

Legislative Costing Note

Announcement date:	2020-03-30 (Canada's COVID-19 Economic Response Plan)	
Publication date:	2020-04-24	
Short title:	Waiving Part I Broadcasting Licence Fees and Providing Equivalent Funding to CRTC	
Description:	<p>Providing the Canadian Radio-television and Telecommunications Commission (CRTC) with funding to offset the revenue loss from waiving the Part I Broadcasting Licence Fees for the 2020-21 fiscal year.</p> <p>Part I Broadcasting Licence Fees are paid by broadcasters to CRTC as per the <i>Broadcasting Licence Fee Regulations, 1997</i>, based on CRTC's estimated regulatory costs for the current fiscal year and the broadcasters' revenues from the most recently completed return year¹. As such, the 2020-21 Part I Fee amount is not expected to be directly impacted by economic uncertainties related to COVID-19.</p>	
Data sources:	<p>Revenues from Regulatory Fees 2019-20 and 2020-21 (projected):</p> <p>CRTC Unsolicited Telecommunications Fees: Estimated Part I Broadcasting Licence Fees 2019-20:</p>	<p>CRTC Future-Oriented Statement of Operations 2020-2021</p> <p>Compliance and Enforcement Order CRTC 2019-208</p> <p>Broadcasting Order CRTC 2019-87</p>
Estimation and projection method:	Unsolicited Telecommunications Fees were subtracted from the revenues of regulatory fees for 2019-20 and 2020-21 (projected regulatory fees), resulting in a collective amount of Part I Fees and one other type of CRTC fee. The growth rate of this collective amount was applied to the 2019-20 estimated Part I Broadcasting Licence Fees to produce the projected amount for 2020-21.	
Aggregate Results:	PBO estimates total net cost of this measure to be \$33 million in 2020-21.	
Source of Uncertainty:	Any deviation from the data published CRTC Future-Oriented Statement of Operations 2020-2021 would affect the result. Data sources expressed the numbers in thousands in some cases and in millions in other cases. The actual regulatory fees for 2020-21 are unlikely to be exactly the same as the projected values.	
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¹ A return year runs from September 1 to August 31. For the 2020-21 Part I Fees, the relevant return year is September 1, 2018 to August 31, 2019.

Cost of proposed measure

\$ millions	2019-2020	2020-2021
Total cost	-	33

Notes:

Estimates are presented on an accruals basis as would appear in the budget and public accounts.

Positive numbers subtract from the budgetary balance, negative numbers contribute to the budget balance.

"-" = PBO does not expect a financial cost