

# THE SASKATCHEWAN **ADVANTAGE**



PROVINCIAL BUDGET  
**2011-12**



***Saskatchewan is blessed with so many advantages.***

- ✓ *Our abundant natural resources.*
- ✓ *Our pristine environment.*
- ✓ *Our tremendous quality of life.*

***And our greatest advantage of all – Saskatchewan people.***

Today, Saskatchewan's economy is leading the nation in growth, our population continues to hit new record highs, and our job market is strong.

***All of this together adds up to  
The Saskatchewan Advantage.***

While other governments are running large deficits, adding to their debt load and being forced to cut services, *The Saskatchewan Advantage* means our government is able to lower taxes, reduce debt, and improve public services.

The 2011-12 Budget is a common sense plan that builds on *The Saskatchewan Advantage* and continues the positive momentum Saskatchewan people have created.



# THE NEW SASKATCHEWAN – LOWER TAXES MAKE LIFE MORE AFFORDABLE.

## ✓ LOWER TAXES

### Lower Income Taxes for Individuals and Families

The 2011-12 Budget reduced income taxes for individuals and families by increasing the basic personal and spousal exemptions by \$1,000 each, and by increasing the exemption for dependent children by \$500 per child. As a result:

- A family of four will pay no income tax on their first \$45,550 of earned income, the highest income threshold in Canada
- An individual taxpayer will pay no income tax on his or her first \$17,580 of earned income
- As a result of all the tax changes introduced since 2007, a family of four earning \$50,000 will save \$2,447 in income taxes this year
- Over 110,000 Saskatchewan residents will pay no provincial income tax at all as a result of tax reductions since 2007
- Total tax cuts and enhanced benefits since 2007 amount to \$420 million in 2011

**Lower income taxes for individuals and families. That's The Saskatchewan Advantage.**

### Lower Taxes for Small Business

Budget 2011-12 cuts the small business tax rate by more than half, from 4.5 per cent to 2 per cent – the third lowest tax rate in the country.

This puts Saskatchewan businesses in a much more competitive position and encourages them to expand their businesses and hire new employees.

**Lower taxes for businesses. That's The Saskatchewan Advantage.**

*Saskatchewan family of four earning \$50,000 will save \$2,447 in income taxes this year.*

### Lower Property Taxes for Homeowners, Farmers and Businesses

Two years ago, our government began the task of reducing the onerous burden of the education portion of property tax.

We simplified the tax structure by applying consistent mill rates across the province.

This year in Budget 2011-12, we are implementing the second phase of education property tax reductions:

- Property tax relief in 2011-12 will amount to \$55.6 million
- Farmers will see their education property tax reduced by about 80 per cent
- Homeowners will see their education property tax reduced by about 29 per cent
- Businesses will see their education property tax reduced by about 17 per cent, including this year's reduction on the middle tier of the commercial mill rate from 15.75 to 14.75
- The province's share of the total cost of education has now risen from a low of about 40 per cent in the 1990s to about 65 per cent today, while the taxpayers' share has fallen from a high of about 60 per cent to about 35 per cent today

Overall, this represents the largest property tax reduction in Saskatchewan history.

**Lower property taxes for homeowners, farmers and businesses. That's The Saskatchewan Advantage.**

## THE 2011-12 SASKATCHEWAN ADVANTAGE BUDGET DELIVERS:

### ✓ Lower taxes:

Strengthening our economy and making life more affordable.

### ✓ Improved quality of life:

Increased support for health, education, housing and families.

### ✓ Lower debt & balanced budgets:

Debt reduction now totals over \$3 billion since 2007.

**Lower taxes, better public services and less debt...**

## THE SASKATCHEWAN ADVANTAGE



# THE NEW SASKATCHEWAN – AN ECONOMIC LEADER IN CANADA.

## ✓ DEBT REDUCTION

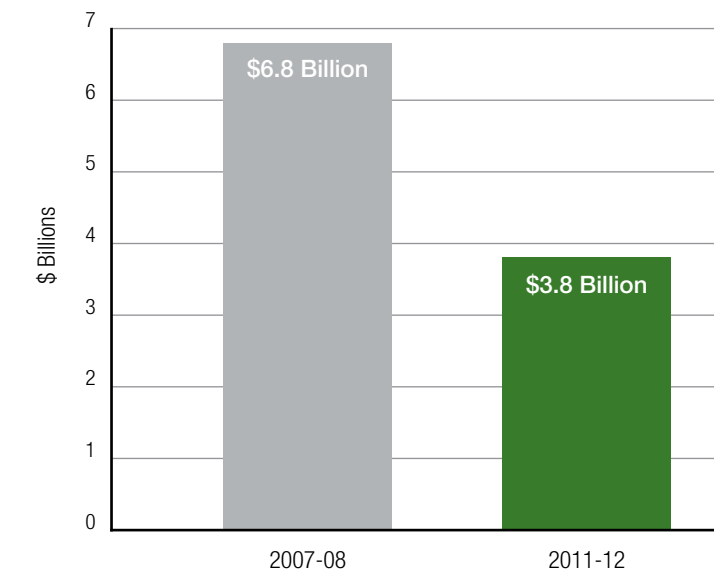
Budget 2011-12 will pay down debt by another \$325 million, bringing Saskatchewan's government general debt level to \$3.81 billion, the lowest level since 1987-88.

