



Department of Finance  
Canada

Ministère des Finances  
Canada

# THE FISCAL MONITOR

A publication of the Department of Finance

Financial results for November 2020

A large, stylized background graphic consisting of overlapping, semi-transparent circular and rectangular shapes in shades of light blue, orange, and pink. The shapes are arranged in a way that suggests a bar chart or a data visualization, with some shapes appearing to rise above others. The overall effect is a modern, abstract design.

Canada

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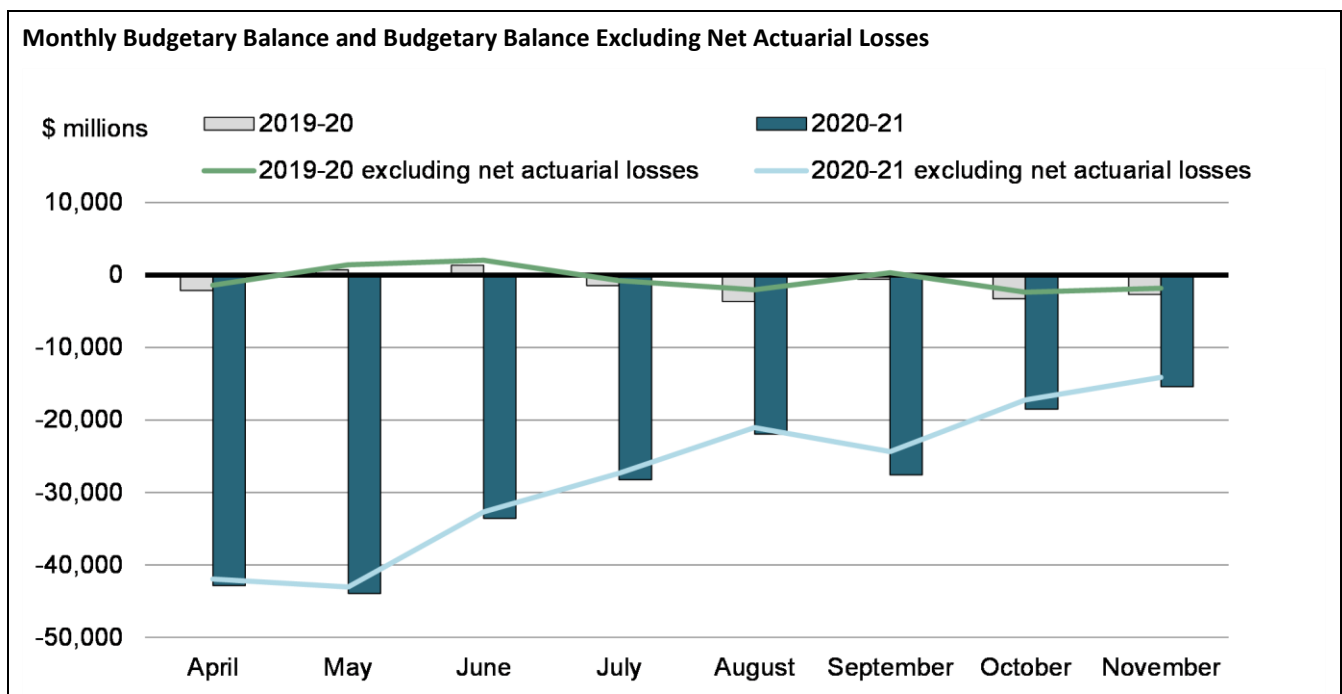
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# Highlights

## November 2020

There was a budgetary deficit of \$15.4 billion in November 2020, compared to a deficit of \$2.7 billion in November 2019. The budgetary deficit before net actuarial losses was \$14.1 billion, compared to a deficit of \$1.8 billion in November 2019. The budgetary balance before net actuarial losses is a new measure introduced 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.

The government's 2020–21 financial results reflect the economic downturn and temporary measures implemented through the government's Economic Response Plan to support Canadians and businesses facing hardship as a result of the COVID-19 outbreak.



Compared to November 2019:

- Revenues decreased by \$0.9 billion, or 3.6 per cent, driven by a decrease in other revenues that more than offset higher tax revenues.
- Program expenses excluding net actuarial losses were up \$11.5 billion, or 43.5 per cent, driven by increased transfers to individuals and businesses as part of the government's COVID-19 response measures.
- Public debt charges were down \$0.1 billion, or 4.9 per cent.
- Net actuarial losses were up \$0.4 billion, or 43.0 per cent, reflecting changes in the actuarial valuations for pensions and benefits, which have increased in large part due to declines in year-end interest rates used in valuing these obligations, as well as increased costs associated with the utilization of disability and other future benefits provided to veterans.

