



2022-23 BUDGET ADDRESS

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Deputy Premier and Minister of Finance

23 March 2022

Check against delivery

INTRODUCTION

Mr. Speaker, colleagues, and guests,...

After two years of delivering this speech to a House without invited guests,...

Without our families, friends and community leaders here,...

It is such a pleasure to welcome everyone back to your Legislative Assembly

Thank you for joining us today, and welcome back.

It has been a challenging and long, *long* two years for all of us.

But today, things are getting back to normal,...

And in Saskatchewan, that means a strong and growing economy, more jobs,...

And a commitment from your government to deliver high quality government services that improve the quality of life for everyone in our great province.

Saskatchewan is back on track.

And our economy is back on track.

30 thousand new jobs have been created over the past year,...

And Saskatchewan has the second highest rate of job growth in Canada so far in 2022.

Saskatchewan's finances are back on track.

We have significantly reduced the deficit and are on track to balance the budget by 2026.

And our ability to deliver the best possible government services to Saskatchewan people is back on track.

Mr. Speaker, this budget strengthens and protects Saskatchewan with record investments into health care, education, social services and the protection of people and property.

Health

Funding in this budget will reduce the surgical waitlist, which has grown over the past two years as many of our health care providers and resources were focused on the pandemic.

An increase of \$21.6 million in the budget will address the surgical waitlist, and fund thousands of additional surgeries this year,...

The first year of a three-year plan to deliver on the largest volume of surgical procedures in the history of our province.

This aggressive plan targets a return to pre-pandemic levels for surgical wait times by the end of March 2025.

Our Government has a plan to recruit, retain and expand the number of health care professionals in our province.

First, we will be creating an agency dedicated to recruiting and retaining doctors, nurses and other health care professionals.

This budget also includes \$1.5 million to develop recruitment initiatives including a settlement and relocation incentive program, to recruit 150 health care workers to Saskatchewan from the Philippines.

It is the first year of a two-year program aimed at recruiting 300 health care workers from the Philippines.

There is also \$3.5 million in this budget for physician recruitment and retention initiatives, particularly targeting family physicians working in rural areas of the province.

We are also expanding nurse training seats by 150 seats. The total budget for health is \$6.8 billion, up 4.4 per cent from last year's budget.

This budget provides the Saskatchewan Health Authority with \$4.2 billion this year, up more than \$277 million, or seven percent, compared to last year.

A \$17 million increase in this budget supports our seniors to live safely and comfortably and includes a number of important initiatives, among them:

- \$4.8 million increase in home care services
- \$4.1 million to provide high-dose influenza vaccines to adults over 65
- \$1.6 million for operations at the Meadow Lake Northwest Community Lodge; and

- \$6.5 million in new funding for an additional 117 continuing care aide positions.

The new continuing care aid positions will bring the two-year total to 225.

The three-year commitment of 300 positions will be met next year.

This budget includes a \$4.9 million increase for medical imaging – CT scans and MRIs – to reduce wait times that grew during the pandemic.

As a result of this new investment, thousands more patients will receive medical imaging services in 2022-23 compared to last year.

Mr. Speaker, key commitments in this budget will strengthen and expand hospital and emergency care in urban and rural communities.

There is \$12.5 million in new funding for 11 additional intensive care beds across the province, the first year of a three-year strategy to add 31 ICU beds to bring the total to 110 by 2024-25, up from the current 79.

An increase of \$3 million will fund 10 new high acuity beds at Regina General Hospital to care for patients with more complex medical needs than a traditional inpatient bed.

The budget has \$2.2 million to fund more specialized care in the Neonatal ICU at Prince Albert's Victoria Hospital.

To enhance Emergency Medical Services in rural and remote areas, a \$10.8 million increase in this budget will fund new paramedic positions, including for ambulance services, Community Paramedicine and the Medical First Responder Program.

In this budget, our Government invests an additional \$8 million into targeted mental health and addictions services, including effective counselling and treatments and further proactive prevention measures.

New targeted investments include \$2.1 million to add addictions spaces in high need areas in treatment centres across the province.

It brings the total mental health and addictions investment across government to \$470 million in 2022-23.

That is the largest investment ever in mental health and addictions services, representing more than seven per cent of the total health ministry budget.

This budget makes important investments in the Saskatchewan Cancer Agency, which receives an additional \$15.8 million increase in this budget, up 7.7 per cent, bringing its annual grant to \$219.8 million, the highest ever.

