



Department of
Finance

Second Quarter Forecast 2015-2016

Hon. Allen Roach
Minister of Finance
November 2015

2015-2016 Fiscal Update

Second Quarter Forecast

The Second Quarter Forecast indicates that the Deficit is expected to be \$32.9M, a \$13M increase to the Budgeted Deficit of \$19.9M. The increase is a result of:

Economic Development and Tourism

Increases in tax rebates of \$7.0Million are offset by increases in Finance corporate tax revenues of \$6.8Million.

Education, Early Learning and Culture

The \$1.6Million over expenditure relates to the allocation of an additional 28 teachers to the school system.

Employee Benefits

Additional funding of \$5.9Million is required for employee benefits.

Health PEI

The increase in health costs of \$3.9 Million are primarily as a result of expenditures for acute care hospitals and in-province medical services.

Transportation, Infrastructure and Energy

The decrease in expenditures is a result of reduction in the Build Canada Funding offset by a corresponding reduction in revenue.

Workforce and Advanced Learning

The \$1.3Million over expenditures in Labour Market Agreement Funds is offset by an under expenditure of the same amount in Economic Development and Tourism.

BUDGET SUMMARY

	2015-2016 Budget Estimate	2015-2016 2nd Quarter Forecast	2015-2016 Revised Budget
	\$	\$	\$
REVENUE			
Provincial Own Sources.....	956,504,300	5,740,900	962,245,200
Federal Sources.....	633,259,700	-	633,259,700
Net Consolidated Surplus of Crown Corporations.....	51,071,800	929,500	52,001,300
Revenue for Capital Assets.....	8,014,600	(293,600)	7,721,000
Total Revenue.....	1,648,850,400	6,376,800	1,655,227,200
PROGRAM EXPENDITURES			
Program Expenditures.....	1,476,058,000	18,683,400	1,494,741,400
SURPLUS BEFORE INTEREST AND AMORTIZATION.....	172,792,400	(12,306,600)	160,485,800
INTEREST AND AMORTIZATION			
Interest Charges on Debt.....	127,016,400	719,200	127,735,600
Amortization of Tangible Capital Assets.....	65,671,100	-	65,671,100
Total Interest and Amortization.....	192,687,500	719,200	193,406,700
CONSOLIDATED DEFICIT.....	(19,895,100)	(13,025,800)	(32,920,900)

REVENUE SUMMARY BY DEPARTMENT

	2015-2016 Budget Estimate	2015-2016 2nd Quarter Forecast	2015-2016 Revised Budget
	\$	\$	\$
CURRENT REVENUE			
Agriculture and Fisheries.....	7,795,800	(334,500)	7,461,300
Communities, Land and Environment.....	4,484,800	115,100	4,599,900
Economic Development and Tourism.....	289,200	-	289,200
Education, Early Learning and Culture.....	6,165,600	-	6,165,600
Executive Council.....	523,800	(19,900)	503,900
Family and Human Services.....	12,371,800	344,200	12,716,000
Finance.....	1,452,172,700	6,787,900	1,458,960,600
Employee Benefits.....	202,900	-	202,900
Health and Wellness.....	1,317,800	15,600	1,333,400
Justice and Public Safety.....	36,609,100	(60,700)	36,548,400
Transportation, Infrastructure and Energy.....	34,181,500	(1,106,800)	33,074,700
Workforce and Advanced Learning.....	33,019,600	-	33,019,600
P.E.I. Public Service Commission.....	629,400	-	629,400
TOTAL CURRENT REVENUE.....	1,589,764,000	5,740,900	1,595,504,900
Net Consolidated Surplus of Crown Corporations.....	51,071,800	929,500	52,001,300
TOTAL OPERATING REVENUE.....	1,640,835,800	6,670,400	1,647,506,200
REVENUE FOR CAPITAL ASSETS			
Health PEI.....	3,429,600	706,400	4,136,000
Transportation, Infrastructure and Energy.....	4,585,000	(1,000,000)	3,585,000
TOTAL REVENUE FOR CAPITAL ASSETS.....	8,014,600	(293,600)	7,721,000
TOTAL REVENUE.....	1,648,850,400	6,376,800	1,655,227,200

