

# Sask. Party keeping election promises: delivers balanced budget

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*Finance Minister Ken Krawetz delivers the 2012 Saskatchewan provincial budget to a host of media at the legislature on March 21. Photo by Nathan Liewicki.*

**by Devin Heroux and Nathan Liewicki**

Regina, SK – In the first budget since last fall’s election, Saskatchewan Party Finance Minister Ken Krawetz delivered a balanced budget Wednesday in Regina. In the party’s fifth consecutive budget announcement, Krawetz talked about ‘Keeping the Saskatchewan Advantage.’ While the government is focusing on making life

more affordable for people living in Saskatchewan, the NDP is questioning the numbers.

“Saskatchewan is the first province to table a balanced budget this year,” Krawetz said. “In the last campaign we made some targeted election promises designed to make life more affordable for Saskatchewan people. Today we are keeping our promise.”

But the NDP Finance Critic, Trent Wotherspoon, says this budget is taking more money out of the pockets of seniors, cutting funding to school boards and asking everyday families to “pay more and get less from their province.”

Key numbers include a focus on provincial health services with an investment of \$4.68 billion – a 4.9 per cent increase over last year. The budget also focuses on First Nations and Metis initiatives by providing \$172.4 million, an increase of more than \$4.7 million or 2.8 percent. The government’s overall funding to school divisions in 2012-13 will be \$1.74 billion, an increase of five per cent which includes an increase of \$59 million in operating funding.

While the overall funding to school divisions will increase in this year’s budget, Wotherspoon says that a \$10 million education backfill for schools doesn’t cover off the millions that will be taken from a dozen school divisions as a result of the Sask. Party government’s flawed education funding formula.

“Taking funding out of classrooms at a time when the province is growing is not smart growth,” said Wotherspoon. “There is no long-term gain and no long-term vision in asking our students to make sacrifices today.”

Also in this year’s budget the government has identified four new goals for the province including sustaining growth and opportunities for Saskatchewan people, improving the quality of life, making life more affordable and delivering responsive

and responsible government. Government expenses to deliver these goals are expected to be \$11.2 billion, up by 4.7 per cent compared to last year.

“3.9 per cent of these expenses are in operating spending and the remainder is in capital investments,” Krawetz said. “This allows us to meet our priorities and keep our election promises. It also means responsible spending choices.”

Krawetz also wanted to take time to boast about Saskatchewan’s booming economy. Private forecasters expect Saskatchewan to lead the nation with 3.1 per cent growth in 2012 – and again in 2013 with a 3.3 per cent growth spurt.

“In 2011, the Saskatchewan economy grew by 3.6 per cent, second highest in Canada even with the challenges caused by excess moisture and flooding,” said Krawetz. “Just today we learned that Saskatchewan grew by more than 17,000 people in 2011, the largest population growth in one year since 1953.”

Other highlights of the 2012 provincial budget include:

### ***Investments***

- \$98 million increase, or 3.5 per cent, for Regional Health Authorities;
- \$60.5 million for the Saskatchewan Surgical Initiative, to perform 8,000 more surgeries and continue reducing surgical wait times;
- \$16.9 million more for the Saskatchewan Cancer Agency, for 6,000 new patient referrals, almost 30,000 chemotherapy treatments and 39,000 mammograms;
- \$4 million to expand the colorectal screening program province-wide, providing early cancer detection and improved survival rates;

- \$5.5 million more for Shock Trauma Air Rescue Society (STARS) Helicopter Ambulance;
- \$3.5 million for the Senior Personal Care Home benefit, estimated to be \$278 a month, rising to \$369 per month by 2015-16;
- \$24.2 million, a \$3.3 million increase to provide Seniors Income Plan benefit increases of up to \$50 per month starting July 2012, an increase of up to \$10 per month in each of the next three years;
- \$113 million, a \$17.8 million increase to provide expanded Saskatchewan Assured Income for Disability eligibility. The benefit will increase and the number of clients will expand from 3,000 to 10,000;
- \$237.4 million in Municipal Revenue Sharing, an increase of \$20.6 million, or 9.5 per cent;
- \$4.6 million to meet the commitment to establish the Saskatchewan Advantage Scholarship, that will provide new high school graduates with up to \$2,000 toward tuition fees at any Saskatchewan post-secondary institution;
- \$3 million increase to expand the Active Families Benefit Program to include all children and youth under 18 years of age;
- A new rental housing construction initiative providing a 10 year rebate of Corporate Income Tax equal to 10 per cent of the expected rental income from the new multi-unit residential rental projects;
- The new Saskatchewan First-Time Homebuyers' tax credit of up to \$1,100 against the Saskatchewan income tax payable;
- \$40 million to the Saskatchewan Children and Youth Agenda, an increase of \$6 million;

### ***Capital Expenditures***

- Capital investment is up \$193 million, or 32 per cent from 2011;
- \$42.7 million to begin construction of seven previously announced Long Term Care (LTC) facilities under a new co-ownership model with health regions. Construction will also continue on six LTCs already begun;
- \$88.7 million for 21 approved major school projects;
- \$581.5 million in highways spending, commencing the government's commitment to spend \$2.2 billion over four years;

### ***Spending Cuts***

- The Film Employment Tax Credit will be wound down, saving \$8 million a year after previously approved productions are completed;
- The province will no longer fund the Enterprise Region Program, saving \$4 million this year. The province will be transferring funding and decision-making to municipalities;
- Charges under the Seniors' and Children's Drug Plan go up by \$5 per prescription, which will save \$10 million. These charges have not been changed since 2007.