

APPENDICES

A1: TAX EXPENDITURES

Introduction

Some government programs and benefits are delivered through the tax system.

A tax expenditure is the reduction in revenues from delivering government programs or benefits through the tax system rather than through voted budget appropriations. Tax expenditures are usually made by offering special tax rates, exemptions, or tax credits. Governments introduce tax expenditures primarily to achieve social policy objectives such as transfers to lower income families or to promote economic development and job creation.

Tax expenditure reporting allows greater public scrutiny.

Reporting tax expenditures improves government accountability by providing a more complete picture of government activities. The tax expenditure appendix outlines major tax expenditures for the 2002/03 fiscal year. It does not include tax expenditures introduced or expanded in *Budget 2003*. These are described in Part Two, Revenue Measures.

The Role of Tax Expenditure Programs

Using the tax system to deliver programs can reduce administration costs and compliance costs for recipients. In certain situations, the tax system allows intended beneficiaries to be readily identified from information that is already collected. In these cases setting up a separate expenditure program would result in costly overlap and duplication of effort. An example is the provincial sales tax credit, which is delivered through the income tax system. If this were a direct provincial expenditure program, a provincial agency or office would have to be established to duplicate much of the work already done by the Canada Customs and Revenue Agency. In addition, it would require individuals to undertake a separate, time-consuming application process in order to qualify for the benefit.

There are, however, several potential drawbacks to tax expenditure programs. First, their overall cost often receives less public scrutiny than is the case for spending programs because annual budget appropriations by the legislature are not typically required. Second, tax expenditure programs do not always effectively target those who are intended to benefit from them. Some expenditure programs that are intended to provide tax relief for low income earners may, in reality, confer the greatest benefit on high income earners who pay the most taxes. Sales tax exemptions, for example, often provide a greater absolute benefit to those with higher incomes because they have more to spend on consumer products. Finally, costs are often more difficult to control under a tax expenditure program because the benefits tend to be more open ended and enforcement is often more difficult than for spending programs.

Tax Expenditure Reporting

Not all tax reductions, credits and exemptions are classed as tax expenditures. Three criteria were used to choose those features of the tax system that should be reported as tax expenditures.

Tax expenditures are close equivalents to direct government spending.

First, the emphasis is on tax reductions, exemptions and refunds that are close equivalents to spending programs. By implication, the list does not include tax measures designed to meet broad tax policy objectives such as improving fairness in the tax system, or measures designed to simplify the administration of the tax. The list also does not include items that are generally excluded from a particular tax base. For example, most services are excluded from provincial sales taxes, which are primarily designed to apply to purchases of goods.

Second, revenues raised under provincial government authority that are turned over to agencies outside of government are not reported as tax expenditures in this appendix. This includes, for example, the hotel room tax revenues transferred to Tourism BC.

Third, smaller items of less than \$2 million are not included. Where practical, smaller items have been presented together as an aggregate figure.

British Columbia Tax Expenditure Programs

The following tables report 2002/03 tax expenditure estimates.

For presentation purposes, British Columbia tax expenditures have been broken into three broad categories.

Tax expenditure programs are categorized by program objective.

- *Social and Income Transfer Programs (Table A1.1):* These include tax expenditures that are offered as part of government's mix of health, education, housing, income transfer and family related programs. Examples include the BC Family Bonus, the home owner grant, the sales tax exemption for children's clothing and the income tax credit for medical expenses.
- *Economic Development and Business Assistance Programs (Table A1.2):* This category includes tax preferences for small businesses and measures to encourage new private sector investment.
- *Environmental Protection Programs (Table A1.3):* There are relatively few tax expenditures in this category because environmental protection is now generally based on the principle of "polluter pay", such as the tire tax and battery levies. However, environmental tax expenditures include, for example, a sales tax exemption for bicycles and a fuel tax exemption for certain alternative fuels.

Each category has its own table of tax expenditure estimates. Within each table, the list of tax expenditures delivered through the income tax system has been separated into two sub-categories.

- *Provincial Measures:* This includes all major tax expenditures that are under provincial policy control.
- *Federal Measures:* British Columbia shares the cost of some federal income tax expenditure programs because, under the tax collection agreement between British Columbia and the federal government, the province has agreed to maintain a consistent income tax base with the federal government in the interest of reducing administrative and compliance costs.

Some of Canada's tax expenditures become provincial tax expenditures.

The cost of individual tax expenditures cannot be added together to reach a total tax expenditure figure for two reasons:

- in some cases the programs interact with one another so that eliminating one program could increase or decrease the cost of another; and
- eliminating certain tax expenditure programs could change the choices taxpayers make, which in turn would affect the cost estimates.

The estimates for each tax expenditure are based on a static analysis of the costs and do not take into account any behavioural changes which could change the cost over time.

TABLE A1.1 — SOCIAL AND INCOME TRANSFER PROGRAMS — TAX EXPENDITURE

<i>Continued</i>	2002/03 Estimated Cost (\$ millions)
CORPORATION INCOME TAX ⁶	
Charitable donations deduction.....	10
SCHOOL AND RURAL AREA PROPERTY TAXATION ⁷	
Home owner grant.....	508
Exemption for places of worship.....	9
PROPERTY TRANSFER TAX	
Exemption for first-time home buyers.....	41
Exemptions for the following:	
• Property transfers between related individuals.....	25
• Property transfers to municipalities, regional districts, hospital districts, library boards, school boards, water districts and educational institutions.....	2
• Property transfers to charities registered under the <i>Income Tax Act</i> (Canada).....	2

¹ The cost of sales tax measures reflects the increase in the sales tax rate to 7.5 per cent from 7 per cent as well as changes in the consumer price index and population in 2002.

² The \$62 million represents the tax expenditure portion of the program's cost. The tax expenditure portion represents family bonus payments that effectively reduce the recipient's personal income tax. The remaining cost of the program, including recoveries and administration costs, of \$91 million for 2002/03, is presented in the BC Benefits Vote because it represents payments to families which exceed their provincial income tax liabilities. In 2002/03, the total program cost was \$153 million.

³ Provincial non-refundable credits are generally based on estimates of credit claims by British Columbia residents.

⁴ The estimates show provincial revenue losses only. They are based on estimates of projected federal losses contained in Government of Canada: Tax Expenditures and Evaluations, 2002. British Columbia personal income tax expenditures for the federal measures are based on the amounts claimed by British Columbia residents for the measure and the relevant provincial tax rates for the period. (Prior to 1997 federal tax expenditure reports did not include projections; previous estimates of provincial revenue losses were based on historical federal estimates). Certain tax expenditure items have been excluded where no data were available or the amounts were immaterial.

⁵ Registered retirement savings plans and registered pension plans are treated in the same way as in the federal tax expenditure report. The tax expenditure associated with these schemes is presented as the amount of tax that would otherwise be paid in the year of deferral, were the deferral not available. However, this type of estimate overstates the true costs of these preferences because taxes are eventually paid, including tax on investment earnings. An estimate that does not overstate these costs would, however, be difficult to develop and would require some largely speculative assumptions.

⁶ The deduction offered for corporate charitable donations is a federal measure, but the estimate shows only the provincial revenue loss. This is calculated from the federal revenue loss by applying British Columbia's share of corporate taxable income and the relevant tax rates to the federal estimate.

⁷ The property tax estimates are for the 2002 calendar year, and include only school and rural area property taxes levied by the province. Home Owner Grant cost is also shown for the 2002 calendar year.

Table A1.2 — Economic Development and Business Assistance Programs — Tax Expenditure

	2002/03 Estimated Cost (\$ millions)
FUEL TAX	
Tax exemption for international flights carrying cargo.....	2
Tax exemption for family farm trucks (on road).....	2
Tax reduction for compressor fuel used to transmit natural gas from wellhead to processing plant.....	13
PERSONAL INCOME TAX	
Venture capital tax credit.....	5
Employee venture capital tax credit.....	7
CORPORATION INCOME TAX	
Provincial Measures	
Film and video tax credit.....	25
Production services tax credit.....	40
International financial business tax refund ¹	7
Scientific Research and Experimental Development Tax Credit.....	74
Mining Exploration Tax Credit	3
SCHOOL AND RURAL AREA PROPERTY TAXATION ²	
Assessment exemption of \$10,000 for industrial and business properties.....	9
Overnight tourist accommodation assessment relief.....	3
Exemption for property used for pollution abatement ³	6

¹ Includes employee income tax refunds.

² Estimates are for the 2002 calendar year and include only school and rural area property taxes levied by the province.

³ The property tax exemption for most land and improvements used in pollution abatement equipment was removed for 1997, but existing properties which were exempt in 1996 remain exempt under grandparenting provisions.

