



The Honourable Ken Krawetz
Deputy Premier and Minister of Finance

SASKATCHEWAN BUDGET UPDATE

13-14

BALANCED GROWTH

MID-YEAR REPORT

BACKGROUNDER

GRF Surplus and GFSF

- **The projected General Revenue Fund (GRF) pre-transfer surplus is \$22.8 million.**
- One-half of this projected amount, \$11.4 million, is to be transferred to the growth component of the Growth and Financial Security Fund (GFSF).
- This brings the projected year-end GFSF balance to \$677.7 million.
- The other half of the projected pre-transfer surplus represents the projected General Revenue Fund (GRF) surplus of \$11.4 million.

Summary Financial Statements

- **A \$467.0 million summary financial surplus is projected at mid-year**—a \$317.2 million increase from the budgeted surplus of \$149.8 million.
- The increase mainly reflects higher-than-projected surpluses at the Saskatchewan Crop Insurance Corporation, Workers' Compensation Board, and other not-for-profit insurance organizations.

Revenue

- **Revenue is projected to be down \$33.9 million, or 0.3 per cent, from budget.**
- Reductions in potash revenue, Provincial Sales Tax and Crown land sales are partially offset by increases in oil revenue and Corporation Income Tax.

Expense

- **Expense is projected to be up \$8.1 million, or 0.1 per cent, from budget.**
- Spending increases relative to budget have been limited to funding in the Ministry of Government Relations (primarily for the Provincial Disaster Assistance Program), Social Services (primarily for the Saskatchewan Assured Income for Disability program, other disability initiatives, and emergency fire and flood evacuation costs) and minor increases for Teachers' Pensions and Benefits and two legislative offices.
- Every other ministry, agency and legislative office is projected to be on or below budget in 2013-14.

Debt

- **Government public debt projected to remain at \$3.8 billion.**
- This level of debt is unchanged from the previous fiscal year.
- **Crown Debt is projected to be up \$158.2 million from budget, to \$6.4 billion.**
- The increase is primarily due to higher borrowing requirements by SaskPower, as it builds new infrastructure to meet the growth needs of the province.

Other Key Figures

- The average 2013-14 WTI oil price is now projected at US\$99.78 per barrel, up from the budget estimate of US\$92.84 per barrel.
- The average exchange rate projection is 97.00 US cents, down from the budget estimate of 98.92 US cents.
- Potash revenue is projected to decrease by \$107.2 million from budget, primarily due to lower prices.
- The average potash price for 2013-14 is now projected at US\$348 per KC1 tonne, down from the budget estimate of US\$395.