This funding will provide:

- drugs and therapies;
- a new medical oncologist to manage the Oncology Residency program at the College of Medicine;
- expansion of the Bone Marrow Transplant Program; and
- investments in screening programs and other front-line services, including making treatments available closer to home.

This year's budget provides \$95 million to sustain the ongoing pandemic response.

This funding covers personal protective equipment, support for 58 temporary acute care beds in Regina and Saskatoon, and compensation and operating costs for pressures expected to continue in 2022-23.

This budget strengthens Saskatchewan's health care services and the vital services that our health care workers provide to all Saskatchewan people.

Education

This year's budget also strengthens education for our children and post-secondary students.

Education spending across government is \$3.8 billion in this budget, up more than \$47.2 million.

The Ministry of Education, through this budget, will support pre-K to Grade 12 students, early learners and school and child care staff with \$2.9 billion, up nearly \$220 million compared to last year.

Saskatchewan's 27 school divisions will receive nearly \$2 billion in operating funding for the 2022-23 school year – a record level and an increase of \$29.4 million over last year.

This fully funds the two percent salary increase in the teachers' collective bargaining agreement and includes an additional \$6 million in learning supports for students.

Mr. Speaker, a new \$7 million fund in this budget will allow school divisions to hire up to 200 additional, full-time educational assistants to support students and manage increasingly diverse classrooms.

Affordable, accessible high-quality childcare is a major priority in this budget.

This budget provides more childcare opportunities for young families.

Funding for childcare and early learning is \$309.6 million, including funding provided through the Federal-Provincial Early Years agreements.

Of that funding, \$4.3 million will create 6,100 new childcare spaces, part of our Government's goal to create 28,000 new regulated spaces over the next five years.

Mr. Speaker, starting in February 2022, childcare fees were reduced by up to 50 per cent on average in regulated care.

This year's funding will support further reducing parent fees by as early as September 2022,... making life more affordable for Saskatchewan families.

Also included for early learning and childcare is:

- \$2.3 million for inclusion of children with disabilities;
- \$8 million for preventative maintenance of childcare facilities;
- \$11.4 million for training initiatives and supports for early childhood workers; and
- an increase of \$655,000 for the Early Childhood Intervention Program to address high demand related to young children experiencing developmental delays and disabilities.

This budget provides \$740 million, an increase of \$5.6 million, for post-secondary education.

This includes \$30 million for the second year of a two-year \$60 million funding plan focused on shared priorities including pandemic recovery, revenue generation, sector collaboration and achieving *Growth Plan* priorities.

Mr. Speaker, in this budget, a \$4.9 million increase will expand nurse training by 150 seats.

This budget provides \$684 million for operating and capital grants to post secondary institutions, including \$38 million for student supports.

Economy

Our ability to invest in health, education and other vital government services is driven by a strong and growing economy.

Over the past year, Saskatchewan has attracted an incredible number of major investments from companies like BHP, Richardson International, Viterra, Ceres Global Ag, Cargill, Federated Co-Operatives, AGT Foods and Red Leaf Pulp.

These companies and others are investing \$13.6 billion into Saskatchewan with projects, including a new potash mine, new and expanded canola crush facilities, a wheat-based pulp plant, a renewable diesel facility, a lumber mill as well as other projects. These investments are expected to create nearly 9,000 thousand jobs in the construction phase and 2,330 permanent jobs.

The rise in streaming services means the time is right to attract new investment from the film and television industry to Saskatchewan.

This budget includes a significant increase of \$8 million to the Creative Saskatchewan Production Grant Program, for film and television.

This brings the total funds available through this program to \$10 million.

This investment, and the expected \$50 million increase in film and television production, will result in subsequent millions in annual economic activity, including significant increased spending in the hospitality industry, which has been hit hard by the pandemic.

It will also mean growth in our information technology and digital industries.

And this investment will keep dollars in the province, as only Saskatchewan labour, goods and services are eligible for support under the program.

The application window for the film and television grant opens this spring.

This significant increase in support for film and television productions mean we are going to see a lot more activity at the Regina Sound Stage.

Mr. Speaker, we recently lost a strong advocate for economic growth in our capital city and in our province.

Today, I am very pleased to honour his memory by renaming this important facility the John Hopkins Regina Sound Stage.

As Saskatchewan's economy recovers, our government will continue to focus on competitiveness, seeking new markets, increasing trade and growing exports.

Mr. Speaker, this budget includes \$3.1 million to fully fund the International Trade and Investment Strategy.

The strategy advances the province's economic interests abroad, collaborating with stakeholders including the Saskatchewan Trade and Export Partnership.