Table A1.3 — Environmental Protection Programs — Tax Expenditure

	2002/03 Estimated Cost (\$ millions)
PROVINCIAL SALES TAX	
Exemptions for the following items:	
• Bicycles.....	6
• Specified energy conservation equipment.....	12
FUEL TAX	
Tax exemption for alternative fuels.....	15

**Table A2 Interprovincial Comparisons of Tax Rates - 2003
(Rates known as of February 3, 2003)¹**

Tax	British Columbia ²	Alberta	Saskatchewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland
Corporation income tax (per cent of taxable income) ³										
General Rate.....	13.5	13.0	17	16	12.5	9.04/16.25	13	16	16	14
Manufacturing Rate.....	13.5	13.0	10	16	11	9.04	13	16	7.5	5
Small Business Rate.....	4.5	4.5	6	5	5.5	9.04	3	5	7.5	5
Small Business Threshold (\$000s).....	300	350	300	320	320	n/a	400	200	200	200
Corporation Capital Tax ⁴										
Non-financial.....	Nil	Nil	.6	.3/.5	.3	.64	.3	.25/.5	Nil	Nil
Financial.....	1.0/3.0	Nil	.7/3.25	3.0	.6/.72/.9	1.28	3.0	3.0	3.0	4.0
Health Care Premiums ⁵										
Individual/family.....	54/108	44/88	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Payroll tax ⁶ (per cent).....	Nil	Nil	Nil	2.15	1.95	4.26	Nil	Nil	Nil	2.0
Insurance premium tax (per cent) ⁷	2-4.4	2-3	3-4	2-3	2-3.5	2-3	2-3	3-4	3.5	4
Fuel tax (cents per litre)										
Gasoline ⁸	14.5	9.0	15.0	11.5	14.7	19.2	14.5	15.5	14.0	16.5
Diesel.....	15.0	9.0	15.0	10.9	14.3	20.2	16.9	15.4	13.5	16.5
Sales tax (per cent)										
General rate.....	7.5	Nil	6	7	8	7.5	8	8	10	8
Liquor.....	10	Nil	10	7	12	7.5	8	8	37.5	8
Meals.....	Nil	Nil	Nil	7	8	7.5	8	8	10	8
Accommodation.....	8	5	6	7	5	7.5	8	8	10	8
Tobacco tax (dollars per carton of 200 cigarettes) ⁹	32.00	32.00	35.80	33.20	17.20	18.10	29.00	25.20	22.90	31.70

¹ Rates shown are those known as of February 3, 2003 and that are in effect for 2003.

² British Columbia rates are those announced in the February 18, 2003 Budget.

³ Alberta has announced plans to change its rates on April 1, 2003 as follows: reduce the general and manufacturing rates to 12.5 per cent; reduce the small business rate to 4 per cent; and increase the small business threshold to \$400,000. Alberta, Manitoba and Ontario have announced plans for corporate income tax rate or small business threshold changes in 2004 and future years. Quebec's rate on investment income is 16.25 per cent. Other Quebec rates include a "youth fund" tax of 1.6 per cent that is scheduled to end March 15, 2003, at which time the rates will be 8.9 per cent.

⁴ Ontario has a deduction of \$5 million for all corporations; Manitoba has a \$5 million exemption level and the higher rate applies to corporations with taxable capital in excess of \$10 million; Saskatchewan has a \$10 million deduction. Large Saskatchewan resource corporations are assessed a surcharge on the value of Saskatchewan resource sales. Ontario and Quebec have an additional surcharge or compensation tax on financial institutions. Quebec has announced that its capital taxes will be reduced by approximately 50 per cent by 2007.

⁵ British Columbia has a two-person rate of \$96. British Columbia and Alberta offer premium assistance in the form of lower rates or an exemption from premiums for lower income individuals and families.

⁶ Provinces with payroll taxes provide payroll tax relief for small businesses.

⁷ The lower rate applies to premiums for life, sickness and accident insurance; the higher rate applies to premiums for property insurance including automobile insurance. In Ontario, Quebec and Newfoundland specific sales taxes also apply to insurance premiums, except those related to individual life and health.

⁸ Tax rate is for regular fuel used on highways. The British Columbia rate includes 6.75 cents per litre dedicated to the BC Transportation Financing Authority. The rates do not include regional taxes. The Quebec rate includes estimated sales tax.

⁹ Includes estimated provincial sales tax where applicable.

Table A3 - Comparison of Provincial and Federal Taxes by Province - 2003

Tax	British Columbia	Alberta	Saskat- chewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	New- foundland
Two Income Family of Four - \$90,000										
(\$)										
1. Provincial Income Tax.....	4,301	5,061	6,491	7,311	4,312	8,482	6,969	7,404	7,014	7,969
Net Child Benefits.....	0	0	0	--	0	0	0	0	--	0
2. Property Tax - Gross.....	2,324	2,236	3,663	4,291	3,261	2,659	3,214	2,261	1,165	1,506
- Net.....	1,854	2,236	3,663	3,891	3,261	2,659	3,214	2,261	1,165	1,506
3. Sales Tax.....	1,185	13	994	1,212	1,588	1,866	1,731	1,713	1,801	1,690
4. Fuel Tax.....	218	135	225	173	221	294	218	233	210	248
5. Provincial Direct Taxes.....	7,558	7,445	11,373	12,587	9,382	13,301	12,132	11,611	10,190	11,413
6. Health Care Premiums/Payroll Tax...	1,296	1,056	--	1,935	1,755	3,834	--	--	--	1,800
7. Total Provincial Tax.....	8,854	8,501	11,373	14,522	11,137	17,135	12,132	11,611	10,190	13,213
8. Federal Income Tax.....	11,056	11,056	11,056	11,056	11,056	11,056	11,056	11,056	11,056	11,056
9. Net Federal GST.....	1,603	1,658	1,581	1,535	1,636	1,568	1,515	1,499	1,626	1,478
10. Total Tax.....	21,513	21,215	24,010	27,113	23,829	29,759	24,703	24,166	22,872	25,747
Two Income Family of Four - \$60,000										
1. Provincial Income Tax.....	2,300	2,500	3,449	3,764	2,335	3,431	3,769	4,040	3,886	4,332
Net Child Benefits.....	0	121	0	--	0	0	0	0	--	0
2. Property Tax - Gross.....	1,958	1,950	2,366	3,485	2,246	2,422	1,377	2,077	2,914	1,300
- Net.....	1,488	1,950	2,366	3,085	2,246	2,422	1,377	2,077	2,914	1,300
3. Sales Tax.....	919	11	791	974	1,243	1,559	1,379	1,367	1,431	1,355
4. Fuel Tax.....	218	135	225	173	221	294	218	233	210	248
5. Provincial Direct Taxes.....	4,925	4,717	6,831	7,996	6,045	7,706	6,743	7,717	8,441	7,235
6. Health Care Premiums/Payroll Tax...	1,296	1,056	--	1,290	1,170	2,556	--	--	--	1,200
7. Total Provincial Tax.....	6,221	5,773	6,831	9,286	7,215	10,262	6,743	7,717	8,441	8,435
8. Federal Income Tax.....	6,116	6,116	6,116	6,116	6,116	6,116	6,116	6,116	6,116	6,116
9. Net Federal GST.....	1,244	1,352	1,258	1,233	1,281	1,310	1,207	1,196	1,292	1,185
10. Total Tax.....	13,581	13,241	14,205	16,635	14,612	17,688	14,066	15,029	15,849	15,736
Two Income Family of Four - \$30,000										
1. Provincial Income Tax.....	640	14	681	429	491	-289	1,131	1,012	1,010	1,308
Net Child Benefits.....	-336	-721	0	--	-383	-160	-52	0	--	0
2. Property Tax - Gross.....	1,958	1,950	2,366	3,485	2,246	2,422	1,377	2,077	2,914	1,300
- Net.....	1,488	1,950	2,366	3,085	2,246	2,422	1,377	2,077	2,914	1,300
3. Sales Tax.....	650	9	561	704	872	1,158	969	972	1,012	959
4. Fuel Tax.....	145	90	150	115	147	196	145	155	140	165
5. Provincial Direct Taxes.....	2,587	1,342	3,758	4,333	3,373	3,327	3,570	4,216	5,076	3,732
6. Health Care Premiums/Payroll Tax...	518	263	--	645	585	1,278	--	--	--	600
7. Total Provincial Tax.....	3,105	1,605	3,758	4,978	3,958	4,605	3,570	4,216	5,076	4,332
8. Federal Income Tax.....	1,869	1,869	1,869	1,869	1,869	1,869	1,869	1,869	1,869	1,869
9. Net Federal GST.....	397	590	411	410	416	492	366	368	432	357
10. Total Tax.....	5,371	4,064	6,038	7,257	6,243	6,966	5,805	6,453	7,377	6,558
Unattached Individual - \$25,000										
1. Provincial Income Tax.....	832	854	1,547	1,134	862	1,205	1,385	1,449	1,436	1,549
2. Property Tax.....	--	--	--	--	--	--	--	--	--	--
3. Sales Tax.....	385	4	344	445	553	715	639	636	695	631
4. Fuel Tax.....	145	90	150	115	147	196	145	155	140	165
5. Provincial Direct Taxes.....	1,362	948	2,041	1,694	1,562	2,116	2,169	2,240	2,271	2,345
6. Health Care Premiums/Payroll Tax...	518	528	--	538	488	1,065	--	--	--	500
7. Total Provincial Tax.....	1,880	1,476	2,041	2,232	2,050	3,181	2,169	2,240	2,271	2,845
8. Federal Income Tax.....	2,289	2,289	2,289	2,289	2,289	2,289	2,289	2,289	2,289	2,289
9. Net Federal GST.....	269	292	266	274	282	300	251	248	290	244
10. Total Tax.....	4,438	4,057	4,596	4,795	4,621	5,770	4,709	4,777	4,850	5,378



Table A3 - Comparison of Provincial and Federal Taxes by Province - 2003 - Continued

