

# COVID-19 Response

Government's response is \$4.8 billion in economic, health and safety support to protect Saskatchewan people and businesses through the pandemic, to invest in capital and to help the economy recover and grow. The 2021-22 Budget includes \$1.5 billion in support, following nearly \$2.0 billion in 2020-21, for a total of \$3.4 billion since the start of the COVID-19 pandemic.

More than \$1.3 billion is planned over the next two years to continue to help Saskatchewan people and help the province's economy recover.

COVID-19 Supports (\$M)				
	2020-21	2021-22	Future Years	Total
<b>Health and Public Safety</b>				
Health Sector Response	75.6	90.0	-	165.6
Saskatchewan Safe Schools Plan	134.2	20.7	-	154.9
Northern Isolation Support Program	4.8	6.8	-	11.6
Other Measures	35.2	5.0	-	40.2
Canada-Saskatchewan Safe Restart Agreement	338.1	-	-	338.1
Saskatchewan Temporary Wage Supplement Program	56.0	-	-	56.0
U of S Vaccine and Infectious Disease Organization	15.0	-	-	15.0
<b>Total Health and Public Safety</b>	<b>658.9</b>	<b>122.5</b>	<b>-</b>	<b>781.4</b>
<b>Economic Support</b>				
Saskatchewan Capital Plan	405.4	488.1	1,106.5	2,000.0
AutoFund Recovery Rebate	-	285.0	-	285.0
Accelerated Site Closure Program	100.0	200.0	100.0	400.0
SaskPower Customer Rebate Program	85.2	174.8	-	260.0
Home Renovation Tax Credit	12.9	66.4	44.7	124.0
Small Business Tax Rate Reduction	45.1	64.6	40.1	149.8
Emergency Pandemic Support - Gaming Partner Grants	50.0	39.0	-	89.0
Post-secondary Supports	7.0	30.0	30.0	67.0
Immigration And Career Training Supports	17.0	27.3	-	44.3
Saskatchewan Tourism Sector Support Program	35.0	5.0	-	40.0
Other Measures	38.0	6.4	-	44.4
Small Business Emergency Payment Program	70.0	-	-	70.0
Relief for the Oil and Gas Sector	26.0	-	-	26.0
Agriculture Sector Support	17.5	-	-	17.5
<b>Total Economic Support</b>	<b>909.1</b>	<b>1,386.6</b>	<b>1,321.3</b>	<b>3,617.0</b>
<b>Total Direct Support</b>	<b>1,568.0</b>	<b>1,509.1</b>	<b>1,321.3</b>	<b>4,398.4</b>
<b>Deferral Programs</b>	<b>382.2</b>	<b>-</b>	<b>-</b>	<b>382.2</b>
<b>Total Government Support</b>	<b>1,950.2</b>	<b>1,509.1</b>	<b>1,321.3</b>	<b>4,780.6</b>

### **Health and public safety support in 2021-22**

The 2021-22 Budget includes \$90.0 million in health sector response through the Ministry of Health, to provide testing equipment, personal protective equipment and to fund operating costs to address the pandemic.

A total of \$155 million will be invested under the Saskatchewan Safe Schools Plan, including \$134.2 million in 2020-21 and another \$20.7 million in 2021-22 for school divisions to continue to support the safe return to classrooms.

This budget includes \$6.8 million for the Northern Isolation Support Program, as part of an agreement with the federal government to help individuals in remote locations voluntarily isolate. The program will provide access to suitable commercial accommodations and mobile residential units as part of a temporary community housing solution.

Other measures include \$4.2 million for justice and corrections facilities and \$800,000 extending care to youth during the pandemic who will otherwise age out of care.

### **Health and public safety support in 2020-21**

The federal government provided \$338.1 million through the Canada-Saskatchewan Safe Restart Agreement to support the safe re-opening of the provincial economy and to help with costs associated with protecting people through the pandemic.

Safe Restart funding has been fully allocated to the Ministry of Health (\$218.1 million) for health care capacity, mental health and substance abuse support, personal protective equipment, and testing contact tracing and data management; to the Ministry of Government Relations (\$70.4 million) for municipalities; to the Ministries of Social Services and Corrections and Public Safety (\$26.0 million) for vulnerable populations; to the Ministry of Education (\$20.6 million) for child care for returning workers; and to various other ministries (\$3.0 million) for personal protective equipment.

Government is committing \$15 million to further support pandemic research by the Vaccine and Infectious Disease Organization (VIDO) at the University of Saskatchewan. The commitment is contingent on the Government of Canada committing to the project.

An additional \$75.6 million of provincial funding was provided for health sector response, and \$4.8 million was made available for the Northern Isolation Support Program.

The Saskatchewan Temporary Wage Supplement program is a \$56.0 million federal-provincial cost-shared program providing temporary top-ups to the salaries of workers who provide care to some of the provinces most vulnerable, through the pandemic.

And \$35.2 million in other health and safety measures includes online systems and facility enhancements in the justice system during the pandemic, as well as additional costs for custody services.

Also, the Saskatchewan Public Safety Agency costs for COVID-19 response include expenses for the Provincial Emergency Operations Centre. Personal protective equipment, checkpoints, communications and other services were among the costs. Funding was also provided for upgrades to the Saskatchewan Polytechnic dental lab facility to ensure compliance with COVID-19 protocols.

