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Budget 2023: Issues for Parliamentarians



OFFICE OF THE PARLIAMENTARY BUDGET OFFICER
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The Parliamentary Budget Officer (PBO) supports Parliament by providing economic and financial analysis for the purposes of raising the quality of parliamentary debate and promoting greater budget transparency and accountability.

To assist parliamentarians in their budgetary deliberations, this report highlights key issues arising from Budget 2023.

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Summary

To assist parliamentarians in their budgetary deliberations, this report highlights key issues arising from Budget 2023.

Economic outlook

On balance, the outlook for real GDP growth over 2023 to 2027 presented in Budget 2023 is slightly weaker compared to PBO's March outlook, with annual growth averaging, respectively, 1.6 and 1.7 per cent. This slight difference reflects a weaker near-term outlook that includes a "shallow recession" in 2023, whereas PBO's March outlook projected the economy to stagnate over the course of the year.

The private sector forecast of nominal GDP—the broadest measure of the Government's tax base—is \$29 billion (0.9 per cent) lower per year, on average, over 2023 to 2027 compared to PBO's March outlook. This difference primarily reflects a weaker near-term outlook for GDP inflation and real GDP growth in 2023 forecasted by private sector economists in Finance Canada's February survey.

Fiscal outlook

Relative to the 2022 Fall Economic Statement (FES), Budget 2023 included \$42.9 billion in net new measures over 2022-23 to 2027-28. This represents an increase in (net) new spending of \$22.0 billion relative to PBO's March outlook, which had included \$20.4 billion in new healthcare funding that was re-announced in Budget 2023.

When put on a comparable basis (that is, our March projection adjusted for new measures), PBO's projected budgetary deficits are, on balance, in line with the outlook presented in Budget 2023.

New measures

Revisions to the private sector economic outlook and fiscal developments in Budget 2023 lower the outlook for the budgetary balance by \$26.1 billion (or \$4.4 billion per year, on average) over 2022-23 to 2027-28 relative to the 2022 FES. This was the first time since Budget 2021 that the Government revised its outlook for the budgetary balance—prior to including new measures—downward.

In addition, the Government announced \$69.7 billion in new spending (measured on a gross basis) that was partially offset by \$14.0 billion in revenue-raising measures and by \$12.8 billion in spending restraint measures. On a net basis, new measures further reduce the budgetary balance by \$42.9 billion (or \$7.2 billion per year, on average) over 2022-23 to 2027-28.

Spending reviews

Budget 2023 does not provide an assessment of program effectiveness that the Government launched in Budget 2022 under Stream 1 of its comprehensive Strategic Policy Review. That said, Budget 2023 did announce the introduction of “cross-government program effectiveness reviews,” with the first review examining “skills training and youth programming” to determine “whether improvements can be made”.

Aside from proposing to reduce spending on consulting, other professional services and travel (by “roughly 15 per cent”), Budget 2023 does not identify opportunities to save and reallocate resources “to adapt government programs and operations to a new post-pandemic reality” under Stream 2 of the comprehensive Strategic Policy Review launched in Budget 2022.

Fiscal anchor

Budget 2023 reaffirmed the Government’s commitment to its fiscal anchor of reducing the federal debt as a share of the economy over the medium term. Based on the outlook in Budget 2023, the federal debt-to-GDP ratio is projected to increase temporarily, remaining above its 2022-23 level for two years, before gradually declining over the medium term.

On a status quo basis—that is, without additional measures and given possible economic outcomes surrounding the private sector outlook—we estimate that there is a 70 per cent chance that the federal debt-to-GDP ratio in 2027-28 would be below its 2022-23 baseline level of 42.4 per cent.

Fiscal transparency

Measures without specific details

In Budget 2023, the Government identified \$798 million—on a net basis—in new “non-announced” measures over 2022-23 to 2027-28. In absolute terms, this represents over \$12 billion in either revenue or spending decisions for which there are no specific details.

This lack of transparency presents challenges for parliamentarians and the public in scrutinizing the Government’s spending plans, as well as reconciling between previously provisioned amounts and their announcement.

Alignment of financial reporting

Budget 2023 was tabled a month after the Government’s Expenditure Plan and Main Estimates for 2023-24, meaning the latter did not contain any of the \$9.8 billion in additional spending for budget measures.