Tax	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland
Unattached Individual - \$80,000										
	(\$)									
1. Provincial Income Tax.....	5,387	5,756	7,713	8,860	5,792	11,148	8,423	8,773	8,622	9,685
2. Property Tax - Gross.....	1,589	1,901	1,871	4,066	2,203	2,351	977	1,770	1,300	1,300
- Net.....	1,119	1,901	1,871	3,666	2,203	2,351	977	1,770	1,300	1,300
3. Sales Tax.....	1,010	11	869	1,060	1,411	1,594	1,570	1,554	1,704	1,511
4. Fuel Tax.....	218	135	225	173	221	294	218	233	210	248
5. Provincial Direct Taxes.....	7,734	7,803	10,678	13,759	9,627	15,387	11,188	12,330	11,836	12,744
6. Health Care Premiums/Payroll Tax...	648	528	--	1,720	1,560	3,408	--	--	--	1,600
7. Total Provincial Tax.....	8,382	8,331	10,678	15,479	11,187	18,795	11,188	12,330	11,836	14,344
8. Federal Income Tax.....	12,996	12,996	12,996	12,996	12,996	12,996	12,996	12,996	12,996	12,996
9. Net Federal GST.....	1,514	1,568	1,450	1,388	1,505	1,356	1,374	1,359	1,467	1,322
10. Total Tax.....	22,892	22,895	25,124	29,863	25,688	33,147	25,558	26,685	26,299	28,662
Senior Couple with Equal Pension Incomes - \$30,000										
1. Provincial Income Tax.....	238	0	280	-375	-320	28	476	633	549	657
2. Property Tax - Gross.....	1,958	1,950	2,366	3,485	2,246	2,422	1,377	2,077	2,914	1,300
- Net.....	1,213	1,950	2,366	3,085	2,246	2,422	1,377	2,077	2,914	1,300
3. Sales Tax.....	728	8	611	767	962	1,328	1,159	1,195	1,264	1,228
4. Fuel Tax.....	145	90	150	115	147	196	145	155	140	165
5. Provincial Direct Taxes.....	2,324	2,048	3,407	3,592	3,035	3,974	3,157	4,060	4,867	3,350
6. Health Care Premiums/Payroll Tax...	691	1,056	--	--	--	--	--	--	--	--
7. Total Provincial Tax.....	3,015	3,104	3,407	3,592	3,035	3,974	3,157	4,060	4,867	3,350
8. Federal Income Tax.....	786	786	786	786	786	786	786	786	786	786
9. Net Federal GST.....	861	887	823	829	845	913	796	827	954	856
10. Total Tax.....	4,662	4,777	5,016	5,207	4,666	5,673	4,739	5,673	6,607	4,992

Personal Income Tax

- Income tax is based on basic personal credits, applicable provincial credits, and typical major deductions at each income level. Quebec residents pay federal income tax less an abatement of 16.5 per cent of basic federal tax. This abatement has been used to reduce Quebec provincial tax rather than federal tax, for comparative purposes. The two income family of four with \$60,000 annual income is assumed to have one spouse earning \$40,000 and the other \$20,000, the family with \$90,000 income is assumed to have one spouse earning \$50,000 and the other \$40,000, the family with \$30,000 is assumed to have each spouse earning \$15,000 and each senior is assumed to receive \$15,000. All representative families are assumed to have employment income except the senior couple. Contributions to the Quebec Health Services Fund are included in Quebec personal income tax.

Net Child Benefits

- Net child benefits are provincial measures affecting payments to families with children. Provincial child benefit measures are available in British Columbia (BC Family Bonus), Alberta (Family Employment Credit), Saskatchewan (Child Benefit), Ontario (Child Care Supplement for Working Families), Quebec (Integrated Child Allowance), New Brunswick (Child Tax Benefit), Nova Scotia (Child Benefit) and Newfoundland (Child Benefit). In addition, the Alberta government has chosen to vary the amount of the basic federal child tax benefit that its residents receive (shown as a net amount).

Property Tax

- Estimates of property taxes are from a survey of Royal LePage's on-line listings of residential properties for sale conducted in 2003. It is assumed that the individual at \$25,000 rents accommodation; the family at \$30,000 and at \$55,000 and the senior couple own bungalows; the family at \$90,000 owns a two-storey executive style home; and the single at \$80,000 owns a luxury condominium, in a major city for each province. Net property taxes are estimated as taxes owing after credits provided through the property tax system are subtracted.

Sales and Fuel Tax Estimates

- Includes sales tax on meals, liquor and accommodation. Estimates are based on expenditure patterns from the Survey of Household Spending in 2001. In estimating individual and family taxable consumption, disposable income is reduced by 20 per cent to reflect housing (mortgage and property taxes or rent) costs. The senior couple is assumed to own their home and have no mortgage costs. For each province, disposable income is further reduced by estimated federal income taxes, estimated provincial income taxes and health care premiums if applicable. In addition, the single individual with \$80,000 annual income and the family with \$90,000 annual income are assumed to have savings equal to 5 per cent of their disposable income. For each family, disposable income is distributed among expenditures using the consumption pattern of a typical family with the relevant characteristics as estimated by the family expenditure survey. The provincial retail sales tax and the federal goods and services tax (GST) components of these expenditures are then calculated. GST estimates have been reduced by the GST credit, where applicable.
- Fuel tax is based on annual consumption: 1,000 litres of unleaded fuel for the single at \$25,000, the family at \$30,000 and the senior couple; others are assumed to consume 1,500 litres.

Health Care Premiums/Payroll Tax

- Health care premiums are levied in British Columbia and Alberta only. Approximately 50 per cent of British Columbia premiums are paid by employers on behalf of their employees with the remainder paid by individuals, either by employees or by residents who are not employed. Payroll taxes, in the four provinces that levy them, are paid by the employer. The cost to employers of payroll taxes and health care premiums paid on behalf of employees is generally reflected in reduced wages.

Effective Tax Rates

- British Columbia taxes have been calculated using rates in effect for 2003. Taxes for other provinces were calculated using rates that were announced prior to February 3, 2003, and that come into effect during 2003.

**Table A4 Interprovincial Comparisons of Provincial Personal Income Taxes Payable¹ - 2003
(Rates known as of February 3, 2003)**

Taxable income ²	British Columbia ²	Alberta	Saskat- chewan	Manitoba	Ontario	Quebec ³	New Brunswick	Nova Scotia	Prince Edward Island	New- foundland
	Annual provincial taxes payable ⁴ (\$)									
\$10,000.....	70	0	162	75	0	5	166	0	0	218
\$20,000.....	633	524	1,184	1,188	662	1,046	1,066	1,077	1,112	1,200
\$30,000.....	1,195	1,453	2,206	2,226	1,225	2,604	1,965	2,056	2,023	2,205
\$40,000.....	2,018	2,386	3,332	3,621	2,023	4,412	3,270	3,485	3,307	3,750
\$50,000.....	2,933	3,386	4,632	5,111	2,938	6,140	4,752	4,980	4,687	5,366
\$60,000.....	3,848	4,386	5,932	6,601	3,874	8,089	6,234	6,489	6,154	6,997
\$70,000.....	4,933	5,386	7,232	8,216	5,148	10,169	7,811	8,156	7,942	8,958
\$80,000.....	6,250	6,386	8,532	9,956	6,889	12,220	9,463	9,823	9,779	10,922
\$100,000.....	9,107	8,386	11,132	13,436	10,371	16,322	12,767	13,473	13,453	14,851
\$125,000.....	12,782	10,886	14,882	17,786	14,723	21,349	17,166	18,057	18,046	19,761
\$150,000.....	16,457	13,386	18,632	22,136	19,076	26,152	21,626	22,641	22,638	24,672
	Provincial personal income taxes as a per cent of taxable income (%)									
\$10,000.....	0.7	0.0	1.6	0.8	0.0	0.1	1.7	0.0	0.0	2.2
\$20,000.....	3.2	2.6	5.9	5.9	3.3	5.2	5.3	5.4	5.6	6.0
\$30,000.....	4.0	4.8	7.4	7.4	4.1	8.7	6.6	6.9	6.7	7.4
\$40,000.....	5.0	6.0	8.3	9.1	5.1	11.0	8.2	8.7	8.3	9.4
\$50,000.....	5.9	6.8	9.3	10.2	5.9	12.3	9.5	10.0	9.4	10.7
\$60,000.....	6.4	7.3	9.9	11.0	6.5	13.5	10.4	10.8	10.3	11.7
\$70,000.....	7.0	7.7	10.3	11.7	7.4	14.5	11.2	11.7	11.3	12.8
\$80,000.....	7.8	8.0	10.7	12.4	8.6	15.3	11.8	12.3	12.2	13.7
\$100,000.....	9.1	8.4	11.1	13.4	10.4	16.3	12.8	13.5	13.5	14.9
\$125,000.....	10.2	8.7	11.9	14.2	11.8	17.1	13.7	14.4	14.4	15.8
\$150,000.....	11.0	8.9	12.4	14.8	12.7	17.4	14.4	15.1	15.1	16.4

¹ Calculated for a single individual with wage income and claiming credits for Canada Pension Plan and Quebec Pension Plan contributions, Employment Insurance premiums and the basic personal amount. Quebec personal income tax is calculated using the simplified tax system which provides a minimum level of non-refundable credits that is greater than the basic personal credit amount.

² Taxable income, total income less allowable deductions, is defined by federal legislation in all provinces except Quebec. In the table, it is assumed that federally defined taxable income is equal to Quebec taxable income.

³ Quebec residents pay federal tax less an abatement of 16.5 per cent of federal tax. In the table, the Quebec abatement has been used to reduce Quebec provincial personal income tax for comparative purposes.

⁴ Includes provincial low income reductions in Manitoba, Ontario, Nova Scotia and Prince Edward Island, provincial surtaxes payable in Ontario, Nova Scotia, Prince Edward Island and Newfoundland and contributions to the Health Services Fund in Quebec. Excludes credits for sales and property taxes.