This funding operates our international office network.

In the past year, new Saskatchewan Trade offices were opened in the United Kingdom, United Arab Emirates, Mexico and Vietnam, complementing our existing offices in Japan, India, Singapore and China.

Expanding our export markets abroad means new jobs and opportunities here at home.

We are focused on diversifying markets by connecting Saskatchewan businesses with investors and customers.

Our government has an ambitious *Growth Plan* goal of expanding agri-food exports to \$20 billion by 2030.

Even during a difficult year in 2021, Saskatchewan saw record agri-food exports of \$17.5 billion, and we are on

track to meeting our goals.

To increase our competitiveness, our Government has enhanced the Saskatchewan Value-added Agriculture Incentive, to attract further investment.

This incentive and others were key to our province's competitiveness, attracting private investment from global companies.

This budget includes \$338.5 million to fund business risk management programs, including Crop Insurance, AgriStability, AgriInvest and Western Livestock Price Insurance to provide the industry with the tools it needs to move through challenges like dry conditions, and position producers for long term success.

This budget includes \$2.5 million for various irrigation projects.

Further developing irrigation and management of water resources is a goal in our *Growth Plan*, and developing irrigated acres is part of what attracts large investors to our province, like those in the canola crush business.

Mr. Speaker, this budget will provide \$6.7 million more in revenue from VLTs to bar and restaurant owners.

Effective April 4, the VLT site commission rates will increase from 15 per cent to 18 per cent.

Total commissions are forecast to rise from \$33.3 million to nearly \$40 million with this increase.

Fiscal Picture

Mr. Speaker, a strong and growing economy, over \$13 billion in new projects, 30,000 new jobs in the past year and the second-lowest unemployment rate in Canada shows that Saskatchewan's economy is back on track.

So are our provincial finances.

This year's deficit is forecast to be \$463 million - down more than \$2.1 billion from last year.

Over the next three years, we are forecasting successively smaller deficits, with a return to a balanced budget expected in 2026-27.

Revenue of \$17.2 billion is forecast in the 2022-23 Budget, up \$2.7 billion from last year's budget.

Driving our stronger revenue forecast is revenue from taxes, of \$8.1 billion, up \$850 million from last year's budget.

Non-renewable resource revenue is \$2.9 billion, up \$1.6 billion, largely due to higher potash and oil price forecasts which is the result of stronger than expected global demand.

While volatile world events have made commodity prices difficult to forecast, our revenue forecasts are based on cautious oil price projections.

It's too soon to tell if oil prices will remain high for an extended period and what impact that could have on revenues.

We will continue to monitor the impact on both revenues and affordability and respond as required.

Because resource prices are so volatile, our government has set a goal of reducing our reliance on resource revenues.

This budget includes a number of small revenue measures.

To help with stability the existing application of PST is broadened to match the federal GST base for admissions and entertainment events.

Effective October 1, 2022 the PST will apply to sporting events, concerts, museums, fairs, movies, gym memberships and green fees. There will be exemptions for children's activities, and activities run by schools and non-profits.

This will add approximately \$10.5 million in PST this year, and \$21 million annually.

At the same time, we are exempting audio books from PST, as they are used widely for educational purposes and by the visually impaired.

This will reduce revenue by about \$100,000.

Mill rates for the education portion of property taxes are being adjusted slightly, including a decrease to the differential between the highest and lowest EPT mill rates, to improve overall fairness.

Slight increases to the mill rates, combined with forecasted base growth of \$6 million, are expected to generate an additional total of about \$20 million in revenue in 2022-23.

Tobacco taxes are increasing by 2 cents per cigarette and 8 cents per gram of tobacco and 1.3 cents per stick of heat-not-burn products.

Tobacco tax increases are effective midnight tonight, and are expected to generate \$12.1 million in additional annual revenue.

Expense of \$17.6 billion is projected in the 2022-23 Budget, an increase of \$531 million, or 3.1 per cent over last year's budget.

Responsible management of the province's finances has secured Saskatchewan the second highest credit rating in the country, when the ratings from the major agencies are combined.

Saskatchewan's net debt to GDP ratio is the second lowest in Canada, another indicator of the province's strong fiscal foundation.

Social services and assistance

Mr. Speaker, our government continues to financially support those in our province who are the most vulnerable.

This budget provides social services and assistance with \$1.6 billion, up nearly \$67.3 million, or 4.3 percent, compared to last year.

This budget includes \$11.4 million to increase Saskatchewan Income Support basic benefits by \$30 per month and shelter benefits by up to \$25 per month.

