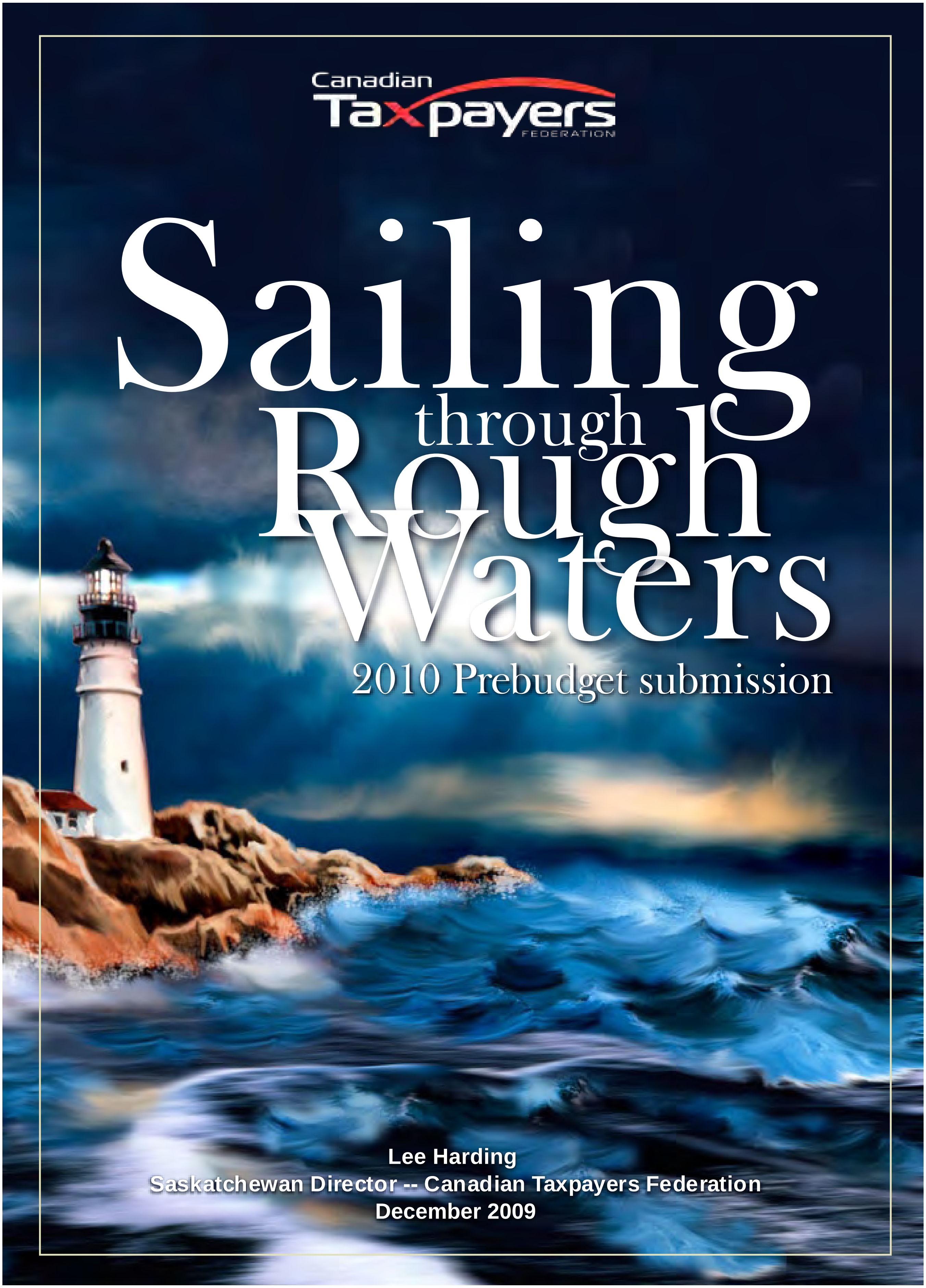


Canadian Taxpayers Federation

Sailing through Rough Waters

2010 Prebudget submission

Lee Harding
Saskatchewan Director -- Canadian Taxpayers Federation
December 2009

About the Canadian Taxpayers Federation

The Canadian Taxpayers Federation (CTF) is a federally incorporated, non-profit and non-partisan advocacy organization dedicated to lower taxes, less waste and accountable government. The CTF was founded in Saskatchewan in 1990 when the Association of Saskatchewan Taxpayers and the Resolution One Association of Alberta joined forces to create a national taxpayers organization. Today, the CTF has over 59,000 supporters nation-wide.

The CTF maintains a federal office in Ottawa and offices in the five provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. Provincial offices conduct research and advocacy activities specific to their provinces or issues in addition to acting as regional organizers of Canada-wide initiatives.

CTF offices field hundreds of media interviews each month, hold press conferences and issue regular news releases, commentaries and publications to advocate the common interest of taxpayers. The CTF's flagship publication, *The Taxpayer* magazine, is published four times a year. An issues and action update called *TaxAction* is produced frequently. CTF offices also send out weekly *Let's Talk Taxes* commentaries to more than 800 media outlets and personalities nationally.

CTF representatives speak at functions, make presentations to government, meet with politicians, and organize petition drives, events and campaigns to mobilize citizens to effect public policy change.

All CTF staff and board directors are prohibited from holding a membership in any political party. The CTF is independent of any institutional affiliations. Contributions to the CTF are not tax deductible.

The head office of the Canadian Taxpayers Federation is located in Regina at:

Suite 105, 438 Victoria Avenue East
Regina, Saskatchewan
S4N 0N7

Telephone: 306.352.7199
Facsimile: 306.352.7203
E-mail: admin@taxpayer.com
Web Site: www.taxpayer.com

PART I: SUMMARY OF RECOMMENDATIONS

1. Increase the provincial share of education funding to 66 per cent in 2010-11.

2. Phase in a 10 per cent single rate income tax and increase the basic personal exemption to $15,000 over the next three years.

3. Index tax brackets to the rate of *provincial* inflation.

4. By 2012, reduce the Small Business Tax Rate to 2.5 per cent and the General Business Income Tax Rate to 10 per cent.

5. End on-reserve provincial tax exemptions.

6. Limit public service wage increases to inflation.

7. Limit transition payments for MLAs to two weeks for every year served in office and abolish severance packages for MLAs who resign their seats for non-medical reasons.

8. Do not increase municipal revenue sharing in 2010-11.

9. Let the Roughriders and the private sector carry the burden for funding any expansion of Mosaic Stadium.

10. Scrap plans for Innovation Saskatchewan.

11. Conduct an in-depth examination of Saskatchewan crowns and be open to privatization.

12. Allow private sector competition with public liquor retail and increase the transparency and accountability of SLGA stores.

13. Privatize Saskatchewan Transportation Corporation or sell it to its employees.

14. Allow citizens the right to purchase private health services and insurance.

15. Reduce health care spending by outsourcing services such as cleaning, laundry, food preparation, maintenance, security, landscaping, information technology, property management and human resources services or through the use of P3s.

16. Reduce sick days, overtime, and workplace injuries in crowns, departments, and health regions.

17. Increase the resources of the Information Commissioner, and make routine disclosure of school funding and MLAs expenses.

PART II: INTRODUCTION

Sailing Through Rough Waters

The good ship Saskatchewan is heading through rough waters. It's true that of late, its population has grown and employment levels remain high. However, resource revenues and the economic outlook remain uncertain. Although there's reason for optimism in the future, it is not clear how soon the economy will emerge in a stable period of growth either in the province or the world.

To navigate these waters, the province will have to use vision, boldness, and prudence. Augmenting our infrastructure is key to a growing economy; but so too is having competitive tax rates with other provinces and even the world. This means no room for unnecessary spending, including the investment of tax dollars in private companies or the building of football stadiums.

The province's decision to address the woeful health care system is long overdue. It is also good news that greater utilization of the private sector is an option on the table. We hope the province will also renew its policy regarding Aboriginal people and eliminate on-reserve tax exemptions, especially for fuel and tobacco sales.

These challenging times also present glorious opportunities. The province must prioritize and minimize spending and make important changes in policy. These changes will be helpful for both prosperous and difficult times. A lighthouse may be more important in the darkness, but the harbour it points to is in the same place no matter the weather. By choosing a wise course, the provincial government can prepare the way for a prosperous future.

