



A Sustainable Growth Strategy for the New Saskatchewan

What is the Growth Strategy for the New Saskatchewan?

In 2007 the Saskatchewan Chamber of Commerce launched the Sustainable Growth Strategy for the New Saskatchewan to support the strategic and sustainable growth of the province's economy and population.

Why Do We Need to Grow?

Without growth, Saskatchewan will not have the tax revenues necessary to sustain the level of public services residents have come to expect. Additionally, the current demographic situation means labour shortages will increase and prosperity will decline if changes do not occur.

Saskatchewan needs to grow. Fortunately, growth is possible and the Chamber believes that by acting to promote and prepare for growth now, the province can avoid the growing pains that have plagued other jurisdictions.

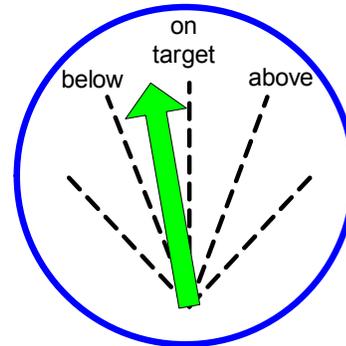
What are the Key Indicators?

The Growth Strategy outlines important future targets for population, demographics, labour force engagement, GDP growth and more that need to be achieved for Saskatchewan to afford the cost of serving our aging population while continuing to provide a range of public services and a high standard of living.

The Chamber believes that by achieving each of these twenty indicators, Saskatchewan can position itself as the best place to live, work and invest.

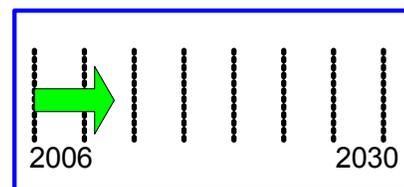
The Saskatchewan Chamber of Commerce knows what it wants Saskatchewan to look like in 21 years, so we are encouraging our members to prepare for this new Saskatchewan by expanding services and properly positioning themselves for growth. We have also advised the government to take action on several policy fronts to support this growth now. We want them to enact policies that enable and encourage the increased investment necessary to grow our economy, and to focus current public sector spending on areas that will be put under the most strain in the future.

Saskatchewan's Population



The Growth Strategy targets an annual growth rate of 1.75% per year for the provincial population. Since 2006, the population has been growing at an annual rate of 1.6%. This is near, but slightly below the rate needed to reach 1.5 million people by 2030.

The Growth Strategy targets an annual growth rate of 1.75% per year for the provincial population. This rate means that the provincial population would reach 1.5 million people by 2030. Since 2006, the population has been growing at an annual rate of 1.6%, very close to the target.



Saskatchewan's Population at Record High

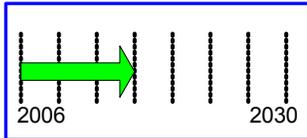
Statistics Canada recently announced that as of October 2009 Saskatchewan's population was 1,034,974. A record high for the province, surpassing the previous record of 1,032,799 reached in July 1987.

This estimate puts Saskatchewan only 9,700 people short of the 2009 Growth Strategy target!

Personal Disposable Income

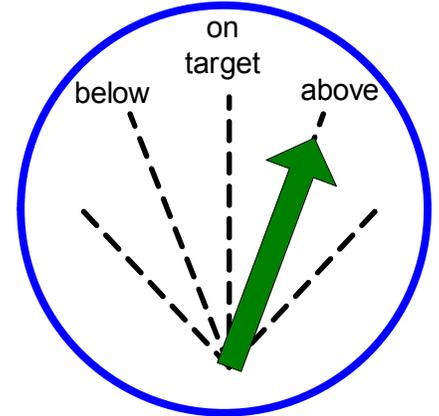
Disposable income per capita is a measure of how economic prosperity translates into more purchasing power in the hands of individuals. This may be the single best measure of economic prosperity for families and individuals because it takes into account taxes and inflation.

After adjusting for inflation, disposable income per capita grew by 6% in 2007 and 9% in 2008. Both increases are above the 4.2% annual growth rate set as a target for the Growth Strategy. The rate of growth is expected to be almost as high in 2009.