## April to November 2020

For the April to November period of the 2020–21 fiscal year, the government posted a budgetary deficit of \$232.0 billion, compared to a deficit of \$11.8 billion reported for the same period of 2019–20. The budgetary deficit before net actuarial losses was \$221.8 billion, compared to a deficit of \$4.6 billion for the same period of 2019–20.

The unprecedented shift in the government's financial results reflects the severe deterioration in the economic situation and temporary measures implemented through the government's Economic Response Plan to support Canadians and businesses facing hardship as a result of the COVID-19 outbreak during this period.

Compared to fiscal year 2019–20:

- Revenues were down \$37.6 billion, or 17.4 per cent, reflecting a broad-based reduction in revenues, including lower tax revenues and other revenues.
- Program expenses excluding net actuarial losses were up \$182.5 billion, or 89.5 per cent, largely reflecting transfers to individuals, businesses, and other levels of government under the Economic Response Plan, including the Canada Emergency Response Benefit (CERB) and Canada Recovery Benefits, the Canada Emergency Wage Subsidy (CEWS), the 25 per cent incentive for the Canada Emergency Business Account (CEBA), and transfers under the Safe Restart Agreement.
- Public debt charges decreased by \$2.9 billion, or 17.5 per cent, largely reflecting lower Consumer Price Index adjustments on Real Return Bonds, lower interest on the government's pension and benefit obligations, and lower interest on treasury bills.
- Net actuarial losses were up \$3.1 billion, or 43.1 per cent, reflecting increases in the value of the government's obligations for pensions and other employee future benefits based on actuarial valuations prepared for the *Public Accounts of Canada 2020*. The increase in net actuarial losses is due in large part to declines in year-end interest rates used in valuing these obligations, as well as increased costs associated with the utilization of disability and other future benefits provided to veterans.

