



Fiscal Update

Open Cabinet



July 24, 2002

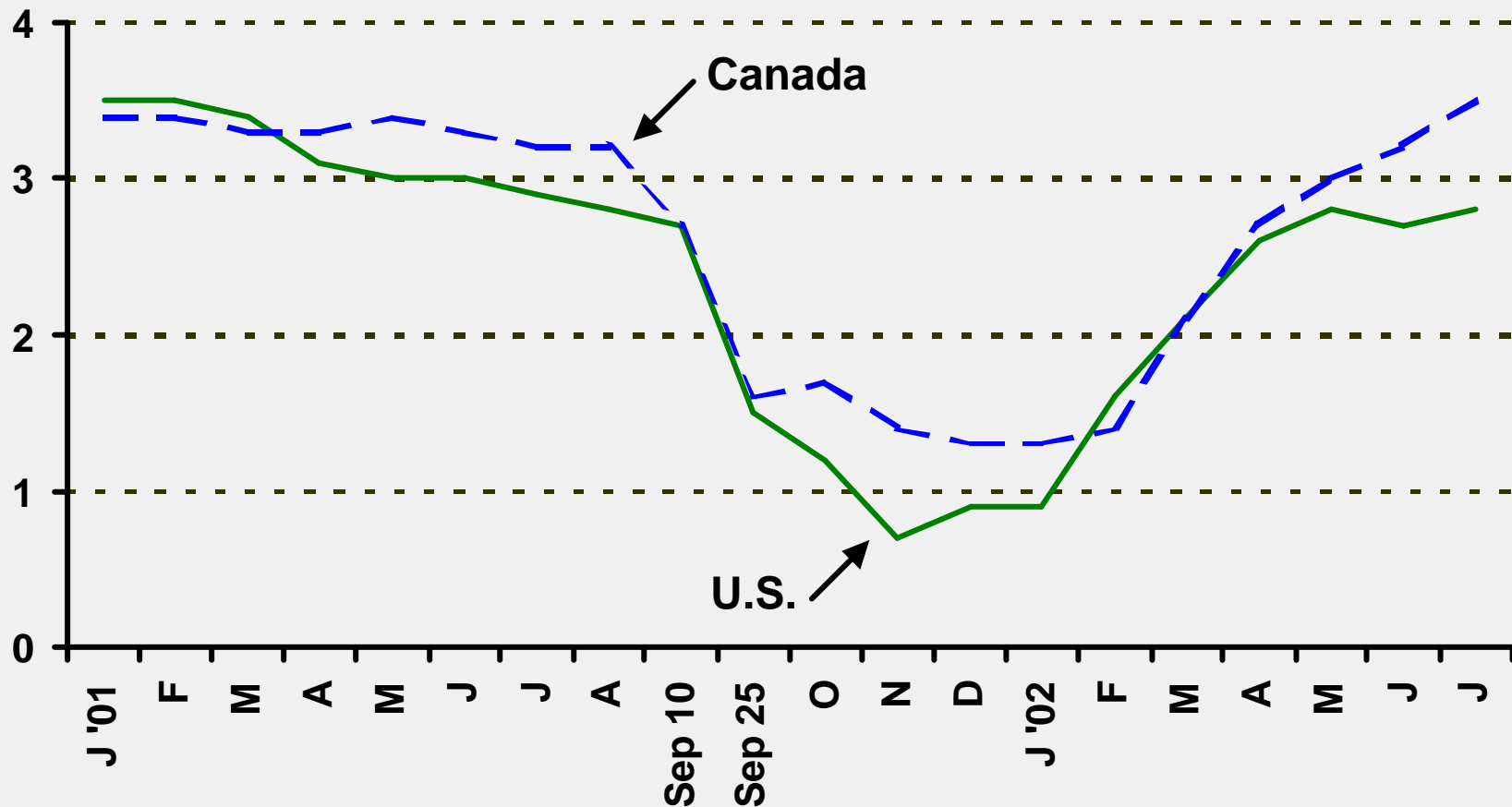
2001/02 in Review



- July 30 Update (mini-budget)
- North American economy slows
- Energy prices fall quickly
- September 11 tips North America into recession
- Restructuring costs/ write-downs
- Economy turns up in 1st quarter of 2002

