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# *Provincial Debt Summary (Unaudited)*

The following unaudited Provincial Debt Summary information is intended to provide additional information to financial statement readers.

The accounting policies applied for this unaudited information are different in some cases from the generally accepted accounting principles followed for the audited Summary Financial Statements. The Provincial Debt Summary figures include guaranteed debt in the calculation of total debt and calculate debt, interest costs and revenue as if the modified equity enterprises were consolidated on a line-by-line basis.



## Overview of Provincial Debt (Unaudited)

The provincial government, its Crown corporations, agencies and government organizations incur debt to fund operations and finance capital projects.

Provincial debt is reported using two basic classifications: (1) taxpayer-supported debt; and (2) self-supported debt.

*Taxpayer-supported Debt*—includes government direct debt, which is incurred for government operating and capital purposes, the debt of Crown corporations and agencies, school districts, universities, colleges, institutes and health organizations that require operating or debt service subsidies from the provincial government and are fully consolidated in the Summary Financial Statements. The BC Transportation Financing Authority is an example of a taxpayer-supported Crown corporation.

*Self-supported Debt*—includes the debt of commercial Crown corporations and agencies as well as the Warehouse Borrowing Program. Commercial Crown corporations and agencies generate sufficient revenues to cover interest costs and repay principal and may pay dividends to the province. The British Columbia Hydro and Power Authority is an example of a commercial Crown corporation. The Warehouse Borrowing Program takes advantage of borrowing opportunities in advance of requirements. Eventually, this debt is allocated to the province or Crown corporations and agencies. In the interim, the funds are invested at market rates.

The *Finance Statutes (Deficit Authorization and Debt Elimination) Amendment Act, 2009* requires that effective April 1, 2013, any increase in cash and cash equivalents in the Consolidated Revenue Fund must be applied to reduce or eliminate any provincial government direct operating debt. Supplementary estimates may not be presented to the Legislative Assembly if the most recent quarterly report includes a forecast that there will be provincial government direct operating debt at the end of the fiscal year to which the quarterly report applies.

The following provincial debt summary provides additional detailed information and related key indicators and benchmarks to allow a more informed assessment of the debt totals. A reconciliation is also provided to explain the differences between the Summary of Provincial Debt and the Summary Financial Statements.

The total provincial net debt as at March 31, 2019 was \$65,962 million, which consists of \$65,864 million in the Summary Financial Statements in addition to \$835 million of non-guaranteed debt and \$15 million of guaranteed debt less \$752 million of sinking fund investments.

## Provincial Debt as at March 31, 2019 (Unaudited)

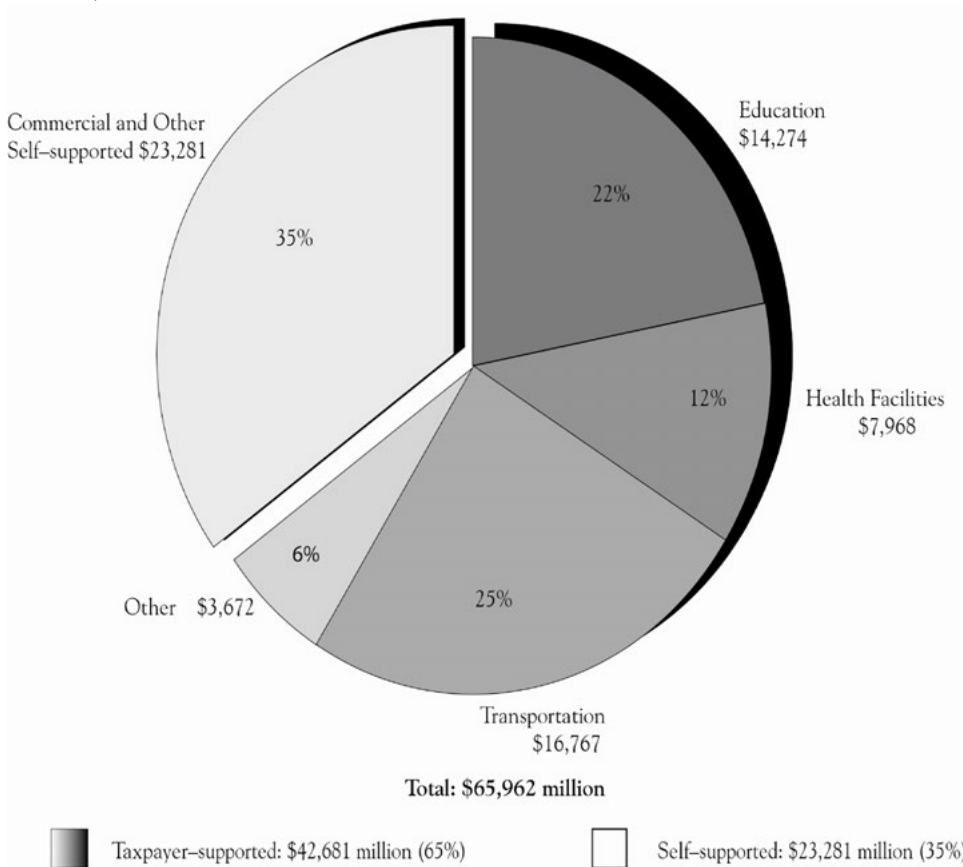
The accumulated provincial net debt of \$65,962 million has been incurred for various purposes as shown in Chart 1 below. Over the years, the proceeds from borrowings have contributed to economic development in the province and have provided resources to deliver health, education and social programs, and transportation infrastructure.

