



OFFICE OF THE PARLIAMENTARY BUDGET OFFICER
BUREAU DU DIRECTEUR PARLEMENTAIRE DU BUDGET

Cost Estimate of Election Campaign Proposal

Publication Date: September 2021

Short Title: Increased support for small craft harbours

Description: Doubling the permanent annual funding provided to small craft harbours. The permanent annual funding is determined based on the annual cash spending between 2015-16 and 2019-20. The intended date of implementation is January 1, 2022.

Cost of Proposed Measure:	\$ millions	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	Total
Total cost		7	61	64	67	70	270

Supplementary Information:	\$ millions (cash basis)	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	Total
Cost		60	240	240	240	240	1,021

Notes:

- Estimates are presented on an accrual basis as would appear in the budget and public accounts.
- A positive number implies a reduction in the budgetary balance (lower revenues or higher spending). A negative number implies an increase in the budgetary balance (higher revenues or lower spending).
- "-" = PBO does not expect a financial cost.

Estimation and projection method: The cost estimate is based on data from GC InfoBase and the Public Accounts. The total authorities available for use in 2018-19 and 2019-20 were determined based on the average annual lapse rate (authorities used compared to total authorities available for use) over a 10-year period.

The permanent annual funding amount was calculated based on a moving average of the total authorities available for use between the 2015-16 and 2019-20 fiscal years. Given that these small craft harbours provide long-term service, these cash authorities were then adjusted to reflect the recognized accrual expenses that would appear in the Public Accounts of Canada.

Source of Uncertainty: There are several sources of uncertainty. The estimate assumes that the lapse rate over the last 10 years is representative of the 2018-19 and 2019-20 fiscal years. We also assume the cash estimates would be recognized on an accrual basis similar to the mapping presented in Budget 2021 for small craft harbours. No behavioural effects are expected.

Data Sources:	Variable	Source
	Total Authorities Available for Use	Public Accounts
	Authorities Used in the Current Year	Public Accounts, GC InfoBase