Consensus forecasts turn back up

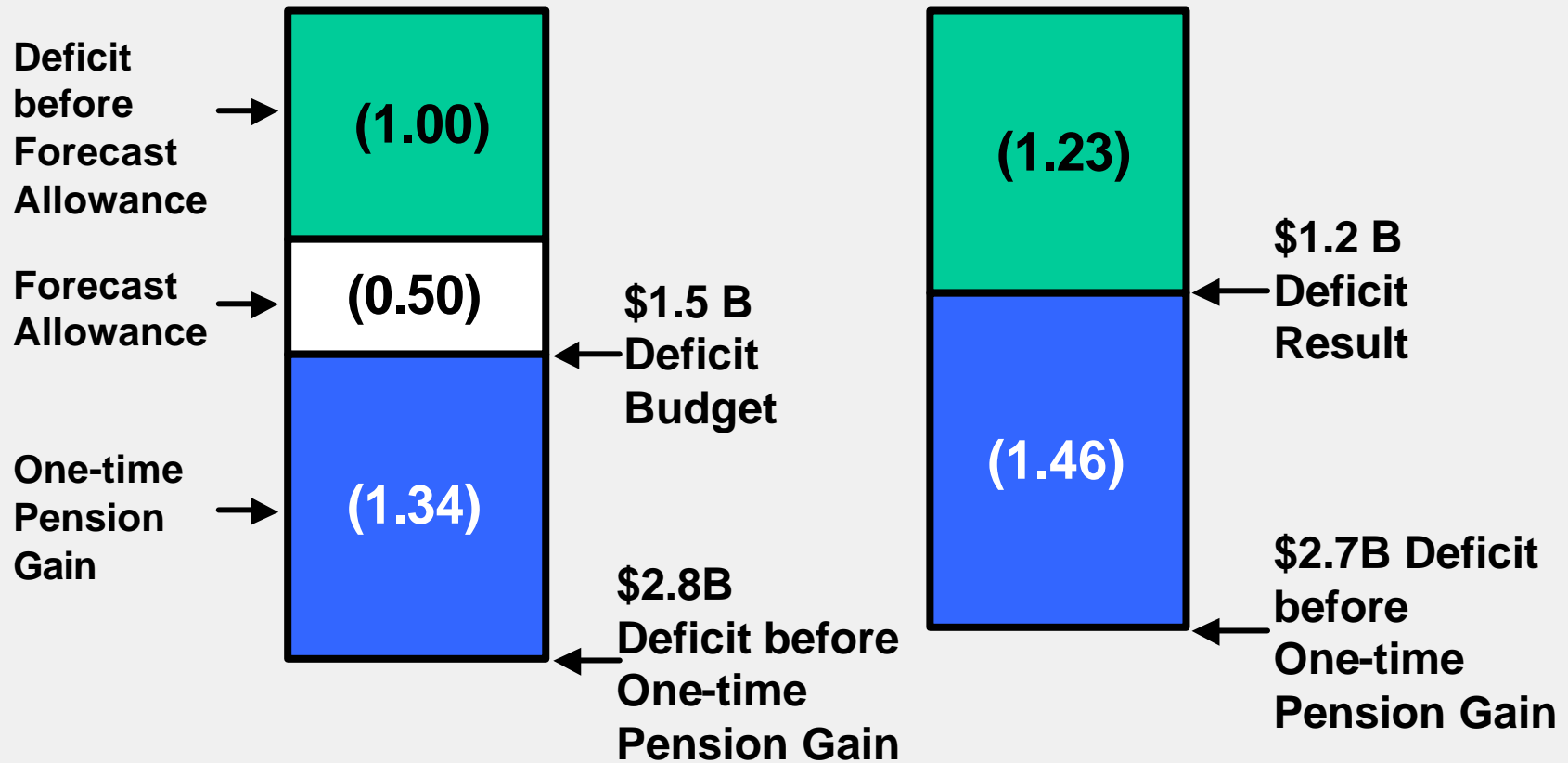
Annual percent change, 2002 real GDP



Source: Consensus Economics, Inc.

