



BACKGROUND – KEY FACTS & FIGURES

2009-10 Third Quarter Report

March 2, 2010

REVENUE

- **\$10.03 billion** revenue forecast for General Revenue Fund (GRF) — an increase of \$153.8 million since mid-year (decrease of \$634.1 million from Budget).
- **Potash** is down a further \$312.9 million since mid-year (a decrease of \$2.1 billion since Budget). The potash forecast is now negative. At the end of March 2009, the potash industry made installment payments equal to 25 per cent of their full calendar year profit estimates. These estimates were too optimistic, and as a result, these payments have to be refunded. The refunds will exceed revenues collected this year by \$203.9 million.
- **Oil** revenue is up \$235.5 million since mid-year (\$615.2 million increase since Budget).
- **Corporation Income Tax** is up \$83.5 million since mid-year (\$255.3 million increase since Budget).
- **Personal Income Tax** is up \$41.1 million since mid-year (\$87.1 million increase since Budget).

Note: Disclosure of details about the potash royalty forecast, including the size of refunds, would violate the confidentiality provisions under Section 25 of *The Mineral Taxation Act, 1983*. *The Act* prevents the disclosure of confidential information that makes it possible for others to relate such information to a single taxpayer.

EXPENSE

- **\$10.11 billion** expense forecast for the GRF, an increase of \$99.6 million from mid-year (\$133.1 million decrease from Budget).
- The expense changes of \$99.6 million from mid-year are as follows:
 - Health is up \$67.7 million primarily for higher fee-for-service and out-of-province fees, increases to H1N1 expenses, and facility and equipment capital projects nearing completion.
 - Municipal Affairs received \$56.9 million mainly for increases in the Building Canada Fund and Municipal Infrastructure Grants.
 - Public Service Commission is up \$12.6 million from mid-year, primarily due to an increase in estimated non-permanent employee pension settlement costs.
 - Social Services is up \$7.3 million from mid-year, primarily due to higher Child and Family Community Services costs and increased Saskatchewan Assistance Plan caseloads.
 - Corrections, Public Safety and Policing is up \$3.5 million from mid-year, primarily due to increases for claims under the Provincial Disaster Assistance Program.
 - Finance (Public Service Pensions and Benefits) is up \$3 million primarily due to higher-than-anticipated costs across government.
 - Tourism, Parks, Culture and Sport is up \$3 million primarily due to increases related to the Building Communities Program and the Community Initiatives Fund.
 - Enterprise and Innovation Programs is up \$1.4 million from mid-year primarily due to increases in the Ethanol Fuel Tax Rebate Program.

- First Nations and Métis Relations is up \$1.3 million primarily for an increase in gaming agreement payments based on higher net income forecasts by Saskatchewan Indian Gaming Authority and Saskatchewan Gaming Corporation.

These increases are partially offset by:

- Agriculture is down \$44.5 million, primarily for lower-than-expected costs for the AgriStability Program.
- Highways and Infrastructure is down \$6 million mainly due to reduced amortization expense.
- Finance Debt Servicing is down \$5 million due to lower in-year borrowing requirements and lower interest rates.
- Finance is down \$1.2 million primarily for lower-than-anticipated consulting and communications costs and savings due to vacancy management.

SURPLUS AND GROWTH AND FINANCIAL SECURITY FUND BALANCE

- The net transfer from the Growth and Financial Security Fund (GFSF) is now projected to be \$510.1 million, down \$54.2 million from mid-year (up by \$501 million from Budget). This transfer ensures that the budgeted \$424.5 million GRF surplus remains intact.
- The GFSF is projected to have a year-end balance of \$705 million, up \$54.2 million from mid-year.

DEBT

- Government general debt forecast remains unchanged at \$4.16 billion at March 31, 2010.
- GRF total debt, which includes Crown debt, is forecast at \$8.12 billion at third quarter, a decrease of \$443.7 million from mid-year (increase of \$395.4 million from Budget).

2009-10 GRF Financial Overview

	Budget Estimate	Mid-Year Projection	3 rd Quarter Forecast	Change from	
				Budget	Mid-Year
<i>(millions of dollars)</i>					
Revenue	\$ 10,660.8	\$ 9,872.9	\$ 10,026.7	\$ (634.1)	\$ 153.8
Expense	10,245.4	10,012.7	10,112.3	(133.1)	99.6
Pre-Transfer Surplus	415.4	(139.8)	(85.6)	(501.0)	54.2
Transfer to GFSF	(207.7)	-	-	207.7	-
Transfer from GFSF	216.8	564.3	510.1	293.3	(54.2)
Net Transfer from (to) GFSF	9.1	564.3	510.1	501.0	(54.2)
GRF Surplus	\$ 424.5	\$ 424.5	\$ 424.5	\$ -	\$ -
GFSF Balance*	\$ 1,215.1	\$ 650.8	\$ 705.0	\$ (510.1)	\$ 54.2
Government Total Debt*	\$ 4,164.7	\$ 4,164.7	\$ 4,164.7	\$ -	\$ -

* Budget Estimate reflects 2008-09 year-end amounts.