



*Saskatchewan
Action Plan
Summary*

A New Century of Opportunity

September 2005



Saskatchewan
Industry and
Resources



Saskatchewan Centennial Summit

The Saskatchewan Centennial Summit of January 2005 provided a major forum for business, labour, community, First Nations and Métis, and youth leaders to celebrate Saskatchewan's economic successes and explore our future challenges and opportunities.

Summit participants agreed that our centennial year is an ideal time to bring forward an economic action plan to capture the opportunities of our second century — and affirmed that the plan should include the following elements.

- Our natural strengths position us for the future.
- We need to be competitive and promote ourselves at home and abroad.
- We have a proud legacy of creating innovative products and approaches.
- We need to engage more people in Saskatchewan's future.
- We have to preserve our reputation for healthy and sustainable living.

Saskatchewan Action Plan for the Economy

Posting an economic growth rate well above the national average for the second year in a row, Saskatchewan's economy is booming.

Our oil, natural gas, uranium and potash industries continue to break records for exploration, production levels and sales. The province also set employment records for the past two years.

With its diversified and growing economy, Saskatchewan is now considered a 'have' province, signalling our economic strength in relation to other Canadian provinces.

A Centennial Vision for Growth

The *Saskatchewan Action Plan for the Economy* presents a broad vision that builds on our strengths and economic momentum to launch the province into a second century of opportunity and prosperity.

The plan sets out actions for sustained growth on four strategic fronts:

1. Expand and Build on our Natural Strengths
2. Extend our Success in Research and Innovation
3. Enhance and Promote our Competitive Advantages
4. Broaden our Economy, Workforce and Jobs

A New Century of Opportunity

We can act now to seize new opportunities and ensure a high quality of life.

This year, Saskatchewan commemorates 100 years as a province of Canada. Together, we are celebrating our safe, secure communities. We are confirming our traditional values that support the individual, the family and the community.

The Centennial Summit revealed a heartfelt pride in Saskatchewan's past and a genuine optimism for its future. At the same time, there was a clear message that now is the time for decisive action and clear direction to meet the challenges and seize the opportunities before us.

The *Saskatchewan Action Plan for the Economy* responds to that call with a vision and an action framework for growth, jobs and prosperity in our second century.

The *Saskatchewan Action Plan for the Economy* will help propel Saskatchewan into a new century of growth and opportunity – contributing to a superior quality of life for the people and families who are proud to call this province “home.”

Lorne Calvert
Premier of Saskatchewan

1. Expand and Build on our Natural Strengths

Our vision is to expand and develop our natural strengths in our traditional economic sectors — oil and natural gas, mining, forestry and agriculture — to grow the economy, create higher-value jobs and further improve the province's quality of life with enhanced social, health and education services.

Energy

Our vision is to expand the province's energy base and develop one of the most diversified energy economies on the continent.

Oil and Natural Gas

- Continuously monitor the province's royalty and tax regime to ensure it remains competitive to stimulate further oil and gas development.
- Develop new enhanced oil recovery techniques through the Petroleum Technology Research Centre and the oil industry.
- Work with the industry to establish a regulatory basis that encourages exploration for natural gas from coal in a sound environmental framework.
- Develop the capacity to produce several energy products such as electricity or steam at the same time (polygeneration) to build on the province's natural resources and produce value-added energy products.
- Explore the potential for additional heavy oil upgrading capacity to add value to the province's heavy oil resources.
- Set out an energy policy that incorporates traditional and alternative energy sources, reflects environmental considerations and examines the potential of new technologies such as hydrogen and crop-related fuels.

Hydrogen Fuel

- Work with our partners in research and industry to create a provincial hydrogen strategy.
- Work through the Saskatchewan Research Council and the University of Regina to support further development of hydrogen fuel technology.

Wind Power

- Expand wind power beyond 175 MW of wind capacity as opportunities permit.

Ethanol and Other Biofuels

- Work with industry partners to encourage the production of ethanol from grain, straw and wood waste, and production of other biofuels and biodiesel from oilseed crops and animal fats.

