

## SASKATCHEWAN GROWTH PLAN 2030

### PRIORITY THEMES

The three themes that emerged during our consultation were:

- I. Investment attraction & retention;
- II. Competitiveness; and
- III. Supplier development.

Success in any one area amplifies opportunities in other areas and across the economy. Focusing in these areas allows the government to capitalize on things it is already doing. Most of the recommendations provided herein do not require new government investment, but rather reallocation of existing resources towards new purposes.

The goal is to pursue new, different, and better outcomes with the same level of government investment. Cost-effective refinement of priorities allows a swift transformation in the narrative of Saskatchewan's economy – to better reflect the positive future of our province.

### RECOMMENDATIONS

#### *I. Investment Attraction & Retention*

- Enhance the mandate of the Saskatchewan Trade and Export Partnership (STEP) to include attracting new foreign investment to the province – identifying prospects and key market opportunities;
- Adjust the mandate of the Ministry of Trade and Export Development (TED) to include support for pitching/selling Saskatchewan as an investment destination to external and internal investors, with a focus on the former;
- Ensure the updated mandate of TED involves greater collaboration with private sector stakeholders – leveraging Saskatchewan's business community in selling local business opportunities to investors;
- Commit to *Investment Missions* around the world that target high value prospects – sending STEP, TED, and private sector partners as necessary;
- Adjust the mandate of the Ministry of Government Relations (GR) to include local regulatory harmonization, making new investment more attractive; and

- Commission an inter-ministry working group to develop a diversification strategy leveraging preferential treatment for new investments in selected sectors.

## ***II. Competitiveness***

- Expand the mandate of the Red Tape Reduction Effort – forming an official committee with investigative authority;
- Effectively market the work and successes of Red Tape Reduction;
- Launch a Comprehensive Provincial Tax Policy and Rate Review to assess Saskatchewan’s overall competitiveness;
- Create a catalogue of all layered tax policies and rates by municipality to support investment attraction and policy debate; and
- Adjust the mandate of the Ministry of GR to more aggressively work with municipalities to streamline regulatory burdens – from building codes/permits to administrative process harmonization.

## ***III. Supplier Development***

- Expand the mandate of Priority Saskatchewan to more deliberately prepare Saskatchewan suppliers for securing both public and private work;
- Empower Priority Saskatchewan to develop both sector and market specific suppliers – mining, energy, agriculture, IT, R&D, Aboriginal, Women Entrepreneurs, Young Entrepreneurs, etc.;
- Properly staff Priority Saskatchewan to deliver on these goals;
- Develop resources to support Saskatchewan suppliers to begin competing in neighbouring provinces and states;
- Pursue, expose, and remove barriers to competition in Alberta and other NWPTA provinces; and
- Work with Saskatchewan business groups to fully and effectively engage the business community.

## **BACKGROUND**

### ***I. Investment Attraction & Retention***

Today, Saskatchewan's economic story is about the sustained global decline in resource prices and demand. The media's response to falling revenue has left the impression of a province starved of opportunity and confidence. This is simply untrue. Even fighting uphill against this perception, Saskatchewan's resource sectors continue to be profitable and our economy is growing at historically average rates.

The government has worked diligently to identify and open new markets for the things we produce. This has proven effective in protecting existing investment and stabilizing production of some resources. This work should continue.

However, the government should now focus its resources on attracting new investment dollars into Saskatchewan – in resources, innovation, infrastructure, and business. Relative to markets across the globe, this province is an easy and stable place to invest. Right now, the long-term return is highly attractive with broad opportunities and guaranteed ongoing demand.

Pushing to establish a rush of investment in our resource-rich province would encourage confidence from local investors who have struggled to justify placing their money at home in recent years.

There is significant opportunity to draw investment to Saskatchewan thanks to our 651,900 square kilometers of raw resources, available labour, reasonable regulation, stable and business-friendly governance, and accessible real estate.

Committing to this path begins with adjusting the mission of agencies like the Saskatchewan Trade and Export Partnership (STEP) and the Ministry of Trade and Export Development (TED) to include identifying, prospecting, and presenting opportunities to investors.

### ***II. Competitiveness***

Saskatchewan has done exceptional work improving its position as an easy place to do business in the past dozen years. This work was a key driver in kicking off the boom years. While the province has not changed, there appears to be a loss of momentum towards this goal.

To shift this narrative, the government should forcefully and publicly recommit to ensuring barriers to business and success are removed at every opportunity.

Achieving this begins with aggressively highlighting the work and achievements of the Red Tape Reduction Effort. Other steps include a Comprehensive Tax Policy and Rate Review and work to streamline regulatory burdens across jurisdictions.

Saskatchewan should be the best places to do business in Canada. But we face pressure from our neighbouring provinces who are often competing for the same facilities, business investment, market access, and labour. The recommendations here are meant to address the significant risk we face in proximity to a renewed and resurgent Alberta offering steep cuts in business tax.

### ***III. Supplier Development***

The success of the previous recommendations is dependent on Saskatchewan businesses and citizens benefiting from increased investment and growth. Because our provincial economic ties are often stronger with foreign partners and we are a small market, our local businesses tend to do most of their work within the boundaries of the province. Their success or failure is intimately tied to the performance of our province.

Once Saskatchewan has secured investment from across the world, we must ensure that Saskatchewan businesses are prepared to successfully meet the demands of investors. There is public interest in ensuring suppliers are up to the task. Priority Saskatchewan already does some supplier development. Expanding the resourcing and mandate of the group would drive significant performance improvements from local suppliers by distilling the accrued experience of Saskatchewan businesses into lessons and transferrable skills. These, in turn, would improve Saskatchewan suppliers' performance in both bidding and delivering on projects – both in Saskatchewan and beyond our borders.

### **Conclusion**

Saskatchewan is more than just oil, potash, uranium, forestry, grains, or pulses. Our potential as a province is profound – we produce essential resources the globe will continue to demand for generations. Our current situation is only challenging in comparison to the unsustainable boom years beforehand. Global prices and demand are beyond provincial or federal control and, in any case, both are strong enough to successfully support our economy. What needs to change is the broad overreaction to an economic decline from unsustainable peaks – in prices, demand, and wages.

Instead of waiting out the anxiousness these conditions have created over the past few years, the province must refocus and commit to developing new and existing opportunities using every tool available to generate new investments, strengthen internal opportunities, and prepare Saskatchewan businesses to succeed in the next phase of growth.