4 Indicators of Financial Condition

NOVA SCOTIA

Summary

Last year, we commented on the province's long-term debt position as part of our annual chapter on financial indicators. We continue to provide certain indicators illustrating the province's debt and other results which demonstrate the province's financial sustainability, flexibility and vulnerability. We also include summary information on the financial performance of government for the year ended March 31, 2012.

The planned deficit for the year ended March 31, 2012 was $389.6 million; the actual deficit was $248.5 million. 87% of this positive variance is due to increased federal-source revenue, a revenue over which the government has no control.

Actual results for the year ended March 31, 2012 varied significantly from those of the prior year. The surplus position of $585.4 million at March 31, 2011 reversed to a deficit position of $248.5 million, a change in operating results of $833.9 million. Increased expenses of $588.1 million ($293 million to universities), coupled with an overall reduction in revenues of $245.8 million, accounted for the change.

The province's debt continued to grow in 2011-12. The province's debt position at March 31, 2012 was $13.2 billion, an increase of 3.8% or $485 million from March 31, 2011 ($12.8 billion). Net debt per capita is now $13,960, the second highest among the jurisdictions we compared. Long-term debt has increased over $3 billion since 2008.

The province's reliance on federal transfers remains evident. 33% of all revenues came from the federal government. This % may increase in the future as provincial-source revenues such as petroleum royalties decline.

4 Indicators of Financial Condition

Introduction

4.1 The consolidated financial statements provide a snapshot of the province's financial position at its fiscal year end (March 31) and the results of its operations, and changes in both cash flow and net debt for the preceding fiscal year. However, the financial position of the province as reflected in the consolidated financial statements is only one factor in determining government's financial condition. The consolidated statements do not provide a full picture of the province's financial health nor indicate how well it is performing in relation to its economic and fiscal environment.

4.2 For the past three years, this Office has provided information on certain indicators of financial condition. Several of these are recommended for reporting in the Public Sector Accounting Board's Statement of Recommended Practice 4: Indicators of Financial Condition. The Statement is not part of generally accepted accounting principles, but is meant to provide guidance on appropriate methods for reporting supplementary information on financial condition.

4.3 The province currently provides information on the economy, including several indicators, in the Financial Statement Discussion and Analysis (Volume 1 of the Public Accounts). However, the Discussion and Analysis does not include comparative indicators for other provinces and territories in Canada. This chapter is meant to provide further information beyond what is already reported. Our report includes a comparison, where appropriate, to five other provinces: New Brunswick, Prince Edward Island, and Newfoundland and Labrador because they operate in the same regional economic environment; and Manitoba and Saskatchewan because they are comparable in population. The information for the exhibits in this chapter has been taken from these jurisdictions' public accounts from 2008 to 2012 for all provinces except Newfoundland and Labrador, and Prince Edward Island which have not yet released public accounts for the year ended March 31, 2012.

4.4 There are numerous indicators which can be used to assess a government's financial condition. The Statement of Recommended Practices recommends that, at a minimum, indicators related to sustainability, flexibility and vulnerability are considered. We have included several of these indicators as well as other information we feel is useful in demonstrating the province's financial condition. Definitions of these assessors follow, as well as a selection of indicators related to each. In addition, we provide an overview of the province's financial performance for the year ended March 31, 2012.

Financial Performance 2011-12

4.5 *Budget to actual variance* – A measure of financial performance is the extent to which government adhered to the fiscal plan detailed in its budget. For the year ended March 31, 2012, the Province of Nova Scotia estimated a deficit of $389.6 million. The actual deficit was $248.5 million, a variance from the budget estimate of $141.1 million. The following table provides an overview of the variance by significant financial element that contributed to this positive result.

Budget to Actual Variance ($ millions)			
Element	2011-12 Estimate	2011-12 Actual	Variance
Provincial-source Revenue	$6,124.9	$6,123.8	$(1.1)
Federal-source Revenue	3,056.1	3,179.3	123.2
Expenses	(9,925.2)	(9,921.9)	3.3
Government Business Enterprises (net income)	354.6	370.3	15.7
Deficit	($389.6)	($248.5)	$141.1

4.6 As can be seen, $123.2 million of the $141.1 million (87%) reduced deficit is attributable to a positive variance in federal-source revenues, a revenue source which cannot be directly controlled by the Province. The province's vulnerability to this source of revenues is discussed later.

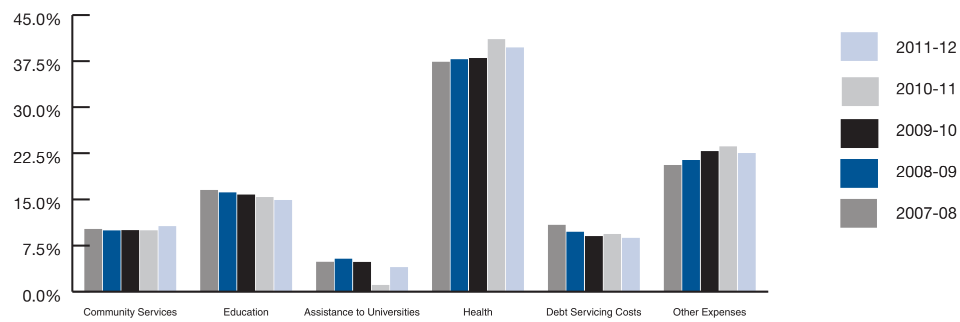
4.7 *Actual to actual variance* – The province's March 31, 2011 financial statements showed a surplus of $585.4 million. During the year, this surplus position changed to a deficit position of $248.5 million. The following table details variances in revenues and departmental expenses to explain this $833.9 million change in operating results.