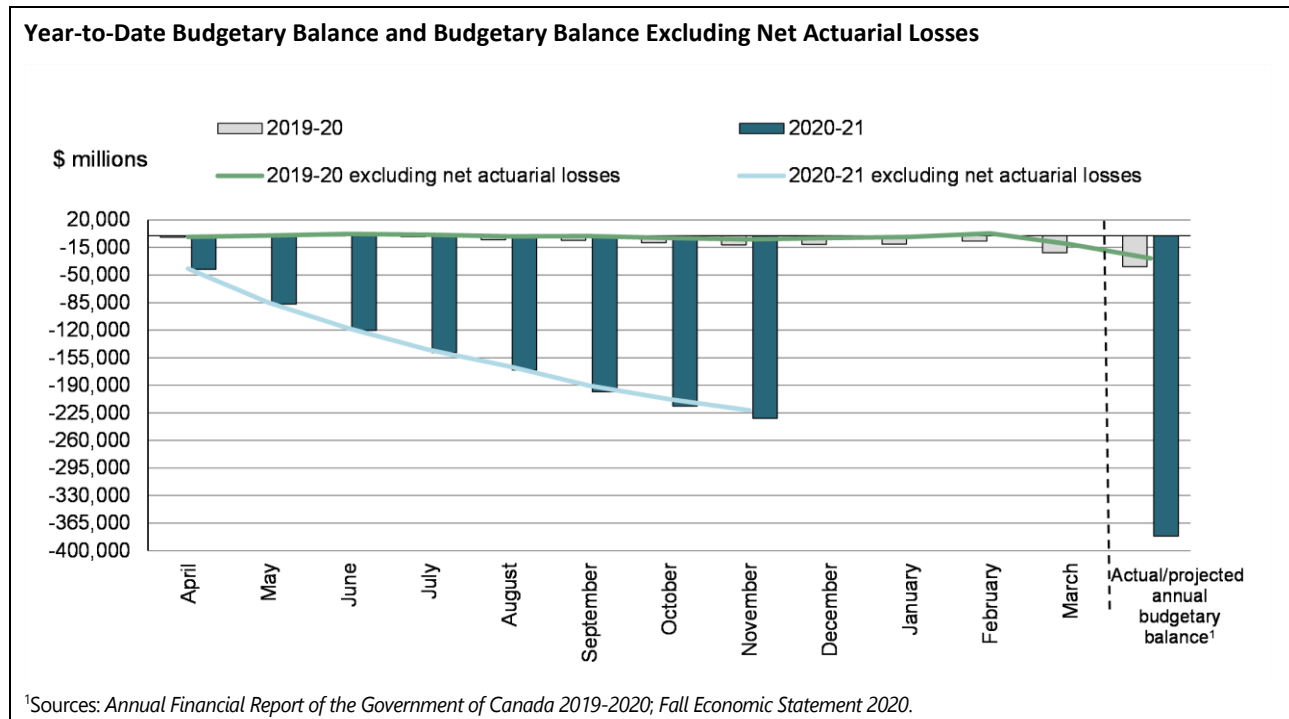


Table 1

**Summary statement of transactions**

\$ millions

	<b>November</b>		<b>April to November</b>	
	<b>2019</b>	<b>2020</b>	<b>2019-20</b>	<b>2020-21</b>
<b>Budgetary transactions</b>				
Revenues	26,160	25,214	215,692	178,129
Expenses				
Program expenses, excluding net actuarial losses <sup>1</sup>	-26,321	-37,772	-203,873	-386,354
Public debt charges	-1,642	-1,562	-16,399	-13,529
Budgetary balance, excluding net actuarial losses <sup>1</sup>	-1,803	-14,120	-4,580	-221,754
Net actuarial losses <sup>1</sup>	-897	-1,283	-7,174	-10,266
Budgetary balance (deficit/surplus)	-2,700	-15,403	-11,754	-232,020
<b>Non-budgetary transactions</b>	-148	-1,209	-5,830	-42,271
<b>Financial source/requirement</b>	-2,848	-16,612	-17,584	-274,291
<b>Net change in financing activities</b>	-7,544	-327	17,157	324,472
<b>Net change in cash balances</b>	-10,392	-16,939	-427	50,181
<b>Cash balance at end of period</b>			39,578	94,862

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

<sup>1</sup> Comparative figures and figures for April to August 2020 have been reclassified to conform to the presentation used in the Annual Financial Report of the Government of Canada 2019-2020. Information regarding this reclassification can be found in Note 8 at the end of this document.

# Revenues

Revenues in 2020–21 have been affected by the economic impacts of the COVID-19 crisis and by measures introduced under the government's Economic Response Plan, such as tax deferrals and the one-time Goods and Services Tax/Harmonized Sales Tax (GST/HST) credit payment. 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 November 2020 totalled \$25.2 billion, down \$0.9 billion, or 3.6 per cent, from November 2019.

- Tax revenues increased by \$0.9 billion, or 3.9 per cent, driven by an increase in GST revenue (reflecting both an increase in retail sales, as well as timing of revenue accruals).
- Employment Insurance (EI) premium revenues were up \$33 million, or 3.2 per cent.
- Assessed fuel charge proceeds under the federal carbon pollution pricing system were up \$0.1 billion, or 51.3 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 down \$1.9 billion, or 79.4 per cent. This decrease largely reflects lower profits from enterprise Crown corporations, particularly the Bank of Canada. The decrease in Bank of Canada profits is attributable to the Bank's secondary market purchases of Government of Canada securities to support liquidity in financial markets. Under the public sector accounting standards, premiums paid on these bond purchases are expensed immediately, which more than offsets interest earned on the securities during the month.

For the April to November period of 2020–21, revenues were \$178.1 billion, down \$37.6 billion, or 17.4 per cent, from the same period the previous year.

- Tax revenues decreased by \$16.9 billion, or 9.3 per cent, driven largely by declines in GST and corporate income tax revenues, reflecting COVID-19 impacts and related measures such as the one-time additional GST/HST credit payment. For its part, the federal portion of assessed cannabis excise duties increased by \$31 million to \$58 million over the April to November period.
- EI premium revenues were down \$0.3 billion, or 2.3 per cent.
- Assessed fuel charge proceeds were up \$1.5 billion, or 170.6 per cent.
- Other revenues were down \$21.9 billion, or 112.9 per cent, largely reflecting the up-front expensing of premiums paid by the Bank of Canada on its secondary market purchases of Government of Canada securities, as well as lower profits from other enterprise Crown corporations and lower revenues from interest and penalties.

Table 2

**Revenues**

	November		Change	April to November		Change
	2019	2020		2019–20	2020–21	
	(\$ millions)		(%)	(\$ millions)		(%)
<b>Tax revenues</b>						
Income taxes						
Personal	14,107	14,507	2.8	106,209	105,643	-0.5
Corporate	3,449	3,627	5.2	30,317	26,052	-14.1
Non-resident	1,123	479	-57.3	6,339	4,889	-22.9
Total income tax revenues	18,679	18,613	-0.4	142,865	136,584	-4.4
Other taxes and duties						
Goods and Services Tax	2,584	3,596	39.2	27,211	18,784	-31.0
Energy taxes	483	459	-5.0	3,864	3,287	-14.9
Customs import duties	353	372	5.4	3,576	2,682	-25.0
Other excise taxes and duties	428	360	-15.9	4,365	3,688	-15.5
Total excise taxes and duties	3,848	4,787	24.4	39,016	28,441	-27.1
Total tax revenues	22,527	23,400	3.9	181,881	165,025	-9.3
<b>Fuel charge proceeds</b>	154	233	51.3	885	2,395	170.6
<b>Employment Insurance premiums</b>	1,047	1,080	3.2	13,536	13,218	-2.3
<b>Other revenues</b>	2,432	501	-79.4	19,390	-2,509	-112.9
<b>Total revenues</b>	26,160	25,214	-3.6	215,692	178,129	-17.4

