



PROVINCE OF SASKATCHEWAN

(CANADA)

2009-10 BUDGET

(Financial Highlights of 2009-10 BUDGET, March 18, 2009)

March 18, 2009

Saskatchewan's fiscal position remains strong and steady

Government general debt reduced 39 per cent in 2008-09; held constant in 2009-10

Summary Statement of Surplus (Deficit) (\$ Millions)

	Estimated 2009-10	Forecast 2008-09	Estimated 2008-09
Treasury Board Organizations			
General Revenue Fund (GRF)			
Revenue	\$10,660.8	\$12,171.7	\$ 9,366.5
Expense	10,245.4	10,343.1	9,116.9
Pre-Transfer Surplus (Deficit)	415.4	1,828.6	249.6
Transfer (to) GFSF ¹	(207.7)	(914.3)	(124.8)
Transfer from GFSF	216.8	1,403.9	125.2
GRF Surplus	\$ 424.5	\$ 2,318.2	\$ 250.0
GFSF Net Transfer	\$ (9.1)	\$ (489.6)	\$ (0.4)
Other TBO ² Net (Loss) net of dividends to GRF*	(437.6)	(87.1)	(210.7)
(Deficit) Surplus of all TBO	\$ (22.2)	\$ 1,741.5	\$ 38.9
CIC Board Organizations			
CICBO³ Net Income (Loss)			
net of dividends to GRF	(51.7)	873.5	(184.4)
(Deficit) Surplus ⁴	\$ (73.9)	\$ 2,615.0	\$ (145.5)
(Deficit) Surplus of Not-for-Profit Insurance Organizations	\$ 49.1	\$ 125.8	\$ 12.4
Summary (Deficit) Surplus	\$ (24.8)	\$ 2,740.8	\$ (133.1)

1 Growth and Financial Security Fund

2 Treasury Board Organizations

3 CIC Board Organizations

4 Prior to Not-for-Profit Insurance Organizations

* Includes accrual adjustment for pensions (\$389.0 million for 2009-10)

Key economic assumptions for 2009 and 2010:

	2010	2009
Real GDP Growth (%)	2.9	2.1
Can. Dollar (U.S. cents)	88.20	84.10
WTI Oil (US\$/barrel)	60.00	45.00
Natural Gas (C\$/GJ)	7.00	6.25
Potash (C\$/K ₂ O tonne)	1,045.77	1,079.52
Wheat (C\$/tonne)	193.75	199.26
Canola (C\$/tonne)	498.00	398.52
Barley (C\$/tonne)	203.67	172.90

Debt of the Province as at March 31 (\$ Millions)

	Estimated 2010	Forecast 2009	Actual 2008
Government General Debt			
Gross Debt	\$ 6,416.8	\$ 7,112.2	\$ 7,818.4
Sinking Funds	(2,263.2)	(2,951.3)	(994.1)
Public Debt	\$ 4,153.6	\$ 4,160.9	\$ 6,824.3
Guaranteed Debt	38.6	31.3	24.4
Government General Debt	\$ 4,192.2	\$ 4,192.2	\$ 6,848.7
Crown Corporation General Debt¹			
Gross Debt	\$ 868.7	\$ 804.9	\$ 538.9
Sinking Funds	(25.1)	(69.2)	(77.7)
Public Debt	\$ 843.6	\$ 735.7	\$ 461.2
Guaranteed Debt	0.7	0.8	0.8
Crown Corporation General Debt	\$ 844.3	\$ 736.5	\$ 462.0
Government Business Enterprise Specific Debt²			
Gross Debt	\$ 4,228.8	\$ 3,367.4	\$ 3,220.7
Sinking Funds	(377.4)	(330.3)	(287.5)
Public Debt	\$ 3,851.4	\$ 3,037.1	\$ 2,933.2
Guaranteed Debt	-	-	-
Government Business Enterprise Specific Debt	\$ 3,851.4	\$ 3,037.1	\$ 2,933.2
Total Debt	\$ 8,887.9	\$ 7,965.8	\$ 10,243.9
Other Debt ³	270.6	285.6	268.4
Summary Statement of Debt	\$ 9,158.5	\$ 8,251.4	\$ 10,512.3

1 Includes amounts that can be repaid from business activities of the Crown sector and amounts that may require government assistance for repayment.

2 Amounts borrowed specifically for self-sufficient government organizations (e.g., utilities) which are expected to be repaid from cash flows generated by these organizations.