Actual to Actual Variance ($ millions)			
Revenues and Departmental Expenses	Revenue	Expenses	Surplus (Deficit)
2010-11 Surplus	$9,919.2	$9,333.8	$585.4
Decreased Provincial Tax Revenue	(91.0)		
Decreased Federal Revenue	(32.5)		
Increased Net Income from Government Business Enterprises	12.4		
Decreased Other Provincial Revenue	(134.7)		
Increased Community Services Expenses		124.1	
Increased Education Expenses		42.3	
Increased Health and Wellness Expenses		106.1	
Increased Pension Valuation Adjustment		62.8	
Increased Assistance to Universities		293.7	
Reduced Debt Servicing Costs		(6.1)	
Decrease – Other		(34.8)	
2011-12 Deficit	$9,673.4	$9,921.9	($248.5)

4.8 The most significant variance between results at March 31, 2011 and at March 31, 2012 is an increase in payments to universities. Due to prepayments to universities made under the former Memorandum of Understanding with these institutions, no amounts were owed in 2010-11. Payments under the new agreement began in 2011-12 as scheduled.

4.9 *Expenses by department as a percentage of total expenses* – The following table shows the proportion of total expenses allocated to the various areas of government spending. An increase in the ratio in one or more areas indicates the rate of growth for these areas is increasing at a rate faster than the increase of total expenses. This trend may reduce funding available for other areas of government spending.

Expenses by Department as a Percentage of Total Expenses for Nova Scotia



Source: 1 (see end of chapter)

Expenses by Department as a Percentage of Total Expenses for Nova Scotia

	2007-08	2008-09	2009-10	2010-11	20011-12
Community Services	10.1%	9.9%	9.9%	9.9%	10.6%
Education	16.5%	16.1%	15.7%	15.3%	14.8%
Assistance to Universities	4.8%	5.3%	4.8%	1.0%	3.9%
Health	37.3%	37.7%	37.9%	41.0%	39.6%
Debt Servicing Costs	10.8%	9.7%	8.9%	9.3%	8.7%
Other Expenses	20.5%	21.3%	22.8%	23.5%	22.4%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%

4.10 Several changes occurred in the 2011-2012 year which affect the structure of government departments. As a result of this government restructuring in 2011-12, the Department of Health Promotion and Protection and the Department of Heath were combined into the Department of Health and Wellness, and responsibility for Higher Education moved from the Department of Education to the Department of Labour and Advanced Education. The 2011-12 Public Accounts take into account these changes. Therefore, in order to maintain consistency, results for 2008 to 2010 have been adjusted to reflect these changes.

4.11 The exhibit shows the five largest areas of government spending. Debt servicing costs declined as a percentage of total expenses over this five-year period. The percentage of expenses allocated to health increased significantly in 2011 to 41.0%; however, this percentage decreased in 2012 to 39.6%. This is an overall increase in health of 2.3% over five years. In 2012, the percentage of expenses for health, education and community services continued to be the three highest and comprised 65% of total expenses.

Indicators

Sustainability

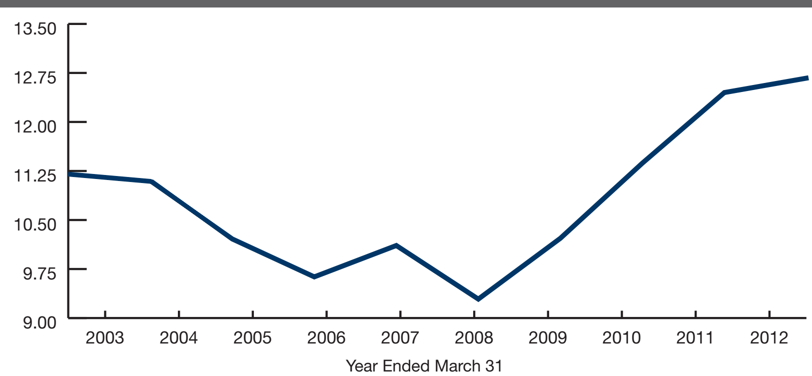
4.12 Sustainability measures the extent to which a government's financial capacity is sufficient to fund its existing programs and services, and its obligations to creditors, without having to introduce disruptive revenue and expenditure adjustments such as increased debt or increased tax rates. These indicators provide insight into how a government balances its commitments and debts. The following indicators have been selected to assess sustainability.

Indicators of Debt Position

4.13 *Long-term debt* – Details of the province's long-term debt are noted in Schedule 4 of the March 31, 2012 Public Accounts. Gross long-term debt totalled $16.2 billion, an increase of $400 million or 2.5% during the fiscal year. This includes the debt of all entities in the government reporting entity. However, 92% of gross long-term debt ($14.9 billion) is debt issued by central government.

4.14 Gross long-term debt is offset by sinking fund assets of $3.5 billion. The net long-term debt of $12.7 billion is a significant indicator of fiscal sustainability in Nova Scotia. The following exhibit shows the actual growth of net long-term debt in the past ten years, with an increase of $3 billion since 2008.

