budgetary balance, the level of potential GDP, nor the structural balance over the medium term.
A Comparison of PBO and IMF Projections (January 2011)	To provide Parliamentarians with a comparison of PBO and IMF medium-term fiscal projections of the GoC's budgetary balance and estimates of potential GDP and GoC's structural budget balance. The GoC does not publish its estimates of the level of potential GDP nor the structural budgetary balance over the medium term.
Economic and Fiscal Assessment 2010 (November 2010)	To provide Parliamentarians with current independent analysis of the economic and fiscal outlook over the medium term including an analysis/quantification of risk and uncertainty (e.g. probabilities of certain fiscal outcomes) and estimates of potential GDP and the GoC's structural budget balance. The GoC does not publish its estimates of the uncertainty/risks surrounding the budgetary balance, the level of potential GDP, nor the structural balance over the medium term.
Canadian Experiences with Fiscal Consolidations and Fiscal Rules (October 2010)	To provide Parliamentarians with an examination of fiscal consolidations over the past three decades and review current consolidation plans, with a focus on fiscal rules. Finance Canada published a working paper on fiscal rules and fiscal performance in 2001.

Projecting Employment Insurance Premium Revenues and Expenses (April 2010)	To provide Parliamentarians with the methodology and assumptions underlying the PBO's projection of Employment Insurance revenues and expenditures. The GoC does not publish the methodology and assumptions underlying its EI projections.
Assessment of the Budget 2010 Economic and Fiscal Outlook (March 2010)	To provide Parliamentarians with an assessment of the GoC's economic and fiscal outlook presented in the 2010 budget. To provide Parliamentarians with an independent fiscal projection based on the same private sector economic forecast. To provide Parliamentarians with PBO's own risk assessment and estimates of potential GDP and structural budget balances over the medium term. The GoC does not publish its estimates of the level of potential GDP nor the structural balance over the medium term.
Fiscal Sustainability Report (February 2010)	To provide Parliamentarians with an independent assessment of the sustainability of the current federal fiscal structure over the long term and provide estimates of trends in the national economy over the long term. Sustainability reports are routinely provided by governments and budget offices in OECD countries. The GoC has not published a sustainability report nor long-term fiscal projections.
Economic and Fiscal Assessment Update (November 2009)	To provide Parliamentarians with current independent analysis of the economic and fiscal outlook over the medium term including an analysis of risk and estimates of the potential GDP and the GoC's structural budget balance. The GoC does not publish its estimates of the level of potential GDP nor the structural balance over the medium term.
Economic and Fiscal Outlook Comparison Tables (September 2009)	To provide Parliamentarians with a comparison of PBO's July 6, 2009 Economic and Fiscal Assessment projections and the GoC's updated economic and fiscal projections that were released on September 10, 2009. The GoC does not provide detailed comparisons of PBO and Finance Canada forecasts.

Economic and Fiscal Assessment (July 2009)	To fulfill the May 27 2009 Standing Committee of Finance request that “the Parliamentary Budget Officer provide the committee with its assessment of economic growth projections, the unemployment rate and federal government revenues and expenditures for the next five years.”
PBO Perspectives on Budget 2009 (May 2009)	To provide PBO's complete and detailed analysis and observations on Budget 2009.
Budget 2009 Economic and Fiscal Outlook – Key Issues (February 2009)	To provide parliamentary committees and parliamentarians with an overview of key issues arising from Budget 2009; to identify areas that may merit additional inquiry; and, some research topics that will form part of the PBO work plan.
Pre-Budget Economic and Fiscal Briefing (January 2009)	To provide Parliamentarians with an updated economic outlook and assess its fiscal implications; to summarize the broader international policy context and provides some key questions for Parliamentarians to consider.
The Budgetary Balance and the Economic Cycle (December 2008)	To provide Parliamentarians with approximate estimates of the projected performance of the Canadian economy relative to its potential (i.e., the output gap) and of the GoC's structural budget balance. The GoC does not publish estimates of the output gap nor the structural budget balance over the medium term.
2008 Economic and Fiscal Statement: Key Issues for Parliamentarians (December 2008)	To address some key questions regarding the GoC's 2008 Economic and Fiscal Statement and highlight some key issues for Parliamentarians.
Economic and Fiscal Assessment (November 2008)	To provide Parliamentarians with an updated economic outlook and assess its fiscal implications as well as identify short-term policy considerations and fundamental long-term policy challenges.
The Government of Canada's Economic and Fiscal Forecasting Process (November 2008)	To provide Parliamentarians with background and detailed information on the GoC's economic and fiscal forecasting process and provide international comparisons as well as areas for improvement.
PA 2 Trends in the National Economy	

