



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

Legislative Costing Note

This is an independent cost estimate of a budgetary measure contained in the federal government's Fall Economic Statement 2020 (FES 2020). A list of the PBO's cost estimates of components of the FES 2020 can be viewed on [its website](#).

Publication Date:	2021-01-28	
Short Title:	Financial Support for Planting 2 Billion Trees	
Description:	The Government of Canada proposes to provide up to \$3.16 billion, over ten years, to partner with provinces, territories, non-governmental organizations, Indigenous communities and municipalities to plant 2 billion trees.	
Data Sources:	Variable	Source
	Annual number of trees planted	Forests Ontario
	Average planting cost per-tree	Forests Ontario
	Average stocking level	Forests Ontario
	Average plant size area	Forests Ontario
	Inflation (Consumer Price Index)	PBO Estimates
Estimation and Projection Method:	The number of trees to be planted each year under the federal government's 2 Billion Tree (2BT) initiative was determined using historical data from Forests Ontario's 50 Million Tree Program (50MTP).	
	Cost data from Forests Ontario's 50MTP was used to estimate the average per-tree cost under the federal government's 2BT initiative. This estimated average per-tree cost was then adjusted for inflation over the duration of the program. In order to estimate the average per-tree cost the PBO assumes an average stocking level of 1,500 trees/hectare and an average plant size area of 3.6 hectares.	
Sources of Uncertainty:	Parameters used for this estimate are based off data from Forests Ontario's 50 Million Tree Program and may not accurately reflect program costs under the federal government's 2 Billion Tree program. The PBO assumes an average stocking level of 1,500 trees/hectare and an average plant size area of 3.6 hectares.	
Prepared by:	Jamie Forsyth <jamie.forsyth@parl.gc.ca>	



LEG-2021-060-S

Cost of proposed measure

\$ millions	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Total cost, PBO	-	267	396	494	581	622	689	703	716	729	743
Total federal spending	-	71	209	301	357	372	370	370	370	370	370
Anticipated funding gap	-	196	187	193	224	250	319	333	346	359	373

Notes

- The government has not provided a forecast beyond the 2025-26 fiscal year. The PBO assumes leftover funding is split over 2026-27 to 2030-31.
- 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.