

2023-24 Mid-Year Highlights

Growth That Works for Everyone

Building Fiscal Resilience

- At mid-year, revenue is forecast to increase by \$35.2M from budget.
- Expense is forecast to be up \$1.3B from budget, largely driven by an increase in Agriculture expense due to severe drought that hit parts of the province.
- Saskatchewan had the highest economic growth among provinces in 2022 with 6.0 per cent real GDP growth.
- An average of private sector forecasts has Saskatchewan's economic growth at the second highest among the provinces in each of the next two years, with real GDP growing by 1.6 per cent in 2023 and 1.3 per cent in 2024.
- The plan to retire approximately \$1B in operating debt remains unchanged from budget.
- Saskatchewan's net debt as a percentage of GDP is expected to be 13.3 per cent at the end of the fiscal year, second lowest among Canadian provinces.

2023-24 BUDGET UPDATE - MID-YEAR

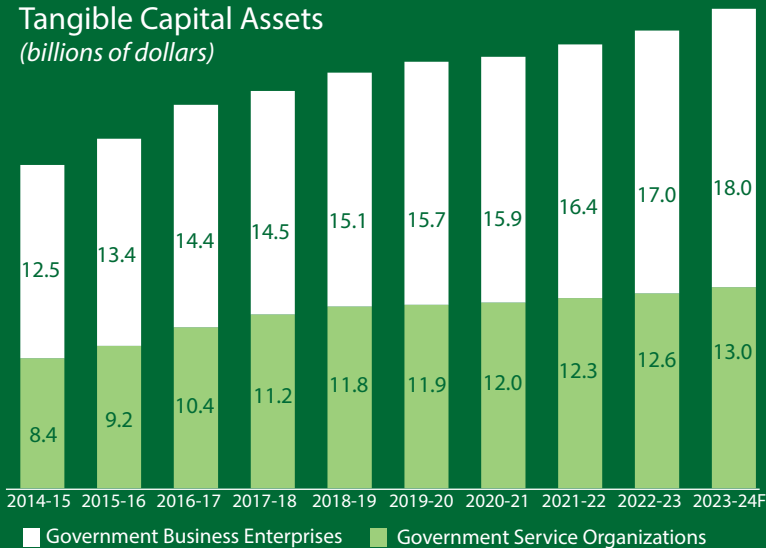
(Millions of Dollars)

	Budget	First Quarter	Mid-Year	Mid-Year Change From	
				Budget	First Quarter
Revenue					
Taxation	9,633.8	9,783.5	10,048.5	414.7	265.0
Non-renewable resources	3,344.6	2,815.7	2,626.8	(717.8)	(188.9)
Net income from GBEs*	529.1	648.8	733.5	204.4	84.7
Other own-source revenue	2,615.6	2,726.4	2,738.7	123.1	12.3
Transfers from the federal government	3,554.6	3,579.6	3,565.5	10.9	(14.1)
Total Revenue	19,677.7	19,554.0	19,712.9	35.2	159.0
Expense					
Agriculture	1,449.8	1,449.8	2,302.9	853.0	853.0
Community development	866.0	866.0	877.3	11.2	11.2
Economic development	367.4	367.4	393.6	26.2	26.2
Education	4,035.7	4,304.2	4,306.4	270.7	2.2
Environment and natural resources	254.4	256.3	208.4	(46.0)	(47.9)
Financing charges	812.2	816.6	822.7	10.5	6.1
General Government	540.1	584.4	585.4	45.3	0.9
Health	7,056.3	7,056.3	7,056.3	-	-
Protection of persons and property	968.5	1,057.6	1,079.9	111.3	22.3
Social services and assistance	1,665.2	1,665.2	1,686.2	21.0	21.0
Transportation	644.6	644.6	644.6	-	-
Total Expense	18,660.2	19,068.5	19,963.5	1,303.2	895.0
Surplus (Deficit)	1,017.5	485.5	(250.5)	(1,268.0)	(736.1)

*Government business enterprises.

