



**Celebrating 100 years of service to  
Saskatchewan people**

**Saskatchewan's Crown Corporations**

**Summary Annual Report 2005  
&  
Utility Bundle Report 2005**



**Crown Investments Corporation of  
Saskatchewan**

## **Crown Investments**

### **Corporation of Saskatchewan**

(CIC) is the financial holding company for Saskatchewan's commercial Crown corporations.

These corporations, which are wholly-owned subsidiaries of CIC, are:

- ❑ Information Services Corporation of Saskatchewan (ISC)
- ❑ Investment Saskatchewan Inc. (IS)
- ❑ Saskatchewan Development Fund Corporation (SDF)
- ❑ Saskatchewan Government Growth Fund Management Corporation (SGGF MC)
- ❑ Saskatchewan Government Insurance (SGI)
- ❑ Saskatchewan Opportunities Corporation (SOCO)
- ❑ Saskatchewan Power Corporation (SaskPower)
- ❑ Saskatchewan Telecommunications (SaskTel)
- ❑ Saskatchewan Transportation Company (STC)
- ❑ Saskatchewan Water Corporation (SaskWater)
- ❑ SaskEnergy Incorporated (SaskEnergy)

## Policy and Program Highlights

- Met the commitment to provide Saskatchewan families with the lowest-cost bundle of basic utility rates in Canada, for the second year in a row.
- Introduced the Saskatchewan Energy Share, a two-part plan to help Saskatchewan people reduce heating costs and share the benefits of increased royalties from natural gas. The plan included rate relief from November 1, 2005 to March 31, 2006, and six energy conservation programs.
- Established The Entrepreneurial Foundation of Saskatchewan and the Saskatchewan Entrepreneurial Fund to encourage the development and growth of entrepreneurship and small businesses in the province.
- Introduced new programs designed to hire more young and Aboriginal people in the CIC Crowns:
  - the Gradworks internship program;
  - a Mathematics and Science Enrichment Program and enhancement of the Aboriginal Student Achievement Program at the University of Saskatchewan; and
  - an Aboriginal Student Recruitment and Retention Office and an Undergraduate Leadership Program at the University of Regina.



## Minister's Message

Saskatchewan's Centennial in 2005 provided us with an opportunity to celebrate and reflect on the contributions made by our Crown corporation sector during the past 100 years, and to look forward to the role they will play in the years to come.

Crown corporations were established to provide accessible, reliable, high quality, affordable services to Saskatchewan people. They are still doing that today, while making a significant contribution to Saskatchewan's economy.

In 2005, the Crown sector made a profit of \$306.7 million on revenue of \$4.3 billion, and provided a dividend of \$221 million to the province's General Revenue Fund. This money is used for programs and services – such as health care, education, agriculture, and infrastructure – which benefit all Saskatchewan people.

Last year the Crowns also: employed more than 11,000 people across Saskatchewan; purchased close to \$2 billion in goods and services from 19,000 local suppliers; partnered with 1,200 Saskatchewan companies to provide services; spent more than half a billion dollars on capital projects; and donated almost \$10 million to charities and community events.

The Crown sector also played a significant public policy role in 2005: Government again kept its commitment to provide Saskatchewan families with the lowest-cost bundle of basic utility rates in Canada; the Saskatchewan Energy Share was introduced to provide one-time rate relief during the winter and to encourage people to conserve energy; The Entrepreneurial Foundation of Saskatchewan and the Saskatchewan Entrepreneurial Fund were established to provide mentoring and financial support to small businesses; and CIC introduced several more programs aimed at hiring more young and Aboriginal people in our Crowns.

Our vision for the next century is that our Crown corporations will continue to build on the legacy of our first century, for the benefit of all Saskatchewan people.

I am pleased to present the Summary Annual Report 2005 and the Utility Bundle Report 2005.

A handwritten signature in black ink that reads "Maynard Sonntag". The signature is written in a cursive, flowing style.

Maynard Sonntag  
Minister of Crown Investments Corporation of Saskatchewan

# Summary Annual Report 2005

Collectively, CIC and its subsidiaries are known as the Crown corporation sector. Their combined financial results are reported in the Consolidated Financial Statements in CIC's 2005 Annual Report. Their fiscal year is January 1 to December 31.

## 2005 Financial Highlights

Assets	\$9.2 billion
Long-term debt	\$3.6 billion
Debt ratio*	51.7 %
Capital spending	\$1.5 billion
Revenue	\$4.3 billion
Net earnings/profit	\$306.7 million
Return on equity	9.2 %
Dividend to the province's General Revenue Fund (GRF)	\$221 million

\* Debt ratio calculation is based on long-term debt and notes payable, and excludes current liabilities and discontinued operations.

