

The Honourable Rod Gantfoer  
Minister of Finance



SASKATCHEWAN PROVINCIAL BUDGET

**08-09**

READY FOR GROWTH

**BUDGET ADDRESS**

**March 19, 2008**

**CHECK AGAINST DELIVERY**

It is my honour today as Minister of Finance, to deliver this year's Budget – the first-ever Budget handed down by our new Government of Saskatchewan.

Last fall's election came at a pivotal time in our province's history.

Saskatchewan was already enjoying a period of significant growth.

Our economy was growing,... new jobs were being created,...

And for the first time in many years,... more people were moving into our province than moving out.

So, the fundamental question of the election became,...

Who is best able to sustain this growth,... and ensure it turns into a lasting prosperity for all Saskatchewan people?

All the parties put forward their best ideas to answer this question,...

And on November 7<sup>th</sup>, Saskatchewan people made an historic choice.

They chose the first-ever Saskatchewan Party government, based on our new ideas and the commitments we made to sustain our economic momentum.

For this honour ... for this great opportunity, we are both humbled by, and grateful to, the faith shown by the people of Saskatchewan, in our Premier and his government.

But we are also very mindful that along with this great opportunity,... Saskatchewan people also handed us some pretty clear expectations.

They expect us to do what we said we would do,...

They expect us to keep our promises,... and to sustain the economic momentum.

As my colleagues and I worked to prepare our first Budget,... these were our guiding principles.

In fact, today I have chosen to wear a pair of special shoes as I deliver our first Budget.

Not just any shoes.

They are the ones I wore as I campaigned last fall,... as I went door-to-door talking to voters about our campaign commitments.

I wear them today to remind myself of those promises,...

And more importantly, to remind myself – it's time to keep them.

Today in Saskatchewan, there is a contagious optimism sweeping our province.

After years of waiting, Saskatchewan people sense that now is our time.

### **Economic Blessings**

Essayist Ralph Waldo Emerson wrote: *A creative economy is the fuel of magnificence.*

Saskatchewan is blessed with an abundance of natural resources.

Our resource-rich, yet diverse economy is red-hot.  
We are the envy of the nation, with opportunities others can only wish for.

We have stepped away from the economic shadow cast by our neighbours to the west.

Saskatchewan has come of age.

We're no longer a have-not province.

In fact, in many areas, ... we are leading the nation.

- Retail sales growth – number one in Canada.
- Growth in international exports – number one in Canada.
- Growth in the value of building permits – number one in Canada.
- Housing starts are number one in Canada, as more and more young families build new homes, and make a clear and confident statement – “our future is in Saskatchewan.”

We are currently experiencing the largest population growth in 30 years.

Our population is rising as young families move back.

Friends share great news with me, that as a father and grandfather, I’m only too happy to hear – sons, daughters, and grandchildren, are returning to help grow this province.

It used to be that when I drove through Melfort and saw the Alberta plates on the cars in the driveways,...

I knew that most were just there for a brief visit,... and soon would be packing up and heading back home to Alberta.

Today, I know that many of those Alberta plates will soon be coming off,... and Saskatchewan plates will take their place.

And that means a whole lot more than just trading in their car insurance.

It means they’re also trading in – and trading up – for a future in Saskatchewan.

Outside experts predict Saskatchewan will jump to the top of economic growth in 2008 – again, number one in Canada.

More people are working in Saskatchewan than ever before.

Our skilled labour force is hard-pressed to keep up with the pace of demands for more workers.

Simply put, Saskatchewan is on a roll.

The task of our government and of this Budget is to sustain the economic momentum,...

To ensure all Saskatchewan people enjoy the benefits of a growing economy,...

And to ensure that we meet the challenges of, and avoid the pitfalls of, the rapid growth we have seen in some other jurisdictions.

### **Ready For Growth Initiative**

Which brings us to where we are today.

If we are to turn the current economic surge into an enduring period of sustained prosperity for our province,...

We must be ready for growth.

