



Department of Finance
Canada

Ministère des Finances
Canada



THE FISCAL MONITOR

A publication of the Department of Finance

Financial Results for February 2022

Canada 

© Her Majesty the Queen in right of Canada (2022)
All rights reserved

All requests for permission to reproduce this document
or any part thereof shall be addressed to
the Department of Finance Canada.

Cette publication est également disponible en français.

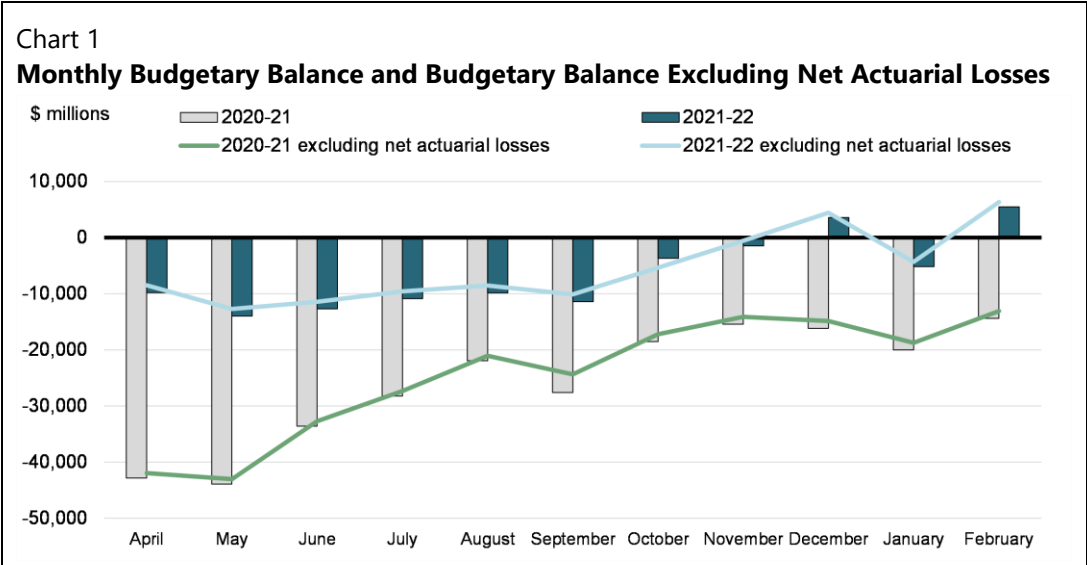
Cat. No.: F12-4E-PDF
ISSN: 1487-0134

Highlights

February 2022

There was a budgetary surplus of \$5.5 billion in February 2022, compared to a deficit of \$14.4 billion in February 2021. The budgetary surplus before net actuarial losses was \$6.3 billion, compared to a deficit of \$13.1 billion in the same period of 2020-21. The budgetary balance before net actuarial losses is intended to supplement the traditional budgetary balance and improve the transparency of the government’s financial reporting by isolating the impact of the amortization of net actuarial losses arising from the revaluation of the government’s pension and other employee future benefit plans.

As expected, the government’s 2021-22 financial results show a marked improvement compared to the peak of the COVID-19 crisis reached in 2020-21, and the unprecedented level of temporary COVID-19 response measures at the time.



Compared to February 2021:

- Revenues increased by \$14.0 billion, or 48.1 per cent, on a year-over-year basis, largely reflecting an increase in tax revenues and other revenues.
- Program expenses excluding net actuarial losses were down \$5.7 billion, or 13.9 per cent, in large part reflecting decreased transfers under the COVID-19 Economic Response Plan, including the Canada Emergency Wage Subsidy (CEWS) and Canada Recovery Benefits.
- Public debt charges were up \$0.3 billion, or 19.8 per cent, reflecting higher interest on the government's pension and other employee future benefit obligations, higher interest on marketable bonds, and higher Consumer Price Index adjustments on Real Return Bonds.
- Net actuarial losses were down \$0.4 billion, or 33.0 per cent, reflecting the amortization of a decrease in the government's obligations for pensions and other employee future benefits based on actuarial valuations prepared for the *Public Accounts of Canada 2021*. This decrease is due to a year-over-year increase in year-end interest rates used in valuing these obligations.