2006 actual - \$21,498

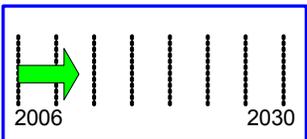
2030 target - \$45,000



Gross Domestic Product

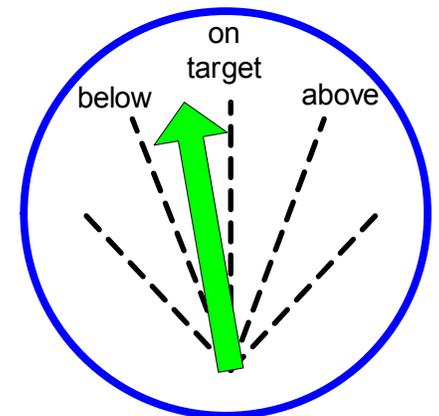
The gross domestic product (GDP) is an estimate of the value of goods and services produced in an economy. Adjusted for inflation, the GDP is the most comprehensive measure of the size of an economy and the one used by most economists to measure economic growth and prosperity.

Measured in constant 2002 dollars, the Saskatchewan GDP grew by approximately 4% in each of 2007 and 2008. In spite of the lower growth rate expected in 2009, the GDP is still increasing quickly enough to meet the Growth Strategy target of 4.2% growth per year between 2006 and 2030.



2006 actual - \$38.5 billion

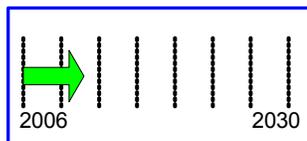
2030 target - \$105 billion



Provincial Employment

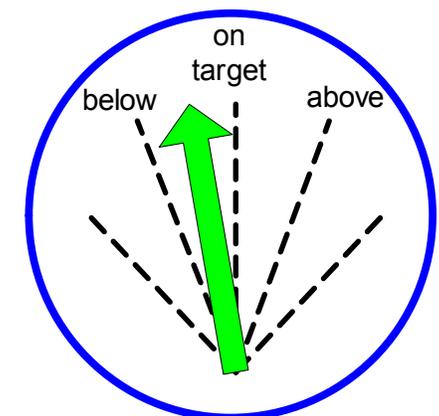
Economic prosperity at the provincial level is not important if people who want to work cannot find a job. This means that overall employment has to grow at least as quickly as the population to ensure that the economic benefits of growth are shared with the people living in Saskatchewan.

Total employment grew by more than 2.1% and 2.2% respectively in 2007 and 2008 before slowing to near 1.5% in 2009. This is below the 3% annual growth rate needed to meet the Growth Strategy target of 1,065,000 people employed by 2030.



2006 actual - 492,000

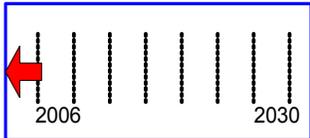
2030 target - 1,065,000



Post-Secondary Students

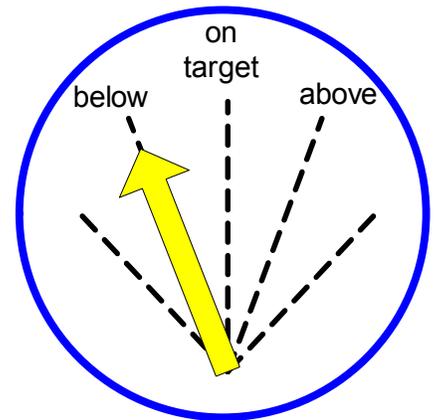
To meet the needs of a growing work force with twenty-first century skills, it is important for the number of post-secondary students in the province to increase at least as quickly as the population.

The number of full-time and part-time students attending post-secondary institutions (a technical school, a university, or an apprenticeship program) was 49,000 in 2006. It fell in 2007 and 2008 before recovering some of the lost ground in 2009. High school dropout rates are still too high, particularly among Aboriginal students, so this indicator is not on track to meet the Growth Strategy target.



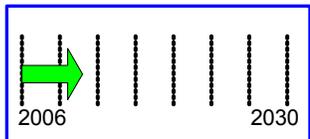
2006 actual - 49,000

2030 target - 120,000



Capital Investment

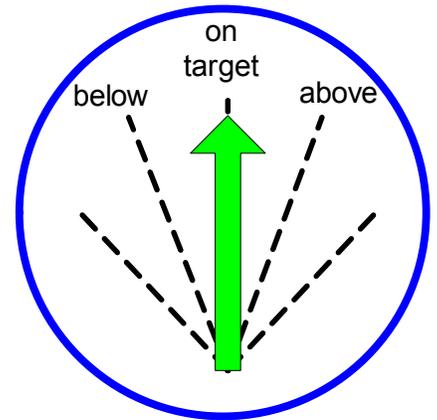
Significant levels of capital investment will be required to meet the Growth Strategy targets because capital investment in new facilities and equipment is required to improve productivity, increase the size of the economy, help meet environmental goals, and provide roads, schools, and hospitals to meet the needs of the growing population.