Consistent with the Parliamentary Budget Officer’s mandate to “promote fiscal transparency”, it is recommended that Parliament consider adopting a new legislative or administrative framework to improve transparency and comprehensibility for parliamentarians and the public. In this case, a fixed budget date earlier in the year could enforce better alignment among the Government’s various financial reports.

Economic outlook

The economic outlook presented in Budget 2023 was based on Finance Canada's February 2023 survey of private sector economists. Table 1 provides a high-level comparison of the average private sector forecast in Budget 2023 and PBO's Economic and Fiscal Outlook (EFO) published on March 2, which incorporated data up to and including February 21.¹

Table 1 Economic outlook comparison

	2022	2023	2024	2025	2026	2027	2023-2027
Real GDP growth (%)							
Budget 2023	3.4	0.3	1.5	2.3	2.2	1.9	1.6
PBO – March EFO*	3.4	0.7	1.6	2.2	2.1	2.0	1.7
	0.0	-0.4	-0.1	0.1	0.1	-0.1	-0.1
GDP inflation (%)							
Budget 2023	7.3	0.6	2.0	1.9	1.9	1.9	1.7
PBO – March EFO*	7.3	1.1	2.1	1.8	2.1	2.1	1.8
	0.0	-0.5	-0.1	0.1	-0.2	-0.2	-0.2
Nominal GDP level (\$ billions)							
Budget 2023	2,785	2,810	2,910	3,037	3,162	3,285	
PBO – March EFO*	2,785	2,834	2,942	3,060	3,190	3,323	
	0	-24	-32	-23	-28	-38	
Unemployment rate (%)							
Budget 2023	5.3	5.8	6.2	6.0	5.7	5.7	5.8
PBO – March EFO	5.3	5.5	5.9	5.7	5.6	5.5	5.6
	0.0	0.3	0.3	0.3	0.1	0.2	0.2

Sources: Finance Canada and Office of the Parliamentary Budget Officer.

Notes: * Adjusted to reflect the actual results of the National Accounts for the fourth quarter of 2022 and historical revisions. Numbers may not add due to rounding.

On balance, the outlook for real GDP growth over 2023 to 2027 presented in Budget 2023 is slightly weaker compared to PBO's March outlook, with annual growth averaging, respectively, 1.6 and 1.7 per cent.² This slight difference reflects a weaker near-term outlook that includes a "shallow recession" in 2023, whereas PBO's March outlook projected the economy to stagnate over the course of the year.³

The private sector forecast of nominal GDP—the broadest measure of the Government's tax base—is \$29 billion (0.9 per cent) lower per year, on average, over 2023 to 2027 compared to PBO's March outlook. This difference primarily reflects a weaker near-term outlook for GDP inflation and real GDP growth in 2023 forecasted by private sector economists in Finance Canada's February survey.

In Budget 2023, the private sector outlook for the unemployment rate is consistently higher than PBO's projection (0.2 percentage points, on average). That said, on balance, private sector economists forecast faster employment growth over the medium term. Consequently, the higher unemployment rate in Budget 2023 reflects higher labour force participation underlying the private sector forecast.

The outlook for 3-month treasury rates over 2023 to 2027 presented in Budget 2023 (3.0 per cent, on average) is in line with PBO's March EFO, which suggests similar views about the future path of the Bank of Canada's policy rate. That said, the private sector outlook for the 10-year government bond rate in Budget 2023 is consistently lower than PBO's projection (3.0 per cent versus 3.3 per cent, on average).

Fiscal outlook

Relative to the 2022 Fall Economic Statement (FES), Budget 2023 included \$42.9 billion in net new measures over 2022-23 to 2027-28. This represents an increase in (net) new spending of \$22.0 billion⁴ relative to PBO's March outlook, which had included \$20.4 billion in new healthcare funding that was re-announced in Budget 2023.

When put on a comparable basis (that is, our March projection adjusted for new measures), PBO's projected budgetary deficits are, on balance, in line with the outlook presented in Budget 2023 (Table 2).

