

Interpretation**2** In this Act:

- (a) **“debt”** means the accumulated deficit of the general revenue fund;
- (b) **“deficit”** means, with respect to a fiscal year, the amount by which expenses for the fiscal year exceed revenues for the fiscal year;
- (c) **“estimates”** means the estimates prepared pursuant to *The Financial Administration Act, 1993*;
- (d) **“expenses”** means expenses of the general revenue fund;
- (e) **“fiscal year”** means the fiscal year of the Government of Saskatchewan as defined in *The Financial Administration Act, 1993*;
- (f) **“general revenue fund”** means the general revenue fund continued pursuant to *The Financial Administration Act, 1993*;
- (g) **“minister”** means the member of the Executive Council to whom for the time being the administration of this Act is assigned;
- (h) **“ministry”** means a ministry, secretariat, office or other similar agency of the executive government of Saskatchewan;
- (i) **“pre-transfer surplus”** means, with respect to a fiscal year, the amount by which revenues exceed expenses for that fiscal year before taking into account transfers to or from the Growth and Financial Security Fund established pursuant to Part IV;
- (j) **“revenues”** means revenues of the general revenue fund;
- (k) **“surplus”** means, with respect to a fiscal year, the amount by which revenues for the fiscal year exceed expenses for that fiscal year.

PART II

Balanced Budgets**Requirements for a four-year financial plan**

- 3(1)** For each fiscal year, the minister shall prepare a four-year financial plan that covers the fiscal year and the following three fiscal years.
- (2) Every four-year financial plan is to set out the minister’s plan for expenses and revenues for the first fiscal year covered by the plan and the following three fiscal years.
- (3) For each of the four fiscal years covered in the four-year financial plan, the plan must provide for total expenses for the fiscal year to balance with or be less than total revenues for the same fiscal year.
- (4) The minister shall present the four-year financial plan to the Legislative Assembly at the same time that the minister presents to the Legislative Assembly the estimates for the first fiscal year covered by the four-year financial plan.

Requirements for a four-year public debt management plan

4(1) For each fiscal year, the minister shall prepare a four-year public debt management plan that covers the fiscal year and the following three fiscal years.

(2) Every public debt management plan is to set out the minister's plan to manage the public debt for the first fiscal year covered by the plan and the following three fiscal years.

(3) The minister shall present the four-year public debt management plan to the Legislative Assembly at the same time that the minister presents to the Legislative Assembly the estimates for the first fiscal year covered by the four-year public debt management plan.

Requirement to balance

5 For each fiscal year, the actual total expenses for the fiscal year must balance with or be less than the actual total revenues for the same fiscal year.

Extraordinary events

6(1) The Government of Saskatchewan is not required to include any of the following in determining whether or not the requirements of section 5 have been met for a fiscal year:

(a) an expense or reduction in revenue that has occurred for the fiscal year as a result of a natural or other disaster in Saskatchewan that:

(i) could not have been anticipated; and

(ii) affects Saskatchewan or a region of Saskatchewan in a manner that is of urgent public concern;

(b) an expense or reduction in revenue that has occurred for the fiscal year because Canada is at war or under apprehension of war.

(2) A determination by the Lieutenant Governor in Council that, in the opinion of the Lieutenant Governor in Council, an expense or reduction of revenue described in subsection (1) has occurred is conclusive for the purposes of this Act of the fact that the expense or reduction of revenue occurred and in the amount stated in the determination.

(3) A determination pursuant to subsection (2) must include:

(a) in the case of an expense, a description, and the amount, of the expense and why it was necessary; and

(b) in the case of a reduction of revenues, a description, and the amount, of the reduction in revenue and why it occurred.

Change in accounting policies

7(1) Expenses and revenues for a fiscal year must be determined in accordance with the accounting policies as disclosed in the audited financial statements of the general revenue fund.

(2) If, during a fiscal year, the accounting practices or policies of the Government of Saskatchewan change significantly, the minister shall use the accounting practices and policies as they existed when the estimates were presented to the Legislative Assembly in determining whether or not the requirements of section 5 have been met for the fiscal year.

Requirement to offset balance in next fiscal year if expenses exceed revenues

8 If a deficit results for a fiscal year from an event described in section 6, the Government of Saskatchewan is required to achieve at least an offsetting surplus the following fiscal year.

Interim reports

9(1) In each fiscal year, the minister shall present to the Lieutenant Governor in Council an interim report that:

- (a) contains a revised forecast of expenses and revenues for the fiscal year in which the interim report is presented; and
- (b) sets out differences between the revised forecast and the forecast for the fiscal year as set out in the estimates for that fiscal year.

