

# A little bit for everyone in Saskatchewan Budget 2011

***Dr. David McGrane, for Global Saskatoon: Thursday, March 24, 2011.***

Overall, yesterday's provincial budget was a safe budget. The government covered all of its bases as everyone got a little bit of extra funding and taxpayers got a little bit of relief. The objective of the budget was clearly to make as many people as happy as possible going into next fall's election. In fact, ensuring that there was no big winner but lots of small winners avoids jealousy among those who benefit from this budget. The Saskatchewan Party hopes that the budget will placate its critics and it can prevent any embarrassing scenes during an election campaign where groups with lots of public sympathy accuse the government of ignoring their needs or decry the Brad Wall as 'mean-spirited.'

Why did the government choose the safe route?

There are two possibilities.

First, the Saskatchewan Party believes that they can win the next election on the strength of their record after four years in office and the personal popularity of Brad Wall. In this sense, there is no need to promise the moon to win the election. In fact, the Saskatchewan Party can win by promising very little and therefore leaving lots of flexibility for their second term in government.

Second, the Saskatchewan Party may be keeping the steam in its kettle. Voters have short memories and the summer is coming. Maybe the Saskatchewan Party wants to spring its big and expensive ideas on voters during the election campaign. Brad Wall has certainly left lots of room on the tax front. During the election, we may see a promise to reduce the PST by a point or a pledge to reduce personal income tax rates. Both commitments would be very popular with voters but also very expensive.

Where does all of this leave the NDP?

Since the Saskatchewan Party covered most its bases in this budget and didn't do anything bold or controversial, there is little for the NDP to shoot at.

However, there are still some possibilities and they are mostly on the spending side and regulation side.

Compared to the potentially wide-reaching impact of rent control, the government's two new housing programs look relatively modest. Without any immediate cost to the government, the NDP's rent control scheme could be regulation that touches the lives of thousands of Saskatchewan renters.

Similarly, the budget's 500 new childcare spaces would look like a drop in the bucket compared to a comprehensive NDP plan to establish universal and public childcare for children aged 0-5.

Another area that got short shrift in this budget was the environment. With all of Saskatchewan's carbon capture programs stalled and the Wall government waiting on the federal government before it regulates greenhouse gas emissions, this budget contained precious little for the environment. All that it contained was a \$2.6 million for a new biodiesel program. The NDP may be able to suggest something in terms of regulation or spending to reduce Saskatchewan greenhouse gas emissions which are the highest per-capita emissions in Canada.

Finally, there is the question of if we are getting enough off of royalties for our potash and oil. I don't think that this question will really grab the attention of voters outside of the NDP's base. Compared to childcare, affordable housing, and the environment, royalties seem like a technical side-issue that allows the Saskatchewan Party to deride the NDP as 'dangerous' for the economy.

In any event, this budget draws the battle lines for the next election campaign. Both parties are ready to go and are only waiting for the end of the summer to start campaigning in earnest. We will soon know what the voters think.

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