2001/02 results ahead of Budget

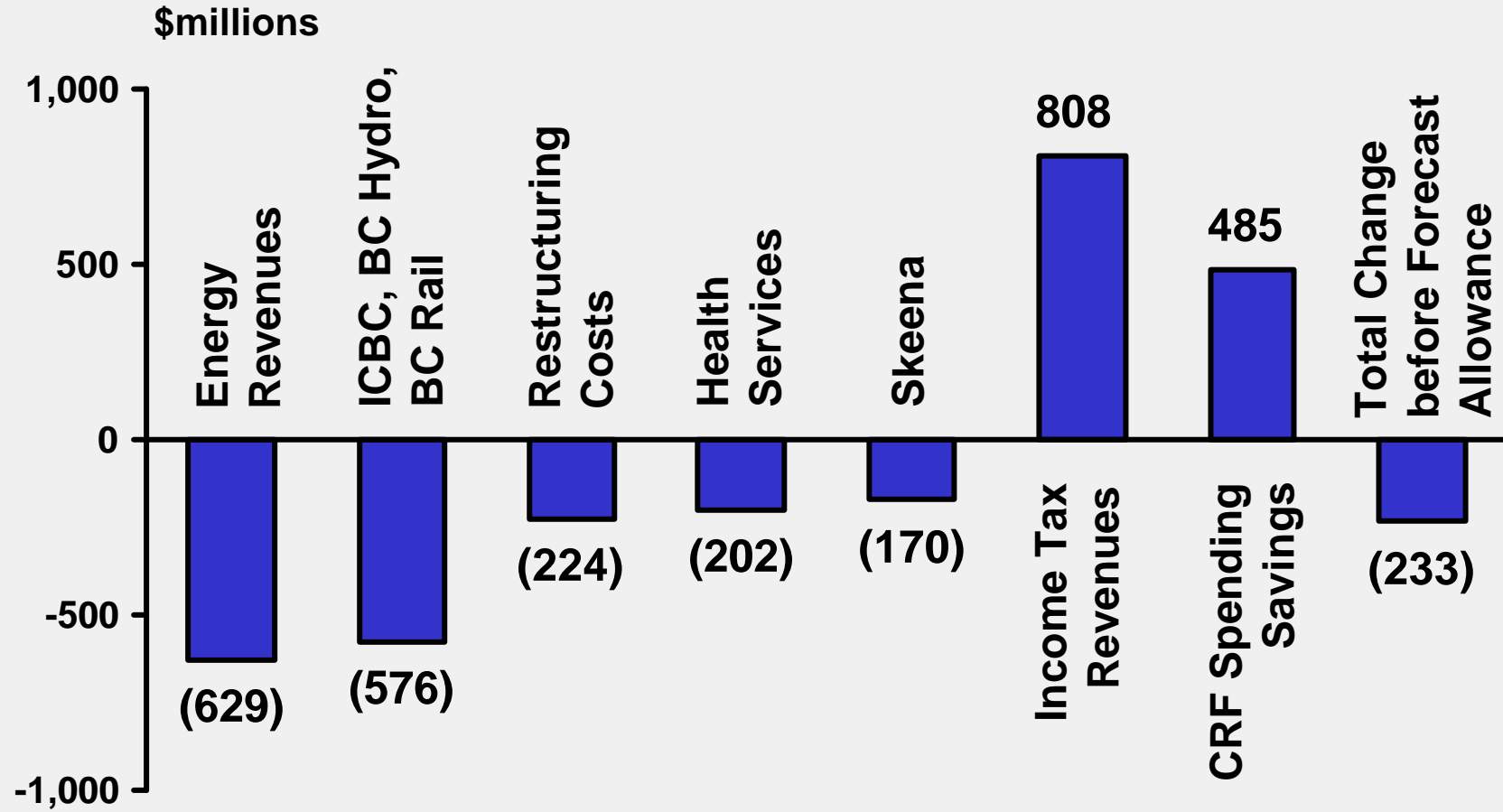
\$billions



July 30 Budget

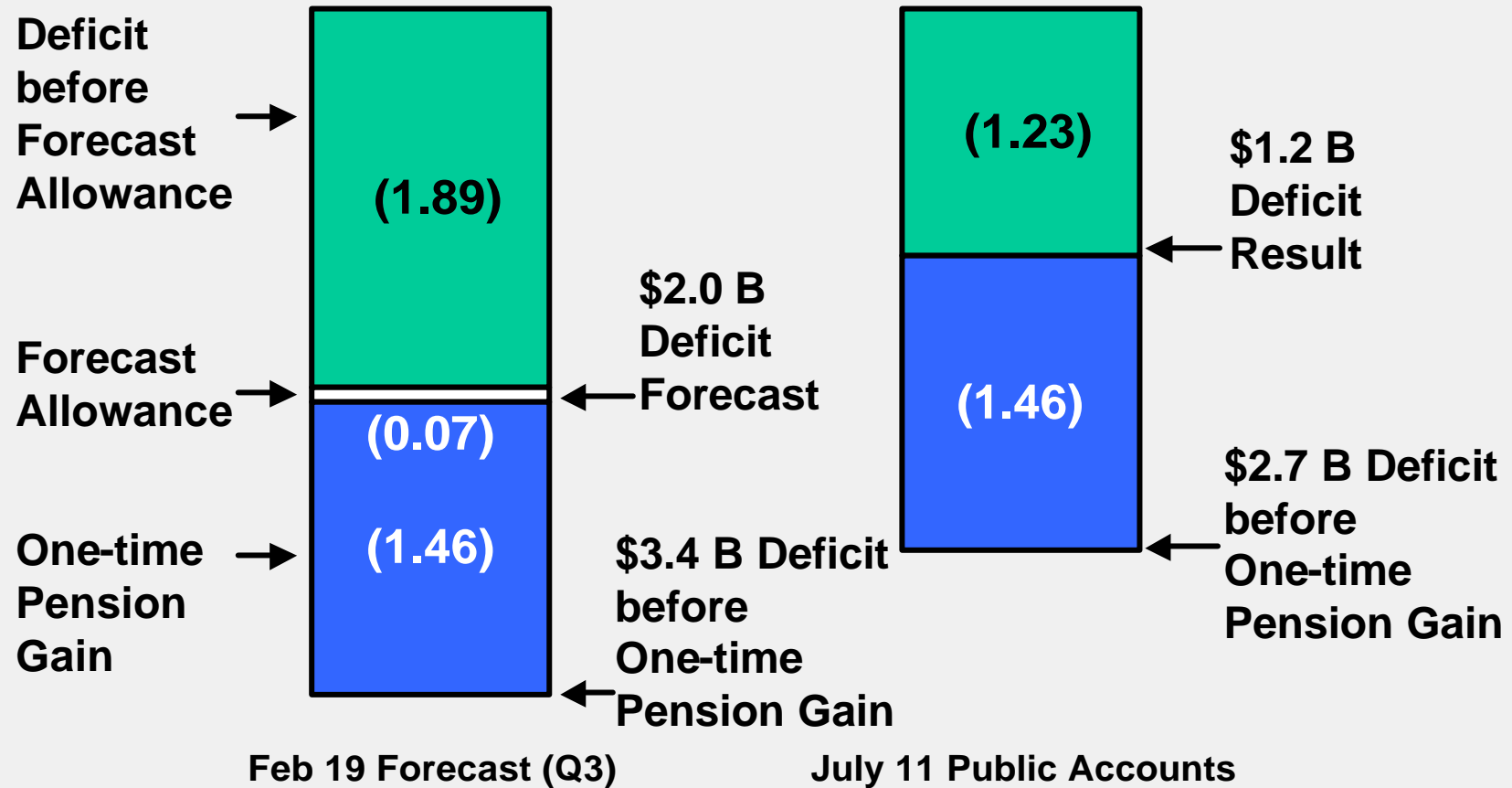
July 11 Public Accounts

