

# Back On Track

## 2022-23 Mid-Year Highlights

### Fiscal Strength

- At mid-year, a surplus of \$1.1B is forecast
- Revenue is forecast to increase by \$2.4B from budget
- Higher non-renewable resource revenue reflects strong potash and oil prices
- Higher forecast taxation revenue reflects solid economic growth

### Growth That Works for Everyone

- Saskatchewan Affordability Tax Credit (SATC), \$500 one-time payment to support inflation relief
- Extension of small business tax rate reduction, \$93M in savings for small businesses over three years
- Gym, fitness memberships, recreational activities for youth remain PST-free
- Up to \$1B in operating debt retired, reducing interest costs now and in future years

### Budget Update - Mid-Year

(Millions of Dollars)

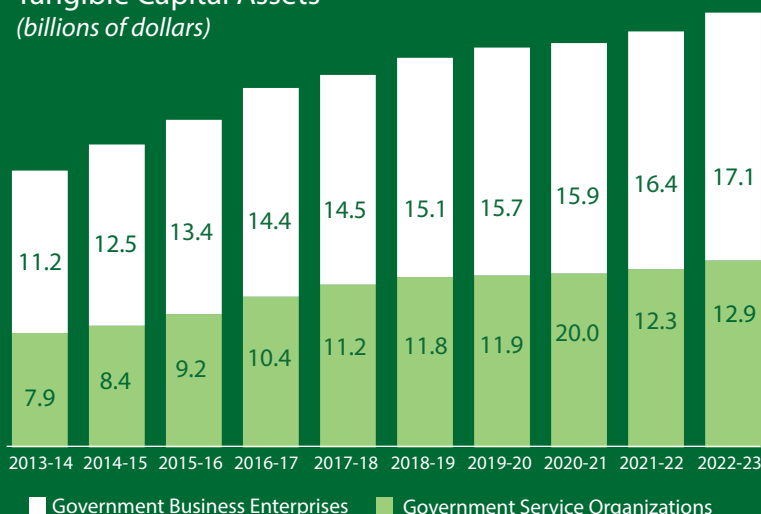
Budget Update - Mid-Year			Mid-Year Change From		
(Millions of Dollars)	Budget	First Quarter	Mid-Year	Budget	First Quarter
Revenue					
Taxation	8,092.8	8,629.3	9,137.8	1,045.0	508.5
Non-renewable resources	2,910.1	4,767.4	4,305.7	1,395.6	(461.7)
Net income from GBEs*	742.5	208.9	261.3	(481.2)	52.4
Other own-source revenue	2,192.5	2,282.1	2,429.6	237.1	147.5
Transfers from the federal government	3,219.7	3,284.8	3,375.0	155.3	90.2
Total Revenue	17,157.6	19,172.5	19,509.4	2,351.8	336.9
Expense					
Agriculture	1,040.1	1,040.1	1,244.4	204.3	204.3
Community development	729.9	737.9	747.5	17.6	9.6
Economic development	327.7	795.8	802.8	475.1	7.0
Education	3,800.4	3,806.1	3,796.3	(4.1)	(9.8)
Environment and natural resources	371.9	358.5	357.7	(14.1)	(0.8)
Financing charges	812.0	801.0	812.2	0.2	11.2
General Government	544.6	535.0	537.4	(7.2)	2.4
Health	6,823.5	6,843.5	6,884.9	61.4	41.4
Protection of persons and property	936.2	976.6	998.1	61.9	21.5
Social services and assistance	1,623.9	1,623.9	1,623.9	-	-
Transportation	610.3	610.3	610.3	-	-
Total Expense	17,620.5	18,128.7	18,415.5	795.0	286.8
Surplus (Deficit)	(462.9)	1,043.8	1,093.9	1,556.8	50.1

\*Government Business Enterprises

## Investments in Capital

### Tangible Capital Assets

(billions of dollars)



■ Government Business Enterprises ■ Government Service Organizations

## Public Debt

(millions of dollars)