Net Long-term Debt ($ billions)

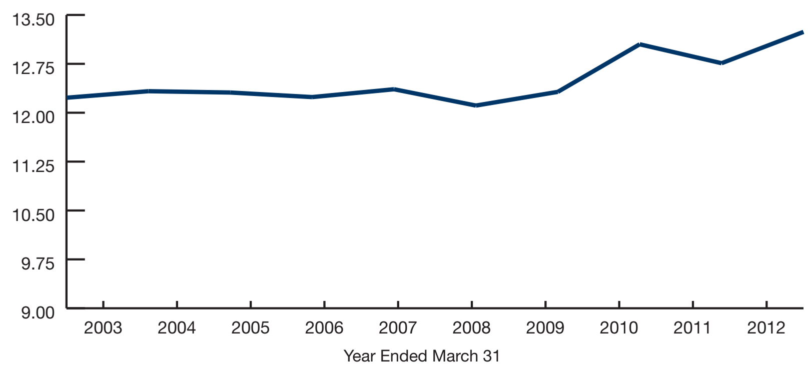


Source: 1 (see end of chapter)

4.15 *Net debt* – Page 29 of the March 31, 2012 Public Accounts describes net debt accurately.

> *"Net debt is the amount that current and past generations have accumulated through annual deficits and net investments in tangible capital assets. It represents the amount of liabilities to be funded from future revenues, including taxation. These amounts remain an obligation for future generations to fund through annual surpluses or to continue to carry as debt. Net debt results when a government's total liabilities exceed its total financial assets."*

Net Debt ($ billions)

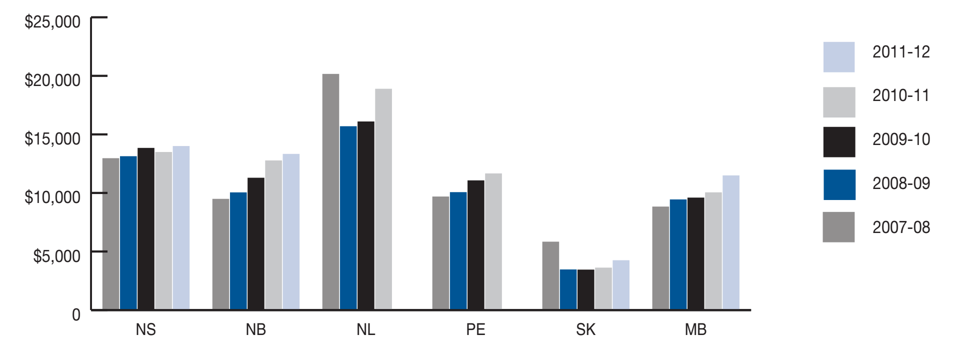


Source: 1 (see end of chapter)

4.16 Net debt has increased by over 9% or $1.115 billion over the past ten years, including an increase of $485 million or 3.8% in the current year. Net debt has grown each year since 2008, except for the year ended March 31, 2011. The surplus of $585 million reduced net debt in that year.

4.17 Net debt per capita shows the amount of net debt attributable to each person living in a province or territory. Nova Scotia has the second highest net debt per capita of the provinces we compared (see below). Net debt per capita is increasing in Nova Scotia because our population is not growing as much as net debt is increasing. Our aging population has the potential to exacerbate this problem due to the cumulative impact of increased health costs and reduced employment income. Net debt per capita has increased every year over the past five years except 2011. The amount of net debt per capita ranges from a low of $12,922 in 2008 to a high of $13,960 in 2012.

Net Debt Per Capita



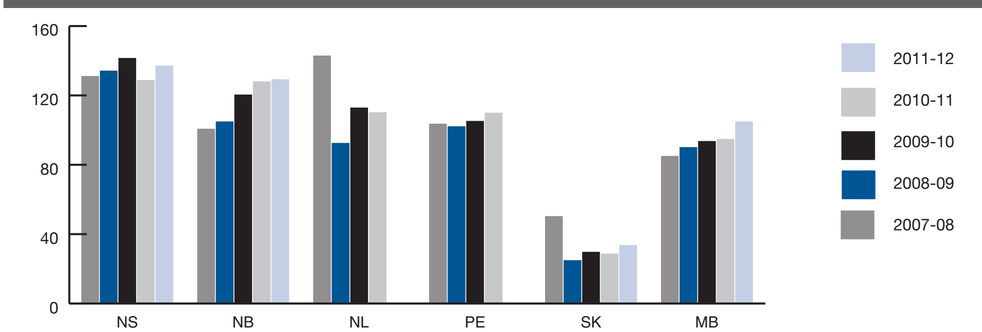
Source: 1, 2, 3 and 5 (see end of chapter)

Net Debt Per Capita (Nova Scotia)					
	2008	2009	2010	2011	2012
Net Debt ($ thousands)	$12,114,763	$12,318,239	$13,045,146	$12,758,315	$13,243,494
Population (thousands)	937.5	940.6	945.2	948.5	948.7
Net Debt per Capita	$12,922	$13,096	$13,801	$13,451	$13,960

4.18 *Net debt as a percentage of total provincial revenues* – Net debt provides a measure of future revenues which will be required to pay for past transactions and events. An increasing trend means it will take longer to repay this debt, and such a trend may not be sustainable.

4.19 Over the past five years, net debt as a percentage of total provincial revenues has fluctuated in Nova Scotia from a high of 141.3% in 2010 to 128.6% in 2011. Over the same time period, two jurisdictions had significant decreases in this ratio and two jurisdictions experienced a significant increase in this ratio. The ratio for Nova Scotia has been consistently higher than the other jurisdictions over this time period.