Note: Totals may not add due to rounding.

**Expenses**

Program expenses in 2020–21 have been significantly impacted by spending measures under the Economic Response Plan, including the CERB, the CEWS, the Safe Restart Agreement, the 25 per cent incentive under the CEBA, the Canada Recovery Benefits, the Canada Emergency Student Benefit (CESB), and the Canada Emergency Commercial Rent Assistance (CECRA) program. Further information regarding these measures is provided below.

Program expenses excluding net actuarial losses in November 2020 were \$37.8 billion, up \$11.5 billion, or 43.5 per cent, from November 2019.

- Major transfers to persons, consisting of elderly benefits, EI benefits, the CERB and Canada Recovery Benefits, and children's benefits, were up \$5.4 billion or 62.6 per cent.
  - Elderly benefits increased by \$0.2 billion, or 3.5 per cent.
  - EI benefits increased by \$2.2 billion, or 118.1 per cent, reflecting higher unemployment from the crisis and temporary changes to the EI program to improve access. EI benefits included \$10 million in CERB benefits to individuals eligible for EI.
  - Canada Recovery Benefits and CERB payments to those individuals not eligible for EI totalled \$3.0 billion. Canada Recovery Benefits include the Canada Recovery Benefit, the Canada Recovery Sickness Benefit, and the Canada Recovery Caregiving Benefit, which are income support programs introduced under Canada's COVID-19 Economic Response Plan.
  - Children's benefits were up \$0.1 billion, or 3.5 per cent.

- Major transfers to other levels of government were down \$0.2 billion, or 2.3 per cent, largely due to a timing difference in Gas Tax Fund payments, as payments for 2020–21 were made earlier this fiscal year. This timing difference more than offset legislated growth in the Canada Health Transfer, the Canada Social Transfer, Equalization transfers and transfers to the territories, and an increase in funding for home care and mental health.
- Direct program expenses were up \$6.2 billion, or 58.4 per cent. Within direct program expenses:
  - Fuel charge proceeds returned increased by \$37 million, or 528.6 per cent, largely reflecting the maturity of the program and an increase in the rate of the Climate Action Incentive payments for tax year 2019.
  - The CEWS reflects \$4.7 billion in payments to eligible employers under Canada’s COVID-19 Economic Response Plan.
  - Other transfer payments increased by \$0.8 billion, or 22.8 per cent, largely reflecting a number of COVID-19 response measures, such as transfers made under the Rapid Housing Initiative, the 25 per cent incentive under the CEBA, and increased funding for the Reaching Home program.
  - Operating expenses of the government’s departments, agencies and consolidated Crown corporations and other entities increased by \$0.7 billion, or 9.5 per cent, largely reflecting purchases of medical and personal protective equipment in response to the COVID-19 crisis and increased current service costs for pensions and other employee future benefits based on updated actuarial valuations.

Public debt charges decreased by \$0.1 billion, or 4.9 per cent, as lower interest on government debt more than offset 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, increased by \$0.4 billion, or 43.0 per cent, in large part due to declines in year-end interest rates used in valuing these obligations, as well as increased costs associated with the utilization of disability and other future benefits provided to veterans.

For the April to November period of 2020–21, program expenses excluding net actuarial losses were \$386.4 billion, up \$182.5 billion, or 89.5 per cent, from the same period the previous year.