At March 31, 2019, taxpayer-supported net debt totalled \$42,681 million including debt incurred for transportation infrastructure (\$16,767 million), educational facilities (\$14,274 million), health facilities (\$7,968 million), and other debt (\$3,672 million). Other debt is comprised mainly of debt related to social housing, provincial government general capital expenditures, service delivery agencies and various loan guarantee programs.

At March 31, 2019, self-supported debt totalled \$23,281 million including debt of commercial Crown corporations and agencies: British Columbia Hydro and Power Authority (\$22,064 million), Columbia River power projects (\$418 million), Columbia Power Corporation (\$282 million), British Columbia Lottery Corporation (\$100 million), commercial subsidiaries of certain post-secondary institutions (\$387 million), and debt of other government business enterprise (\$30 million).

**Chart 1 – Provincial debt as at March 31, 2019**

In Millions/Percent of Total



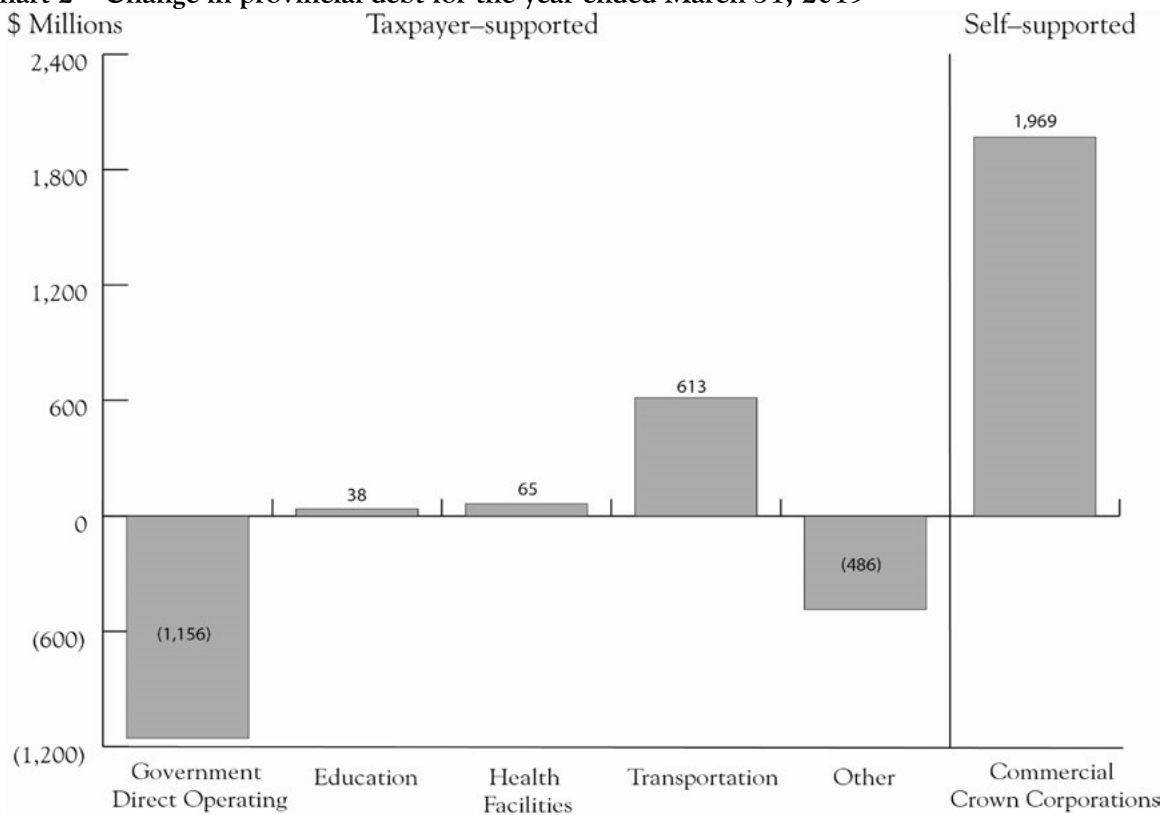
## Change in Provincial Debt<sup>1</sup> (Unaudited)

Provincial debt increased by \$1,043 million in 2018/19 when compared to the prior year. This includes a decrease in taxpayer-supported debt of \$926 million and an increase in self-supported debt of \$1,969 million. Warehouse Program debt was zero at fiscal year-end. Chart 2 below shows the change in provincial debt for the year ended March 31, 2019.