EXPENDITURE SUMMARY BY DEPARTMENT

	2015-2016 Budget Estimate	2015-2016 2nd Quarter Forecast	2015-2016 Revised Budget
	\$	\$	\$
CURRENT			
Agriculture and Fisheries.....	33,039,500	(334,500)	32,705,000
Communities, Land and Environment.....	20,271,100	106,200	20,377,300
Economic Development and Tourism.....	2,873,800	-	2,873,800
Innovation PEI.....	26,403,100	6,983,700	33,386,800
Tourism PEI.....	14,674,600	-	14,674,600
Education Early Learning and Culture.....	235,979,300	1,630,000	237,609,300
Culture.....	6,766,900	-	6,766,900
Island Regulatory and Appeals Commission.....	1,200,300	-	1,200,300
Executive Council.....	8,673,800	(19,900)	8,653,900
Family and Human Services.....	94,205,200	344,200	94,549,400
Finance.....	70,330,000	(41,500)	70,288,500
Council of Atlantic Premiers.....	188,400	-	188,400
Employee Benefits.....	55,632,800	5,917,900	61,550,700
General Government.....	6,300,000	-	6,300,000
Health and Wellness.....	12,540,900	246,700	12,787,600
Health PEI.....	586,577,300	3,914,200	590,491,500
Justice and Public Safety.....	49,444,100	49,200	49,493,300
Transportation, Infrastructure and Energy.....	108,981,300	(1,315,000)	107,666,300
Interministerial Women's Secretariat.....	438,600	-	438,600
Workforce and Advanced Learning.....	120,506,000	1,285,500	121,791,500
Employment Development Agency.....	5,231,500	-	5,231,500
Auditor General.....	2,056,700	(68,500)	1,988,200
Legislative Assembly.....	6,422,800	-	6,422,800
P.E.I. Public Service Commission.....	7,320,000	(14,800)	7,305,200
PROGRAM EXPENDITURE.....	1,476,058,000	18,683,400	1,494,741,400
Interest Charges on Debt.....	127,016,400	719,200	127,735,600
Amortization of Tangible Capital Assets.....	65,671,100	-	65,671,100
TOTAL EXPENDITURE.....	1,668,745,500	19,402,600	1,688,148,100

SUMMARY OF BUDGETED SURPLUS (DEFICIT) OF CROWN CORPORATIONS

	2015-2016 Budget Estimate	2015-2016 2nd Quarter Forecast	2015-2016 Revised Budget
	\$	\$	\$
Government Business Enterprises			
Charlottetown Area Development Corporation (Note).....	177,200	-	177,200
Island Investment Development Inc.....	11,058,600	-	11,058,600
Island Waste Management Corporation.....	1,000	(34,200)	(33,200)
Prince Edward Island Energy Corporation.....	7,600,000	255,000	7,855,000
Prince Edward Island Liquor Control Commission.....	20,647,000	-	20,647,000
Prince Edward Island Lotteries Commission.....	11,855,000	-	11,855,000
Total Government Business Enterprises.....	51,338,800	220,800	51,559,600
Other Consolidated Agencies			
Finance PEL.....	(326,200)	708,700	382,500
P.E.I. Aquaculture and Fisheries Research Initiative Inc.....	-	-	-
Prince Edward Island Agricultural Insurance Corporation.....	100,000	-	100,000
Prince Edward Island Grain Elevators Corporation.....	-	-	-
Prince Edward Island Self-Insurance and Risk Management Fund.....	200,000	-	200,000
Summerside Regional Development Corporation (Note).....	(240,800)	-	(240,800)
Total Other Consolidated Agencies.....	(267,000)	708,700	441,700
NET CONSOLIDATED SURPLUS OF CROWN CORPORATIONS.....	51,071,800	929,500	52,001,300

Note: The Budget Estimates include 83% of the total surplus of the Charlottetown Area Development Corporation; and 75% of the total deficit of the Summerside Regional Development Corporation, to reflect the Province's ownership of these entities.