April 2021 to February 2022

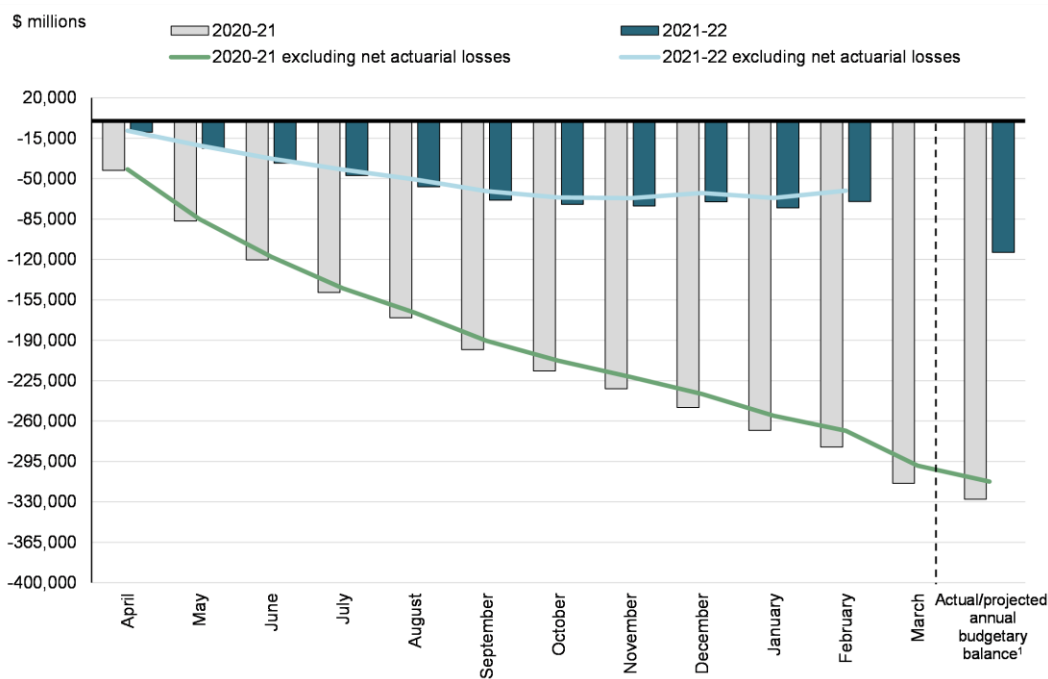
The government posted a budgetary deficit of \$69.8 billion for the April to February period of the 2021-22 fiscal year, compared to a deficit of \$282.6 billion reported for the same period of 2020-21. The budgetary deficit before net actuarial losses was \$60.4 billion, compared to a deficit of \$268.4 billion in the April to February period of 2020-21.

Compared to 2020-21:

- Revenues were up \$92.5 billion, or 34.9 per cent, primarily reflecting higher tax revenues and other revenues.
- Program expenses excluding net actuarial losses were down \$119.4 billion, or 23.2 per cent, largely reflecting lower transfers to individuals, businesses, and other levels of government under the Economic Response Plan.
- Public debt charges increased by \$3.8 billion, or 20.3 per cent, primarily driven by higher Consumer Price Index adjustments on Real Return Bonds and higher interest on the government's pension and other employee future benefit obligations. Interest on marketable bonds also increased compared to the prior year, but was offset by a decrease in interest on treasury bills.
- Net actuarial losses decreased by \$4.7 billion, or 33.0 per cent, reflecting a decrease in the measurement of the government's obligations for pensions and other employee future benefits based on the government's latest actuarial valuations. This decrease reflects higher prevailing interest rates at the end of 2020-21 used in valuing these obligations.

Chart 2

Year-to-Date Budgetary Balance and Budgetary Balance Excluding Net Actuarial Losses



¹ Sources: Annual Financial Report of the Government of Canada 2020-2021; Budget 2022.

Table 1

Summary statement of transactions

\$ millions

	February		April to February	
	2021	2022	2020-21	2021-22
Budgetary transactions				
Revenues	29,177	43,200	264,949	357,418
Expenses				
Program expenses, excluding net actuarial losses	-40,887	-35,215	-514,838	-395,458
Public debt charges	-1,381	-1,655	-18,550	-22,319
Budgetary balance, excluding net actuarial losses	-13,091	6,330	-268,439	-60,359
Net actuarial losses	-1,283	-860	-14,116	-9,460
Budgetary balance (deficit/surplus)	-14,374	5,470	-282,555	-69,819
Non-budgetary transactions	1,266	-5,037	-38,313	-18,549
Financial source/requirement	-13,108	433	-320,868	-88,368
Net change in financing activities	7,245	3,311	344,443	112,825
Net change in cash balances	-5,863	3,744	23,575	24,457
Cash balance at end of period			68,254	83,845

Note: Positive numbers indicate net source of funds. Negative numbers indicate net requirement for funds.