*Taxpayer-supported Debt*—Decreased by \$926 million due to \$1,156 million in government direct operating debt, \$355 million for provincial government general capital, \$34 million for social housing, and \$97 million in other debt. The decrease was partially offset by increases of \$613 million in the transportation sector, \$65 million in the health sector, and \$38 million in the education sector.

*Self-supported Debt*—Increased by \$1,969 million due to new capital financing requirements of \$2,074 million by British Columbia Hydro and Power Authority. This increase was partially offset by a \$55 million decrease by British Columbia Lottery Corporation, \$31 million decrease in the commercial subsidiaries of certain post-secondary institutions and \$19 million decrease in other commercial Crown corporations.

**Chart 2 – Change in provincial debt for the year ended March 31, 2019**



<sup>1</sup>Includes gross new borrowings plus changes in sinking fund balances less debt maturities.

**Reconciliation of Summary Financial Statements' Deficit (Surplus)  
to Change in Taxpayer-supported Debt and Total Debt  
for the Fiscal Year Ended March 31, 2019  
(Unaudited)**

	In Millions	
	2019	2018
	\$	\$
(Surplus) for the year.....	(1,535)	(314)
Taxpayer-supported debt decreased by:		
Non-cash expenses included in (surplus).....	(2,794)	(2,420)
Accounts receivable, accounts payable and other working capital net changes.....	(962)	(924)
	<u>(3,756)</u>	<u>(3,344)</u>
Taxpayer-supported debt increased by:		
Self-supported Crown corporation and agency earnings in excess of contributions to the Consolidated Revenue Fund.....	(706)	(1,891)
Tangible capital asset net acquisitions.....	4,379	3,531
Net increases in loans, advances and investments.....	692	4,126
	<u>4,365</u>	<u>5,766</u>
Net (decrease) increase in taxpayer-supported debt.....	(926)	2,108
Taxpayer-supported debt—beginning of year.....	43,607	41,499
Taxpayer-supported debt—end of year.....	42,681	43,607
Self-supported debt.....	23,281	21,312
<b>Total debt<sup>1</sup>.....</b>	<b><u>65,962</u></b>	<b><u>64,919</u></b>

**Reconciliation of Total Debt to Summary Financial Statements' Debt  
as at March 31, 2019  
(Unaudited)**

	In Millions	
	2019	2018
	\$	\$
Total debt.....	65,962	64,919
Debt included as part of equity in self-supported Crown corporations and agencies.....	(835)	(880)
Contingent liabilities for debt of individuals and organizations that have been guaranteed by the province.....	(15)	(16)
Sinking fund investments.....	752	1,348
<b>Summary Financial Statements' debt.....</b>	<b><u>65,864</u></b>	<b><u>65,371</u></b>
Comprised of:		
Taxpayer-supported debt.....	43,209	44,752
Self-supported debt.....	22,655	20,619
<b>Summary Financial Statements' debt.....</b>	<b><u>65,864</u></b>	<b><u>65,371</u></b>

<sup>1</sup>See Summary of Provincial Debt, page 143.

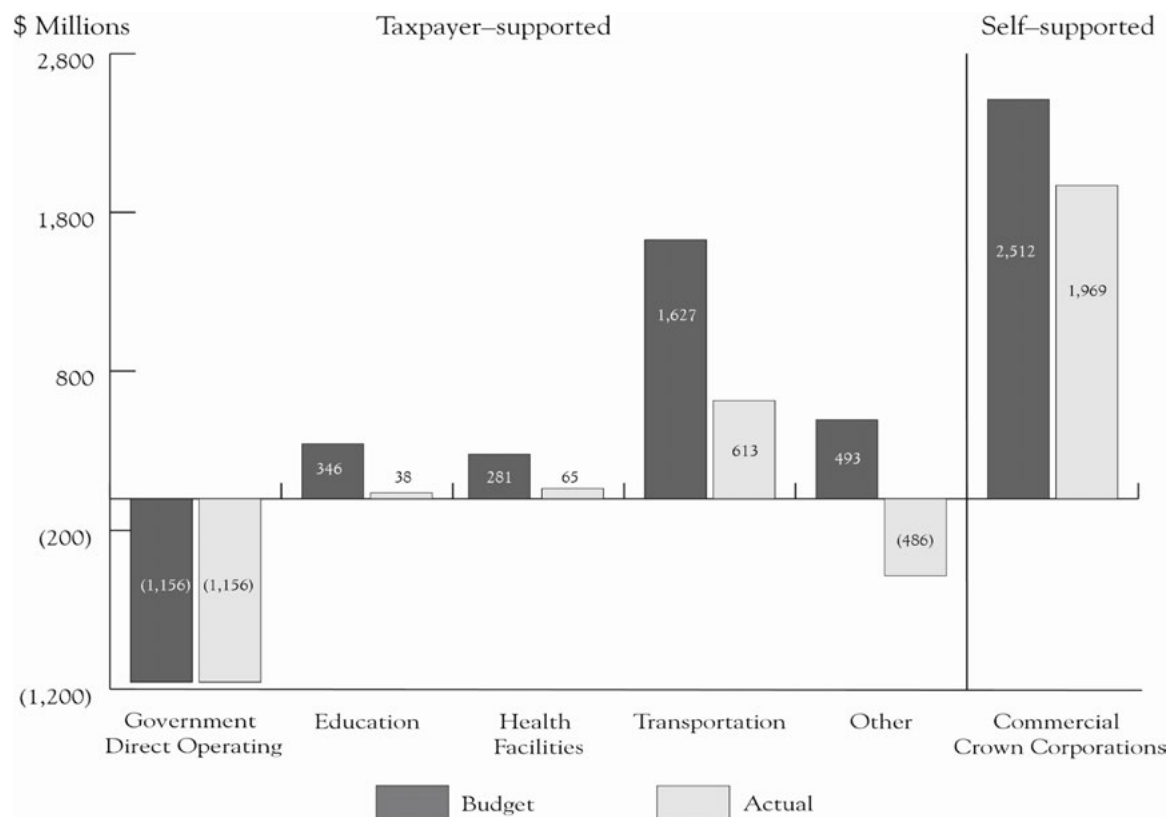
## Change in Provincial Debt, Comparison to Budget (Unaudited)