Net Debt as a Percentage of Total Provincial Revenues



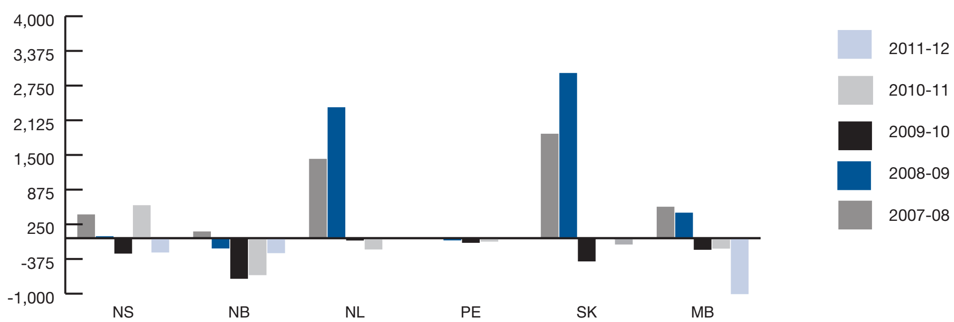
Source: 1, 2 and 3 (see end of chapter)

Net Debt as a Percentage of Total Provincial Revenues (Nova Scotia)					
Year Ending March 31	2008	2009	2010	2011	2012
Net Debt ($ millions)	$12,115	$12,318	$13,045	$12,758	$13,243
Provincial Revenue ($ millions)	$9,253	$9,196	$9,231	$9,919	$9,673
Revenue/GDP	130.9%	134.0%	141.3%	128.6%	136.9%

4.20 *Annual surplus or deficit* – The annual surplus or deficit indicates the extent to which government's revenues are more or less than its expenses during the year. A surplus means revenues exceed expenses while a deficit indicates that government has not lived within its means. Recurring deficits on a long-term basis are not sustainable.

4.21 A structural deficit occurs when the economy is operating at its potential but the government is still incurring a deficit. The following exhibit shows the fluctuation in Nova Scotia's results over the past five years and does not indicate the existence of a structural deficit. As can be seen, there have been no consistent trends in the operating results of the provinces although all incurred deficits during the 2009-10 and 2011-2012 fiscal years.

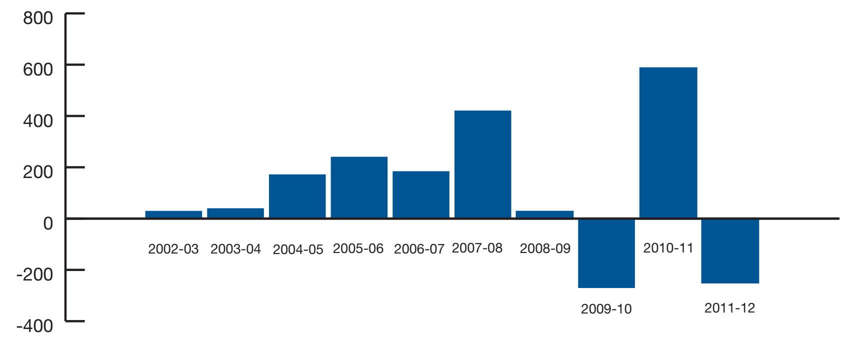
Annual Surplus or Deficit ($ millions)



Source: 1, 2 and 3 (see end of chapter)

4.22 The Province of Nova Scotia has incurred a surplus in eight of the past ten years. There are significant fluctuations in the Province's annual results from 2003 to 2012, ranging from a surplus of $585.4 million in 2011 to a deficit of $268.5 million in 2010.

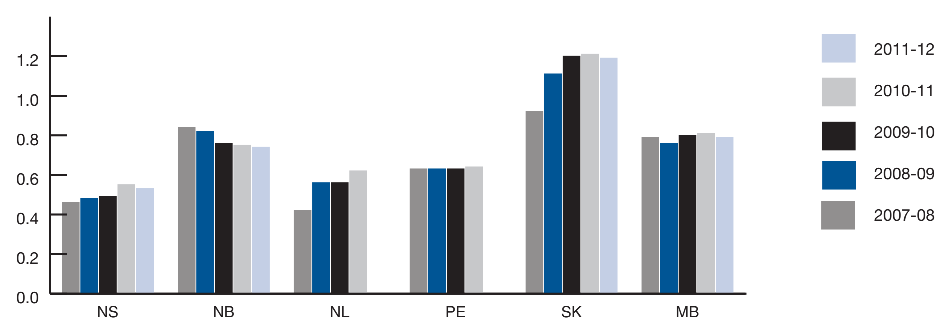
Nova Scotia Annual Surplus or Deficit (in millions)



Source: 1 (see end of chapter)

4.23 *Assets-to-liabilities ratio* – The assets-to-liabilities ratio measures the ratio of government's total assets, including capital assets, to its liabilities. A ratio greater than one shows assets are greater than liabilities and government has an accumulated surplus. A ratio less than one indicates liabilities are greater than assets and the government has been financing its operations by issuing debt. A decreasing trend in this ratio means a government is increasingly relying on debt to cover its cost of operations. Three of the six provinces we compared had increases in this ratio since 2008. Nova Scotia's ratio has improved from 0.46 in 2008 to 0.53 in 2012, but continues to be the lowest of all comparable jurisdictions.