Table A5 Summary of July 30, 2001 Update, Budget 2002 and Budget 2003 Revenue Measures¹

	Taxpayer Impacts (\$ millions)			
	2001/02	2002/03	2003/04	2004/05
July 30, 2001 Economic and Fiscal Update				
Income Tax				
• 25 per cent personal income tax cut.....	-1,150	-1,505	-1,505	-1,505
• Dividend tax credit rates reduced	20	40	40	40
• General corporate income tax rate reduced to 13.5% from 16.5%.....	-16	-200	-200	-200
• Manufacturing and processing tax credit repealed.....	20	30	30	30
Corporation Capital Tax				
• Tax phased-out for general corporations.....	-101	-273	-345	-345
Social Service Tax				
• Tax exemption for production machinery equipment.....	-107	-160	-160	-160
• Vehicle surtax threshold for passenger vehicles increased.....	-27	-40	-40	-40
Motor Fuel Tax				
• Tax exemption provided for marine bunker fuel.....	-7	-10	-10	-10
• Domestic jet fuel and aviation fuel tax rates reduced to 2 cents/litre.....	-10	-15	-15	-15
Total July 30, 2001 Update	-1,378	-2,133	-2,205	-2,205
Budget 2002				
Income Tax				
• Increase sales tax credit.....	-5	-20	-20	-20
• Adjust BC Family Bonus.....	-	8	19	19
• Raise small business threshold to \$300,000.....	-	-10	-13	-13
Medical Services Plan Premiums				
• Increase premiums and enhance premium assistance.....	-	358	392	392
Social Service Tax				
• Increase provincial sales tax rate to 7.5% from 7%.....	27	250	250	250
• Expand machinery and equipment tax exemption to repair parts.....	-2	-15	-15	-15
Tobacco Tax				
• Increase tobacco tax rate to \$30 from \$22 per carton.....	16	150	150	150
School and Rural Area Property Taxes				
• Increase average gross residential rural and school property taxes by 2%..	-	21	21	21
Miscellaneous measures				
• Disability credits; sales tax exemptions for farmers and refunds to Parent Advisory Councils.....	-1	-6	-6	-6
Total Budget 2002	35	736	778	778

Table A5 Summary of July 30, 2001 Update, Budget 2002 and Budget 2003 Revenue Measures¹ - Cont.

	Taxpayer Impacts (\$ millions)			
	2001/02	2002/03	2003/04	2004/05
Budget 2003				
Income Tax				
• Increase budget for labour sponsored venture capital tax credits.....	-	-	-4	-4
• Introduce an equity tax credit for new media.....	-	-	-5	-5
• Provide an enhanced regional incentive for film credits.....	-	-	-1	-1
• Introduce a Digital Animation or Visual Effects tax credit.....	-	-	-5	-5
• Extend the Mining Flow-Through Share Tax Credit.....	-	-	-3	-3
• Extend the BC Mining Exploration Tax Credit for three years.....	-	-	-2	-3
• Introduce a book publishing tax credit.....	-	-	-2	-2
Corporation Capital Tax				
• Increase the capital tax exemption threshold for small financial institutions to \$10 million from \$5 million.....	-	-	-2	-2
Motor Fuel Tax				
• Provide exemption for marine gas oil used in gas turbine powered commercial vessels.....	-	-	-2	-2
BC Transportation Financing Authority Revenue				
• Increase the clear fuel tax rate levied on behalf of BC Transportation Financing Authority by 3.5 cents per litre.....	-	-	211	211
Tobacco Tax				
• Increase the tobacco tax rate to \$32 from \$30 per carton of 200 cigarettes and to 16 cents from 15 cents per gram of fine-cut tobacco	-	-	25	25
School and Rural Area Property Taxes				
• Increase average gross residential rural and school property taxes by inflation.....	-	-	35	64
Insurance Premium Tax				
• Increase tax on property insurance to 4.4 per cent from 4 per cent to offset forest fire suppression costs.....	-	-	4	14
• Clarify the definition of taxable insurers.....	-	-	5	5
Property Transfer Tax				
• Enhance fairness and effectiveness of First Time Home Buyers' exemption.....	-	-	-2	-2
Total Budget 2003	-	-	252	290
Total July 30, 2001 Update, Budget 2002 and Budget 2003	-1,343	-1,397	-1,175	-1,137

¹ Amounts for each measure are as shown at the time of announcement before the impact of economic growth. Measures with no material revenue impact are excluded.

Table A6 Operating Results ¹ - 1999/00 to 2005/06

(\$ millions)	Actual 1999/00	Actual 2000/01	Actual 2001/02	Updated Forecast 2002/03	Budget Estimate 2003/04	Plan 2004/05	Plan 2005/06
Taxpayer-supported programs and agencies:							
Revenue	23,285	26,123	24,614	23,258	24,619	25,616	26,206
Expense.....	(24,557)	(26,370)	(28,396)	(28,475)	(27,800)	(27,235)	(27,570)
Taxpayer-supported balance	(1,272)	(247)	(3,782)	(5,217)	(3,181)	(1,619)	(1,364)
Commercial Crown corporation net income	1,295	1,725	1,085	1,717	1,381	1,669	1,739
(Deficit) surplus before joint trusteeship and forecast allowance	23	1,478	(2,697)	(3,500)	(1,800)	50	375
Joint trusteeship	-	(52)	1,464	-	-	-	-
Forecast allowance	-	-	-	(300)	(500)	-	-
(Deficit) surplus	23	1,426	(1,233)	(3,800)	(2,300)	50	375

¹ Figures have been restated to conform with the presentation used in 2003/04.

Table A7 Three-Year Fiscal Plan Update - Changes from Budget 2002

(\$ millions)	2002/03	2003/04	2004/05
Budget 2002 Fiscal Plan	(4,400)	(1,800)	-
Revenue changes:			
Personal income tax	(638)	(425)	(460)
Corporation income tax	(134)	(28)	(125)
Other tax revenues.....	153	102	118
Revenue measures announced in <i>Budget 2003</i>	29	252	297
Energy revenues.....	76	366	182
Forests revenues.....	67	(176)	(92)
Canada health and social transfer.....	(156)	(167)	(151)
Equalization entitlements.....	668	675	700
BC Hydro net income (before RSA transfer).....	-	(470)	(160)
ICBC net income	43	23	(15)
BC Ferries non-tax income	6	(421)	(433)
All other revenue changes	84	332	346
Total revenue changes	198	63	207
CRF expense changes:			
Children and Family Development - school-based programs, autism spectrum disorder, and other programs	-	(59)	(70)
Community, Aboriginal and Women's Services - Olympic venues and venues legacy funding	-	(37)	(21)
Competition, Science and Enterprise - Vancouver Convention Centre expansion funding	-	(67)	(62)
Education - base funding increase	-	-	(83)
Forests - mainly BC Timber Sales program and First Nations' participation	-	(36)	(60)
Human Resources - employment assistance caseload savings redirected to other priorities	153	19	22
Public Safety and Solicitor General - commercial vehicle safety and enforcement programs transferred from ICBC	-	(27)	(27)
Transportation - mainly service contract payments to BC Ferry Services.	-	(112)	(112)
Management of Public Funds and Debt - lower debt level and interest rates	190	159	140
Other Appropriations - mainly advancement of seismic mitigation contributions	-	40	-
Other - Estimates restatements and other minor adjustments	90	21	(1)
Forestry restructuring provision	(275)	-	-
CRF expense changes	158	(99)	(274)
Adjustment changes:			
Grants to agencies and other internal transfers	(24)	(317)	(1,198)
Expenses recovered from external entities	(27)	(274)	(348)
Taxpayer-supported Crown corporation and agency expense changes:			
BC Buildings	(39)	(81)	(80)
BC Ferries - devolution	(75)	473	490
BC Transportation Financing Authority - updated forecasts	34	(81)	(80)
Ministry of Children and Family Development governance authorities	3	283	1,143
Other agencies	(78)	33	90
Taxpayer-supported agency and adjustment changes	(206)	36	17
Total expense changes	(48)	(63)	(257)
Net changes before expanded entity and forecast allowance	150	-	(50)
Expanded entity	-	-	100
Forecast allowance.....	450	(500)	-
Total changes	600	(500)	50
Budget 2003 Updated Fiscal Plan	(3,800)	(2,300)	50