Provincial debt increased by \$1,043 million compared to a budgeted increase of \$4,453 million resulting in a \$3,410 million decrease from budget net of the \$350 million forecast allowance. Chart 3 below shows the difference between the actual change in provincial debt and the budgeted change by major category.

Taxpayer-supported debt decreased by \$926 million compared to a budgeted increase of \$1,591 million. The \$2,517 million decrease from budget is due to lower than forecasted borrowing for the transportation sector (\$1,014 million), the education sector (\$308 million), the health sector (\$216 million), and other capital investments (\$979 million).

Self-supported debt increased by \$1,969 million compared to a budgeted increase of \$2,512 million. The \$543 million decrease from budget is due to lower than forecasted borrowing for British Columbia Hydro and Power Authority (\$477 million), British Columbia Lottery Corporation (\$70 million), Columbia Power Corporation (\$4 million), and other government business enterprises (\$40 million), partially offset by higher than forecasted borrowing for commercial subsidiaries of certain post-secondary institutions (\$47 million) and Columbia River Power Projects of (\$1 million).

**Chart 3 – Change in provincial debt<sup>1</sup> (actual vs budget) for the year ended March 31, 2019**

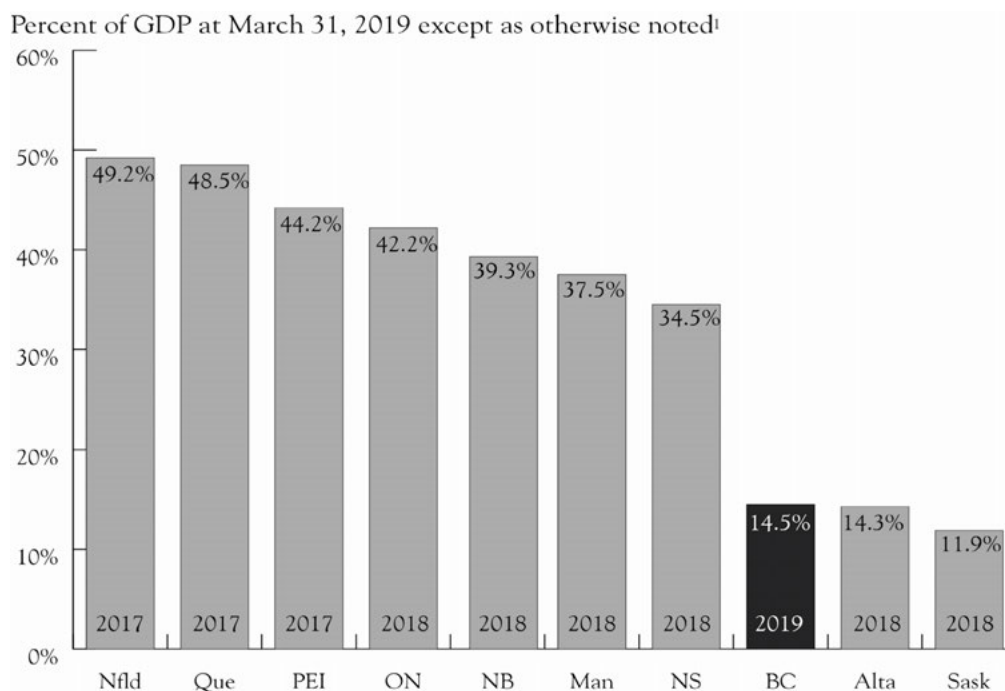


<sup>1</sup>The change in forecast allowance is not included in this chart.