<p>A Comparison of Finance Canada and PBO Estimates of the Government of Canada's Structural Budget Balance (December 2011)</p>	<p>To provide parliamentarians with a review and update on the usefulness of the concepts of potential GDP and the output gap, which figure prominently in the conduct of both monetary and fiscal policy. The note also provides a comparison of potential GDP and output gap estimates for the Canadian economy. The GoC does not provide assumptions used to calculate Canada's structural deficit.</p>
<p>An Approach to Assessing Uncertainty and the Balance of Risks; Constructing a Fan Chart for Real GDP Growth (August 2010)</p>	<p>To help Parliamentarians better understand the uncertainty and risks surrounding the economic outlook and the fiscal implications, PBO provided fan charts for real GDP growth forecasts and the GoC's budgetary balance. To provide the methodology and assumptions underlying PBO's fan charts. The GoC does not publish fan charts. Fan charts are routinely produced by budget offices such as the CBO and OBR.</p>
<p>Estimates of Canada's Potential GDP and Output Gap – A Comparative Analysis (April 2010)</p>	<p>To review, for Parliamentarians, the usefulness of the concepts of potential GDP and the output gap, which figure prominently in the conduct of both monetary and fiscal policy. The note also provides a comparison of potential GDP and output gap estimates for the Canadian economy.</p>
<p>Estimating Potential GDP and the Government's Structural Budget Balance (January 2010)</p>	<p>To help Parliamentarians better understand Canada's economic performance PBO calculates GDP and income 'gaps' based on its own estimates of potential GDP and potential gross domestic income (GDI). To help Parliamentarians better understand changes in the GoC's budgetary balance and its underlying fiscal position, PBO provided estimates of the structural and cyclical budgetary balances. The GoC does not publish its estimates of the level of potential GDP nor the structural budget balance over the medium term.</p>
<p>Canada's Near-term Economic Outlook (April 2009)</p>	<p>To provide Parliamentarians with an up-to-date assessment of the economic conditions underpinning the GoC's finances, helping to provide parliamentarians with a planning environment for their debates and deliberations. The GoC does not publish its detailed estimates of the near-term outlook for key macroeconomic variables.</p>

Canada's Recent Economic Performance (March 2009 Briefing Note)	To review Canada's recent economic performance, highlighting comparisons with the U.S. economy. The GoC presents similar comparisons and reviews in its budgets and fall updates.
Canadian Labour Market Developments: Recession Impacts, Recent Trends and Future Outlook (July 2009)	To analyze, for Parliamentarians, recent trends in Canada's labour market, the outlook going forward, and provide comparisons with the experiences of past recessions. The GoC provides similar analysis in its budgets and updates.
Revisiting the Spectre of Deflation (December 2008)	To provide Parliamentarians with some historical and conceptual background on deflation and describe some concerns it raises. The GoC does not publish such notes.
PA 3 Undertake research into government estimates	
Interim Financial Reporting: Second Quarter Update	To provide Parliamentarians with an assessment of the quality and completeness of the Government's recently introduced quarterly financial reports, as measured against OECD best practices.
Expenditure Monitor: 2011-12 Q2 December 2011)	To provide Parliamentarians with analysis of the Government's in-year expenditures relative to authorities.
Supplementary Estimates (B) 2011-12 (November 2011)	To provide Parliamentarians with analysis of the Government's Estimates.
Interim Financial Reporting: Recent Developments	To provide Parliamentarians with an assessment of the quality and completeness of the Government's recently introduced quarterly financial reports, as measured against OECD best practices.
Expenditure Monitor: 2011-12 Q1 (September 2011)	To provide Parliamentarians with analysis of the Government's in-year expenditures relative to authorities.
Methodology Guide to the Expenditure Monitor	To explain the methodology used by the PBO to provide analysis of the Government's Estimates.
Monitoring of Federal Expenditures: 2010-11 Q4 Update of the Integrated Monitoring Database (IMD) (July 2011)	To provide Parliamentarians with analysis of the Government's Estimates.
Main and Supplementary Estimates (A) 2011-12 (June 2011)	To provide Parliamentarians with analysis of the Government's Estimates.

