

**SK BUDGET HIGHLIGHTS OF INTEREST TO CME MEMBERS
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Table of Contents

1	<u>INTRODUCTION.....</u>	<u>2</u>
2	<u>PROVINCIAL ECONOMIC OVERVIEW.....</u>	<u>2</u>
3	<u>2023-24 BUDGET HIGHLIGHTS BY TOPIC.....</u>	<u>2</u>
3.1	INFRASTRUCTURE	2
3.2	LABOUR AND SKILLED TRADES.....	3
3.3	INTERNATIONAL TRADE.....	3
3.4	ECONOMIC DEVELOPMENT	3
3.5	AGRICULTURE.....	3
4	<u>2023-24 MINISTRY BUSINESS PLAN HIGHLIGHTS.....</u>	<u>3</u>
4.1	TRADE AND EXPORT DEVELOPMENT.....	3
4.2	IMMIGRATION AND CAREER TRAINING.....	4
4.3	LABOUR RELATIONS AND WORKPLACE SAFETY.....	5
4.4	SASKBUILDS AND PROCUREMENT	5
4.5	HIGHWAYS.....	6
4.6	ENVIRONMENT.....	7
4.7	AGRICULTURE.....	7

1 INTRODUCTION

This document presents a summary of key provisions in the 2023-24 Saskatchewan Provincial Budget and Ministry Business Plans of relevance to Canadian Manufacturers & Exporters (CME). It is intended as an informational reference for members. The full budget documents and business plans can be found [here](#). CME uses this information to inform the development of its policy positions and engagement/ advocacy efforts with the province.

2 PROVINCIAL ECONOMIC OVERVIEW

- In 2022, Saskatchewan reached all-time highs in population, employment, value of exports, and nominal Gross Domestic Product (GDP).
 - Saskatchewan grew by more than 29,000 people.
 - Employment reached an all-time high in 2022, adding over 20,000 new full-time jobs.
- Saskatchewan's real GDP is expected to grow at 1.3 per cent in 2023 and nominal GDP is expected to grow by 0.8 per cent.
 - Over the medium-term, real GDP growth is expected to average 2.1 per cent annually and nominal GDP growth is expected to average 2.3 per cent annually.
- Saskatchewan also had the second-highest growth among the provinces in international goods exports (+41.6 per cent) and investment in building construction (+26.1 per cent) in 2022.
 - Saskatchewan's manufacturing sales (+27.6 per cent) and building permits (+22.0 per cent) had the third-highest growth among the provinces in 2022.
 - More than 80 major projects have been committed to by private companies in recent years for total investment of nearly \$32 billion.
 - Non-residential investment, especially from the manufacturing and processing, and natural resource sectors, will be a key driver of growth over this period.

3 2023-24 BUDGET HIGHLIGHTS BY TOPIC

3.1 Infrastructure

- \$3.7B in capital investment, for hospitals, schools, highways, and many needed municipal and Crown projects
- \$776 million into operating, maintaining, building and improving the province's roads and highways through the Ministry of Highways.
 - This includes over 1,000 kilometres of improvements to provincial highways for a total of 4,600 kilometres of highways improved over the past four years.

- That puts government on track to meet our Growth Plan commitment to upgrade and build 10,000 kilometres of provincial highways by 2030.
- Crown corporations will invest \$2.1 billion into capital, including \$1.2 billion by SaskPower, \$341.2 million by SaskEnergy and \$412.7 million by Sasktel, mainly to deploy fibre to rural customers and modernization through the rollout of SaskTel’s 5G network.

3.2 Labour and Skilled Trades

- \$171.1 million for Saskatchewan Polytechnic, the Saskatchewan Indian Institute of Technologies and the Dumont Technical Institute, and there is \$35.6 million for Saskatchewan’s Regional Colleges.
- \$5.4 million to increase immigration through the Saskatchewan Immigrant Nominee Program.
- \$4 million to increase skilled trades training seats, primarily in construction and related trades.