## Interprovincial Comparison of Taxpayer-supported Debt as a Percentage of Gross Domestic Product (Unaudited)

Chart 4 below shows the ratio of each province's taxpayer-supported debt as a percentage of their gross domestic product (GDP). The ratio of a province's taxpayer-supported debt relative to its GDP highlights the ability of a province to service its debt load. This ratio is often used by investors and credit rating agencies when assessing a province's investment quality. According to the most recent data published by Moody's Investors Service Inc. (Moody's), British Columbia's taxpayer-supported debt ratio is one of the lowest in Canada and this translates into a strong credit rating and relatively low debt servicing costs.

**Chart 4 – Interprovincial comparison of taxpayer-supported debt as a percentage of GDP**



Source: Moody's Investors Service Inc.

<sup>1</sup>Figure for Alberta has been restated to reflect latest Moody's report.

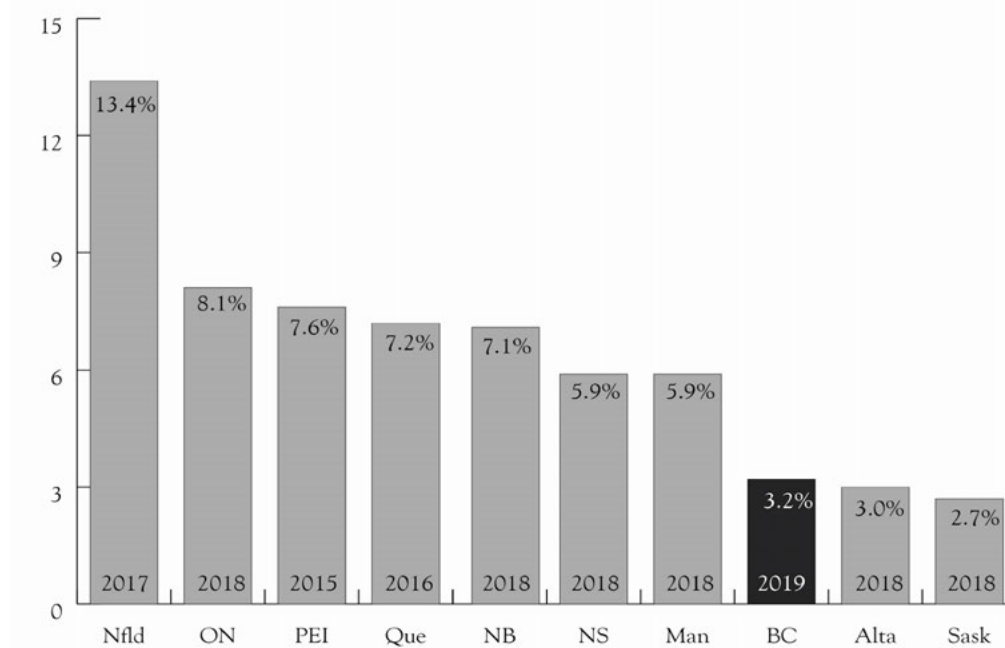
British Columbia's results as per Ministry of Finance's actuals; Moody's results for British Columbia as at March 31, 2018 are 15.3%.

## Interprovincial Comparison of Taxpayer-supported Debt Service Costs as a Percentage of Revenue (Unaudited)

Chart 5 shows the ratio (interest bite) of each province's taxpayer-supported debt servicing costs as a percentage of revenue. The interest bite indicates how much of each dollar of provincial revenue is used to pay for taxpayer-supported debt service costs. According to the most recent data published by Moody's, British Columbia has one of the lowest taxpayer-supported debt service costs as a percentage of revenue of all provinces.

**Chart 5 – Interprovincial comparison of taxpayer-supported debt service costs as a percentage of revenue**

Percent of revenue at March 31, 2019 except as otherwise noted



Source: Moody's Investors Service Inc.

British Columbia's results as per Ministry of Finance's actuals; Moody's results for British Columbia as at March 31, 2018 are 3.4%.

Moody's definition of taxpayer-supported debt is modestly different from the definition used by the Ministry of Finance. The financial community has not agreed upon a definition for taxpayer-supported debt. The definition used by Moody's is the closest to that employed by the ministry but, even then, there are small differences. The value of presenting Moody's debt indicators is that it provides an interprovincial comparison from a third party source, which is helpful for readers to understand the province's relative performance and ranking.

More comprehensive information on the debt of the province and its Crown corporations and agencies is provided on the Debt Management Branch website. This detailed information can assist readers in assessing the province's debt position. The website is available on the Internet at: <http://gov.bc.ca/provincialdebt>.