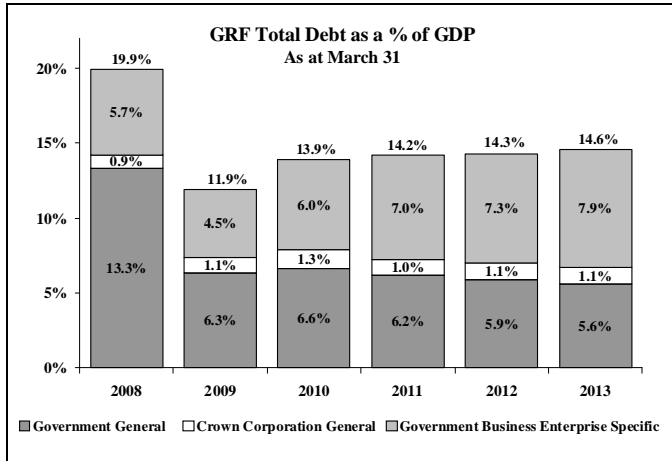
3 Some Crown corporations and other organizations have obligations to other entities, either by borrowing directly or by guaranteeing the debt of others. The General Revenue Fund is not responsible for this other debt.

Credit Ratings of the Province

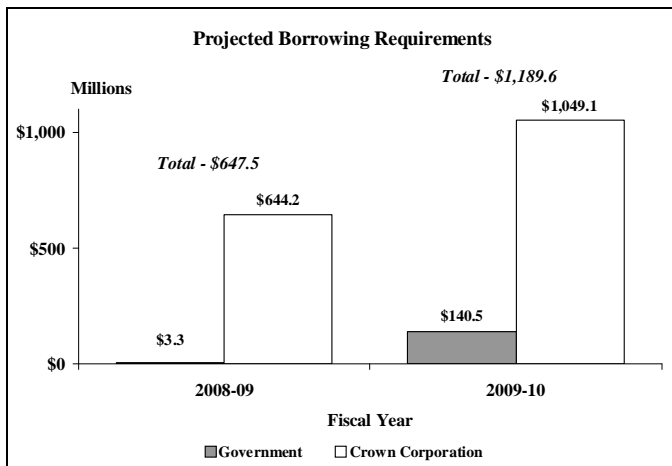
Standard & Poor's	AA+
Moody's Investors Service	Aa1*
Dominion Bond Rating Service	AA(low)*

* with positive outlook/trend

Total debt as percentage of GDP remains below 2008 level throughout forecast period



Borrowing requirements primarily to fund capital and debt refinancing



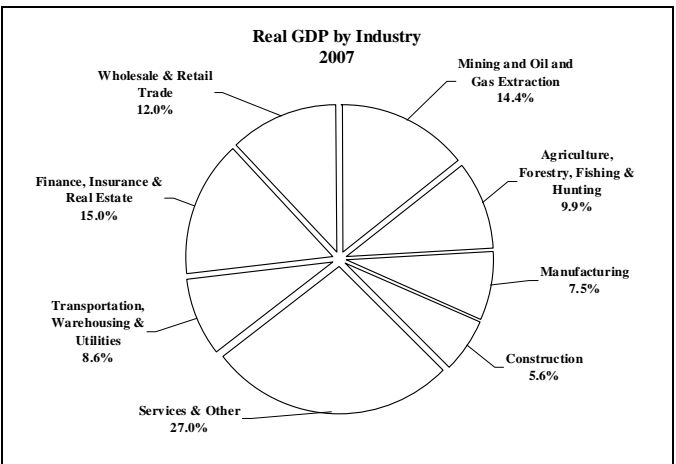
Financing to be obtained primarily in the Canadian domestic market

Borrowing Sources	Forecast 2008-09	Estimated 2009-10
	(\$ Millions)	
International	\$ -	\$ 200.0
Canadian Debentures	250.0	750.0
Promissory Notes	83.7	132.7
Canada Pension Plan	40.5	101.9
Sask. Savings Bonds	3.3	5.0
Internal	270.0	0.0
Total	\$ 647.5	\$ 1,189.6

In 2008, Saskatchewan at or near the top in Canada according to most economic indicators

- Highest total international export growth of 61.2 per cent.
- Highest increase in the value of building permits of 32.8 per cent.
- Highest growth in new capital investment of 19.8 per cent.
- Highest retail sales and wholesale trade growth of 10.4 per cent and 41.1 per cent, respectively.
- Second highest employment growth of 2.2 per cent (11,000 new jobs).
- Second highest increase in new motor vehicles sales of 8.6 per cent.
- Second highest increase in the value of manufacturing sales of 17.8 per cent.
- Second highest increase in housing starts of 13.7 per cent.
- Second lowest unemployment rate at 4.1 per cent.

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



Source: Statistics Canada, Chained Index

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