Federal Tax Expenditure: Use, Reporting and Review (June 2011)	To provide Parliamentarians with analysis of key components of Government expenditures (\$100 billion +) severed from the Estimates and not considered within the normal reporting cycle.
Supporting Parliamentary Scrutiny of the Estimates: The Integrated Monitoring Database (IMD) (March 2011)	To provide Parliamentarians with analysis of the Government's Estimates.
2011-12 Main Estimates (March 2011)	To provide Parliamentarians with analysis of the Government's Estimates.
Fiscal Transparency: Parliament and the Expenditure Management System – Analysis of government Information Tabled at the Procedure and House Affairs Committee March 16, 2011 (March 2011)	
Fiscal Transparency: Parliament and the Expenditure Management System – Analysis of Government Responses to a Motion of the House of Commons Standing Committee on Finance (February 2011)	
2010-11 Supplementary Estimates C (February 2011)	To provide Parliamentarians with analysis of the Government's Estimates.
Monitoring Update on the Government's Operating Freeze (January 2011)	To respond to a request from the House of Commons Standing Committee on Government Operations and Estimates.
Interim Financial Reporting: Results from the 2011 OECD Survey of Legislative Budget Offices (July 2011)	To provide Parliamentarians with analysis regarding the form and content of the Government's Estimates.
Monitoring the Government's Operating Budget Freeze (November 2010)	To respond to a request from the House of Commons Standing Committee on Government Operations and Estimates.
Update - Infrastructure Stimulus Fund (December 2010)	To provide Parliament with an overall update on the implementation of a key stimulus component of Budget 2009. Report provides an estimate of federal cash flowing into projects based on project progress reports submitted by project recipients. Report provided Parliament with an estimate of the potential program authority lapse based on these reports. Government only provided information on signed agreements and anecdotes on individual projects. Later that day, the government announced a program extension due to the number of incomplete projects at that time.

Infrastructure Stimulus Fund – Survey of Recipients (December 2010)	To provide Parliament with an early assessment of the effectiveness of a key stimulus component of Budget 2009, based on objectives of creating/maintaining employment. The government has still not provided an evaluation of the ISF program.
Annex A - Infrastructure Stimulus Fund (ISF) Program Study	Detailed methodology to the above study.
Annex B - The Infrastructure Stimulus Fund: Perceptions of Operations, Impacts and Possible Improvements	Detailed report breaking down findings and providing the analytical methodology used to determine what the findings say.
Infrastructure Stimulus Fund – Performance Update to March 31, 2010 (August 2010)	To provide Parliament with an overall update on the implementation of a key stimulus component of Budget 2009. Report provides an estimate of federal cash flowing into projects based on project progress reports submitted by project recipients. Report also provided Parliament with an estimate of the potential program authority lapse based on these reports. Government only provided information on signed agreements and anecdotes on individual projects.
ISF Applications and Claims	Detailed methodology to the above study.
ISF Monthly Planned Project Spending	Detailed methodology to the above study.
Infrastructure Stimulus Fund – Reporting on Activities to Promote Budget Transparency (December 2009)	To provide Parliament with an overall update on the implementation of a key stimulus component of Budget 2009. Report provides an estimate of federal cash flowing into projects based on project progress reports submitted by project recipients. The government was not providing an assessment of stimulus initiatives on the basis of inputs-outputs-outcomes and risks to outcomes. PBO undertook to provide such information on one of the major budget 2009 initiatives as a means to assist Parliament in its oversight capacity. Government only provided information on signed agreements.
Bill C-51 Economic Recovery Act (stimulus) and Interim Financial Reporting in the Government of Canada (October 2009)	To provide Parliamentarians with analysis regarding the form and content of the Government's Estimates.