3.3 International Trade

- \$1.4M to open a trade office in Germany as part of Saskatchewan’s international trade and investment strategy which includes trade offices in Mexico, United Kingdom, United Arab Emirates, India, Singapore, Vietnam, China, and Japan

3.4 Economic Development

- Include exploration drilling for all hard-rock minerals and increase the funding limit to support the development of these emerging commodities.
 - \$4.0M to expand the Targeted Mineral Exploration Tax Credit. The credit has been increased from 10 to 30 per cent to attract mineral exploration investment in Saskatchewan.

3.5 Agriculture

- \$548.2 million for the Ministry of Agriculture to fund programs, services and agricultural research as well as providing business risk management programs.
 - Including \$89.8 million for strategic initiatives, including a record \$38 million for agricultural research and innovation.

4 2023-24 MINISTRY BUSINESS PLAN HIGHLIGHTS

4.1 Trade and Export Development

- Extension of the Saskatchewan Manufacturing and Processing Exporter Tax Incentive until December 31, 2023, to incentivize companies to establish and maintain operations and head office locations within the province.

- \$1.0 million(M) increase in funding for the airport minimum revenue guarantee to attract additional flights into the province and increase options for the business community, resident travel, and support provincial tourism.
- Targets:
 - Private capital investment level at \$16 billion. (*Includes construction, and machinery and equipment for all industries.*)
 - Increase the total value of exports by 50 per cent by 2030.
 - Increase the value of manufacturing exports by 50 per cent by 2030.

4.2 Immigration and Career Training

- An increase of \$5.4 million to expand the ministry’s capacity to increase immigration through the Saskatchewan Immigrant Nominee Program to support the influx of displaced Ukrainians landing in Saskatchewan and provide more funding to community-based organizations for settlement services.
- An increase of \$4.0 million to increase skilled trades training seats, adding 400 seats each year to the incremental skilled trades programs and 235 seats each year to the skilled trades programs.
- An increase of \$1.2 million for increasing the Apprenticeship Training Allowance for students living away from home to attend skilled trades training.
- An increase of \$300,000 to support labour mobility programming that reduces the red tape faced by international workers and those in other provinces who come to work in regulated occupations in Saskatchewan.
 - This funding provides support to the Labour Mobility and Fair Registration Practices Office, which ensures regulatory bodies comply with the timelines for licensing decisions and other requirements in *The Labour Mobility and Fair Registration Regulations*.
- Meet Employer Demand for a Skilled Workforce
 - Expand outreach to determine employer needs, develop workforce solutions and help them navigate government programs and services.
- Develop Skills for In-Demand Jobs
 - Support transitions to employment through training programs and services.
 - Work with the Saskatchewan Apprenticeship and Trade Certification Commission to expand the apprenticeship model and retain more tradespeople in the province.
 - Work with training partners to deliver in-demand programs and services. This includes offering more flexible training and providing improved employer demand information to training providers.

- Expand experiential and work-integrated training opportunities, including for under-represented groups and immigrants.
- Develop durable connections to employment for job seekers.
 - Improve awareness, access and effectiveness of career supports to help job seekers reach employment.
- Attract a Stable Labour Supply
 - Enhance support for employer recruitment through the Saskatchewan Immigrant Nominee Program (SINP) to focus on current and future economic needs. This will allow employers to better use immigration when local talent is not available.
 - Pursue autonomy over immigration through advocacy and re-negotiation of the Canada- Saskatchewan Immigration Agreement to be more responsive to labour market needs.
 - Improve labour mobility and credential recognition for international and domestic professionals through the implementation of the *Labour Mobility and Fair Registration Practices Act* and the *Labour Mobility and Fair Registration Practices Regulations*.
- Connect more newcomers to employment opportunities.
 - Link newcomers to careers that align with their education and skills.
 - Improve community settlement supports for newcomers to attach to the labour market.

