



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

# Cost Estimate of Election Campaign Proposal

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Short Title: Creation of Canada Advanced Research Agency

Description: Creating a Crown corporation, the Canada Advanced Research Agency, and providing \$5 billion in equity capital over 5 years to fund and manage research in specified fields. The agency is expected to be self-sustaining over the long term.

Cost of Proposed Measure:	\$ millions	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	Total
Total cost		3	10	10	7	-	30

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: PBO adopted the party's assumption that the Crown corporation would become self-sustaining within the fourth year of operation. PBO assumed, therefore, that the financial cost would equal the initial net operating expenditures of the new agency. This cost was based on the net operating income of the Canada Infrastructure Bank in its initial years of operation. PBO also assumed the new Crown's financial position would be consolidated with the Government's.

Source of Uncertainty: The main source of uncertainty relates to the speed at which the new agency will become financially self-sufficient.

Data Sources: Variable  
Canada Infrastructure Bank Financial statements

Source  
Canada Infrastructure Bank 2020 Annual Report