- Major transfers to persons, consisting of elderly benefits, EI benefits, the CERB and Canada Recovery Benefits, and children’s benefits, were up \$80.5 billion or 123.2 per cent.
  - Elderly benefits increased by \$1.9 billion, or 5.2 per cent, reflecting growth in the number of recipients.
  - EI benefits increased by \$31.4 billion, or 261.5 per cent, due to higher unemployment resulting from the crisis and temporary changes to the EI program to improve access. EI benefits included \$27.6 billion in CERB benefits paid to individuals eligible for EI.
  - Canada Recovery Benefits and CERB payments to individuals not eligible for EI totalled \$44.8 billion.
  - Children’s benefits were up \$2.3 billion, or 14.0 per cent, largely reflecting the one-time increase to the May 2020 Canada Child Benefit payment.
- Major transfers to other levels of government were up \$17.3 billion, or 32.2 per cent, largely reflecting transfers under the Safe Restart Agreement and the Essential Workers Wage Top-Up; legislated growth in 2020–21 in the Canada Health Transfer, the Canada Social Transfer, Equalization transfers and transfers to the territories; transfers through the Safe Return to Class Fund; and, funding to clean up orphan and inactive oil and gas wells. These increases were offset in part by a \$1.9-billion expense recorded in April 2019 resulting from the Hibernia Dividend Backed Annuity Agreement between Canada and Newfoundland and Labrador, which did not recur in 2020–21.



- Direct program expenses were up \$84.7 billion, or 99.9 per cent. Within direct program expenses:
  - Fuel charge proceeds returned increased by \$1.5 billion, or 116.5 per cent, largely reflecting the continued administration of Climate Action Incentive payments, at an increased rate, for the 2019 tax year.
  - The CEWS accounted for \$54.7 billion in payments to eligible employers.
  - Other transfer payments increased by \$24.9 billion, or 92.2 per cent, largely reflecting a number of COVID-19 response measures, including the 25 per cent incentive under the CEBA, transfers to students under the CESB, support for seniors to cover increased costs as a result of COVID-19, and payments under the CECRA.
  - Operating expenses of the government's departments, agencies and consolidated Crown corporations and other entities increased by \$3.6 billion, or 6.4 per cent, reflecting in large part purchases of medical and personal protective equipment in response to the COVID-19 crisis and increased current service costs for pensions and other employee future benefits based on updated actuarial valuations.

Public debt charges decreased by \$2.9 billion, or 17.5 per cent, primarily reflecting lower Consumer Price Index adjustments on Real Return Bonds, lower interest on pension and benefit obligations, and lower interest on Government of Canada treasury bills.

Net actuarial losses increased by \$3.1 billion, or 43.1 per cent, reflecting increases in the measurement of the government's obligations for pensions and other employee future benefits accrued in previous fiscal years. The increase in net actuarial losses is due in large part to declines in year-end interest rates used in valuing these obligations and increased costs associated with the utilization of disability and other future benefits provided to veterans.

Table 3

**Expenses**

	November			April to November		
	2019	2020	Change	2019–20	2020–21	Change
	(\$ millions)		(%)	(\$ millions)		(%)
<b>Major transfers to persons</b>						
Elderly benefits	4,753	4,920	3.5	37,093	39,035	5.2
Employment Insurance benefits <sup>1</sup>	1,826	3,982	118.1	12,015	43,435	261.5
Canada Emergency Response Benefit and Canada Recovery Benefits <sup>1</sup>	-	3,015	n/a	-	44,833	n/a
Children's benefits	2,059	2,131	3.5	16,177	18,440	14.0
Total major transfers to persons	8,638	14,048	62.6	65,285	145,743	123.2
<b>Major transfers to other levels of government</b>						
Canada Health Transfer	3,364	3,489	3.7	26,915	27,913	3.7
Canada Social Transfer	1,215	1,252	3.0	9,724	10,015	3.0
Equalization	1,653	1,714	3.7	13,228	13,715	3.7
Territorial Formula Financing	268	284	6.0	2,874	3,043	5.9
Gas Tax Fund	586	-	-100.0	1,994	2,170	8.8
Home care and mental health	465	624	34.2	1,015	1,249	23.1
Other fiscal arrangements <sup>2</sup>	-482	-454	5.8	-1,915	13,070	782.5
Total major transfers to other levels of government	7,069	6,909	-2.3	53,835	71,175	32.2
<b>Direct program expenses<sup>3</sup></b>						
Fuel charge proceeds returned	7	44	528.6	1,275	2,761	116.5
Canada Emergency Wage Subsidy	-	4,678	n/a	-	54,701	n/a
Other transfer payments	3,564	4,378	22.8	26,961	51,827	92.2
Operating expenses	7,043	7,715	9.5	56,517	60,147	6.4
Total direct program expenses	10,614	16,815	58.4	84,753	169,436	99.9
<b>Total program expenses, excluding net actuarial losses<sup>3</sup></b>	26,321	37,772	43.5	203,873	386,354	89.5
<b>Public debt charges</b>	1,642	1,562	-4.9	16,399	13,529	-17.5
<b>Total expenses, excluding net actuarial losses<sup>3</sup></b>	27,963	39,334	40.7	220,272	399,883	81.5
Net actuarial losses <sup>3</sup>	897	1,283	43.0	7,174	10,266	43.1
<b>Total expenses</b>	28,860	40,617	40.7	227,446	410,149	80.3

Note: Totals may not add due to rounding.