In other places, we have seen the problems and the pressures that can arise when an aging infrastructure falls behind the pace of growth.

Those same pressures are now emerging in Saskatchewan.

Simply put – while Saskatchewan is ready for growth; our infrastructure system is not.

Our schools are in need of upgrades and renewal, to ensure our educators have proper facilities to teach our future leaders.

Our hospitals and health facilities are now overstressed environments and, at times, no longer a place to find wellness.

Our roads and highways are crumbling, under the weight of heavy traffic with heavier loads.

Saskatchewan is ready for growth; our infrastructure system is not.

We must address the infrastructure deficit our government has inherited.

We must build up our hospitals, our schools, our roads and highways.

We must make them ready, for they have important jobs to do.

We must prepare for growth.

We must make a significant investment in our future.

The time for that investment is now.

Today, I am pleased to announce the Ready for Growth Initiative,... the largest capital investment in the history of Saskatchewan.

Our government will invest \$1 billion dollars in infrastructure across Saskatchewan.

One billion dollars to build and repair our hospitals, our highways and our schools,... to ensure Saskatchewan is ready for growth.

- Nearly \$200 million dollars will pay for key repairs and upgrades to our hospitals and health facilities, and will help to purchase new medical and safety equipment.

We must enhance these centres of healing, and take pride in their condition.

For instance, we will fix the leaking roofs at the health centres in Leader and Climax, and we must give hospitals in this province the capacity to keep up with health care demands.

Capital dollars include continued plans to expand the Moose Jaw Hospital, and to also plan for a Maternal Child Hospital within the Royal University Hospital.

- Over \$160 million dollars will focus on important upgrades and repairs for schools in rural and urban communities, and make improvements to our universities and training centres.

This money will give the green light to 11 new school projects across Saskatchewan.

- Over \$400 million dollars will help strengthen the crumbling condition of our roads and highways, so they can better carry the loads that go along with economic growth.

This money will help to reinforce roads, as they are the lifelines connecting our communities, big and small.

These dollars will support continued progress on northern First Nations Access Roads, to lessen the isolation they feel, and ensure they are able to fully participate in our growing economy.

This major investment will see the completion of twinning projects on major corridors, including Highways 1 and 16 – which stretch from the Manitoba border to the Alberta border – and continued progress on Highway 11 between Saskatoon and Prince Albert.

- Nearly \$140 million will flow toward municipalities, including the Building Communities Fund.
- Significant money will improve the correctional centre in Regina, modernize our emergency communications system, and will also be used to maintain government buildings and replace equipment.
- We are also dedicating more funds to the forest fire fleet and to parks, to protect and enhance the natural beauty of this great province.

We will be ready to embrace the opportunities coming to us.

Today, we can afford these upgrades thanks to our thriving economy.

We can't afford to ignore the infrastructure flaws, hoping things will get better on their own.

We can't afford to let the pressures of growth outpace our infrastructure's ability to handle growth.

These improvements are big steps on the path to sustaining our economy.

The time for this investment is now.

And we can make these improvements, because of the strength in the economy and our strong financial position.

This initiative – this \$1 billion dollar capital investment in our schools,... our highways,... our hospitals,... and our future,...

Will ensure Saskatchewan is Ready For Growth.

### **Keeping Our Promises**

Our government came to power with an ambitious agenda.

We were serious about the work ahead of us.

And we will keep our promises to the people of Saskatchewan.

I'm proud to say, our government has already achieved significant progress:

- We have fixed election dates every four years, a smaller Cabinet, and stronger balanced budget legislation. We have kept these promises.
- We promised to remove the unpopular Provincial Sales Tax on used cars,... to provide cancer patients with access to drugs that will prolong their lives,... and to make our streets and highways safer through stiffer penalties for drunk drivers. We have kept these promises.
- We promised to introduce changes to ensure greater democracy in the workplace, and to protect essential services. We have kept these promises.
- We promised to assemble a unique, forward-thinking group of leaders to form Enterprise Saskatchewan,... and we promised to invite First Nations leaders to Roundtable discussions on the duty to consult. We have kept these promises.