Table A8 Revenue by Source - 1999/00 to 2005/06

(\$ millions)	Actual ¹ 1999/00	Actual ¹ 2000/01	Actual ¹ 2001/02	Updated Forecast 2002/03	Budget Estimate 2003/04	Plan 2004/05	Plan 2005/06
Taxation Revenue:							
Personal income	5,825	5,963	5,366	4,216	4,722	5,027	5,337
Corporation income	943	1,054	1,522	645	755	873	929
Social service	3,355	3,625	3,552	3,816	3,995	4,224	4,430
Fuel	679	715	659	673	866	894	911
Tobacco	498	460	499	610	635	635	635
Property	1,413	1,432	1,461	1,494	1,550	1,605	1,636
Property transfer	245	262	303	390	368	368	373
Corporation capital	460	459	395	190	101	99	97
Other ²	310	313	333	331	349	374	390
	<u>13,728</u>	<u>14,283</u>	<u>14,090</u>	<u>12,365</u>	<u>13,341</u>	<u>14,099</u>	<u>14,738</u>
Natural Resource Revenue:							
Natural gas royalties	328	1,249	836	947	1,289	1,179	1,027
Petroleum royalties and mineral permits ..	402	669	533	494	477	477	464
Columbia River Treaty	100	632	360	90	240	240	225
Forests	1,693	1,341	1,253	1,212	1,102	1,205	1,226
Water and other resources	311	308	298	259	288	295	292
	<u>2,834</u>	<u>4,199</u>	<u>3,280</u>	<u>3,002</u>	<u>3,396</u>	<u>3,396</u>	<u>3,234</u>
Other Revenue							
Medical Services Plan premiums	867	894	954	1,385	1,410	1,425	1,442
Motor vehicle licences and permits	334	339	342	350	352	359	365
BC Ferries tolls	292	292	306	313	-	-	-
Other fees and licences	566	653	617	469	500	502	487
Investment earnings	984	975	818	659	728	776	790
Sales of goods and services (Crowns)	208	516	290	331	266	234	248
Miscellaneous ³	572	836	716	575	634	627	628
	<u>3,823</u>	<u>4,505</u>	<u>4,043</u>	<u>4,082</u>	<u>3,890</u>	<u>3,923</u>	<u>3,960</u>
Contributions from the Federal Government ⁴							
Canada health and social transfer	2,438	2,619	2,445	2,649	2,763	2,924	3,024
Equalization	-	-	226	668	675	700	700
Other cost shared agreements ⁵	462	517	530	492	554	574	550
	<u>2,900</u>	<u>3,136</u>	<u>3,201</u>	<u>3,809</u>	<u>3,992</u>	<u>4,198</u>	<u>4,274</u>
Taxpayer-supported programs and agencies							
	<u>23,285</u>	<u>26,123</u>	<u>24,614</u>	<u>23,258</u>	<u>24,619</u>	<u>25,616</u>	<u>26,206</u>
Commercial Crown corporations							
BC Hydro.....	545	549	258	350	(70)	125	80
Liquor Distribution Branch	617	642	637	651	655	655	655
BC Lotteries.....	532	562	606	670	725	825	900
BC Rail.....	(582)	(7)	(107)	(83)	61	30	35
Insurance Corporation of BC	96	139	(251)	33	45	36	70
Other	1	4	-	12	5	6	7
Accounting adjustments	86	(164)	(58)	84	(40)	(8)	(8)
	<u>1,295</u>	<u>1,725</u>	<u>1,085</u>	<u>1,717</u>	<u>1,381</u>	<u>1,669</u>	<u>1,739</u>
TOTAL REVENUE	<u>24,580</u>	<u>27,848</u>	<u>25,699</u>	<u>24,975</u>	<u>26,000</u>	<u>27,285</u>	<u>27,945</u>

¹ Figures for 1999/00, 2000/01 and 2001/02 have been restated to be consistent with the presentation used in 2003/04.

² Includes revenue from insurance premium tax, horse racing tax and hotel room tax.

³ Includes asset dispositions, reimbursements for health care and other services provided to external agencies, and other recoveries.

⁴ Excludes the final impact of the February 5, 2003 First Ministers' Accord on Health Care Renewal.

⁵ Includes contributions for health, education, housing and social service programs, for transportation projects, and for coastal ferry services.

Table A9 Expense By Function - 1999/00 to 2005/06

(\$millions)	Actual			Updated	Budget	Plan 2004/05	Plan 2005/06
	1999/00 ¹	2000/01 ¹	2001/02 ¹	Forecast 2002/03	Estimate 2003/04		
Health.....	8,112	9,095	10,088	10,707	10,718	10,730	10,753
Social services.....	3,141	3,276	3,445	3,096	2,856	2,442	2,500
Education.....	6,057	6,443	6,934	6,954	6,936	7,018	7,111
Protection of persons and property.....	1,297	1,313	1,401	1,471	1,428	1,361	1,369
Transportation.....	1,698	1,560	1,556	1,699	1,354	1,344	1,428
Natural resources and economic development.....	1,446	1,785	1,827	1,526	1,127	1,025	1,076
Other.....	607	590	688	683	763	693	702
Government restructuring (All Ministries).....	-	-	224	221	190	-	-
Contingencies (All Ministries) ²	-	-	-	83	170	200	200
General government.....	430	435	563	496	466	458	460
Debt servicing.....	1,769	1,873	1,670	1,539	1,792	1,964	1,971
TOTAL EXPENSE ³	24,557	26,370	28,396	28,475	27,800	27,235	27,570

¹ Figures for 1999/00, 2000/01, and 2001/02 have been updated to more closely follow the presentation used by Statistics Canada.

² The Contingencies vote is allocated to functions according to actual results for 1999/00 to 2001/02. The 2002/03 forecast amount represents the unallocated portion available to fund potential pressures for the rest of the year, while the remainder is allocated to functions according to specific pressures (see Table 4.3).

³

The consolidated revenue fund component of the summary presentation is :							
Health.....	8,017	8,745	9,846	10,400	10,408	10,408	10,417
Social services.....	3,093	3,208	3,381	3,038	2,786	2,368	2,427
Education.....	5,975	6,357	6,853	6,930	6,906	6,988	7,077
Protecton of persons and property.....	1,028	1,019	1,103	1,161	1,088	1,014	1,014
Transportation.....	1,697	611	701	764	834	789	789
Natural resources and economic development.....	965	1,030	1,340	1,368	1,023	932	987
Other.....	359	341	393	355	402	367	390
Government restructuring (All Ministries).....	-	-	168	221	190	-	-
Contingencies (All Ministries) ²	-	-	-	83	170	200	200
General government.....	246	265	367	348	301	294	298
Debt servicing.....	835	889	761	730	926	1,042	1,024
Total CRF Expense.....	22,215	22,465	24,913	25,398	25,034	24,402	24,623

**Table A10 Historical Taxpayer-supported Crown Corporation and Agency Operating Results¹
1999/00 to 2005/06**

(\$ millions)	Actual 1999/00	Actual 2000/01	Actual 2001/02	Updated Forecast 2002/03	Budget Estimate 2003/04	Plan 2004/05	Plan 2005/06
552513 British Columbia Ltd. (Skeena Cellulose Inc.)							
Revenue	-	295	74	-	-	-	-
Expense	-	(295)	(143)	-	-	-	-
	-	-	(69)	-	-	-	-
BC Transportation Financing Authority							
Revenue	400	477	466	411	597	605	612
Expense	(378)	(476)	(466)	(431)	(545)	(570)	(668)
	22	1	-	(20)	52	35	(56)
British Columbia Assessment Authority							
Revenue	65	65	66	65	66	66	66
Expense	(62)	(62)	(64)	(64)	(67)	(67)	(67)
	3	3	2	1	(1)	(1)	(1)
British Columbia Buildings Corporation							
Revenue	464	462	465	467	439	426	432
Expense	(419)	(411)	(428)	(432)	(401)	(377)	(379)
	45	51	37	35	38	49	53
British Columbia Ferry Corporation							
Revenue	435	456	473	487	-	-	-
Expense	(734)	(445)	(496)	(463)	-	-	-
	(299)	11	(23)	24	-	-	-
British Columbia Housing Management Commission							
Revenue	208	228	260	274	279	284	274
Expense	(210)	(228)	(260)	(274)	(279)	(284)	(274)
	(2)	-	-	-	-	-	-
British Columbia Transit							
Revenue	118	120	118	145	145	147	148
Expense	(118)	(120)	(119)	(145)	(145)	(147)	(148)
	-	-	(1)	-	-	-	-
Forest Renewal BC							
Revenue	333	221	163	-	-	-	-
Expense	(332)	(285)	(342)	-	-	-	-
	1	(64)	(179)	-	-	-	-
Legal Services Society							
Revenue	87	88	101	76	67	58	58
Expense	(84)	(87)	(95)	(80)	(62)	(58)	(58)
	3	1	6	(4)	5	-	-
Other taxpayer-supported Crown corporations and agencies							
Revenue	679	695	759	527	562	509	534
Expense	(727)	(650)	(772)	(533)	(487)	(439)	(456)
	(48)	45	(13)	(6)	75	70	78
Net operating results of taxpayer-supported Crown corporations and agencies							
Revenue	2,789	3,107	2,945	2,452	2,155	2,095	2,124
Accounting adjustments	(1,166)	(1,034)	(1,170)	(1,021)	(1,008)	(971)	(981)
Net revenue	1,623	2,073	1,775	1,431	1,147	1,124	1,143
Expense	(3,064)	(3,059)	(3,185)	(2,422)	(1,986)	(1,942)	(2,050)
Accounting adjustments	1,333	84	471	(49)	31	28	30
Net expense	(1,731)	(2,975)	(2,714)	(2,471)	(1,955)	(1,914)	(2,020)
Net fiscal plan impact	(108)	(902)	(939)	(1,040)	(808)	(790)	(877)

¹ Revenue and expense are shown as reported in the Crown corporation financial statements and service plans, before consolidation and accounting adjustments.