Adjusted for inflation, capital investment grew by 7% in 2007 and 12% in 2008. In spite of what is expected to be a slowdown in 2009, this is above the long-term growth rate for the province and sufficient to meet the targets.

2006 actual - \$8.6 billion

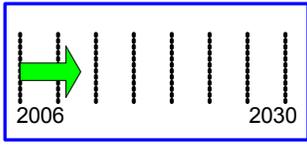
2030 target - \$52 billion



What Does This Mean to You?

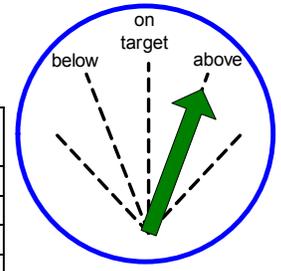
- **Population** - A greater population means more people to contribute to the economy as consumers and taxpayers. Additionally, Saskatchewan is retaining and attracting more young people who are building their careers and families here, contributing to our schools and communities while securing our future.
- **Post-Secondary Students** - Higher education typically means greater income and enhanced productivity. Saskatchewan needs to encourage the development of a knowledgeable and skilled workforce to ensure economic growth over the long-term.
- **Disposable Income** - Lower taxes and more income means everyone has the opportunity to enjoy a higher standard of living and to spend money as they please. Higher levels of disposable income also mean greater investment into housing and more retail revenues.
- **Provincial Employment** - An increasing employment rate means that everyone wanting to work has the opportunity to generate wealth and create opportunities. The goal is to have the right supply/demand of workers and jobs to ensure a sustainable and productive economy.

Age Distribution

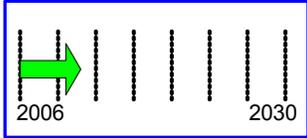


To ensure sustainable growth, it is important for the population of young adults to grow in the province to counteract the natural aging occurring. Thanks to international and interprovincial migration, growth is occurring among those 15 to 34 years of age so the inevitable rise in the proportion of the population who are older has been kept in check.

| Age Distribution | Actual in 2006 | Target in 2030 |
|------------------|----------------|----------------|
| % under 15 | 20.7% | 18.5% |
| % 15 - 34 years | 27.4% | 27.0% |
| % 35 - 54 years | 28.0% | 25.0% |
| % 55 & older | 23.9% | 29.5% |



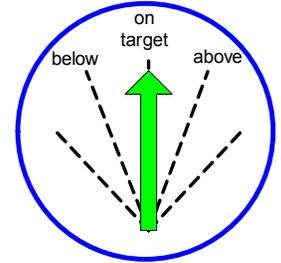
Annual New Housing Starts



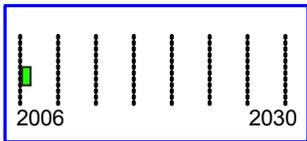
New housing starts have slowed in 2009 but the large number of new units started in 2007 and 2008 will ensure that the aggregate housing supply is on target so far.

2006 actual - 6,007 units

2030 target - 11,000 units



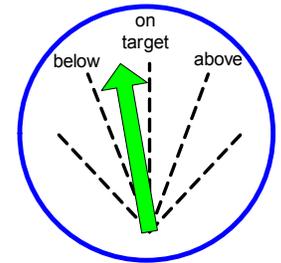
Centres with a Populations of 2,500 or more



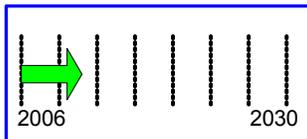
The number of larger rural centres (population of at least 2,500) is unchanged from 2006. However, at least twelve communities with a population of 1,800 or more could grow to more than 2,500 by 2030 with the expected population increase.

2006 actual - 19

2030 target - 29



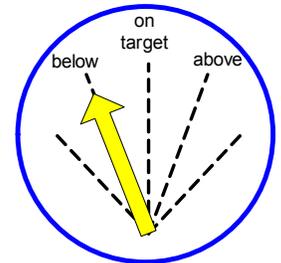
Private Sector Employment



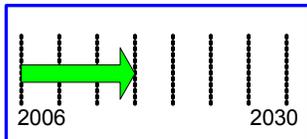
Private sector employment must grow by 3.5% per year in order for the Growth Strategy targets to be met. The rate of growth in 2007 and 2008 was near 2% and private sector employment has further slowed in 2009.

2006 actual - 371,000

2030 target - 852,000



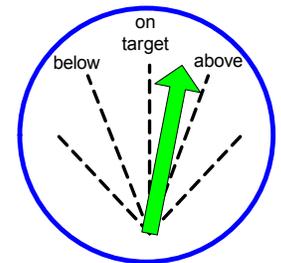
Public Sector Employment



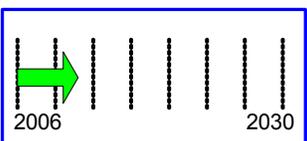
Public sector employment must grow by 2.5% per year in order for the Growth Strategy targets to be met. The rate of growth in 2007 and 2008 was just below this level, but growth in 2009 will make up the lost ground.