PART III: REDUCING TAXES

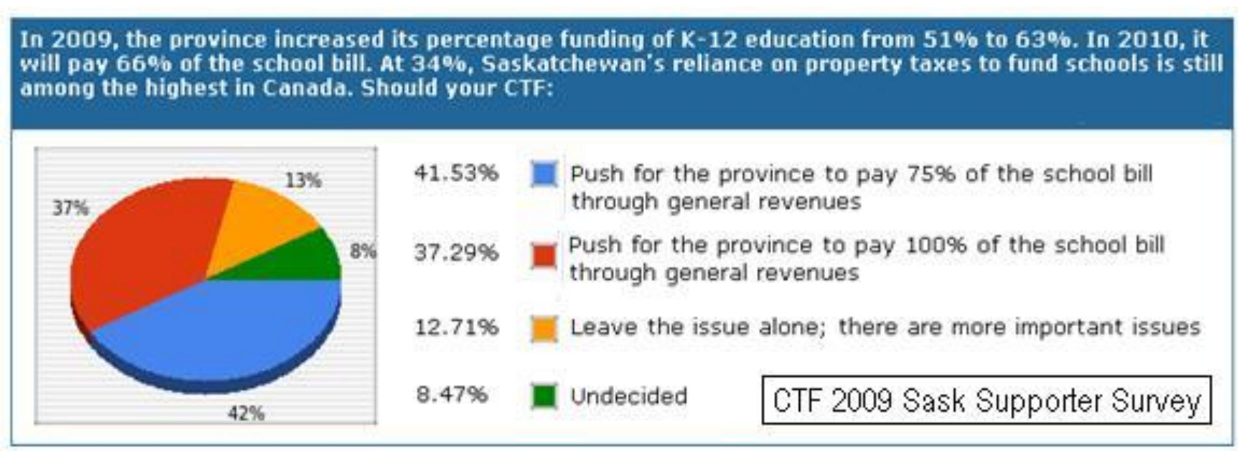
School Taxes

Ever since Ray Boughen chaired the Commission on Financing Kindergarten to Grade 12 Education in 2003, the CTF has called for the province to pick up at least 75 per cent of the cost of Saskatchewan schools as an interim measure before picking up the entire cost. This stance was reiterated in our August 2008 report, "Solving the Problem: Fixing Saskatchewan's antiquated K-12 funding system."[1]

The Boughen Commission argued powerfully in 2003 that "Education property taxes are not as fair as other forms of taxation, particularly income and sales taxes."[2] In general, property taxes tend to be regressive, which means our current system discriminates against families on lower incomes. [3]

The CTF warmly welcomed the substantial increase in provincial school funding in the 2009-10 budget where its share of school funding from 51 per cent to 63. This move meant a substantial reduction in school property taxes. Further, the province committed to increase provincial funding to 66 per cent for 2010-11, and also cover any future pay increases for staff that are negotiated at a provincial level.

Late in November, the provincial government suggested it might not take a 66 per cent share in the 2010-11 year as originally planned. This move would be very disappointing for CTF supporters. Despite the progress made, what was long our number one issue in Saskatchewan remains quite important.



Despite Saskatchewan's progress, there remains plenty of room for improvement. British Columbia and the Atlantic provinces do not use municipal property taxes to pay for schools whatsoever. We believe that Saskatchewan should follow through with its commitment to pay for 66 per cent of the school bill through general revenues, and, over the longer term, consider increasing its share to 100 per cent.

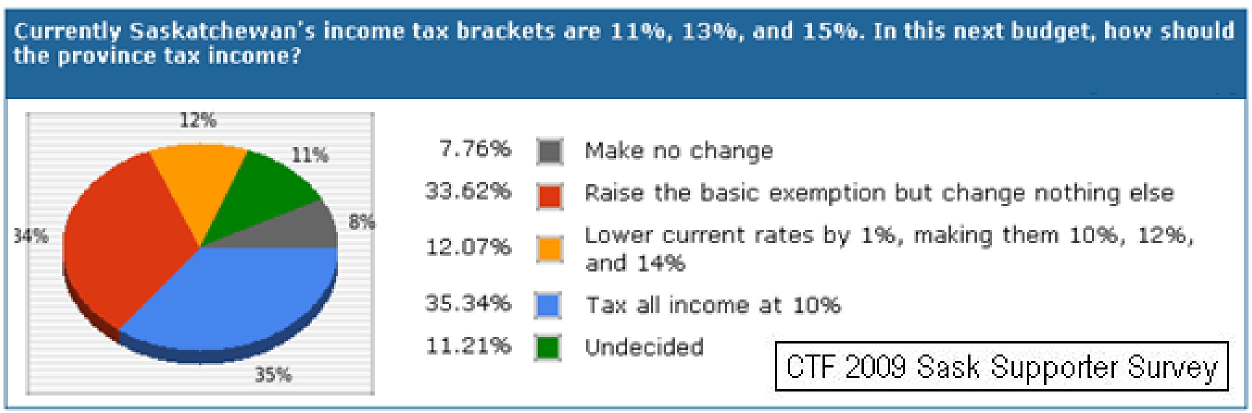
Recommendation 1
Increase the provincial share of education funding to 66 per cent in 2010-11.

Income Tax Relief

The Saskatchewan government took a substantial step forward in 2008 when it repaid 40 per cent of the general revenue debt and raised the basic personal income tax exemption by $4,000. However, $4.2 billion of provincial debt remains, and the province still has less favorable tax rates compared to its western neighbours.

Most CTF supporters believe that both debt repayment and tax reduction are hurdles that deserve equal emphasis. Achieving both goals will require substantial spending restraint.

Since 2004, the CTF has argued for a higher basic personal exemption on income taxes and a single rate of income taxation. The $4,000 rise in the basic exemption in 2008 was a welcome step forward. However, it did not mean substantial tax relief for those on higher incomes. Offering that relief should be a long term goal.



In his article, "Saskatchewan's tax cuts: we missed a bigger bang,"[4] David Seymour of the Frontier Centre noted the 80,000 removed from the tax rolls represent only one in eight workers. We agree with Seymour that Saskatchewan should implement a single rate tax—a move already made by 25 nations, eight American states, and the province of Alberta.

According to a Fraser Institute study, *Flat Tax: Principles and Issues, May 2001*, "Research from around the world concludes that high and increasing marginal tax rates contribute to lower rates of economic growth, reduced rates of personal income growth, lower rates of capital formation, aggregate labour supply that is lower than expected, and reduced social welfare. In short, high and increasing marginal tax rates reduce economic growth by creating strong disincentives to hard work, savings, and investment."

In the spring of 2009, Enterprise Saskatchewan recommended that the province adopt a 10 per cent single rate of taxation on personal and business income as exists in Alberta. There, the basic personal exemption is $16,775—still much higher than the $13,269 exempted in Saskatchewan.

The CTF supports the idea of a 10 per cent single rate of tax for its simplicity and the competitive position it would offer the province. It would also represent substantial improvement over the current rates of 11, 13, and 15 per cent. As well, we would encourage the province to increase its basic personal exemption to $15,000.

Recommendation 2

Phase in a 10 per cent single rate income tax and increase the basic personal exemption to $15,000 over the next three years.

Adjust tax brackets according to provincial inflation

A CTF press release in February 2009[5] drew attention to a hidden form of bracket creep due to the way that Saskatchewan tax rates are indexed. Unlike many other provinces, Saskatchewan raises its tax brackets according to national rates of inflation, not provincial ones.

The latest CPI numbers suggest that Saskatchewan's rate of inflation for 2009 could be 3.2 per cent and Canada's 2.2 per cent. If this holds, it would be the fourth year in a row that the national rate of inflation had been less than the provincial one. Had tax brackets risen with the provincial rate of inflation instead, they would have been much higher.

Annual Inflation Based on Consumer Price Index				
Jurisdiction	2006	2007	2008	2009 (as of October)
Saskatchewan	2.1%	2.8%	3.3%	3.3%
Canada	2.0%	2.2%	2.5%	2.3%

Adjusting the province's tax brackets to the provincial, and not the national rate of inflation, makes more sense for a number of reasons. First, tax relief in Saskatchewan is not keeping up to the rising cost of goods and services bought by taxpayers in the province.

Second, wage hikes for MLAs are indexed to the provincial rate of inflation already. Currently, this means that MLA pay is increasing at a faster rate than tax relief. This inconsistency is hard to defend. If MLA pay had only increased by national rate of inflation instead of the provincial one, every MLA would have made $676 less, every cabinet minister $1,019 less, every deputy minister $1,068 less and Premier Wall

$1,166 less.

Conversely, personal tax brackets moved less than they should have. The basic exemption would have been $103 higher, the second bracket would have been $313 higher, and the highest bracket $894 higher. The difference would have meant an additional $7 million of income tax relief for Saskatchewan residents last year.

Saskatchewan's inflation rate in 2009 could outpace Canada's by as much as one per cent. Adopting the provincial rate of inflation would mean $10 million of tax relief next year alone, with more over the longer term.

Recommendation 3

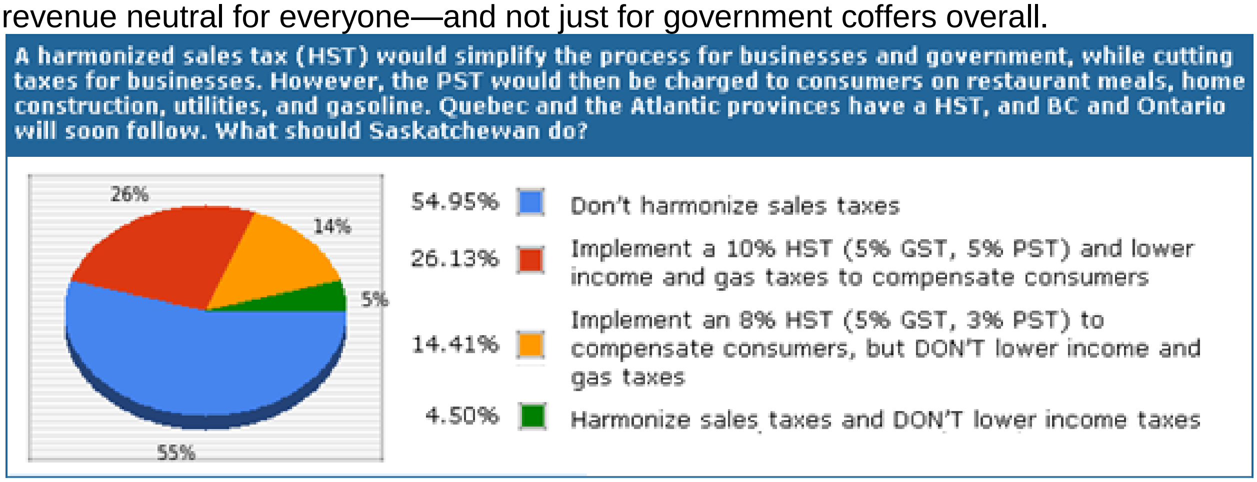
Index provincial tax brackets to the *provincial* rate of inflation.