(2) Notwithstanding *The Tabling of Documents Act, 1991*, the minister shall lay an interim report mentioned in subsection (1) before the Legislative Assembly on or before November 30 of the fiscal year to which the interim report relates.

(3) If the Legislature is not in session when the minister is required to lay before the Legislative Assembly an interim report, the minister shall submit the report to the Clerk of the Legislative Assembly.

(4) On receipt of an interim report pursuant to subsection (3), the Clerk of the Legislative Assembly shall:

- (a) deliver copies of the interim report to all members of the Legislative Assembly; and
- (b) make the interim report available for public inspection during normal business hours of the Clerk of the Legislative Assembly.

(5) If the minister submits an interim report to the Clerk of the Legislative Assembly pursuant to subsection (3), the minister is deemed to have laid the interim report before the Legislative Assembly in accordance with this Act.

Application of sections 5 and 8 in relation to a change in Government

10 If the political party forming the Government of Saskatchewan is replaced:

- (a) the requirements of section 5 do not apply with respect to the fiscal year in which the political party forming the Government is replaced; and
- (b) the requirements of section 8 do not apply with respect to any deficit for the fiscal year in which the political party forming the Government is replaced.

PART III

Use of Annual Surpluses in General Revenue Fund**How surpluses in general revenue fund to be used**

11 If there is a pre-transfer surplus for any fiscal year, the minister shall:

- (a) transfer 50% of the amount of the pre-transfer surplus to the Growth and Financial Security Fund established pursuant to Part IV; and
- (b) allocate 50% of the amount of the pre-transfer surplus to the Debt Retirement Fund established pursuant to Part V.

PART IV

Growth and Financial Security Fund**Interpretation of Part**

12 In this Part, “**fund**” means the Growth and Financial Security Fund established pursuant to section 13.

Fund established

13(1) The Growth and Financial Security Fund is established.

(2) On the coming into force of this Act, the balances in the following funds are transferred to the fund:

(a) the Saskatchewan Infrastructure Fund established pursuant to *The Infrastructure Fund Act*, as that Act existed on the day before the coming into force of this Act;

(b) the Fiscal Stabilization Fund established pursuant to *The Fiscal Stabilization Fund Act* as that Act existed on the day before the coming into force of this Act.

(3) The fund consists of any amounts that are transferred to the fund pursuant to subsection (2) and any further amounts transferred to the fund pursuant to section 18 or 19, less any amounts that are transferred out of the fund pursuant to section 20.

Minister to hold and administer fund

14 The minister shall hold and administer the fund in accordance with this Part.

Purposes of fund

15 The purposes of the fund are the following:

(a) to assist in the achievement of the Government of Saskatchewan’s long-term objectives by providing for financial security of the Government of Saskatchewan from year to year;

(b) to provide a source of funds that are to be available for appropriation to be used for programs of the Government of Saskatchewan identified as promoting or enhancing the economic development of Saskatchewan.

Fiscal year of fund

16 The fiscal year of the fund is the fiscal year of the Government of Saskatchewan.

Investments of fund

17(1) The assets of the fund may be invested in accordance with section 38 of *The Financial Administration Act, 1993*.

(2) Any interest or other earnings on investments made pursuant to subsection (1) must not be credited to the fund but must be deposited in the general revenue fund.

Transfers to fund

18(1) If there is a pre-transfer surplus for any fiscal year, the minister shall transfer 50% of the amount of the pre-transfer surplus to the fund in accordance with clause 11(a) for the purposes of section 15.

(2) The amounts mentioned in subsection (1) that are to be transferred to the fund shall be paid out of the general revenue fund and deposited in the fund.

Significant, unexpected revenues

19(1) In this section, “**special transfer**” means a transfer to the fund made pursuant to subsection (2).

(2) Subject to the approval of Treasury Board, if significant, unexpected revenues are received for a fiscal year, the minister may transfer to the fund for the fiscal year an amount not greater than the lesser of:

(a) the amount of the significant, unexpected revenues received for the fiscal year; and

(b) the pre-transfer surplus for the fiscal year.

(3) The amount of a special transfer for a fiscal year shall reduce the pre-transfer surplus for the purposes of the calculations to be made for the purposes of sections 11, 18 and 29.

(4) The amount of a special transfer shall be paid out of the general revenue fund and deposited in the fund.

(5) A determination by the minister that, in the opinion of the minister, significant, unexpected revenues have been received for a fiscal year is conclusive for the purposes of this Act:

(a) of the fact that significant, unexpected revenues have been received for the fiscal year; and

(b) of the amount of the significant, unexpected revenues.

Transfers out of fund

20 With the objective of achieving the purposes mentioned in section 15 and subject to the approval of Treasury Board, the minister may transfer amounts from the fund to the general revenue fund.

