



# **FUTURE-ORIENTED STATEMENT OF OPERATIONS (UNAUDITED) FOR THE YEARS ENDED MARCH 31, 2026 AND MARCH 31, 2027**

2026-27

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K1A 0N2

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**Canadian Radio-television and Telecommunications Commission**  
**Future-Oriented Statement of Operations (unaudited)**  
**for the year ending March 31**  
**(in thousands of dollars)**

	<b>Forecast Results</b>	<b>Planned Results</b>
	<b>2025-26</b>	<b>2026-27</b>
<b>Expenses</b>		
Support for Canadian and Indigenous Content Creation	37,824	36,968
Connection to the Communications System	38,989	-
Protection Within the Communications System	16,579	-
Access to the Communications System	-	56,778
Internal Services	30,315	26,381
Expenses incurred on behalf of Government	(105)	(51)
<b>Total expenses</b>	<b>123,602</b>	<b>120,076</b>
<b>Revenues</b>		
Regulatory fees	119,486	118,307
Miscellaneous revenues	787	600
Revenues earned on behalf of Government	(27,695)	(25,030)
<b>Total revenues</b>	<b>92,578</b>	<b>93,877</b>
<b>Net cost of operations before government funding and transfers</b>	<b>31,024</b>	<b>26,199</b>

The accompanying notes form an integral part of the Future-Oriented Statement of Operations.

## Notes to the Future-Oriented Statement of Operations (unaudited)

### 1. Methodology and Significant Assumptions

The Future-Oriented Statement of Operations has been prepared based on government priorities and departmental plans as described in the Departmental Plan.

The information in the forecast results for fiscal year 2025-26 is based on actual results as of December 19, 2025 and on forecasts for the remainder of the fiscal year. Forecasts have been made for the planned results for fiscal year 2026-27.

The main assumptions underlying the forecasts are as follows:

- (a) The department will undertake substantially the same activities as in previous years.
- (b) The number of programs has been reduced from three to two by merging two programs into one. The two programs for 2026-27 are: "Support for Canadian and Indigenous Content Creation" and "Access to the Communications System."
- (c) Expenses and revenues, including the determination of amounts internal and external to the government, are based on experience. The general historical pattern is expected to continue with the exception of administrative monetary penalties (AMPs). It is not possible to accurately forecast revenues related to AMPs associated with enforcement activities for the Unsolicited Telecommunications Rules (UTRs), Canada's Anti-Spam Legislation (CASL), and the Voter Contact Registry (VCR). Amounts may vary significantly from year to year based on factors including trends in compliance as well as the number and complexity of investigations. For example, enforcement activities for the VCR are expected to increase during the period of federal elections.

(d) Allowances for bad debt expenses are based on historical experience. The general historical pattern is expected to continue but may vary significantly given higher AMPs possible under CASL.

These assumptions are made as of December 19, 2025.

## **2. Variations and Changes to the Forecast Financial Information**

Although every attempt has been made to forecast final results for the remainder of 2025-26 and for 2026-27, actual results achieved for both years are likely to differ from the forecast information presented, and this variation could be material.

In preparing this Future-Oriented Statement of Operations, the CRTC has made estimates and assumptions about the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and are continually evaluated.

Factors that could lead to material differences between the Future-Oriented Statement of Operations and the historical statement of operations include:

- the timing and amount of acquisitions and disposals of property, plant and equipment, which may affect gains, losses and amortization expense;
- the implementation of new collective agreements; and
- other changes to the operating budget, such as new initiatives or technical adjustments later in the fiscal year.

After the Departmental Plan is tabled in Parliament, the CRTC will not be updating the forecasts for any changes in financial resources made in ensuing supplementary estimates. Variances will be explained in the Departmental Results Report.

### **3. Summary of Significant Accounting Policies**

The Future-Oriented Statement of Operations has been prepared using the Government of Canada's accounting policies in effect for the fiscal year 2025-26 and is based on Canadian public sector accounting standards. The presentation and results using the stated accounting policies do not result in any significant differences from Canadian public sector accounting standards.

Significant accounting policies are as follows:

#### **a) Expenses**

Expenses are recorded on an accrual basis. Government operating expenses are recorded when goods are received or services are rendered, including services provided without charges for accommodation and employer contributions to health and dental insurance plans, which are recorded as expenses at their estimated cost. Vacation pay and compensatory leave as well as severance benefits are accrued and expenses are recorded as the benefits are earned by employees under their respective terms of employment.

Expenses also include provisions to reflect changes in the value of assets, including provisions for bad debt on accounts receivable and contingent liabilities to the extent that the future event is likely to occur and a reasonable estimate can be made.

Expenses also include amortization of tangible capital assets, which are capitalized at their acquisition cost. Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the asset.

b) **Revenues**

Revenues from regulatory fees and unsolicited telecommunications fees are recognized in the accounts based on the services provided in the fiscal year.

Miscellaneous revenues are accounted for in the period in which the underlying transaction or event that gave rise to the revenue takes place.