<sup>1</sup> Figures for April to August 2020 have been reclassified to conform to the presentation used in the *Annual Financial Report of the Government of Canada 2019–2020*. Information regarding this reclassification can be found in Note 8 at the end of this document.

<sup>2</sup> Other fiscal arrangements include the Youth Allowances Recovery and Alternative Payments for Standing Programs, which represent a recovery from Quebec of a tax point transfer; statutory subsidies; payments under the 2005 Offshore Accords; payments to provinces in respect of common securities regulation; transfers under the new Hibernia Dividend Backed Annuity Agreement with Newfoundland and Labrador; the Essential Workers Wage Top-Up; transfers under the Safe Restart Agreement; and, other items.

<sup>3</sup> Comparative figures and figures for April to August 2020 have been reclassified to conform to the presentation used in the *Annual Financial Report of the Government of Canada 2019–2020*. Information regarding this reclassification can be found in Note 8 at the end of this document.

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

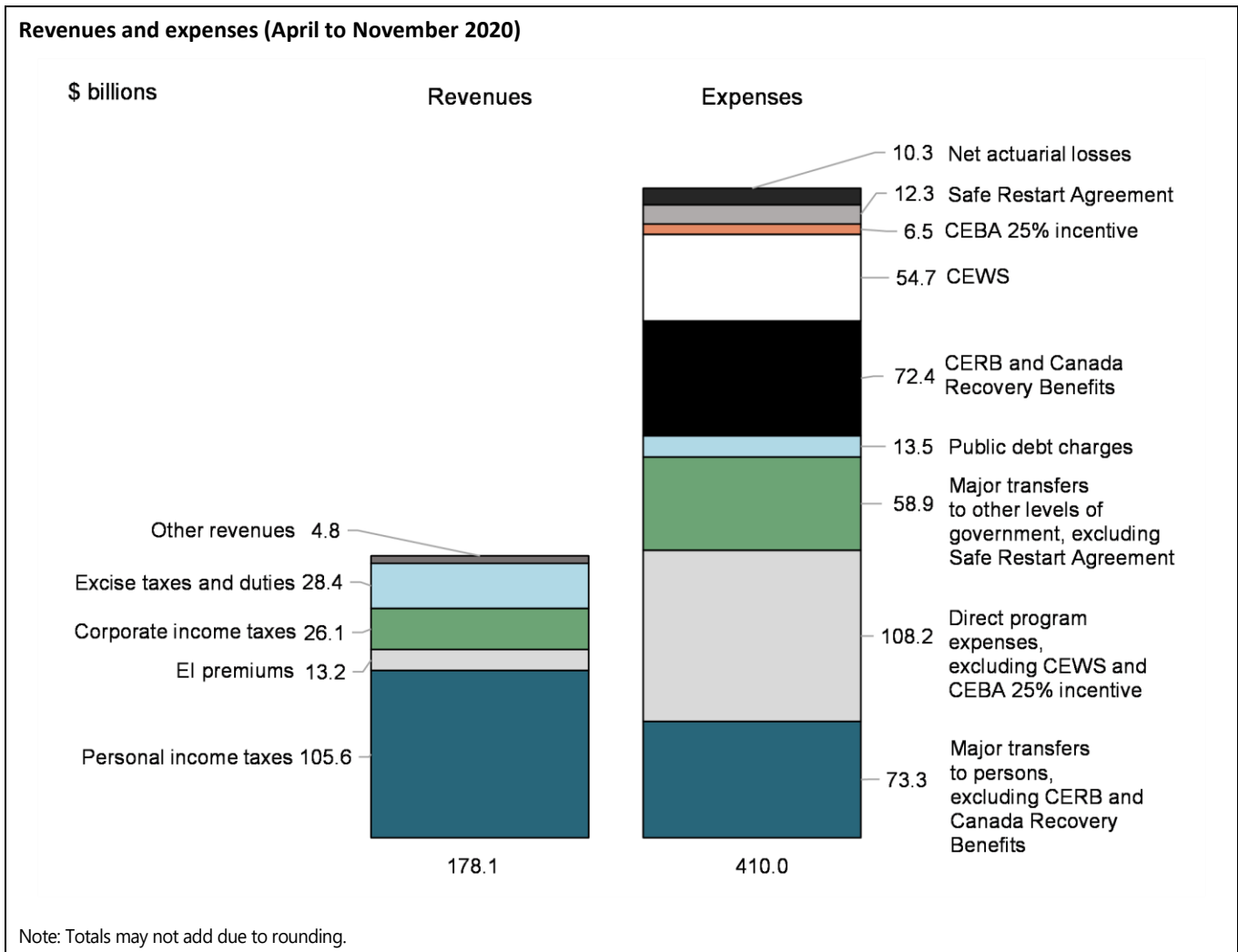
Table 4

**Total expenses by object of expense**

	November			April to November		
	2019	2020	Change	2019–20	2020–21	Change
	(\$ millions)		(%)	(\$ millions)		(%)
Transfer payments	19,278	30,057	55.9	147,356	326,207	121.4
Other expenses						
Personnel, excluding net actuarial losses <sup>1</sup>	4,215	4,539	7.7	33,090	35,747	8.0
Transportation and communications	239	170	-28.9	1,759	1,146	-34.8
Information	23	32	39.1	188	221	17.6
Professional and special services	1,000	1,125	12.5	6,779	6,807	0.4
Rentals	242	259	7.0	2,092	2,190	4.7
Repair and maintenance	285	309	8.4	1,945	1,763	-9.4
Utilities, materials and supplies	254	469	84.6	1,644	3,557	116.4
Other subsidies and expenses	349	361	3.4	5,502	5,062	-8.0
Amortization of tangible capital assets	427	444	4.0	3,416	3,590	5.1
Net loss on disposal of assets	9	7	-22.2	102	64	-37.3
Total other expenses	7,043	7,715	9.5	56,517	60,147	6.4
<b>Total program expenses, excluding net actuarial losses<sup>1</sup></b>	26,321	37,772	43.5	203,873	386,354	89.5
<b>Public debt charges</b>	1,642	1,562	-4.9	16,399	13,529	-17.5
<b>Total expenses, excluding net actuarial losses<sup>1</sup></b>	27,963	39,334	40.7	220,272	399,883	81.5
Net actuarial losses <sup>1</sup>	897	1,283	43.0	7,174	10,266	43.1
<b>Total expenses</b>	28,860	40,617	40.7	227,446	410,149	80.3

Note: Totals may not add due to rounding.

