



PROVINCE OF SASKATCHEWAN

(CANADA)

2017-18 MID-YEAR FINANCIAL UPDATE

November 29, 2017

BUDGET UPDATE - MID-YEAR

Millions of Dollars

	Budget	Mid-Year Projection	Mid-Year Change From Budget
Revenue			
Taxation	7,286.6	7,105.6	(181.0)
Non-renewable resources	1,406.4	1,382.3	(24.1)
Other own-source revenue	1,964.9	2,027.6	62.7
Transfers from the federal government	2,453.5	2,501.9	48.4
Net income from government business enterprises	1,053.7	1,094.5	40.8
Total Revenue	14,165.1	14,111.9	(53.2)
Expense			
Agriculture	800.5	709.6	(90.9)
Community development	700.6	702.1	1.5
Debt charges ¹	380.9	380.2	(0.7)
Economic development	246.0	244.3	(1.7)
Education ¹	3,643.3	3,655.6	12.3
Environment and natural resources	247.9	262.3	14.4
Health ¹	5,627.4	5,663.9	36.5
Protection of persons and property	643.7	654.0	10.3
Social services and assistance	1,356.7	1,385.7	29.0
Transportation	567.4	546.7	(20.7)
Other ¹	585.4	586.5	1.1
Total Expense before Adjustments	14,799.8	14,790.9	(8.9)
Adjustments			
Human resources compensation measures	250.0	-	(250.0)
Contingency	(300.0)	-	300.0
Deficit ¹	(684.7)	(679.0)	5.7

Totals may not add due to rounding.

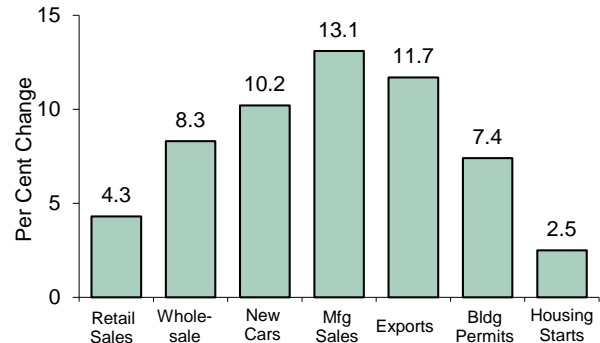
¹ Before adjustment to account for pensions on an accrual basis.

Key economic indicators update

- Between July 1, 2016 and July 1, 2017, Saskatchewan's population increased by 15,337 (1.3%) to 1,163,925;
- Second-highest percentage growth among provinces in new motor vehicle sales; and,
- Third-highest percentage increase among provinces in average weekly earnings and manufacturing sales.

Economic indicators show positive trend

KEY ECONOMIC INDICATORS (2017 YTD over 2016 YTD)



Source: Statistics Canada

Saskatchewan forecast at a glance

% Change Unless Noted Otherwise	2017	2018	2019
Real GDP	1.5	2.2	2.0
Nominal GDP	5.1	4.2	5.6
CPI	1.2	1.9	1.8
Employment Growth (000s)	0.0	3.5	4.7
Unemployment Rate (%)	6.5	6.3	6.1
Retail Sales	4.0	2.7	2.5

Key economic assumptions for 2017

	Actual 2016	Budget	Mid- Year
Can. Real GDP Growth (%)	1.5	1.9	3.1
U.S. Real GDP Growth (%)	1.5	2.3	2.2
Can. Dollar (US cents)	75.5	74.7	77.2
Short-term Interest Rate (%)	0.49	0.51	0.75
10-year Government of Canada Bond (%)	1.24	1.65	1.78

2017-18 non-renewable resources forecast assumptions

	Budget 2017-18	Mid-Year Projection	Change
Oil:			
WTI Oil Price (US\$/barrel)	56.25	50.25	(6.00)
Light-Heavy Differential (% of WTI)	19.5	15.7	(3.8)
Well-head Oil Price (C\$/barrel) ¹	55.30	48.86	(6.44)
Oil Production (million barrels)	163.8	180.7	16.9
Potash:			
Potash Price (mine netback, US\$/KCl tonne) ²	176	185	9
Potash Price (mine netback, C\$/K ₂ O tonne) ²	386	388	2
Potash Sales (million K ₂ O tonnes) ²	11.8	11.8	-
Uranium:			
Uranium Price (C\$/Kg) ²	124	108	(16)

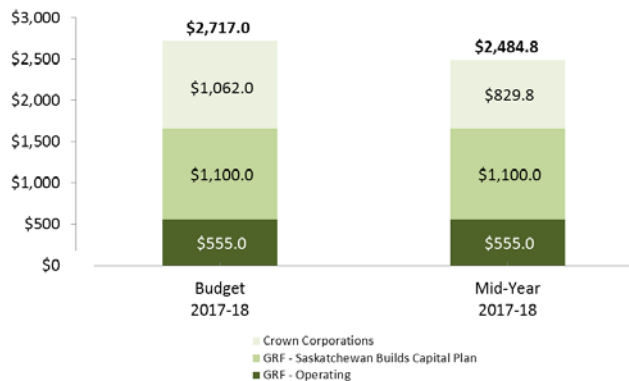
¹ The average price per barrel of Saskatchewan an light, medium and heavy oil.
² Ministry of Finance calculations derived from calendar-year forecasts.

Public Debt down \$323.3M

SCHEDULE OF PUBLIC DEBT (As at March 31)			
(millions of dollars)	Budget 2017-18	Mid-Year Projection	Change
General Revenue Fund (GRF)			
- Operating	5,750.0	5,750.0	-
- Saskatchewan Builds Capital Plan	2,755.6	2,755.6	-
Other Government Service Organizations	556.9	520.8	(36.1)
Government Service Organization Debt	9,062.5	9,026.4	(36.1)
Government Business Enterprise Debt	9,137.5	8,850.3	(287.2)
Public Debt	18,200.0	17,876.7	(323.3)

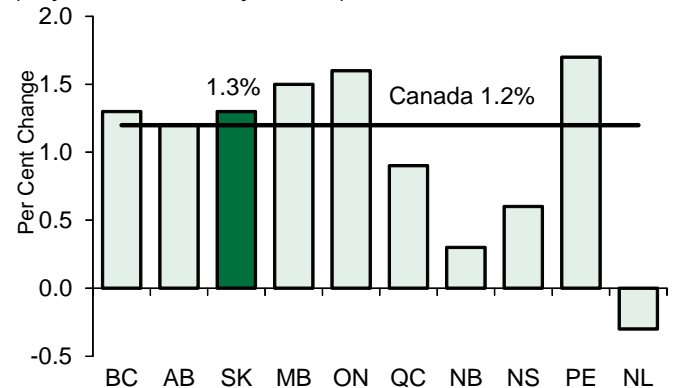
Borrowing requirements down \$232.2M

BORROWING REQUIREMENTS (Millions)



Saskatchewan had fourth-strongest population growth in 2017

POPULATION GROWTH BY PROVINCE (July 1, 2017 over July 1, 2016)



Source: Statistics Canada

Credit Ratings of the Province

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

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