



PROVINCE OF SASKATCHEWAN

(CANADA)

2008-09 BUDGET

(Financial Highlights of 2008-09 BUDGET, March 19, 2008)

March 19, 2008

General Revenue Fund in surplus for 15th consecutive year

Summary Statement of Surplus (Deficit)

(\$ Millions)

	Estimated 2008-09	Forecast 2007-08	Estimated 2007-08
Treasury Board Organizations			
GRF¹			
Revenue	\$ 9,366.5	\$ 9,395.2	\$ 7,869.3
Operating Expenditure	8,571.5	8,171.8	7,789.7
GRF Operating Surplus	\$ 795.0	\$ 1,223.4	\$ 79.6
Servicing the Public Debt	(535.0)	(530.0)	(560.0)
Pre-Transfer Surplus (Deficit)	260.0	693.4	(480.4)
Transfer (to) GF ²	(130.0)	0.0	0.0
Transfer from GF ²	120.0	0.0	0.0
FSF ³ Transfer	0.0	(346.7)	509.9
SIF ⁴ Transfer	0.0	0.0	45.5
GRF Surplus	\$ 250.0	\$ 346.7	\$ 75.0
GFSF Net Transfer	\$ 10.0	\$ 346.7	\$ (555.4)
Other TBO ⁵ Net (Loss)			
net of dividends to GRF*	(202.9)	(43.6)	(286.8)
(Deficit) Surplus of all TBO	\$ 57.1	\$ 649.8	\$ (767.2)
CIC Board Organizations			
CICBO⁶ Net Income (Loss)			
net of dividends to GRF	(192.2)	537.6	102.1
(Deficit) Surplus ⁷	\$ (135.1)	\$ 1,187.4	\$ (665.1)
(Deficit) Surplus of Not-for-Profit Insurance Organizations	\$ 12.4	\$ 145.4	\$ (36.2)
Summary (Deficit) Surplus	\$ (122.7)	\$ 1,332.8	\$ (701.3)

1 General Revenue Fund

2 Growth and Financial Security Fund (which assumes the FSF and SIF balances in 2008-09)

3 Fiscal Stabilization Fund

4 Saskatchewan Infrastructure Fund

5 Treasury Board Organizations

6 CIC Board Organizations

7 Prior to Not-for-Profit Insurance Organizations

* Includes accrual adjustment for pensions (\$281.4 million for 2008-09)

Saskatchewan Credit Spreads (basis points)

Term	BAs	LIBOR
3 year	-6	-20
5 year	-6	-22
10 year	-8	-23
30 year	-4	-12
As at March 13, 2008		

Total debt increasing to fund capital

Debt of the Province as at March 31

(\$ Millions)

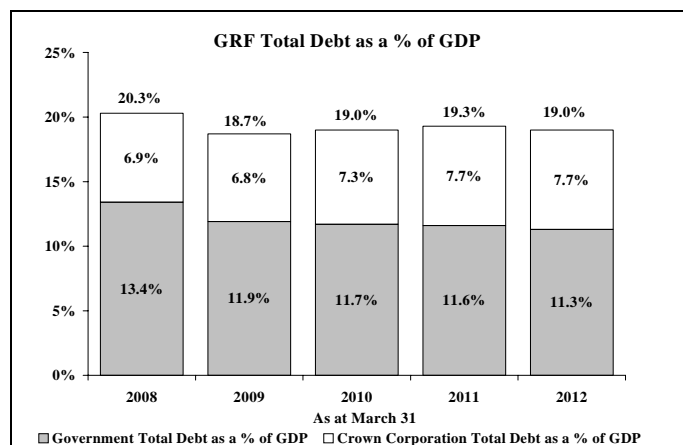
	Estimated 2009	Forecast 2008	Actual 2007
Crown Corporation Debt			
Gross Debt	\$ 4,204.7	\$ 3,875.5	\$ 3,909.3
Sinking Funds	(378.5)	(362.6)	(352.2)
	\$ 3,826.2	\$ 3,512.9	\$ 3,557.1
Guaranteed Debt	0.4	0.5	0.9
Crown Corporation Debt	\$ 3,826.6	\$ 3,513.4	\$ 3,558.0
Government Debt			
Gross Debt	\$ 7,660.9	\$ 7,812.1	\$ 8,148.0
Sinking Funds	(1,041.5)	(981.5)	(903.1)
	\$ 6,619.4	\$ 6,830.6	\$ 7,244.9
Guaranteed Debt	45.3	41.3	33.5
Government Debt	\$ 6,664.7	\$ 6,871.9	\$ 7,278.4
Total GRF Debt	\$ 10,491.3	\$ 10,385.3	\$ 10,836.4
Other Debt*	225.7	249.1	260.8
Summary			
Statement of Debt	\$ 10,717.0	\$ 10,634.4	\$ 11,097.2

* Some Crown corporations and other organizations have obligations to other entities, either by borrowing directly or by guaranteeing the debt of others. The General Revenue Fund is not responsible for this other debt.