Assets-to-liabilities Ratio

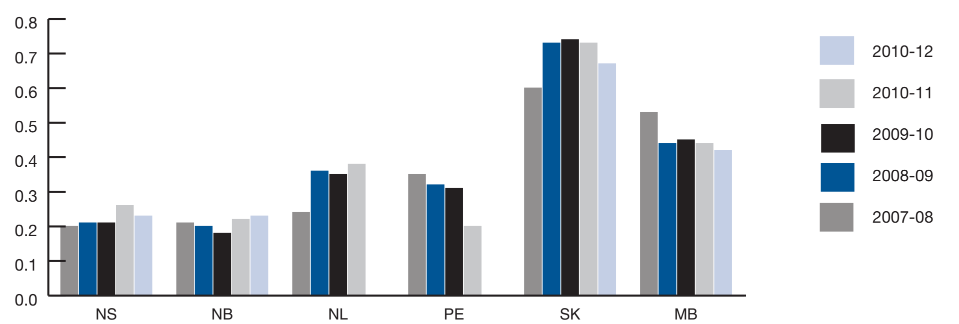


Source: 1, 2 and 3 (see end of chapter)

Assets-to-liabilities Ratio (Nova Scotia)					
Year Ending March 31	2008	2009	2010	2011	2012
Assets ($ millions)	$6,890	$7,393	$8,070	$9,349	$9,130
Liabilities ($ millions)	$15,077	$15,554	$16,500	$17,140	$17,169
Financial Assets/ Liabilities	0.46	0.48	0.49	0.55	0.53

4.24 *Financial assets-to-liabilities ratio* – The financial assets-to-liabilities ratio shows the extent to which government's future revenues will be required to pay for past transactions or events. A ratio greater than one indicates financial assets are sufficient to meet current obligations and to finance future operations. A ratio less than one means a reliance on future revenues or increasing debt to pay for past decisions. A decreasing trend in this ratio may not be sustainable as it means that government may have difficulties meeting its obligations and covering its costs of operations. The following exhibit shows the ratio for Nova Scotia has ranged from a low of 0.20 in 2008 to a high of 0.26 in 2011. Three of the other provinces also have experienced an overall increasing trend with some fluctuations, while the remaining jurisdictions show an overall decrease in this ratio.

Financial Assets-to-liabilities Ratio



Source: 1, 2 and 3 (see end of chapter)

Financial Assets-to-liabilities Ratio (Nova Scotia)					
Year Ending March 31	2008	2009	2010	2011	2012
Financial Assets ($ millions)	$2,962	$3,236	$3,455	$4,382	$3,926
Liabilities ($ millions)	$15,077	$15,554	$16,500	$17,140	$17,169
Financial Assets/ Liabilities	0.20	0.21	0.21	0.26	0.23

Sustainability Indicators Related to GDP

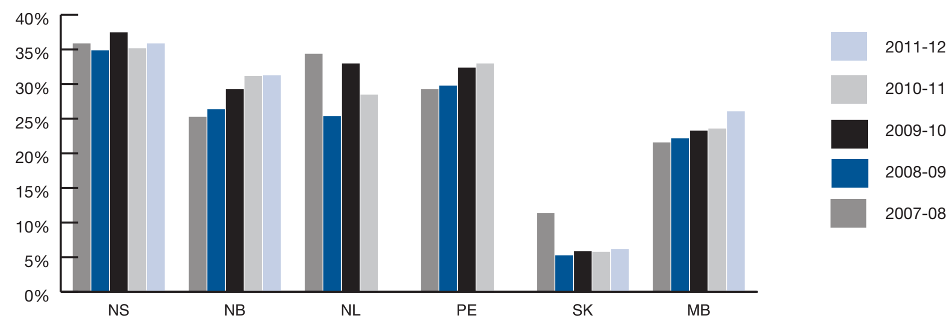
4.25 Gross domestic product (GDP) is one of the primary indicators used to measure a province's or country's economy. GDP can be measured by either summing the value of income generated in an economy (income approach) or by the total dollar value of all goods and services purchased by households and the government (expenditure measure). GDP is usually stated as a rate of change in a three-month period over the prior three-month period. An economy with two consecutive periods of reduced growth is said to be in recession.

4.26 *Net debt as a percentage of provincial GDP* – Net debt as a percentage of provincial GDP provides insight into the ability of an economy to support government's debt.

A higher percentage indicates that a government's debt is becoming an increasing burden on the economy, and may not be sustainable. A stable or decreasing percentage shows the growth of net debt is equal to, or less than, the growth of the economy and is likely sustainable. In theory, a larger economy should be able to absorb a higher amount of government debt.

4.27 The following exhibit shows this ratio has fluctuated in Nova Scotia; however, the overall trend has remained relatively stable with a high of 37.4% in 2010 to a low of 34.8% in 2009. In the past five years, two jurisdictions had overall decreases in this ratio and three jurisdictions experienced an increase in this ratio. The ratio for Nova Scotia has been higher than the other jurisdictions over this time period.

