

NSBA Supports Feel-Good Provincial Budget

FOR IMMEDIATE RELEASE

Saskatoon, SK – March 22, 2023 – Based on revenues of \$19.7B and expenses of \$18.7B, Finance Minister Donna Harpauer announced a \$1B surplus budget when she released the 2023-2024 provincial budget in the Legislature today. This, despite the fact that expenses are up \$1.039B, which is an increase of 5.9 per cent from the 2022-2023 budget.

The Government is able to afford such increased expenditures thanks to a strong economic performance by the province. Saskatchewan led the nation with real GDP growth of 4.8 per cent last year. To put it in context, the preceding 10-year average is 1.2 per cent real GDP annual growth for Saskatchewan.

Increased expenditures in Agriculture (\$409.8M) and Healthcare (\$232M) make up nearly two-thirds of the increased expenditures, with the remainder going towards education, social services, and municipalities, to name a few. The Government touts the Budget as Growth That Works For Everyone.

“The NSBA is pleased with the 2023-2024 Budget announced by provincial Finance Minister Donna Harpauer today,” says Executive Director Keith Moen. “The budget is a good indicator that the provincial economy is on its way to recovery following some pretty tough years during the pandemic.”

Particularly pleasing is the fiscal responsibility the Government is showing as it relates to the provincial debt. Based largely on a surplus of \$1.1B in 2022-2023 Q3, the provincial Government was able to pay off \$1.4 B of debt in 2022-23, which will realize an annual savings of \$117M in interest expense. Furthermore, the 2023-24 budget forecasts another \$1B to be allocated to debt reduction.

The mining industry, and supporting business community, welcome an increase in the Saskatchewan Mineral Exploration Tax Credit from the previous 10 per cent to 30 per cent, effective this year's budget. The NSBA also welcomes increased economic development expenditures for increased immigration (\$5M) to the Targeted Mineral Exploration Incentive program (\$4M) and \$2M for the Film and TV Tax credit.

The one area that the NSBA believes could have been reconsidered was the Government's intention to increase the Small Business Tax rate from its current 0 per cent to 1 per cent effective June 1. “Although we're seeing benefits of a growing economy, one of the areas that may still be needing stimulus is in the small business sector,” Moen says. “But this is an area that we can continue to raise with the government moving forward.”

For more information:

The NSBA is a member-driven and focused business association in Saskatoon that serves, promotes and protects businesses 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 various issues for the betterment of our local economy.

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