<sup>1</sup> Comparative figures and figures for April to August 2020 have been reclassified to conform to the presentation used in the *Annual Financial Report of the Government of Canada 2019–2020*. Information regarding this reclassification can be found in Note 8 at the end of this document.



## Financial requirement of \$274.3 billion for April to November 2020

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 \$232.0 billion and a requirement of \$42.3 billion from non-budgetary transactions, there was a financial requirement of \$274.3 billion for the April to November 2020 period, compared to a financial requirement of \$17.6 billion for the same period of the previous year.

The increased financial requirement for non-budgetary transactions for the April to November 2020 period was mainly driven by changes in loans, investments and advances; and accounts payable, accrued liabilities and accounts receivable. Changes to loans, investments and advances largely reflect loans advanced under the CEBA program, while changes to accounts payable, accrued liabilities and accounts receivable reflect a number of factors, including year-over-year changes in the balances of taxes receivable and amounts payable related to tax.

Table 5

**The budgetary balance and financial source/requirement**

\$ millions

	November		April to November	
	2019	2020	2019–20	2020–21
<b>Budgetary balance (deficit/surplus)</b>	-2,700	-15,403	-11,754	-232,020
<b>Non-budgetary transactions</b>				
Accounts payable, accrued liabilities and accounts receivable	312	5,608	-2,706	-18,367
Pensions, other future benefits, and other liabilities	945	1,402	7,186	10,583
Foreign exchange accounts	-650	1,664	-345	594
Loans, investments and advances	-60	-9,337	-8,802	-32,604
Non-financial assets	-695	-546	-1,163	-2,477
Total non-budgetary transactions	-148	-1,209	-5,830	-42,271
<b>Financial source/requirement</b>	-2,848	-16,612	-17,584	-274,291

Note: Totals may not add due to rounding.

## Net financing activities up \$324.5 billion

The government financed this financial requirement of \$274.3 billion and increased cash balances by \$50.2 billion by increasing unmatured debt by \$324.5 billion. The increase in unmatured debt was achieved primarily through the issuance of marketable bonds and treasury bills.

Cash balances at the end of November 2020 stood at \$94.9 billion, up \$50.2 billion from their level at the end of March 2020. The significant increase in the cash balance largely reflects borrowings undertaken to meet the government's projected financial requirements under the COVID-19 Economic Response Plan.

