
SASKATCHEWAN ALTERNATIVE BUDGET **2007 - 08**

Poverty and Inequality
in a Time of Prosperity



Canadian Centre for Policy Alternatives
Saskatchewan Office
2205 11th Avenue, Suite 105
Regina, SK S4P 0K6
(306) 924-3372
www.policyalternatives.ca

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I. Introduction

The Saskatchewan Office of the Canadian Centre for Policy Alternatives (CCPA) is pleased to present the 2007-08 Alternative Budget.

This budget draws upon some of the issues raised by the hard and tireless work of the Citizens' Budget Commission. In November and December 2005, the Citizens' Commission heard presentations from concerned citizens, activists and community groups across the province. This comprehensive exercise in participatory budgeting was used to identify areas of concern in provincial government policy along with possible solutions. At the culmination of this project, information was compiled with other CCPA material, and the 2006-07 Alternative Provincial Budget emerged as a final result.

This year we return to the issues identified in the Citizens' Budget Commission and the 2006-07 Alternative Provincial Budget, but we delve into these issues further. The Budget this year focuses on the inequality inherent in Saskatchewan society, often as a direct result of the provincial government's policy and programming, or lack thereof.

Economic inequality in Saskatchewan is particularly troubling now when Saskatchewan is facing a booming economy, blossoming resource revenue, strong economic growth, and a time of prosperity. In the wake of this abundant wealth, last year the government chose to implement substantial business tax cuts, exacerbating this income inequality and ignoring those in the lower income brackets who need it the most.

Implementing the recommendations of the Business Tax Review Commission was not an unavoidable step, but merely a choice made by government - one of many budget choices they have the freedom to make. It is important to understand that the Saskatchewan Provincial Budget is merely a collaboration of priorities and choices made by the government, choices that are sometimes portrayed as unavoidable. The purpose of the Alternative Provincial Budget is to remind the public, and the government, that alternative choices are always available. Budgeting is merely a matter of making priorities in these policy options.

The Alternative Provincial Budget seeks to act as a tool to influence government decisions, but also as an educational tool for community organizations to develop viable alternatives to government policy. Furthermore, it can be used as a resource for public education and discourse. It is meant to stir analysis, discussion, and thought-provoking debate. Please use it to the best of its potential.

II. Fiscal Framework

Generating Revenues

Governments are responsible for safeguarding and improving the lives of their citizens. One aspect of this duty is to create and provide public goods for their citizens. In order to fulfill this obligation, governments must raise the appropriate amount of taxes to meet citizens' demands for public goods.

Government services and programs reflect the collective responsibilities and activities that make us a civil society. They embody the value we put on access and equity and also our concerns with efficiency. However, these values and concerns must be reflected in how we finance government.

The Alternative Budget asserts that shifts in our methods of revenue generation can provide our government with another \$1.2 billion to address the social investment needs of the province in 2007-08.

Increasing Revenue

Currently, the Saskatchewan Government generates its tax revenue from four main sources:

- Corporate Capital and Income Tax
- Sales Tax
- Natural Resource Tax
- Individual Income Tax

Taxes are the price we pay for living in a civil society. We often take government services for granted and seem to forget that they have a cost. Taxation allows society to enjoy the benefits of the effective and equitable provision of essential public goods. Taxation is an essential ingredient in the creation and development of a fair, prosperous and sustainable society. Governments raise

revenue by taxing economic activity and wealth accumulation; there are taxes on income (personal and corporate), wealth (e.g. property, capital) and consumption (e.g. sales, tobacco, gambling). Governments also raise money by charging private companies rent, or royalties, on the use and exploitation of our natural resources.

Under our proposals, low-and middle-income people would pay less and higher-income people would pay more. The province should move away from regressive, or anti-social, taxes such as consumption taxes and gambling.

Gambling — A Tax by Any Other Name

Gambling is a consumption tax and one of the most regressive taxes we rely upon. It is an extremely profitable activity for both private and public providers, and it collects a much greater proportion of income from the poor than the rich. Saskatchewan is becoming increasingly dependent on gaming corporation profits, but this must cease.

Video-lottery terminals (VLTs) are touted as the most highly addictive forms of gambling. Last year the province collected total revenue from VLTs of nearly \$233 million.¹ We recommend that the provincial government decrease the number of VLTs in the province to 3,000. We also believe that there should be a moratorium on any further casino expansion in the province.

¹ Saskatchewan Liquor and Gaming, <http://www.slga.gov.sk.ca/x3731.xml>

a. Corporate Income Tax

ACTION: Conduct a new study of corporate taxation structures including a holistic examination of the role of corporations in our province.

We believe there is a need for a more substantial examination of Saskatchewan's corporate tax regime beyond the parameters of the 2006 Business Tax Reform Committee. We feel there is a need to think of corporations in a more holistic manner, including their contribution to the province.

We need to change the tax system to get the incentives right. Non-profitable organizations clearly should not be taxed. However, a number of loopholes exist that allow profitable corporations to avoid paying their fair share of taxes in this province.

Saskatchewan's corporate tax structure must be reformed in order to continue the diversification of our provincial economy, to encourage investments in future productivity, and to generate good jobs outside of either part-time or flexible hours service sector employment. This will assist in alleviating poverty and the problems of the working poor, while insulating the economy from the vagaries of commodity markets.

A new tax structure must include a shift to a progressive corporate income tax system that helps small and medium sized businesses with lower rates, particularly in their first 5-8 years of operation and establishment. It must also include increased rates for the largest corporations. This would have to be supplemented with a new system that would provide significant tax relief to good corporate citizens who invest in physical, human and social capital. This means that well-established, large

corporations who do nothing to build productivity and the community will be penalized with higher taxes. On the other hand, large corporations who are investing in physical, human or social capital would get tax relief in line with their investments. Lower tax rates would also be applied for successively smaller levels of business, again providing significant tax relief for capital investments of various types. The result would be a tax system that would drive the economy forward and contribute fairly to the provincial economy.

b. Sales Tax

ACTION: Reduce the sales tax to 5.5%.

In theory any excise tax is regressive, burdening those at the bottom end of the income scale disproportionately in line with their higher rate of consumption in income. The most basic of necessities are GST and PST exempt which mitigates this regressive effect somewhat. Almost half of Saskatchewan people must spend their entire income just to survive. Thus, their full income, with relatively minor exceptions, is subjected to sales taxes. On the other hand, higher income people who can save and invest are in a position to defer taxation to the time of consumption

There are two options for improving the sales tax position of the province. Our first choice would be to harmonize the PST with the GST, at a lower combined rate of 10% for both. This would eliminate the double taxing on production that is embedded in the PST and would reduce the total amount of tax on consumption. Failing this move to sales tax harmonization, it would be best to reduce the PST to 5.5% this year and to 5% as soon as possible.

c. Natural Resource Tax

ACTION: Conduct a comprehensive study on how to extract the optimum level of economic rent from each resource sector, proper royalty and taxation rates, and the proper division of revenues between Saskatchewan citizens and private industry.

Currently, there are four major natural resource sectors that are significant to Saskatchewan's economy - oil and gas, potash, uranium, and forestry. There is a definite need to increase resource revenues collected by the Saskatchewan Government from corporations that profit from extracting natural resources in Saskatchewan. Just as the world prices of oil and natural gas, uranium and potash were rising, the provincial government lowered the royalty rates and provided the industries with additional tax breaks. However, it is equally as important that we understand how to obtain resource revenue in the best way specific to each sector.

In recent years, there has been enormous economic rent – surplus profits – taken from the extraction of Saskatchewan's natural resources. As one example, we can look at the oil industry in the province. In 2003, the average price of a barrel of Saskatchewan oil (light, medium and heavy) was C\$31.08. ARC Financial Corporation of Calgary, using figures from the Canadian Association of Petroleum Producers, reported that finding and development costs in western Canada were approximately \$9 per barrel. In 2003, royalties and bonus fees in Saskatchewan averaged \$4.64 per barrel. The industry expects to achieve a 12% return on equity, considered a cost of production.

Husky Oil and the Government of Saskatchewan have stated that the

industry can continue to attract investment for development if the price of West Texas Intermediate oil is \$20 per barrel, which is generally 15% higher than the price of heavy oil. Thus, the economic rent taken from the extraction of oil appears to be in the range of \$15 to \$20 per barrel. At the level of \$15 per barrel, this gave the industry an astonishing \$3.2 billion in profits.

As a point of reference, in 1973 when OPEC raised the price of oil from \$3 to \$7 per barrel, the governments of Alberta and Saskatchewan introduced an excess profits tax and claimed these windfall profits for the people of their provinces. Today, all the oil-producing countries of the world are taking similar action except Canada.

The Conference Board of Canada projects that "Mining promises to post solid growth [in Saskatchewan] for the remainder of the decade, led by uranium and potash extraction, with an annual growth of 2.7% from 2004 to 2009 and a slowdown to 1.7% over 2015-2025"² From the Conference Board of Canada's projection, major resource revenue will come from the uranium and potash sectors. It is recommended that resource taxation be raised dramatically in the resource sectors.

During the Allan Blakeney NDP Government (1979-1982), the resource revenues as a percentage of total revenue were 31.4%. However, during the Roy Romanow NDP Government (1992-2000), resource revenues as a percentage of total revenues were only 13.1%. Clearly, there is room to accommodate substantially increased resource revenues. The Alternative Budget asserts an increased earning factor from resource revenues of 1.6 times the current amount,

² Benard 2005, page 11

resulting in an increased revenue potential of nearly \$2.6 billion from the 2006-07 levels.

ACTION: Eliminate the Fiscal Stabilization Fund and transfer the remaining balance to reduce the debt.

The Fiscal Stabilization Fund (FSF) is a deceptive form of provincial accounting. Funds like these make government finance much less transparent. On the surface, they appear to be savings funds that are built up during periods of surplus revenue and reduced during periods of lower revenues. They present an image of financial prosperity, ensuring the public that the government has 'money in the bank' and does not need to borrow to meet expenditures. However, when the government is running a debt greater than \$7 billion - as is the current case - this is faulty logic. In essence, these funds are a way for the government to argue that it is staying within its announced annual budget. It allows governments to not run in a deficit position whenever expenditures run above revenues during the year by merely drawing down the FSF or the Strategic Initiatives Fund.

ACTION: Tax inheritances greater than \$3 million.

In the early 1970s, the federal government transferred to the provinces the power to tax inheritances. Saskatchewan had this tax until 1976, but Alberta's refusal to levy the tax made it difficult (but not impossible) for other provinces to continue to do so. Billions of dollars in tax revenue from the wealthy have been lost to the provinces over the years. This is a progressive tax. The Alternative Budget asserts changing the parameters of the wealth transfer tax, so that only

inheritances above \$3 million are taxed. Farm inheritances would be exempt.

d. Individual Income Tax

ACTION: It is recommended that the Saskatchewan Government create a new tax credit program specifically designed for people who, after gaining employment, are in a transition period between social assistance and total independence.

The tax rates presented in Table 1 on the following page demonstrate how the Government of Saskatchewan has dispersed its tax relief among all individuals, with a 4.35% decrease in tax rates for the lowest income group, 3.7% reduction in tax rates for the middle income group, and a 6.25% reduction in the tax rate for the top bracket. Those individuals who are most able to pay taxes have been rewarded as opposed to those who struggle in the lowest income bracket.

Currently, a single person earning less than \$8,589 is not subject to taxation³. If this person successfully gains employment that allows him/her to earn more than \$8,589, he/she is immediately subjected to 11% income tax. Simultaneously, many benefits that are guaranteed by the Saskatchewan Social Assistance Program are taken away immediately upon obtaining employment. The total income tax rate for people in a transition period is a combination of the marginal income tax rate plus any social assistance benefit claw back. Creating an environment that generates no incentive for individuals to leave social assistance programs, and

³ Basic personal tax credit for year 2006 is found:
<http://www.gov.sk.ca/finance/taxation/2006taxstructure.htm>

clearly disadvantages the working poor is unethical and unfair.

Justification for this tax credit program is simple. There are two groups of people who are particularly disadvantaged - those on social assistance and the working poor. Many cycle endlessly between these two categories, often propelled into low quality employment situations through the threat of the removal of social assistance benefits. We need to investigate the possibility of having a negative income tax for people with incomes below a living wage. This would provide tax relief for the working poor, create a seamless incentive for people to seek employment and replace social assistance without fear of a large decrease in their quality of life. While we await the possibility of a negative income tax system, it is very important that future tax cuts are disproportionately directed towards the lowest income groups.

Table 1: Changes in Saskatchewan Income Tax Rate (on Taxable Income)⁴

2001	2002	2003	2004	2005	2006
11.5% on first \$30,000	11.25% on first \$30,000	11.0% on first \$35,000	11.0% on first \$36,155	11.0% on first \$36,770	11.0% on first \$37,579
13.5% on next \$30,000	13.25% on next \$30,000	13.0% on next \$65,000	13.0% on next \$67,145	13.0% on next \$68,286	13% on next \$69, 788
16% on remainder	15.5% on remainder	15.0% on remainder	15.0% on remainder	15.0% on remainder	15.0% on remainder

⁴ Tax rates from years 2001 to 2004 are from 2005-2006 ABC. For year 2005: <http://www.gov.sk.ca/finance/taxation/2005taxstructure.htm>
For year 2006: <http://www.gov.sk.ca/finance/taxation/2006taxstructure.htm>

III. Social and Economic Security

Despite the economic boom in Saskatchewan, a persistent lack of social and economic security is a reality for the most vulnerable residents of this province. It is important to recognize that poverty persists in urban settings, but is also present in rural communities. The Standing Senate Committee on Agriculture and Forestry is currently conducting a study on rural poverty in Canada. They have identified recurring themes such as population loss, falling commodity prices, and rising inputs that all contribute to poverty in Saskatchewan's rural population. The creation of a province that treats all people with dignity and equality does not have to be a myth. Economic security and social support can be achieved by committing to several basic principles of social policy, then prioritizing these items and translating them into tangible policy expenditures. In pursuing this goal, we must address adequate levels of social assistance and the concept of a basic income, child poverty, adequate and affordable housing and funding for community based organizations.

a. Provincial and National Economic Security Strategy

ACTION: Saskatchewan must take a leading role in advancing a national agenda for improved economic security.