Revenues

Revenues have been affected by the economic impacts of the COVID-19 crisis and by measures introduced under the government's Economic Response Plan, including tax deferrals and the one-time Goods and Services Tax (GST) credit payment offered in 2020-21. However, due to challenges in isolating these impacts from underlying economic activity, it is not possible to provide an accurate measure of the impact of COVID-19 on federal revenues.

Revenues in February 2022 totalled \$43.2 billion, up \$14.0 billion, or 48.1 per cent, from February 2021.

- Tax revenues increased by \$9.9 billion, or 39.2 per cent, reflecting broad-based improvement compared to the same period in 2020-21, when COVID-19 restrictions continued to weigh on revenues. In particular, broad-based gains in corporate income tax revenues helped lift overall tax revenues.
- Employment Insurance (EI) premium revenues were up \$0.2 billion, or 8.1 per cent.
- Proceeds from the pollution pricing framework were up \$0.2 billion, or 49.0 per cent.
- Other revenues, consisting of enterprise Crown corporations' net profits, sales of goods and services, returns on investments and net foreign exchange revenues, were up \$3.7 billion, or 471.9 per cent, from February 2021. This increase largely reflects higher profits from enterprise Crown corporations, including Bank of Canada profits related to its secondary market purchases of Government of Canada securities to support liquidity in financial markets. Under public sector accounting standards, premiums paid on bond purchases by the Bank of Canada are expensed immediately. Whereas premiums more than offset interest earnings on the securities in 2020-21, premiums paid have since decreased and interest earnings have increased.

Revenues for the April to February period of 2021-22 totalled \$357.4 billion, up \$92.5 billion, or 34.9 per cent, from the same period in 2020-21.

- Tax revenues increased by \$62.2 billion, or 25.7 per cent, compared to the same period in 2020-21, when COVID-19 resulted in the shutdown of large portions of the economy and government support measures such as the one-time enhanced GST credit payment. In particular, corporate income tax revenue showed strong improvement supported by broad-based gains across industry sectors. For its part, the federal portion of assessed cannabis excise duties increased by \$51 million to \$145 million over the April to February period.
- EI premium revenues were up \$1.3 billion, or 6.4 per cent, reflecting better labour market conditions.
- Proceeds from the pollution pricing framework were up \$1.6 billion, or 44.7 per cent, reflecting higher carbon pollution pricing and consumption in 2021.
- Other revenues were up \$27.4 billion, from -\$0.4 billion in 2020-21 to \$27.1 billion in 2021-22, largely reflecting higher Bank of Canada profits.

Table 2

Revenues

	February			April to February		
	2021	2022	Change	2020-21	2021-22	Change
	(\$ millions)		(%)	(\$ millions)		(%)
Tax revenues						
Income taxes						
Personal	13,434	15,020	11.8	150,509	165,582	10.0
Corporate	7,370	15,517	110.5	43,205	72,270	67.3
Non-resident	753	731	-2.9	7,794	9,317	19.5
Total income tax revenues	21,557	31,268	45.0	201,508	247,169	22.7
Other taxes and duties						
Goods and Services Tax	2,601	2,779	6.8	27,314	42,227	54.6
Energy taxes	419	460	9.8	4,574	4,915	7.5
Customs import duties	344	354	2.9	3,716	4,821	29.7
Other excise taxes and duties	433	429	-0.9	5,152	5,330	3.5
Total excise taxes and duties	3,797	4,022	5.9	40,756	57,293	40.6
Total tax revenues	25,354	35,290	39.2	242,264	304,462	25.7
Proceeds from the pollution pricing framework	416	620	49.0	3,524	5,100	44.7
Employment Insurance premiums	2,629	2,841	8.1	19,514	20,765	6.4
Other revenues	778	4,449	471.9	-353	27,091	7,774.5
Total revenues	29,177	43,200	48.1	264,949	357,418	34.9

Note: Totals may not add due to rounding.

Expenses

Program expenses have been significantly affected by spending measures under the Economic Response Plan, including the Canada Emergency Response Benefit (CERB), CEWS, Canada Recovery Benefits, and the Canada Emergency Business Account (CEBA) repayment incentive. Further information regarding these measures is provided below.