Table 2 Fiscal outlook comparison

\$ billions	2022- 2023	2023- 2024	2024- 2025	2025- 2026	2026- 2027	2027- 2028
PBO budgetary balance in the March EFO	-36.5	-43.1	-27.5	-20.8	-12.1	-8.7
New measures detailed in Budget 2023*	-11.0	-1.9	-1.8	-3.5	-0.5	-3.3
(A) Adjusted PBO budgetary balance	-47.5	-45.1	-29.3	-24.3	-12.6	-12.0
(B) Budgetary balance in Budget 2023	-43.0	-40.1	-35.0	-26.8	-15.8	-14.0
Difference in the budgetary balance (A-B)	-4.5	-5.0	5.7	2.5	3.2	2.0

Sources: Finance Canada and Office of the Parliamentary Budget Officer.

Notes: * Adjusted for measures already included in PBO's March outlook. Totals may not add due to rounding.

That said, while the outlooks for the budgetary balance are, on average, quite similar, there are some notable differences.

In 2022-23, PBO's adjusted budgetary balance shows a higher deficit primarily due to the inclusion of \$9.0 billion in spending reductions in Budget 2023 which were not anticipated at the time of our outlook. These spending reductions are largely offset by our higher in-year estimate for tax revenues.⁵

Over the remainder of the projection horizon, on average, PBO's adjusted budgetary balance outlook shows marginally smaller deficits compared to Budget 2023 both due to somewhat higher projected revenues and lower expenses.

New measures

Revisions to the private sector economic outlook and fiscal developments in Budget 2023 lower the outlook for the budgetary balance by \$26.1 billion (or \$4.4 billion per year, on average) over 2022-23 to 2027-28 relative to the 2022 FES.⁶ This was the first time since Budget 2021 that the Government revised its outlook for the budgetary balance—prior to including new measures—downward.

In addition, the Government announced \$69.7 billion in new spending (measured on a gross basis) that was partially offset by \$14.0 billion in revenue-raising measures and by \$12.8 billion in spending restraint measures. On a net basis, new measures further reduce the budgetary balance by \$42.9 billion (or \$7.2 billion per year, on average) over 2022-23 to 2027-28 (Table 3).

Table 3 New measures in Budget 2023

\$ billions	2022- 2023	2023- 2024	2024- 2025	2025- 2026	2026- 2027	2027- 2028	Total
New spending (gross basis)	-13.2	-9.1	-7.8	-10.9	-12.9	-15.8	-69.7
Revenue raising measures	0.0	0.4	1.9	2.2	4.9	4.6	14.0
Spending restraint measures	0.2	4.0	1.2	1.4	3.1	2.9	12.8
Total measures in Budget 2023 (net basis)	-13.0	-4.8	-4.7	-7.3	-4.9	-8.3	-42.9

Sources: Finance Canada and Office of the Parliamentary Budget Officer.

Notes: The gross amount of new measures includes the net fiscal impact of non-announced measures (undisclosed measures due to confidentiality). These amounts include either measures that reduce spending or increase revenues. Totals may not add due to rounding.

In the 2022 Fall Economic Statement, the Government provisioned for \$8.5 billion in additional spending over 2022-23 to 2027-28 for “anticipated near-term pressures”. However, the Government did not provide any details on this provision except for tautologically noting in the FES that it was “for pressures that are anticipated to materialize in the near term”.

In Budget 2023, the Government identified \$4.8 billion in “off-cycle” measures (that is, measures since the 2022 FES, excluding Budget 2023) that were sourced from the provision for anticipated near-term pressures. The remainder of the provision (\$3.7 billion) was not spent, contributing to lower budgetary deficits over the projection period.⁷

In the absence of the \$42.9 billion in (net) new spending, the budgetary deficit would be \$7.2 billion lower each year, on average, over 2022-23 to 2027-28 and the debt-to-GDP ratio would be 1.3 percentage points lower in 2027-28 than projected in the Budget 2023, all else equal.⁸

Since Budget 2021, the Government has projected a total of \$231.5 billion in new fiscal room⁹, of which more than 70 per cent (\$168.1 billion) was used to finance new non-COVID-19 measures over 2022-23 to 2027-28 (Table 4).

Table 4 New fiscal room and new measures since Budget 2021

\$ billions	New fiscal room projected	COVID-19 measures	New non- COVID-19 measures	Deficit reduction (or increase)
Budget 2023	-26.1	0.0	42.9	-69.0
2022 Fall Economic Statement	81.2	0.0	52.2	29.0
Budget 2022	85.5	5.9	29.0	50.6
2021 Economic and Fiscal Update	90.9	17.7	43.9	29.3
Total	231.5	23.6	168.1	39.9

Sources: Finance Canada and Office of the Parliamentary Budget Officer.