2006 actual - 121,000

2030 target - 189,000



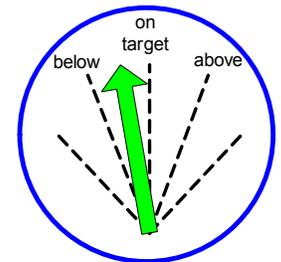
Employment Rate (15 to 64 years)



The employment rate among the population 15 to 64 years of age reached 78.3% in 2007, an all-time high for the province and on track to meet the Growth Strategy targets. Since then the rate has fallen back to less than 78%.

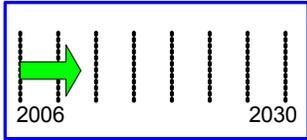
2006 actual - 76.8%

2030 target - 80%



"Saskatchewan is leading the country in many areas and we are seeing success. However, to sustain our quality of life, we need to do even better in some areas," Dave Dutchak, Growth Strategy Taskforce Leader.

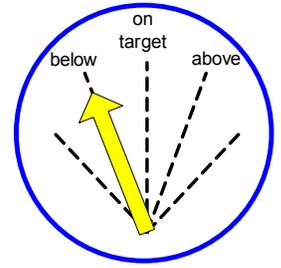
Aboriginal Employment Rate (15 to 64 years, Off-Reserve Only)



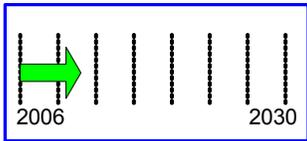
Aboriginal employment grew strongly in 2007 before falling back in 2008 and 2009. The Growth Strategy targets assume that one half of the 13% Aboriginal/non-Aboriginal gap in employment rates can be closed by 2030.

2006 actual - 57.6%

2030 target - 74%



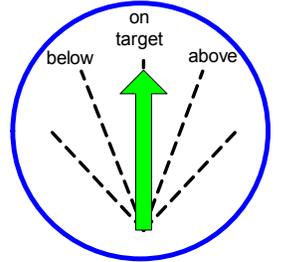
Post-Secondary Graduates in the Labour Force



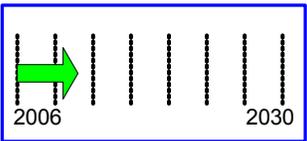
In spite of the relatively slow growth in overall employment, the number of post-secondary graduates in the labour market has been growing fast enough to meet the Growth Strategy targets, particularly in recent years.

2006 actual - 248,000

2030 target - 620,000



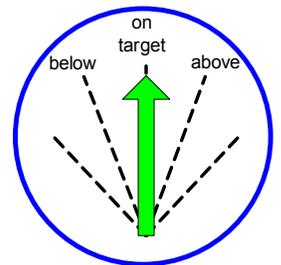
Number of Self-Employed Persons (Entrepreneurs)



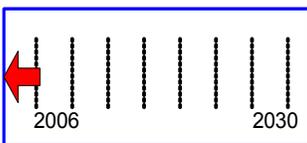
Entrepreneurial activity (defined to be the number of self-employed and business owners) fell in 2007 but has since grown rapidly to a total of 99,000 in 2009.

2006 actual - 94,000

2030 target - 200,000



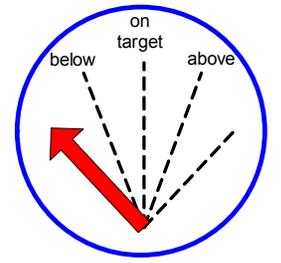
Number of Medium Sized (50 to 199 employees) employers



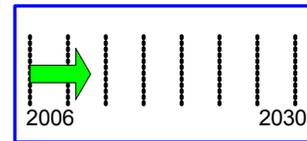
Medium sized businesses are those who have moved well beyond the stage of "owner-operators". The number of these kinds of businesses in Saskatchewan is declining.

2006 actual - 1,377

2030 target - 3,000



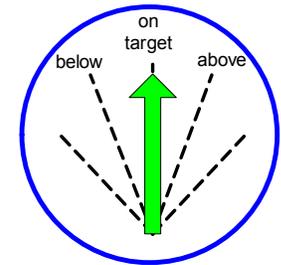
Gross Domestic Product



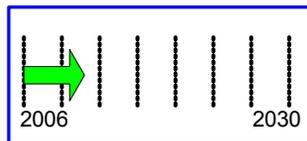
Measured in constant dollars, the provincial economy grew by approximately 4% in each of 2007 and 2008. In spite of the expected slowdown in 2009, GDP growth is still on track to meet the Growth Strategy target of 4.2% per year.

