



April 6th, 2021

NSBA Commentary on 2021/22 Provincial Budget Release

Phone 306.242.3060 Fax 306.242.2205

Email
info@nsbasask.com

#9-1724 Quebec Avenue,
Saskatoon, SK S7K 1V9

NSBA supports provincial budget despite \$2.6B deficit, recognizing special circumstances due to COVID-19

Saskatoon, SK – For the second straight year, the Saskatchewan budget was unveiled amid the backdrop of the COVID-19 pandemic. It is in this light then that the NSBA recognizes the unique circumstances that the 2021/22 Saskatchewan budget is attempting to address, with expenses exceeding revenue by a whopping \$2.6B deficit. Included in this amount is \$1.5B allocated to COVID supports, which the NSBA agrees is necessary considering the current state of Saskatchewan's economy.

"It's very strange to be endorsing a provincial budget with a deficit of \$2.6B," acknowledges Keith Moen, Executive Director of the NSBA, Saskatoon's Business Association. "But these are strange times."

"In normal circumstances the NSBA supports balanced budgets and fiscal restraint within government circles," Moen continues. "But nothing seems to be normal these days. With that being said, we have a high degree of confidence that we are on track to returning to a more normal lifestyle and economy soon, once this pandemic is behind us."

The NSBA recognizes the need for government to increase its spending in a number of non-business areas, such as health and safety, education and social services. We acknowledge this funding will not only benefit services in these important areas, but ultimately will also serve as a means of stimulating the economy through economic spin-off variables.

The NSBA also appreciates the commitment of \$3.1B in infrastructure spending that the government has committed to for 2021-2022. The NSBA has particular interest in that the principles of Best Value in Procurement Act be applied, which should bode well for keeping a good portion of that funding in the province.

Despite the provincial debt rising to \$27.7B, an increase of \$4.1B from last year, the NSBA acknowledges the province's ability to withstand this burden, based on its AAA credit rating. Further, the NSBA appreciates that Saskatchewan has one of the lowest net debt as a percentage of GDP among all of the Canadian provinces.

"It's important that the government shows commitment to the people of this province through this stimulus spending and health and safety precautions," says Moen. "The sooner this stimulus spending gets into the economy, the better. It's important to have something positive to look forward to."

For more information:

The NSBA is a member-driven and focused business association in Saskatoon that serves, promotes and protects business throughout Saskatoon and beyond. The NSBA has developed its mandate and reputation by being a relevant, topical and effective organization that interacts with all levels of government and industry on a variety of issues for the betterment of our local economy.

Keith Moen

Executive Director

NSBA

(306) 242-3060

keith.moen@nsbasask.com



SASKATOON'S BUSINESS ASSOCIATION