The time is right for Saskatchewan to take the lead in developing innovative social policy. Our provincial government has the opportunity in the current political context to help inaugurate and lead a national debate on how to achieve an integrated and cost-effective set of national programs to guarantee economic security for all Canadians. Our province

could be a model and a catalyst for a new system of economic security for all. The province must initiate the process by implementing programs under provincial jurisdiction to stimulate change. As discussed in this budget, the province could raise social assistance rates, implement a food security strategy, implement a housing strategy, and work with First Nations to eliminate poverty. In the long term, such a new system could involve all levels of government, community organizations, and professional and popular groups striving for social justice.

The components of a comprehensive and adequate economic security system for all Canadians would include these elements:

1. **A legislated federal guarantee of income security for the most economically vulnerable.**
Legislation along this line could perhaps take the form of a revamped and improved version of the *Canada Assistance Plan*. This plan was in place until 1996, and it guaranteed an economic floor for all Canadians, freedom from compulsion to work for benefits, and the right of appeal if one was denied benefits.
2. **Enhancement and integration of existing federal income security programs**, so that individuals and families in financial need are not left behind and to ensure a level of benefits that can provide a decent standard of living. Immediate steps to achieve this goal would include:
 - a. provision of much improved and readily obtainable benefits to

- unemployed workers across the country through the EI program;
 - b. enhancements to the
 - c. OAS/GIS program for seniors (including measures to ensure that all low income seniors who are eligible for GIS receive it);
 - d. paying the National Child Benefit Supplement to *all* low income Canadian families with children, including those on social assistance;
 - e. constructing a coherent set of economic security programs for persons with disabilities to ensure their self-determination, integration into community life, and ready access to appropriate housing options and labour market participation;
 - f. setting the federal minimum wage at \$10 per hour;
 - g. establishing a generous system of refundable earned income tax credits for people working in the low-wage jobs in the labour market.
3. **Ensure the survival and strength of the universal public health insurance** must be delivered according to the principles set out in the *Canada Health Act* (universality, adequacy, comprehensiveness, portability, and public provision), and the system should be extended to include prescription drugs and home care to lower our
- dependence on expensive hospital and institutional care.
4. **Setting in place a universal, public and national program for early education and child care** that would give pre-school children the best possible start in life, facilitate labour market entry and advancement for women, and provide working families with high quality and affordable options for child care.
5. **Re-balancing the tax system** to ensure the financial sustainability of the above measures. These principles should shape the reconfiguration of our tax system:
- a. one's contribution to public revenue streams must be proportional to one's ability to pay (progressivity);
 - b. there must be equitable sharing of tax burdens between individuals and families on one hand AND the business sector and profitable corporations on the other (fairness);
 - c. the tax system must reward environmentally sustainable activities and recoup costs from the environmentally harmful activities (green taxes).

b. Basic Income

ACTION: Develop and implement a program to provide a Basic Income Supplement (BIS) of \$137/month, applicable to all Saskatchewan residents aged 18-64 below the Low Income Cut off line, for a cost of \$150 million.

The concept of a Basic Income, or guaranteed annual income, advocates the unconditional and universal assurance of an adequate income to every adult person in the province to ensure a life with dignity and self-determination. This non-taxed income provides a basis of economic security for everyone and would not prevent individuals from receiving other means of income from other assistance programs, employment or investments, of which these dividends would be taxed. In addition to fundamental economic security, a basic income also provides recognition to socially undervalued, unpaid labour undertaken by caregivers and volunteers.

As the most direct way of redistributing our society's wealth, a Basic Income would ensure income necessary to meet basic needs and protect our citizen's human rights, without the stigma of social assistance. Although short-term costs are necessary, long-term costs to our health, social and justice systems would be greatly reduced through the eradication of poverty.

The provincial government should take a bold step in becoming a model for the rest of the country and the world by implementing an unconditional Basic Income.

c. Saskatchewan Assistance Plan (SAP) and Transitional Employment Allowance (TEA) Program

ACTION: Increase the basic rates of the Saskatchewan Assistance Program by \$100/month to a rate of \$345/month for a total cost of \$102,355,200 per year. Index these rates to the Consumer Price Index. National Child Benefit Supplement savings can be redirected to fund this increase, reducing the real cost to \$61,855,200.

The 2006 Saskatchewan Provincial Budget realized a \$40 increase to the adult basic allowance benefit of the SAP and the TEA programs, as well as an increase in the TEA program utility benefit structure. This monumental step marked the first increase to the adult basic allowance in decades, and the government must be commended for their positive, although belated, action. Unfortunately, as the cost of living rises and social assistance rates have remained stagnant aside from this moderate increase in 2006, Saskatchewan's lowest income earners are still lacking economic security. The Alternative Budget calls for a further increase of social assistance rates to bring the most vulnerable Saskatchewan citizens closer to an equitable standard of living.

ACTION: Eliminate the TEA Program. The savings of \$30 million will be redirected to SAP administrative costs.

One of the most significant changes to the Saskatchewan welfare system in the past decade has been the creation of the TEA Program under the Building Independence Program, which was introduced in 1997. Originally designed to increase labour force attachment for employable welfare recipients, the TEA Program has become the only program

for which most applicants qualify, including those unable to work at the time of application as a result of either disabilities or addictions. This program reduces benefits to its applicants with the justification of supplementing wages earned rather than being the sole provision of income.

Placing new social assistance applicants into the TEA Program has had significant consequences for income security in Saskatchewan. Structured differently than the SAP, recipients of TEA receive fewer financial benefits, including a cap on payment of utility bills, no guarantee of damage deposits for rental accommodations, and no provisions for special needs.

As the social welfare system in Saskatchewan continues to be altered, most of the poor in Saskatchewan, including people with disabilities, no longer qualify for SAP and are streamlined into the TEA Program. The TEA Program's significantly lowered benefits and capped utility payments continue to perpetuate poverty among those who are unable to either work or secure decent paid employment. The intent to shift people off of welfare programs into low-paying and insecure employment does not adequately address poverty in Saskatchewan. This clearly illustrates the need for a comprehensive anti-poverty strategy in Saskatchewan.

While labour force attachment programs such as the Provincial Training Allowance are recognized as important, compulsory welfare-to-work programs that do not adequately address the needs of applicants, such as the TEA Program in its current form, are alarming. The Alternative Budget echoes the Regina Anti-Poverty Network and other similar groups' recommendation of eliminating the TEA Program, so that there is one

social assistance program to address the needs of social assistance recipients.

d. Contact Centre

ACTION: Eliminate the Contact Centre as a method of eligibility assessment. Redirect the savings of \$6 million to establish a variety of holistic and personal contact assessments.

In 2005, the contact centre was developed to replace caseworkers as the initial contact between individuals needing social assistance and the provincial government. The Contact Centre processes new applicants and addresses ongoing financial benefits and questions from current TEA program clients. This has dehumanized the social assistance system and posed serious obstacles to clients who are unable to access telephones. The lack of a proper assessment for welfare applicants and staff continuity in handling cases is also troubling. The contact centre must be eliminated in favour of a more holistic, humanistic and comprehensive assessment tool. However, a toll free telephone line should be maintained for inquiries, support services and improved accessibility.

e. National Child Benefit Supplement

ACTION: Redesign the National Child Benefit to end the clawback. Apply the \$40.5 million in reinvestment funds for the National Child Benefit Supplement toward increases in the basic allowances for adults, reducing the cost of the aforementioned SAP increases to \$61,855,200.

The Saskatchewan Government must address the current clawback to the National Child Benefit Supplement (NCBS) for people receiving social welfare

benefits. The NCBS program is designed to allocate a per-child benefit to low-income working families with children. Alarmingly, the provinces and territories have integrated this supplement into the basic allowance component of provincial social assistance payments. Since this integration has not resulted in a significant increase in social assistance payments, the province has saved a considerable amount of money as a result of federal funding. These savings, also known as NCB reinvestment funds, are significant; in 2005, the National Child Benefit Progress Report estimated Saskatchewan's reinvestment funds to be \$40.5 million. Although the reinvestment funds are earmarked for Building Independence programs including the Saskatchewan Employment Supplement, Federal Health Benefit and Rental Housing Supplement, federal funding for NCBS is directed towards the general revenue coffers of the province before being spent on government programs, so it is unclear how much of this reinvestment is actually spent on supportive programs for low-income families.

Despite its reported aims to reduce child poverty, the NCBS program has been limited in its benefits to families on welfare. For these families, increased benefits are only available after labour-force attachment. Extra federal funding has also encouraged a reduction in provincial contributions to welfare benefits for children. By ending the claw back to the NCBS program, the provincial government would truly be addressing its goals of ending child poverty by extending additional benefits to the poorest - Saskatchewan families.

f. Housing

Saskatchewan is currently experiencing demographic changes that are affecting the housing situation in this province,

specifically population growth of Aboriginal peoples, lone parent families, and senior citizens. Population shifts from rural to urban areas and concentrated poverty in the north and inner cities are also translating into greater demand for affordable housing.⁵ Needs and demands in housing design costs are also changing. Housing programs must address the various emerging housing needs, target a variety of budgets, and be available in a range of locales.

Saskatchewan's economic growth in the natural resources sector has tightened rental market conditions in Saskatchewan. The average vacancy in privately owned rental apartments dropped from 4.4% in October 2005 to 3.2 per cent in October 2006 – the lowest vacancy rate in six years.⁶ At the same time, housing is also becoming less affordable. The number of Saskatchewan households spending more than 30% of their income on shelter increased by 14.3% from 1995 to 2000.⁷

Income inequality is, not surprisingly, a determinant of housing. The lower a household's income, the older and smaller its dwelling is likely to be. Lower-income citizens are also more likely to live in an apartment than a single-detached home.⁸ Although shelter costs vary directly with income, the proportion of income spent

⁵ "A Housing Policy Framework for Saskatchewan 2004," Saskatchewan Housing Corporation 2004, page 3

⁶ "Housing Market Outlook," Canadian Mortgage Housing Corporation, www.cmhc.ca, page 4

⁷ "A Housing Policy Framework for Saskatchewan 2004," Saskatchewan Housing Corporation, Homefirstpolicy.pdf

⁸ "Canadian Housing Observer 2006," Canada Mortgage and Housing Corporation, www.cmhc.ca, page 3

on shelter is significantly higher for households in the bottom income group.⁹

The government recently recognized the need for affordable housing in Saskatchewan by announcing a \$100 million dollar plan to revitalize select core neighbourhoods in the province. The plan includes \$60 million to provide an expansion of HomeFirst for affordable housing for families in Northern communities and the inner cities of Regina, Saskatoon, Prince Albert and North Battleford. Approximately \$49.5 million was allocated for 500 affordable rental and homeownership units for low to moderate-income families and youth at risk. \$10 million was provided for ongoing rent subsidies for 300 very low income families and youth at risk, with the remaining \$500,000 to support a training component aimed at increasing participation among inner city and Northern youth in housing construction and repair projects. These initiatives were welcomed, and the government must be applauded for their efforts. However, there is still room for expansion if we are to fully address the needs of low-income citizens.

ACTION: Extend the Saskatchewan Home Energy Improvement Program (SHEIP) until 2012 for a cost of \$11 million/year.

SHEIP was developed with the mandate to support energy efficiency in homes. Two programs fall under SHEIP's mandate, EnerGuide for Low Income Households Program (EGLIH) and Energuide for Houses Retrofit Incentive Program (EnerGuide Program).

⁹ "A Housing Policy Framework for Saskatchewan 2004," Saskatchewan Housing Corporation, 2004

EGLIH was developed by Natural Resources Canada to help homeowners make energy efficient home improvements, such as a high efficiency furnace, weather stripping, or insulation. The province funds up to \$2000 for each house, an amount that was matched by the federal government until federal funding was cut in May 2006. This program is now fully funded by the province, but is expected to end March 31, 2007.¹⁰ The province must commit further funding to this program in order to create higher quality housing for low-income citizens, while also increasing environmental sustainability and reducing reliance on non-renewable resources.

ACTION: Expand the scope of Saskatchewan's Centenary Affordable Housing Program.

In 2002, Saskatchewan signed an agreement with the Canada Mortgage and Housing Corporation to develop the Centenary Affordable Housing Program (CAHP), with the mandate of facilitating home ownerships of affordable housing in Saskatchewan. The federal government invested \$45.86 million over a five-year period, which was later matched by municipalities and other sources in 2005.¹¹ A portion of the total funding was specifically allocated for housing needs in the North,¹² an area in dire need of affordable housing.

In 2003, the federal government committed to an additional five-year program extension to enhance and extend the national Affordable Housing

¹⁰ "Saskatchewan Home Energy Improvement Program," Saskatchewan Community Resources, <http://www.cr.gov.sk.ca/housing/SHEIP/index.html>

¹¹ "Centenary Affordable Housing Program—New Housing," Canada Mortgage and Housing Corporation, www.cmhc.ca, page 1

¹² Ibid.

development to 2007-08. The province has now agreed to make an additional investment to extend this initiative. A total of 2,000 affordable housing units are forecast to be delivered by the CAHP for a total of investment of \$104 million dollars.¹³ Both the provincial and federal governments need to be commended for this positive action.

However, there is still an opportunity to improve the Centenary Affordable Housing Program. Affordable housing developed through this program tends to be in either older neighbourhoods or neighbourhoods that are not safe for families to live. The program should expand to include housing in a wider variety of neighbourhoods so that families have greater options of housing to choose from. New homeowners and low-income people must not be forced into substandard living conditions in core urban areas, but instead be given the opportunity to live in a healthy neighbourhood in affordable housing. Furthermore, this program must be expanded into the future and ensured of its sustainability.

ACTION: Invest \$10 million in housing for First Nations and Métis people both on and off-reserves.

First Nations and Métis people are a rapidly growing segment of Canada's population, with their numbers increasing by 22% between 1996 and 2001, compared to 3.4% for the non-Aboriginal population.¹⁴ Across the country, the most dramatic population growths are occurring here in Regina and Saskatoon; Saskatoon's First Nations and Métis population increased almost five-fold

¹³ Ibid.

¹⁴ "Canadian Housing Observer 2006" Canadian Mortgage Housing Corporation. www.cmhc.ca, page 14

from about 4,200 to more than 20,000.¹⁵ This population growth will undoubtedly translate into an increased need for housing.

Differences in the housing conditions of First Nations and non-First Nations reflect narrowing, yet still substantial, gaps in their economic circumstances.

In 2001, 45% of all Aboriginals owned their own homes, considerably below the rate of non-Aboriginals, which was 67%.¹⁶ The CMHC suggests that reducing barriers to homeownership on reserves could help to narrow the gap over time in First Nation communities.