Notes: Amounts for Budget 2022 and the 2021 Economic and Fiscal Update apply to fiscal years 2021-22 to 2026-27 and 2021-22 to 2025-26, respectively. The 2022 FES and Budget 2023 amounts apply to fiscal years 2022-23 to 2027-28. Negative fiscal room indicates a deterioration in the budgetary balance. Totals may not add due to rounding.

In the absence of new non-COVID-19 measures since Budget 2021¹⁰, the budgetary deficit over 2022-23 to 2027-28 would be \$25.9 billion lower each year, on average, and the debt-to-GDP ratio would be 4.7 percentage points lower in 2027-28 than projected in Budget 2023, all else equal.¹¹

Spending reviews

In Budget 2022, the Government announced the launch of a “comprehensive Strategic Policy Review” that included two streams. Stream 1 would “assess program effectiveness” and Stream 2 would “identify opportunities to save and reallocate resources”. Further, the Government committed to providing an update of this review in Budget 2023. In the 2022 Fall Economic Statement, the Government reiterated the launch of its comprehensive review and committed to providing further details in Budget 2023.

Budget 2023, however, does not reference the Government’s “comprehensive Strategic Policy Review” and instead proposes to achieve savings by “refocusing government spending” through predetermined spending reductions.¹²

Budget 2023 does not provide an assessment of program effectiveness that the Government launched in Budget 2022 under Stream 1 of its comprehensive review. That said, Budget 2023 did announce the introduction of “cross-government program effectiveness reviews,” with the first review examining “skills training and youth programming” to determine by Budget 2024 “whether improvements can be made”.

Aside from proposing to reduce spending on consulting, other professional services and travel (by “roughly 15 per cent”), Budget 2023 does not identify opportunities to save and reallocate resources “to adapt government programs and operations to a new post-pandemic reality” under Stream 2 of the comprehensive Strategic Policy Review launched in Budget 2022.¹³

Recall that the Government did not adhere to the other spending review it announced in Budget 2022 (“Reduced Planned Spending in the Context of a Stronger Economy”). As PBO noted in its report on the 2022 Fall Economic Statement¹⁴, this spending review—with \$3 billion in savings targeted over 2023-24 to 2026-27—was “achieved” through \$3.8 billion in lower-than-anticipated spending on certain COVID-19 support measures in the previous fiscal year, 2021-22.

Under reviews related to refocusing government spending, Budget 2023 targets \$15.4 billion in savings over 2023-24 to 2027-28, of which \$6.4 billion is incremental savings relative to the 2022 FES and Budget 2022 (Table 5).

Table 5 Spending reviews – savings targets and status

Spending review	Launch	Review period	Savings targeted	Savings achieved	Status
Reduced Planned Spending in the Context of a Stronger recovery	Budget 2022	2023-24 to 2026-27	\$3.0 billion	\$3.8 billion*	Completed
Strategic Policy Review	Budget 2022	2024-25 to 2027-28	\$9.0 billion	\$0	Cancelled
Refocusing Government Spending (Reduced Spending on Consulting, Professional Services and Travel)	Budget 2023	2023-24 to 2027-28	\$7.1 billion	-	Underway
Refocusing Government Spending (Reduced Eligible Spending by Government Departments and Agencies)	Budget 2023	2024-25 to 2027-28	\$7.0 billion	-	Underway
Refocusing Government Spending (Crown Corporations – Comparable Spending Reductions)	Budget 2023	2024-25 to 2027-28	\$1.3 billion	-	Underway
Cross-Government Program Effectiveness (1 st review: skills training and youth programming)	Budget 2023	?	?	-	Underway

Sources: Finance Canada and Office of the Parliamentary Budget Officer.

Note: * The \$3.8 billion in savings was “achieved” through lower-than-anticipated spending on certain COVID-19 support measures in 2021-22.