Program expenses excluding net actuarial losses in February 2022 were \$35.2 billion, down \$5.7 billion, or 13.9 per cent, from February 2021.

- Major transfers to persons, consisting of elderly benefits, EI benefits, COVID-19 income support for workers, and children's benefits, were down \$4.1 billion or 28.8 per cent.
 - Elderly benefits increased by \$0.3 billion, or 6.6 per cent, reflecting changes in consumer prices to which benefits are fully indexed, and growth in the number of recipients.
 - EI benefits decreased by \$2.2 billion, or 49.9 per cent, reflecting improved labour market conditions.
 - COVID-19 income support for workers, which includes Canada Recovery Benefits, the Canada Worker Lockdown Benefit, and CERB payments to individuals processed outside of the EI Operating Account, decreased \$2.2 billion, or 77.9 per cent, largely reflecting the wind-down of the Canada Recovery Benefit.
 - Children's benefits were down \$0.1 billion, or 3.5 per cent.
- Major transfers to other levels of government were up \$23 million, or 0.4 per cent.

- Direct program expenses were down \$1.6 billion, or 7.9 per cent. Within direct program expenses:
 - Proceeds from the pollution pricing framework returned decreased by \$0.2 billion, or 90.2 per cent, reflecting a change in the delivery of the Climate Action Incentive, from annually on personal income tax returns to a quarterly benefit.
 - CEWS payments decreased by \$4.6 billion, or 93.7 per cent, reflecting declines in the number of eligible employees and the average subsidy per employee, and the wind-down of the program.
 - Other transfer payments decreased by \$0.3 billion, or 4.6 per cent, largely due to the end of temporary COVID-19 response measures introduced in the previous year.
 - Operating expenses of the government's departments, agencies, and consolidated Crown corporations and other entities increased by \$3.4 billion, or 36.5 per cent, largely reflecting a change in the provision for contingent liabilities.

Public debt charges increased \$0.3 billion, or 19.8 per cent, largely due to higher interest on the government's pension and other employee future benefit obligations, higher interest on marketable bonds, and higher Consumer Price Index adjustments on Real Return Bonds.

Net actuarial losses, which represent the amortization of changes in the value of the government's obligations for pensions and other employee future benefits accrued in previous fiscal years, decreased \$0.4 billion, or 33.0 per cent, in large part due to an increase in prevailing interest rates at the end of 2020-21 used in valuing these obligations.

For the April to February period of 2021-22, program expenses excluding net actuarial losses were \$395.5 billion, down \$119.4 billion, or 23.2 per cent, from the same period the previous year.

- Major transfers to persons were down \$53.9 billion or 28.6 per cent.
 - Elderly benefits increased by \$2.2 billion, or 4.1 per cent, reflecting growth in the number of recipients and changes in consumer prices, to which benefits are fully indexed.
 - EI benefits decreased by \$19.5 billion, or 34.6 per cent, reflecting improved labour market conditions. In addition, EI benefits for the same period of the previous year included \$27.5 billion in CERB benefits processed through the EI Operating Account. However, there is no impact on premiums to be collected as the EI Operating Account has since been credited for CERB benefits in the *Public Accounts of Canada 2021*.
 - COVID-19 income support for workers decreased \$36.0 billion, or 67.4 per cent, reflecting the wind-down of the CERB in 2020-21 and the transition to the suite of Canada Recovery Benefits.
 - Children's benefits were down \$0.5 billion, or 2.2 per cent, largely reflecting the one-time enhanced Canada Child Benefit (CCB) payment in May 2020. This decrease was offset in part by the introduction of the CCB young child supplement for 2021.
- Major transfers to other levels of government were down \$15.0 billion, or 16.3 per cent, primarily reflecting transfers made to provinces and territories in the prior year under the Safe Restart Agreement, the Essential Workers Wage Top-Up, and the Safe Return to Class Fund, as well as transfers to clean up orphan and inactive oil and gas wells. These decreases were offset in part by new funding under the Canada-wide early learning and child care plan in the current year, as well as legislated growth in the Canada Health Transfer, the Canada Social Transfer, Equalization transfers and transfers to the territories.
- Direct program expenses were down \$50.5 billion, or 21.5 per cent. Within direct program expenses:
 - Proceeds from the pollution pricing framework returned increased by \$0.7 billion, or 23.8 per cent, largely reflecting an increase in the rate of the Climate Action Incentive for tax year 2020.
 - CEWS payments decreased by \$49.3 billion, or 69.3 per cent, reflecting declines in the number of eligible employees and the average subsidy per employee, and the wind-down of the program.