## **40 Budget Commitments**

Today's Budget contains the funding to fulfill over 40 more commitments, to benefit the people of Saskatchewan.

- Today's Budget will benefit the hungry, and provide care for the vulnerable adults and children in our society ... the very poor, the very sick, the addicted, and people who can no longer care for themselves or their families.
- Today's Budget will support active and healthy families in Saskatchewan, and encourage safe and vibrant communities.
- Today's Budget will strengthen healthcare and fund an effective education system.
- Today's Budget will benefit the people of Saskatchewan in a time of great economic momentum and prosperity.

These are the commitments we made during last fall's election campaign.

Today's Budget will fulfill these commitments.

### **Healthy and Active Families**

Our government has big dreams – and big plans – for the children of this province.

We want Saskatchewan children to be happy and well cared for.

We want them to be healthy, and we want them to be active.

Today's Budget will benefit Saskatchewan's children and families.

We promised to increase funding to school lunch and hunger programs, so our children can fill their minds with knowledge, and not be distracted by hunger.

Today, we are keeping that promise.

We promised an improved prescription drug plan, providing a \$15 dollar cap on drugs for children age 14 and under.

Today we are keeping that promise.

We want families to enjoy the beautiful vacation spots Saskatchewan has to offer.

That's why we promised to eliminate the unpopular campfire permit fee, and to increase funding to Saskatchewan regional and provincial parks to upgrade facilities, and create more electrified campsites.

Today, we are keeping that promise.

We promised to help make children's activities more affordable for Saskatchewan families.

Today we are keeping that promise by announcing the new Active Families Benefit, which will come into effect for the 2009 tax year.

Our government believes in a province where everyone is able to achieve their full potential,...

And we recognize the tremendous work done by Community Based Organizations to achieve this goal.

That's why we promised to provide an additional \$5 million dollars a year to CBOs that provide life skills and employment training.

Today we are keeping that promise.

Our government believes that a vibrant arts community is key to providing the high quality of life that attracts people to our province.

That's why we promised to maintain funding for provincial arts organizations.

Today we are keeping that promise.

A wonderful saying popular among First Nations and Indigenous communities around the world, which resonates with me as well says: *Treat the earth well: it was not given to you by your parents, it was loaned to you by your children. We do not inherit the Earth from our Ancestors, we borrow it from our Children.*

That's why we promised a significant boost of \$10 million dollars to Green Initiatives funding, so we can keep our environment healthy and balanced, and so that Saskatchewan will remain a beautiful and clean place to live.

Today, we are keeping that promise.

Our government committed to doubling the Caregiver Tax Credit, to assist family caregivers who generously give their time and compassion to help elderly, sick or disabled family members.

Today, I'm pleased to announce that we are not only keeping that promise, ... we will go further.

We will also be increasing other tax credits that assist families in caring for their family members with disabilities.

We promised relief from the significant burden of property taxes in this province – by increasing the education property tax rebate from 10 to 12 per cent this year for homeowners,... and from 38 to 47 per cent for farmers.

Today we are keeping that promise, and increasing this tax credit to nearly \$160 million dollars in tax relief.

This translates to an average farmland owner saving over \$2,000 dollars in taxes on their property. And we recognize we must continue to work toward long-term solutions to put this issue to rest.

### **Safe and Vibrant Communities**

Today's Budget will benefit Saskatchewan as we work together to make our communities safe and vibrant.

We promised to assist those in our society who need our help.

We promised to commit major new funding for addiction treatment. Today, we are keeping that promise.

We promised over \$1 million dollars to support transition houses and sexual assault centres. Today, we are keeping that promise.

We also promised to make our communities safer by putting more police officers on the streets. Today we are keeping that promise.

This Budget provides the additional \$3 million dollars required to hire 30 more police officers, who will be posted across the province. This is the first step in our four-year commitment to expand the police force by 120 new members.

And we promised to increase the Victim Surcharge paid by offenders, to provide additional support for victims of crime.