## **INDEPENDENT AUDITOR'S REPORT**

*To the Minister of Finance, Province of British Columbia*

### ***Qualified Opinion***

I have audited the accompanying debt-related statements of the Government of the Province of British Columbia (Government), which comprise the summary of provincial debt as at March 31, 2019, the key indicators of provincial debt and the summary of performance measures for the year then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion, except for the effects of the matters described in the *Basis for Qualified Opinion* section of my report, the summary of provincial debt as at March 31, 2019, the key indicators of provincial debt and the summary of performance measures for the year then ended are prepared, in all material respects, in accordance with the basis of accounting as described in the notes to the debt-related statements.

### ***Basis for Qualified Opinion***

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion. My qualification of the debt-related statements is as follows:

#### *Classification of the fiscal 2017 debt of the Transportation Investment Corporation*

As at March 31, 2017 Government determined the Transportation Investment Corporation to be a government business enterprise, and therefore classified the debt of the Transportation Investment Corporation as self-supported debt. Under Canadian Public Sector Accounting Standards, to be classified as a government business enterprise, an organization must be able to maintain its operations and meet its liabilities from revenues received from outside the government reporting entity. Based on the conditions that existed as of March 31, 2017, in my opinion, the Transportation Investment Corporation did not meet this criteria and therefore was inappropriately classified as a government business enterprise for that year. As a result, for the year ending March 31, 2017 the material changes to the debt-related statements would be as follows:

Taxpayer-supported debt	\$3,430 million increase
Self-supported debt	\$3,430 million decrease
Taxpayer-supported debt to revenue (per cent)	6.9 increase
Taxpayer-supported debt per capita (\$)	722 increase
Taxpayer-supported debt to GDP (per cent)	1.3 increase

This qualification of my opinion relates only to the fiscal year ending March 31, 2017.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Debt-related Statements* section of my report. I am independent of the Government in accordance with the ethical requirements that are relevant to my audit of the debt-related statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

***Emphasis of Matter - Basis of Accounting***

I draw attention to the notes to the debt-related statements, which describe the basis of accounting. Through the debt-related statements the Government reports to the Legislative Assembly on its debt management by presenting five years of information on provincial debt and debt indicators, and compares its actual results of performance measures to its target measures for the fiscal year ended March 31, 2019. As a result, the debt-related statements may not be suitable for another purpose. My opinion is not modified in respect of this matter.

***Other Accompanying Information***

Government is responsible for the information they reported in the annual Public Accounts report.

My opinion on the debt-related statements does not cover other information accompanying the debt-related statements and, except for my independent auditor's opinion on the summary financial statements, I do not express any form of assurance conclusion thereon.

In connection with my audit of the debt-related statements, my responsibility is to read other information and, in doing so, consider whether the other information is materially inconsistent with the debt-related statements or my knowledge obtained during the audit or otherwise appears to be materially misstated.

If, based on the work I have performed on the other information, I conclude that there is a material misstatement therein, I am required to report that fact in this auditor's report. As described in the *Basis for Qualified Opinion* section above, I believe there are material misstatements in Government's accounting for the classification of the fiscal 2017 debt of the Transportation Investment Corporation. I have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the Public Accounts report affected by these departures from the stated basis of accounting.

***Government's Responsibility for the Debt-related Statements***

Government is responsible for determining the appropriateness of the stated basis of accounting as described in the notes to the debt-related statements and for the preparation of the debt-related statements in accordance with the stated basis of accounting. Government is also responsible for such internal control as management determines is necessary to enable the preparation of the debt-related statements that are free from material misstatement, whether due to fraud or error.



***Auditor's Responsibilities for the Audit of the Debt-related Statements***

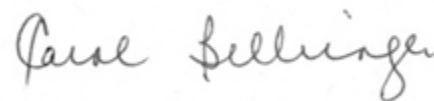
My objectives are to obtain reasonable assurance about whether the debt-related statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the debt-related statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the debt-related statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the debt-related statements, and whether it represents the underlying transactions and events in a manner that complies with the basis of accounting described in the notes to the debt-related statements.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Victoria, British Columbia, Canada  
June 28, 2019



