



PROVINCE OF SASKATCHEWAN

(CANADA)

2014-15 MID-YEAR FINANCIAL UPDATE

November 27, 2014

Budget surplus remains on track

Government of Saskatchewan

Budget Update - Mid-Year
for the year ended March 31

(millions of dollars)	Budget 2014-15	Mid-Year Forecast	Change
Revenue			
Taxation	6,820.3	6,675.0	(145.3)
Non-Renewable Resources	2,694.4	2,753.9	59.5
Other Own-Source Revenue	1,863.8	1,869.2	5.4
Transfers from Federal Government	2,026.4	2,049.4	23.0
Net Income from GBES*	668.2	852.0	183.8
Total Revenue	14,073.1	14,199.5	126.4
Expense			
Agriculture	681.2	680.6	(0.6)
Community Development	589.0	589.6	0.6
Debt Charges	546.3	540.2	(6.1)
Economic Development	288.6	298.5	9.9
Education	3,675.0	3,697.9	22.9
Environment and Natural Resources	232.5	247.5	15.0
Health	5,355.9	5,353.5	(2.4)
Protection of Persons and Property	593.7	687.3	93.6
Social Services and Assistance	1,172.4	1,190.7	18.3
Transportation	539.3	539.2	(0.1)
Other	327.8	303.6	(24.2)
Total Expense	14,001.7	14,128.6	126.9
Surplus	71.4	70.9	(0.5)

* Government Business Enterprises

Summary financial information

Beginning in 2014-15, the Saskatchewan Budget was presented on a Summary basis to provide a comprehensive picture of planned financial activity for the Province of Saskatchewan.

The Mid-Year Report has been prepared on a Summary basis to provide comparability with Budget information.

Key economic assumptions for 2014

	Actual 2013	Budget	Mid-Year
Can. Real GDP Growth (%)	2.0	2.4	2.3
U.S. Real GDP Growth (%)	2.2	2.5	2.2
Can. Dollar (US cents)	97.10	92.00	90.60
Short-term Interest Rate (%)	0.97	0.90	0.92
Long-term Interest Rate (%)*	2.26	2.94	2.19

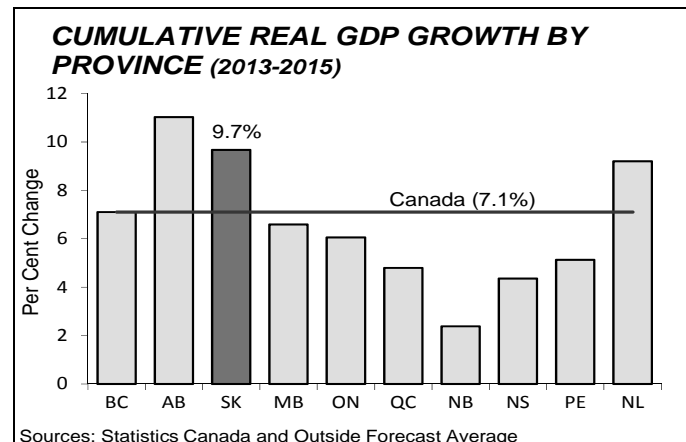
* 10-year Government of Canada Bond

Source: Ministry of Finance

Key economic indicators update

- Employment increased by 10,000 through the first 10 months of 2014;
- Between July 1, 2013 and July 1, 2014, Saskatchewan's population grew by 1.7 per cent to 1,125,410;
- Lowest unemployment rate in Canada;
- Second highest percentage increase in population, employment and manufacturing sales;
- Third highest percentage increase in retail sales; and,
- Third highest level of average weekly earnings.

Saskatchewan's economy is expected to outperform most other provincial economies over the period 2013 to 2015



Public debt remains close to Budget estimate

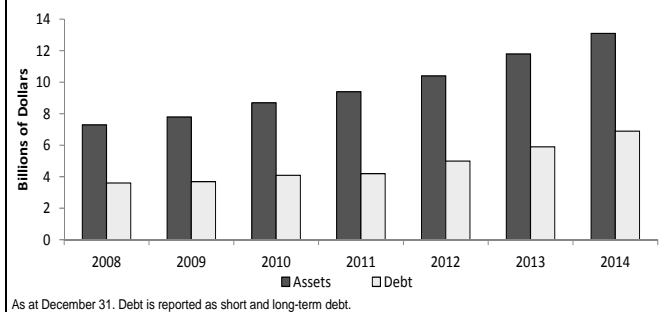
Schedule of Debt by Category

As at March 31

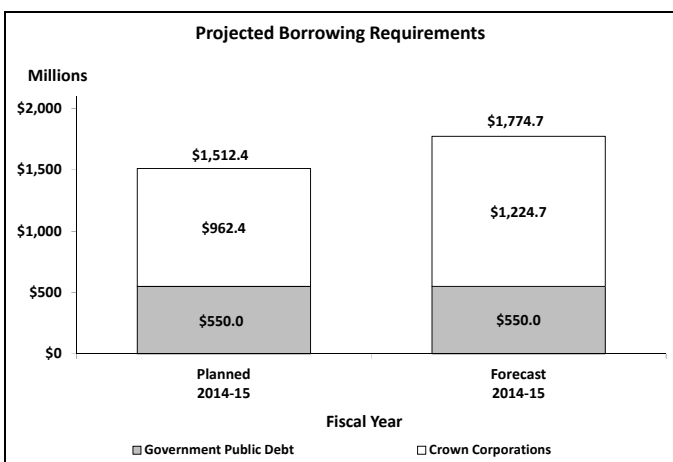
(millions of dollars)	Budget	Mid-Year	Change
	2014-15	Forecast	
Government Public Debt (GRF)	3,804.8	3,803.0	(1.8)
Other General Debt	1,054.8	978.8	(76.0)
General Debt	4,859.6	4,781.8	(77.8)
Government Business Enterprise			
Specific Debt	6,955.6	7,078.1	122.5
Public Debt	11,815.2	11,859.9	44.7

Growth in Crown sector assets exceeds increase in debt

CROWN SECTOR ASSETS AND DEBT



Borrowing requirements primarily to fund infrastructure capital and debt refinancing



2014-15 non-renewable resources forecast assumptions

	Budget 2014-15	1st Quarter Forecast	Mid-Year Forecast
WTI Oil Price (US\$/barrel)	94.25	99.89	91.08
Light-Heavy Differential (% of WTI)	19.5	16.9	16.2
Oil Production (million barrels)	181.8	185.6	183.3
Potash Price (mine netback, US\$/KCl tonne) ¹	274	271	280
Potash Price (mine netback, C\$/K ₂ O tonne) ¹	492	482	512
Potash Sales (million K ₂ O tonnes) ¹	10.6	10.6	11.0
Canadian Dollar (US cents)	91.5	92.1	89.7

¹ Ministry of Finance calculations derived from calendar-year forecasts.

Credit Ratings of the Province

Standard & Poor's	AAA
Moody's Investors Service	Aaa
Dominion Bond Rating Service	AA

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"Our government will continue working hard to keep Saskatchewan's economy and its finances strong."

Honourable Ken Krawetz
Deputy Premier and Minister of Finance