

Cost Estimate of Election Campaign Proposal

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Short Title: Elimination of CRTC Part II Broadcasting Licence Fees

Description: Eliminating Part II broadcasting licence fees that the Canadian Radio-television and Telecommunications Commission (CRTC) collects annually from broadcasting licensees on behalf of the government. Currently, the fees are not used to fund CRTC's operating activities.

This measure would come into effect on January 1, 2022.

Cost of Proposed Measure:	\$ millions	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	Total
Total cost		31	124	127	130	132	544

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: Fee estimates were based on the formula in *Broadcasting Licence Fee Regulations, 1997*. For each calendar year, the aggregate amount was grossed up by the inflation rate of the previous calendar year.

Fees are invoiced to broadcasters by November 1 and are due by December 1 each year.

Source of Uncertainty: The main sources of uncertainty relate to the current cost to the government of collecting Part II broadcasting licence fees and PBO's inflation projection.

Data Sources:	Variable	Source
	Consumer Price Index projection	PBO EPC baseline
	Part II broadcasting licence fees, 2015-2019	CRTC Fees Reports and Broadcasting Orders