Since 2007, the Saskatchewan government has paid down more than \$3 billion in debt. Today, the province's debt to GDP (Gross Domestic Product) ratio is one of the lowest in the country.

By reducing our debt, we are able to lower the amount of interest costs we pay each year, ensuring that Saskatchewan sees an advantage over most other provinces.

*While other Canadian provinces' debt load and interest payments are on the rise, Saskatchewan is paying down debt and lowering interest costs.*

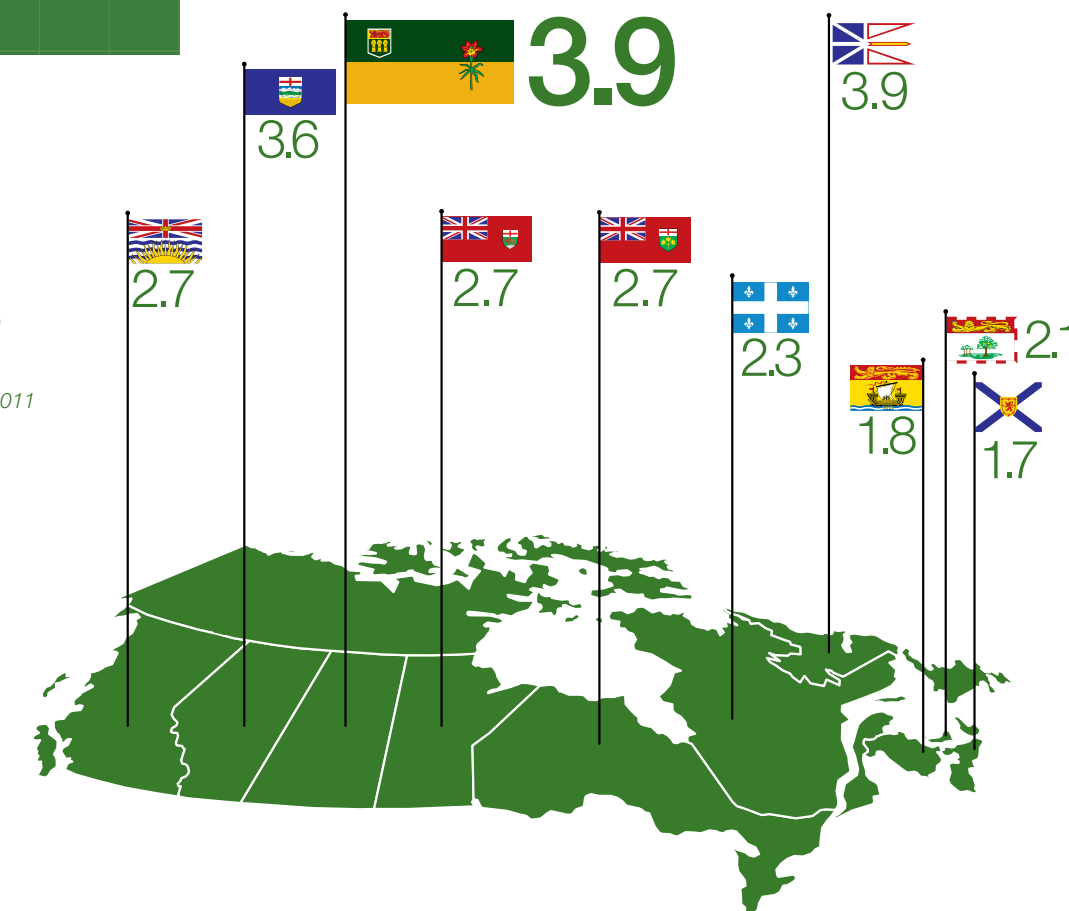
Lowering the Debt (since 2007)



✓ **Since 2007, Saskatchewan has reduced the Provincial debt by \$3 billion.**

### Real Economic Growth Rate Among Provinces 2011

Average of private sector forecasts as of March 16, 2011



# THE NEW SASKATCHEWAN – THE BEST PLACE TO LIVE.

## ✓ IMPROVING OUR QUALITY OF LIFE

Saskatchewan's economy is leading the nation and our population is growing at its fastest rate in over 50 years.