In addition to refocusing government spending in Budget 2023, the Government intends to “realign previously announced spending”. Spending reductions of \$6.4 billion (on a cumulative basis over 2022-23 to 2027-28) were targeted, with \$3.5 billion in spending no longer required in 2023-24 alone.¹⁵ Parliamentarians may wish to request details about the Government’s planning process that led to the misallocation of this spending and the status or results of the programs impacted (if any).

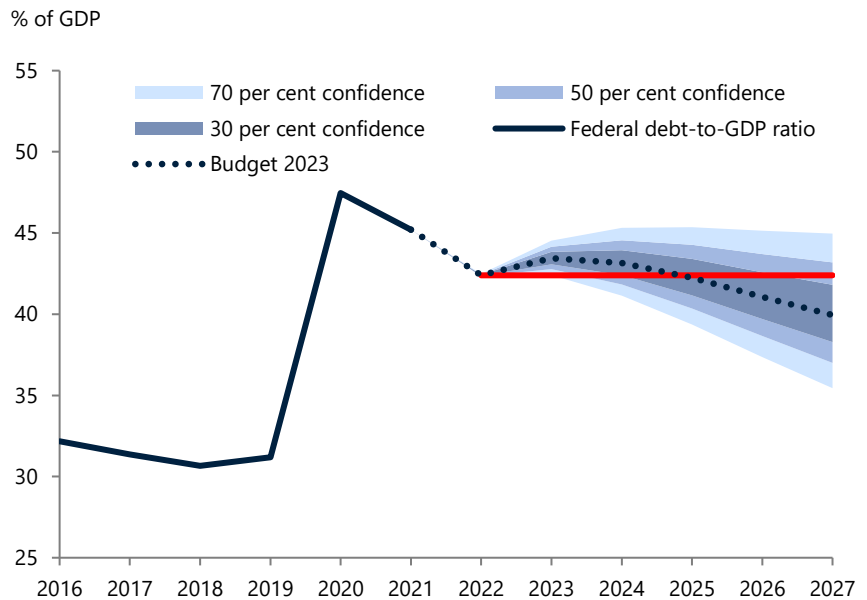
Fiscal anchor

Budget 2023 reaffirmed the Government’s commitment to its fiscal anchor of reducing the federal debt as a share of the economy over the medium term. Based on the outlook presented in Budget 2023, the federal debt-to-GDP ratio is projected to increase temporarily, remaining above its 2022-23 level of 42.4 per cent for two years, before gradually declining over the medium term to reach 39.9 per cent in 2027-28.

Given the private sector economic outlook and the Government’s fiscal projection in Budget 2023, using our fiscal sensitivities, we construct distributions of future possible outcomes to calculate confidence intervals.

On a status quo basis—that is, without additional measures and given possible economic outcomes surrounding the private sector outlook—we estimate that a 70 per cent confidence interval for the federal debt-to-GDP ratio in 2027-28 would be approximately ± 5 percentage points (Figure 1).

Figure 1 Forecast intervals for the federal debt-to-GDP ratio



Sources: Finance Canada, Statistics Canada and Office of the Parliamentary Budget Officer.

Notes: The series are presented on a fiscal-year basis (2022 corresponds to fiscal year 2022-23). The projection period covers 2022-23 to 2027-28. The red line corresponds to the baseline level of the federal debt-to-GDP ratio in 2022-23.

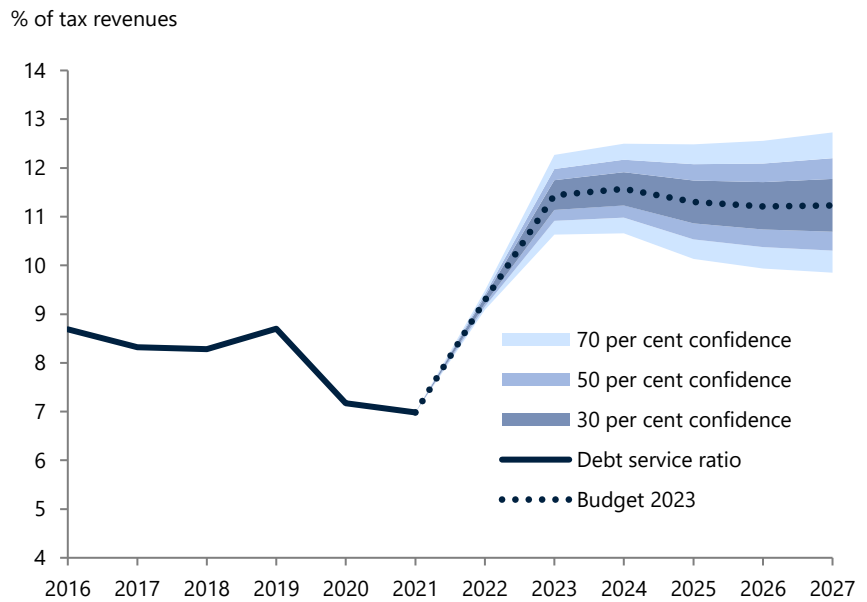
Further, we estimate that there is a 70 per cent chance that the federal debt-to-GDP ratio in 2027-28 would be below its 2022-23 baseline level of 42.4 per cent.