A Note on Harmonization

The federal government, Enterprise Saskatchewan, and economist Jack Vicq have suggested the province harmonize the Provincial Sales Tax with the Goods and Services Tax. This idea has some merit. Harmonization streamlines tax collection, minimizing costs for the province. Also, more than half of the $1 billion in PST collected in Saskatchewan annually is from business inputs—dollars businesses would have returned to them if harmonization was adopted.[6]

But harmonization has some downsides. It would mean expanding the goods and services the PST applies to, such as meals in restaurants. As well, consumption taxes are also more punitive for those on lower incomes because a higher percentage of their gross income is spent on staples such as food, shelter, and clothing. Because of these downsides, CTF supporters would prefer harmonization not take place.

Although harmonization indeed has benefits, the CTF cannot support it unless it is coupled with other means of tax relief. These other measures must make the transition revenue neutral for everyone—and not just for government coffers overall.



Business Taxes

In the first half of this decade, Saskatchewan's business tax rates lagged behind other provinces, putting business at a competitive disadvantage. Following the province's business tax review in 2005, the general business income tax rate gradually dropped from 17 to 12 per cent.

Saskatchewan Business Income Tax Rates					
	2005	2006*	2007*	2008*	2009
General business income tax rate	17%	14%	13%	12%	12%
Small business threshold	$300,000	$400,000	$450,000	$500,000	$500,000
Revenues ($ millions)	$393.6	$554.0	$673.6	$591.9	$796.7
** All measures effective July 1 of each year. 2009 figures based on mid-year fiscal update.*					

The results have exceeded expectations. Revenues are actually up substantially from 2005, despite a 5 point drop in the tax rate.

Saskatchewan's business tax rates are reasonably competitive with other provinces, but without further reductions that may soon change.

2009 Business Tax Rates[7]			
Province	General Business Income Tax	Manufacturing & Processing	Small Business Rate
NL	14	5	5
PE	16	16	2.1
NS	16	16	5
NB	12	12	5
QC	11.9	11.9	8
ON	14	12	5.5
MB	12	12	1
SK	**12**	**10**	**4.5**
AB	10	10	3
BC	11	11	2.5
Federal	19	19	11

The federal government will drop its business income tax rates to 15 per cent by 2012 and has requested that Canadian provinces do the same. The goal is to achieve a combined business rate of 25 per cent, making Canada more competitive internationally. Alberta is already there and other provinces may follow.

As well, Saskatchewan's 4.5 per cent small business tax rate is dead last in the Canadian West and more than twice that of Manitoba.

Therefore, the CTF recommends that by 2012, the province reduce small business and general business taxes rates by two points. Should corporate earnings remain static, such moves would cost the provincial government $100 million annually by fiscal 2012. But, once again, the stimulus effect of reduced taxes suggests some of this revenue would be recouped.

Recommendation 4

By 2012, reduce the small business tax rate to 2.5 per cent and the general business income tax rate to 10 per cent.

End on-reserve tax exemptions

Tax exemptions for on-reserve businesses are accounting for an increasing forfeiture of revenues for the province. In the interest of equality this should change. The effects are most egregious for tobacco sales, since provincial taxes amount to 18.3 cents per cigarette, or $4.58 per pack.

In Regina, Sonshine Car Wash and Gas owner Dion MacArthur said his business lost 75 per cent of his tobacco sales and 25 per cent of his overall sales when the Cree Land Mini-Mart opened a few blocks away on Regina's first urban reserve. On November 12, The Leader-Post reported MacArthur's comments.[8]

> "I would love to compete with other businesses on a fair and equitable playing field ... But right now, because of the way the tax situation is, they're able to sell their products cheaper than what I can buy them for," Dion McArthur, who owns Sonshine Gas and Wash, said Thursday....
>
> McArthur said he's had people on his property trying to re-sell cigarettes purchased cheaply at the competition.

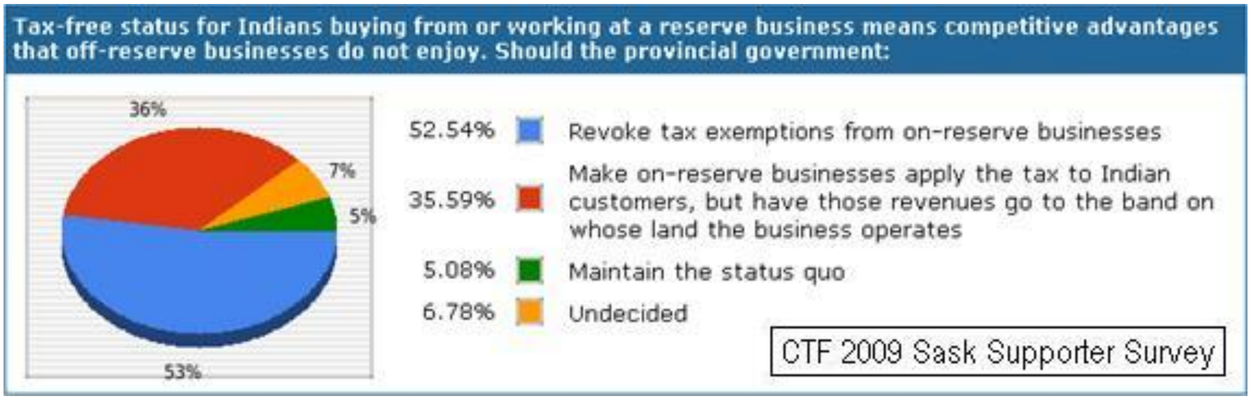
According to a Saskatchewan Coalition for Tobacco Reduction 2008 report,[9] the Ministry of Finance has previously made estimated that contraband tobacco costs the ministry $7 million annually.

Provincial Tobacco Taxes Collected and Rebated in Saskatchewan, 2000-2008 ($ in millions)				
Fiscal year	**Tobacco Taxes**	**Tobacco Rebates**	**Total**	**Rebates as % of Total**
2000-01	$122.0	$3.1	$125.1	2.5%
2001-02	$120.0	$7.2	$127.2	5.6%
2002-03	$158.5	$25.2	$183.6	13.7%
2003-04	$176.7	$31.0	$207.7	14.9%
2004-05	$187.0	$37.6	$224.6	16.7%
2005-06	$171.1	$44.5	$215.6	20.6%
2006-07	$190.3	$46.2	$236.5	19.5%
2007-08	$190.4	$52.3	$242.7	21.5%
2008-09	$199.1	$54.0	$253.1	21.3%
TOTAL	**$1,515**	**$301**	**$1,816**	**16.6%**

Provincial Fuel Taxes Collected and Rebated in Saskatchewan, 2000-2008				
Fiscal Year	**Fuel Taxes**	**Fuel rebates**	**Total**	**Rebates as % of Total**
2000-01	$345,136,000	$3,617,000	$348,753,000	1.0%
2001-02	$353,765,000	$7,605,000	$361,370,000	2.1%
2002-03	$331,512,000	$8,713,000	$340,225,000	2.6%
2003-04	$356,773,000	$10,483,000	$367,256,000	2.9%
2004-05	$361,039,000	$11,001,000	$372,040,000	3.0%
2005-06	$376,426,000	$12,631,000	$389,057,000	3.2%
2006-07	$383,576,000	$13,269,000	$396,845,000	3.3%
2007-08	$406,434,000	$14,770,000	$421,204,000	3.5%
2008-09	$429,162,000	$15,138,000	$444,300,000	3.4%
TOTAL	$3,343,823,000	$97,227,000	$3,441,050,000	2.8%

Sources: Access to Information, Saskatchewan Public Accounts, CTF calculations.

So long as on-reserve tax exemptions exist, a tobacco tax increase would only increase contraband cigarette purchases. The province should eliminate on-reserve tax exemptions and with it the competitive disadvantage it creates for tax-paying businesses off-reserve. As a compromise position, the province could force on-reserve businesses to collect the tax from Status Indian customers, but redistribute it to band members.



Recommendation 5

End on-reserve provincial tax exemptions.

Part IV: Spending Restraint

Limit Spending

Would you support legislation that would limit government spending to inflation and population growth?

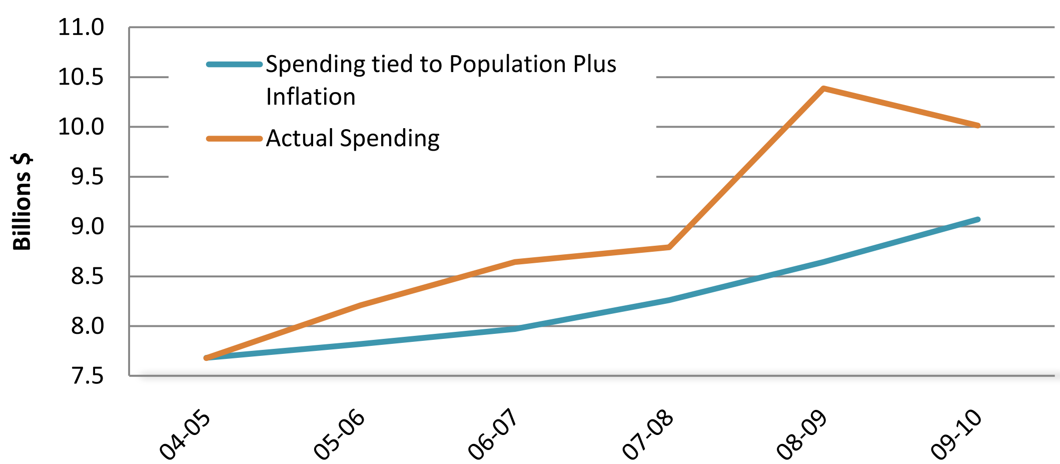
Yes: 69% No: 6% Unsure 25%

-2008 CTF Saskatchewan Supporter Survey

In order to reduce public debt and provide tax relief, spending must be controlled. Many CTF supporters want the province to keep its spending increases within the limits of inflation plus population growth, even if it takes legislation to do so.

