

Keeping Saskatchewan **Strong**

Provincial Budget 2015-16

Key Facts and Figures

Balanced Budget

- A forecast surplus of **\$107 million**

Revenue: \$14.28 billion, up 1.2 per cent from Budget 2014-15, comprised of:

- Taxation—\$6.8 billion
- Non-Renewable Resources—\$2.5 billion
- Other Own-Source Revenue—\$1.9 billion
- Transfers from the Federal Government—\$2.2 billion
- Net Income from Government Business Enterprises—\$904.9 million

Expense: \$14.17 billion, up 1.2 per cent from Budget 2014-15, comprised of:

- Agriculture—\$721.6 million
- Community Development—\$531.9 million
- Debt Charges—\$305.1 million
- Economic Development—\$256.6 million
- Education—\$3.7 billion
- Environment and Natural Resources—\$242.1 million
- Health—\$5.5 billion
- Protection of Persons and Property—\$625.7 million
- Social Services and Assistance—\$1.2 billion
- Transportation—\$544.1 million
- Other—\$568.2 million

Debt forecast for 2015-16

- Public debt is projected to be **\$13.3 billion** in 2015-16, up from \$11.7 billion from Budget 2014-15
- General revenue fund operating debt is **\$3.8 billion** in 2015-16, unchanged from Budget 2014-15

Credit Ratings

- Triple A credit ratings (the highest possible) from Standard & Poor's (achieved in 2011), and Moody's Investor Services (achieved in 2014)
- Saskatchewan is among the highest-rated jurisdictions in Canada and North America

Key Revenue Assumptions for 2015-16

- WTI oil price – US \$57.15 per barrel (total oil royalties – \$903 million)
- Potash price – US \$297 per KCl tonne
- Potash sales – 11.0 million K₂O tonnes (total potash royalties – \$796 million)
- Exchange rate – 79.16 US cents

Keeping Saskatchewan Strong by Investing in Infrastructure

- **\$3.3 billion** in capital investment is planned for 2015-16, including Crown corporation and core Government capital, the largest single-year budget for infrastructure in the province's history

Crown Corporation Capital

- Crown corporations, including SaskPower, SaskTel and SaskEnergy, are projected to spend **\$2.0 billion** on infrastructure in 2015-16—matching last year's budget. This includes:
 - **SaskPower – \$1.2 billion** primarily to renew transmission and distribution systems that carry electricity to customers, and also to expand and renew electricity generation assets to meet Saskatchewan's growing power needs;
 - **SaskTel – \$313 million** to increase the capacity of its wireless network and continue the roll out of its fibre optic infiNet project; and
 - **SaskEnergy – \$257 million** primarily for renewal of transmission and distribution infrastructure to ensure a safe and reliable network, plus expansion of its gas processing capacity.

Saskatchewan Builds Capital Plan

- **\$1.3 billion**, up \$422.1 million, almost 50 per cent from last year, is forecast to be invested in core infrastructure in 2015-16. Schools, health care facilities, highways, municipal infrastructure and other vital capital are among the planned investments.
- **Over four years, the Plan is forecast to provide \$5.8 billion** of capital investment in much needed infrastructure to support the ongoing growth of the province.
- With this budget, Government investments total more than **\$3.0 billion in core infrastructure since 2013-14**, exceeding the *Saskatchewan Plan for Growth* commitment of \$2.5 billion.

Details of 2015-16 Saskatchewan Builds Capital Plan

Transportation Infrastructure – \$581.0 million in 2015-16

- Transportation infrastructure includes \$211 million for the next phase of the Regina Bypass, a P3 procurement evaluation is currently underway;
- \$337.8 million in ongoing enhancement and rehabilitation projects, some examples are:
 - \$43.2 million for a number of highway twinning projects;
 - \$7.5 million for the interchanges at Warman and Martensville;
 - \$5.8 million for passing lanes on Highway 7 from Delisle to Rosetown;
 - \$1 million for passing lanes on Highway 5 from Saskatoon to Humboldt; and
 - \$15 million for 2014-15 flood response projects.
- \$16.0 million for the Municipal Roads for the Economy Program;
- \$4.5 million for the Urban Highway Connector Program; and

- \$11.7 million for a number of other capital expenditures including transportation related buildings, equipment, airport partnerships, ferry services, and information technology.