Main changes from Budget



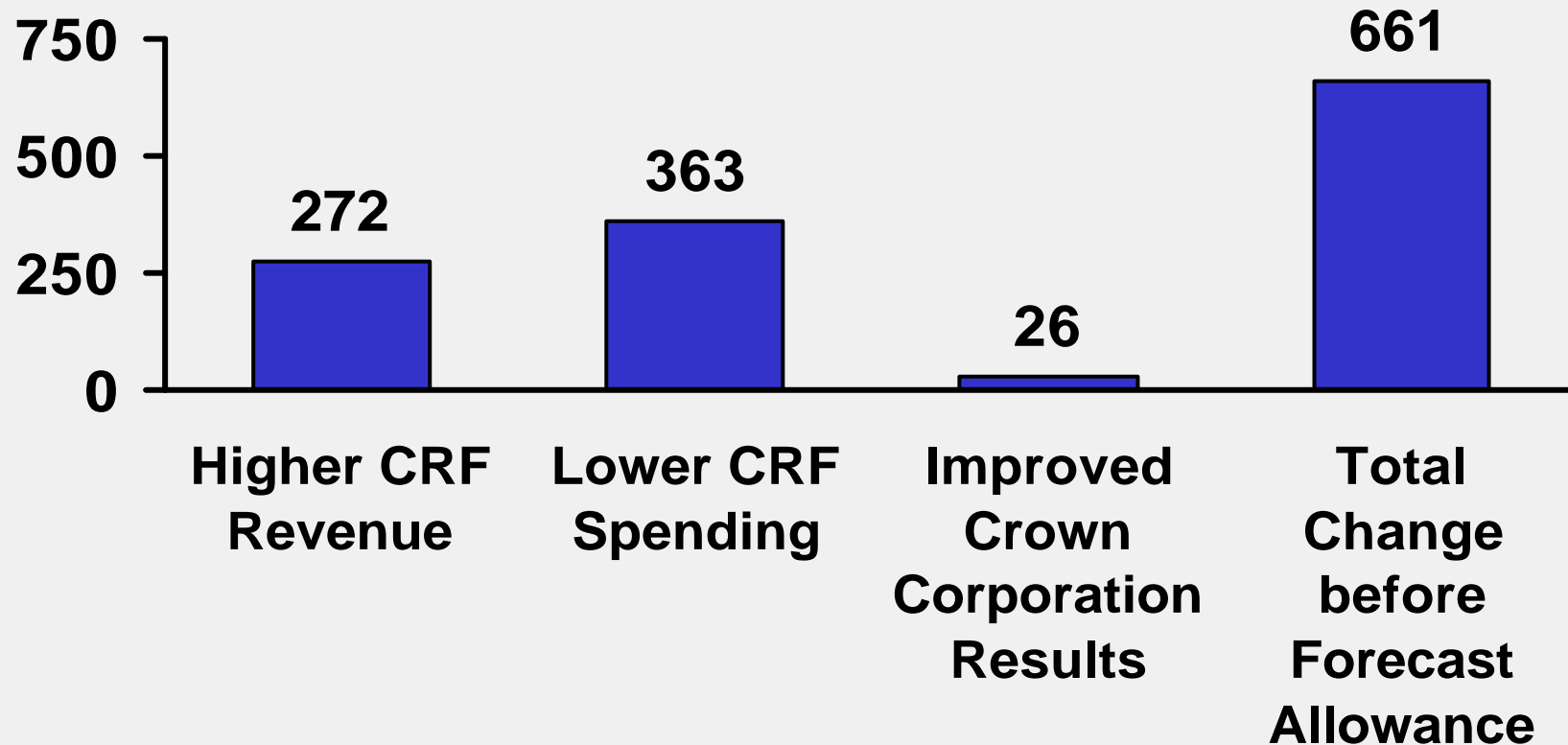
2001/02 deficit lower since February

\$billions



Changes from Feb 19 (3rd Quarterly) forecast