The provincial government can address this problem by expanding the opportunities for First Nations and Métis people to own their own home when moving off-reserve. They have taken the first steps towards this in the recently announced initiative to expand HomeFirst, which more than doubled the \$50.6 million in federal housing trust funds for affordable and off-reserve Aboriginal housing in the province. The government of Saskatchewan must continue to invest in housing for the growing population of Aboriginal people in Saskatchewan.

ACTION: Invest \$5 million to ensure provision of and access to affordable and supportive housing and services for older persons.

The senior citizen population in Canada is currently substantial and growing; more than one in eight Canadians is over the

¹⁵ Aboriginal people living in metropolitan areas" *The Daily*. Statistics Canada. June 23, 2005. <http://www.statcan.ca/Daily/English/050623/d050623b.htm>

¹⁶ "Canadian Housing Observer 2006" Canadian Mortgage Housing Corporation. www.cmhc.ca, page 14

age of 65 and one in four is over the age of 55.¹⁷ Provincial research and consultations have identified a need for support services that will help this age demographic remain living independently in their homes as they age.

Statistics Canada General Social Survey shows that in 2000 there was an increase in community living for men, women, and all senior age groups. Approximately 90% of senior women and 95% of senior men resided in the community, rather than in health care institutions. In addition, a significant proportion of seniors live alone. In 2000, 58% of seniors aged 85 years or older in private households in Saskatchewan lived alone.¹⁸

The provincial government must support senior citizens who are living in poverty. The Social Housing Rental program subsidizes the costs of non-profit housing for seniors, calculating rent based on an individual's ability to pay. Seniors are also eligible for the Centenary Affordable Housing Program and Assisted Living Services. These programs must be enhanced to ensure that seniors of today and tomorrow are not forced into poverty.

g. Child Poverty

Despite long-standing promises to end child poverty, 20.1% of all Saskatchewan children under the age of 18 still live below the poverty line, which is higher than the national average of 17%.¹⁹ The depth of poverty experienced by these children, as measured by how far below the poverty line their family's income falls,

is expressed through the fact that the average poor Saskatchewan family with children would require an additional \$8,150 to reach the poverty line.²⁰

This persistence of child poverty has numerous implications, including increased food bank use, living in substandard housing and increased likelihood of poorer health. Low wages for workers and the inability of the provincial government to adequately address poverty experienced by vulnerable peoples has contributed to this unrelenting child poverty.

The proposed solutions to end child poverty have links with many other recommendations within this alternative budget, including raising minimum wage, ending the National Child Benefit clawback, increasing safe and available housing, strengthening social assistance programs and addressing food security.

ACTION: Increase the provincial day care subsidies by \$3.3 million.

Creating additional daycare spaces needs to be balanced with substantial increases to direct program funding for current spaces. If programs are well funded, reasonable fees can be charged, quality materials can be available and well-trained staff can be recruited and retained. A balance must be created in order to develop a sustainable quality childcare system that is affordable and accessible.

h. Community Based Organizations

ACTION: Increase funding to community based organizations by \$10 million.

Community based organizations (CBOs) are a vital conduit of many different types

¹⁷ Ibid, page 11

¹⁸ Ibid, page 5

¹⁹ Social Policy Research Unit, University of Regina. "November 2006 Report Card on Child Poverty In Saskatchewan"
<http://scratchpost.uregina.ca/spr/assets/documents/2006%20Child%20Poverty%20Report.pdf>

²⁰ Ibid

of services in Saskatchewan. CBOs employ knowledgeable, skilled staff who provide essential services for the disadvantaged in Saskatchewan, often picking up the slack left by deficient government social programs. Last year, the government invested \$17 million to address this disparity, but investment should continue in the long term

The present funding structure for CBOs is unstable and competitive. This funding structure fosters an imbalance in services, while stripping co-operation from agencies that would otherwise be collaborating on community issues. Lack of funding also creates crushing workloads for CBO employees that make it nearly impossible to provide adequate services to clientele. Funding often is not long-term but provided on a grant-by-grant basis that is insufficient in sustaining these important services.

Dr. Marion Jones, who conducted a study on social reform and labour market participation among vulnerable groups, states that empowering CBOs was a critical key in connecting at risk populations and employment.²¹ When considering the effectiveness of CBOs, empowerment can only arise from adequate and stable funding. It is critical that CBOs receive the proper core-funding they desperately require.

The shifting of provision of vital services from the provincial government to CBOs has had a negative impact on wages, benefits and working conditions for CBO workers. Public sector employees who provide similar services earn on average \$8 more an hour²². This discrepancy totals \$15,360 per year at minimum. These low

wages result in high turnover and recruitment problems that create a lack of continuity in care, which ultimately affects the clients in a negative fashion. Funding to CBOs must be increased in order to ensure the equitable treatment of CBO workers and the continued high quality contribution of this sector. Funding will also be used to recruit, train and retain staff and to provide basic benefits.

²¹ Citizens Budget Commission. Marion Jones. November 24, 2005

²² Canadian Union of Public Employees Community Based Organization Labour Alliance Job Evaluation Study, 2000.

IV. Education

The United Nations Convention on the Rights of the Child highlights childcare as one of the fundamental rights that all children should enjoy. In addition, numerous Canadian studies, commissions and policy documents concur that quality child care and education are essential to addressing many of our most pressing challenges, including promoting a healthy population, reducing child poverty, advancing women's equality, deepening social inclusion and building a knowledge economy.²³ Education is one of the cornerstones in the struggle to eliminate inequality.

a. Early Childhood Education

The early learning experiences in pre-kindergarten and kindergarten are crucial determining factors for emotional and intellectual development. Unfortunately, income inequality has a substantial effect on access to adequate education. Children from low-income families are at greater risk of being exposed to either little or no quality childcare and early education programs²⁴. All children deserve the opportunity to begin their life on equal and strong footing.

ACTION: Provide funding to provincial day cares, including \$500,000 for training and education for workers, \$500,000 for special needs grants, and \$250,000 for day care equipment.

²³ Deborah Lowe Vandell and Barbara Wolfe. *Child Care Quality: Does It Matter and Does It Need to Be Improved*. Institute for Research on Poverty. Special Report no. 78. 2000

²⁴ Garson Hunter and Fiona Douglas. *Report Card on Child Poverty in Saskatchewan*. Social Policy Research Unit. Faculty of Social Work: University of Regina. 2005

b. Kindergarten to Grade 12 Funding

ACTION: Fund 60% of the total cost of K-12 education, at a cost of \$130 million.

One of the longstanding issues in the area of K-12 education has been funding, specifically the provincial portion of that burden. Organizations such as the Saskatchewan Urban Municipalities Association (SUMA) and Saskatchewan Association of Rural Municipalities (SARM) have long lobbied the government for a shift in the burden of education funding from property taxes to the provincial government.

The cost of the K-12 education system is over \$1.2 billion. The local school boards pay over 50% of the actual K-12 budget – just over \$600 million – with revenue generated by municipal property tax. In most urban municipalities, education funding constitutes the largest part of property taxes. In fact, the property taxes collected for education in Regina is greater than that of the police, fire fighting services, public works, parks and recreation and general local government combined.²⁵

With the 8% school tax credit on property tax bills for all property classes, the overall provincial share had risen to roughly 45%. Although the province has made an effort to accept more of the financial burden for education, this funding arrangement still puts the burden of the cost of education onto the local property tax base.

²⁵ City of Regina. 2005 Budget. www.regina.ca/pdfs/2005_budget/Gen_Op_Budget_Sum.pdf, page 12.

c. **Provincial Grants**

ACTION: Increase provincial grants to each K-12 school division in order to provide 60% of the costs in that division. Amend the granting formula so that funds are distributed equitably between predominantly rural and urban school divisions.

In order to qualify for provincial grants for education, school districts are required to meet specific criteria. Prior to the school district amalgamations this past year, approximately 15 rural school boards relied exclusively on property tax funding because they could not qualify for these grants.

The Saskatoon Public School District, the Saskatoon Roman Catholic Separate School District, the Regina Public School District, and the Regina Roman Catholic Public School District jointly presented a paper to the Minister of Learning noting that the funding difference per pupil for the 2005-2006 Education Funding Grant was approximately \$293 less per urban student. This meant that if urban school boards qualified for the same funding levels as rural school divisions the two public school divisions would receive an additional \$6,000,000, the Saskatoon Catholic School Division would receive an additional \$4,250,000, and the Regina Catholic School Division would receive an additional \$2,900,000.

This funding inequity has had a number of disconcerting consequences. To begin with, urban classes are much larger, but are also provided with fewer resources. The four major urban school districts have average class sizes of about 25.6 students, while everywhere else in the province averages about 16.9. This lower recognition of shared services has also posed an increasing problem for urban school districts. In both Saskatoon and

Regina they are forced to fund many of the needed specialist positions such as educational psychologists, social workers, language therapists, and educational consultants out of property tax revenues. For example, Saskatoon employs roughly 30 of such professional support staff costing well over \$2,000,000 annually, yet the provincial grant recognition only covers about \$700,000 of that amount.

ACTION: Invest \$36.9 million for additional capital expenditures.

d. **Division Amalgamations and Restructuring**

ACTION: Establish a separate transition fund to assist amalgamated school divisions to proceed with rationalization of the new system over a five-year period. Declare a ministerial moratorium on school closures, including all rural schools, during this five-year period.

In 2004, there were 82 school divisions in Saskatchewan. After the amalgamation recommended by the Education Equity Task Force, there are now only 28 boards. The long-term objective is to further reduce this number to 15. Because of the uneven distribution of resources, some divisions spent as much as \$14,000 per student while others spent only \$6,500 per student. Restructuring has created a number of problems of adjustment and reorganization that require additional funding, most notably announcements of many pending school closures in the very near future.

e. **Community Schools**

ACTION: Designate 25 new community schools across the province.

The School^{Plus} initiative recommended designating all schools as community schools to acknowledge the increasing role of these institutions as health and social care providers. Community schools receive increased funding, a community school coordinator, and a package of services including substance addiction counselling, community outreach, and a holistic approach to learning. The province should undertake a large-scale assessment, with a focus on large urban centres, to determine which schools and areas would most benefit from this designation.

ACTION: Increase funding to community schools by \$9.8 million.

The additional services provided by community schools require supplemental funding. For instance, money has been included in our community school grants to cover nutrition, but this has remained constant for a number of years and is estimated to be short about \$0.15 per student per day. In order to adequately fund all 100 community schools in Saskatchewan, it would require an additional \$600,000 per year. Funding could provide training and professional development for individuals specifically hired to work in community schools, especially a Community School Coordinator, a role that is vital to the success of the program in each school.

f. Curriculum Development

ACTION: Invest \$4.8 million in curriculum development.

Saskatchewan has a highly progressive curriculum in areas of anti-oppressive and anti-racist education, especially in areas of First Nations understanding. Sadly, there is neither little supervision to ensure that these particular curricular demands are being met nor support available for

teachers who want to implement First Nations content but find it challenging to do so on their own.

Saskatchewan Learning could begin to remedy this situation by hiring a First Nations and Anti-Racism Consultant for each school division parallel to the existing English Language Arts Consultants. These coordinators would serve as a resource for materials, ideas, and implementation of the curriculum. Furthermore, advisors could serve as either superintendents or overseers to ensure that those obligations for First Nations perspectives, which are directed by the curriculum, are taught effectively at the classroom level.

V. Post-Secondary Education

In the 2006 Provincial Budget, the Government of Saskatchewan introduced several actions addressing post-secondary education. University tuition fees were frozen until 2008, more university and training seats were funded, and student financial assistance was increased. A review was also initiated into the affordability and accessibility of post-secondary education. Students welcomed the recognition of the need for investment in higher learning and are currently awaiting the outcome of the review process.

Post-secondary education is an essential step to addressing inequality in Saskatchewan. By providing the opportunities for individuals to pursue education, individuals will not solely improve their own economic security, but also increase their contribution to society. The economic returns that flow from having more university-educated graduates are substantial; it translates into higher tax revenues and lower government transfers to individuals. The non-monetary benefits that flow to society are even greater - higher rates of participation in political and social affairs, higher rates of charitable giving, lower crime rates, better population health status, greater social cohesion, and better adaptation to technological innovation. An investment in post-secondary education is an investment for the betterment of the entire society.

a. Tuition Fees

ACTION: Reduce tuition fees by 50% over the next five years, making tuition fees in Saskatchewan the lowest in the country. Cut tuition by 10% this year at an approximate cost of \$15 million.

Average university tuition fees in Saskatchewan have increased by 227% in the last fifteen years. As reported by Statistics Canada, Saskatchewan university students generally pay the third highest tuition fees in Canada, an average of \$5,063 this year. Students in professional programs, graduate students, and international students pay much more. Tuition fees at SIAST are also among the highest in the country. When we consider that those in the top income quartile are twice as likely to attend university as those in the bottom income quartile, we can clearly see that there is an accessibility crisis in our post-secondary system.

Freezing, reducing or eliminating university tuition fees is not, as commonly argued, a huge subsidy for the wealthiest and for comfortable middle-class families whose children constitute the biggest cohort of post-secondary students. The assertion that public money is used to 'subsidize' tuition is a benefit for only the wealthiest ignores the fact that our personal income taxes are progressive; those with higher incomes end up paying more than others for post-secondary education. Reducing tuition fees is a step taken to remove, or at least lessen, one of the largest barriers to achieving a post-secondary education.

b. Student Financial Assistance

ACTION: Award grants to cover all tuition costs to students whose family incomes fall within the lowest 25% in the province, at an approximate cost of \$18 million.

At the same time as tuition fees are increasing, total student financial assistance for university students has been decreasing. University students here are

graduating with an average debt greater than \$20,000. Upon graduation, students are also taking longer to pay off their huge student loans. By providing a low-income grant system, it is possible to effectively target support to those in need, improving their access to post-secondary education, while easing their debt load.

ACTION: Create a student cost of living bursary based on financial need for students who must live away from home for post-secondary education and training at a cost of \$50 million.

In addition to the debilitating cost of tuition, students are also faced with ever-increasing costs of living away from home. In Saskatchewan, there are more rural students who live further than 80 km away from one of our universities than anywhere in Canada. In fact, 52% of young people in the province live further than 80 km from either Saskatoon or Regina. This means they must live away from home to attend university, compared to 19% of young people in Canada. This situation translates directly into higher costs of living and therefore greater total costs of achieving a post-secondary education.

