

**2007-08 First Quarter Report  
Key Facts & Figures (July 27, 2007)**

**Overall Results**

- \$237.4 million GRF surplus (surplus increased by \$162.4 million, up from \$75 million at Budget)
- \$390.4 million revenue improvement for the year
- \$98 million spending increase
- Government debt is forecast to be \$6.9 billion at year-end, down \$400 million from Budget.

**Revenue Changes**

- Improvement mainly related to a \$226 million equalization payment and one-time federal funding from the 2007 federal budget of \$104 million
- Also reflects a \$150.8 million increase in oil, which is completely offset by a \$127.5 million decrease in potash revenue and a \$26 million decrease in all other resource categories
- Improvement also reflects a \$42 million increase in sales tax and a \$5 million increase in fuel tax
- WTI oil price forecast (FISCAL year) - Budget: US\$58.75/barrel - First Quarter: US\$63.46/barrel
- Exchange rate forecast (FISCAL year) – Budget 0.8943 US\$/C\$ – First Quarter: 0.9341 US\$/C\$

**Spending Increases**

- eight departments had the majority of spending increases over Budget:
  - Culture, Youth and Recreation - \$30 million due to accelerated funding for Building Communities Program projects to meet increased demand. The Saskatchewan Infrastructure Fund (SIF) transfer increased by the same amount.
  - Corrections and Public Safety - \$22.3 million mainly due to increased claims under the Provincial Disaster Assistance Program.
  - Highways - \$18.6 million for emergency work related to spring flooding.
  - Learning - \$12.2 million primarily to deepen residential and commercial property tax rebate from 8 to 10 per cent this year.
  - Health - \$9.6 million to provide health regions with funding to reduce workplace illnesses/injuries and to improve occupational health and safety.
  - First Nations and Métis Relations - \$5.9 million primarily related to higher-than-anticipated payments to the First Nations Trust and Community Development Corporations, reflecting higher SIGA net income projections.
  - Northern Affairs - \$4.5 million due to one-time funding for the Primrose Lake economic development trust fund.
  - Advanced Education and Employment - \$2.7 million mainly due to funding for health professional training.
  - The spending increases are offset by an \$8.0 million forecast decrease in government debt servicing costs, due to lower government debt.

**FSF**

- The balance in the FSF at year-end is now forecast to be \$537.6 million. At budget, a \$509.9 million transfer to the GRF was forecast for this year. However, a first quarter deposit of \$160 million, due to one-time federal funding, reduces that forecasted transfer to \$349.9 million.

**SIF**

- Created at Mid-Year 2006-07 to support infrastructure. Cash funded with an injection of \$100 million. At budget, a transfer of \$40 million was forecast this year to fund Building Communities projects. Due to an overwhelming response to the program, existing funding was accelerated, increasing the transfer by \$30 million in the First Quarter.

**Debt**

- Total debt (which includes Crown Corporation debt) is forecast to be to \$10.4 billion at year-end, a decrease of \$742.3 million from Budget
- Government debt-to-GDP, at 14.7 per cent, is at its lowest point in more than 20 years.