On a status quo basis, we estimate that a 70 per cent confidence interval for the budgetary balance in 2027-28 would range from a deficit of \$42.9 billion to a surplus of \$14.3 billion, with a 30 per cent chance of a balanced budget or better.

We also construct confidence intervals for the Government’s debt service ratio (that is, public debt charges relative to tax revenues), which provides a more meaningful metric of debt-servicing capacity compared to the debt-to-GDP ratio.¹⁶ Based on the outlook in Budget 2023, the debt service ratio is projected to rise from 9.3 per cent in 2022-23 to 11.6 per cent in 2024-25, before stabilizing around 11.2 per cent thereafter.

On a status quo basis, we estimate that a 70 per cent confidence interval for the debt service ratio in 2027-28 would be approximately ±1.5 percentage points (Figure 2). Further, in a given year, we estimate that there is a very high probability that the debt service ratio well exceeds its pre-pandemic level of 8.7 per cent in 2019-20.

Figure 2 Forecast intervals for the debt service ratio



Sources: Finance Canada and Office of the Parliamentary Budget Officer.

Note: The series are presented on a fiscal-year basis (2022 corresponds to fiscal year 2022-23). The projection period covers 2022-23 to 2027-28.

Fiscal transparency

Measures without specific details

Since the 2016 FES, the Government has been quantifying “non-announced” spending decisions that could relate to either confidential planned spending or provisions for anticipated Cabinet decisions.¹⁷ In Budget 2023, the Government identified \$798 million—on a net basis—in new “non-announced” measures over 2022-23 to 2027-28 (Table 6). In absolute terms, this represents over \$12 billion in either revenue or spending decisions for which there are no specific details.

Table 6 Measures in Budget 2023 without specific details

\$ billions	2022- 2023	2023- 2024	2024- 2025	2025- 2026	2026- 2027	2027- 2028	Total
Non-announced spending	5.7	-1.3	-1.9	-2.1	-0.5	0.9	0.8

Sources: Finance Canada and Office of the Parliamentary Budget Officer.

Note: Totals may not add due to rounding.

Additionally, once (and if) these measures are announced, the publication in which they were originally provisioned for will not likely be identified.¹⁸ This lack of transparency presents challenges for parliamentarians and the public in scrutinizing the Government’s spending plans, as well as reconciling between previously provisioned amounts and their announcement.

Parliamentarians may wish to request that provisions for anticipated Cabinet decisions not yet made be presented as a separate item within the category of non-announced measures. In addition, parliamentarians may wish to request that once these measures are announced, the Government identify the budget or statement in which they were provisioned.

Alignment of financial reporting

Budget 2023 was tabled a month after the Government’s Expenditure Plan and Main Estimates for 2023-24, meaning the latter did not contain any of the \$9.8 billion in additional spending for budget measures.

Similarly, the 2023 Departmental Plans, which describe departmental priorities and outline programs and resource requirements for the next three years, were tabled almost three weeks before the budget and do not contain information regarding the \$34.4 billion in new budget spending between 2023-24 and 2025-26.

Due to the lack of alignment between these financial reports—and consistent with the Parliamentary Budget Officer’s mandate to “promote fiscal transparency”—it is recommended that Parliament consider adopting a new legislative or administrative framework to improve transparency and comprehensibility for parliamentarians and the public. In this case, a fixed budget date earlier in the year could enforce better alignment among the Government’s various financial reports.