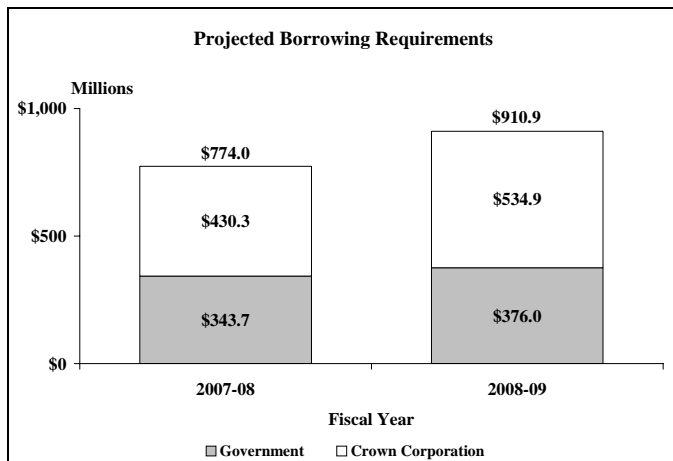
Credit Ratings of the Province

Standard & Poor's	AA
Moody's Investors Service	Aa1
Dominion Bond Rating Service	AA(low)

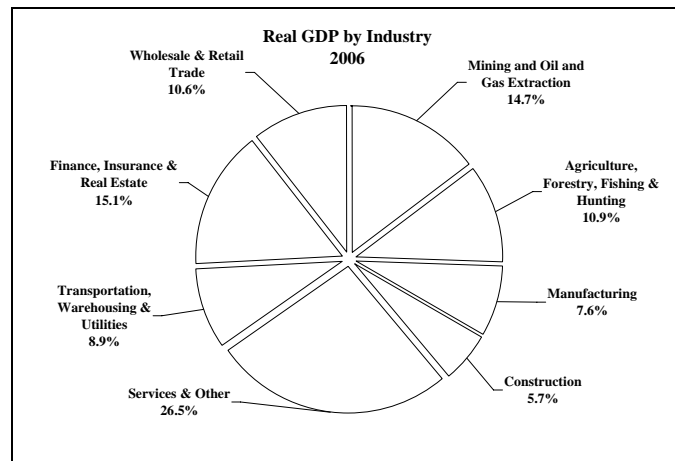
Government debt continues to decrease as a percentage of GDP



Borrowing requirements primarily to fund capital and debt refinancing



Natural resources continues to be the largest goods-producing sector of the economy



Source: Statistics Canada, Chained Index

Canadian domestic public market primary source for borrowing

Borrowing Sources	Forecast 2007-08	Estimated 2008-09
	(\$ Millions)	
International	\$ 0.0	\$ 100.0
Canadian Debentures	200.0	400.0
Promissory Notes	354.8	117.0
Canada Pension Plan	35.5	93.9
Sask. Savings Bonds	183.7	200.0
Total	\$ 774.0	\$ 910.9

GRF Accumulated Deficit declines by \$250 million

GRF Statement of Operations and Accumulated Deficit
(\$ Millions)

	Estimated 2008-09	Forecast 2007-08	Estimated 2007-08
Revenue	\$ 9,366.5	\$ 9,395.2	\$ 7,869.3
Operating Expenditure	8,571.5	8,171.8	7,789.7
Operating Surplus	\$ 795.0	\$ 1,223.4	\$ 79.6
Debt Servicing	(535.0)	(530.0)	(560.0)
Pre-Transfer Surplus (Deficit)	\$ 260.0	\$ 693.4	\$ (480.4)
Transfer (to) GFSF ¹	(130.0)	0.0	0.0
Transfer from GRSF	120.0	0.0	0.0
Transfer from (to) FSF ²	0.0	(346.7)	509.9
Transfer from (to) SIF ³	0.0	0.0	45.5
Surplus for the Year	\$ 250.0	\$ 346.7	\$ 75.0
Accumulated Deficit, Beginning of Year	(3,654.5)	(4,001.2)	(4,001.2)
Accumulated Deficit, End of Year	\$ (3,404.5)	\$ (3,654.5)	\$ (3,926.2)

¹ Growth and Financial Security Fund (which assumes the FSF and SIF balances in 2008-09)

² Fiscal Stabilization Fund

³ Saskatchewan Infrastructure Fund

Saskatchewan posted the highest or second highest economic performance of all provinces in several areas in 2007

- Highest retail sales growth of 12.9 per cent.
- Highest total international export growth of 21.6 per cent.
- Highest housing starts growth of 61.7 per cent.
- Highest increase in value of building permits of 42.3 per cent.
- Second highest increase in wholesale trade of 14.2 per cent.
- Second highest increase in new motor vehicle sales of 14.1 per cent.
- Second lowest unemployment rate at 4.2 per cent, a 25-year low.
- Employment increased by 10,100 to 501,700, the fourth highest percentage growth in Canada and the highest employment level in Saskatchewan's history.
- Largest population growth in 30 years.
- Record Crown land sales revenues.

For additional copies or information please contact:

Saskatchewan Ministry of Finance
Treasury and Debt Management Division
6th Floor - 2350 Albert Street
Regina, Saskatchewan S4P 4A6
Canada

Telephone: (306) 787-6752 Fax: (306) 787-8493
More Budget information at: www.gov.sk.ca/finance