It is recognized that the province is spending at record levels on infrastructure. Much of the spending on highways is long overdue, although not all expenditures are so easily justified. As well, ambitious public spending on infrastructure can be a factor that increases the inflationary rate of such expenditures. The province must be cautious not to drive up these costs unnecessarily. It should also use public-private partnerships where possible to minimize costs and maximize results.

Saskatchewan Provincial Spending 2004-10



Saskatchewan Spending vs. Population Plus Inflation (Annually 2004-05 to 2009-10)							
Fiscal Year	**Popu-lation in 1000s**	**Pop'n Growth**	**Sask. Inflation**	**Annual spending ($ billions)**	**Annual spending growth**	**Pop'n and Inflation Growth**	**Diff-erence**
04-05	997.4	-	-	$7.68	-	-	-
05-06	993.6	-0.38%	2.2%	$8.21	6.9%	1.82%	5.1%
06-07	992.1	-0.15%	2.1%	$8.64	5.3%	1.95%	3.3%
07-08	1000.1	0.81%	2.8%	$8.79	1.7%	3.61%	-1.9%
08-09	1013.6	1.35%	3.3%	$10.39	18.1%	4.65%	13.5%
09-10	1030.1	1.63%	*3.3%*	*$10.01*	-3.6%	4.93%	-8.5%
Estimates in italics. Dollar figures in billions. *Sources: SK Finance, Public Accounts, Sask Bureau of Statistics, CTF calculations*							

Had the province not increased spending by 13.5% in 2008, and instead limited the spending hike to the inflation and population growth rate (4.7%) spending could have been increased in 2009, rather than cut.

Public Service Wages

One logical place to restrain spending is on public service wages. As it stands, salaries in Saskatchewan's provincial civil service average 8.8 per cent higher than comparable positions in the private sector.[10] Although MLAs are better paid, their salaries are indexed to the rate of inflation and they have the same pension plan as public servants. This means legislators have the moral ground to hold public service salaries to the rate of inflation.

Public Service Wage Hikes vs. Inflation, 2006-2009[11]				
Jurisdiction	2006	2007	2008	2009 (as of October)
Sask. inflation	2.1%	2.8%	3.3%	3.3%
Public service wage increase (July 1 of calendar year)	2.8%	6.1%	4.0%	4.5%

The current payroll of the public service is more than $1 billion,[12] roughly one-tenth of provincial spending. Placing reasonable limits on public sector wage growth makes sense, especially in uncertain financial times.

Recommendation 6

Limit public service wage increases to inflation.

Severance Payments

Would you support a law that limits severance payments for MLAs and public service employees to two weeks for every year served in office?

Yes	89%	No	2%	Unsure	9%

-2008 CTF Saskatchewan Supporter Survey

Would you support a law that forces an MLA who leaves their seat before an election (for non-medical reasons) to forfeit their severance pay to help offset by-election costs?

Yes	93%	No	2%	Unsure	5%

-2008 CTF Saskatchewan Supporter Survey

MLAs receive one month's pay for every year they have worked (up to 12), with any portion of a year worked counting as a full year. The CTF recommends that severance be reduced to two weeks per year served. Currently, an MLA who served four years would receive $29,065 in transition pay. Under the CTF plan, an MLA who worked for four years would receive $13,415.

Following the 2007 election, 17 MLAs received $914,563 in severance pay. Since then, there have been three more. Joan Beatty received $32,212 when she resigned just two months after the election. Harry Van Mulligen's resignation in 2009 gave him $87,195 in severance. Meanwhile, Lorne Calvert received his second MLA severance payment--$65,396--in addition to the severance he received when he first left office in 1999.

A pairing down is in order. Many Saskatchewan taxpayers could not hope to make the wages these MLAs receive, let alone such lucrative severance packages. Voters are especially disgruntled when severance is paid to an MLA who quits his or her seat mid-term to pursue other political interests, as was the case with Beatty.

CTF supporters believe that any MLA who resigns their seat for any reason other than a medical one should forfeit their severance pay. It's the least they owe for undermining the confidence of voters in the democratic system. Not only would this change serve as a disincentive for MLAs to quit mid-term, it would also help offset the cost of unnecessary by-elections.

These costs are substantial. Although even now the cost for the Cumberland by-election is not yet known, it should be close to the $238,615 spent by Elections Saskatchewan for the March 5, 2007 Martensville by-election. This represented $23.34 per eligible voter and $51.72 per vote counted.[13]

Recommendation 7

Limit transition payments for MLAs to two weeks for every year served in office and abolish severance packages for MLAs who resign their seats for non-medical reasons.

Municipal Revenue Sharing

Last year's budget linked municipal revenue sharing to PST revenues. The share was 0.9 points of the 5 per cent PST, slated to rise to a full 1 point in 2010-11. This increased municipal revenue sharing of $167 million, a new annual record, and $32 million above the year before. Another $53 million increase had been expected for next year, to bring the total to $220 million.

Minister Gantefoer has indicated that the province is reconsidering this additional bump to revenue sharing. The CTF would prefer this cost-cutting measure to reduced school funding for a number of reasons.

First, the province seized control of mill rates in municipalities, meaning that school boards are reliant on provincial revenues in a way not present before. This factor does not apply to municipalities. They maintain the power to raise taxes as needed. This aspect of autonomy means they have more discretion to deal with any shortcoming in expected revenues.

This difference is key to why increased municipal revenue sharing does not necessarily mean a tax decrease for property taxpayers. More money from the province means less reason for municipalities to do necessary cost-cutting measures within their power.

By illustration, in 2009, the City of Regina received a $7.7 million increase in municipal revenue sharing from the province. Yet, the city budget revealed a $7.7 million increase had been negotiated for city workers. In a reassessment year when property values rose and when the city received record infrastructure dollars, mill rates did not fall.

Since then, the city is planning massive spending increases on public transit and recreational facilities and similar things are coming to Saskatoon. The province should give special consideration before offering greater revenue sharing or even wider participation of individual municipal projects.

The CTF recently issued a report called “The Beggar's Checklist” that highlights what municipalities should do before provincial, or for that matter, federal governments, dole out more dollars to cities and towns. The main points are illustrated below.[14]

THE BEGGAR'S CHECKLIST

"Has your municipality…"

1) Brought staff **salaries** in-line with the private sector? ☐
2) **Contracted out** services wherever possible? ☐
3) Utilized **public private partnerships** for capital projects? ☐
4) Sold **surplus land and assets**? ☐
5) Converted services to **user fees**? ☐
6) Sought **volunteers** for the delivery of city services? ☐
7) Refocused activities on **core services**? ☐
8) Raised revenues for services through **sponsorship** activities? ☐
9) **Partnered** with other governments for service delivery? ☐
10) Utilized new **technology** to reduce costs? ☐

Because increased revenue sharing will not mean property tax relief, but increased school funding will, the choice for taxpayers is simple.

Recommendation 8

Do not increase municipal revenue sharing in 2010-11.

Don't Replace Mosaic Stadium

A provincial stadium report in June 2009 recommended a domed stadium be built in Regina for a construction cost of $350 million, plus land and externalities. The CTF has numerous concerns with the shortcomings of this report, the advisability of this project, the way the process is being guided, and the costs involved.

As a general principle, stadiums are overrated as a catalyst for economic growth. Economists Dennis Coates and Brad Humphreys have done extensive independent research regarding the economic spin-offs often cited as a reason to subsidize professional sports. They say that their research and those of other economists demonstrates almost unanimously that "stadiums, arenas and sports franchises have no consistent, positive impact on jobs, income, and tax revenues."[15]

The provincial stadium report, released in June of 2009, said a domed stadium in Regina would be an exception. However, many of its promising estimates of economic development rest on the example of the Fargodome, built in Fargo North Dakota in 1992. Although this facility is widely regarded as an economic and entertainment success, a similar project in Regina would not have comparable results.

At the time of construction, Fargo had two indoor facilities that seated 3,000 for basketball, plus a 10,000 seat outdoor stadium for its university football team. The construction of the Fargodome, which seats 19,200 for football, and 27,000 for concerts, was a giant leap forward in possibilities for the city.

By contrast, Regina already has Mosaic Stadium which seats 30,945 for football and more than 40,000 for concerts. An extensive engineering audit showed that the stadium is in good condition and would only require $5.8 million of renovations through 2017. Unlike the Fargodome that doubled Fargo's capacity for football games, the proposed dome stadium in Regina would only offer an additional 2,000 seats.

Regina and Saskatoon have far better facilities than Fargo did in its pre-dome era, and they are already getting better. Evraz Place is getting an additional six new arenas, thanks to $60 million from taxpayers. In advance of the 2010 World Junior Hockey Championships, Credit Union Centre in Saskatoon and the Brandt Centre in Regina are undergoing expansions to seat 15,000 and 6,300 respectively.

Ken Wood, executive director of Credit Union Centre, and Neil Donnelly, Vice President of Events for Evraz Place, have both stated publicly that a dome for concerts' sake does not make financial sense. Few acts play big stadiums, and given that Mosaic Stadium could already host them, the only advantage of a dome would be the ability to have big concerts in winter months. Even then, Regina's small population and distance from larger urban centres make it a long shot for big bands.