For a student who must live away from home to attend university, the total costs for eight months of post-secondary education (including tuition and other fees, books, supplies, and living costs) ranges from \$13,000 for single students to \$20,000 for students with dependents. The student loan program in Saskatchewan allows for a maximum loan of \$9,350 for an eight-month period of study. Thus, university students living away from home must come up with an additional \$4,000 - \$11,000 per year to finance their education.

A bursary program could begin to address this funding gap. For students whose

family incomes fall within the lowest income quartile, the bursary covers all costs of living. For all other students, the bursary amount awarded is determined by financial need – bursaries decrease as financial need decreases. Students with family incomes that fall within the top income quartile are not eligible for the bursary.

ACTION: Reduce parental contributions on student loans to more realistic levels, and provide parents with unsubsidized parental loan options that would allow them to meet contribution expectations from future income. There are no incremental costs for these measures because loans will be recovered over time.

The current student loan system is problematic and fraught with inadequacies, but one glaring problem is the expected parental contribution calculation. Many students do not receive financial support from their parents, often because they cannot afford the monumental costs of post-secondary education. The parental contribution is especially problematic for farm families. Farming is capital intensive and may appear to produce large gross revenue, but income is often limited, delayed or inaccessible. Students of farmers are therefore expected to receive large contributions from their parents, a twisted reality that does not occur. By reducing the expected parental contribution amount, students can receive either a more adequate student loan or grant.

c. University Funding

ACTION: Improve quality of education by increasing operating grants to universities by 10% at a cost of \$22.5 million. This increase in operating grants is divided to target specific areas:

- **\$12.5 million for the hiring of new faculty where; student/faculty ratios are high**
- **\$5 million for new lab; equipment, computers and library resources;**
- **\$2.5 million for undergraduate student scholarships and bursaries;**
- **\$2.5 million for enhancement of student services.**

At the same time that fees have risen astronomically, post-secondary students in Saskatchewan have expressed serious concerns about a decrease in the quality of their education, a direct consequence of university funding. The number of faculty at post-secondary institutions has decreased significantly in recent years. Part-time sessional lecturers and graduate students teach a quarter to half of the students in many colleges and faculties.

Increases in operating grants to post-secondary institutions have not kept pace with operational and inflationary costs over the past decade. Rather than increase funding for operating costs – the cost of educating students – the Saskatchewan government, pressured by the universities and following the lead of Ottawa, has greatly increased its funding for research and capital building.

Although total provincial funding to universities has increased more over the past decade in Saskatchewan than in any other province, increases in grants for operating funds, which comprise the largest portion of total provincial funding,

have not been as great as funding for research and buildings. Between 1999-2000 and 2003-04, the University of Saskatchewan (U of S) received an average increase in research revenues of 30% each year, amounting to a total of \$115.8 million in 2003, according to the annual U of S financial statements. Therefore, as total provincial funding for universities has increased over the past decade more in Saskatchewan than in other provinces, a significant portion of that increase has been for research and capital expenses, not for the operation of educational programs at the universities.

Increases in operating grants have fallen considerably short of the annual budget requests from the universities. As a result, faculty numbers have decreased, student to faculty ratios in classrooms have increased, and programs have been rationalized and prioritized - some programs have been downsized and others have been terminated.

d. SIAST

ACTION: Increase the operating grant to SIAST by 20% at a cost of \$15 million.

SIAST's four campuses have played an increasingly important role in training people with the skills necessary for participation in the workforce. SIAST has not received the increases in operating and capital grants that are required to effectively meet the needs of a rapidly changing skilled workforce in the province.

The fact that prospective students must wait up to five or more years to enrol in some programs is not acceptable to Saskatchewan young people and their families. An expanded number of places for students at SIAST are needed, as well

as enhanced capacities to adapt to ever changing workforce requirements.

ACTION: Double the capital investment in SIAST this year from \$17 to \$34 million.

To accommodate the increasing number of students, SIAST requires very significant capital investments. There is at present considerable pressure on existing funding that exacerbates the shortage of classrooms, laboratories and shop areas on SIAST campuses. Learning spaces are both full and dated, particularly at Kelsey and Palliser Campuses, where the need to upgrade teaching and laboratory areas is critical. The expansion and redevelopment of teaching and laboratory spaces is an absolute necessity if SIAST is to meet the needs of industry and the student demand in our province.

e. Regional Colleges

ACTION: Increase the operating grant to the regional colleges by 20% from \$17 to \$20.5 million.

As noted earlier, one of the greatest costs for young students is moving away from home and paying the cost of living in either Regina or Saskatoon. These very real circumstances illustrate the need to expand the community-based model of education within Saskatchewan's nine regional colleges. Our regional colleges provide either opportunities for rural students to enrol in first and second year university classes or SIAST programs that are close to their homes. These opportunities must be expanded and enhanced.

The nine regional colleges across the province have not prospered in recent years. Enrolments are down significantly and new programs are needed. Therefore, funding to allow significantly more

students to enrol in university courses and targeted SIAST programs at the nine regional colleges is planned over the next five years.

f. Student Employment

ACTION: Provide funding for the subsidization of work placement programs that link students to positions in their field for a cost of \$10 million.

Without opportunities to build savings, most young people are simply unable to take advantage of post-secondary education. For many years, the Saskatchewan Government has recognized this fact and provided various forms of student employment programs including summer positions with crown corporations. Although some of these student summer jobs pay exceptionally well, the main shortcomings are that they are rarely related to the student's area of study and future employment, they are transitory, or they don't provide meaningful experience.

Many such programs already exist in the form of work terms that students must complete in order to earn their degrees. However, in most cases, it is the student who pays to work. Creating a program of job-sharing between employees who are retiring in either one or two years and third or fourth year students who could eventually replace them is one way the government could address this issue. Such a program should provide for a smoother transition between in-coming and outgoing employees as well as keeping turnover costs down for employers. Existing mentorship and internship programs must be fostered and supported if we are to adequately transition the workforce into the next generation.

g. Education and Training in Health Professions

ACTION: Increase funding to the universities, SIAST and Regional Colleges by \$15 million to increase the number of seats for students in the health professions - nursing in particular - and for initiatives to enhance interdisciplinary programming.

The chronic shortage in the number of nurses in the province is well known and publicized. In almost all of the health professions (e.g., physicians, dentists, physiotherapists, occupational therapists, social workers, psychologists, technologists and aides of various kinds), there are also chronic shortages. Although the provincial government's recent infusion of an additional \$25 million for new initiatives to attract and retain more health professionals is very valuable, much more is needed. Training more Saskatchewan young people in the health professions is the best way to address the shortages.

Education and training in each of the health professions is done, for the most part, in isolation from any other health profession. Each discipline – physicians, registered nurses, specialists and mental health workers – are trained within their own curriculum in isolation from other health workers. We must train professionals for an effective and efficient interdisciplinary primary health care system. Although there has been a good deal of talk among educators about interdisciplinary training there has been very little real progress. New funding may stimulate the innovations that are required to make training for high quality primary care a reality.

h. Education and Training for First Nations and Métis

ACTION: Increase funding to post-secondary institutions by \$10 million to attract and retain First Nations and Métis students. Introduce a targeted program of student grants for First Nations and Métis students with \$20 million in funding.

The future economic and social prosperity of all Saskatchewan people is critically dependent on a better life for the next generation of First Nations and Métis people, who already make up a substantial and rapidly growing portion of Saskatchewan's population. There is neither little disagreement about this reality, nor the enormous challenge in realizing it. We must make education the key to a better future for First Nations and Métis people.

Unfortunately initiatives to enhance post-secondary education for Aboriginal people have been relatively few in number and woefully inadequate in scope. The cross-jurisdictional nature of many First Nations issues, including post-secondary education, allows all levels of government to merely dilute responsibility and justify their own inaction and lack of progress. The Government of Saskatchewan must take the lead on educating First Nations and Métis people without further delay. The number of First Nations and Métis who graduate with post-secondary degrees and diplomas must be substantially increased in the short-term future in order to ensure the sustainability of our workforce, our population and our province.

VI. Youth Retention

One of the most politically sensitive issues in Saskatchewan is that of population decline and youth retention. Between 1996 and 2006, Saskatchewan experienced a population decline of over 29,000 citizens.²⁶ Although this problem is not unique to Saskatchewan – all but two provinces in Canada experienced a decrease in population in 2005²⁷ – our province is particularly affected due to our proximity to Alberta. In 2005, Saskatchewan lost an estimated 15,347 citizens to Alberta. Many of these Saskatchewan expats are young people and recent post-secondary graduates who travel west because of word of the opportunities that are available.

Fortunately, this trend appears to be reversing. The 2006 third quarter population report saw the smallest net out-migration numbers since mid 1998. With a strong economy and relatively low cost of living, Saskatchewan is well poised to retain young workers and attract others.

a. Graduate Retention

ACTION: Create the Saskatchewan Graduate Retention Credit for a cost of \$38 million this year.

Research has shown that tax credits are not an effective measure in increasing the affordability and accessibility of post secondary education.²⁸ The Government

of Saskatchewan should not attempt to use the Post Graduate Tax Credit (PGTC) as such a measure. However, PGTC can be used as an incentive for recruitment and retention of young graduates if combined with an affordable and accessible post secondary education system. New Brunswick and Manitoba have recently announced extensive Graduate Tax Credit programs, which apply both to students who graduate in-province and students who choose to move to either province upon finishing post secondary education in other Canadian jurisdictions.

The New Brunswick system rebates 50% of tuition paid up to a maximum of \$10,000. A maximum of \$2,000 annually can be applied as tax credits when filing income tax in the province. All Canadian citizens who attended a post secondary institution recognized by the Federal Government for tax credit purposes are eligible for the credit.²⁹ The program is estimated to cost \$32 million after 5 years and \$63 million after fifteen years when fully matured.³⁰ When the program was announced in 2005, New Brunswick had 24,900 university students compared to Saskatchewan's 32,800. Using the same standard, the New Brunswick program would cost the Government of Saskatchewan \$42.2 million after 5 years and \$83.2 million after fifteen years. Although this program would not reduce the upfront barriers of a post secondary education, such a tax credit system would encourage young people to build their futures in Saskatchewan rather than

²⁶ Statistics Canada Prepared by Saskatchewan Bureau of Statistics

²⁷ Statistics Canada Prepared by Saskatchewan Bureau of Statistics
<http://www.stats.gov.sk.ca/pop/APR%202005.pdf>

²⁸ Canadian Federation of Students
[http://www.cfs-fcee.ca/html/english/research/factsheets/fs-9\(1\)-taxcredits.pdf](http://www.cfs-fcee.ca/html/english/research/factsheets/fs-9(1)-taxcredits.pdf)

²⁹ Government of New Brunswick
<http://www.gnb.ca/0024/tax/FAQ-e.pdf>

³⁰ Government of New Brunswick
<http://www.gnb.ca/cnb/news/fin/2005e0418fn.htm>

moving to higher wage markets to pay off their debts.

b. Home Ownership

ACTION: Create a First Time Homebuyers Assistance program for 19-35 year olds for a cost of \$15 million.

Home ownership increases the likelihood that young people will work and live in the province as well as community engagement. Therefore, young people wishing to buy their first home must be supported. The Government of Saskatchewan will provide the down payment to young people wishing to purchase a home through the *First Time Home Buyer Assistance Program*. First time homeowners under the age of 35 will be eligible for funding if they have no other access to a down payment for a home. The assistance program will provide either 10% of the mortgage up to a maximum of \$15,000. The down payment will be repaid by the homeowner upon sale of the home. The program would have a fund of \$15 million to lend to first time homeowners. For the first several years, this program would be an expense, but the cost would eventually diminish as homeowners repaid their initial loans.

c. Engagement

ACTION: Create a Saskatchewan Katamavik Youth Services Program at a cost of \$2 million.

Katimivik is a national organization that seeks to foster cooperation and cultural understanding among young people. In Saskatchewan there are large cultural divides – rural and urban, Aboriginal and non-Aboriginal, north and south. Many youth have suggested the establishment of a Saskatchewan youth services program modeled on the national Katimivik program could create a better

understanding of all cultures and regions in the province.

This program would be open to young people ages 18-22. Participants would be divided into groups of 10-12 that would live and work together for 6-9 months in three different communities in Saskatchewan – one rural, one urban and one northern. The make up of each group would consist of at least three youth from Northern Saskatchewan, three from urban Saskatchewan and three from rural Saskatchewan. At least four members of the group would be of either First Nations or Métis ancestry, and at least half of the members would be female.

While living in those communities, each of the individuals would volunteer at different non-profit organizations or workplaces such as art, recreational or cultural centres, schools, Town offices or Band Offices, Parks, etc.

Participants would gain different types of work experience and receive education through various workshops, trips, etc. in the categories of leadership, First Nations and Métis culture, the environment, and work/life balance.

Agreements would be negotiated with SIAST and Saskatchewan's Universities, so that participants who complete their program receive elective credits towards either their degree or certificate.

ACTION: Hold an annual Youth Summit at a cost of \$500,000.

On February 2-3, 2007, Saskatchewan hosted its first ever Youth Summit. Over 475 people aged 19-30 year olds represented the diversity of the province at the Summit. Youth shared ideas with politicians, labour representatives, industry leaders and one other. The Youth Summit, which cost approximately

\$500,000, allowed the young people to directly influence government policy. For example, after the Summit, the Government of Saskatchewan announced *Saskatchewan Connected* a \$1.3 million, open-access WiFi network that encompasses the downtowns and campuses of Saskatchewan's four largest urban centres.

VI. Health Care

Health care has long been a source of pride, and perhaps even identity, among Saskatchewan people. Our health care system has had many successes and overcome obstacles, often due to government policies. However, in this new era of a complicated, comprehensive, and expanding medical care insurance system, public health care is under threat. Two-tier health care may become a reality in all health sectors unless significant steps are taken immediately to sustain public health care in Saskatchewan. In fact, this two-tier system already exists in such fields as physiotherapy, pharmacy, foot care, dental care, optometry, pharmaceuticals, and mental health care. Quality health care must be accessible to all people who are sick and in need of health care, regardless of their income.