\$ millions



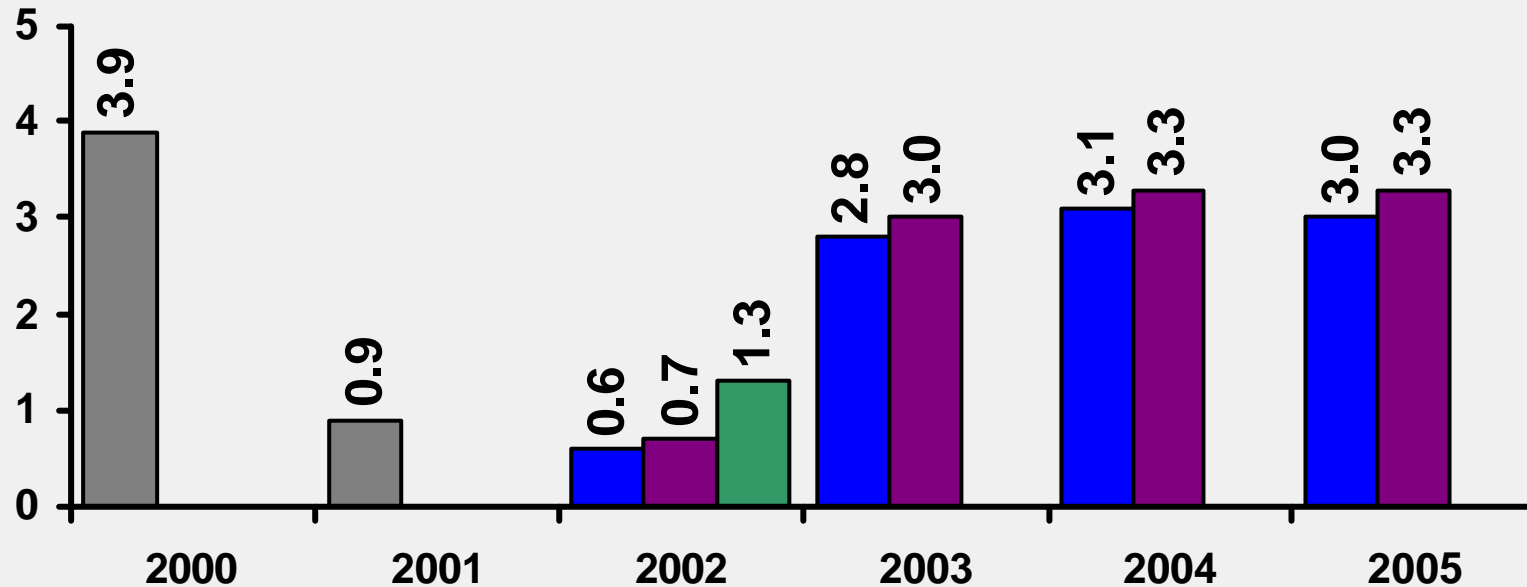
Comprehensive reporting



- Timely reporting of audited financial statements
- Will be 100 per cent compliant with Generally Accepted Accounting Principles by 2004/05
- Debt Statistics Report
- Financial & Economic Review
- Government Annual Report
- Ministry Annual Reports