Revenues that are non-respendable are not available to discharge the CRTC's liabilities. Although the deputy head is expected to maintain accounting control, she has no authority over the disposition of non-respendable revenues. As a result, non-respendable revenues are earned on behalf of the Government of Canada and are therefore presented as a reduction of the CRTC's gross revenues.

- **Regulatory Fees**

The CRTC collects fees pursuant to regulations made under the authority of the *Broadcasting Act*, *Telecommunications Act* and the *Online News Act*.

The CRTC's broadcasting fees, telecommunications fees and *Online News Act* cost recovery charges are based on the regulatory costs incurred each year by the Commission and other federal departments or agencies to administer these statutes, and are equal to the aggregate of:

- the cost of the Commission's broadcasting, telecommunications and online news-related activities;

- the share of the costs of the administrative activities that are attributable to these regulatory activities; and
- other costs attributable to these activities.

The CRTC also collects Unsolicited Telecommunications Fees from telemarketers to fund its Do Not Call List (DNCL) investigation and enforcement activities.

- **Miscellaneous Revenues**

Miscellaneous revenues are comprised of: (a) AMPs, (b) interest on overdue accounts receivable for CRTC broadcasting fees, telecommunications fees, *Online News Act* cost recovery charges and AMPs, (c) miscellaneous non tax revenue (e.g., access to information fees), and (d) gains on disposal of non-capital assets to outside parties. All revenue from AMPs is recorded as non-respondable non-tax revenue and is considered revenue earned on behalf of the government.

#### **4. Parliamentary Authorities**

The CRTC is financed in part by the Government of Canada through parliamentary authorities (e.g., Statutory Vote for Employee Benefits Plans (EBP), Budgetary Vote for the CASL and VCR activities) and the balance by vote-netted fees it collects from the broadcasting, telecommunications and telemarketing industries. Vote-netting is a means of funding selected programs or activities wherein Parliament authorizes a department, pursuant to paragraph 29.1(2)(a) of the *Financial Administration Act*, to apply revenues collected from fee payers towards costs directly incurred for specific activities. The CRTC has the authority to use a portion of the following fees to finance the costs it incurs in discharging its statutory responsibilities under the *Broadcasting Act*, the *Telecommunications Act* and the *Online News Act* (i.e., respondable revenue):

- a) the broadcasting fees collected from broadcasters;
- b) the telecommunications fees collected from telecommunications carriers;
- c) the cost recovery charges collected from digital news intermediaries; and
- d) the unsolicited telecommunications fees collected from telemarketers.

A portion of these fees is classified as non-responsible revenue to recover costs for items funded through budgetary authorities (e.g., EBP) and costs incurred by other government departments on the CRTC's behalf.

Financial reporting of authorities provided to the CRTC differs from financial reporting according to generally accepted accounting principles because authorities are based mainly on cash flow requirements. Items recognized in the Future-Oriented Statement of Operations in one year may be funded through parliamentary authorities in prior, current, or future years. Accordingly, the CRTC has a different net cost of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

**a) Reconciliation of net cost of operations to requested authorities (in thousands of dollars)**

	<b>Forecast Results 2025-26</b>	<b>Planned Results 2026-27</b>
<b>Net cost of operations before government funding and transfers</b>	31,024	26,199
<b>Adjustments for items affecting net cost of operations but not affecting authorities:</b>		
Decrease in employee future benefits	115	460
Services provided without charge by other government departments	(9,914)	(9,233)
Amortization of tangible capital assets	(1,128)	(1,180)
Decrease in vacation pay and compensatory leave	291	543
Refund of prior years' expenditures and adjustments to payables at year end	82	52
<b>Total items affecting net cost of operations but not affecting authorities</b>	<b>(10,554)</b>	<b>(9,358)</b>
<b>Adjustments for items not affecting net cost of operations but affecting authorities:</b>		
Acquisitions of tangible capital assets	1,005	625
Increase (decrease) in prepaid expenses	(172)	99
<b>Total items not affecting net cost of operations but affecting authorities</b>	<b>833</b>	<b>724</b>
<b>Requested authorities forecasted to be used</b>	<b>21,303</b>	<b>17,565</b>

**b) Authorities provided / requested (in thousands of dollars)**

	<b>Forecast Results 2025-26</b>	<b>Planned Results 2026-27</b>
<b>Authorities provided / requested</b>		
Vote 1 - Operating expenditures	14,255	4,879
Statutory amounts	11,962	12,686
<b>Total authorities provided/requested</b>	<b>26,217</b>	<b>17,565</b>
Less: Estimated unused authorities and other adjustments	4,914	-
<b>Requested authorities forecasted to be used</b>	<b>21,303</b>	<b>17,565</b>

Authorities presented reflect current forecasts of statutory items, approved initiatives included and expected to be included in Estimates documents and, when reasonable estimates can be made, estimates of amounts to be allocated from Treasury Board central votes.