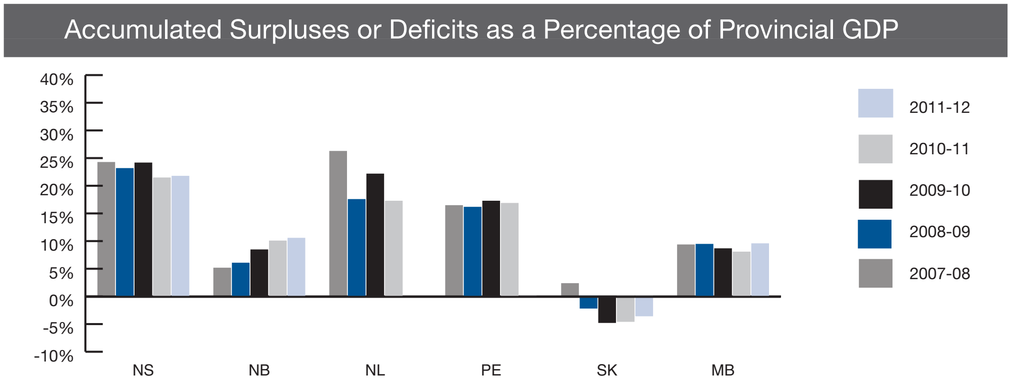
Net Debt as a Percentage of Provincial GDP



Source: 1, 2, 3 and 4 (see end of chapter)

Net Debt as a Percentage of Provincial GDP (Nova Scotia)					
Year Ending March 31	2008	2009	2010	2011	2012
Net Debt ($ millions)	$12,115	$12,318	$13,045	$12,758	$13,243
Provincial GDP ($ millions)	$33,852	$35,394	$34,921	$36,350	$37,015
Net Debt/GDP	35.8%	34.8%	37.4%	35.1%	35.8%

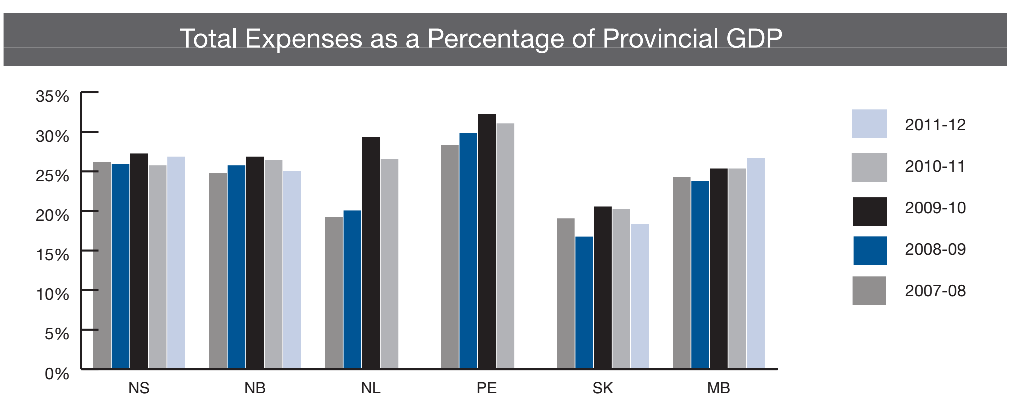
4.28 *Accumulated surpluses or deficits as a percentage of provincial gross domestic product (GDP)* – Accumulated surpluses or deficits are the sum of all surpluses and deficits incurred to date, and measure the extent past revenues were sufficient or insufficient to cover the cost of past transactions. When accumulated deficits as a percentage of provincial GDP increases, this indicates the growth of accumulated deficit is greater than the growth of the economy, and is not likely to be sustainable. The ratio for Nova Scotia declined from 24.2% in 2008 to 21.7% in 2012 meaning that the economy grew at a faster rate than the accumulated deficit.



Source: 1, 2, 3 and 4 (see end of chapter)

Accumulated Deficits as a Percentage of Provincial GDP (Nova Scotia)					
Year Ending March 31	2008	2009	2010	2011	2012
Accumulated Deficits ($ millions)	$8,187	$8,161	$8,429	$7,791	$8,040
Provincial GDP ($ millions)	$33,852	$35,394	$34,921	$36,350	$37,015
Accumulated Deficits/ GDP	24.2%	23.1%	24.1%	21.4%	21.7%

4.29 *Total expenses as a percentage of provincial GDP* – Total expenses as a percentage of provincial GDP compares the rate of growth of government's spending with the economy in which it operates. If the ratio is increasing, government spending is increasing at a faster rate than the growth of the economy, and may not be sustainable. The following exhibit shows the ratio for Nova Scotia has fluctuated over the past five years from a low of 25.7% in 2011 to a high of 27.2% in 2010. All other provinces experienced fluctuations in this indicator over the same period.



Source: 1, 2, 3 and 4 (see end of chapter)

Total Expenses as a Percentage of Provincial GDP (Nova Scotia)					
Year Ending March 31	2008	2009	2010	2011	2012
Total Expenses ($ millions)	$8,834	$9,170	$9,499	$9,334	$9,922
Provincial GDP ($ millions)	$33,852	$35,394	$34,921	$36,350	$37,015
Expenses/GDP	26.1%	25.9%	27.2%	25.7%	26.8%

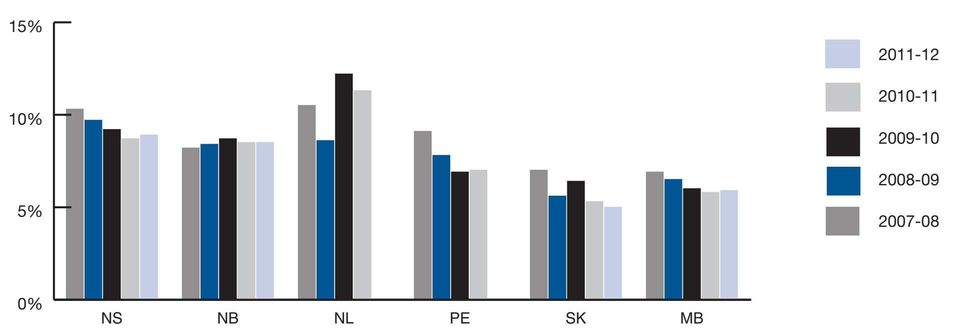
Flexibility

4.30 Flexibility describes the extent to which government can change its debt burden or raise taxes within an economy. Increasing debt and taxation reduces flexibility and the government's ability to respond to changing circumstances. Assessing flexibility provides insight as to how government manages its finances. The following indicators have been selected to assess flexibility.