What this means is that a domed facility has the potential to take away events from existing facilities without adding anything new. This is not economic development. Even though the feasibility study acknowledged the “potential for operational conflict with existing entertainment venues,” it did not account for this in its estimates of economic spinoffs.

Another dubious argument from the report was that the higher construction cost of the stadium meant it would be a better idea to build. By this logic, a $525 million economic spinoff would result from a $350 million construction cost. By contrast, a new outdoor stadium would only cost $140 million, and thus, would offer less in terms of employment.

The idea of calling massive public spending an “economic stimulus” is dubious at best, especially if the dollars aren't there in the first place. The provincial government has previously stated that no tax dollars will go into the stadium, nor will the province incur debt to build it. Even so, diverting dollars from crowns or gaming revenues will mean less in general revenues. As well, the crowns are incurring increasing levels of debt in their own operations and can ill afford to become more indebted for the sake of a stadium.

The federal government gave only $15 million towards the stadium project at the University of Manitoba and that was solely for the fitness facility. It is questionable that a federal government so deeply in deficit would act differently for Saskatchewan.

As for the City of Regina, Mayor Pat Fiacco acknowledged in April of 2008, “I don't think there's an appetite for a new stadium here. . . I think there's fans that would love to see a new stadium, but we have to look at the financial realities and what we have. The City of Regina does not have the dollars to build a new stadium.”[16]

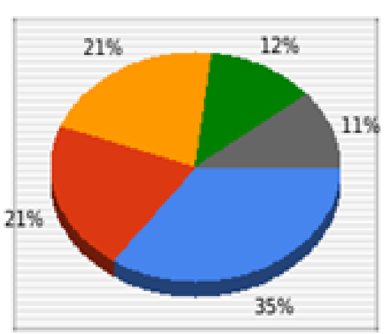
Meanwhile, the City of Regina is poised to build many new recreational facilities, in accordance with its *Recreation Facility Strategy 2020* report. The consultants who authored the report recommended against a stadium expansion or a new stadium at the University of Regina.

> The major investments at Taylor Field are not likely to generate many additional new events at that site that could result in indirect benefits to all Regina citizens. The consultants cannot support either at this time and would be concerned that either would divert limited available capital from real community recreation needs and limit the City’s ability to meet them.[17]

All it would mean is that after years of complaining about the lack of transfer payments from the province, the City of Regina would blow its new money and then some. All this for a new stadium that would offer nothing new but 2,000 more seats for ten home games for the Roughriders.

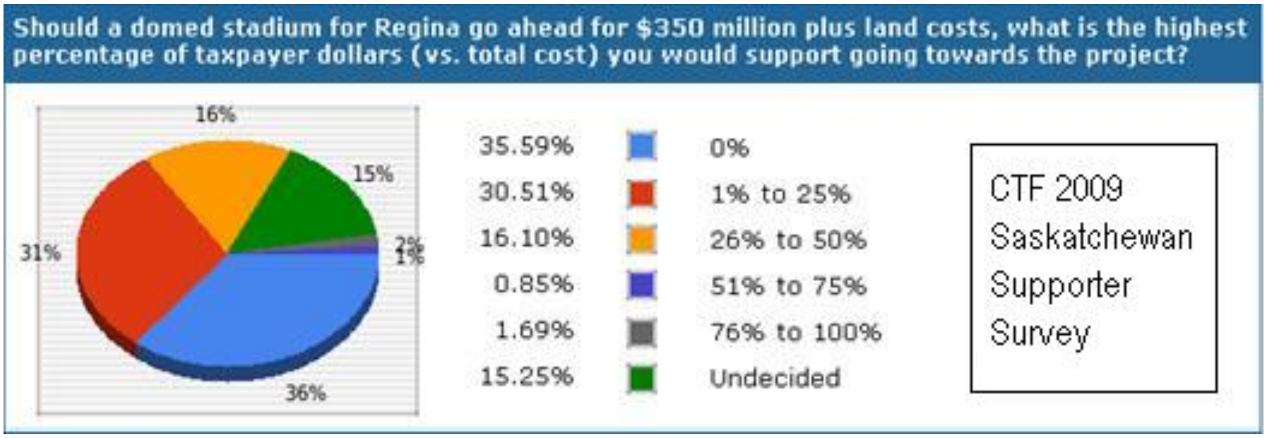
More than one-third of CTF supporters would prefer to have Mosaic Stadium undergo the $6 million of basic repairs called for in a 2006 engineering audit. Only 21 per cent would like to see a dome built.

A study is examining the possibility of building a domed football stadium in Regina. It is suggested that much of the funding could come from federal and Regina tax dollars. What solution should the CTF advocate:



21.19%	A domed stadium to seat 38,000 expandable to 50,000 ($350 million + land costs)
11.86%	A new, open-air stadium to seat 38,000, but expandable ($140 million + land costs)
11.02%	A renovated Mosaic Stadium to seat 35,000 people ($100 million)
34.75%	Basic renovations to Mosaic Stadium ($5.8 million)
21.19%	Undecided

When asked what the highest percentage of tax dollars they would be comfortable with going towards a domed stadium, most supporters said very little. Almost two-thirds would want the private sector to pay for at least 75 per cent of the total cost.



Fargo held a referendum for their stadium project where citizens voted to implement a half-cent sales tax to pay for the stadium. Without a similar process linking citizen consent for the project and the dollars it will take from their pockets, politicians should not be so sure this project has public support. The CTF remains skeptical of the advisability of building a facility that is unnecessary, will offer little new, and represents substantial spending at a time the province cannot afford it.

Recommendation 9

Let the Roughriders and the private sector carry the burden for funding any expansion of Mosaic Stadium.

Innovation Saskatchewan

The Canadian Taxpayers Federation was delighted that the provincial government decided to wind down Enterprise Saskatchewan and the contract it had with Victoria Park Capital. The contract would have obligated the provincial government to spend at least $25 million annually to invest in Saskatchewan companies through 2011 with an automatic renewal to extend to 2014. The province decided to buy out that contract rather than interfere with business.

It was disappointing, then, that the province decided to implement a new program, Innovation Saskatchewan, to put more government money into companies implementing new technologies. Ironically, $25 million will also be earmarked towards this program.

On November 13, Big Sky Farms, a hog operation with $30 million of equity from the province, filed for creditor protection for $96 million of debts. It was yet another stunning example of why government should not be in business.

Yet, on November 16, the Minister for Innovation Saskatchewan, Bill Boyd, announced that the province was going to implement the new government investment program. In an article printed by CanWest the next day, he expressed trepidation, saying, “You have to look at whether the government wants to be -- we have concerns about being in business but we also want to have an innovation agenda.”

Before this program gets underway, plans to implement it should be scrapped entirely. Given its targeted nature for financing, it will be more government-directed than Enterprise Saskatchewan was, which was managed by a third party, Victoria Park Capital. Given that the new program is geared towards new technologies, it would seem more fraught with risks. The potential that more money will be poured into companies that may never make a profit is even greater.

For these reasons, the CTF recommends the government scrap this program before it even starts.

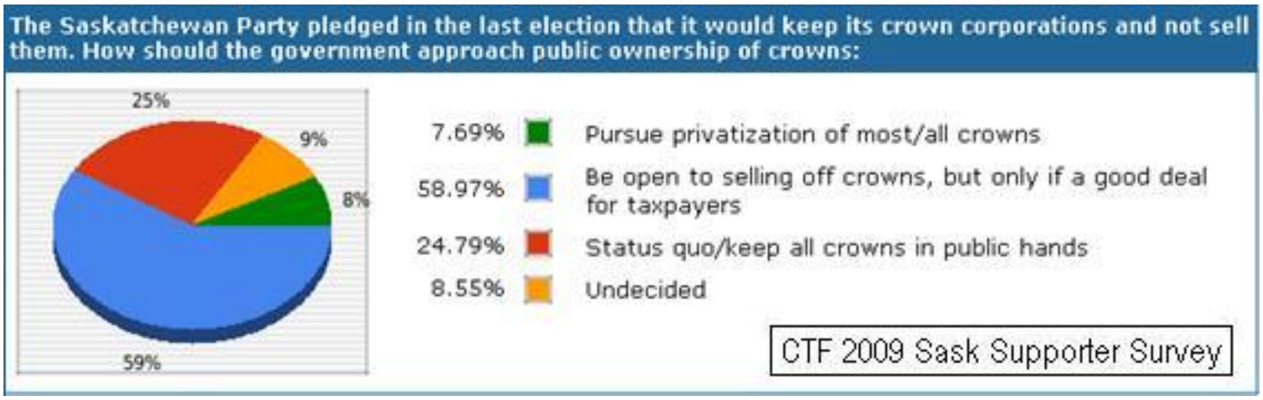
Recommendation 10

Scrap plans to implement Innovation Saskatchewan.

PART IV: POLICY CHANGE

Crown Policy

Public monopolies discourage entrepreneurship, innovation, and economic growth. In some cases, government businesses represent needless intrusion on the private sector or are a net drain on the provincial treasury. A majority of CTF supporters believe that the government should at least be open to the option of selling the crowns, if not necessarily bent on doing so.



The province should at least be open to privatization, if not pursuing it. The first step towards doing this is to do a review of the crowns to estimate their value, and examine the potential benefits to selling them. Another potential avenue would be to require the crowns to pay corporate income tax. This would publicly show if the dividend the crowns give to the public purse are actually better than if the business was simply a private company that paid taxes like any other.