Mining and Minerals

Our vision is to increase uranium, potash and other mineral production to meet rapidly growing global demand, and to discover and develop minerals such as diamonds and gold.

- Support targeted mining or mineral production incentives to stimulate further development in the industry.
- Further improve the regulatory environment for mining by working with the industry to streamline regulatory processes.
- Increase the amount of geoscience information available for companies to use to explore new areas in the province.
- Develop policies and processes to facilitate the development of a diamond mine should exploration activity proceed to that stage.

Potash

- Continue to work with potash producers to promote further investment in Saskatchewan, expansion of existing mines and the development of new potash mines in the province.
- Examine opportunities to establish a Saskatchewan-based market development program that will promote growth in the industry.

Uranium

- Stimulate further uranium exploration and development by working with the industry and pressing the federal government to address regulatory burdens and duplication.
- Evaluate opportunities for processing and refining uranium in Saskatchewan.

Forestry and Forest Products

Our vision is to make full sustainable use of our forest resources and become the most competitive jurisdiction in the country to attract investment and develop value-added opportunities in wood product manufacturing.

- Promote Saskatchewan to the global forest products industry as a jurisdiction offering opportunities and a favourable business climate to attract new investment to fully utilize the sustainable harvest of timber.
- Encourage diversification of the primary forest industry and the development of a value-added wood industry by providing access to high-value wood, technology, markets and knowledge.
- Reduce the environmental impact of forestry by attracting new businesses to process wood residuals such as sawdust and shavings in an industrial process or in energy creation projects.
- Build on the Saskatchewan Forest Centre's technology transfer and value-added services with support for its new agroforestry and market development initiatives.

Agriculture and Value-Added Production

Our vision is to create a more diversified agricultural industry with significantly increased livestock production, and with expanded opportunities for both primary agriculture and value-added processing.

- Implement the Meat Processing Strategy to attract new and expanded meat processing and manufacturing facilities to the province and add value to a growing livestock industry.
- Support the development of new bio-products and value-added opportunities for the flax, pulse, organic and biodiesel industries.
- Foster agriculture diversification and expansion with continued support for research and development and value-added

products through organizations such as the Crop Development Centre and the Food Industry Development Centre.

- Work with the federal government to restore free market access to the United States for our producers and exporters of cattle, beef and wheat.
- Secure a more level international playing field for the province's agricultural producers and exporters through the World Trade Organization negotiations.
- Work with the federal, provincial and territorial governments to attain favourable revisions to the 60:40 cost-sharing formula for agricultural programming.

2. Extend our Success in Research and Innovation

Our vision is to link technology and innovation with the province's resource and manufacturing sectors to create high-value products and high-paying jobs for Saskatchewan people.

Focus on Commercialization of Technology

The opportunities are available now to bring new technologies from our laboratories and laptops to the world's businesses and homes.

- Establish new innovation 'incubation' centres at provincial universities and research parks to act as a catalyst to transfer technology innovations to the marketplace.
- Facilitate the commercialization of new technologies by providing researchers and entrepreneurs with business development assistance and a new venture capital fund.

Strengthen our Advanced Technology Sector

We will invest in research and development today to turn future innovation into opportunity and jobs across all the province's economic sectors and regions.

- Support research projects undertaken at the province's universities and research institutions through the Innovation and Science Fund.
- Work with industry partners and the federal government to:
 - o enhance the life sciences economic cluster in Saskatoon; and
 - o promote the cluster's unique capabilities through the development of trade missions to select international regions and attendance at key industrial venues.

The Canadian Light Source Synchrotron

- Implement a business-friendly industrial science program at the CLS synchrotron to achieve a significant level of usage.

- Attract industrial investment related to the synchrotron and the province's other research facilities.
- Expand the CLS facility to provide a wider range of applications related to the province's key economic sectors.

Build a Green and Sustainable Economy

Our vision is to build on our sustainable management expertise with new environmental technologies to create a green and prosperous economy in our second century.