4.31 *Debt servicing costs as a percentage of total revenues* – Debt servicing costs are variable only to the extent they fluctuate with the amount of debt issued. However, once debt is issued, interest payments on that debt are a fixed cost of government, and are its first commitment. Failure to pay interest impacts the ability to raise future debt, and can also increase government's borrowing rate. As debt increases, government is less able to respond to economic changes.

4.32 The proportion of debt servicing costs to revenues indicates the amount of current revenues that are required to service past borrowing decisions and, as a result, are not available for current and future programs and services. In Nova Scotia, this ratio has decreased from a high of 10.3% in 2008 to a low of 8.7% in 2011, and then experienced a slight increase to 8.9% in 2012. The overall decreasing trend is consistent with three other jurisdictions. The ratio for Nova Scotia has been higher than four other jurisdictions during this period.

Debt Servicing Costs as a Percentage of Total Revenues



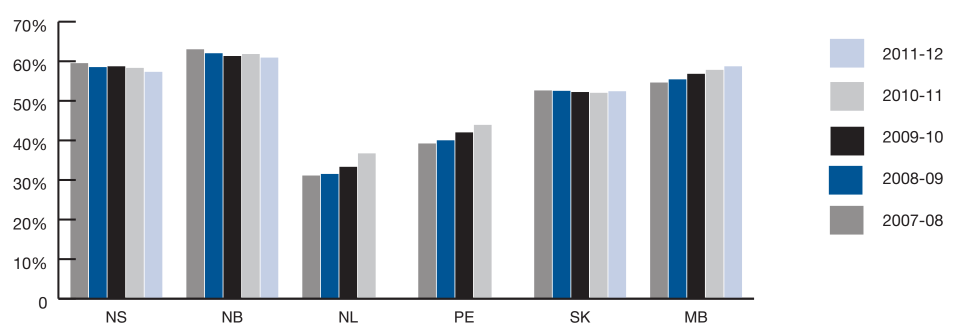
Source: 1, 2 and 3 (see end of chapter)

Debt Servicing Costs as a Percentage of Total Revenues (Nova Scotia)					
Year Ending March 31	2008	2009	2010	2011	2012
Debt Servicing Costs ($ millions)	$954	$887	$850	$866	$860
Total Revenue ($ millions)	$9,253	$9,196	$9,231	$9,919	$9,673
Debt Servicing Costs as a Percentage of Revenue	10.3%	9.6%	9.2%	8.7%	8.9%

4.33 *Net book value of tangible capital assets as a percentage of cost of tangible capital assets* – Capital repair and replacement is a significant issue for governments. Net book value of tangible capital assets as a percentage of the cost of tangible capital assets measures the estimated useful life of government's tangible capital assets. A decrease in this ratio indicates that assets are not being replaced at the end of their estimated useful lives. The flexibility of a government to make changes in programs and services could be negatively impacted if the cost of repairing or replacing aging assets becomes too burdensome.

4.34 The following exhibit shows there has been a slight decrease in this ratio from 59.4% in 2008 to 57.2% in 2012. Three of the other jurisdictions had an increase in percentage for this ratio; the ratio for the remaining jurisdictions was stable for one province and decreasing for the other.

Net Book Value of Tangible Capital Assets as Percentage of Cost of Capital Assets



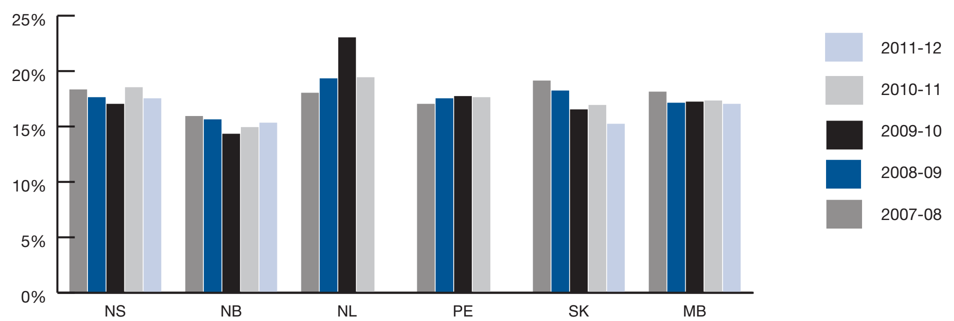
Source: 1, 2 and 3 (see end of chapter)

Net Book Value of Tangible Capital Assets as a Percentage of Cost of Capital Assets (Nova Scotia)					
Year Ending March 31	2008	2009	2010	2011	2012
Net Book Value ($ millions)	$3,850	$4,070	$4,523	$4,877	$5,122
Total Cost ($ millions)	$6,487	$6,974	$7,719	$8,383	$8,955
Net Book Value as a Percentage of Cost	59.4%	58.4%	58.6%	58.2%	57.2%

4.35 *Own-source revenue as a percentage of provincial GDP* – Own-source revenue as a percentage of provincial GDP is an indicator of government revenue derived from the provincial economy, through taxation or other sources, compared to the provincial GDP. Higher percentages may indicate a reduction in flexibility as taxpayers may not be willing to shoulder increased tax rates by government.