Recommendation 11

Conduct an in-depth examination of Saskatchewan crowns and be open to privatization.

Liquor stores

If CTF supporters are open to privatization of crowns in general, they are ardent supporters of privatization of liquor retail operations. A majority even want wholesale operations privatized.

Currently, the SLGA has 79 public liquor stores. It also has 185 private franchises that sell liquor on behalf of SLGA and receive a commission of 15.3 per cent of purchases for retail.[18] Another 450 private off-sale outlets exist in the province.

In 2004, a Sigma Analytics poll, commissioned by the CTF, showed that 72 per cent of

Saskatchewan residents wanted government to either get out of the liquor business altogether or at least restrict SLGA involvement to the wholesale level.

That same year, the CTF published a research paper showing how liquor privatization could lead to higher revenues for government, increased economic development and lower prices for consumers. This happened in Alberta following the privatization of its stores in 1993 and it could happen here.

As it stands, off-sale retailers must buy liquor from SLGA stores at the same prices as any consumer, and somehow try to re-sell it at a profit. Not surprisingly, the Saskatchewan Hotel & Hospitality Association (SHHA) is crying foul. The SHHA wants a transparent and fair mark-up at the wholesale level to allow private sector competition.

In addition, the SHHA wants the finances of the wholesale, retail, and regulatory operations of the SLGA to be disclosed separately and transparently so taxpayers can see what they are getting for their money. The SHHA further recommends that tax exempt status for liquor stores be removed, and *each* of the 80 retail stores operated by the SLGA be required to be economically viable in themselves, not propped up by profits from other SLGA stores or taxpayers.[19]

These suggestions are sound. The Saskatchewan Party promised to keep crowns in public hands; it did not promise that private liquor retailers could compete with public stores. The province would do well to

Recommendation 12

Allow private sector competition with public liquor retail and increase the transparency and accountability of SLGA stores.

Saskatchewan Transportation Corporation (STC)

When it comes to STC, most CTF supporters don't believe the status quo is good enough. Multi-million dollar operating losses are only getting worse.

Saskatchewan Transportation Corporation, 1999 to present ($ in 1000s)							
Year	**Revenues**	**Expenses**	**Profit/ Loss**	**Operating Grant**	**Capital Grant**	**Workers**	**Payroll (excluding benefits**
*2009	$11,301	$19,405	**-$8,104**	$6,700	$1,413	n/a	n/a
2008	$16,251	$24,728	**-$8,477**	$6,200	$8,950	243	$11,700
2007	$16,065	$22,720	**-$6,655**	$5,000	$15,550	238	$10,800
2006	$15,493	$21,238	**-$5,745**	$4,000	$4,250	244	$9,700
2005	$14,828	$20,266	**-$5,438**	$3,500	$3,900	252	$9,200
2004	$14,031	$18,763	**-$4,732**	$3,700	$1,900	233	$8,800
2003	$13,580	$18,158	**-$4,578**	$1,600	$1,900	235	$9,000
2002	$13,423	$17,462	**-$4,039**	$2,400	$2,400	234	$8,800
2001	$13,651	$17,040	**-$3,389**	$2,000	$1,900	237	$8,500
2000	$13,618	$16,536	**-$2,918**	$1,750	$1,900	234	$8,200
1999	$12,732	$15,807	**-$3,075**	$1,980	$2,000	n/a	n/a
Total	$154,973	$212,123	**-$57,150**	$38,830	$46,063	n/a	n/a
** 2009 is from the third quarter report, current as of September 30, 2009*							

Most CTF supporters would welcome the privatization of STC. This is significant, since a large percentage of them live outside the main centers of Regina and Saskatoon and would therefore be the most affected by changes to STC.

According to the 2008 STC report, "The Company's passenger service cost per mile was $4.13, and the passenger revenue was $2.38, resulting in a loss of $1.75 per mile." The report also notes that passenger revenue in 2008 was $7,618,000. These figures suggest that STC lost $5.6 million on its passenger services last year alone.

STC was formed in 1947 in the era of the Cooperative Commonwealth Federation. But this vestige of a time long-past means a modern-day black hole for taxpayers. If an argument can be made for subsidizing rural routes (dubious by our thinking), it would be far more sensible for the government to contract a private service provider than own and operate a bus company. We recommend this perennial money-loser be privatized.

Recommendation 13

Privatize Saskatchewan Transportation Corporation or sell it to its employees.

Facilitate Private Health Care

Do you support a parallel private medical system to coexist alongside the public one?

Yes: 80%	No: 9%	Undecided 11%

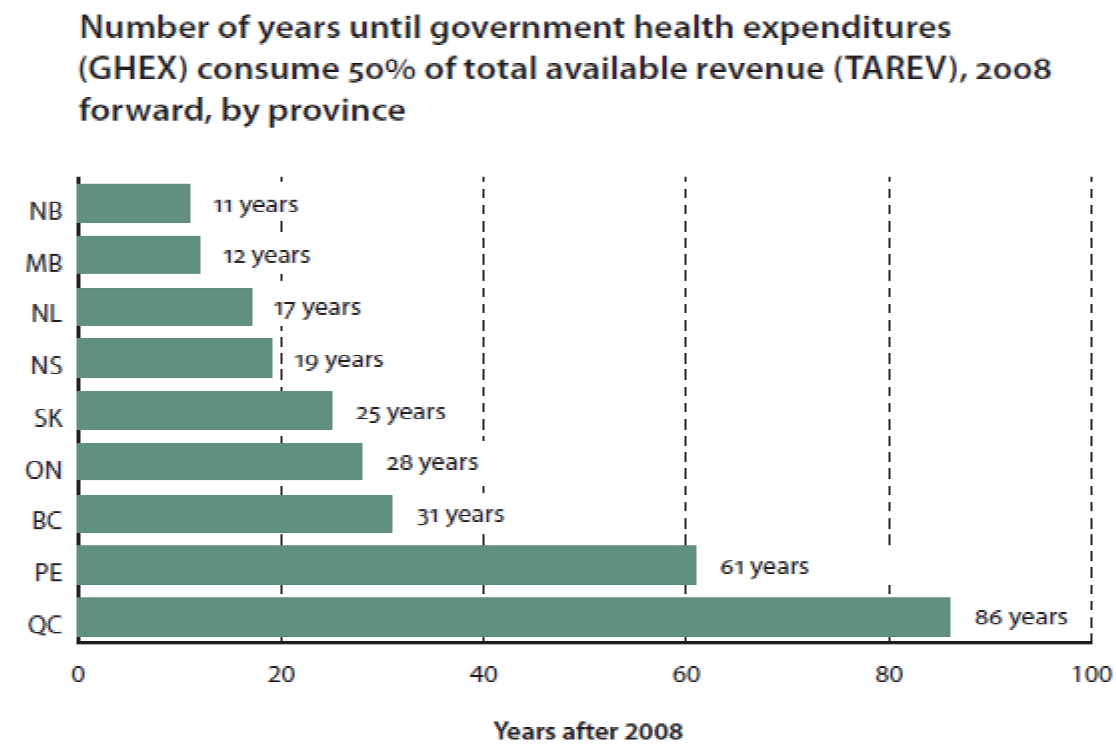
-2008 CTF Saskatchewan Supporter Survey

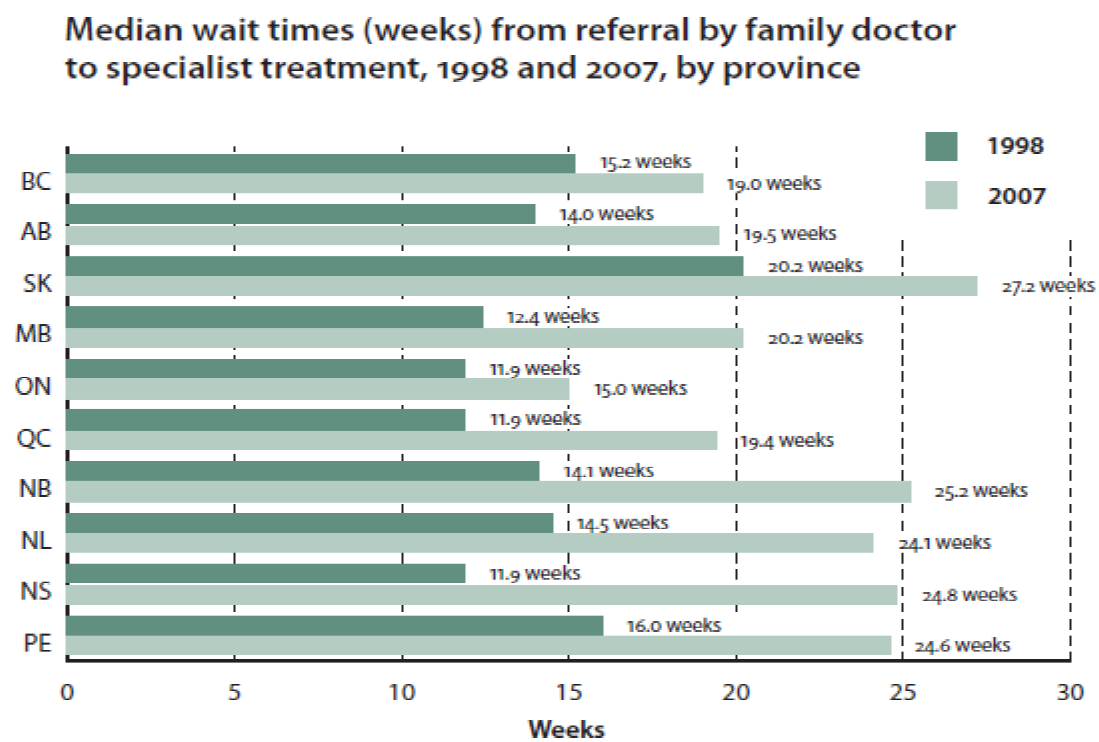
The Fraser Institute summed up Canada's health system well in its report, "Paying more, Getting Less."[20]

