

Election Proposal Costing

Reducing operating spending by the Department of Public Works and Government Services and Shared Services Canada

April 22, 2025

Reducing operating spending by the Department of Public Works and Government Services (PWGS) and Shared Services Canada (SSC) to 90% of their 2024-25 levels in 2025-26 and maintaining their operating spending at this level thereafter.

Cost of Proposed Measure

Fiscal year	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Total
Total cost \$ millions	-453	-318	-437	-514	-662	-2,384

Notes

- Estimates are presented on an accrual basis as would appear in the budget and public accounts.
- A positive number implies a deterioration in the budgetary balance (lower revenues or higher spending). A negative number implies an improvement in the budgetary balance (higher revenues or lower spending).
- Totals may not add due to rounding.

Estimation and Projection Method

Operating spending levels by PWGS and SSC were estimated for 2024-2025 using data from the Main and Supplementary Estimates, and the Public Accounts. Their operating spending was then projected using the EPC baseline forecast of growth in total government operating expenses.

The reduction in operating spending was estimated by decreasing the estimated 2024-25 value by 10% in 2025-26. This level of operating spending was then maintained for the remainder of the projection. The cost (saving) was estimated as the difference between the proposed PWGS and SSC operating spending profile and the baseline projection.

Sources of Uncertainty

The main source of uncertainty relates to the projection of operating spending for the two departments under the EPC baseline. For example, spending reallocations and restraints exercises already announced but for which details are not yet available, such as Refocusing Government Spending, could affect baseline spending amounts for PWGS and SSC and therefore reduce the estimated savings. These two departments

also have significant transfers from other departments which were not included in estimated operating spending.

Data Sources

Operating Expenditures for Public Works and Government Services, and Shared Services Canada

- Public Accounts, 2017-18 to 2023-24, Volume 2
- Main and Supplementary Estimates, 2024-25
- PBO EPC Baseline

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