Investments in Capital

Tangible Capital Assets
(billions of dollars)



Gross Debt (as at March 31)

(millions of dollars)

	Budget	First Quarter	Mid-Year
General Revenue Fund (GRF)			
- Operating	7,463.9	7,463.9	7,463.9
- Saskatchewan Capital Plan	10,371.1	10,371.1	11,171.1
Other Government Service Organizations	248.8	250.5	249.5
Taxpayer-Supported Debt	18,083.8	18,085.5	18,884.5
Self-Supporting Debt	12,771.5	12,831.6	12,680.3
Total	30,855.3	30,916.5	31,564.8
Guaranteed Debt	75.1	75.1	75.2



2nd Highest Credit Rating in Canada

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

Private Sector Forecast at a Glance

(per cent change unless otherwise noted)

	Actual 2022	Mid-Year	
		2023	2024
Real GDP	6.0	1.6	1.3
Nominal GDP	29.2	(1.2)	2.2
CPI	6.6	4.0	2.5
Employment Growth (000s)	19.8	7.9	5.3
Unemployment Rate (%)	4.7	5.0	5.4

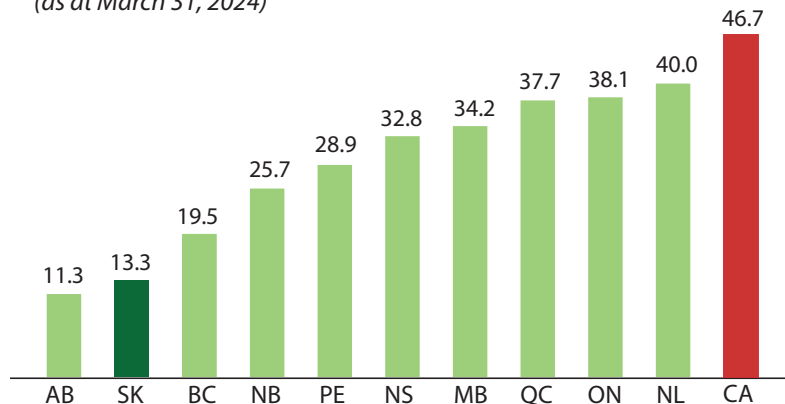
Sources: Statistics Canada and private sector forecasts.

Key Fiscal-Year Non-Renewable Resource Forecast Assumptions

	2022-23 Actual	Budget	Mid-Year
WTI Oil Price (US\$/barrel)	89.59	79.50	80.22
Light-Heavy Differential (% of WTI)	18.9	23.8	14.1
Well-head Oil Price (C\$/barrel)	91.26	78.07	85.14
Oil Production (million barrels)	166.7	170.75	166.8
Potash Price (mine netback, US\$/KCl tonne)	562	369	263
Potash Price (mine netback, C\$/K ₂ O tonne)	1,205	814	663
Potash Sales (million K ₂ O tonnes)	13.9	15.3	14.3
Canadian Dollar (US cents)	75.64	74.35	74.83

PROJECTED NET DEBT AS A PERCENT OF GDP

(as at March 31, 2024)



Sources: Net Debt: Jurisdictions most recent data (as of November 8, 2023).

GDP: SK-Average Private Sector forecast, Canada and all other provinces-CBoC (Data Released in August, 2023).

Economic Strengths

- More people than ever are living and working in Saskatchewan. The province's population reached 1,209,107 on July 1, 2023.
- A record 605,300 people are working in Saskatchewan, and the unemployment rate was 4.4 percent in October 2023, the lowest among the provinces.
- Saskatchewan has one of the most engaged workforces among the provinces, with the second-highest employment rate at 64.9 percent and the second-highest workforce participation rate at 67.4 percent in October 2023.
- International goods exports were \$3.7 billion in September 2023, and manufacturing sales were \$2.1 billion in August 2023, well above the historical averages of \$2.8 billion and \$1.4 billion reported since January 2011, respectively.
- Investment in non-residential building construction increased by 7.7 per cent in the first eight months of 2023 compared to the same period in 2022.