



The Honourable Rod Gantefer
Minister of Finance

SASKATCHEWAN BUDGET UPDATE

08-09

READY FOR GROWTH

MID-YEAR REPORT

BACKGROUNDER - KEY TABLES

2008-09 GRF FORECAST OVERVIEW

(millions of dollars)	Budget Estimate	1 st Quarter Forecast	Mid-Year Projection	Change from	
				Budget	1 st Quarter
Revenue	\$ 9,366.5	\$ 12,463.4	\$ 12,260.2	\$ 2,893.7	\$ (203.2)
Operating Expense*	8,581.9	8,934.3	9,113.8	531.9	179.5
Operating Surplus	784.6	3,529.1	3,146.4	2,361.8	(382.7)
Debt Servicing	535.0	510.0	510.0	(25.0)	-
Pre-Transfer Surplus	249.6	3,019.1	2,636.4	2,386.8	(382.7)
Transfer to GFSF	(124.8)	(1,509.6)	(1,318.2)	(1,193.4)	191.3
Transfer from GFSF	125.2	-	1,000.0	874.8	1,000.0
Net Transfer from (to) GFSF	0.4	(1,509.6)	(318.2)	(318.6)	1,191.4
Surplus	\$ 250.0	\$ 1,509.6	\$ 2,318.2	\$ 2,068.2	\$ 808.7

* Budget Estimate includes \$10.4 million provided to the Ministry of Municipal Affairs by Further Estimates

GFSF Balance**	\$ 1,634.0	3,143.6	1,952.2	318.2	(1,191.4)
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** 2008-09 opening balance = \$1,634.0 million.

2008-09 GROWTH AND FINANCIAL SECURITY FUND CHANGES

(millions of dollars)	
GFSF Opening Balance - March 31, 2008	\$ 1,634.0
Changes to Mid-Year	
Allocation of 50% of projected 2008-09 pre-transfer surplus	+ 1,318.2
Additional Debt Payment	- 1,000.0
Total Change	+ 318.2
GFSF Mid-Year Projection - March 31, 2009	\$ 1,952.2

GRF TOTAL DEBT

As at March 31, 2009

(millions of dollars)	31-Mar-08	1 st Quarter Forecast	Mid-Year Projection	Change from	
				31-Mar-08	1 st Quarter
Crown Corporation Total Debt	\$ 3,395.2	\$ 3,888.0	\$ 3,863.0	\$ 467.8	\$ (25.0)
Government Total Debt	6,848.7	4,697.7	4,192.2	(2,656.5)	(505.5)
GRF Total Debt	\$ 10,243.9	\$ 8,585.7	\$ 8,055.2	\$ (2,188.7)	\$ (530.5)

2008-09 REVENUE CHANGE, BY CATEGORY

<i>(millions of dollars)</i>	
Total Revenue - Budget Estimate	\$ 9,366.5
1 st Quarter Total Change	+ 3,096.9
Total Revenue - 1st Quarter Forecast	\$ 12,463.4
2 nd Quarter Forecast Adjustments	
Tax Revenue (prior to tax reduction package)*	+ 203.1
Oil	- 191.3
Crown Land Sales	+ 83.8
Potash	+ 67.2
Other Non-Renewable Resources	- 47.3
Other Changes	+ 15.3
Total Forecast Adjustments	+ 130.8
Fall 2008 Tax Reduction Package	- 334.0
2 nd Quarter Total Change	- 203.2
Total Change from Budget to Mid-Year	+ 2,893.7
Total Revenue - Mid-Year Projection	\$ 12,260.2

* PIT up \$163.1M / CCT Resource Surcharge up \$40.0M

2008-09 OPERATING EXPENSE CHANGE, BY MINISTRY

<i>(millions of dollars)</i>	
Operating Expense - Budget Estimate*	\$ 8,581.9
Operating Expense - Forecast Changes	
CIC Transfer for Carbon Capture Trust	+ 240.0
Advanced Education, Employment and Labour	+ 106.1
Health	+ 80.0
Agriculture	+ 29.4
First Nations and Métis Relations	+ 19.6
Corrections, Public Safety and Policing	+ 18.2
Social Services	+ 14.4
Education	+ 9.5
Enterprise Saskatchewan	+ 6.1
Other Net Changes	+ 8.6
Total Change from Budget to Mid-Year	+ 531.9
Operating Expense - Mid-Year Projection	\$ 9,113.8

* Includes \$10.4M provided to the Ministry of Municipal Affairs by Further Estimates

2008-09 KEY NON-RENEWABLE RESOURCE ASSUMPTIONS

	Budget	1 st	Mid-Year	Apr-Sept	Oct-Mar
WTI Oil Price (US\$ per barrel)	82.36	119.78	93.95	121.0	67.0
Exchange Rate (US cents)	99.45	99.56	91.26	97.5	85.0
Total Oil Revenue (\$Millions)	1,054.6	1,799.8	1,608.5		
Average Potash Price (C\$ per K ₂ O tonne)	335.28	718.48	754.23		
Total Potash Revenue (\$Millions)	352.6	1,359.8	1,427.0		

SASKATCHEWAN ECONOMIC INDICATORS

<i>(Jan-Aug 2008 / Jan-Aug 2007)</i>	Per Cent Increase	Rank*
International exports	58.9	Highest
Retail sales	13.0	Highest
Wholesale trade	44.1	Highest
New housing starts**	19.9	2 nd Highest
Value of building permits	34.5	2 nd Highest
New vehicle sales	10.9	2 nd Highest
Value of manufacturing shipments	20.8	3 rd Highest

* Saskatchewan's ranking among Canadian provinces.

** Through the first three quarters of 2008.

ECONOMIC FORECAST SUMMARY

(Per cent Change Unless Noted Otherwise)

	2008-09 Budget			2008-09 Mid-Year		
	2008	2009	2010	2008	2009	2010
Nominal GDP	9.8	4.8	2.7	32.3	1.6	1.9
Real GDP	2.9	2.3	2.2	4.4	3.5	2.0
CPI	2.3	1.8	2.0	3.3	2.9	2.8
Employment growth (000s)	6.2	4.8	4.8	9.5	17.4	10.1
Unemployment rate (%)	4.1	4.1	4.2	4.3	4.1	3.5
Retail Sales	7.2	4.4	4.4	13.0	9.7	7.4