- Implement a Green Strategy that links environmental sustainability and economic growth through new actions and approaches that include green industries such as green tourism; promotion of alternative energy solutions such as energy conservation, solar and wind energy; environmental regulatory reform; new approaches to resource allocation; and increased recycling and innovative waste management.
- Support research in energy development, climate change and conservation through the Energy Sector Initiatives Fund.
- Expand energy conservation activities in the province to cut energy bills and reduce greenhouse gas emissions through the Office of Energy Conservation located at the Regina Research Park.
- Promote emerging technologies for sustainable community development through the Communities of Tomorrow research partnership between the University of Regina, the National Research Council and the City of Regina.
- Develop incentives to encourage business development and growth in green technologies.

3. Enhance and Promote our Competitive Advantages

Our vision is to further enhance the province's competitive advantages and promote them to a world seeking safe and stable investment sites to launch or expand their business operations.

Sharpen our Competitive Edge

Saskatchewan's lower costs of operating and doing business make it one of the most attractive places in the world in which to invest, work and live. In today's highly competitive world, we have to continually improve our business tax and regulation environment.

- Receive findings of the Saskatchewan Business Tax Review Committee and continue to improve business tax competitiveness.
- Create new partnerships with business and industry to streamline and simplify business regulations and support economic growth while protecting the environment.
- Further enhance access to government services for new and expanding businesses through a one-stop website.
- Benchmark Saskatchewan's competitiveness in relation to other jurisdictions to identify areas where we can make improvements.

Produce a Highly Skilled and Educated Workforce

Our vision is to enhance access to education and expand training capacity to produce and retain a highly skilled and diverse workforce, giving the province a significant edge in attracting new investment and growth.

- Expand the Saskatchewan Student Bursary to help reduce the cost of post-secondary education for nearly 10,000 students.
- Further expand training opportunities within the province, building on the recent increase of 1,000 new spaces in adult basic education, apprenticeship and work-based training – including retraining opportunities to help employees deal with workplace and technological changes.
- Continue the Post-Secondary Graduate Tax Credit (with phased-in increases up to \$1,000 by 2007) for all post-secondary graduates working in Saskatchewan following graduation.
- Increase provincewide access to technology-enhanced learning and e-learning.

Immigration

- Partner with the federal government and community and stakeholder organizations to increase the capacity of communities to settle and retain immigrants.
- Work with industry and employers to enhance access to foreign skilled workers to meet labour market needs.
- Expand the Saskatchewan Immigrant Nominee Program and make it more flexible for immigrants who want to own and operate a business in the province.
- Provide additional language training opportunities for immigrants to improve their employment readiness.

Expand and Strengthen our Infrastructure

Investors seeking to launch or expand business operations look for a modern and reliable infrastructure with safe and accessible transportation routes, a broad range of communication options, and stable, low-cost power and utilities.

- Strengthen the transportation infrastructure through highway twinning initiatives, forestry road upgrades, rural and northern highway reconstruction and targeted investments, such as bridge upgrades and safety improvements.
- Invest in projects under the new Canada-Saskatchewan Municipal Rural Infrastructure Fund with an emphasis on green municipal infrastructure and transportation infrastructure projects that will support economic activity in the province.
- Build healthier, safer and more supportive learning environments with investments in our educational infrastructure, including:
 - o continued support for capital projects at our universities; and
 - o continued support for major capital projects in the K-12 system, SIAST and regional colleges as well as education maintenance and renovation projects throughout the province.
- Complete expansion to 35 northern First Nation communities and 71 other communities so that all homes, businesses and schools in Saskatchewan communities with more than 200 people will have access to high-speed Internet.
- Implement the federal New Deal for Cities and Communities, focusing on the infrastructure gap in municipalities and supporting economic, social and environmental development.

Promote Saskatchewan's Benefits and Products

We are working hard to build on our international recognition and get the message out: Saskatchewan can boast of world-class products, advantages and lifestyles – and it is a very good place to invest, work and live!