Carol Bellringer, FCPA, FCA  
Auditor General



## Summary of Provincial Debt<sup>1</sup> as at March 31

	In Millions				
	2019	2018	2017	2016	2015
	\$	\$	\$	\$	\$
<b>Taxpayer-supported Debt</b>					
Provincial government direct operating					
Provincial government operating.....			1,948	5,338	6,584
Provincial government general capital.....		1,156	2,696	2,696	2,696
	0	1,156	4,644	8,034	9,280
Education <sup>2</sup>					
Schools.....	8,904	8,908	8,473	8,033	7,600
Post-secondary institutions.....	5,370	5,328	4,984	4,731	4,518
	14,274	14,236	13,457	12,764	12,118
Health facilities <sup>2</sup> .....	7,968	7,903	7,552	6,998	6,522
Highways, ferries and public transit					
BC Transportation Financing Authority.....	11,293	10,388	9,974	9,177	8,428
British Columbia Transit.....	73	84	94	106	123
Port Mann Bridge <sup>3</sup> .....	3,510	3,508			
Public transit <sup>2</sup> .....	870	1,000	1,000	1,000	1,000
SkyTrain extension <sup>2</sup> .....	1,021	1,174	1,174	1,174	1,174
	16,767	16,154	12,242	11,457	10,725
Other					
B.C. Pavilion Corporation.....	371	374	376	389	381
Provincial government general capital.....	2,363	2,718	2,288	1,987	1,698
Social Housing <sup>4</sup> .....	844	878	695	760	715
Other <sup>5</sup> .....	94	188	245	330	441
	3,672	4,158	3,604	3,466	3,235
<b>Total taxpayer-supported debt.....</b>	<b>42,681</b>	<b>43,607</b>	<b>41,499</b>	<b>42,719</b>	<b>41,880</b>

## Summary of Provincial Debt<sup>1</sup>—Continued as at March 31

	In Millions				
	2019	2018	2017	2016	2015
	\$	\$	\$	\$	\$
<b>Self-supported Debt</b>					
Commercial Crown corporations and agencies					
British Columbia Hydro and Power Authority.....	22,064	19,990	19,685	17,929	16,544
British Columbia Lottery Corporation.....	100	155	145	150	140
Columbia Power Corporation.....	282	286	291	296	300
Columbia River power projects <sup>6</sup> .....	418	433	448	459	464
Post-secondary institutions' subsidiaries <sup>7</sup> .....	387	418	340	310	222
Transportation Investment Corporation <sup>3</sup> .....			3,398	3,355	3,335
Other <sup>8</sup> .....	30	30	31	33	35
<b>Total self-supported debt.....</b>	<b>23,281</b>	<b>21,312</b>	<b>24,338</b>	<b>22,532</b>	<b>21,040</b>
<b>Total provincial debt.....</b>	<b>65,962</b>	<b>64,919</b>	<b>65,837</b>	<b>65,251</b>	<b>62,920</b>

<sup>1</sup>Debt is after deductions of sinking funds, unamortized discounts and unrealized foreign exchange gains/(losses), and excludes accrued interest. Government direct and fiscal agency debt accrued interest is reported in the government's accounts as an accounts payable.

<sup>2</sup>Represents government direct debt incurred for capital financing of education and health facilities and public transit infrastructure.

<sup>3</sup>Beginning in 2017/18, debt related to the Port Mann Bridge has been reclassified as taxpayer-supported due to the elimination of tolls effective September 1, 2017.

<sup>4</sup>Includes the debt of the British Columbia Housing Management Commission and the Provincial Rental Housing Corporation.

<sup>5</sup>Includes debt of other taxpayer-supported Crown corporations and agencies and the fiscal agency loans to local governments. Also includes reconstruction loan program guarantees, student loan guarantees, loan guarantees to agricultural producers, guarantees under economic development and home mortgage assistance programs.

<sup>6</sup>Debt related to joint ventures of the Columbia Power Corporation and the Columbia Basin Trust.

<sup>7</sup>Includes debt of Heritage Realty Properties Ltd., SFU Community Trust, and UBC Property Investments Ltd.

<sup>8</sup>Includes Columbia Basin Trust's share of real estate investment joint ventures' debt, British Columbia Liquor Distribution Branch and School District 91's private company.

### Summary of Provincial Debt

The debt-related statements are prepared using financial information that supports the government's Summary Financial Statements, which are prepared in accordance with Canadian generally accepted accounting principles. However, in the debt-related statements, there are some differences in the methods of compilation and presentation compared to generally accepted accounting principles. In the debt-related statements, debt is calculated net of sinking fund assets, includes debt directly incurred by modified equity enterprises, and other commercial subsidiaries of taxpayer-supported entities, and includes debt incurred by others outside the government reporting entity where there is provincial guarantee as to the payment of principal and interest. Also, total provincial revenue and interest costs include the gross revenue and interest costs of modified equity enterprises, and total provincial interest costs are net of sinking fund earnings.

### Provincial government general capital

In February 2009, government tabled the *Finance Statutes (Deficit Authorization and Debt Elimination) Amendment Act, 2009*, which prohibited spending on supplementary estimates until operating debt was eliminated. Historically, government direct operating debt included debt attributed to financing ministry capital expenditures, in addition to borrowing for operating deficits and working capital needs. In accordance with the amending legislation, beginning in 2009/10, debt attributed to amounts spent on ministry capital are reported as "Provincial government general capital" and reported separately from direct operating debt for deficit financing. Amounts attributed to ministry capital spending prior to 2008/09 are disclosed as a component of direct operating debt for compliance with the amended legislation. These segregated debt disclosures are consistent with government's policy of paying down operating debt before other types of debt.