- Other transfer payments decreased by \$12.9 billion, or 17.2 per cent, largely reflecting a decrease in repayment incentive costs under the CEBA program owing to lower take-up compared to the same period in 2020-21 and the end of temporary COVID-19 response measures introduced in the previous year.
- Operating expenses of the government's departments, agencies, and consolidated Crown corporations and other entities increased by \$11.0 billion, or 12.9 per cent, largely reflecting a change in the provision for contingent liabilities, increased personnel costs, and increased public health expenses.

Public debt charges increased by \$3.8 billion, or 20.3 per cent, primarily driven by higher Consumer Price Index adjustments on Real Return Bonds and higher interest on the government's pension and other employee future benefit obligations. Interest on marketable bonds also increased compared to the prior year, but was offset by a decrease in interest on treasury bills.

Net actuarial losses decreased by \$4.7 billion, or 33.0 per cent, reflecting the amortization of a decrease in the government's obligations for pensions and other employee future benefits based on actuarial valuations prepared for the *Public Accounts of Canada 2021*. This decrease reflects higher prevailing interest rates at the end of 2020-21 used in valuing these obligations.

Table 3

Expenses

	February			April to February		
	2021	2022	Change	2020-21	2021-22	Change
	(\$ millions)		(%)	(\$ millions)		(%)
Major transfers to persons						
Elderly benefits	4,925	5,252	6.6	53,767	55,959	4.1
Employment Insurance benefits	4,341	2,174	-49.9	56,416	36,881	-34.6
COVID-19 income support for workers ¹	2,788	616	-77.9	53,437	17,418	-67.4
Children's benefits	2,109	2,035	-3.5	24,741	24,195	-2.2
Total major transfers to persons	14,163	10,077	-28.8	188,361	134,453	-28.6
Major transfers to other levels of government						
Canada Health Transfer	3,489	3,594	3.0	38,381	39,532	3.0
Canada Social Transfer	1,252	1,289	3.0	13,771	14,184	3.0
Equalization	1,714	1,743	1.7	18,858	19,168	1.6
Territorial Formula Financing	284	298	4.9	3,896	4,082	4.8
Canada-wide early learning and child care	-	8	n/a	-	1,831	n/a
Canada Community-Building Fund	-	-	n/a	2,170	2,320	6.9
Home care and mental health	1	1	0.0	1,249	1,592	27.5
Other fiscal arrangements ²	-290	-460	58.6	13,687	-5,662	-141.4
Total major transfers to other levels of government	6,450	6,473	0.4	92,012	77,047	-16.3
Direct program expenses						
Proceeds from the pollution pricing framework returned	214	21	-90.2	3,027	3,746	23.8
Canada Emergency Wage Subsidy ³	4,862	306	-93.7	71,239	21,898	-69.3
Other transfer payments ³	5,850	5,581	-4.6	74,877	62,020	-17.2
Operating expenses	9,348	12,757	36.5	85,322	96,294	12.9
Total direct program expenses	20,274	18,665	-7.9	234,465	183,958	-21.5
Total program expenses, excluding net actuarial losses	40,887	35,215	-13.9	514,838	395,458	-23.2
Public debt charges	1,381	1,655	19.8	18,550	22,319	20.3
Total expenses, excluding net actuarial losses	42,268	36,870	-12.8	533,388	417,777	-21.7
Net actuarial losses	1,283	860	-33.0	14,116	9,460	-33.0
Total expenses	43,551	37,730	-13.4	547,504	427,237	-22.0

Note: Totals may not add due to rounding.

¹ COVID-19 income support for workers includes the Canada Emergency Response Benefit, the Canada Recovery Benefit, the Canada Recovery Caregiving Benefit, the Canada Recovery Sickness Benefit, and the Canada Worker Lockdown Benefit.

² Other fiscal arrangements include the Youth Allowance Recovery and Alternative Payments for Standing Programs, which represent a recovery from Quebec of a tax point transfer; statutory subsidies; transfers under the COVID-19 Essential Workers Support Fund and the Safe Restart Agreement; and, other items.

