

30/60/90 DAY DECISION NOTE

Issue:

- Confirm publication of Second Quarterly Report as soon as possible – **within 30 days**

Background:

- The *Budget Transparency and Accountability Act (BTAA)* requires government to publish a second quarterly report (Q2) on or before November 30. However, the Q2 report is not required if the due date (November 30) falls between the date a general election is called and 40 days after the appointment of the Premier. This is the case this year: November 30 falls within the exemption period¹, regardless of when exactly the Premier is appointed.

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- A second quarterly report typically provides actual year-to-date results for revenues, expenses, capital spending and debt, as well as an updated full-year forecast for the current fiscal year – 2020/21.

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Decisions are required as soon as possible (within 30 days):

- Whether a *Second Quarterly Report* is to be released publicly.
- If released, confirm if the date of the releases.¹³

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¹ **Exemption period for quarterly reports**

BTAA s.10(5): "A quarterly report ... is not required to be made public ... if, but for this subsection, the quarterly report would have been required to be made public on or before a date that is within the period that

(a) begins on the date a general election is called, and

(b) ends on the date that is 40 days after the designated date following the general election."

30/60/90 DAY DECISION NOTE

Issue:

- TBS has notified Economic Forecast Council (EFC) members that the annual meeting is being rescheduled. Decision on a new meeting date is needed within **30 days**.

Background:

- The Economic Forecast Council consists of at least 10 independent members (external to government), appointed by order of the minister for their knowledge of the BC economy and expertise in economic analysis and forecasting.
 - There are currently 13 members of the EFC: Bank of Montreal, BC Real Estate Association, Business Council of BC, Central 1 Credit Union, CIBC, Conference Board of Canada, IHS Markit, Laurentian Bank, National Bank, RBC, Scotiabank, Stokes Economics and TD.
 - Most member organizations are represented by their Chief Economist.
- The *Budget Transparency and Accountability Act* requires that a report on the advice of the EFC, including their range of economic forecasts, be included in each year's Budget and Fiscal Plan.
- Although not legislatively required, conventionally the Minister of Finance meets with the EFC in advance of each year's budget to discuss BC's economic outlook and other economic issues.
 - Meetings have historically occurred in-person in Vancouver or Victoria. However, this year the meeting is planned to occur via conference call/webinar to mitigate safety and cancellation risks related to COVID-19.
- EFC members submit surveys containing their forecasts and economic commentary prior to the annual meeting. Members can submit a revision closer to budget, to incorporate any changes that may have occurred since their initial pre-meeting survey.

Decision required:

- Treasury Board Staff has notified EFC members that the previously scheduled December 4, 2020 meeting has been cancelled and will be rescheduled to a later date.

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30/60/90 DAY DECISION NOTE

Issue:

- Confirm date and number of years in the outlook of the fiscal plan for *Budget 2021* – as soon as possible **within 30 days**

Background:

- In a non-election year, the Minister of Finance must table a budget on or before the fourth Tuesday of February.
- The production of the budget involves a number of overlapping processes and decisions across government, which normally start in the early summer, as follows:
 - Developing the fiscal framework and priorities (2-3 months starting in May)
 - Budget invitations and instructions provided to ministries; ministries develop proposals (2-3 months)
 - Treasury Board review and approval of submissions (2-3 months)
 - Minister of Finance tax and/or revenue generating decisions (2-3 months)
 - Economic Forecast Council meeting (2-3 months prior to budget day)
 - Crown corporations and agencies submit forecasts to TBS for consolidation (2-3 months)
 - Final Treasury Board and Minister of Finance Decisions (on month prior to budget day)
 - Drafting and printing of budget documents (two months)
- With a fall election, the budget preparation timeline is reduced, therefore additional time is allowed for tabling the budget. Legislation¹ was recently amended to allow additional time for a post-election budget: it must be tabled on or before the fourth Tuesday in March, or 120 days after the appointment of the Premier, whichever is later.
- However, this extension is considered insufficient and the legislation will be amended again in December to allow for a budget date as late as April 30.
- The wording of the legislation allows the government to choose an earlier date, but this would be an s.13

Timelines

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- Due to the many processes and inputs involved in the preparation of a budget, a final decision is required as soon as possible to confirm the actual budget date.

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¹ *Budget Transparency and Accountability Act*, section 6(4): "... the minister must present the main estimates ... on or before the later of the fourth Tuesday in March ... and the date that is 120 days after the designated date"

The extent of the forecast: three-year^{s.13}

- The Budget and Fiscal Plan normally includes a fiscal forecast for the government reporting entity for the fiscal year for which the estimates are presented and the following two fiscal years, as required by the *Budget Transparency and Accountability Act*.
- This three-year forecast includes revenue projections based on an economic forecast for four calendar years, (including the year in which the budget is tabled), and forecasts of revenues and expenses provided by ministries and all the various government organizations (such as school districts, universities, health organizations, and Crown corporations).

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- The COVID-19 crisis has introduced a high level of uncertainty on the economic and fiscal forecasts. In normal times, the reliability of the forecasts diminishes with each subsequent year, and this uncertainty is further magnified by the COVID-19 pandemic.

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Decisions required:

The following decisions are needed as early as possible:

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Page 5 of 5

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