For more information, see CIC's 2005 Annual Report at: [www.cicorp.sk.ca](http://www.cicorp.sk.ca)



Under the trade name SGI CANADA, the corporation offers a comprehensive line of home, tenant, farm, automobile extension and commercial insurance coverage. SGI also administers the Saskatchewan Auto Fund, the province's compulsory auto insurance program and the provider of its driver's licensing and vehicle registration system. The Auto Fund is a not for profit operation which does not receive money from, or pay dividends to, the province.

<i>2005 Overview</i>		
	<b>SGI CANADA</b>	<b>Auto Fund</b>
<b>President</b>	-----Jon Schubert-----	
<b>Total employees</b>	-----1,660-----	
<b>Assets</b>	<b>\$598.2 million</b>	<b>\$1.2 billion</b>
<b>Revenue</b>	<b>\$308.8 million</b>	<b>\$607.8 million</b>
<b>Profit</b>	<b>\$35.2 million</b>	<b>\$61.4 million</b>
<b>Web site</b>	-----www.sgi.sk.ca-----	
<b>Inquiry</b>	-----1-800-667-9868-----	

For the purposes of this section, total employees refers to the number of people employed by each corporation during the fiscal year. This includes all full-time, part-time, casual, temporary, and contract employees, as well as all interns, co-op and summer students. SaskTel's number for total employees also includes 443 people who were employed by the company outside the province.



ISC is responsible for the administration of land titles, geographic information systems, surveys, mapping, and the personal property registry.

### 2005 Overview

<b>President</b>	<b>Mark MacLeod</b>
<b>Total employees</b>	<b>255</b>
<b>Assets</b>	<b>\$47.4 million</b>
<b>Revenue</b>	<b>\$45.8 million</b>
<b>Profit</b>	<b>\$8.3 million</b>
<b>Web site</b>	<b>www.isc.ca</b>
<b>Inquiry</b>	<b>1-866-275-4721</b>



The corporation's mandate is to enhance Saskatchewan's long-term economic growth and diversification by providing investment capital and financing, and to prudently manage portfolios of commercially viable investments.

### 2005 Overview

<b>President</b>	<b>Janet Wightman</b>
<b>Total employees</b>	<b>22</b>
<b>Assets</b>	<b>\$1.4 billion</b>
<b>Revenue</b>	<b>\$160.9 million</b>
<b>Loss</b>	<b>\$87.7 million</b>
<b>Web site</b>	<b>www.investsask.com</b>
<b>Inquiry</b>	<b>(306) 787-7200</b>



Saskatchewan Opportunities Corporation supports the growth and success of Saskatchewan's technology sector. It operates research parks in Saskatoon and Regina, and the Forestry Centre in Prince Albert.

### 2005 Overview

<b>President</b>	<b>Doug Tastad</b>
<b>Total employees</b>	<b>91</b>
<b>Assets</b>	<b>\$13.7 million</b>
<b>Revenue</b>	<b>\$22 million</b>
<b>Profit</b>	<b>\$5.5 million</b>
<b>Web site</b>	<b>www.innovationplace.com</b>
<b>Inquiry</b>	<b>(306) 933-6295</b>



Saskatchewan Transportation Company provides passenger transportation and parcel express services throughout the province. It runs 28 bus routes, serving 275 communities and providing more than 3.1 million miles in service each year.

### 2005 Overview

<b>President</b>	<b>Ray Clayton</b>
<b>Total employees</b>	<b>252</b>
<b>Assets</b>	<b>\$21.2 million</b>
<b>Revenue</b>	<b>\$14.8 million</b>
<b>Loss before grant</b>	<b>\$5.4 million</b>
<b>Web site</b>	<b>www.stcbus.com</b>
<b>Inquiry</b>	<b>(306) 787-3347</b>



SaskTel is the leading full service communications company in Saskatchewan, serving more than 425,000 customers across the province. It provides competitive voice, data, dial and high speed Internet, entertainment and multimedia services, security, web hosting, text and messaging services, and cellular and wireless data services over its digital networks.

*2005 Overview*

<b>President</b>	<b>Robert Watson</b>
<b>Total employees</b>	<b>5,090</b>
<b>Assets</b>	<b>\$1.2 billion</b>
<b>Revenue</b>	<b>\$982.2 million</b>
<b>Profit</b>	<b>\$64.4 million</b>
<b>Web site</b>	<b>www.sasktel.com</b>
<b>Inquiry</b>	<b>1-800-727-5835</b>



SaskPower is the principal supplier of electricity in Saskatchewan, providing services to more than 441,000 residential, farm, industrial and commercial customers.

