

Backgrounder: Saskatchewan Party Economic Plan

Saskatchewan has been an economic and population success story in Canada over the past eight years. Saskatchewan has had the lowest unemployment rate and second-best rate of employment growth in Canada from 2008 to 2015. Since the beginning of 2008, Saskatchewan's population has grown by 128,000 people – the largest population growth since the earliest days of our province.

The Saskatchewan Party understands that government has an important role to play in keeping the economy strong and creating an environment that encourages the private sector to create jobs and invest in our province. That's why in 2012, the Saskatchewan Party government released *The Saskatchewan Plan for Growth* - the Saskatchewan Party's economic plan moving forward to 2020.

Investing in Infrastructure

Since the Saskatchewan Party took office, nearly \$18 billion has been invested in government infrastructure over the past eight years.

Key Actions Since 2007:

- \$5.2 billion has been invested in Saskatchewan's provincial highway network – \$1 billion more in eight years than the NDP government invested in 16 years in government.
- Revenue sharing with municipalities more than doubled from 2007 to 2016, from \$127 million to \$271 million.
- Since 2007 over \$10 billion has been invested to upgrade Crown Corporation infrastructure. This is over 140 per cent more than the NDP invested in their last eight years of government.
- Over \$345 million invested in municipal infrastructure projects such as waste water and water treatment plants, lagoon development and expansion and new municipal and recreational facilities.

New Initiatives to Keep Saskatchewan Strong: Highways 2020 Plan

- A Saskatchewan Party government will invest an additional \$2.7 billion in highways and transportation infrastructure over the next four years. This is in addition to funding for the Regina Bypass. An additional \$70 million is being directed towards a surge in funding for highway repair and maintenance over the next three years.
- A Saskatchewan Party government will make highways, water and wastewater projects a priority for federal infrastructure funding through the Building Canada Fund. The federal government has indicated that it will advance \$300 million to Saskatchewan to accelerate infrastructure projects. The provincial government will explore options to utilize a P3 model to build and bundle municipal water and wastewater projects to determine if this model can save money and provide for quicker construction.

Education and Training to Develop Saskatchewan's Labour Force

Saskatchewan had the second strongest job creation record in Canada between 2007 and 2015 – about double the national average. The number of people working in Saskatchewan has grown by over 68,000 people since 2007 – 24 new jobs per day. Saskatchewan continues to have the lowest unemployment rate in Canada.

Key Actions:

- Funding for post-secondary institutions increased by 61 per cent over eight years – an average increase of 7.5 per cent annually compared to an average increase of just over one per cent annually in 16 years under the NDP.
- \$360 million has been invested in First Nations/Métis education and skills development in the last eight years. This represents a 96 per cent increase since 2007.
- Total training capacity for apprentices reached 7,000 seats last year – an increase of 84 per cent since 2007.
- The number of Adult Basic Education training seats has increased by almost 50 per cent since 2007. Last year funding to provide foundational skills training for Saskatchewan people was over \$25 million.

Keeping Taxes Low and Saskatchewan's Economy Competitive:

Total taxes in Saskatchewan will be \$785 million less in 2016 than they were in 2007. Total tax reductions since 2008 will have put nearly \$6 billion back into the hands of Saskatchewan taxpayers.

Key Actions:

- The largest personal income tax reductions in Saskatchewan history will have saved Saskatchewan taxpayers over \$3.8 billion from 2008 to 2016.
- The largest education property tax reductions in Saskatchewan history were introduced, Saskatchewan taxpayers will have saved a total almost \$1.18 billion from 2009 to 2016.
- The small business tax rate was reduced to two per cent in 2011, saving small businesses \$480 million in taxes since 2011.
- The Government of Saskatchewan was commended by the Canadian Federation of Independent Business (CFIB) for being one of the few provinces that has continued to make regulatory accountability a priority. Saskatchewan reduced regulatory costs for businesses by \$12.4 million in 2015-16, exceeding its target of \$5 million.
- Saskatchewan's General Corporate Income Tax and Manufacturing & Processing Tax Rate is competitive with other provinces.

Supporting Increased Trade, Investment and Exports Through International Engagement

Exports have increased by nearly 65 per cent since 2007, from just under \$20 billion in 2007 to over \$32.5 billion in 2015, making Saskatchewan the largest per capita exporter in Canada.