Municipal infrastructure – \$74.5 million in 2015-16

- Municipal infrastructure includes \$56.4 million from the federal gas tax;
- \$10.0 million for the first year of the new Building Canada Fund program;
- \$3.8 million for the previous Building Canada Fund Communities Component; and
- \$2.3 million for the Saskatchewan Infrastructure Growth Initiative.

K-12 Schools and Education – \$248.5 million in 2015-16

- K-12 Schools and Education capital includes \$157.4 million for nine joint-use schools in Martensville, Regina, Saskatoon and Warman, a P3 procurement evaluation is underway;
- \$31.6 million for maintenance and renewal, including a major renovation at Hague High School;
- \$10.6 million for relocatables;
- \$19.2 million to begin construction on four new projects including Sacred Heart and Connaught Elementary in Regina and St. Brioux School;
- \$28.6 million to complete projects in Langenburg, Hudson Bay, Martensville High School, Gravelbourg School; Weyburn Comprehensive, and Holy Cross High School, George Vanier and St. Matthew in Saskatoon.

Advanced Education and Training – \$46.6 million in 2015-16

- \$23.6 million is provided in maintenance capital for post-secondary institutions;
- \$10.6 million for continued construction at the Southeast Regional College;
- \$7.9 million for continued construction of the Academic Health Sciences Facility at the University of Saskatchewan; and
- \$4.5 million for continued construction of the Parkland Regional College Trades and Technology Centre.

Health Care – \$256.4 million in 2015-16

- Health care capital commitments include \$129 million to begin construction of the Saskatchewan Hospital North Battleford-Integrated Correctional Facility, a P3 procurement evaluation is underway;
- \$64.9 million for construction of the Swift Current long-term care facility, being built using a P3 procurement model;
- \$27.8 million for maintenance capital;
- \$15.7 million for health equipment capital including machinery and lab equipment, medical imaging equipment and a linear accelerator;
- \$7.8 million for continued construction of the Moose Jaw Hospital;
- \$6.2 million to start construction of the Leader integrated care facility;
- \$4.5 million for the Kelvington integrated care facility, and
- \$500,000 to begin planning of an acute care facility in Weyburn.

Capital to Support Government Programs – \$102.0 million in 2015-16

- Projects include the Parks Capital program, new court and corrections facilities and investments in the province's forest firefighting capacity.

Keeping Saskatchewan Strong by Investing in People

- The *Plan for Growth* sets out that the purpose of growth is to build a better quality of life for all Saskatchewan residents. The 2015-16 Budget is investing in health care, Pre-K to 12 and post-secondary education, and supporting initiatives for seniors, people with disabilities and others who are among the province's most vulnerable.

Investments in Health

- Health expenses include the entire appropriation of the Ministry of Health, spending through the Regional Health Authorities, the Saskatchewan Cancer Agency, eHealth, the Health Quality Council, North Saskatchewan Laundry and Support Services Limited, the Physician Recruitment Agency, and other organizations;
- \$5.5 billion in total spending for health, up 1.1 per cent over the 2014-15 Budget;
- \$3.31 billion for Regional Health Authorities, up \$55.7 million from last year's budget, for operating funding and targeted initiatives;
- \$157.3 million for the Saskatchewan Cancer Agency, up \$1.6 million from last year's budget, to provide enhanced cancer care services;
- \$10 million in targeted investment dedicated to enhanced seniors care, bringing the total to \$14.5 million for 2015-16, with a focus on the Home First program, Dementia/Behaviour Units in Regina and Saskatoon, increased choice and flexibility in care options for home care clients, improved quality and safety in long-term care and the development of a new geriatric rehabilitation program in Regina.
- Including the 2015-16 Budget, health spending will have grown overall from \$3.7 billion in 2007-08 to \$5.5 billion this year, an increase over that time period of 49.8 per cent.