Table 6

**Financial source/requirement and net financing activities**

\$ millions

	November		April to November	
	2019	2020	2019-20	2020-21
<b>Financial source/requirement</b>	-2,848	-16,612	-17,584	-274,291
<b>Net increase (+)/decrease (-) in financing activities</b>				
Unmatured debt transactions				
Canadian currency borrowings				
Marketable bonds	-586	13,374	24,629	205,534
Treasury bills	-7,100	-11,400	-4,400	114,033
Retail debt	-490	-124	-617	-154
Total Canadian currency borrowings	-8,176	1,850	19,612	319,413
Foreign currency borrowings	93	-1,066	-689	3,505
Total market debt transactions	-8,083	784	18,923	322,918
Cross-currency swap revaluation	371	-1,490	-1,256	-6,323
Unamortized discounts and premiums on market debt	185	395	342	8,045
Obligations related to capital leases and other unmatured debt	-17	-16	-852	-168
<b>Net change in financing activities</b>	-7,544	-327	17,157	324,472
<b>Change in cash balance</b>	-10,392	-16,939	-427	50,181
<b>Cash balance at end of period</b>			39,578	94,862

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 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 \$236.4 billion over the April to November 2020 period, reflecting the \$232.0-billion budgetary deficit and \$4.4 billion in other comprehensive losses.

Table 7

**Condensed statement of assets and liabilities**

\$ millions

	March 31, 2020	November 30, 2020	Change
<b>Liabilities</b>			
Accounts payable and accrued liabilities	163,833	203,205	39,372
Interest-bearing debt			
Unmatured debt			
Payable in Canadian currency			
Marketable bonds	596,864	802,398	205,534
Treasury bills	151,867	265,900	114,033
Retail debt	497	343	-154
Subtotal	749,228	1,068,641	319,413
Payable in foreign currencies	15,941	19,446	3,505
Cross-currency swap revaluation	10,592	4,269	-6,323
Unamortized discounts and premiums on market debt	2,487	10,532	8,045
Obligations related to capital leases and other unmaturing debt	5,503	5,335	-168
Total unmaturing debt	783,751	1,108,223	324,472
Pension and other liabilities			
Public sector pensions	168,596	168,016	-580
Other employee and veteran future benefits	126,378	137,575	11,197
Other liabilities	6,051	6,017	-34
Total pension and other liabilities	301,025	311,608	10,583
Total interest-bearing debt	1,084,776	1,419,831	335,055
<b>Total liabilities</b>	1,248,609	1,623,036	374,427
<b>Financial assets</b>			
Cash and accounts receivable	173,715	281,635	107,920
Foreign exchange accounts	104,903	104,309	-594
Loans, investments, and advances (net of allowances) <sup>1</sup>	152,502	180,724	28,222
Public sector pension assets	4,598	4,598	0
Total financial assets	435,718	571,266	135,548
<b>Net debt</b>	812,891	1,051,770	238,879
<b>Non-financial assets</b>	91,531	94,008	2,477
<b>Federal debt (accumulated deficit)</b>	721,360	957,762	236,402

Note: Totals may not add due to rounding.

<sup>1</sup> November 30, 2020 amount includes \$4.4 billion in other comprehensive losses from enterprise Crown corporations and other government business enterprises for the April to November 2020 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.
8. The Department of Finance Canada has changed the presentation of the financial results in *The Fiscal Monitor* to: (a) separately present the recognition of actuarial gains and losses related to public sector pensions and other employee and veteran future benefits; and, (b) reflect CERB benefits paid to individuals eligible for EI within EI benefits. This new format is aligned with the presentation adopted in the Condensed Consolidated Statement of Operations and Accumulated Deficit in the *Annual Financial Report of the Government of Canada 2019–2020*.
  - a. Actuarial gains and losses were previously reported as part of direct program expenses, but are now presented in a new line item titled "Net actuarial losses". A new subtotal line titled "Budgetary balance, excluding net actuarial losses" has also been added. The purpose of this revised presentation is to enhance financial reporting and decision making for users by isolating the impacts of re-measurements of public sector pension and other employee and veteran future benefit obligations, which are often significant and can potentially mask underlying events and trends in current government spending. Results for April to August 2020 and comparative figures for the prior year have been reclassified to conform to this new presentation. Further details regarding this change in presentation can be found in the *Annual Financial Report of the Government of Canada 2019–2020*, available on the Department of Finance Canada website.
  - b. CERB payments to individuals eligible for EI were previously reported in *The Fiscal Monitor* within the line item titled "Canada Emergency Response Benefit", but are now presented in the line item "Employment Insurance benefits". Results for April to August 2020 have been reclassified to conform to this new presentation. CERB payments to individuals eligible for EI are charged to the EI Operating Account.



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

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