Table A11 Material Assumptions and Sensitivities - Revenue

Revenue Source and Assumptions	Budget ¹	Updated	Budget	Plan	Plan	Sensitivities 2003/04
	Estimate	Forecast	Estimate	2004/05	2005/06	
	2002/03		2003/04			
(\$ millions)						
Personal Income Tax	\$4,850	\$4,216	\$4,722	\$5,027	\$5,337	
BC personal income growth	2.0%	2.4%	3.1%	4.2%	4.3%	+/- 1% change in 2003 BC personal income growth equals +/- \$50 to \$100 million
BC tax base growth	2.5%	2.4%	3.6%	4.9%	4.8%	
Average tax yield	5.77%	5.42%	5.45%	5.52%	5.60%	
2001 Factors						
BC personal income growth	2.2%	2.6%				
BC tax base growth	2.2%	1.6%				
Average 2001 tax yield	6.63%	6.31%				+/- 1% change in 2002 BC personal income growth equals +/- \$50 to \$100 million and could result in a base change in 2003/04
Corporation Income Tax	\$777	\$645	\$755	\$873	\$929	
National tax base (\$ billions)	105.2	108.4	118.3	130.5	136.0	+/- 1% change in the 2003 national tax base equals +/- \$10 to \$15 million
BC instalment share	9.46%	9.46%	8.49%	8.24%	7.82%	
Prior-year adjustments	-\$152	-\$266	-\$114	-\$75	-\$47	
BC tax base (\$ billions)	8.9	9.0	9.2	10.2	11.1	+/- 1% change in the 2002 BC tax base equals +/- \$10 to \$15 million in 2003/04
BC tax base growth	-4.0%	-2.5%	3.0%	10.0%	9.5%	
BC corporate profits growth	-7.5%	1.1%	3.5%	8.1%	9.6%	
2001 Factors						
BC corporate profits growth	-15.0%	-2.8%				
BC tax base growth	-10.0%	-10.5%				
National tax base growth	7.6%	-0.2%				
Revenue is recorded on a cash basis. Due to lags in the federal collection and instalment systems, changes to the BC corporate profits and tax base forecasts affect revenue in the succeeding year. For example, 2003/04 instalments from the federal government are based on BC's share of the national tax base for the 2001 tax-year (assessed as of December 31, 2002) and a forecast of the 2003 national tax base.						
Social Service Tax	\$3,828	\$3,816	\$3,995	\$4,224	\$4,430	
Consumer expenditure growth	3.2%	4.7%	5.4%	6.0%	4.8%	+/- 1% change in the 2003 growth equals +/- \$25 million
Business investment growth	0.7%	0.3%	3.5%	6.0%	7.6%	
Other expenditure growth	-0.9%	1.1%	2.1%	4.3%	4.3%	
Fuel Tax	\$668	\$673	\$866	\$894	\$911	
Real GDP growth	0.6%	1.9%	2.4%	3.0%	3.0%	+/- 1% change in real GDP equals +/- \$10 million
3.5¢ / litre increase in clear fuel tax collected for BC TFA		\$18	\$211	\$218	\$224	
Additional 0.5¢ / litre of clear fuel tax transferred to <i>Translink</i> in 2003/04 and 2005/06			-\$11	-\$11	-\$22	
Petroleum, natural gas, minerals and Columbia River Treaty export electricity sales	\$1,471	\$1,531	\$2,006	\$1,896	\$1,716	
Natural gas price (\$Cdn/gigajoule at plant inlet)	\$3.65	\$3.70	\$4.75	\$4.35	\$3.75	+/- \$0.50 change in the natural gas price equals +/- \$125 to \$175 million
Natural gas volumes (annual per cent change)	3.8%	1.9%	1.9%	0.0%	1.9%	
Oil price (\$US/bbl at Cushing, Ok)	\$20.00	\$27.50	\$25.00	\$22.50	\$21.00	+/- 1% change in natural gas volumes equals +/- \$5 to \$15 million
Auctioned land base (000 hectares)	653	815	685	685	685	+/- 5% change in the price or volume of auctioned land sales equals +/- \$12 million
Average bid price/hectare (\$)	\$375	\$305	\$350	\$350	\$350	
<u>Columbia River Treaty sales</u>						
Annual quantity set by treaty (million mega-watt hours)	2.5	2.5	4.5	4.5	4.5	+/- 10% change in the average Mid-Columbia price equals +/- \$20 to \$25 million
Mid- Columbia electricity price (\$US/mega-watt hour)	\$24	\$26	\$37	\$38	\$37	

¹ Figures have been restated to conform to the 2003/04 presentation.

Table A11 Material Assumptions and Sensitivities - Revenue

Revenue Source and Assumptions	Budget ¹ Estimate	Updated Forecast	Budget Estimate	Plan	Plan	Sensitivities 2003/04
	2002/03		2003/04	2004/05	2005/06	
	(\$ millions)					
Forests	\$1,145	\$1,212	\$1,102	\$1,205	\$1,226	
<u>Prices (calendar year average)</u>						+/- US\$50 change in SPF price equals +/- \$125 to \$150 million
SPF 2x4 price (\$US/1000 bd ft)	\$250	\$235	\$225	\$265	\$275	+/- US\$100 change in hemlock price equals +/- \$15 to \$25 million
Hemlock price (\$US/1000 bd ft)	\$600	\$587	\$575	\$600	\$600	+/- US\$50 change in pulp price equals +/- \$10 to \$15 million
Pulp (\$US/tonne)	\$500	\$463	\$454	\$519	\$600	+/- 10% change in Interior harvest volumes equals +/- \$60 to \$100 million
Crown harvest volumes (million cubic metres)						+/- 10% change in Coastal harvest volumes equals +/- \$20 to \$30 million
Interior harvest volumes	44.0	48.3	48.0	48.5	49.0	
Coastal harvest volumes	14.0	16.2	15.0	15.0	15.0	
Canada health and social transfer (CHST)	\$2,805	\$2,649	\$2,763	\$2,924	\$3,024	Due to the interactions between the CHST and Equalization programs, the sensitivities reflect the combined fiscal effect on both revenue sources
Equalization	\$0	\$668	\$675	\$700	\$700	
<u>\$ Billions</u>						
National CHST cash	\$18.6	\$18.6	\$19.3	\$20.4	\$21.0	1% increase (decrease) in BC BFT and no change in other provincial or territorial BFT decreases (increases) revenue by \$40 to \$60 million
BC basic federal tax (BFT)	11.3	10.6	11.0	11.6	12.2	+/- 1% change in national BFT and no change in BC BFT equals +/- \$15 to \$85 million
National BFT (includes estimate of prior years)	94.3	91.2	95.7	100.8	107.1	+/- 0.1% change in BC's population share equals +/- \$15 to \$20 million
Prior year adjustments (\$millions)						
CHST	\$0	-\$8	\$0	\$0	\$0	
Equalization	\$0	\$52	\$0	\$0	\$0	
BC share of national population	13.1%	13.1%	13.1%	13.1%	13.1%	1% increase (decrease) in the relative growth rates of Canadian nominal GDP/capita and BC nominal GDP/capita decreases (increases) revenue by \$150 to \$300 million
BC nominal GDP/capita (\$)	\$31.52	\$32.31	\$33.38	\$34.76	\$36.10	
Canada nominal GDP/capita (\$)	\$35.04	\$36.30	\$37.93	\$39.60	\$41.22	
Commercial Crown corporation net income	\$1,651	\$1,717	\$1,381	\$1,669	\$1,739	
	The forecast sensitivities of individual Crown corporations are disclosed in their service plans. The main sensitivities are disclosed below.					
BC Hydro (before RSA transfer)	\$350	\$350	(\$70)	\$125	\$80	Combined potential high-low outcomes for these factors could vary net income from +\$195 million to -\$465 million
reservoir water inflows (Jan 1/03 forecast)	100%	109%	87%	100%	100%	
mean gas price (\$US/MMbtu at Sumas)	2.96	4.45	4.94	4.92	3.77	
ICBC	(\$10)	\$33	\$45	\$36	\$70	+/-1% in return = +/- \$56 million +/-1% in costs = +/- \$40 million +/-1% = +/- \$28-31 million +/-1% = +/- \$23-25 million
investment income	\$399	\$321	\$335	\$322	\$341	
adjustment to prior-year claims	-	(\$20)	-	-	-	
premium revenue trend	+5.2%	+7.3%	+7.0%	+4.3%	+2.7%	
claims-incurred trend	+2.0%	+5.3%	+2.4%	+3.2%	+2.0%	

¹ Figures have been restated to conform to the 2003/04 presentation.

Table A12 Material Assumptions and Sensitivities - Spending

Ministry Programs and Assumptions	Budget Estimate	Updated Forecast	Budget Estimate	Plan	Plan	Sensitivities 2003/04
	2002/03 ¹		2003/04	2004/05	2005/06	
	(\$ millions unless otherwise specified)					
Advanced Education	1,899	Unchanged	1,899	1,899	1,929	
Student spaces - (# of FTEs)	157,500	157,700	160,900	164,000	167,350	The number of student spaces may vary depending on the financial and other policies of post-secondary institutions.
Attorney General	558	540	506	491	490	
Criminal caseload - volume (#)	125,000	Unchanged	124,000	123,000	123,000	A 10% change in criminal caseload affects costs by approximately \$9 million.
Statutory services - <i>Crown Proceeding Act</i>	30	Unchanged	29	28	28	Spending varies with volume/size of claims and timing of settlements. Annual cost of settlements has varied from \$2 million to \$81 million.
			Funding based on a historical ten-year average.			
Children and Family Development	1,587	Unchanged	1,451	1,260	1,283	
Children-in-care caseload (#)	9,700	Unchanged	9,100	8,475	8,100	A 5% change in caseload affects costs by \$10 million to \$13 million.
Average annual residential cost per child in care (\$)	28,000	Unchanged	26,300	23,000	23,000	
Adult community living services caseload (#)	8,850	Unchanged	8,850	9,000	9,150	A 5% change in caseload affects costs by \$22 million to \$27 million.
Average cost per client (\$)	61,000	Unchanged	53,000	49,000	48,000	
Community, Aboriginal and Women's Services	653	642	665	596	620	
2010 Winter Olympics Bid: Secretariat and operations Venues and venues legacy	2 n/a	14 n/a	1 37	- 21	- 45	Decision on the winning bid expected in July 2003. Assumes province is awarded the Olympics.
Competition, Science and Enterprise	51	49	115	105	112	
Vancouver Convention and Exhibition Centre expansion	n/a	n/a	67	62	70	Assumes provincial contribution funded through operating transfers to new agency.
Education	4,860	Unchanged	4,860	4,943	5,003	
Student Enrolment (# of FTEs)	592,000	587,250	582,550	577,890	573,270	A 1% change in enrolment affects costs by approximately \$32 million.