- Partner with business to send Team Saskatchewan missions to markets around the world to build business relationships and generate leads in key sectors.
- Continue support for the Saskatchewan Trade and Export Partnership to assist exporters in reaching new markets, including short-term financing.
- Work with Canada's embassies and consulates around the world to promote Saskatchewan's competitive advantages and investment opportunities.

4. Broaden our Economy, Workforce and Jobs

Our vision is to broaden and diversify our economy, harness the unique economic potential of our regions and invest in our greatest asset — our people — to equip and engage them in a rapidly changing and expanding economy.

Support Manufacturing and Business Growth

We will build on our momentum to boost manufacturing and enhance access to capital for more people and entrepreneurs across the province wanting to launch or expand a business.

- Partner with the private sector to establish an entrepreneurial venture capital fund to provide capital for business start-up and expansion requiring less than \$1 million.
- Through Investment Saskatchewan, invest in provincial companies that show growth potential.
- Provide support for young entrepreneurs and small businesses through an expanded Small Business Loans Association program.
- Attract investment and promote consortiums that encourage partnerships, technology transfer and skill development to retain and expand businesses and make them more competitive internationally.
- Promote our manufacturing sector as the advanced, vibrant sector it is, and exhibit the province's capabilities at targeted trade shows and investment attraction events.

Tourism

- Increase funding to Tourism Saskatchewan to strengthen marketing and development initiatives to generate more visitor spending in the province.
- Establish tourist 'destination points' featuring several attractions centred around unique themes to draw more visitors to the province.

Film and Cultural Industries

- Identify and enhance the benefits of the film industry to the province through the Saskatchewan Film Employment Tax Credit.
- Provide film-related training opportunities to build capacity within the province to support the film industry.

Engage More People in the Workforce

Youth leaders at the Summit said young people want to build meaningful careers for themselves and their families here in Saskatchewan. Summit participants also said we need to engage an increasing First Nations and Métis population in the workforce.

Youth

- Continue the Youth Opportunities Unleashed program to help young entrepreneurs realize their business ambitions with financing, training and mentorship.
- Improve student transitions from Grade 12 to post-secondary education or work-based learning opportunities and apprenticeship through career information and awareness initiatives.
- Partner with schools in rural, urban and northern Saskatchewan to launch five high school-to-apprenticeship pilot projects.

- Increase awareness among young people of the many business and career opportunities in Saskatchewan through programs such as:
 - o the *Your Future is Here* campaign; and
 - o SaskYouth.net, an online resource of opportunities for youth.

First Nations and Métis People

- Work in partnership with First Nations- and Métis-led agencies and educational institutions to equip and engage First Nations and Métis people in broadening the economy.
- Provide funding for equity, community development initiatives, and skills development to new and existing Métis businesses through the Clarence Campeau Development Fund.
- Expand partnerships through the First Nations and Métis Employment Development Program to promote stay-in-school messages, encourage career planning, link training directly to jobs and break down barriers to the employment of First Nations and Métis people.
- Continue support for the Multi-Party Training Plans in the forestry and mining sectors to train First Nations and Métis people and northern residents to work in those industries.

Harness the Economic Potential of our Regions

Our vision is of a thriving, diverse rural economy that capitalizes on the unique strengths and economic opportunities in the province's regions.

A new department, Saskatchewan Rural Development, brings together programs and services to further promote economic development and diversification in rural areas.

- Work with municipal and other partners to leverage local networks, retain and expand businesses and attract new investment.
- Work with our partners in education and industry to increase the capacity of regional colleges to respond to industry needs for skilled labour with operational and training funding.

An expanding northern economy signals a unique opportunity for development with the full participation of northern residents – especially in the primary economic engines of the north: mining, forestry and tourism.

- Continue support for northern regional economic development and encourage increased ownership and participation by northern residents and companies in small businesses and larger corporate enterprises.
- Support Northlands College in its delivery of post-secondary education and training in the north.