In November 2006, a report was released by the Saskatoon Health Region entitled “Health Disparity by Neighbourhood Income” that effectively highlighted the stark inequalities in health status between the high-income and low-income neighbourhoods in Saskatoon. The report pointed out overwhelming inequalities in health care utilization for suicide attempts, mental disorders, diabetes, chlamydia, gonorrhoea, teen births, and infant mortality, among others.³¹

Saskatchewan people were shocked to discover just how much greater those in low-income neighbourhoods suffered from poor health than those living in affluent neighbourhoods. Although such disparities in health between lower and higher income groups has been found

again and again in research over the past forty years, this Saskatoon study emphasized the very real effects of income inequality on quality of life. Income inequality is not merely a phenomenon of larger centres such as Toronto and Vancouver; it is a reality in Saskatchewan. Income inequality must first be addressed to create a more equitable playing field in our health care system.

a. Funding

ACTION: Increase the health care budget by 10%.

Health care is the largest expenditure item of the provincial budget, making up approximately 41% of the 2006 Saskatchewan Provincial Budget. There have been considerable investments and consequently, significant successes in addressing wait times and improving access. However, there are still perpetual deficiencies present in Saskatchewan’s health system. Although costs are rapidly increasing, especially in the areas of drug treatment and diagnostic testing, utilization is also increasing. This must be addressed with targeted, increased funding coupled with a shift to primary health care and a focus on population health.

By nominally increasing the health care budget every year, we can begin to manage the level of rising stress on the health system. Increasing pressures such as an aging population, a growing Aboriginal population and inflation necessitate a funding growth.

As our health care system continues to evolve and mature, we must always be reminded to keep its long-term sustainability in mind. We must focus on

³¹ Lemstra, Mark, Cory Neudorf, Johnmark Opono, “Health Disparity by Neighbourhood Income” *Canadian Journal of Public Health*, November – December 2006, pp 435 - 439

the total costs of the health care system, not a mere re-distribution between the private and public sector. It is essential to maintain an effective healthcare system that meets the needs of all Saskatchewan citizens equally, and retains its ability to do so in the future.

Currently, new health care technologies are beginning to emerge. The use of genetics in either preventing or modifying congenital abnormalities and the stem cell treatment of disease will result in great demand of more expensive technologies. This will require new infrastructure, equipment and technologists. We will not be able to sustain our Medicare insurance plan if we continue to concentrate our resources on only treating the sick. We must shift our focus to primary health care.

The increase in the health budget is targeted to two critical areas that have been neglected for too long - expanding primary care and enhancing the population's health through health promotion and disease prevention. A full 6% of the increased health budget is devoted to increased funding in these two priorities which will translate into nearly \$100 million in each of these areas. The remaining 4% increase in the health budget is devoted to maintaining current services and programs.

b. Primary Health Care

ACTION: Increase spending on primary health care by \$100,000,000, or 3%, of the total increase in health spending.

Primary health care, as defined by the World Health Organization, is "The first level of contact of individuals, the family and the community with the health system bringing health care as close as possible to where people live and work and

constitutes the first element of a continuing health care process... Primary health care addresses the main health problems in the community, providing promotion, preventative, curative, supportive and rehabilitative services accordingly."

In 2001, the provincial government took a monumental step forward in recognizing the importance of implementing a strong primary health care system in "The Action Plan for Saskatchewan Health Care." However, progress towards this model has been extremely slow, making only small inroads. There seems to be an aversion to shifting our focus on treatment to a focus on prevention. Budgetary decisions are made with short-term interests in mind; there is a reluctance to make investments that will be expensive in the short term, but will pay off in the long term. A transformation of the health care system to configure around primary health care is undeniably a more efficient use of the scarce financial and human resources in the health sector.

ACTION: Enhance primary health care through the development of community health centres. Establish primary health networks in each of the 12 regional health authorities. Achieve the goals for primary health care set out in the 2001 Action Plan for Saskatchewan Health Care.

In the 2001 "Action Plan for Saskatchewan Health Care", the government identified specific targets for primary health care in the province. The goal was to establish primary health care networks in all 12 regional health authorities that would serve 25% of Saskatchewan families within four years and 100% of Saskatchewan families within ten years. Health centres would include teams of primary care nurses, dieticians, social workers, pharmacists, psychologists,

speech language pathologists, and family doctors. Once these goals were fully implemented, every family would have access to primary health care within a thirty minute drive. The 2001 “Action Plan” addressed key elements of primary health care and laid out achievable concrete targets. However, it appears that these goals have been forgotten; action has been either slow or stagnant. The provincial government must move beyond simply recognizing the importance of primary health care to investing heavily in it in order to see its full implementation. These goals must be achieved.

Community health centres are an effective method of implementing primary health care more fully in Saskatchewan. They employ salaried physicians, nurse practitioners and a full range of other health professionals to provide health services 24 hours a day, seven days a week in a much more comprehensive manner than existing community clinics. Services will include health assessment; illness prevention; health promotion; education and support for self-care and diagnosis and treatment of episodic and chronic illness and injuries; primary reproductive care; palliative care; primary mental health care; co-ordination and provision of rehabilitation services; co-ordination of and referral to other health care services, including specialist services; home care, long-term care, supportive care in hospital, at home, or in a long-term care facility; and emergency services.

Recruiting and retaining health care workers is one of the most pressing demands on Saskatchewan’s health care system. Primary health care in community health centres can combat this problem. Community health centres, with salaried family physicians and a full complement of other health providers, will be attractive workplaces for an increasing number of young family physicians. They also allow a

full scope of practice to nurse practitioners, simultaneously lightening the load of physicians and providing a challenging and enriching employment opportunity. In the future, the roles and responsibilities of nurse practitioners must be expanded to simultaneously manage costs, more effectively utilize the expertise of nurses, and provide better quality care.

Developing community health centres will also serve to address the inequality in access to quality health care that currently plagues Saskatchewan. Community health centres provide a more direct contact with a population, which will translate into a greater flexibility and effectiveness in responding to health care needs. These centres will also allow low-income citizens to quickly and effectively address the majority of their health care needs in a concentrated location. Furthermore, the holistic and preventative atmosphere created in community health centres can also stimulate healthier living patterns that can begin to create a healthy population, while working to eliminate health as an indicator of inequality.

ACTION: Revise the fee schedule for physicians by increasing fees for services that are needed for successful implementation of quality primary care.

In order to enhance the reimbursement to family physicians that will remain on fee-for-service basis, the fee schedule for physicians will be revised significantly - fees for services that are needed in the primary care model will be increased and other fees, including some specialist fees, will be reduced.

ACTION: Increase the resources of the Health Quality Council (HQC) of Saskatchewan to include quality improvement, evaluation, and reporting on primary health care reform in the province. Increase the 2007-08 budget by \$5 million.

HQC is an independent agency that measures and reports on quality of care in Saskatchewan, promotes improvement, and engages its partners in building a better health system. The HQC acts as a catalyst to encourage the entire health care system to go beyond merely increasing budgets, focusing first on quality. The HQC recently focused on enhancing the quality of chronic disease management in primary care, a groundbreaking approach. The HQC does not have adequate funding to continue with and expand this collaborative approach to other areas of health care. Interdisciplinary and comprehensive approaches will have to become a norm in the new health care system, if it is to become effective and sustainable. The HQC is the most effective agency to facilitate this shift.

We must continue to ensure that the work of the HQC complements the shift to prioritizing primary health care and population health. With adequate resources, the HQC is a tool that can be used to more monitor the development of primary health care in Saskatchewan. The culture around health care can be changed with the work of the HQC.

c. Healthy Living

ACTION: Allocate \$100,000,000 or 3%, of the total increase in total health spending to begin implementation of a comprehensive population health strategy. Increase this allocation on an annual basis over the next five years.

As the provincial government recognized in the 2001 “Action Plan”, health promotion must be given a central place in a sustainable health care system. By focusing on changing the conditions and environments in which people live, work and play, not only will the health of the entire province be improved, but health inequities between income, region, race, or education level will be alleviated.

Saskatchewan Health has developed a reasonably comprehensive strategy for enhancing the health of Saskatchewan’s population; “Healthier Places to Live, Work, and Play” was released in 2004 as a result of broad consultation. The population health strategy noted four main areas of action - enhanced mental well being, decreased substance use and abuse, accessible nutritious food, and active communities. Another essential, yet unrecognized, area of focus that must be added to the population health strategy is healthy workplaces.

In each of these main areas of population health, particular attention will be paid to enhancing the health of lower income citizens and of First Nations and Métis people.

ACTION: Develop a “Balancing Work and Family Protocol”. Implement new workplace policies and legislation to include guaranteed sick leave, paid leave for either family illness or responsibilities, and child care.

Employment and working conditions are two key determinants of health status. Stress, workload, un and under-employment, inflexible work arrangements, job insecurity, occupational health and safety hazards and illnesses, and difficulties balancing work and family are conditions that all contribute to poor physical and mental health. Improving part-time worker legislation will protect

vulnerable workers, many of which are women.

The health care system must address these conditions in the workplace before they create chronic health problems – such as back injuries, cardiovascular disease, stress, occupational diseases, and long-term disabilities – that fall to our health system. Governments often overlook the costs to our health care system created by workplace injuries and disease. Creating healthy workplaces is a tremendous investment in the long-term health of our population and will reduce overall costs to health care, workers compensation, and disability programs.

As the labour force shortage increases, creating healthy workplaces will be a requirement for employers to effectively recruit and retain workers. At the Saskatchewan Youth Summit in February 2007, young people repeatedly identified the need for flexible benefits and workplaces that adapt to the needs of a new generation. In order to address the needs of the next generation, strategies must be devised to more fairly distribute work and time and to reduce workload and stress.

ACTION: Create an “Integrated Forum for Population Health” comprised of Assistant Deputy Ministers and other senior managers from a number of Departments, including but not limited to: Community Resources, Learning, Corrections and Public Safety, First Nations and Métis Relations, Labour, Justice, Northern Affairs, Culture, Youth & Recreation.

The Human Services Integration Forum (HSIF) was created in 1994 to facilitate interagency collaboration. Today, the HSIF exists in name only; it has not been active in contributing to policy

development in a considerable amount of time. A multi-sectoral forum of this nature is essential to making population health a genuine priority in Saskatchewan. After decades of talk about its importance, it is time to act on health promotion and disease prevention.

The Integrated Forum for Population Health will pay particular attention to enhancing the health of lower income citizens and First Nations and Métis people.

ACTION: Work with First Nations and Métis people in Saskatchewan to identify health and social priorities. Increase spending for programs that address the root causes of ill health and address the effects of colonization.

According to the 2001 Federal Census, Saskatchewan has approximately 17% of the status Indian population of Canada and it is projected that Aboriginal people will make up 20% of the population by 2015 and 28% by 2035. The Department of First Nations and Métis Relations estimated in 2003 that Saskatchewan loses \$1.2 billion annually due to lost productivity and provision of remedial programs in health, social services, family services, and justice to First Nations people.

Saskatchewan’s Aboriginal people (First Nations, Métis and Inuit) continue to experience the consequences of a history framed by colonial relations. Historically, therefore, they have not been treated equitably within the province’s economic structure. Today, Aboriginal exclusion continues unmitigated, marked by dimensions of class, race and gender differences. Unfortunately, current demographics suggest that the province’s mistreatment of Aboriginal peoples will occur on a larger scale unless action is taken to reverse the current trends. There

are major implications to consider when contemplating the role of Saskatchewan First Nations and Métis people in the province's future.

Aboriginal people face several health issues at a higher rate than the non-Aboriginal population. Cardiovascular disease (CVD) rates are currently 3.3 times the rate of non-Aboriginal Canadian prevalence rates; diabetes is 4.5 times the rate; arthritis is 1.7 times the rate; and mortality rates amongst First Nations people are 1.5 times the national rate mainly due to injuries and poisonings, CVD, and cancer. Although life expectancy has steadily increased since 1975, it still remains below the national non-Aboriginal Canadian average. First Nations people live approximately seven years less. Investing in primary care and population health can serve to address these issues, but devoted attention must also be paid to initiatives that are solely

dedicated to improving the health of First Nations people.

VII. Environment

Within the last several months, the environment has become a top priority for the majority of Canadians. It is poised to become the single most prevalent issue that defines this generation. A total of 78% of Canadians report that they have experienced the effects of global warming and 72% believe global warming has occurred as a direct result of human activity.³² Environmentalists, consumers, and the voting public are demanding that the provincial and federal governments take action to combat environmental degradation. Climate change and global warming has climbed to the forefront of the public consciousness. The political environment in Saskatchewan is ripe for action.

Environmental degradation also has clear links to inequality. Individuals in lower income brackets do not always have the economic freedom to make environmentally sustainable decisions. Physical needs such as food, shelter, and transportation must be met immediately, while environmental considerations become a lower priority. Government and industry must remove the inequality barrier by making sustainable options such as energy efficient appliances and homes, fuel-efficient vehicles, effective public transportation, and recycling programs more accessible and affordable to lower income brackets. However, citizens must also take the responsibility of shifting the cultural norms to embrace – or perhaps even expect – sustainability.

Saskatchewan is blessed with significant agricultural, resource and ecological bounty, but that bounty is at risk. It is imperative that every resident understands the consequences of their actions and take

the time to regularly consider the ecological implications of their actions.

The Saskatchewan Government has already taken several impressive steps toward creating a greener society. The government has created a mandate to meet one-third of Saskatchewan's energy needs with renewable energy as early as 2020 and has begun making small movements towards this goal, such as directing MLA Peter Prebble to conduct a report to find solutions for Saskatchewan's energy challenges.

ACTION: Immediately implement all recommendations of Peter Prebble's report "Renewable Energy Development and Conservation in Saskatchewan" for a cost of \$20 million over five years.

In May 2006, MLA Peter Prebble was asked to create an action plan for renewable energy sources and conservation programs. Prebble released the first report on December 13, 2006, which outlined many recommendations for the electrical sector, conservation and renewable energy. Prebble's report and recommendations were in tune with many initiatives lobbied for by environmental groups.

Although the report identifies several groundbreaking actions, all recommendations are completely within the provincial government's mandate and include actions that could be implemented in the short-term to create immediate positive change.

³² The Globe and Mail, January 27, 2006

a. Energy

The availability of oil and gas, a non-renewable resource, if not already past its peak, will inevitably reach its peak soon. A supply shortage will drive the cost of oil up and significantly limit our access to petroleum energy into the future. Considering our energy intensive lifestyle, this situation should be a dire concern for Saskatchewan residents.

Peter Prebble's report seems to coincide with popular opinion and environmental groups. It asserts that the most pressing governmental priority must be a shift in Saskatchewan's energy usage. We must reduce our dependence on fossil fuel energy and begin to replace it with renewable energy supplies. Saskatchewan has phenomenal potential in wind and solar energy. There is undeniably room to expand the utilization of this resource. Canada and Saskatchewan are falling behind other nations in the rapidly growing potential for new energy sources. We must begin to set up either directional or transition programs to encourage action from all of society to shift our energy usage to sustainable sources.