Today, we are keeping that promise.

### **Boost Healthcare**

Philosopher Henri Frederic Amiel said: “In health there is freedom. Health is the first of all liberties.”

Today’s Budget will give a much-needed boost to healthcare in Saskatchewan.

Our first step was to increase the Ministry of Health’s Budget by over \$300 million to over \$3.7 billion dollars.

Healthcare professionals can expect the support they need in this year’s Budget.

We’ve recently announced that \$60 million dollars will flow toward a new Saskatchewan Union of Nurses partnership, to begin to address the nursing shortage in this province.

We also promised significant new dollars to support added training seats for physicians and nurses.

Today, we are keeping that promise.

And we will encourage physician recruitment and retention for internationally-trained medical graduates.

We promised new funding to add more drugs to the Prescription Drug Plan.

Today we are keeping that promise.

Our government will provide \$6 million dollars to make new and more effective prescription drugs available to Saskatchewan people.

We promised to increase support for cancer patients, to increase funding to the Saskatchewan Cancer Agency and to cover the cost for Avastin, and other much-needed cancer drugs and supplies.

Today we are keeping that promise.

We promised funding to commission a Patient First Review and Patient Exit Surveys, to provide us with vital information on how to improve quality care for patients.

Today we are keeping that promise.

We promised proactive measures to promote health and wellness in this province.

And we promised to establish a 10-year capital plan for healthcare, to keep our system in good shape for the future, ... to ensure our hospitals and health facilities are repaired and maintained,... to better meet the needs of the sick and injured.

Today we are keeping that promise.

### **Effective Education and retaining youth**

Today's Budget will benefit students in Saskatchewan.

We are dedicating \$75 million additional dollars to our university and post-secondary education system to train, retain and attract young people to Saskatchewan.

This is key to the prosperity of our province.

We promised a bold, new initiative to keep more of our educated young people in Saskatchewan, by offering \$20,000 dollars in tuition rebates over seven years following graduation.

Today we are keeping that promise.

We promised to help university students with their tuition costs, and are providing another year of tuition freeze with an eight per cent increase in operating costs dedicated to universities.

Today we are keeping that promise.

We promised to increase support to the Johnson-Shoyama School of Public Policy, to train brilliant minds for brilliant futures in the civil service, right here.

Today we are keeping that promise.

We promised to address the labour shortage by increasing training opportunities throughout the province.

Today we are keeping that promise.

This Budget supports the creation of 300 more training opportunities for on-reserve Adult Basic Education training seats, through local colleges and the Saskatchewan Indian Institute of Technology.

We will also be working to develop further training opportunities through the \$15 million dollars dedicated to enhance training opportunities for under-skilled individuals, in a new, six-year Labour Market Agreement recently signed with the federal government.

In addition to a significant capital investment in Saskatchewan schools under our Ready for Growth Initiative, we promised to increase operating funding for Kindergarten to Grade 12.

Today we are keeping that promise.

We promised to maintain funding levels for childcare and early childhood learning and development programs in Saskatchewan.

Today we are keeping that promise.

This Budget will, in fact, add 500 more childcare spaces, give our respected child-care workers a raise, and include 38 new pre-Kindergarten programs.

We feel it's vital to nourish childcare and early childhood learning and development, so our smallest citizens can learn about the wonders of education, at a time when they are most receptive.

### **Economic momentum/Accountable government**

Saskatchewan people will benefit from our thriving economy.

We want to see everyone enjoy the benefits of opportunity and prosperity, as we prepare for growth.

We promised to fully fund our agriculture risk management programs – Crop Insurance and the AgriStability and AgriInvest programs, formerly known as CAIS.

Today we are keeping that promise.

Our government is committing over \$220 million dollars to fully fund these programs.

This includes a \$25 million dollar increase to the Crop Insurance Program.

We will also keep our promise to initiate a crop insurance review this year to provide better coverage for our producers.

We promised to provide additional funding for the Petroleum Technology Research Centre, and also expand the potential for CO2 Capture.