4.36 There were small fluctuations in this ratio for Nova Scotia with an overall decreasing trend from 18.3% in 2008 to 17.5% in 2012. The following exhibit indicates that three jurisdictions also had small fluctuations with an overall decrease in this ratio and two jurisdictions experienced an increasing trend.

Own-source Revenue as a Percentage of Provincial GDP



Source: 1, 2, 3 and 4 (see end of chapter)

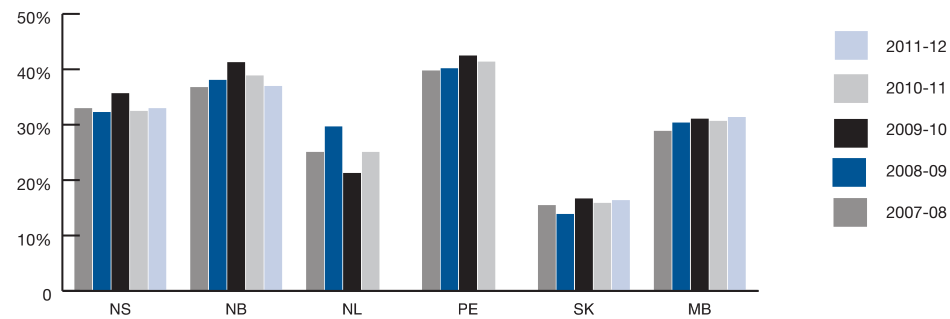
Own-source Revenue as a Percentage of Provincial GDP (Nova Scotia)					
Year Ending March 31	2008	2009	2010	2011	2012
Own-source Revenue ($ millions)	$6,205	$6,232	$5,943	$6,707	$6,494
Provincial GDP ($ millions)	$33,852	$35,394	$34,921	$36,350	$37,015
Own-source Revenue as a Percentage of Provincial GDP	18.3%	17.6%	17.0%	18.5%	17.5%

Vulnerability

4.37 Vulnerability indicators can measure the amount government is dependent on sources of revenue outside its control as well as exposure to risks which might affect government's ability to meet its commitments. The lower government's own-source revenue, the more it relies on fiscal decisions of others. The following indicator has been selected to assess vulnerability.

4.38 *Federal government transfers as a percentage of total revenues* – Federal government transfers as a percentage of total revenues demonstrates the extent to which a province relies on federal government transfers compared to total government revenues. The higher the percentage, the more reliance the provincial government has on receipt of funds from the federal government, These transfers are dependent on policy decisions at the federal level and outside the control of the provincial government. This ratio remained mostly stable for Nova Scotia with a slight spike in the percentage of federal government transfers in 2010. Overall, federal transfers as a percentage of total revenues have fluctuated slightly in all jurisdictions.

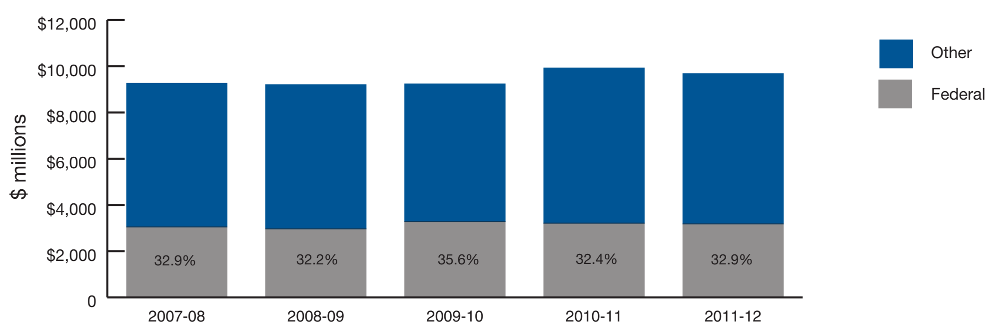
Federal Government Transfers as a Percentage of Total Revenues



Source: 1, 2 and 3 (see end of chapter)

Federal Government Transfers as a Percentage of Total Revenues (Nova Scotia)					
Year Ending March 31	2008	2009	2010	2011	2012
Federal Transfers ($ millions)	$3,048	$2,964	$3,287	$3,212	$3,179
Total Revenue ($ millions)	$9,253	$9,196	$9,231	$9,919	$9,673
Federal Transfers as a % of Total Revenue	32.9%	32.2%	35.6%	32.4%	32.9%

Federal Government Transfers as a Percentage of Total Revenues for Nova Scotia



Source: 1 (see end of chapter)

Sources:

1) Nova Scotia – Public Accounts for March 31, 2003 – March 31, 2012

2) New Brunswick, Saskatchewan, and Manitoba – Public Accounts March 31, 2008 – March 31, 2012

3) Newfoundland and Labrador, and Prince Edward Island – Public Accounts March 31, 2008 to March 31, 2011 (2011-12 Public Accounts not released at the time this chapter was written.)

4) Statistics Canada – Gross domestic product, expenditure-based, by province and territory (2007-2011)

5) Statistics Canada – Population by year, by province and territory (July 2008 – July 2012)

Note: Income from government business enterprises has been included in the calculation of own source revenue, and total revenue for all provinces. This change ensures that information presented is comparable among provinces and is consistent with the way in which most provinces report financial indicators.