Mr. Speaker, this budget includes \$3.0 million to fulfill the second year of Government's three-year commitment to increase benefits to low income seniors through the Seniors Income Plan.

This is the seventh increase our Government has made to the plan since 2008, after it had been frozen at just \$90 per month for the previous 16 years.

With this year's \$30 a month increase, the maximum payment will be \$330 a month, effective this July.

By the end of this term, Mr. Speaker, our Government will have quadrupled the maximum Seniors Income Plan benefit from \$90 to \$360 per month.

Mr. Speaker, this budget provides up to \$11.5 million for the Saskatchewan Housing Benefit, under the National Housing Strategy, to help people with low incomes better afford housing.

This budget includes \$679 million government-wide in funding for people with disabilities, an increase of \$464.1 million, or 216 per cent since 2007-08.

This budget continues to make Saskatchewan the best place to live in Canada for people living with disabilities.

It includes a \$16.7 million utilization increase to the Saskatchewan Assured Income for Disabilities program. There is \$8 million more to support new and changing needs of clients with disabilities.

And there is a \$273,000 increase to fulfill the third year of our commitment to enhance services provided by the CNIB and Saskatchewan Deaf and Hard of Hearing Services.

In 2022-23, the Ministry of Social Services will provide over \$400 million in funding to Community-Based Organizations.

This includes increased funding of \$8.7 million in 2022-23, for service providers working with, and service homes that care for, people with intellectual disabilities and organizations supporting at-risk children, youth and families.

This increase recognizes the critical role that CBOs play in protecting our province's most vulnerable.

This year's budget includes a two per cent lift to all CBOs across all ministries, in recognition of the important work they do in their communities and the vital services they provide to Saskatchewan people.

Protection of persons and property

The 2022-23 Budget includes \$936.2 million for the protection of persons and property, an increase of \$91.1 million or 10.8 per cent, from last year.

Policing in the province will continue to evolve to meet the needs of Saskatchewan people.

This budget includes \$50.7 million compared to last year to create a Provincial Protective Service branch to unite provincial peace officers into a single organizational structure.

Mr. Speaker, this budget makes important new investments to protect citizens, including \$1.6 million to establish a Warrant Enforcement and Suppression Team to target high-risk offenders with outstanding warrants.

There is \$6.4 million to establish the Saskatchewan Trafficking Response Team and \$3.2 million to expand the Crime Reduction Team.

As well there is \$220,000 to further expand the Internet Child Exploitation Unit, and allow them to further investigate and crack down on criminals who target children.

This budget includes \$4.5 million for the Gang Violence Reduction Strategy, which provides intervention services to individuals who want to leave gangs, as well as addictions programming in provincial correctional facilities.

This budget includes \$94.9 million for the Saskatchewan

Public Safety Agency, up \$2.8 million from the previous year.

The agency is investing in the modernization of the province's aerial wildfire suppression fleet.

Other ministries

Saskatchewan's parks and natural beauty attract visitors from right here in our province and from around the world.

This budget includes \$12.5 million for upgrades to improve visitor experiences at our province parks, with upgrades to water systems and visitor centres.

Municipal Revenue sharing is \$262.6 million in this budget, helping to keep the province's urban, rural and northern communities strong.

Revenue sharing has increased by about 106 per cent since 2007-2008 and provides stable, predictable funding for Saskatchewan's municipalities, based on a percentage of the province's PST revenues.

This budget includes \$448.5 million of direct provincial support to municipalities, through a number of grants and initiatives.

Mr. Speaker, this budget also includes \$233 million in targeted investment to help meet the priorities of Indigenous communities, businesses and organizations.

That represents a significant increase of more than 20 per cent from last year.

Saskatchewan has a growing number of Indigenous-owned companies, employing thousands of people, generating millions in revenue each year.

This budget includes \$475,000 to create the Saskatchewan Indigenous Investment Finance Corporation.

The corporation will offer up to \$75 million in loan guarantees for private sector lending to Indigenous communities and organizations for investments into natural resource and value-added agriculture projects.

Mr. Speaker, the purpose of growing a strong and robust economy is to build a better quality of life for all

Saskatchewan people.

Part of building that better quality of life is ensuring life is affordable for Saskatchewan people.

That is why we are continuing the Active Families Benefit, providing \$150 per child enrolled in sport, recreation and cultural activities.

The benefit provides an additional \$50 per child to families of children with a disability.