In addition to continuing the current level of ongoing investments into viable commercial wind farms by SaskPower and in order to stimulate individual rural residents to establish generating facilities to serve their own needs, the government will also ensure that excess power generated by such facilities will be purchased by the provincial Crown at a fair market value.

ACTION: Establish an Energy Conservation, Retrofit and Tax Credit Fund for a cost of \$30 million.

This fund would help assist individual families, businesses, and industries in retrofitting and replacing systems that are

energy inefficient with new efficient systems. Energy consumption, and therefore energy costs, can be substantially reduced if efficiency can be improved. By creating a fund to address the capital expenditures, an incentive will be provided to install energy efficient home and business improvements.

ACTION: Encourage net metering for small-scale producers of green, low impact electricity with a rate structure that enables customers to sell low impact renewable electricity to the grid at the retail price.

As recommended in the Prebble report, small-scale producers of sustainable energy must be supported. This form of power generation reduces demand on the main power grid. If given the opportunity, many producers have the potential, the capability, and the enthusiasm to begin producing and harvesting their own sustainable power, especially as capital costs of items such as solar panels and equipment are falling. The provincial government must provide an incentive for this form of energy generation by raising the price of selling electricity back to the grid. A capital fund may also help alleviate the formidable capital costs.

b. Water Conservation

ACTION: Establish either a low-water or no-water use supply system or sewage treatment system as a pilot project in a small rural town, village or remote location in Northern Saskatchewan for a cost of \$5 million.

The effects of climate change, although not completely predictable, will be widespread and varying. For Saskatchewan, climate change may translate into warming temperatures that stress our water resources. Much of our northern forests will need to change

quickly. Availability of water for human use will be either greatly reduced or restricted.

As a first consequence of climate change, much of our supply of potable water may be either threatened or nonexistent in the near future. We must begin to either replace or reduce current water use through local grey water systems, recycling of water, water treatment systems and reduced water use systems. One of the simplest methods of doing this would be to mandate the use of low volume flush toilets throughout the province. On a small scale, the example of the Craik Eco-Centre shows that it can be done for a single rural building location. The principles employed in this example and others throughout the world will be researched and the information must be provided in a format that is easily accessible to all of Saskatchewan's residents.

c. Waste Management

ACTION: Implement a zero waste strategy for Saskatchewan, beginning with a pilot project for the Government of Saskatchewan for a cost of \$10 million.

Zero waste refers to shifting the methods of consumption, product design, regulation, and disposal. It is more than simply increasing either recycling or reusing efforts; it instead refers to a culture shift of getting the maximum usage out of our energy and resources.

A zero waste policy would improve the efficiency of Saskatchewan's resource use, but would also provide new economic opportunities. The difficulty of a zero waste policy is the lack of immediate economic incentive for producers to participate, but this can be overcome by portraying the environmental benefits for

entire ecosystems and the economic incentives from the increased amount of recycling, reusing, and refurbishing industries that would be created.

Although it is an overwhelming idea to completely shift our consumption-based culture, this concept is not impossible. Jurisdictions such as Canberra, Kootenay, and Toronto have committed to zero waste plans.

ACTION: Create a waste management fund for small municipalities, villages and towns to look at waste diversion, waste minimization and recycling for a cost of \$5 million.

Small municipalities often possess the political will to initiate change, yet lack the substantial capital required to integrate a waste management program. The provincial government can provide funds to support these initiatives. The government will also explore waste minimization legislation currently in place in other jurisdictions, such as New Zealand, to further explore the value and applicability of such legislation in this province.

ACTION: Create a rotating fund for larger municipalities to access for initial capital expenditures to meet the needs of waste diversion, waste minimization and recycling for a cost of \$30 million.

This fund will be replenished through a long-term contractual agreement. It would encourage participation between municipalities, communities and businesses in order to effectively reduce the amount of waste that is produced.

d. Ecological Auditing

ACTION: Divert responsibility and funding from Saskatchewan Environment to establish an office of the Environmental Auditor for the Government of Saskatchewan with the responsibility, authority and independence to mandate, audit and publicly report on the environmental activity of all government departments and Crown Corporations.

In the same way that we monitor where and what we spend our government finances on through a Provincial Auditor, we must be equally cognizant and forthright about what those same dollars are doing to and for the environment. If Saskatchewan's natural capital is included in an auditor's report, we can measure the full impacts of our environmentally degrading actions. We need to have visible indicators of ecological sustainability in order to fully understand what we do and how to be more sustainable.

e. Environmental Monitoring and Compliance

ACTION: Place more Conservation Officers in the field with the mandate to accurately monitor and respond to wildlife infractions for a cost of \$4.7 million.

To better understand our impacts on the environment and subsequently to reduce these impacts, environmental monitoring measures must be increased. We also need to employ more staff in the field and to establish a more vigorous compliance system. A staff of environmental resource officers must be available to help individuals and small businesses reduce their negative impacts on the environment. Their activities will be augmented by increased research into

other jurisdictions to identify and evaluate improved ecological performance initiatives and technologies to further reduce environmental impacts. This information will be made available through website assistance tools and education programs.

f. Greening Health Care

ACTION: Investigate and establish a Revolving Capital Fund to minimize the adverse environmental and health impacts of Canada's health care system by encouraging the adoption of resource conservation and pollution prevention principles and collective environmental management systems without compromising patient safety and care. This program would work at reducing the social and ecological footprint of the health care system.

In its leadership role, the provincial health care system should emulate the best practices available to reduce their ecological footprint. In Ontario, there has been a coalition of major health care and environmental organizations and the health care facilities and institutions working on just this type of initiative.

This program would look at six streams of activities within the health care infrastructure. Initiatives that would have multiple benefits would be encouraged. The following activity streams would be examined:

1. Resource conservation and Procurement
2. Air Quality
3. Water Conservation
4. Waste and Toxins
5. Energy
6. Pollution Prevention

VIII. Agriculture

As the heart of Canada's breadbasket, Saskatchewan remains a major player in harvesting and exporting agricultural products. However, Saskatchewan's agricultural sector is suffering under increasing tremendous pressure from a dysfunctional globalized market economy dominated by a few large corporate players. This market and food system, based on energy-intensive production and distribution systems, is unsustainable due to dwindling energy supplies and ecological imbalances. Globalization has also led to the simultaneous erosion of government regulations in the public interests and the implementation of 'free trade' policies that threaten the livelihoods of many Saskatchewan farmers. As a further consequence of this system, Saskatchewan's food system has become increasingly insecure.

Pressure is now mounting from not only the globalized international market, but also from national political forces. The federal government has recently taken action towards the attempted dismantling of the Canadian Wheat Board, a development that would be detrimental to farmers in Saskatchewan and Canada.

a. Canadian Wheat Board

ACTION: The Government of Saskatchewan should make all possible efforts to urge the Government of Canada to retain the Canadian Wheat Board (CWB).

CW) is a farmer-controlled collective marketing agency designed to help farmers control marketing costs and maximize wheat and barley returns. The CWB operates as a single-desk seller of Canadian food-grade wheat and barley, thus capturing premiums in the

marketplace that are returned to farmers. The combined premiums from the CWB – prices, marketing cost savings, and transportation – amount to nearly \$800 million per year.³³ The CWB recently came under threat from the federal government and Agriculture Minister Chuck Strahl, but losing the CWB will have a substantial and detrimental cost to the Saskatchewan farmers.

The Government of Saskatchewan has passed a resolution in the house that supports the farmer control and the right of farmers to set the course for the CWB through plebiscite as required by law. This action is to be commended.

In the last quarter of 2006, the federal government removed the farmer selected CEO, Adrian Measner, from office. This act can only be based on the individual's refusal to act outside of the law that allows farmers to set the course for the CWB. The federal government has also placed a gag order on the CWB, restricting it from using any resources to advocate on its own behalf. In addition, the policy of selecting appointments³⁴ for the Board has shifted from the historical practice of looking for skills to complement the elected members to the new reality of using the four appointments in an attempt to change the direction of the

³³ "The Canadian Wheat Board...what's it worth?," National Farmers Union, 2005

³⁴ In 1998, the CWB was turned over to a board of directors with ten elected by farmers and four appointed by the federal government. In the first eight years, appointments were selected to provide expertise in resource trading, international finance, corporate governance, international banking, and trade. The current federal government has selected two farmers who oppose the CWB and one from the grain industry to advance their agenda.

organization from the one originally designated by farmers.

In 2007, the CWB faces a plebiscite that is heavily biased against collective marketing and remains under the gag order that prevents it from using resources to defend its own existence. In this environment it will be critical for the Province of Saskatchewan to use resources to provide factual information to farmers through the plebiscite period. The validity of the plebiscite may have to be challenged. Hostile actions by a federal government that is trying to illegally eliminate the CWB will need to be monitored and countered where necessary.

b. Protecting Family Farms

ACTION: Support family farms by protecting the (CWB), investing \$1 million in the Farmer Rail Car Coalition, and supporting organic agriculture and locally owned food production.

Government policies have penalized smaller-scale family farm operations that are ecologically and socially sustainable. As reported by the National Farmers Union (NFU), while Saskatchewan farmers and rural communities have been struggling with the farm family crisis, most corporate agribusinesses operating in Canada achieved either record or near record profits in 2004.³⁵ This power imbalance provides the opportunity for corporations to use their market power to drive down prices for farmers as well as wages for workers even as they drive up prices for consumers. Although consumers are paying three times as much for bread, wheat prices haven't increased in 30 years.

³⁵ "The Farm Crisis and Corporate Power," National Farmers Union, 2005.

There are numerous initiatives within the power of the provincial government that would support and strengthen the sustainability of family farm agriculture in Saskatchewan. Current initiatives that give farmers more power -- including the CWB and the Farmer Rail Car Coalition -- need continued support from the provincial government.

c. Intensive Livestock Operations

ACTION: Re-evaluate financial support of intensive livestock operations and begin a modest divestment of ownership.

In an environment of unregulated global competition, Saskatchewan agriculture has undergone dramatic changes in the past 20 years. Intensive livestock production has been gaining a foothold, as evidenced by the burgeoning numbers of large-scale cattle and hog production facilities in the province. Since 1986, cattle numbers have increased from approximately 1.6 million to 2.95 million in 2005.³⁶ In the same period, hog population increased from 608,000 in 1986 to 1.395 million.³⁷ Saskatchewan is now a major supplier of beef and pork, accounting for 17% of Canadian beef production and 10% of pork production. Hog production has largely passed out of the hands of family farmers into the control of large, vertically integrated hog production corporations. The government has facilitated this process by subsidizing large corporations such as Big Sky Corporations, of which it now owns 68% of their equity.

Large-scale intensive livestock production must compete as a commodity on the world market by selling large quantities at

³⁶ "Cattle on Saskatchewan Farms 1982-2005," Saskatchewan Agriculture and Food Livestock StatFact, February 15, 2006

³⁷ "Pigs on Saskatchewan Farms 1982-2005," Saskatchewan Agriculture and Food Livestock StatFact, February 15, 2006

low cost. There is relentless pressure to reduce costs by cutting wages, avoiding environmental regulation, using the cheapest possible feed, crowding animals into the smallest space and seeking government subsidies. These inherent structural characteristics are fundamentally incompatible with social, economic and ecological equity.

The support and encouragement of the provincial government for an increasing number of intensive livestock operations, particularly hog barns, is unsustainable and alarming. Shifting toward such intensive livestock production, also known as 'factory farming,' places great strains on local and regional ecosystems. For example, many of the risks associated with these operations are due to the storage and treatment of manure. Large amounts of manure produced in a concentrated area poses a serious threat to water, air and soil quality, as well as human health, the welfare of confined animals, and the economy of surrounding communities.

We must re-evaluate and reorient agriculture policies in Saskatchewan, viewing them as a means to enhance our province's ecological health and sustainability. BSE, avian flu, E. coli, salmonella, lysteria, as well as diabetes, heart disease, obesity and other emerging food and diet-related health issues are becoming major concerns for consumers. These health issues, along with a desire to do something significant and concrete to deal with climate change, are creating an increasing interest in more sustainable food production.

Socially responsible livestock production can promote rural community revitalization via policies that assist young people to get into farming. Quality livestock production can provide a base for local processing and regional and

heritage meat products; a way for farm families to make a livelihood on a moderate and stable land base; and improve cohesiveness within communities and between rural and urban communities through interdependence and co-operation.

d. Organic Agriculture

ACTION: Divert \$2 million from Intensive Livestock Operation (ILO) investment to greater investment in organic certification programs and supports for farmers wanting to make the transition from conventional to organic production through the Agricultural Development Fund. Create a transition fund to support the conversion of traditional agriculture to organic agriculture for a cost of \$5 million.

The increase in organic agriculture in Saskatchewan has partially been a response to both competitive global market conditions and the high cost of chemical inputs such as nitrogen fertilizers, pesticides and herbicides. According to Canadian Organic Growers, Saskatchewan's organic acreage in production in 2004 accounted for 60% (722 283 acres) of Canada's total organic production. Although Saskatchewan hosts over one-third of the nation's organic farmers, only 1,245, or 2.5%, of farmers in the province practice organic production. The value of Saskatchewan organic production is estimated to be more than \$130 million annually. The industry is continually expanding.

The majority of Canada's organic products are exported as bulk grain and oilseed products to the United States, European Union and Japan. The Canadian organic market has been reporting growth of 15 to 20% per year since the late 1990s. Agriculture Canada

estimated organic retail sales would reach \$3.1 billion in 2005. The industry's market share is expected to increase to 10 % of the Canadian retail market by 2010.

The Saskatchewan Government needs to recognize the value and importance of organic agriculture to our province and communities. As noted above, the provincial government should consider divestment in the province's industrial hog production to support more sustainable methods of agriculture.

f. Food Security

ACTION: Allocate \$1 million to establish a Provincial Food Charter and to support local food security initiatives through existing local food system networks including Food Secure Saskatchewan.

Food security exists when all people, at all times, have physical and economic access to sufficient, safe, and nutritious food to meet their dietary needs and food preferences for an active and healthy life. The four pillars of food security are: availability, stability of supply, access and utilization.³⁸ Just as producers are more insecure as a result of the integrated global food system, consumers in Saskatchewan and Canada have less security of access to healthy nutritious food than they did before 1980.