Today we are keeping that promise.

And we promised to introduce five-year, interest-free loans to municipalities in our Saskatchewan Infrastructure Growth Initiative, to assist communities in dealing with the growing demand for both commercial and residential lots.

Today we are keeping that promise.

As our economy grows, affordable homes are more difficult to find, especially for first-time home buyers and renters. Our government will review this issue and take necessary steps to ensure we all benefit from our province's prosperity.

We promised to dedicate the proceeds from the sale of the New Grade Upgrader to fixing our roads and highways.

Today, we're not only keeping that promise, ... we're accelerating our timetable by committing \$140 million dollars over the next two years to municipal roads and highways.

We will develop plans this year – in partnership with Saskatchewan's universities – for a Transportation Centre of Excellence. The Centre's purpose is to research and test new technologies in road construction and repair, to provide innovations that will improve our highway system.

We promised to increase municipal revenue sharing at seven per cent for 2008-09.

Today we are keeping that promise.

We promised to double tourism funding in this province, to \$16 million dollars, to spread the word of what a wonderful place Saskatchewan is to explore.

Today we are keeping that promise.

We promised to reinstate the Saskatchewan Mineral Exploration tax credit, to encourage all Saskatchewan residents to participate in our economic success.

Today we are keeping that promise.

We promised to increase grants for First Nations consultations, including support for mapping of traditional territories. Today we are keeping that promise.

Today's Budget also recognizes that full participation in the economy by First Nations and Métis people is vital to sustaining our economic momentum.

That's why we will boost loans to the Northern Development Fund to assist with business development and diversification, and create more jobs in northern Saskatchewan.

Our government wants to expand on programs promoting self-reliance in northern employment and business development.

We will continue to make grants available to Aboriginal entrepreneurs to create more businesses, with the spin-off effect of more jobs for First Nations people.

We will also enhance partnerships and open lines of communication between employers, training centres, and Aboriginal people.

Our government believes in the incredible talents, creativity, and skills of our First Nations residents.

We believe in what they can achieve, and we will offer the tools they need to get there.

### **Sound Financial Management**

Our government believes that the foundation of a growing economy and long-term prosperity for our province is sound fiscal management – balancing the budget and paying down debt.

That's why we promised our first Budget would include \$250 million dollars for debt reduction, in order to lessen the burden on our future generations.

Today we are keeping that promise.

And, we promised to balance the Budget.

I am very pleased to announce that today, we are keeping that promise.

## **Conclusion**

French author Anatole France is believed to have said, *"To accomplish great things, we must not only act, but also dream; not only plan, but also believe."*

Today's Budget provides not only a vision, but also a plan for securing Saskatchewan's future.

It is about our dreams for the future, but it is also about action,... the action we must take now to be ready for growth.

Our government's plan for the future is financially sustainable. Today, I have presented a four-year fiscal plan that is balanced.

We've developed our \$1 billion Ready for Growth infrastructure plan to lead us into the future. To bring our hospitals, our schools, our roads and highways up to date, requires the largest investment in public infrastructure in the history of our great province, as we continue to strive to do better.

This Budget ensures we keep our promises to the people of Saskatchewan.

And we will follow up on every commitment I've announced today, to ensure every final detail is done, right down to hammering the last nail.

Today, Saskatchewan people are looking to the future with unprecedented hope and optimism.

Yet in typical Saskatchewan fashion,...there is a common-sense sort of practicality to this optimism.

They want our own unique Saskatchewan brand of growth,... growth that maintains everything that is great about this province,...

Our high quality of life,... our pristine environment,... and our strong sense of community.

And they are asking – are we ready?

Are we ready for all the opportunities that are coming our way?

Are we ready to fulfill the endless possibilities the future has to offer?

Are we ready for growth?

I believe the answer is yes,... and that years from now, when future generations look back at this pivotal moment in our province's history,...

They will see that we did make the right choices,...

We did make the right investments in the future,...

And we were indeed ready for growth.

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