Third Quarterly Update of a Monitoring Framework for Measures Contained in the Economic Action Plan (October 2009)	Prepared under the FINA request below. PBO found that the government was providing a significant amount of information on anecdotal examples of the potential outcome of some of the stimulus measures, and there was no overall assessment of inputs, outputs and risks to outcomes, nor was there such an assessment on individual initiatives. In addition, the PBO report found that many of the original initiatives were renamed or re-categorized, making it more difficult for Parliament to oversee implementation.
Monitoring Spreadsheet	Detailed methodology to the above study.
Second Quarterly Update of a Monitoring and Oversight Framework for Measures Contained in the Economic Action Plan (July 2009)	Prepared under the FINA request below. PBO found that the government was diligent on reporting progress of obtaining supply authorities (inputs), but did not provide any information on outputs or risks to outcomes.
Budget Initiatives Template	Details underlying each of the stimulus initiatives, to provide Parliament with a method to more easily monitor individual initiatives.
Monitoring Spreadsheet	Detailed methodology to the above study.
First Quarterly Update of a Monitoring and Oversight Framework for Measures Contained in the Economic Action Plan (March 2009)	Prepared under the FINA request below. PBO found that the government was diligent on reporting progress of obtaining supply authorities (inputs), and in addition was the only OECD government providing interim reporting on the implementation of its stimulus plan.
Monitoring Spreadsheet	Detailed methodology to the above study.
Key Information for the Government's Progress Reports to Assist Parliamentary Monitoring and Oversight of Budget 2009 (February 2009)	Prepared in response to a request from the Finance Committee of the House to assist the committee in assessing and monitoring the implementation of the stimulus budget of 2009. The government committed to reporting quarterly on its implementation. The PBO recommended that Parliament require reporting on inputs, outputs, outcomes and risks to outcomes for each of the stimulus measures. The government did not provide a monitoring framework.
Monitoring Spreadsheet	Detailed methodology to the above study.

PA 4- estimate the financial cost of any proposal that relates to a matter over which Parliament has jurisdiction	
<i>SA 4-1 Costing of Government Bills and Programs</i>	
Revenue Impacts Arising from Tax Adjustments: 2012	
2011 Reference Tables for Tax Expenditure Distributional Analysis (November 2011)	To provide parliamentarians with a user-friendly table to calculate the impact of tax expenditures on different segments of the Canadian population.
Comparing PBO and DND Cost Estimates on Canada's Proposed Acquisition of the F-35 Joint Strike Fighter: Some Preliminary Questions and Answers on Key Issues (March 2011)	In response to criticism from DND, PBO provided a clarification on the methodology and assumptions used in the PBO report. It provided further clarity on capital budgeting practices (namely that running a program over a shorter lifespan results in accelerated capital replacement costs)
An Estimate of the Fiscal Impact of Canada's Proposed Acquisition of the F-35 Lightning II Joint Strike Fighter (March 2011)	In response to a request, provided Parliament with a comprehensive cost estimate for the acquisition and ongoing support costs of the F35. The government has not provided assumptions used to underpin its cost assessment. Other jurisdictions have reported independent cost estimates that are closer to PBOs number than the government's, including the US Department of Defense.
PBO Costing of CIT Rate Reductions (February 2011)	To provide, as requested by the House Finance Committee, a "general analysis" of the Department of Finance's response to the FINA motion related to the estimated costs of the GoC's planned reduction of corporate tax rates
Assessment of Planned Security Costs for the 2010 G8 and G20 Summits (June 2010)	In response to a request to provide Parliament with a test of reasonableness of the security costs of these summits. PBO found that the government was the most transparent of any G8 government on breaking out security costs, and that the costs proposed for the G8 summit met the test of reasonableness.