Food insecurity has its roots in the falling real income for the lowest 20% of Canadian families. Economic inequality reflects an inequality in access to secure food sources; 54% of Saskatchewan low-income respondents reported some food insecurity in the past 12 months.³⁹ Food tends to be seen as the more 'flexible' part

of the family budget often accessed after housing issues are addressed.

In the context of supporting a long-term objective of food security, the Alternative Budget would shift policy and expenditures within the Department of Agriculture and Food to include new initiatives. A provincial food charter would be developed as a policy framework for a sustainable, regionally based system of food production, processing and distribution. There would also be increased promotion and support for more direct producer to consumer access through local farmers markets, urban garden projects, family "good food box" projects, collective kitchens and school based nutrition programs.

³⁸World Food Summit, Rome, 1996

³⁹ Canadian Community Health Survey, 2003

IX. Women's Issues

The past year has been especially detrimental to women's issues in Canada. The federal government has dramatically cut funding to Status of Women offices across the country and changed the mandate of the offices, which has limited their effectiveness. The very principles that we have deemed to be secure have been challenged.

It is important to note that Canada has been signatory to numerous United Nations commitments to gender equality, including the Committee on Elimination of Discrimination Against Women (CEDAW), of which Canada was one of the first to sign. Our provincial government must not neglect its national and international responsibility to be a leader in gender equity.

a. Gender Budgeting

ACTION: Conduct a gender-based budget analysis.

A preliminary exercise to increase the provincial government's accountability to women in the province would be to undertake a gender budgeting process. Gender budgeting provides an effective exercise in challenging the assumption that economic policies and strategies impact men and women equally. By first recognizing women's unique social conditions and issues, then factoring them into budget and policy development, economic inequities may be minimized while, at the same time, advancing the progress on gender equity and human rights commitments. Policy could be formulated that is enlightened to the realities of women and funds would be allocated with this in mind. Gendered budgeting also provides a clearer link between economic policy and human

rights commitments, consequently strengthening civil society. A gendered budget could provide mechanisms for women's greater participation in economic decision-making and policy development.

b. Status of Women Office

ACTION: Restructure the Status of Women office to increase outreach with the community and to create an effective balance between working with women's organizations and the provincial government. Allocate \$1 million to create a full-time Women's Advocate position in each health region.

The Status of Women Office needs to become more strategically and intensively involved in the development of policies of particular urgency to women. Staff should be recruited directly from community groups. The office should be engaged in on-going, active outreach activities with women's organizations, so that qualified women will be encouraged to apply. Hiring criteria should not privilege those solely with government experience. In this manner, individuals from the community with the most relevant experience and knowledge are recruited. Status of Women staff must also have access and funding to collect information needed for gender policy analysis and development from all government departments as needed.

A balance shall be struck in resource utilization between working with women's organizations and the provincial government. The four staff positions within the Office should be structured, so there a balance of time spent working within government and time spent with women's groups in the province.

ACTION: Increase the budget of the Status of Women office by \$2 million.

Funding to the Status of Women office should be increased by \$1 million year. This will include \$250,000 for four full-time salaried positions, \$650,000 for grants to community based organizations and women's groups, and \$100,000 for on-going research activities performed by professional independent researchers to undertake collection of data and analysis of government programs, policies, and initiatives with the aim of determining areas of highest priority for gender equity analysis. Money would also be dedicated to holding an annual forum of government, community organizations, youth, minority women, and the public.

In order to facilitate the prevention of gender-based violence, the Status of Women office needs to develop a critical analysis, which examines male socialization and structural conditions, e.g. unemployment, on the determinants of gender-based violence. Based on the analysis, concrete strategies directed to men need to be developed and implemented. Community anti-violence education taken on by women's shelters and organizations must be a funding priority, because education plays a key role in prevention.

A priority of the Status of Women's Office, in collaboration with Aboriginal Women's groups, is to monitor the effects of the recent allocation of \$2 million to improve the investigation, reporting and analysis of unsolved cases of missing Aboriginal women.

c. Gender Based Wage Inequities

ACTION: Extend the pay equity program to first to the publicly funded employers and second to targeted private sector workplaces.

Despite the progress that has been made in addressing wage inequities in Canada, women working full-time still earn only 71% of their male counterparts, regardless of age, occupation or education.⁴⁰ The Saskatchewan Government has completed its pay equity program in the civil service, which covers approximately 60,000 people working for government departments, Crown Corporations, Treasury Board agencies, boards and commissions, SIAST, regional colleges and the health sector, but the Status of Women office has indicated that the private sector is doing worse than the public sector in addressing gender equity. The government must continue to act as a leader in order to catalyze progressive change in meeting and exceeding employment equity standards, but they must also target several private sector workplaces. Higher standards must either be implemented or perhaps legislated.

ACTION: Create an action plan to recruit and retain women in male-dominated occupations.

Pay equity initiatives alone can never fully correct the inequities in women's occupations and earnings. Women are segregated into a narrow range of occupations, which are often part-time, casual or clerical, contributing to the gender wage gap. We need an aggressive action plan to train more women to enter occupations traditionally dominated by men. In order to address this situation, we must create a comprehensive strategy to offer training for women in non-traditional occupations, including an enhanced apprenticeship program, with gendered considerations and targeted seats. Post-secondary institutions must offer more recruitment and retention to

⁴⁰ Canadian Feminist Alliance for International Action (FAFIA), <http://www.fafia-afai.org/en/research/payequity>

women in non-traditional occupations. Recruiting and retaining a more diverse work force is particularly important today, as Saskatchewan's economy continues to boom and shifting demographics lead to retirements and a growing labour shortage.

ACTION: Improve labour standards to require employers to offer additional hours to their most senior part-time workers, to provide five paid days of Family Responsibility Leave, to provide flexible work arrangements for parents with children under eight, and to offer additional rights to vulnerable workers (those with earnings less than \$25,000).

Minimum Labour Standards must be enhanced and enforcement must be strengthened in order to collapse the gap between 'good jobs' and 'bad jobs' where women are disproportionately employed.

The lack of adequate resources has diminished the role of these critical resources to support and advisory functions. Enhanced funding and policy directives are needed to restore capacity for monitoring and enforcing statutory rights of citizens.

ACTION: Restore funding to regulatory bodies such as the Human Rights Commission, the Labour Relations Board, Occupational Health & Safety, and Legal Aid in order to protect the rights of women.

d. Violence Against Women

ACTION: Provide an Outreach Coordinator at twelve provincial women's shelters at a cost of \$480,000. Implement community anti-violence education to be facilitated by the provincial women's shelters for a cost of \$480,000 and children's programs in provincial women's shelters, including education and counselling, for a cost of \$60,000.

Every year, an estimated 2,000 women use the 12 Saskatchewan shelters to seek respite from abuse. These women often face overwhelming challenges beyond the physical, sexual or psychological abuse they have suffered such as poverty, racism, a lack of education and employment opportunities, addictions or mental health issues, and a lack of adequate and safe housing.

In addition to recognizing an increase in social assistance rates and available safe and affordable housing as has been previously discussed, there must be an immediate increase in funding for support systems such as community programs and shelters. Some vital programs include accessible addiction and mental services, follow-up and support services for women who have left shelters, and children's programming within shelters. Funding must be allocated for advocacy work on behalf of victims of violence.

X. Justice

Saskatchewan cities have traditionally ranked near the top of reported urban crime in Canada. Therefore, there is a clear need to re-examine the cause of this high rate of reported crime and the consequent approach of the justice system. Interestingly, Saskatchewan has one of the highest numbers for police officers per capita in Canada: 205 police officers per 100,000 people.⁴¹ The issue may not be a question of police numbers, but rather the social policies available to deal with the causes of crime.

a. Community Policing

ACTION: Invest \$5 million in community based policing programs.

Our justice system has a reactive focus on punitive measures, with an apparent lack of either preventative or community approaches. A shocking 80% of the corrections budget goes to prisons and institutions. A portion of this money would be better spent on increasing the number of community based programs. Many key leaders in policing have embraced community policing, but this work needs to be more broadly adopted and more widely understood by rank and file police officers, police commissions, municipal councils, and the public. A move needs to be made toward an integration of strategies and programs at all levels of the justice system instead of small-scale community policing.

Programs such as alternative measures offers those who have been accused of a criminal offence the opportunity to

participate in resolving conflicts arising from criminal behaviour in a community setting. Such programs attempt to balance the needs of a victim, the accused, and their respective communities, while reducing the trauma caused by the criminal behaviour for the community at large. There are approximately 35 alternative measures programs supported by Saskatchewan Justice throughout the province.

Alternative measures for youth have been available since the mid-1980s. Unfortunately, the decision about which offenders are eligible for these programs is restricted to the Crown Prosecutor's office. This means that eligible offenders must still appear before the courts. There should be a range of options for alternative measure eligibility, pre-charge, pre-conviction, pre-sentence, and post-conviction. Effective programs must intervene throughout the continuum of justice, and not only in the post-charge stage.

b. First Nations and Métis People

Crime rates on reserves are twice as high as the rates in other rural and urban areas of Saskatchewan. For violent offences, the rate is almost five times higher on-reserve than in either urban or rural areas.⁴² Persons of Aboriginal decent are over-represented in correctional facilities – 80% of youth in the young offender system are Aboriginal.⁴³

⁴² Statistics Canada. "Police Reported Aboriginal Crime in Saskatchewan." 2000. <http://www.statcan.ca/Daily/English/060606/d060606b.htm>

⁴³ Saskatchewan Justice. "Creating a Healthy, Just, Prosperous, and Safe Saskatchewan: A Response to the Commission on First Nations and Métis Peoples and Justice Reform."

⁴¹ Statistics Canada. "Police and Personnel Expenditures." 2005. <http://www.statcan.ca/Daily/English/061115/d061115c.htm>

ACTION: Implement the recommendations of The Commission on First Nations and Métis Peoples and Justice Reform.

The Commission on First Nations and Métis Peoples and Justice Reform Final Report recommends that the Government of Saskatchewan reduce spending on either punishing or retributive actions toward crime and increase spending on community based intervention and prevention programs.⁴⁴ Community based sentencing and participation in the justice system should be encouraged and supported. Community based programs and justice services need to be better integrated to improve efficiency and access to resources.⁴⁵

ACTION: Provide \$3 million for research initiatives focusing on police recruitment strategies for First Nations and Métis persons and innovative policing delivery models for First Nations and Métis communities.

b. Crime Prevention Through Environmental Design

ACTION: Develop programs to enhance the quality of communities based on Crime Prevention Through Environmental Design (CPTED) tactics for a cost of \$2 million.

CPTED is a design that effectively changes the physical and social environment in order to reduce fear and incidence of crime and improve the overall quality of life in a community. This is a pro-active crime prevention strategy utilized by planners, architects, police services, security professionals and everyday users of space. Application of this strategy can happen with the incorporation of CPTED principles when municipal staff are developing and reconstructing neighbourhoods. Minimizing neighbourhood characteristics such as poor lighting, isolation, lack of clear sightlines, no access to help, hiding and entrapment spots (such as trees and bushes) and inadequate security can reduce opportunities for crime.

c. Legal Aid

ACTION: Increase funding to Legal Aid by \$5 million.

By increasing funding to Legal Aid, the provincial government can begin to quell the build up of demand for legal services in the low-income community. This would provide the resources to hire more staff for the existing range of services as well as to re-establish the full range of poverty law services.

http://www.saskjustice.gov.sk.ca/Publications/ActionPlan_final_web.pdf

⁴ Commission on First Nations and Métis Peoples and Justice Reform. "Summary of Final Report Recommendations". 2004.

<http://www.justicereformcomm.sk.ca/volumeone/16ChapterEleven.pdf>

⁵ Commission on First Nations and Métis Peoples and Justice Reform. "Interim Report: Working Together."

http://www.justicereformcomm.sk.ca/final/jrc_11_20_03.pdf

XI. Municipalities and Transportation

The provincial government and municipalities have entered into a process to develop a long-term plan for revenue sharing and infrastructure funding, along with addressing other provincial policy and regulations. This Urban Agenda process is aiming to have a plan by the end of October, pending interference from a provincial election. This will mark an important milestone in the intergovernmental affairs of municipal and provincial governments.

a. Revenue Sharing Pool

ACTION: Re-establish the provincial revenue sharing pool for operating grants, for a cost of \$17 million.

Since 1984, the revenue sharing pool of the province has been reduced by more than 40%. Urban municipalities have requested an increase of \$40 million dollars in unconditional revenue sharing in each of the next five years. The provincial government needs to commit more adequate, ongoing funds for revenue sharing pools. Therefore, the Alternative Budget proposes an initial commitment of \$17 million, with that money being allocated to community identified needs, support for local goods production, and jobs at public sector wage rates. The revenue sharing pool should include an equalization formula to assist communities who have, on average, low property assessment values.

b. Infrastructure and Buildings

ACTION: Allocate \$50 million in additional funds to municipalities for infrastructure projects.

Sufficient capital funds for community buildings and infrastructure maintenance

programs should be jointly and equally funded through a long-term agreement between the cities and the combination of federal and provincial governments. Federal and provincial funds must be committed to essential urban and rural infrastructure maintenance (roads, bridges, and utilities) on an ongoing basis. Funding should not be based simply on resource revenues. Even with the Canada-Saskatchewan Municipal Rural Infrastructure Fund (C-SMRIF) cost shared program, it is estimated that there are still local infrastructure deficits of at least \$50 million per year.

Last year, the provincial government committed \$100 million over three years for the “Building Communities” program. However, this funding is only available for projects over \$1 million, which excludes most towns and villages. The province must include provisions in new funding for smaller projects.

c. Base Tax

ACTION: Maintain the current municipal taxation system.

Revenue generation and cost sharing by the provincial and municipal governments continues to be controversial and are important pieces in evaluating how municipal services are able to be rendered. Under a base tax system, every property owner pays the same property tax level for all properties, irrespective of the actual property value. The present ad valorem system of property taxation – the more valuable the property the more property tax is collected from the owner of that property – is both fair and equitable as suggested by recent court decisions in B.C. and Alberta. Base taxes are regressive in nature because less expensive property

owners, which are typically lower income earners, pay a larger portion of their income to property taxes. This ultimately has a negative effect on low-income earners, while benefiting owners of more expensive properties, typically higher-income earners. Roughly the same number of tax dollars is generated via both the mill rate system and the base tax system. However, the current taxation system is a more fair and equitable option for Saskatchewan and must be maintained.