	Budget	First Quarter	Mid-Year
General Revenue Fund (GRF)			
- Operating	9,925.0	8,039.2	7,689.2
- Saskatchewan Capital Plan	9,269.3	9,138.3	9,138.3
Other Government Service Organizations	266.4	263.4	263.6
<b>Government Service Organization Debt</b>	<b>19,460.7</b>	<b>17,440.9</b>	<b>17,091.1</b>
<b>Government Business Enterprise Debt</b>	<b>10,583.8</b>	<b>10,884.6</b>	<b>10,844.9</b>
<b>Public Debt</b>	<b>30,044.5</b>	<b>28,325.5</b>	<b>27,936.0</b>



## 2<sup>nd</sup> Highest Credit Rating in Canada

Moody's Investors Service Aa1  
Standard & Poor's AA  
DBRS Morningstar AA (low)

## Saskatchewan Mid-Year Forecast at a Glance

(per cent change unless otherwise noted)

	Actual 2021	Mid-Year 2022	2023
Real GDP	(0.9)	4.7	1.4
Nominal GDP	13.1	17.5	1.1
CPI	2.6	6.7	3.6
Employment Growth (000s)	14.1	21.8	6.1
Unemployment Rate (%)	6.5	4.9	5.5
Retail Sales	14.6	7.6	4.2

Sources: Statistics Canada and Ministry of Finance

[saskatchewan.ca/budget](https://saskatchewan.ca/budget)

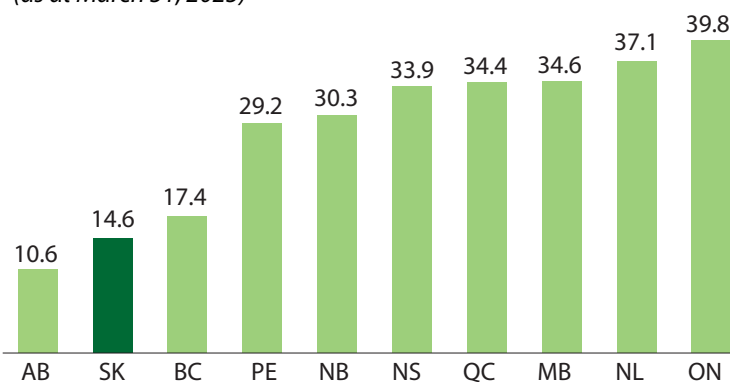
## Key Fiscal-Year Non-Renewable Resource

### Forecast Assumptions

	2021-22 Actual	2022-23 Budget	2022-23 Mid-Year
WTI Oil Price (US\$/barrel)	77.07	75.75	91.00
Light-Heavy Differential (% of WTI)	12.7	14.5	17.0
Well-head Oil Price (C\$/barrel) <sup>1</sup>	77.54	74.19	92.27
Oil Production (million barrels)	162.9	163.7	165.8
Potash Price (mine netback, US\$/KCl tonne)	333	407	571
Potash Price (mine netback, C\$/K <sub>2</sub> O tonne)	683	833	1,201
Potash Sales (million K <sub>2</sub> O tonnes) <sup>2</sup>	13.8	13.7	14.0
Canadian Dollar (US cents)	79.77	79.98	77.68

## Projected Net Debt as a per cent of GDP

(as at March 31, 2023)



Sources: Net Debt. Jurisdictions most recent data (as of November 8, 2022)

GDP: SK: Saskatchewan Ministry of Finance; All others: Conference Board of Canada

## Economic Strengths

- Employment up by 20,400 jobs, or 3.7 per cent, through ten months of this year over the same period in 2021
- Second highest employment rate among provinces, 64.3 per cent year-to-date
- Wholesale trade up 53.7 per cent in the first nine months of 2022 over the same period in 2021, the highest rate of growth among provinces
- Second highest international export growth among provinces, 44.6 per cent in the first nine months of 2022 over the same period in 2021
- Investment in building construction up by 28.2 per cent in the first nine months of 2022 over the same period in 2021, second highest growth among provinces
- Third highest growth in manufacturing sales among provinces, 29.5 per cent in the first nine months of 2022 over the same period in 2021
- Average of private sector forecasts shows Saskatchewan's real GDP growth to lead the country in both 2022 at 5.3 per cent, and 2023 at 1.9 per cent

**Saskatchewan**