¹ Figures have been restated to conform to the 2003/04 presentation.

*See service plans.

Table A12 Material Assumptions and Sensitivities - Spending

Ministry Programs and Assumptions	Budget Estimate	Updated Forecast	Budget Estimate	Plan	Plan	Sensitivities 2003/04
	2002/03 ¹		2003/04	2004/05	2005/06	
	(\$ millions unless otherwise specified)					
Forests	621	Unchanged	565	536	583	
Direct Fire Fighting	55	43	55	55	55	Drier than normal weather, particularly in the Interior, could affect costs. Annual costs have varied from \$19 million to \$154 million.
			Funding based on a historical median fire year. Assumes implementation of cost-shared fire protection model.			
Forest Policy Reforms	-	275	With the exception of First Nations' participation, plan assumes no out-year cost for forest policy reforms.			
Health Services	10,186	Unchanged	10,185	10,185	10,185	
			Budgets do not reflect the federal commitment for incremental funding announced on February 5, 2003. Once the province has assessed the terms and conditions of the new funding against provincial priorities, a revised service plan including revised assumptions will be published.			
Pharmacare	702	--	614	706	706	
Demand/cost growth (per cent change)	0%	5.6%	-12.5%	15.0%	0.0%	A 5% change in utilization or drug prices affects costs by approximately \$30 million.
Medical Services Plan (MSP)	2,516	--	2,552	2,567	2,567	
Population/demographic growth in physician costs (per cent change)	1.6%	Unchanged	1.0%	0.6%	0.0%	A 2% change in the volume of services provided by fee-for-service physicians affects MSP costs by approximately \$38 million.
Regional Health Sector Funding	6,349	--	6,419	6,322	6,322	A 1% change in population affects costs by approximately \$60 million.
Human Resources	1,672	1,519	1,417	1,221	1,266	
Temporary and Continuous Assistance - average caseload (#)	146,700	132,000	118,500	98,000	94,500	A 1% change in caseload affects costs by \$7 million to \$10 million. A 1% change in unemployment affects costs by approximately \$12 million.
Temporary and Continuous Assistance - average monthly cost per case (\$)	665	656	645	630	647	The average cost per case is sensitive to behavioural changes, composition of the caseload, and factors such as treatment of income and length of time on income assistance. A 1% change in the annual average cost per case affects costs by \$7 million to \$12 million.
			Costs reflect the average payments per case. Actual income levels for income assistance clients are higher due to income from other sources.			

¹ Figures have been restated to conform to the 2003/04 presentation.

*See service plans.

Table A12 Material Assumptions and Sensitivities - Spending

Ministry Programs and Assumptions	Budget Estimate	Updated Forecast	Budget Estimate	Plan	Plan	Sensitivities 2003/04
	2002/03 ¹		2003/04	2004/05	2005/06	
	(\$ millions unless otherwise specified)					
Public Safety and Solicitor General	509	Unchanged	507	472	471	
<i>Emergency Program Act</i>	16	31	17	16	16	Actual costs vary with the number and severity of natural disasters such as earthquakes and floods. Annual event costs have varied from \$1 million to \$48 million.
			Funding based on historical average excluding extraordinary occurrences.			
Management of Public Funds and Debt	920	730	926	1,042	1,024	A 1% change (full-year impact) in interest rates affects direct operating debt interest expense by \$80 million and the combined budgets of Advanced Education, Education and Health Services by \$10 million. The total impact when Crown corporation and agency debt is included is \$130 million.
Interest rates for new provincial borrowing:						
Short-term	2.94%	2.88%	3.94%	5.06%	5.25%	
Long-term	6.51%	5.75%	5.93%	6.83%	7.00%	
CDN/US exchange rate (\$)	0.6375	0.6468	0.6475	0.6625	0.6744	
Government Restructuring (All Ministries)	230	221	190	-	-	
Workforce Adjustment	65	90	65	-	-	Includes severance and other associated costs.
FTE reduction incurring severance costs (#)	1,900	2,100	1,500	-	-	A 10% change in the estimated number of FTEs incurring severance, or in the average cost of severance, affects costs by about \$5 million.
			Assumes average cost of \$33,000 per FTE.			
Accommodation and other restructuring	165	131	125	-	-	Changes in workforce adjustment numbers impact changes in demand for accommodation. The timing of program restructuring may affect other restructuring costs.
Government-Wide Issues						
Compensation			Agreements expiring will be settled under a 0-0-0 bargaining mandate. There will be no across-the-board general wage increases for sectors. Specific skills shortages may be addressed by employers through market adjustment increases but no incremental funding will be provided.			
Government Reporting Entity (GRE)			Health authorities, hospital societies, schools districts and certain post-secondary institutions will be included into the GRE by 2004/05. The expanded entity is not expected to have a material impact on the government's bottom-line. Universities are not intended to be included, but their inclusion would improve the bottom line by approximately \$150 million. Similarly, BC Ferry Services is assumed to be excluded. However, if included, it would have a relatively minor impact on the bottom-line.			
Taxpayer-supported Crown corporations and agencies	2,314	2,471	1,955	1,914	2,020	
	The forecast sensitivities of individual Crown corporations and agencies are disclosed in their service plans. The main sensitivity is to the interest costs of the BC Transportation Financing Authority. This sensitivity is included in the disclosure for the Management of Public Funds and Debt.					

¹ Figures have been restated to conform to the 2003/04 presentation.

*See service plans.

Table A13 Full-Time Equivalents (FTEs)¹ - 1999/00 to 2005/06

	Actual 1999/00	Actual 2000/01	Actual 2001/02	Updated Forecast 2002/03	Budget Estimate 2003/04	Plan 2004/05	Plan 2005/06
Ministries and special offices (CRF).....	33,106	33,579	33,495	30,100	29,049	23,867	23,816
Taxpayer-supported Crown corporations and agencies.....	9,527	8,926	8,897	8,628	5,270	4,593	4,558
Regional authorities	-	-	-	-	150	2,800	2,800
Total FTEs	<u>42,633</u>	<u>42,505</u>	<u>42,392</u>	<u>38,728</u>	<u>34,469</u>	<u>31,260</u>	<u>31,174</u>

¹ Full-time equivalents (FTEs) are a measure of staff employment. FTEs are calculated by dividing the total hours of employment paid for in a given period by the number of hours an individual, full-time person would normally work in that period. This does not equate to the physical number of employees. For example, two half-time employees would equal one FTE, or alternatively, three FTEs may represent two full-time employees who have worked sufficient overtime hours to equal an additional FTE.

Table A14 Statement of Financial Position - 1999/00 to 2005/06

For Fiscal Year Ending March 31 (\$ millions)	Actual 2000	Actual 2001	Actual 2002	Updated Forecast 2003	Budget Estimate 2004	Plan 2005	Plan 2006
Financial Assets							
Cash and temporary investments	1,569	548	780	173	152	164	288
Other financial assets	4,030	4,400	4,342	4,236	5,063	5,327	5,649
Investments in commercial Crown corporations:							
Retained earnings	2,820	3,001	2,525	2,587	2,594	2,702	2,837
Recoverable capital loans	7,499	7,437	7,552	7,571	8,270	8,592	8,812
	10,319	10,438	10,077	10,158	10,864	11,294	11,649
Warehouse borrowing program assets ..	1,320	1,312	1,067	-	-	-	-
	17,238	16,698	16,266	14,567	16,079	16,785	17,586
Liabilities							
Current liabilities	3,970	3,829	4,038	4,771	4,725	4,655	4,606
Unfunded pension liabilities	2,053	1,477	6	6	6	6	6
Debt:							
Taxpayer-supported debt	25,181	24,998	27,175	29,281	32,046	32,530	32,622
Self-supported debt	9,297	8,882	8,741	7,687	8,420	8,733	8,944
Forecast allowance.....	-	-	-	300	500	500	500
Total provincial debt	34,478	33,880	35,916	37,268	40,966	41,763	42,066
Less: guarantees and non-guaranteed debt	(934)	(597)	(464)	(426)	(439)	(399)	(362)
	33,544	33,283	35,452	36,842	40,527	41,364	41,704
	39,567	38,589	39,496	41,619	45,258	46,025	46,316
Net Liabilities	(22,329)	(21,891)	(23,230)	(27,052)	(29,179)	(29,240)	(28,730)
Capital and Other Assets							
Prepaid capital advances	6,517	6,905	7,033	7,141	7,313	7,352	7,324
Tangible capital assets	10,476	11,091	11,206	11,098	10,735	10,781	10,650
Other assets	401	386	281	285	303	329	353
	17,394	18,382	18,520	18,524	18,351	18,462	18,327
Accumulated surplus (deficit).....	(4,935)	(3,509)	(4,710)	(8,528)	(10,828)	(10,778)	(10,403)