*2005 Overview*

<b>President</b>	<b>Patricia Youzwa</b>
<b>Total employees</b>	<b>3,110</b>
<b>Assets</b>	<b>\$4.1 billion</b>
<b>Revenue</b>	<b>\$1.3 billion</b>
<b>Profit</b>	<b>\$130.5 million</b>
<b>Web site</b>	<b>www.saskpower.com</b>
<b>Inquiry</b>	<b>1-888-757-6937</b>



SaskWater provides competitively-priced, customer-focused, quality water and wastewater services to Saskatchewan industries, municipalities, First Nations and rural water groups.

*2005 Overview*

<b>President</b>	<b>Stuart Kramer</b>
<b>Total employees</b>	<b>79</b>
<b>Assets</b>	<b>\$69.9 million</b>
<b>Revenue</b>	<b>\$17.8 million</b>
<b>Loss before grant</b>	<b>\$1.0 million</b>
<b>Web site</b>	<b>www.saskwater.com</b>
<b>Inquiry</b>	<b>1-888-230-1111</b>



SaskEnergy provides safe, reliable and economical natural gas transmission and distribution services to more than 90 per cent of Saskatchewan communities. It has about 329,000 residential, farm, commercial and industrial customers in the province.

*2005 Overview*

<b>President</b>	<b>Doug Kelln</b>
<b>Total employees</b>	<b>983</b>
<b>Assets</b>	<b>\$1.4 billion</b>
<b>Revenue</b>	<b>\$321 million</b>
<b>Profit</b>	<b>\$76.7 million</b>
<b>Web site</b>	<b>www.saskenergy.com</b>
<b>Inquiry</b>	<b>1-800-567-8899</b>

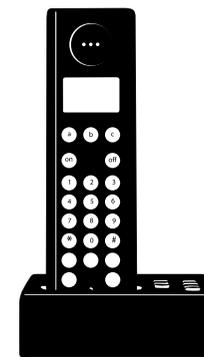
# Utility Bundle Report 2005

Premier Lorne Calvert made a commitment in 2003 that Saskatchewan families would enjoy the lowest-cost bundle of basic utility rates in Canada every year. He said keeping the commitment would be the ultimate performance measurement for Saskatchewan's utility Crown corporations. The bundle includes residential electricity and natural gas, basic phone service, and auto insurance.

CIC developed a methodology for calculating the bundle costs and comparing those costs for communities across Canada. The initial benchmark comparisons showed Saskatchewan had the second-lowest overall bundle cost. Near the end of 2004, it was evident that Saskatchewan would remain second lowest unless action was taken. CIC determined that by providing a rebate of \$137 to 380,000 Saskatchewan households, Government would meet its commitment for the lowest-cost utility bundle for 2004. The national accounting firm Meyers Norris Penny validated CIC's conclusions. CIC administered the rebate program on behalf of Government. Total cost, including administration, was \$52.0 million in 2004.

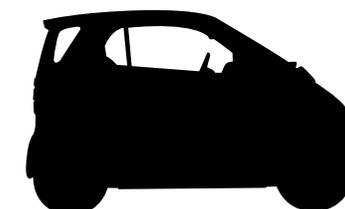
In 2005, Government again kept its commitment to provide the lowest-cost utility bundle to Saskatchewan families. The commitment was met partly because of the subsidization of SaskEnergy rates for November and December, but also because of good management of the four bundle components throughout 2005.

Meyers Norris Penny has again reviewed CIC's cross-Canada comparisons and bundle calculations, and validated the results. The Meyers Norris Penny report can be found on CIC's web site at [www.cicorp.sk.ca](http://www.cicorp.sk.ca).



## 2005 Provincial Utility Bundle Cost Rankings

Province	Total Bundle Cost	Variance to Sask.	Rank
British Columbia	\$ 3,865.84	\$ 486.48	3
Alberta	4,466.73	1,087.37	5
<b>Saskatchewan</b>	<b>3,379.36</b>	<b>0</b>	<b>1</b>
Manitoba	3,390.28	10.92	2
Ontario	6,399.88	3,020.52	10
Quebec	4,307.54	928.18	4
New Brunswick	5,277.64	1,898.28	6
Nova Scotia	5,995.80	2,616.44	8
Prince Edward Island	5,368.57	1,989.21	7
Newfoundland	6,191.64	2,812.28	9



### Notes:

The calculations do not represent actual consumption charges in each jurisdiction. They represent Saskatchewan's consumption patterns with each jurisdiction's rates. All costs shown are for the full calendar year.

Calculations for individual bundle components were based on the annual cost for:

- a single line residential touch-tone phone;
- 8,100 kilowatt hours of electricity;
- 3,550 cubic metres of natural gas; and
- insurance rates for the 34 most common vehicles registered in Saskatchewan and a selection of driver profiles.

These costs include any natural gas or electricity rebates, and any auto insurance discounts such as good driver discounts. The costs do not include municipal surcharges, or provincial or federal taxes.





[www.cicorp.sk.ca](http://www.cicorp.sk.ca)

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Printed in Saskatchewan, June 2006