Next to Iceland, Canada spends the highest percentage of its GDP on health care of any country in the world that offers universal access. At least Iceland also has the most doctors per capita of any country in the OECD. By this criteria, Canada ranks 23rd of 28, a far cry from 1970 when we were ranked second in the world. However, that was 1970, the year that medicare was fully applied to physician services. It's been downhill ever since. We would need 66,000 more doctors to surpass Iceland as the nation with the most doctors per capita.[21]

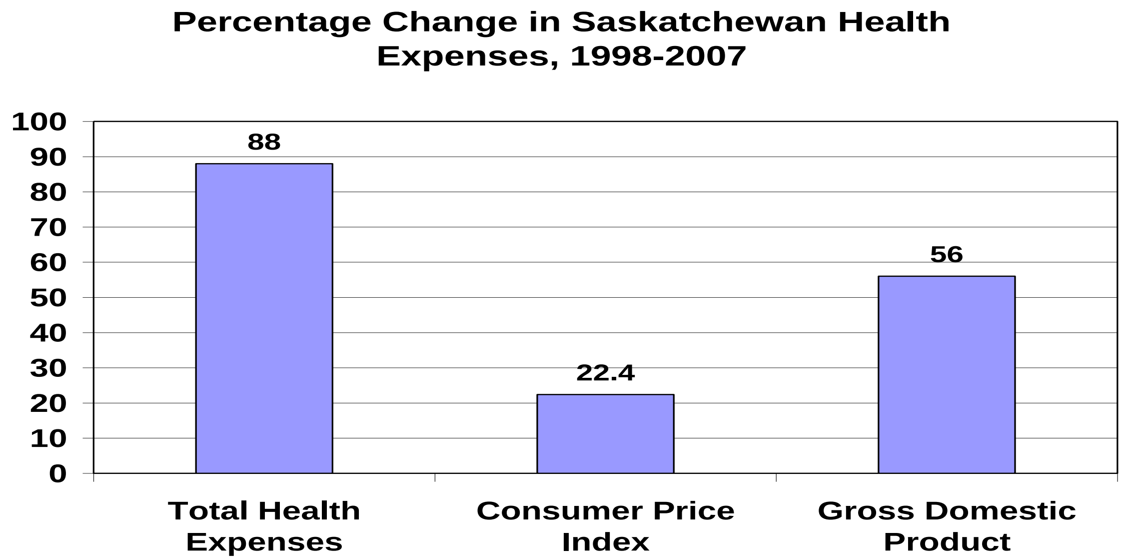
Even when it comes to medical technologies per capita, Canada's record is poor. Of OECD Countries where records are available, Canada places 14th of 25 in MRIs, 19th of 26 in CT scanners, 8th of 21 in mammograms, and 19th of 21 in Lithotriptors (a device that destroys kidney stones through sound waves).

In 2008, the Fraser Institute reviewed Saskatchewan's economy and health spending. The province spends 35 per cent of its total available revenues on health care.[22] But if trends from the last ten years continue, half of all revenues will go to health in 25 years. And, considering the graying of the baby boom generation, this will likely happen even sooner.





Charts imported from Fraser Institute's "Paying More, Getting Less" 2008 Report, pp. 12, 17.



Source: 2007 Report of the Provincial Auditor, Volume 3

The Fraser Institute has sound advice for the way forward:

- encourage the efficient use of health care by requiring patients to make copayments for any publicly funded medical goods and services they use;
- relieve cost pressures facing the public health insurance system by legalizing the right of patients to pay privately (private insurance or out of pocket) for all types of medical goods and services, including hospitals and physician services, as is currently allowed for access to prescription drugs;
- allow health providers to receive reimbursement for their services from any insurer, whether government or private;
- shift the burden of medical price inflation onto the private sector by allowing providers to charge patients fees in addition to the government health insurance reimbursement level; and
- create incentives for cost and quality improvements by permitting both for-profit and non-profit health providers to compete for the delivery of publicly insured health services.[23]

Many of these moves would be fully compliant with the Canada Health Act even as it is currently written. In June 2005 Supreme Court ruling in the *Chaoulli* case was a stinging indictment of the Canadian health care system. The *Chaoulli* decision struck down a Quebec law that prohibited the voluntary sale and purchase of private health care services.

Canada's official dogma of publicly-funded, publicly-provided health care to the exclusion of all options has exceptions everywhere, including Saskatchewan. The Workers Compensation Board routinely uses private medical clinics in other provinces, effectively "jumping the queue." MRI scans obtained from private clinics and paid for out of pocket by consumers are accepted and used at Saskatchewan hospitals.

It is simply absurd that citizens can spend as much of their after-tax income as they choose on tobacco, alcohol and gambling, but are prohibited from the doing the same on health care.

It is welcome news that Premier Wall has set the goal of having wait lists reduced to three months over the next four years. However, if the only options for the private sector are to offer services that remain 100 per cent publicly funded, provincial health care reforms will fall far short of their potential.

The CTF is convinced that public opinion on this issue has moved far beyond the fearful and ideological positions of our politicians. The government must take action to help foster the development of a private health industry. It is absolutely essential from both a moral and economic perspective.

Recommendation 14
Allow citizens the right to purchase private health services and insurance.

Outsource Ancillary Services

Do you believe that ancillary health services (maintenance, food preparation, laundry, security, etc.) should be contracted out to the private sector?

Yes: 77%	No: 14%	Undecided 9%

-2008 Saskatchewan Supporter Survey

Delivering ancillary health care services through the private sector is only the beginning of possibilities. It is, however, a good start.

In August 2007, Saskatoon's laundry facilities broke down. For four months, its laundry was trucked back and forth to health centres in Regina and Prince Albert. The bill was already $860,000 at the end of October. Repairing the Saskatoon facility was expensive, since custom parts were required that cost over $400,000.[24]

Is it practical to truck laundry for five-hour round trips, or should there be openness to private-sector alternatives? How many opportunities have been missed in the short and long-term?

Saskatchewan health regions have already gone by contracting out blood tests. British Columbia began to outsource non-essential services such as food preparation, security and cleaning. This saved the province $66 million in the first year after implementation. The province also has a proven track record of using P3s to save money in the building and maintenance of health facilities.

Recommendation 15
Reduce health care spending by outsourcing services such as cleaning, laundry, food preparation, maintenance, security, landscaping, information technology, property management and human resources services or through the use of P3s.

Sick Days

Unwarranted sick days are a serious issue in Saskatchewan government departments, crowns, and health regions. According to Statistics Canada, the average days lost annually per worker to sickness or disability in Saskatchewan is 8.3.[25] **This is less than the average sick days in government departments, some crowns, and almost all health regions.**

Excessive sick days are often complemented by extra WCB claims and overtime. Shuffling schedules to accommodate the sick also takes administrative time.

Some health regions have made fantastic progress, especially the former Capital Health Region in Edmonton. During 2006-07 it had 3.21 lost-time worker compensation claims per 100 FTEs. Vancouver's Coastal Health Authority had 6.7, whereas Regina Qu'Appelle had 8.05 and Saskatoon Regional Health had 8.25. In fact, the average full-time health worker in Saskatchewan had 4.5 days of paid time off work due to an injury.[26]

In the early part of this decade, the former Capital Health Region adopted an aggressive and concerted program to deal with the issue of sick days, WCB claims, and overtime. Patty McJanet had an integral role in the project as manager of the Ability Management Team in Occupational Health and Safety. McJanet estimates that prior to concerted efforts to deal with the problem, as much as 70 per cent of sick leave taken was unnecessary. [27]

The annual budget for the program was $1.2 million, but it quickly reaped rewards. McJanet estimates that the health region saved $750,000 on WCB premiums in the first year alone. Sick days dropped dramatically, as did overtime costs. Proactive intervention meant the discovery and treatment of the health issues of employees themselves, ones that sometimes included substance abuse. After initial reticence, even union leaders praised the program.