The Funding Requirement and Impact of the “Truth in Sentencing Act” on the Correctional System in Canada (June 2010)	In response to a request to provide Parliament with the fiscal impact of proposed legislation that would eliminate extra credit for time served in remanded custody. The government initially claimed there would be no incremental fiscal impact, and subsequently revised its estimate up from 90 million to 2.5 billion. PBO provided detailed methodology that underpinned its cost assessment of 3-5 billion. The government provided no methodology to support its costing.
An Assessment of the Government’s Cost Estimate of a 360-hour National Standard for Employment Insurance (EI) Eligibility (September 2009)	To fulfill the August 20, 2009 request by the Member of Parliament for Dartmouth—Cole Harbour that the PBO “conduct an independent analysis of the Government’s costing of the Liberal Party of Canada’s proposal for a temporary national standard for eligibility for Employment Insurance (EI).”
The Funding Requirement for First Nations Schools in Canada (May 2009)	
Proposed Financial Support for the Canadian Automotive Sector (February 2009 Report)	
Fiscal Impact of the Costs Incurred by the Government of Canada in support of the Mission in Afghanistan (October 2008)	In response to a request to provide Parliament with the incremental fiscal impact of the mission in Afghanistan. Current estimates reporting did not break out the incremental costs of the mission. PBO findings indicated the mission would cost significantly more than being reported by the government.
Methodology for Estimating the Fiscal Impact of the Costs Incurred by the Government of Canada in Support of the Mission in Afghanistan (October 2008)	Detailed methodology to the above study. The government's current reporting did not provide any assumptions or methodology to support its costing of the mission. In addition, the costing methodology adopted by the government excluded material present value costs of accelerated depreciation of assets in a theatre of war (necessitating a higher capital replenishment rate), nor the present value of future veterans payments to address impacts of the war (e.g. post-traumatic stress) and survivor benefits
SA 4-2 Costing of Private Member's Bills	

2012 Reference Sheet of Revenue Impact Arising from Tax Adjustments (December 2011)	To provide Parliamentarians with a reference guide that answers most simple questions regarding the fiscal/cost impact of amending the federal income tax framework.
2011 Reference Sheet of Revenue Impact Arising from Tax Adjustments (January 2011)	To provide Parliamentarians with a reference guide that answers most simple questions regarding the fiscal/cost impact of amending the federal income tax framework.
Assessment of Cost Estimates Prepared for Bill S-212: An Act to Amend the Excise Tax Act (Tax Relief for Nunavik) (December 2010)	To fulfill a request from a senator representing the province of Québec and the Senatorial Division of Inkerman prior to consideration of his legislative proposal by the Senate Committee on National Finance.
Cost Estimates of Selected Legislative Amendments in Bill C-280 and Bill C-308 (October 2010)	To fulfill the June 2010 requests by the Member of Parliament for Lethbridge, Alberta regarding potential costs arising from legislative amendments to the Employment Insurance Act (EI Act) contained in three private member's bills: C-280, C-308 and C-395.
A Cost Estimate of Proposed Amendments to the Income Tax Act to Provide an Enhanced Tax Credit for Charitable Donations (August 2010)	To fulfill a request by the Member of Parliament for Outremont, Québec prior to consideration of his legislative proposal by the House of Commons.
A Cost Estimate of Proposed Amendments to the Income Tax Act to Exempt Certain Employer-Provided Transportation Benefits from Taxable Income (February 2010)	To fulfill a request by the Member of Parliament for Victoria, British Columbia prior to consideration of her legislative proposal by the House of Commons.
Reference Sheet for Revenue Impacts Arising from Tax Adjustments (January 2010)	To provide Parliamentarians with a reference guide that answers most simple questions regarding the fiscal/cost impact of amending the federal income tax framework.
An Assessment of Cost Estimates Presented for Bill C-288: An Act to Amend the Income Tax Act (tax credit for new graduates working in designated regions (November 2009)	To fulfill a request by the House of Commons Standing Committee on Finance, during their deliberations of Bill C-288.
Cost Estimate of Bill C-371: An Act to Amend the Income Tax Act (low-cost residential rental property) (September 2009)	To fulfill a request by the Member of Parliament for Victoria, British Columbia prior to consideration of her legislative proposal by the House of Commons.
http://www.parl.gc.ca/PBO-DPB/documents/RajotteLetter2010-05-14.pdf	To fulfill a request by the House of Commons Standing Committee on Finance, during their deliberations of Bill C-290.
Cost Estimates of Selected Legislative Amendments in Bill C-280 and Bill C-308 (October 2010)	To fulfill a request from several members regarding the cost of legislative amendments contemplated in Bills C-280 and Bill C-308.

Consultation Deck 2008

To solicit additional feedback from members of the House and Senate regarding the desired operating model of the PBO Branch, including product lines.

Metrics for operationalizing fiscal transparency from:

Head, David, *Concepts, Measurement and UK Practice*, Public Administration, Vol.81 No. 4, 2003 (723-759), pp. 7-9.

<http://www.davidheald.com/publications/ftheald.pdf>