4.3 Labour Relations and Workplace Safety

- Reduce the provincial total time-loss injury by 25 per cent by 2030, with the ultimate target being Mission: Zero
 - Launch WorkSafe *Fatalities and Serious Injuries Strategy 2023-2028*
 - Together with the Workers' Compensation Board (WCB), develop mechanisms to identify at risk workers to target education and enforcement
 - Develop and launch a collaborative model of sector specific inspections where safety organizations are informed and proactively prepared to support workplaces
 - Develop and launch asbestos work training standards to prevent exposure based disease
- Targets:
 - reduce the provincial time loss injury rate to 1.69 per cent.
 - reduce the total provincial injury rate to 4.61 per cent.

4.4 SaskBuilds and Procurement

- Align priorities to the needs of partners, clients and vendors to create business solutions that deliver innovative and positive outcomes

- Increase opportunities for local businesses through strategic procurement for government entities
 - Pursue best value procurement to support better outcomes for Saskatchewan citizens
 - Increase the participation and capacity of Saskatchewan suppliers to compete on Government of Saskatchewan procurements and beyond
 - Support the development of a strong marketing strategy to showcase Saskatchewan businesses
 - Proactively engage with Saskatchewan vendors
 - Provide timely information on major projects to partners and stakeholders
- The target is to have 90 per cent of all procurement competitions undertaken by the ministry be awarded to Saskatchewan companies.

4.5 Highways

- Integrated Transportation Infrastructure Network
 - Work with stakeholders and community partners to manage traffic demand and improve transportation asset conditions through a one-network approach.
 - Invest \$6.6 million through the Urban Highway Connector Program to improve efficiency, connectivity, and the surface condition of roads through urban centres.
 - Invest \$850,000 through the Community Airport Partnership program to advance rehabilitation, construction, and capital investments in community airport infrastructure; and,
 - Invest \$530,000 through the Short Line Railway Improvement Program to support the short line rail industry in maintaining and upgrading rail infrastructure.
- Ensure the safe and reliable flow of goods and people by efficiently managing a multi-modal transportation system.
 - Deliver the Transportation Partnership Program to contribute to the commercial vehicle efficiency of partnering companies shipping goods to or from their Saskatchewan facilities.
 - Invest in capital upgrades at ministry airports to improve access and safety, including planning for future projects to be delivered through the Investing in Canada Infrastructure Program.
 - Invest \$89.4 million to improve and maintain transportation infrastructure in northern Saskatchewan.
- Identify and develop transportation options to improve Saskatchewan's competitiveness, by working proactively with the province's export and transportation sectors, other western provinces, the federal government, and the U.S.

- Promote economic competitiveness by supporting a National Transportation Strategy and jurisdictional regulatory harmonization.
- Facilitate the efficient transportation of goods through trade corridors, including examining options to enhance north-south networks and to provide competitive alternatives and broader multi-modal access.
- Targets
 - Per cent availability of the highway network = 99.99
 - Per cent availability of provincially operated ferries = 98
 - Per cent availability of airport services at the provincially operated airports = 98
 - Per cent of single trip permits issued within 24 hours = 98

4.6 Environment

- Regulations and standards on the Output-Based Performance Standards Program will be finalized and streamlined.
 - The Program will save industries in the province an estimated \$3.7 billion between now and 2030 compared to the federal carbon pricing benchmark.
- Target is to increase number of facilities in Saskatchewan taking part in emissions intensity reduction program.

4.7 Agriculture

- \$38.2 million for agricultural research, including funding for institutions that do state-of-the-art research in Saskatchewan, project funding and programs that promote the implementation of new technologies.
 - Identify and address constraints and opportunities in the value-added sector.
 - Promote research and commercialization funding for the value-added sector.
- Saskatchewan's 2030 Growth Plan has set an ambitious target to grow Saskatchewan's value-added sector to \$10 billion in revenue.