The Canadian Federation for Independent Business is again vigorously pursuing the option of base tax in the hopes of seeing its realization in the near future. Regina and Saskatoon will undoubtedly face the issue again. Therefore, it is essential that we continue to lobby against the possibility of implementing this completely inequitable taxation system.

d. Public Transportation

ACTION: Commit additional long-term funding to the Provincial Transit Assistance Program for People with Disabilities, beginning with \$2 million in 2007-08.

Transportation for people with disabilities is a major concern for people needing to access essential services either in or outside their community. It is vital that affordable and accessible transportation for those with disabilities be municipally, provincially and federally supported in order to meet rising demand. The provincial government has recognized that special needs transportation provides a critical link in meeting the needs of people with disabilities, but also that the Municipal Transit Assistance Program for People with Disabilities program is not available to municipalities for new service

due to budget constraints.⁴⁶ The growing number of registered users increases competition among passengers for trips. It is essential that the cities designate a portion of money from the new deal federal funding arrangement to para-transit funding. However, since the new deal funding is for capital expenditures, a gap in operational funding will still exist. The provincial government also needs to commit additional long-term funding to the Provincial Transit Assistance Program for People with Disabilities.

ACTION: Implement a province-wide discounted bus pass program for all recipients of social assistance for a cost of \$5 million.

Access to affordable transportation is a major barrier for urban residents in terms of employment, child-care and access to other essential services. In 1987, the transportation allowance for people on social assistance was eliminated and has yet to be restored. Today, an adult on social assistance receives \$245 as a basic monthly allowance, yet the cost of an adult monthly city bus pass in Regina, for example, is \$54.⁴⁷ Spending 22% of the monthly income is completely unreasonable for Saskatchewan's lowest income earners who already lack sufficient money to cover basic living expenses. Several cities have a discounted bus pass program, but the province must ensure that this program is incorporated province-wide.

⁴⁶ Government Relations (2006). www.gov.sk.ca/mrd/protransit.shtml

⁴⁷ Regina Transit (2006). www.reginatransit.com

ACTION: Allocate \$5 million for a program to subsidize the acquisition and operation of energy efficient public transportation units, expanding public transportation in rural Saskatchewan.

Transportation is quickly becoming the biggest issue for low-income groups in rural Saskatchewan. Low income and physically challenged persons in rural Saskatchewan often find it extremely difficult to access affordable transportation to needed services. Social and economic benefits for Saskatchewan derive from providing affordable and accessible public transit and mobility for disadvantaged groups. In addition, recent rate increases by the Saskatchewan Transportation Company (STC) ensure that rural disadvantaged individuals miss out on social and economic benefits that a province like Saskatchewan could provide them.

XII. Culture

Culture ties together the economic, social, and environmental spheres to help construct a vibrant and healthy province. Strong cultural engagement can improve the cohesiveness, confidence and international image and attractiveness of a location such as Saskatchewan.

Unfortunately, culture is often relegated to a low priority in budgeting processes because it is deemed as a luxury, not a necessity. We must remember that culture is one of the key dimensions in creating a sustainable community.

a. Funding

ACTION: Establish an allocation of 2% of general expenditures to the cultural sector to be achieved over five years. This will be done at a cost of \$70 million in 2007-08.

In Saskatchewan, funding provided for the cultural sector is dismal. Per capita, Saskatchewan only spends \$5.30, while Manitoba spends \$9. Over one quarter of cultural funding comes from gambling revenues, with the rest from general revenues. The cultural sector has been unfairly forced into dependence on this form of taxation. However, the actual cost of transferring lottery/gambling generated dollars to general revenue would be less than \$14 million. The 1990 *Arts Strategy Task Force* recommended a 1% allocation of general expenditures to cultural spending. Although this is an adequate interim measure, we must aim higher. By increasing cultural funding to 2% of general revenue over five years, we can ensure its sustainability.

ACTION: Dedicate 2% of all budgets for new construction and renovation to government buildings to cultural acquisitions.

By requiring all construction projects for the Government of Saskatchewan to include a cultural spending component, we can ensure that Saskatchewan artists receive the opportunity to showcase their work and receive adequate compensation for it.

b. Status of the Artist Report

ACTION: Ensure the continued input of the artistic community in the development of Status of the Artist legislation by establishing a Status of the Artist Commission at a cost of \$500,000.

The “Status of the Artist” report, written in 1993, proposes to give artists equity with other workers in such areas as collective bargaining, health and safety, work benefits, and open access to assistance programs. The government initiated ‘enabling’ status legislation in 2002, but the Act is limited to an enunciation of principles.

The Ministry’s Advisory Committee on the Status of the Artist (MACSA) issued their final report in July 2006. Issues covered include collective bargaining and fair compensation. Amendments to the Status of the Artist Act are presently before the government. Hearings on the Status of the Artist reports were conducted in February 2007, allowing input from artists in all sectors, community activists, and the general public. This initiative must continue. Furthermore, the establishment of a Status of the Artist Commission, an arm’s length body with representation from cultural workers has been proposed to assist the implementation of Status recommendations.

c. Saskatchewan Arts Board

ACTION: Increase the base funding of the Saskatchewan Arts Board by \$6 million over two years.

The Saskatchewan Arts Board, founded as a unique experiment in Saskatchewan in 1948, and replicated across Canada, can be viewed as the research and development aspect of the cultural sector, funding individual artists, organizations and projects. Funding for the Arts Board has been inadequate for years. Funding remains insufficient to meet the need for individual assistance, to sustain funding for key organizations, and to meet demand for project assistance. Furthermore, it cannot meet the demands for development of new art forms, particularly in the area of technological development. By taking the bold step of increasing funding this year, the provincial government can ensure that the Saskatchewan Arts Board has the opportunity to operate effectively and adequately support Saskatchewan artists.

d. Multiculturalism

ACTION: Increase the Multicultural Initiatives Fund budget by \$250,000.

Multiculturalism in Saskatchewan is currently supported by the lottery-funded Multicultural Initiatives Fund (MIF) with a budget of \$250,000 a year. The demand for this fund far outstrips the supply and scarcely addresses the wide breadth of activities multicultural groups need to do.

ACTION: Conduct a study of the economic and social impact of multiculturalism, including efforts to improve immigrant recruitment and retention at a cost of \$1 million.

Multiculturalism in Saskatchewan, as is the case nationally, has been left by default to

the Department of Culture, Youth and Recreation. However, the concerns these groups address are much broader. In addition to an increase in the MIF, the multicultural community has identified the need for a study of the economic and social impact of multiculturalism. The government should investigate the type of impact that multicultural activities - such as festivals, internationally renowned dance troupes, and cultural societies have on the people involved in them and on society in general. This information would also be used to help identify immigration needs and improve retention. An immigration strategy will provide benefits to the cultural sector, but also to the economy, educational institutions and our communities.

A comprehensive immigration strategy will require considerable consultation across government, educational, labour and social agency lines. An allocation of \$1 million will move this initiative forward and begin the process of placing appropriate infrastructure to achieve the goals of the strategy.

e. Employment

ACTION: Allocate \$2 million to arts organizations to recruit, train and retain staff with a target of equal pay with provincial government employees within four years. Develop professional development and training programs at a cost of \$1 million.

The impending retirement of many cultural workers and managers, as well as challenges in recruiting and retaining new workers, adds additional stresses to the cultural sector. Proactive measures must be taken in order to sustain this sector.

f. First Nations and Métis

ACTION: Allocate \$1 million to support First Nations and Métis culture, including targeted initiatives of the Saskatchewan Arts Board.

Saskatchewan's First Nations population is large and steadily growing. We must engage and recognize the contribution of this community to the arts. The arts sector must constantly seek ways to provide new services and programs relevant to the shifting demographics of Saskatchewan. The Saskatchewan Arts Board has developed programs such as the Indigenous Pathways initiative and Looking Back/Looking Forward. The government must support these programs and others in the arts community.

g. Cultural Industries

ACTION: Increase funding to the Cultural Industries Development Fund (CIDF) by \$1 million.

CIDF has served as a foundation of cultural policy and development. But this has by no means addressed the programs and policy recommendations contained in the "Cultural Industries Development Strategy Report". Added support to the CIDF will reinforce the other elements of the cultural industries.

XIV. Projections

a. Revenues

	2006 3rd Quarter Government Projection	2007 ABC Using 2.7% GDP Growth	Difference From Government 3rd Qtr
Corporation Capital	480,000	518,287	38,287
Corporation Income	524,700	620,363	95,663
Minimum Corporation Tax		10,000	20,000
Individual Income Tax	1,655,500	1,729,024	73,524
Low Income Tax Credit		-5,000	-5,000
Wealth Transfer Tax		20,000	20,000
Fuel	376,600	384,226	7,947
Sales	1,028,000	956,416	-71,584
Tobacco	187,000	190,787	3,787
Other	94,700	96,618	1,918
Education Property Tax Offset		130,000	130,000
Total Taxes	4,346,500	4,650,720	304,220
Natural Gas	179,600	287,360	107,760
Oil	1,207,900	1,932,640	724,740
Potash	166,500	283,050	116,550
Other	51,500	56,900	5,400
Total Non-Renewable Resources	1,605,500	2,559,950	954,450
Crown Investments Corporation of Saskatchewan	167,000	167,000	0
Saskatchewan Liquor and Gaming Authority	353,200	328,200	-25,000
Other Enterprises and Funds	49,700	49,700	0
Total Transfers from Crown Entities	569,900	544,900	-25,000
Fines, Forfeits and Penalties	10,200	10,200	0
Interest, Premium, Discount and Exchange	89,400	89,400	0
Motor Vehicle Fees	132,700	132,700	0
Other Licences and Permits	34,100	34,100	0
Sales, Services and Service Fees	86,900	86,900	0
Transfers from Other Governments	17,300	17,300	0
Other	20,000	20,000	0
Total Other Revenue	390,600	390,600	0
Total Own-Source Revenue	6,912,500	8,146,170	1,233,670
Canada Health and Social Transfer	1,056,000	1,056,000	0
Canada Health Transfer	726,700		
Canada Social Transfer	329,300		
Health Reform Transfer	0	0	0
Equalization Payments - Program	12,700	12,700	0
Equalization One-Time Payment	0	0	0
Other	343,300	343,300	0
Transfers from the Government of Canada	1,412,000	1,412,000	0
Total Revenue	8,324,500	9,558,170	1,233,670

b. Expenditures

	EXPENDITURES (in thousands of dollars)
Social and Economic Security	
Basic Income Program	\$150,000
Increase SAP Rates	\$102,355
SHEIP	\$11,000
Centenary Affordable Housing Program	\$40,000
First Nations Housing	\$10,000
Senior Housing	\$5,000
Increase Day Care Subsidies	\$3,300
Community Based Organizations	\$10,000
End National Child Benefit Claw back	-\$40,500
Total	\$291,155
Education	
Education Property Tax Offset	\$130,000
Foundation Operating Grants	\$39,000
Additional Capital Expenditures	\$36,900
Community Schools	\$9,800
Curriculum Development	\$4,800
Total	\$220,500
Early Childhood Education	
Training/Education for Daycares	\$500
Special Needs Grants for Daycares	\$500
Daycare Equipment	\$250
Family Care Policy	\$250
Total	\$1,500
Post-Secondary Education	
Reduce Tuition Fees	\$15,000
Low Income Grants	\$18,000
Cost of Living Bursary	\$50,000
Increase University Operating Grants	\$22,500
Increase SIAST Operating Grants	\$15,000
SIAST Capital Investment	\$17,000
Increase Regional Colleges Operating Grants	\$3,500
Work Placement Programs	\$10,000
Training in Health Professions	\$15,000
First Nations and Métis Recruitment and Retention	\$10,000
First Nations and Métis Student Grants	\$10,000
Total	\$186,000
Youth Retention	
Saskatchewan Graduate Retention Credit	\$38,000

First Time Homebuyers Assistance Program	\$15,000
Saskatchewan Katimavik Youth Services Program	\$2,000
Annual Youth Summit	\$500
Total	\$55,500
Health	
Increase Funding	\$130,000
Primary Health Care Transformation	\$100,000
Health Quality Council	\$5,000
Population Health Strategy	\$100,000
Total	\$205,000
Environment	
Implement Prebble Report	\$4,000
Energy Conservation, Retrofit, Tax Credit Fund	\$30,000
Water Conservation	\$5,000
Zero Waste Strategy	\$10,000
Waste Management Fund	\$5,000
Waste Management Fund for Cities	\$30,000
Conservation Officers	\$4,700
Greening Health Care	\$13,000
Total	\$97,700
Agriculture	
Organic Agriculture Transition Fund	\$5,000
Provincial Food Charter	\$1,000
Farmer Rail Car Coalition	\$1,000
Total	\$7,000
Women's Issues	
Women's Advocate	\$1,000
Status of Women's Office	\$2,000
Outreach Coordinators	\$480
Anti-Violence Educators	\$480
Children's Programs	\$60
Total	\$3,020
Justice	
Community-Based Policing Programs	\$5,000
First Nations and Métis Recruitment Research	\$3,000
Crime Prevention Through Environmental Design	\$2,000
Legal Aid	\$5,000
Total	\$15,000
Municipalities and Transportation	
Revenue Pool Operating Grants	\$17,000
Infrastructure Improvements	\$50,000
Transit Assistance - Bus Pass Program	\$5,000

Transit Assistance for the Disabled	\$2,000
Total	\$74,000
Culture	
Funding	\$70,000
Saskatchewan Arts Board	\$3,000
Multicultural Initiatives Fund	\$500
Multiculturalism Impact Study	\$1,000
Employee Recruitment and Retention	\$1,000
First Nations and Métis Cultural Support	\$1,000
Total	\$76,500
GRAND TOTAL	\$1,232,875

Table 3	
Alternative Budget 2007-08 Expenditure Statement	
(in thousands of dollars)	
Expenditures as per government budget	\$8,221,327
plus: APB Additional Expenditures	\$1,232,875
Total APB 2007-08 Expenditures	\$9,454,202

Table 4	
Alternative Budget 2007-08 Budget Balance Reconciliation	
(in thousands of dollars)	
APB 2007-08 Revenues	\$9,558,170
less: APB 2007-08 Expenditures	\$9,454,202
less: Additional Allocation to Debt Reduction	\$887,500
less: Additional Allocation to Capital Infrastructure	\$0
Plus: Eliminate the Fiscal Stabilization Fund - Transfer any remaining funds to debt reduction	-\$887,500
APB Budget Balance 2007-08	\$103,968

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