Notes

1. PBO's March 2023 Economic and Fiscal Outlook is available at: <https://www.pbo-dpb.ca/en/publications/RP-2223-025-S--economic-fiscal-outlook-march-2023--perspectives-economiques-financieres-mars-2023>.
2. The economic outlook in Budget 2023 was based on Finance Canada's February survey of private sector economists that was conducted prior to the release of the fourth quarter National Accounts on February 28. Finance Canada adjusted the forecast of real GDP growth and GDP inflation in 2023 to incorporate the actual results of the National Accounts for the fourth quarter.

For comparability, we have similarly adjusted our March EFO projection of real GDP growth and GDP inflation in 2023 to incorporate the actual results of the National Accounts for the fourth quarter.
3. In Budget 2023, private sector economists forecasted quarterly real GDP growth to average -0.08 per cent (annual rates) through 2023, which is somewhat weaker than the 0.28 per cent growth (at annual rates) projected in our March outlook.
4. For simplicity, the additional measures do not include their impact on public debt charges.
5. In 2022-23 lower expenses in Budget 2023 reflect a \$3.2 billion increase in repayments from COVID-19 benefit overpayments to individuals, slower-than-anticipated direct program spending related to COVID-19 and revised provisions for disaster assistance (in total, a \$5.8 billion downward revision, after accounting for increases for provisions for contingent liabilities and allowances).

Our higher in-year estimate is based on information from the November 2022 Fiscal Monitor that was published on January 27, 2023.
6. Downward revisions to the budgetary balance (prior to new measures) are mainly due to lower income taxes, reflecting lower nominal GDP, and higher public debt charges projected over 2022-23 to 2027-28. These are partially offset by lower expenses over the projection horizon.
7. In our report on the 2022 Fall Economic Statement, we noted that the lack of details on this provision presents a transparency challenge for parliamentarians and the public in scrutinizing the Government's spending plans. For additional details see: <https://www.pbo-dpb.ca/en/publications/RP-2223-021-S--fall-economic-statement-2022-issues-parliamentarians--enonce-economique-automne-2022-enjeux-parlementaires>.
8. See note 4.
9. In this context, fiscal room refers to the economic and fiscal developments since the previous statement or budget. For example, in Budget 2023 see Table 1, page 20: "Economic and fiscal developments since FES 2022". These amounts are then added to the 2022 FES

budgetary balance outlook to arrive at “Budgetary balance before policy actions and measures”.

10. New non-COVID-19 measures since Budget 2021 that apply to fiscal years 2022-23 to 2027-28 amount to \$115.5 billion. This is lower than the total of \$168.1 billion shown in Table 4 since measures that apply to 2021-22 (\$12.6 billion) have been excluded.
11. See note 4.
12. The savings targeted under the comprehensive Strategic Policy Review launched in Budget 2022 were netted off of the savings targeted under Refocusing Government in Budget 2023.
13. Budget 2022 noted that “further areas of focus could include real property, travel, and increased digital service delivery, based in part on key lessons taken from how the government adapted during the pandemic, such as through increased virtual or remote work arrangements.”
14. Available at: <https://www.pbo-dpb.ca/en/publications/RP-2223-021-S--fall-economic-statement-2022-issues-parliamentarians--enonce-economique-automne-2022-enjeux-parlementaires>.
15. This is in addition to the \$5.8 billion downward revision to spending due to slower-than-anticipated direct program spending related to COVID-19 and disaster assistance.
16. In his March 2022 IMF article “Deciding When Debt Becomes Unsafe”, Olivier Blanchard notes that the ratio of debt service to GDP would be an improvement over the debt-to-GDP ratio since, “lower rates imply much more favourable debt dynamics. A debt ratio that may have been unsafe in the early 1990s is much less likely to be unsafe now”. Available at: <https://www.imf.org/en/Publications/fandd/issues/2022/03/Deciding-when-debt-becomes-unsafe-Blanchard>.
17. For example, spending decisions related to national security, commercial sensitivity, contract obligations and litigation issues.
18. For example, in the 2022 Fall Economic Statement, the Government provisioned \$5.7 billion for “non-announced” measures over 2022-23 to 2027-28. Budget 2023 identifies \$4.8 billion in measures that were previously provisioned for. Without additional information it is unclear whether these amounts relate to the \$5.7 billion in “non-announced” measures provisioned for in the 2022 FES.