Accounting for transfer to and from fund

21(1) Any amount transferred from the general revenue fund to the fund pursuant to section 18 or 19 is deemed to be an expense of the general revenue fund.

(2) Any amount transferred from the fund to the general revenue fund pursuant to section 20 is deemed to be revenue of the general revenue fund.

Report of fund balance

22 The following must be reported in the public accounts of the Government of Saskatchewan for a fiscal year:

(a) transfers to and from the fund for that fiscal year; and

(b) the balance of the fund at the end of that fiscal year.

Winding-up of fund

23 Subject to the approval of the Lieutenant Governor in Council, the minister may:

(a) wind up the fund; and

(b) transfer any balance remaining in the fund to the general revenue fund.

PART V

Debt Retirement Fund

Interpretation of Part

24 In this Part, “**fund**” means the Debt Retirement Fund established pursuant to section 25.

Fund established

25(1) The Debt Retirement Fund is established.

(2) The fund is an accounting of the surpluses of the general revenue fund that are allocated to the fund on or after April 1, 2008 in accordance with this Part.

Minister to administer fund

26 The minister shall administer the fund in accordance with this Part.

Purpose of fund

27 The purpose of the fund is to assist in achieving the long-term objective of the Government of Saskatchewan of eliminating the debt.

Fiscal year of fund

28 The fiscal year of the fund is the fiscal year of the Government of Saskatchewan.

Allocations to fund

29(1) If there is a pre-transfer surplus for any fiscal year, the minister shall allocate 50% of the pre-transfer surplus to the fund in accordance with clause 11(b).

(2) If the surplus for a fiscal year is greater than the amount allocated pursuant to subsection (1), the minister shall allocate to the fund all of the amount by which the surplus exceeds the amount allocated pursuant to subsection (1).

Report of fund balance

30 The following must be reported in the public accounts of the Government of Saskatchewan for a fiscal year:

- (a) allocations to the fund for that fiscal year; and
- (b) the balance of the fund at the end of that fiscal year.

Winding-up of fund

31 Subject to the approval of the Lieutenant Governor in Council, the minister may wind up the fund.

PART VI

Efficient Service in Government**Program reviews**

32(1) In preparing the estimates for a fiscal year, Treasury Board shall review the existing and proposed programs and expenditures of ministries for the following purposes:

- (a) to determine the adequacy of those programs and expenditures;
- (b) to evaluate those programs and expenditures as to economy, efficiency and effectiveness and to determine the priorities amongst them;
- (c) to ensure that there is accountability by the ministries to the Legislative Assembly respecting those expenditures and programs;
- (d) to achieve any other purposes that Treasury Board considers appropriate.

(2) This section applies with respect to the fiscal year commencing on April 1, 2008 and to every subsequent fiscal year.

Limits on size of public service

33(1) In this section, “**public service**” means public service as defined in *The Public Service Act, 1998*.

(2) Treasury Board shall monitor the size of the public service on a continual basis and determine whether or not the size of the public service, as determined by the method prescribed in the regulations, is growing or diminishing as a percentage of the population of Saskatchewan, as determined by the method prescribed in the regulations.

(3) Treasury Board may undertake any initiatives respecting the size of the public service that Treasury Board considers appropriate.

PART VII

Regulations**Regulations**

34 The Lieutenant Governor in Council may make regulations:

- (a) defining, enlarging or restricting the meaning of any word or expression used in this Act but not defined in this Act;
- (b) for the purposes of section 23, prescribing how the winding-up of the Growth and Financial Security Fund, and any balance to be transferred from the Growth and Financial Security Fund, are to be accounted for;
- (c) for the purposes of section 31, prescribing how the winding-up of the Debt Retirement Fund is to be accounted for;
- (d) for the purposes of section 33, prescribing a method of determining the size of the public service and the population of Saskatchewan;
- (e) prescribing any matter or thing authorized or required by this Act to be prescribed in the regulations;
- (f) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Act.

PART VIII

Repeals and Coming into Force

S.S. 1995, c.B-0.01 repealed

35 *The Balanced Budget Act* is repealed.

S.S. 2000, c.F-15.2 repealed

36 *The Fiscal Stabilization Fund Act* is repealed.

S.S. 2006, c.I-9.01 repealed

37 *The Infrastructure Fund Act* is repealed.

Coming into force

38 This Act comes into force on assent.

FIRST SESSION

Twenty-sixth Legislature

SASKATCHEWAN

B I L L

No. 1

An Act respecting Saskatchewan's Growth and
Financial Security and repealing certain Acts

Received and read the

First time

Second time

Third time

And passed

Honourable Rod Gantfoer