Sick Days in Saskatchewan Health Regions, 2007-08					
Health Region	**Sick Days**	**DAYS per FTE**	**Estimated FTEs**	**Sick dollars paid**	**Sick Days Accrued**
Athabasca	442	7.9	56	$83,471	659
Sask Cancer Agency	3,298	8.1	405	$897,561	1,127
Kelsey Trail	10,319	8.8	1,174	$1,889,047	15,951
Five Hills	11,881	9.4	1,260	$2,290,230	17,647
Mamawetan	1,932	10.1	192	$382,315	2,878
Cypress	11,633	10.3	1,127	$2,192,227	16,238
Prince Albert Parkland	17,939	10.4	1,729	$3,422,420	26,076
Regina Qu'Appelle	73,918	10.6	6,969	$14,733,713	95,464
Saskatoon Regional	92,782	10.8	8,615	$18,301,053	118,909
Sun Country	22,628	10.8	2,090	$1,969,823	22,628
Sunrise	23,060	11.0	2,098	$4,267,850	30,698
Heartland	11,959	11.5	1,039	$2,192,911	14,908
TOTAL	**281,789**	**10.5**	**26,754**	**$52,622,622**	**363,181**

Sick Days in Saskatchewan Crown Corporations, 2006-08				
	2006-07		**2007/08**	
Crown Corporation	**Sick Days Per FTE**	**Cost**	**Sick Days Per FTE**	**Cost**
Investment Saskatchewan	2.2	n/a	2.7	n/a
Crown Investments Corporation	4.1	$92,629	6.4	$145,059
SaskWater	4.2	$74,519	3.8	$82,348
Sask Opportunities Corporation	5.1	$96,739	4.6	$96,739
SGI	5.1	$1,400,000	5.2	$2,000,000
SaskEnergy	7.3	$1,619,678	7.3	$1,923,365
SaskPower	7.7	$5,100,386	7.8	$5,570,341
Information Services Corp.	8.8	$407,302	8.8	$443,992
SaskTel	10.7	$8,323,500	11.8	$9,430,000
STC	11.1	$394,659	12.4	$435,151
TOTAL	n/a	**$17,114,753**	n/a	**$19,691,845**

Sick days in Saskatchewan Government Departments, 2006-08						
	2006-07			2007-08		
Department	**Sick Days Per FTE**	**Sick Days**	**FTEs**	**Sick Days Per FTE**	**Sick Days**	**FTEs**
Executive Council	5.7	367	64	3.5	220	64
First Nations & Metis Relations	6.2	195	31	8.3	296	36
Agriculture and Food	6.6	3,339	506	6.9	3,600	524
Culture, Youth and Recreation	7.4	593	81	7.9	655	83
Environment	7.5	9,242	1,232	7.5	9,804	1,304
Finance	7.8	3,274	421	8.7	3,705	425
Industry and Resources	7.9	2,403	305	7.5	2,305	309
Government Relations	7.9	1,211	154	8.6	1,384	161
Labour	8.0	1,284	161	7.9	1,276	161
Public Service Commission	8.1	1,160	144	9.8	2,359	242
Northern Affairs	8.4	251	30	7.1	193	27
Health	8.4	5,597	666	9.4	6,345	678
Regional Econ Co-op Develop	8.5	501	59	8.6	531	62
Advanced Ed and Employment	8.6	3,612	422	10.3	4,500	436
Information & Technology Office	8.7	2,111	242	8.4	2,436	290
Learning	8.7	2,617	300	8.5	2,642	309
Justice	9.1	8,425	923	9.4	8,762	934
Property Management	9.8	7,548	769	9.6	7,465	779
Highways and Transportation	9.8	13,412	1,366	9.7	14,041	1,451
Community Resources	10.8	21,555	2,001	11.0	21,494	1,952
Corrections and Public Safety	12.4	21,174	1,705	12.6	23,724	1,883
All Government Departments	**9.5**	**109,869**	**11,583**	**9.7**	**117,735**	**12,110**
Data obtained by CTF Freedom of Information Request to the Public Service Commission. FTEs are a rough estimate calculated by CTF of sick days/ sick days per FTE. Sick dollars were not obtained for these fiscal years, but the total for 2005-06 was $19.5 million.						

It is possible to deal with sick days internally. Sometimes, however, it is easier for work relationships if a third-party consultant group who specials in sickness and disability management steps in. Such groups exist both in and outside of the province. Regardless of what path the province chooses, sick days must be dealt with aggressively and extensively. Success in this area will save taxpayers tens of millions annually.

Recommendation 16

Reduce sick days, overtime, and workplace injuries in crowns, departments, and health regions.

Disclosure and Access to Information

The province could be more thorough and forthcoming regarding its disclosure of information. Such disclosure is invaluable for taxpayers and is an important component of a democracy. In September of 2008, the provincial auditor Fred Wendell said that Saskatchewan's financial reporting was worst in the country and added, "The public and the legislators don't have the right information to debate the level of taxation we've got, the total spending and the level of debt."

The CTF urges the Saskatchewan government to follow through with Wendell's recommendations, including proper accounting of public pension liabilities. We also suggest the following:

1. More resources should be given to the Information Commissioner needs more staff. His office serves a noble purpose in giving citizens recourse when government disclosure is inadequate. However, the commission is short-staffed and woefully behind on cases, leaving complainants waiting for months or even years.
2. Have cabinet ministers and their staff, as well as senior public servants post their office expenses (travel, hospitality, and supply and services) posted annually. This will prevent frivolous spending. As it stands, disclosure is scant, except for annual totals from MLA offices.
3. Financial Reporting and Accounting in Manitoba Education (FRAME) provides the annual revenues and expenses for each school board in Manitoba. They also show how much money came from local school taxes and the provincial government in total dollars, dollars per capita, and a variety of other methods.[28] Similar methodology in Saskatchewan would allow the province to better assess how school boards are using tax dollars as well as the effectiveness of our funding system.

Recommendation 17

Increase the resources of the Information Commissioner, and make routine disclosure of school funding and MLAs expenses.

ENDNOTES

[1]Available online at http://www.taxpayer.com.

[2]Boughen Commission, p. 5.

[3]Boughen Commission: 32. Source: Statistics Canada Survey of Financial Security – Property Taxes, July 2003. The report notes that for Canadians making less than $20,000, property taxes accounted for ten per cent of gross income, whereas for those making $100,000 or more, property taxes accounted for just two per cent of gross income.

[4]David Seymour, "Saskatchewan's tax cuts: we missed a bigger bang." *The Leader-Post*. October 27, 2008. Retrieved from http://www.canada.com/reginaleaderpost/news/viewpoints/story.html?id=a3d2025f-4c47-458d-8720-0c04f64b5dd2&p=1.

[5]http://www.taxpayer.com/news-releases/mlas-wage-hikes-greater-tax-relief

[6]Bruce Johnstone, "Expert Urges Reform," *The Leader-Post*, November 27, 2008. Retrieved from http://www.leaderpost.com/business/expert+urges+reform/998885/story.html.

[7]Source: Nova Scotia Finance, "Tax Rates Across Canada," accessed at http://www.gov.ns.ca/finance/en/home/taxation/taxratesacross.aspx on December 1, 2009.

[8]Regina Leader-Post, November 12, 2009. "Regina gas station across from urban reserve sees significant drop in business." Accessed at http://www.leaderpost.com/news/Regina+station+across+from+urban+reserve+sees+significant+drop+business/2216381/story.html.

[9]Saskatchewan Coalition for Tobacco Reduction: "Building on Success: Reducing Tobacco Use in Saskatchewan, 2008-2010," p. 11.

[10]Ted Mallett and Queenie Wong, "A Comparison of Public-sector and Private-sector Wages." (Canadian Federation of Independent Business: December 2008), 9. Retrieved from http://www.cfib.ca/research/reports/rr3077.pdf.

[11]Office of the Saskatchewan Auditor, accessed at http://www.auditor.sk.ca/saskrepnew.nsf/html/2011bfp.html/$file/bfp2011.pdf

[12]Based on the Government Employee Survey, October 2008. The payroll for the month was $87,333,420.99. An annual figure based on this total would be $1,048,001,051.88.

[13]Elections Saskatchewan: "Martensville By-Election Report - March 5, 2007", published April 14, 2008. Retrieved from http://www.elections.sk.ca/pdfs/byelection/martensville-by-election.pdf.

[14]Colin Craig, "The Beggar's Checklist" Canadian Taxpayers Federation, November 24, 2009. Accessed at http://www.taxpayer.com/sites/default/files/BeggarsCheckList.pdf.

[15]Dennis Coates and Brad Humphreys: "Do Economists Reach a Conclusion on Subsidies for Sports Franchises, Stadiums, and Mega-Events?" Econ Journal Watch, Volume 5, Number 3, September 2008: 310. Retrieved from http://www.econjournalwatch.org/pdf/CoatesHumphreysDERACSeptember2008.pdf.

[16]CBC Online, "Regina mayor floating plan for stadium bubble", April 9, 2008. Accessed at http://www.cbc.ca/canada/saskatchewan/story/2008/04/09/fiacco-stadium.html on November 26, 2009.

[17]Professional Environmental Recreational Consultants, Ltd: City of Regina Recreation Facility Strategy Report 2020. July 11, 2008: 50. Retrieved from http://www.regina.ca/AssetFactory.aspx?did=1563.

[18]Government of Saskatchewan News Release: "SLGA Adding Specialty Wine Franchises," Dec. 2, 2008. Retrieved from http://www.gov.sk.ca/news?newsId=24738bb0-764f-4db4-b262-47c4c0b9bce6.

[19]"A Level Playing Field," pp. 4-5. Saskatchewan Hotel & Hospitality Association: 2008.

[20]Brett Skinner and Mark Rovere: "Paying More, Getting Less." The Fraser Institute: October 2008. Retrieved from http://www.fraserinstitute.org/commerce.web/product_files/PayingMoreGettingLess2008.pdf. The charts on wait times and health budgets are imported from pages 12 and 17 of the report.

[21]Nadeem Esmail and Michael Walker, "How Good is Canadian Health Care? 2008 Report," (Fraser Institute: November 2008), 4-5. Retrieved from http://www.fraserinstitute.org/commerce.web/product_files/HowGoodisCanadianHealthCare2008.pdf.

[22]Skinner and Rovere, "Paying More, Getting Less," 9.

[23]Ibid, 20.

[24]Janet French: "Laundry woes eat up health-care cash," *Saskatoon Star-Phoenix*: November 30, 2007.

[25]Includes full-time paid workers only. Statistics Canada, CANSIM, table 279-0029. May 22, 2008. Retrieved from http://www40.statcan.gc.ca/l01/cst01/health47a-eng.htm.

[26]Report of the Provincial Auditor, 2008 Report, Volume 3: 219-225.

[27]Personal conversation, September 4, 2008.

[28]FRAME reports may be accessed at http://www.edu.gov.mb.ca/k12/finance/frame_report/index.html.