2006 actual - \$38.5 billion

2030 target - \$105 billion



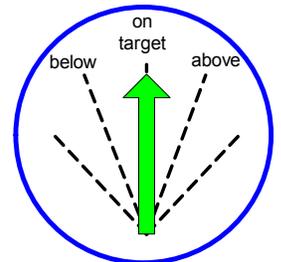
Private Sector Gross Domestic Product



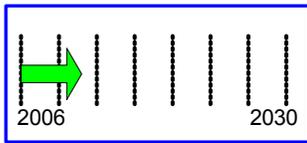
Measured in constant dollars, the private sector portion of the provincial economy grew at more than 4% in 2007 and 2008. In spite of the expected slowdown in 2009, it is still on track to meet the Growth strategy target of 4.2% per year.

2006 actual - \$31.4 billion

2030 target - \$85 billion



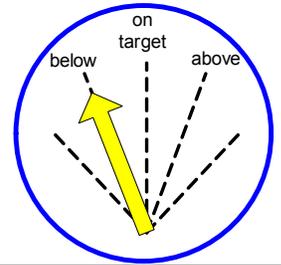
Public Sector Gross Domestic Product (\$ millions)



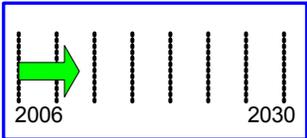
Measured in constant dollars, the public sector portion of the provincial economy grew at 1.7% in 2007 and 2.3% in 2008. In spite of the expected increase in 2009, this is below the rate needed to meet the Growth Strategy target of 4.2% per year.

2006 actual - \$7 billion

2030 target - \$20 billion



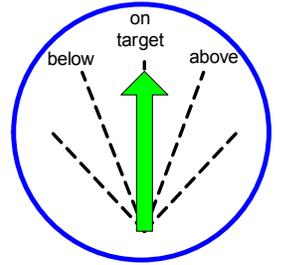
Gross Domestic Product Per Capita



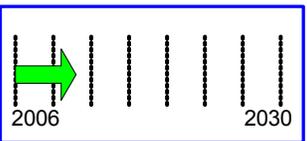
GDP per capita is a good summary measure of overall economic prosperity. This indicator grew by 2.8% in 2007 and 2008 which is above the 2.4% rate needed to meet the Growth Strategy target. The rate of growth has probably slowed in 2009.

2006 actual - \$38,827

2030 target - \$70,000



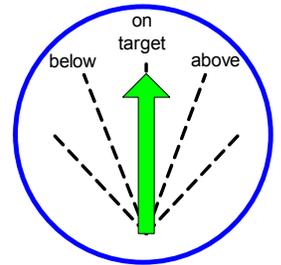
Public Sector Investment



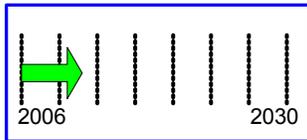
Public sector investment builds the infrastructure required to support a growing economy and population. Saskatchewan needs schools, highways, water systems, hospitals and many other public services in order to support growth. In 2008 public sector investment was almost \$1.4 billion, however this number will likely increase for 2009.

2006 actual - \$1.1 billion

2030 target - \$7 billion



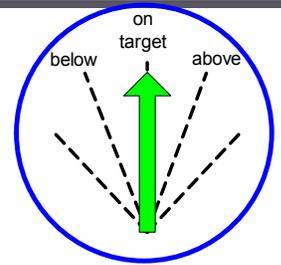
Private Sector Investment



The mix of private and public capital investment is expected to remain constant at its current level of 87:13 in the Growth Strategy. This was the case in 2007 and 2008.

2006 actual - \$7.5 billion

2030 target - \$45 billion



What Are We Doing to Grow Saskatchewan?

- We created a "Tool Kit for Community Growth" to provide a comprehensive guide to help local Chambers of Commerce and community leaders plan for their community's growth.
- We hosted two Growth Forums on Immigration and Housing. These strategic issues were identified as needing additional focus by businesses and sector specialists. Each forum generated an action plan which was full of recommendations to enhance the current situation.
- We formed the Growth Strategy Taskforce. This group of chamber leaders, business people and representatives from academic institutions monitors the Growth Strategy indicators and guides the process. The Taskforce also advises the Saskatchewan Chamber Board of Directors on key advocacy issues that will facilitate the growth of Saskatchewan's population and economy.