The Saskatchewan Home Renovation Tax credit continues this year, providing a 10.5 per cent tax credit on up to \$20,000 of eligible home renovations done between October 1, 2020 and December 31, 2022.

The tax credit is forecast to cover \$44.7 million of costs in 2022-23, making life more affordable for Saskatchewan people, while helping increase activity and create jobs for those working in construction and the skilled trades.

Saskatchewan is on track to again have among the lowest personal taxes in the country.

Since 2007, Personal Income Tax (PIT) exemptions have removed 112,000 people from the province's income tax roll. In addition our PIT is now indexed each year to respond to inflationary pressures.

Today, a Saskatchewan family of four with \$100,000 in total income pays \$2084 less in provincial income tax than they did when our government took office in 2007.

That's \$2000 in tax savings - \$2000 more back in their pockets - this year and every year.

In total, reductions in personal income tax over the past 15 years has provided over \$720 million in annual income tax savings to Saskatchewan people.

Investing in Capital

Mr. Speaker, this budget also builds a better Saskatchewan.

This budget includes \$156.6 million for health care capital.

Highlights include:

- \$15.2 million for urgent care centres in Regina and Saskatoon;
- \$13.5 million to continue construction on the Prince Albert Victoria Hospital;
- \$6 million to continue the replacement of the Weyburn General Hospital;
- \$6.5 million to continue design and procurement activities for specialized and standard long-term care beds in Regina;
- \$3 million for the Grenfell and \$2 million for the La Ronge long-term care facilities.

Since 2008, nearly \$2.1 billion in investment into health care facilities has built hospitals, including the Jim Pattison Children's Hospital, Saskatchewan Hospital North Battleford and the Dr. F.H. Wigmore Hospital in Moose Jaw.

As well, we have built 15 new long-term care facilities across the province.

This budget includes \$846 million to operate, maintain, build and improve over 1,100 kilometres of the province's roads and highways through the Ministry of Highways.

This budget invests \$479.5 million into transportation capital and includes \$452 million for improvements on provincial highways – on track to meet the Growth Plan commitments to upgrade and build 10,000 kilometres of the provincial highway network by 2030.

Upgrades include:

- Highway 3 twinning west of Prince Albert;
- Highway 5 corridor improvements east of Saskatoon;
and
- Planning and pre-construction for twinning projects on Highways 6 and 39 near Regina and Weyburn.

This budget fully funds the five-year, \$65 million Enhanced Intersection Safety Program.

And, there is \$27 million for the Rural Integrated Roads for Growth program, the Urban Highway Connector Program and the Community Airport Partnership program.

Mr. Speaker, with this year's budget, more than \$11.5 billion has been invested into transportation infrastructure since 2008, improving more than 18,400 kilometres of provincial highways.

There is \$168.6 million for school infrastructure in this budget.

This includes \$95.2 million to support the ongoing planning and construction of 15 new schools and the major renovation of five existing schools in Regina, Lloydminster, Saskatoon, Moose Jaw, Carrot River, La Loche, Blaine Lake, Lanigan, Yorkton, North Battleford and Wilcox.

Since 2008, approximately \$2.3 billion has been invested to build 57 new schools and to undertake 28 major renovation projects.

Mr. Speaker, this budget includes almost \$292 million in government services infrastructure.

This includes projects such as dams, water supply channels, irrigation projects, courts and correction capital, and the continued construction of the Saskatoon Remand Centre.

This budget includes \$268.6 million for municipal infrastructure, for projects that fall under the Canada Infrastructure Program, Canada Community-Building Fund and new Building Canada Fund.

Advanced education will invest \$31 million this year, mainly into ongoing capital maintenance and planning at our post-secondary institutions.

In this budget, Crown corporations will invest \$1.8 billion on major capital, mainly through SaskPower, SaskTel and SaskEnergy.

Our Crowns have invested more than \$22 billion into capital since 2008.

Our capital plan in this budget creates jobs, ignites our economy and ensures Saskatchewan has the schools, hospitals, highways and other critical infrastructure we need to support a strong and growing province.

Conclusion

Mr. Speaker, after two very challenging years, Saskatchewan is back on track.

Our economy is back on track, attracting billions of dollars in new investment and creating thousands of new jobs.

Our provincial finances are back on track, with a \$2 billion

reduction in the provincial deficit and a plan to balance in four years.

And our ability to deliver vital government services is back on track, as we emerge from the pandemic and things return to normal.

Saskatchewan is back on track and our future is bright.

The investments made in this budget will ensure our economy remains strong,...

Important government services continue to improve,...

And that our best days are still ahead.