At a time when other governments are running large deficits and cutting services, our growing economy and population means that we can lower taxes, reduce debt, improve public services and balance our budget.

### ***That's The Saskatchewan Advantage.***

Budget 2011-12 makes important investments in front-line services to support families and improve health, educational and social outcomes.

### **We are putting Patients First**

- \$250 million more in operating funding for Regional Health Authorities (RHAs) which will fund:
  - More surgeries to shorten wait times
  - An enhanced kidney and bone marrow transplant program
  - Increased colorectal screening
  - Enhanced treatments for Fetal Alcohol Spectrum Disorder (FASD)
  - Programming for Autism Spectrum Disorder (ASD)
  - A new emergency helicopter air ambulance service
- Increased support of 11.5 per cent for the Saskatchewan Cancer Agency will fund:
  - more chemotherapy treatments
  - more mammograms
  - doubling bone marrow transplants
- We are further supporting diagnostics with an extra \$5.2 million which will provide for:
  - 4,950 more MRI patients
  - 12,850 more CT patients

***A health care system that puts patients first. That's The Saskatchewan Advantage.***



### **We are investing in Students**

- \$20.8 million more to universities to hold tuition increases to three per cent
- \$3 million to establish a Saskatchewan Scholarship Fund
- \$36.4 million increase for school operating expenses
- \$2 million for immigration services and English as an Additional Language training
- \$6.1 million in planning dollars for nine new school capital projects
- \$2.9 million for programming to improve educational outcomes for Aboriginal students
- \$2.6 million to develop 40 more Prekindergarten programs, providing space for up to 640 youngsters
- \$4.4 million for Adult Basic Education

***Better education for children and post-secondary students. That's The Saskatchewan Advantage.***

### **We are investing in Children**

Budget 2011-12 responds to the Child Welfare Review with a co-ordinated approach across government. From a total Child Welfare budget of \$217.5 million, we will provide \$6.7 million to:

- Increase payments to First Nations for fostering children on-reserve
- Enhance intensive family supports
- Add up to 30 additional child protection workers
- Contract CBOs to provide home assessments and supervise visitation of parents and children
- Enhance the successful Family Finders program to connect First Nations children with First Nations foster homes

***More support for children and families. That's The Saskatchewan Advantage.***

### **We are investing in Communities and Infrastructure**

- \$216.8 million in municipal revenue sharing – a \$49.4 million increase from last year as we complete our commitment to a long-term, stable funding formula based on the PST
- \$285 million for highways, and \$129 million to repair and rebuild bridges and roads
- \$134.1 million for municipal infrastructure, with \$70.3 million allocated to federal-provincial infrastructure projects, including funding extended under the federal stimulus programs

***Infrastructure that meets the needs of a growing province. That's The Saskatchewan Advantage.***

### **We are investing in Public Safety**

\$13.2 million more for policing services, including:

- \$7.6 million for the provincial policing service
- \$5.2 million to complete the government's promise to hire 120 police officers over four years
- \$7 million to begin construction of a 32-cell addition to Pine Grove Correctional Centre
- \$250,000 to continue development of the Western Gang Database

***Safer communities. That's The Saskatchewan Advantage.***



### **We are investing in Rural Saskatchewan**

- \$321 million to fully fund the cost of farm stabilization programs
- Record Crop Insurance coverage
- \$55.6 million to complete the Education Property Tax reductions which will cut education tax on farmland by 80 per cent

***A vibrant, growing farm sector and rural economy. That's The Saskatchewan Advantage.***

### **We are investing in Innovation**



- \$18.2 million for agricultural research and development, including \$1.25 million for agricultural biotechnology research
- \$18.1 million, an increase of \$1.5 million for research capacity at the Saskatchewan Research Council
- \$2.6 million for 2011-12, or up to \$5.2 million on an annual basis for the Renewable Diesel Program to produce up to 40 million litres of biodiesel per year
- \$2.6 million in operating funding for the Canadian Light Source synchrotron

***Support for innovation and a knowledge-based economy. That's The Saskatchewan Advantage.***

### **We are investing in Affordable Housing**

- Up to \$1.5 million in up-front provincial incentives to apartment builders to offset the cost of education property tax on as many as 650 new units per year
- Support for Municipal Affordable Home Ownership programs that provide homeowners with grants for home purchases

***More affordable housing for Saskatchewan families. That's The Saskatchewan Advantage.***

 *Lower taxes*

 *Improved quality of life*

 *Lower debt*

*Leading the way with balanced budgets.*

*THE SASKATCHEWAN*  
**ADVANTAGE**



Government of  
Saskatchewan

To learn more about the 2011-12 Saskatchewan Advantage Budget,  
visit [www.finance.gov.sk.ca](http://www.finance.gov.sk.ca)