Investment in Education

- Education expense includes portions of the appropriations for the ministries of Advanced Education, Education and the Economy. It also includes spending through Boards of Education, the Saskatchewan Polytechnic, Regional Colleges, the Saskatchewan Student Aid Fund, and other organizations;
- \$3.7 billion in total spending is forecast for education, up 2.8 per cent over the 2014-15 Budget;
- \$53.3 million, an increase of \$2.2 million, for child care operating costs bringing the total number of provincially funded spaces to over 14,200;
- \$661.2 million in post-secondary operating funding, providing a 1.0 per cent operating increase for universities, affiliated colleges and regional colleges, and a 2.0 per cent operating increase for technical institutes and federated colleges.
- Government spending for education was \$2.8 billion in 2009-10, and this year it is forecast to reach \$3.7 billion, a 32.4 per cent increase over that time period.

Investments in initiatives for First Nations and Métis people

- \$210.5 million for targeted program funding for initiatives that benefit First Nations and Métis people, including significant funding dedicated to training and employment initiatives.

Investments in Social Services and Assistance

- Social services and assistance expense includes the entire appropriation of the Ministry of Social Services plus portions of the appropriations for the Ministry of

Government Relations, plus spending through the Saskatchewan Housing Corporation and the Saskatchewan Legal Aid Commission;

- \$1.2 billion in total spending is forecast for social services and assistance, up 3.2 per cent this year over last year's budget;
- \$485.7 million, across multiple ministries, is dedicated in this budget to new or enhanced programming and increased program utilization for Saskatchewan people with disabilities, up \$39.5 million from last year's budget. The largest component is \$200.4 million, an increase of \$26.8 million or 15.4 per cent over last year, for the Saskatchewan Assured Income for Disability program;
- \$159.2 million, an increase of \$6.72 million for those in need through the Saskatchewan Assistance Program;
- \$226.1 million, an increase of \$7.5 million for Child and Family Services, including increased funding for medically fragile children, foster and extended family care, and services to prevent children from coming in to care;
- \$172.9 million, up \$7.1 million from last year's budget for disabilities community-based organizations to support residents transitioning out of Valley View Centre and to assist people with emerging and complex needs with expanded client services, including northern communities;
- \$26.45 million, an increase of 1.8 per cent, for the Seniors Income Plan which meets Government's commitment to increase monthly benefits by \$10 per month each year for four years;
- Overall, spending has grown for social services and assistance from \$900 million in 2007-08 to a forecast \$1.2 billion projected in the 2015-16 budget, an increase over time of 34.4 per cent.

Investments in Training

- Investments in training include \$26.9 million, an increase of \$2.5 million or 10.1 per cent over last year's budget, to fulfill three medical training commitments : 100 medical training seats, 120 medical residency seats and 20 new nurse practitioner seats;
- 200 additional Adult Basic Education (ABE) seats, bringing the total to 8,780, through a total investment of \$25.6 million. In 2016-17, Government expects to meet its *Plan for Growth* commitment to eliminate the 2012 ABE wait list;
- \$1.0 million added to the Provincial Training Allowance, bringing the total to \$32.0 million to cover living costs associated with the additional ABE seats while learners attend training;
- 300 more apprenticeship training seats bringing the total to 7,000, through an additional \$1.0 million in 2015-16, for a total investment of \$23.2 million;
- \$3.25 million in total for the Apprenticeship Training Allowance, an increase of \$500,000, to support the increase in training seats; and
- 100 new training opportunities at the Parkland College Training and Technology Centre, through \$500,000 in additional funding in 2015-16.

Investments in Municipalities

- Budget 2015-16 includes \$265.3 million for revenue sharing, the largest revenue sharing grant ever from the province to municipalities, up \$8.3 million from last year's budget, a \$138.0 million or 108.4 per cent increase since 2007-08.