Saskatchewan is the top agriculture and agri-food exporter in Canada, surpassing Ontario in 2014. The province recorded \$15.1 billion in agri-food exports in 2015 – a 19 per cent increase from the year before.

Key Actions:

- Promoting access to China and India for Saskatchewan uranium. Under the new Canada-India Nuclear Cooperation Agreement, India received its first uranium shipment in December 2015 under a five-year contract to supply 7.1 million pounds of uranium concentrate from Saskatchewan.
- Strongly supported free-trade deals with the European Union, Korea and the Trans Pacific Partnership:
 - The Trans Pacific Partnership (TPP) will increase access for Saskatchewan exporters and keep them on a level playing field with their competitors, particularly in the agricultural value-added sector. Saskatchewan exported more than \$25 billion in goods to TPP countries in 2014 – 71 per cent of Saskatchewan's international exports. Trade missions to India, China, Hong Kong, Indonesia, Philippines, Japan, Singapore and Bangladesh to promote trade and increased market access for Saskatchewan products have helped pave the way for many benefits to the province and Saskatchewan companies, including:
 - Canpotex signing a \$60 million USD deal with Bangladesh – its first contract in that market in 22 years.
 - Agrocorp (Singapore) building a new \$11 million high-speed leading and grain handling facility in Moose Jaw which opened in 2013.
- Trade missions to the United States continue to ensure continued market access for Saskatchewan products, new pipelines to transport Saskatchewan oil to market and the elimination of protectionist measures. The Government of Saskatchewan has consistently pressed the United States to repeal mandatory Country of Origin Labeling (COOL) rules which unfairly discriminated against Saskatchewan cattle and hog exports. COOL was recently repealed by the United States.

Advancing Saskatchewan's Advantages in Natural Resources and Agriculture

- In 2015, crop production in Saskatchewan was 32 million tonnes. In 2014, Saskatchewan supplied:
 - 65 per cent of the world's lentil exports
 - 55 per cent of the world's pea exports
 - 39 per cent of the world's durum exports
 - 21 per cent of the world's canola seed exports

- Livestock receipts are estimated at \$3 billion in 2015 – an 87 per cent increase from 2011.
- The value of mineral sales in Saskatchewan increased from \$4.4 billion in 2007 to an estimated \$8.3 billion in 2015 – over a 90 per cent increase.
- Saskatchewan forest product sales increased from \$388 million in 2010 to \$652 million in 2015.

Key Actions:

- Saskatchewan and the federal government are investing \$388 million over five years for Growing Forward 2, which includes risk management programs as well as strategic initiatives for producers and agribusiness, such as \$9 million to build a new Food Industry Development Centre in Saskatoon.
- The Saskatchewan Party government introduced the seven largest agriculture budgets in the province's history from 2009 to 2015. Ten new agricultural extension services offices have been opened under the Saskatchewan Party government. By comparison, the NDP closed 31 rural agriculture offices.
- Average coverage levels for Crop Insurance have more than doubled to \$216/acre from only \$88/acre under the NDP. Coverage for unseeded acreage has been doubled to up to \$100/acre, compared to only \$50/acre under the NDP. At the same time, producer premiums are down 20 per cent in the past two years.
- The Fraser Institute ranked Saskatchewan as the most attractive jurisdiction for mining investment in Canada and the second in the world in 2014.
- The Saskatchewan Party reintroduced the Mineral Exploration Tax Credit and created the Global Institute for Food Security at the University of Saskatchewan.

Innovating and Diversifying Our Economy Around Our Economic Strengths

Manufacturing sales grew to \$16.5 billion in 2014 – an increase of over five per cent from 2013. Saskatchewan's diversified economy means that 85 per cent of the province's economic activity is generated outside the oil and gas sector.

Key Actions

- The new Manufacturing and Processing Exporter Tax Incentive provides a \$3,000 tax credit to eligible businesses that expand the number of M&P employees beyond 2014 employment levels. This incentive increases to \$10,000 for each incremental new head office job that is created.
- A new tax incentive for primary steel producers that make a minimum capital investment of \$100 million in new or expanded productive capacity in the province has been established.
- The Manufacturing Centre of Excellence was established in 2014 in partnership with the Canadian Manufacturers and Exporters (CME) at Saskatchewan Polytechnic's Saskatoon campus.
- Provincial research and development funding totaled almost \$230 million between 2013 and 2015.