Three-year plan economic forecast

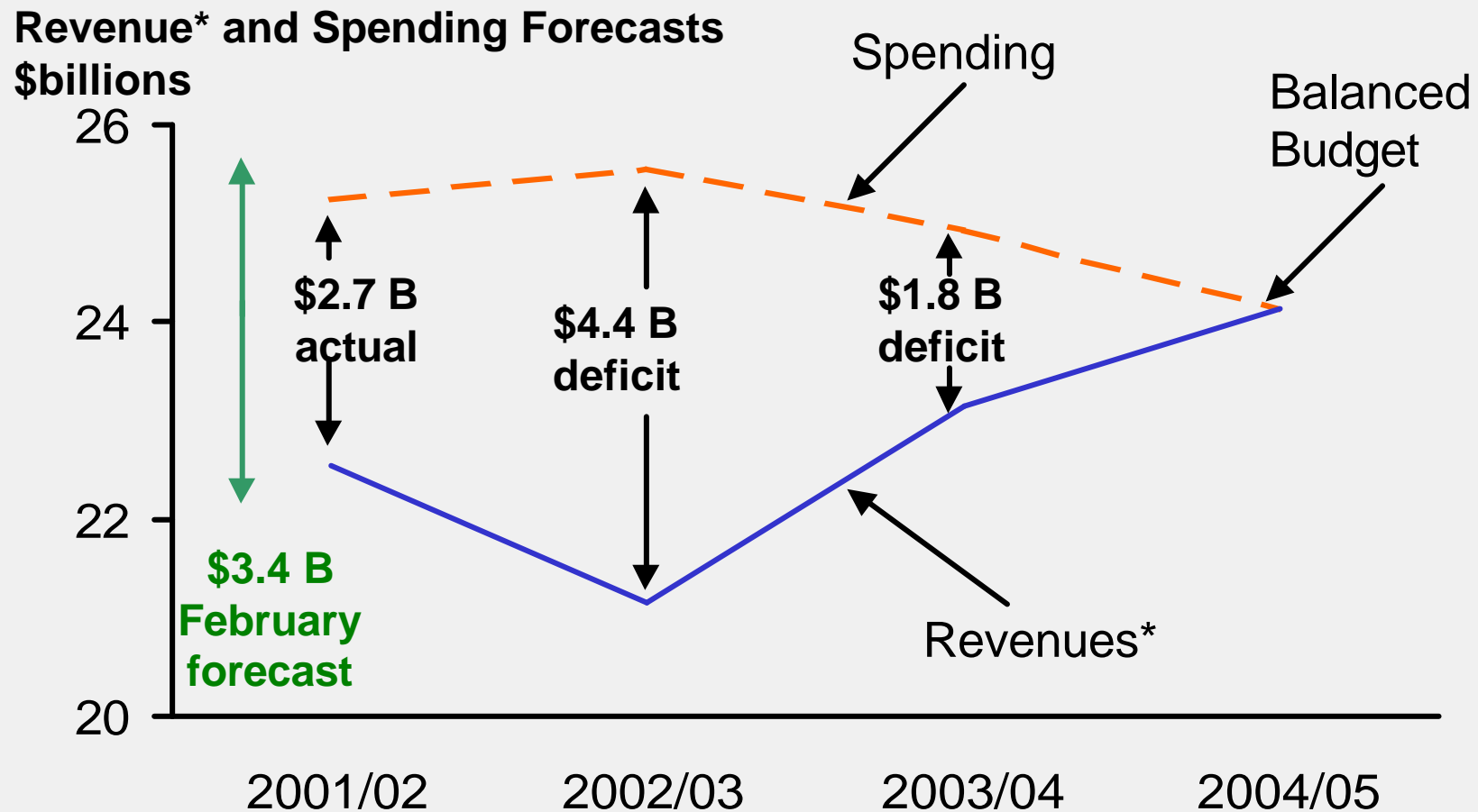
Per cent change
BC real GDP



- Budget Forecast
- Economic Forecast Council (Jan)
- Economic Forecast Council with recent updates

Sources: Statistics Canada and BC Ministry of Finance

Three-year fiscal plan



*Includes CRF Revenues, Crown corporations and forecast allowance
Excludes one-time pension adjustment

Next Steps



- Managing three-year plan
- 2005/06 targets
- Updating Economic and Fiscal Forecast
- First Quarterly Report in September
- Pre-Budget Consultation
- Second Quarterly Report in November
- Budget/Third Quarterly Report (Feb 18th)



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