³ Year-to-date results have been adjusted by \$276 million to reclassify prior months' wage subsidies under the Tourism and Hospitality Recovery Program and the Hardest-Hit Business Recovery Program from the Canada Emergency Wage Subsidy to Other transfer payments, to align with the revised presentation adopted in February 2022.

The following table presents total expenses by main object of expense.

Table 4

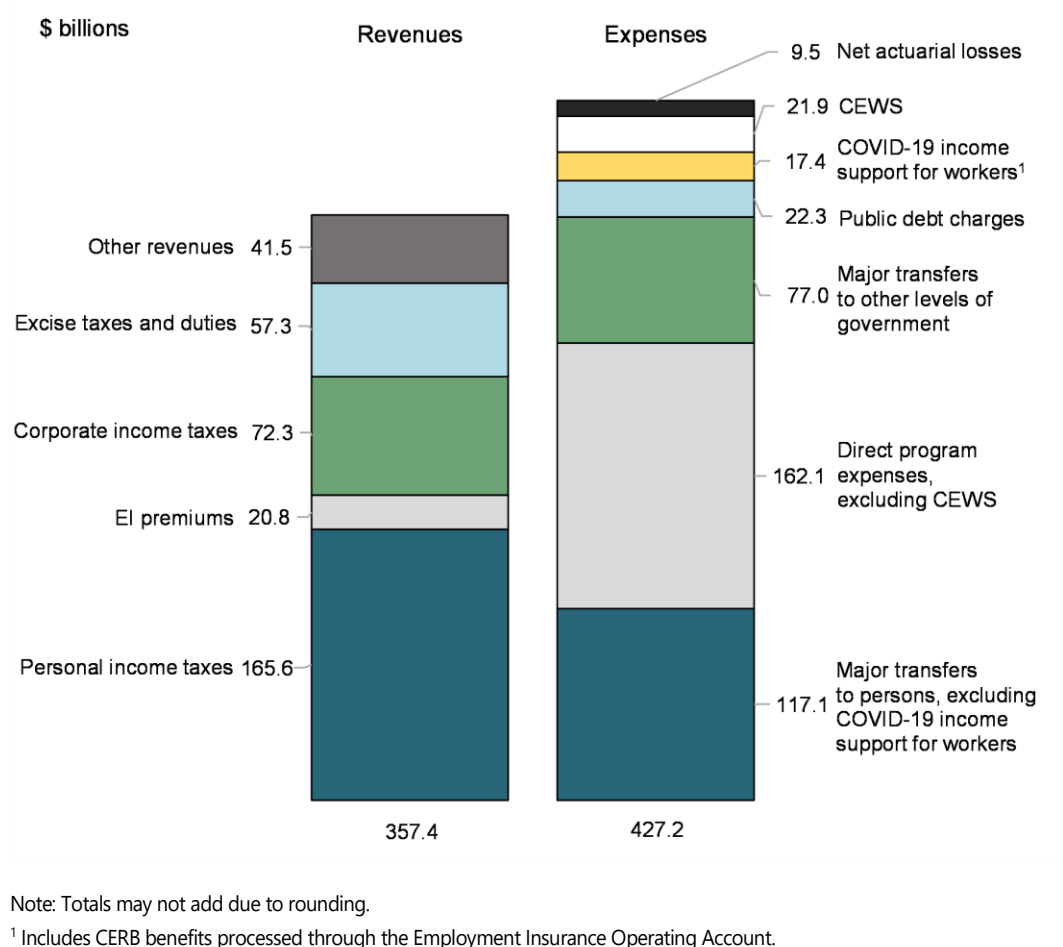
Total expenses by object of expense

	February			April to February		
	2021	2022	Change	2020-21	2021-22	Change
	(\$ millions)		(%)	(\$ millions)		(%)
Transfer payments	31,539	22,458	-28.8	429,516	299,164	-30.3
Other expenses						
Personnel, excluding net actuarial losses	4,787	5,069	5.9	49,943	53,406	6.9
Transportation and communications	177	257	45.2	1,585	2,082	31.4
Information	56	54	-3.6	363	463	27.5
Professional and special services	1,036	1,430	38.0	10,073	12,911	28.2
Rentals	224	218	-2.7	3,024	3,417	13.0
Repair and maintenance	277	281	1.4	2,603	2,817	8.2
Utilities, materials and supplies	1,652	654	-60.4	6,495	7,764	19.5
Other subsidies and expenses	669	4,361	551.9	6,199	8,834	42.5
Amortization of tangible capital assets	463	413	-10.8	4,938	4,494	-9.0
Net loss on disposal of assets	7	20	185.7	99	106	7.1
Total other expenses	9,348	12,757	36.5	85,322	96,294	12.9
Total program expenses, excluding net actuarial losses	40,887	35,215	-13.9	514,838	395,458	-23.2
Public debt charges	1,381	1,655	19.8	18,550	22,319	20.3
Total expenses, excluding net actuarial losses	42,268	36,870	-12.8	533,388	417,777	-21.7
Net actuarial losses	1,283	860	-33.0	14,116	9,460	-33.0
Total expenses	43,551	37,730	-13.4	547,504	427,237	-22.0