## Key Indicators of Provincial Debt<sup>1</sup> for the Fiscal Years Ended March 31

	2019		2018	2017	2016	2015
	Budget Estimate	Actual	Actual	Actual	Actual	Actual
<b>Debt to Revenue (percent)</b>						
Total provincial.....	98.1	89.5	94.7	99.3	105.9	106.6
Taxpayer-supported.....	84.9	75.0	82.5	81.8	91.3	94.1
<b>Debt per Capita (\$)<sup>2</sup></b>						
Total provincial.....	14,249	13,214	13,477	13,855	13,934	13,586
Taxpayer-supported.....	9,284	8,550	9,053	8,733	9,122	9,043
<b>Debt to GDP (percent)<sup>3</sup></b>						
Total provincial.....	23.8	22.3	23.2	25.1	26.6	26.4
Taxpayer-supported.....	15.5	14.5	15.6	15.9	17.4	17.5
<b>Interest Bite (cents per dollar of revenue)<sup>4</sup></b>						
Total provincial.....	3.9	3.8	4.0	3.8	4.7	4.3
Taxpayer-supported.....	3.5	3.2	3.3	3.2	4.0	3.7
<b>Interest Costs (\$ millions)</b>						
Total provincial.....	2,755	2,776	2,759	2,521	2,879	2,525
Taxpayer-supported.....	1,845	1,793	1,725	1,644	1,892	1,651
<b>Interest Rate (percent)<sup>5</sup></b>						
Taxpayer-supported.....	4.2	4.2	4.1	3.9	4.5	4.0
<b>Revenue Factor for Key Indicators (\$ million)</b>						
Total provincial <sup>6</sup> .....	70,750	73,734	68,551	66,334	61,589	59,018
Taxpayer-supported <sup>7</sup> .....	53,246	56,894	52,866	50,726	46,805	44,514

## Key Indicators of Provincial Debt<sup>1</sup> for the Fiscal Years Ended March 31—Continued

	2019		2018	2017	2016	2015
	Budget Estimate	Actual	Actual	Actual	Actual	Actual
<b>Total Debt (\$ millions)</b>						
Total provincial.....	69,372	65,962	64,919	65,837	65,251	62,920
Taxpayer-supported <sup>8</sup> .....	45,198	42,681	43,607	41,499	42,719	41,880
<b>Provincial GDP (\$ millions)<sup>9</sup>.....</b>	291,672	295,316	279,370	261,808	244,990	238,726
<b>Population (thousands at July 1)<sup>10</sup>.....</b>	4,869	4,992	4,817	4,752	4,683	4,631

<sup>1</sup>Figures for prior years have been restated to conform with the presentation used for 2018/19 and to include the effects of changes in underlying data.

<sup>2</sup>The ratio of debt to population (e.g., debt at March 31, 2019 divided by population at July 1, 2018).

<sup>3</sup>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., debt at March 31, 2019 divided by 2018 GDP).

<sup>4</sup>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.

<sup>5</sup>Weighted average of all outstanding debt issues.

<sup>6</sup>Includes revenue less earnings related to enterprises (sinking fund earnings, loan interest and net earnings), plus revenue of all enterprises.

<sup>7</sup>Excludes revenue of government enterprises, but includes dividends from enterprises paid to the Consolidated Revenue Fund.

<sup>8</sup>Excludes debt of commercial Crown corporations and agencies, and funds held under the province's warehouse borrowing program.

<sup>9</sup>Nominal GDP for the calendar year ending in the fiscal year (e.g. GDP for 2018 is used for the fiscal year ended March 31, 2019). As nominal GDP for the calendar year ending 2018 is not available, the 2018 GDP projected in February 2019 Budget and Fiscal Plan 2019/20 – 2021/22 has been used for the fiscal year ended March 31, 2019 for demonstration purposes. Preliminary GDP figures are presented as published for the year noted.

<sup>10</sup>Population at July 1st within the fiscal year (e.g. population at July 1, 2018 is used for the fiscal year ended March 31, 2019). Preliminary population figures are presented as published for the year noted per the February 2019 Budget and Fiscal Plan 2019/20 – 2021/22.

## Summary of Performance Measures for the Fiscal Year Ended March 31, 2019

	2019	2019	2018
	Target	Actual	Actual
Provincial credit rating <sup>1</sup> .....	Aaa	Aaa	Aaa
Taxpayer-supported debt to GDP ratio <sup>2</sup> .....	15.5%	14.5%	15.6%
Taxpayer-supported debt service costs as a percentage of revenue <sup>2</sup>	3.5%	3.2%	3.3%

<sup>1</sup>Performance target presented in the Ministry of Finance 2019/20–2021/22 Service Plan, actuals as per Moody's Investors Services Inc.

<sup>2</sup>These performance measures, among others, are key indicators on which credit rating agencies rely to determine the province's credit rating.