## **Economic support in 2021-22**

Last year, Government announced \$2 billion in incremental infrastructure funding, a stimulus booster to help the province's economy recover and create jobs in the years ahead. In the 2021-22 Budget, \$488.1 million in stimulus spending is targeted to infrastructure investment on needed maintenance and on major projects, described in the 2021-22 capital plan, following \$405.4 million in 2020-21.

Saskatchewan drivers will receive a one-time rebate of \$285, on average, calculated on a proportion of vehicle premiums paid in the previous three years. The full rebate from the Auto Fund is \$285 million, announced in February, and is to be provided to Saskatchewan drivers in May.

All SaskPower customers will receive a one-year, 10 per cent rebate on electricity charges on power bills, to support Saskatchewan's economic recovery from COVID-19. In total the rebate is \$174.8 million in 2021-22, after \$85.2 million last year.

With these rebates factored in, Saskatchewan people will pay the lowest rates in the country on their bundle of utilities.

The three-year, \$400 million federal Accelerated Site Closure Program sees \$200 million budgeted in 2021-22 to help oilfield service companies through the pandemic, with work on site abandonment and reclamation work in the oil patch, helping the environment and providing economic stimulus.

The small business tax rate reduction will protect Saskatchewan small businesses through the pandemic. At a cost of \$64.6 million in foregone tax revenue in 2021-22, the rate was reduced from 2.0 to 0.0 per cent, effective October 1, 2020. The rate will increase to 1.0 per cent July 1, 2022 and return to 2.0 per cent on July 1, 2023 as Saskatchewan recovers from the pandemic.

The new Saskatchewan Home Renovation Tax credit will provide 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, beginning with the 2021 tax year. The tax credit is forecast to save taxpayers \$124 million over the life of the program, including \$66.4 million in 2021-22.

In recognition of lost gaming transfer revenue as a result of casino closures, \$39 million in emergency pandemic response gaming partner grants in 2021-22 are providing pandemic support for First Nations and Métis organizations, and the Community Initiatives Fund. The emergency grants totalled \$50 million in 2021-22.

The 2021-22 Budget has \$30 million, as part of a \$60 million COVID-19 response package and multi-year funding plan for post-secondary institutions through the Ministry of Advanced Education. In 2020-21, \$7.0 million in COVID-19 response was provided.

This budget has \$27.3 million in increased funding for Workforce Development, the Employability Assistance for Persons with Disabilities top-up, the Canada-Saskatchewan Job grant, and the Newcomer and Settlement program. These programs help people seeking to immigrate to Saskatchewan and address the backlog due to border closers, help those disadvantaged by the pandemic with training support, and provide financial supports for employers through the Ministry of Immigration and Career Training.

There is \$5.0 million for the Saskatchewan Tourism Sector Support Program to help tourism-related businesses who have experienced a loss of sales revenue of at least 30 per cent, following \$35.0 million in support through the program last year. There is also \$6.4 million in other supports, including an estimated \$5.6 million for increased VLT site commissions, \$754,000 in reduced revenues, to help outfitters by putting a moratorium on their fees, and \$77,000 for increased capital grants to regional parks.

### **Economic support in 2020-21**

A number of supports that were provided in 2020-21 were unique to the year that saw the pandemic emerge.

The Small Business Emergency Payment Program is forecast to provide \$70.0 million in grants for small and medium-sized enterprises directly affected by public health orders related to COVID-19, up to \$5,000. Following the recently announced extension of the program, it is possible that some spending will occur in 2021-22.

Relief for the oil and gas sector provided \$26 million to reduce the industry portion of the Oil and Gas Administrative Levy by 50 per cent, extended a series of filing and other deadlines, extended by a year mineral rights that were scheduled to expire in 2020 and allowed industry to reduce lease holdings.

Agricultural sector support in the 2020-21 Budget totals \$17.5 million, through AgriRecovery Response and the Western Livestock Price Insurance program, to help support producers through COVID-19 related market disruption and uncertainty.

A total of \$38.0 million in other measures went to a variety of initiatives to support businesses and individuals, including VLT site commission increases, Canada Emergency Commercial Rent Assistance, Junior Hockey Support, Self-Isolation Support, the Re-Open Saskatchewan Training Subsidy, Conexus Arts Centre funding and the Buy Local Campaign.

### **Deferral programs**

In 2020-21, Government allowed businesses, taxpayers and ratepayers to temporarily defer the payment of certain taxes and fees to support their cash flow. Deferrals of Provincial Sales Tax remittance, Crown utility bills, Education Property Tax collection and an interest free moratorium on student loans totalled \$382.2 million.

### **Future support**

Approximately \$1.1 billion, the remainder of the capital stimulus plan, is allocated to major infrastructure projects in the years beyond 2021-22, to help the economy recover, to create jobs and help Saskatchewan grow. In addition, \$100 million for the final year of the \$400 million federally-funded Accelerated Site Closure Program will be allocated in 2022-23, supporting oil field service companies.

The Home Renovation Tax Credit continues, providing \$44.7 million for Saskatchewan people and helping businesses. The Small Business Tax Rate Reduction continues, providing \$40.1 million in relief beyond 2021-22. An additional \$30 million in 2022-23 for COVID-19 response and multi-year funding will be provided for post-secondary institutions.