Note: Totals may not add due to rounding.

Chart 3

Revenues and expenses (April 2021 to February 2022)



Financial requirement of \$88.4 billion for April 2021 to February 2022

The budgetary balance is presented on an accrual basis of accounting, recording government revenues and expenses when they are earned or incurred, regardless of when the cash is received or paid. In contrast, the financial source/requirement measures the difference between cash coming in to the government and cash going out. This measure is affected not only by changes in the budgetary balance but also by the cash source/requirement resulting from the government's investing activities through its acquisition of capital assets and its loans, financial investments and advances, as well as from other activities, including payment of accounts payable and collection of accounts receivable, foreign exchange activities, and the amortization of its tangible capital assets. The difference between the budgetary balance and financial source/requirement is recorded in non-budgetary transactions.

With a budgetary deficit of \$69.8 billion and a requirement of \$18.5 billion from non-budgetary transactions, there was a financial requirement of \$88.4 billion for the April 2021 to February 2022 period, compared to a financial requirement of \$320.9 billion for the same period of the previous year.

The decrease in the financial requirement for non-budgetary transactions is due to a number of factors, including year-over-year changes in the balances of taxes receivable and amounts payable related to tax, which affected accounts payable, accrued liabilities and accounts receivable; and, a decrease in loans advanced under the CEBA program in 2021-22, reflected in the financial requirement associated with loans, investments and advances. These decreases were partly offset by a year-over-year increase in the balance of foreign exchange accounts.

Table 5

The budgetary balance and financial source/requirement

\$ millions

	February		April to February	
	2021	2022	2020-21	2021-22
Budgetary balance (deficit/surplus)	-14,374	5,470	-282,555	-69,819
Non-budgetary transactions				
Accounts payable, accrued liabilities and accounts receivable	-3,814	-5,249	-19,980	4,481
Pensions, other future benefits, and other liabilities	1,434	1,236	14,826	10,216
Foreign exchange accounts	2,782	1,708	7,921	-9,492
Loans, investments and advances	66	-2,506	-37,573	-21,995
Non-financial assets	798	-226	-3,507	-1,759
Total non-budgetary transactions	1,266	-5,037	-38,313	-18,549
Financial source/requirement	-13,108	433	-320,868	-88,368

Note: Totals may not add due to rounding.

Net financing activities up \$112.8 billion

The government financed this financial requirement of \$88.4 billion and increased cash balances by \$24.5 billion by increasing unmatured debt by \$112.8 billion. The increase in unmatured debt was achieved primarily through the issuance of marketable bonds.

Cash balances at the end of February 2022 stood at \$83.8 billion, up \$15.6 billion from their level at the end of February 2021.

Table 6

Financial source/requirement and net financing activities

\$ millions

	February		April to February	
	2021	2022	2020-21	2021-22
Financial source/requirement	-13,108	433	-320,868	-88,368
Net increase (+)/decrease (-) in financing activities				
Unmatured debt transactions				
Canadian currency borrowings				
Marketable bonds	15,763	5,920	265,103	151,255
Treasury bills	-6,900	1,200	78,733	-34,200
Retail debt	-3	-	-195	-299
Total Canadian currency borrowings	8,860	7,120	343,641	116,756
Foreign currency borrowings	-516	-2,900	710	-1,433
Total market debt transactions	8,344	4,220	344,351	115,323
Cross-currency swap revaluation	-843	-288	-8,039	-758
Unamortized discounts and premiums on market debt	-238	-621	8,353	-1,750
Obligations related to capital leases and other unmatured debt	-18	-	-222	10
Net change in financing activities	7,245	3,311	344,443	112,825
Change in cash balance	-5,863	3,744	23,575	24,457
Cash balance at end of period			68,254	83,845

Note: Totals may not add due to rounding.