Table A14a Changes in Financial Position - 1999/00 to 2005/06

(\$ millions)	Actual 1999/00	Actual 2000/01	Actual 2001/02	Updated Forecast 2002/03	Budget Estimate 2003/04	Plan 2004/05	Plan 2005/06
Change in accumulated (surplus) deficit:							
(Surplus) deficit for the period	(23)	(1,426)	1,233	3,800	2,300	(50)	(375)
Accounting policy equity adjustments ...	5	-	(32)	18	-	-	-
	(18)	(1,426)	1,201	3,818	2,300	(50)	(375)
Working capital changes:							
Increase (reduction) in cash and temporary investments	778	(1,021)	232	(607)	(21)	12	124
Decrease in unfunded pension liability ..	391	576	1,471	-	-	-	-
Other working capital changes	(20)	496	(372)	(835)	891	360	395
	1,149	51	1,331	(1,442)	870	372	519
Capital asset and investment changes:							
Increase in taxpayer-supported capital investments	1,900	2,028	1,414	1,181	1,450	1,151	1,055
Less: amortization and other accounting changes	(1,074)	(1,025)	(1,171)	(1,181)	(1,641)	(1,066)	(1,214)
	826	1,003	243	-	(191)	85	(159)
Increase in total investment in commercial Crown corporations	632	952	410	1,060	1,070	1,335	1,207
Less: loan repayments and other accounting changes	(1,261)	(833)	(771)	(979)	(364)	(905)	(852)
	(629)	119	(361)	81	706	430	355
Increase (decrease) in warehouse borrowing investments	662	(8)	(245)	(1,067)	-	-	-
	859	1,114	(363)	(986)	515	515	196
Increase (decrease) in guarantees and non-guaranteed debt	227	(337)	(133)	(38)	13	(40)	(37)
Increase (decrease) in total provincial debt	2,217	(598)	2,036	1,352	3,698	797	303

Table A15 Debt Summary¹ - 1999/00 to 2005/06

As at March 31	Actual 2000	Actual 2001	Actual 2002	Updated Forecast 2003	Budget Estimate 2004	Plan 2005	Plan 2006
(\$ millions unless otherwise indicated)							
Taxpayer-supported debt							
Provincial government direct operating.....	13,859	12,113	13,789	15,564	17,782	17,714	17,272
Education facilities							
Schools.....	3,609	3,880	4,092	4,308	4,468	4,545	4,636
Post-secondary institutions.....	1,369	1,383	1,425	1,505	1,702	1,900	2,052
	<u>4,978</u>	<u>5,263</u>	<u>5,517</u>	<u>5,813</u>	<u>6,170</u>	<u>6,445</u>	<u>6,688</u>
Health facilities.....	1,451	1,780	1,920	2,022	2,205	2,367	2,514
Highways, ferries and public transit							
BC Transportation Financing Authority.....	1,843	2,197	2,514	2,678	2,812	2,962	3,141
BC Ferries.....	24	21	19	16	- ²	-	-
BC Transit.....	79	75	79	79	82	82	83
Public transit.....	952	948	936	931	923	920	917
SkyTrain extension.....	488	836	1,044	1,127	1,170	1,170	1,170
Rapid Transit Project 2000 Ltd.....	101	114	47	-	-	-	-
	<u>3,487</u>	<u>4,191</u>	<u>4,639</u>	<u>4,831</u>	<u>4,987</u>	<u>5,134</u>	<u>5,311</u>
Other							
BC Buildings.....	615	610	596	461	372	354	337
Social housing ³	205	265	299	170	178	184	189
Homeowner Protection Office.....	34	71	113	130	134	119	101
Universities and colleges - fiscal agency loans.....	130	124	114	111	108	105	102
Other ⁴	422	581	188	179	110	108	108
	<u>1,406</u>	<u>1,651</u>	<u>1,310</u>	<u>1,051</u>	<u>902</u>	<u>870</u>	<u>837</u>
Total taxpayer-supported debt.....	<u>25,181</u>	<u>24,998</u>	<u>27,175</u>	<u>29,281</u>	<u>32,046</u>	<u>32,530</u>	<u>32,622</u>
Self-supported debt							
Commercial Crown corporations and Agencies							
BC Hydro.....	6,945	6,852	6,863	6,998	7,689	8,020	8,250
BC Rail.....	655	603	614	486	478	473	467
Skeena Cellulose Inc.....	280	-	-	-	-	-	-
Columbia River power projects ⁵	94	93	120	118	243	232	220
Columbia Power Corporation.....	-	20	64	73	-	-	-
Liquor Distribution Branch.....	3	2	13	12	10	8	7
	<u>7,977</u>	<u>7,570</u>	<u>7,674</u>	<u>7,687</u>	<u>8,420</u>	<u>8,733</u>	<u>8,944</u>
Warehouse borrowing program.....	1,320	1,312	1,067	-	-	-	-
Total self-supported debt.....	<u>9,297</u>	<u>8,882</u>	<u>8,741</u>	<u>7,687</u>	<u>8,420</u>	<u>8,733</u>	<u>8,944</u>
Forecast allowance.....	-	-	-	300	500	500	500
Total provincial debt.....	<u>34,478</u>	<u>33,880</u>	<u>35,916</u>	<u>37,268</u>	<u>40,966</u>	<u>41,763</u>	<u>42,066</u>
Debt as a per cent of GDP							
Total provincial debt	28.6%	26.2%	27.4%	27.9%	29.4%	28.4%	27.3%
Taxpayer-supported	20.9%	19.3%	20.8%	21.9%	23.0%	22.1%	21.1%

¹ Debt is after deduction of sinking funds and unamortized discounts, and excludes accrued interest. Government direct and fiscal agency accrued interest is reported in the government's accounts as an accounts payable.

² Effective April 1, 2003, the provincial coastal ferry system will be independently operated by BC Ferry Services.

³ Includes the BC Housing Management Commission and the Provincial Rental Housing Corporation.

⁴ Includes the BC Assessment Authority, Pacific Racing Association, and other taxpayer-supported Crown corporations and agencies. Also includes student loan guarantees, loan guarantees to agricultural producers, guarantees issued under economic development and home mortgage assistance programs, and loan guarantee provisions.

⁵ A joint venture of the Columbia Power Corporation and Columbia Basin Trust.

Table A16 Key Debt Indicators - 1999/00 to 2005/06

For fiscal year ending March 31	Actual 2000	Actual 2001	Actual 2002	Updated Forecast 2003	Budget Estimate 2004	Plan 2005	Plan 2006
Debt to revenue (per cent)							
Total provincial.....	102.4	83.4	95.1	107.7	112.1	109.6	107.6
Taxpayer-supported.....	101.6	90.3	103.8	118.6	124.4	120.7	118.3
Debt per capita (\$) ¹							
Total provincial.....	8,559	8,345	8,756	9,000	9,800	9,885	9,842
Taxpayer-supported.....	6,251	6,157	6,625	7,071	7,667	7,699	7,633
Debt to GDP (per cent) ²							
Total provincial.....	28.6	26.2	27.4	27.9	29.4	28.4	27.3
Taxpayer-supported.....	20.9	19.3	20.8	21.9	23.0	22.1	21.1
Interest bite (cents per dollar of revenue) ³							
Total provincial.....	7.5	6.4	6.4	6.6	7.3	7.4	7.3
Taxpayer-supported.....	7.2	6.8	6.6	6.8	7.7	7.8	7.7
Interest costs (\$ millions)							
Total provincial.....	2,528	2,604	2,429	2,294	2,666	2,819	2,847
Taxpayer-supported.....	1,785	1,871	1,731	1,684	1,982	2,109	2,120
Interest rate (per cent) ⁴							
Taxpayer-supported.....	7.4	7.5	6.6	6.0	6.5	6.5	6.5
Background Information							
Revenue (\$ millions)							
Total provincial ⁵	33,679	40,618	37,764	34,612	36,528	38,092	39,103
Taxpayer-supported ⁶	24,784	27,690	26,183	24,691	25,757	26,944	27,578
Total debt (\$ millions)							
Total provincial.....	34,478	33,880	35,916	37,268	40,966	41,763	42,066
Taxpayer-supported ⁷	25,181	24,998	27,175	29,281	32,046	32,530	32,622
Provincial GDP (\$ millions) ⁸	120,599	129,356	130,859	133,800	139,540	146,880	154,280
Population (thousands at July 1) ⁹	4,028	4,060	4,102	4,141	4,180	4,225	4,274

¹ The ratio of debt to population (e.g. 2004 debt divided by population at July 1, 2003).

² The ratio of debt outstanding at fiscal year end to provincial nominal gross domestic product (GDP) for the calendar year ending in the fiscal year (e.g. 2004 debt divided by 2003 GDP).

³ The ratio of interest costs (less sinking fund interest) to revenue. Figures include capitalized interest expense in order to provide a more comparable measure to outstanding debt.

⁴ Weighted average of the cost of all outstanding debt issues.

⁵ Includes revenue of the consolidated revenue fund plus revenue of all Crown corporations and agencies.

⁶ Excludes revenue of commercial Crown corporations and agencies, and interest from the warehouse borrowing program, net of contributions to government.

⁷ Excludes debt of commercial Crown corporations and agencies, funds held under the province's warehouse borrowing program and the forecast allowance.

⁸ GDP for the calendar year ending in the fiscal year (e.g. GDP for 2003 is used for the fiscal year ending March 31, 2004).

⁹ Population at July 1st within the fiscal year (e.g. population at July 1, 2003 is used for the fiscal year ending March 31, 2004).