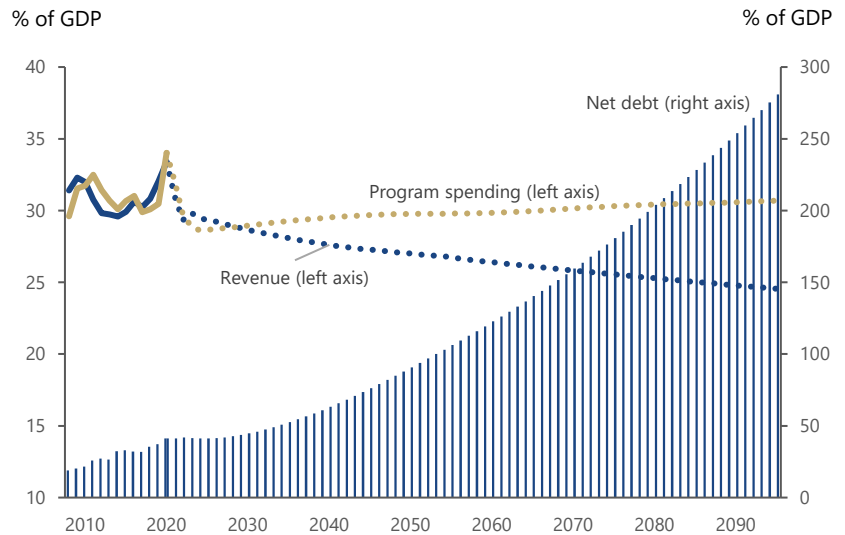


Saskatchewan

- Saskatchewan is projected to have one of the highest population growth rates in Canada, and a relatively young population over the long term.
- Favourable demographic trends combined with our forecast for above-average labour productivity growth contribute to the highest projected provincial real GDP growth rate in Canada, except for Alberta. Our assumptions for provincial labour productivity are based on historical trends from 1982 to 2019.
- Saskatchewan currently spends less on health care (as a share of the provincial economy) than any other province, except for British Columbia. Combined with relatively modest pressures from population ageing, the province's health care costs are projected to remain below the current outlays of some other provinces (as a share of the provincial economy).
- Federal transfers are not projected to keep pace with spending pressures. Because Saskatchewan is projected to sustain stronger-than-average per capita economic growth, the province's federal transfer revenue declines over the long term (as a share of the economy).



- PBO assumes that Saskatchewan will maintain a comparatively favourable differential between long-run effective interest rates and economic growth, helping Saskatchewan's sustainability prospects.
- **Current fiscal policy is not sustainable over the long term.** Permanent tax increases or spending reductions amounting to 4.0 per cent of GDP (\$3.1 billion in current dollars, growing in line with GDP thereafter) would be required to stabilize government net debt (as a share of the economy) in the long term.

		Saskatchewan			vs. national average		
	2025	2050	2075	2025	2050	2075	
Demographics (%)							
Population growth	1.5	0.8	0.7	0.5	0.1	0.0	
Senior dependency ratio	28.0	33.3	41.1	-3.6	-6.1	-2.8	
Economics (%)							
Real GDP growth	2.3	1.9	1.9	0.9	0.2	0.2	
Employment growth	1.5	0.5	0.6	0.6	0.0	0.0	
Labour productivity growth	1.0	1.3	1.3	0.2	0.2	0.2	
Nominal GDP growth	4.5	3.9	4.0	0.9	0.2	0.2	
Effective interest rate	2.7	3.7	3.7	-0.3	0.0	0.0	
Fiscal (% of GDP)							
Revenue	23.6	21.0	20.7	-1.1	-3.2	-3.2	
Program spending	24.2	24.8	25.3	0.2	0.1	0.5	
Primary balance	-0.7	-3.8	-4.6	-1.3	-3.3	-3.6	
Debt interest charges	1.3	3.6	7.0	-0.2	1.8	4.5	
Net debt	21.9	95.4	196.3	-8.7	52.1	130.3	