Federal debt

The federal debt, or accumulated deficit, is the difference between the government's total liabilities and total assets. The year-over-year change in the accumulated deficit reflects the year-to-date budgetary balance plus other comprehensive income or loss. Other comprehensive income or loss represents certain unrealized gains and losses on financial instruments and certain actuarial gains and losses related to pensions and other employee future benefits reported by enterprise Crown corporations and other government business enterprises.

The accumulated deficit increased by \$68.1 billion over the April 2021 to February 2022 period, reflecting the \$69.8-billion budgetary deficit, offset in part by \$1.7 billion in other comprehensive income.

Table 7

Condensed statement of assets and liabilities

\$ millions

	March 31, 2021	February 28, 2022	Change
Liabilities			
Accounts payable and accrued liabilities	207,397	222,771	15,374
Interest-bearing debt			
Unmatured debt			
Payable in Canadian currency			
Marketable bonds	875,306	1,026,561	151,255
Treasury bills	218,775	184,575	-34,200
Retail debt	299	-	-299
Subtotal	1,094,380	1,211,136	116,756
Payable in foreign currencies	15,427	13,994	-1,433
Cross-currency swap revaluation	450	-308	-758
Unamortized discounts and premiums on market debt	9,690	7,940	-1,750
Obligations related to capital leases and other unmatrued debt	5,239	5,249	10
Total unmatrued debt	1,125,186	1,238,011	112,825
Pension and other liabilities			
Public sector pensions	168,761	165,295	-3,466
Other employee and veteran future benefits	144,186	157,821	13,635
Other liabilities	6,711	6,758	47
Total pension and other liabilities	319,658	329,874	10,216
Total interest-bearing debt	1,444,844	1,567,885	123,041
Total liabilities	1,652,241	1,790,656	138,415
Financial assets			
Cash and accounts receivable	224,196	259,546	35,350
Foreign exchange accounts	92,622	102,114	9,492
Loans, investments, and advances (net of allowances) ¹	179,278	202,990	23,712
Public sector pension assets	6,320	6,320	-
Total financial assets	502,416	570,970	68,554
Net debt	1,149,825	1,219,686	69,861
Non-financial assets	101,079	102,838	1,759
Federal debt (accumulated deficit)	1,048,746	1,116,848	68,102

Note: Totals may not add due to rounding.

¹ February 28, 2022 amount includes \$1.7 billion in other comprehensive income from enterprise Crown corporations and other government business enterprises for the April 2021 to February 2022 period.

Notes

1. *The Fiscal Monitor* is a report on the consolidated financial results of the Government of Canada, prepared monthly by the Department of Finance Canada. The government is committed to releasing *The Fiscal Monitor* on a timely basis in accordance with the International Monetary Fund's Special Data Dissemination Standards Plus, which are designed to promote member countries' data transparency and promote the development of sound statistical systems.
2. The financial results reported in *The Fiscal Monitor* are drawn from the accounts of Canada, which are maintained by the Receiver General and used to prepare the annual *Public Accounts of Canada*.
3. *The Fiscal Monitor* is generally prepared in accordance with the same accounting policies as used to prepare the government's annual consolidated financial statements, which are summarized in Section 2 of Volume I of the *Public Accounts of Canada*, available through the Public Services and Procurement Canada website.
4. The financial results presented in *The Fiscal Monitor* have not been audited or reviewed by an external auditor.
5. There can be substantial volatility in monthly results due to the timing of revenue receipts and expense recognition. For instance, a large share of government spending is typically reported in the March *Fiscal Monitor*.
6. The April to March results reported in *The Fiscal Monitor* are not the final results for the fiscal year as a whole. The final results are published in the annual *Public Accounts of Canada* and incorporate post-March end-of-year adjustments made once further information becomes available, including the accrual of tax revenues reflecting assessments of tax returns and valuation adjustments for assets and liabilities. Post-March adjustments may also include the accrual of measures announced in the budget that are recorded upon receipt of Royal Assent of enabling legislation.
7. Table 7, Condensed Statement of Assets and Liabilities, is included in the monthly *Fiscal Monitor* following the finalization and publication of the government's financial results for the preceding fiscal year, typically in the fall.

Note: Unless otherwise noted, changes in financial results are presented on a year-over-year basis.

For inquiries about this publication, contact Bradley Recker at bradley.recker@fin.gc.ca.

April 2022