

**January 15, 2026**

Hon. Jim Reiter  
Minister of Finance  
Mailing Room 312  
2405 Legislative Drive  
Regina, SK S4P 0B3  
Email: [fin.minister@gov.sk.ca](mailto:fin.minister@gov.sk.ca)

**Re: Priorities for the 2026–27 Saskatchewan Provincial Budget**

Dear Minister Reiter,

On behalf of the NSBA - Saskatoon's Business Association and our more than 700 member businesses across Saskatoon and northern Saskatchewan, we appreciate the opportunity to share our perspective ahead of the upcoming provincial budget. Our members represent a wide range of industries that are essential to Saskatoon's and Saskatchewan's economic health, job creation, and community well-being.

Over the past several years, Saskatchewan businesses have experienced a significant and sustained increase in the cost of doing business. Rising input costs, labour shortages, fuel prices, insurance premiums, construction costs, and municipal taxes are placing unprecedented pressure on employers. As a result, many businesses are delaying investment, reducing expansion plans, or reconsidering Saskatchewan as a competitive jurisdiction in which to grow.

With that context in mind, the NSBA respectfully offers the following priorities for consideration in the upcoming provincial budget.

**Reducing the Cost Burden on Businesses**

We strongly encourage the Saskatchewan government to examine opportunities to reduce Provincial Sales Tax (PST) on key business inputs. In particular, removing PST from certain business expenses, such as commercial insurance, machinery, and equipment—would provide immediate and tangible relief to employers across the province.

Unlike the Goods and Services Tax (GST), which allows businesses to claim input tax credits, PST paid on business assets becomes a permanent cost that increases the price of investment and operations. This is especially impactful for capital-intensive industries and small and medium-sized businesses that must regularly invest in equipment to remain competitive.

PST on construction significantly impacts Saskatchewan's competitiveness relative to Alberta and other jurisdictions. Saskatchewan businesses frequently compete for the same investment dollars as neighbouring provinces, yet it simply costs more to build here due to PST on construction materials and inputs. This disparity discourages development and can shift investment decisions away from Saskatchewan.

Similarly, PST applied to used vehicles and business equipment further increases the cost of operating in the province. Taxing used assets, often purchased as a cost-saving measure, creates an additional barrier to entry and expansion, particularly for small businesses and trades-based industries.

Additionally, suspending the provincial fuel tax, even on a temporary basis, would help offset rising transportation and operating costs and encourage new investment during a period of economic uncertainty.

### **Maintaining Competitive Corporate Income Tax Rates**

The NSBA strongly supports maintaining Saskatchewan's relatively low corporate income tax rates. Saskatchewan already ranks among the most competitive jurisdictions in Canada, with Alberta being a notable outlier due to its significantly lower general corporate tax rate.

While we recognize there may be limited room for further corporate tax reductions, it is critical that existing rates not be increased. Saskatchewan businesses are already under significant cost pressure, and any increase to corporate taxation would further erode competitiveness at a time when retaining and attracting investment is paramount.

### **Investing in Workforce Attraction and Population Growth**

We encourage the province to invest more aggressively in recruitment and attraction campaigns targeting other provinces, particularly Ontario and British Columbia, where the cost of living continues to rise and employment opportunities are becoming more constrained.

There is growing momentum, supported by media coverage, highlighting individuals and families choosing to relocate to Saskatchewan for affordability and opportunity. This is an ideal moment for the province to build on that momentum and actively promote Saskatchewan's advantages to attract skilled workers, entrepreneurs, and families who will strengthen our economy and communities.

### **Revisiting the Urban Municipal Funding Model**

Finally, we urge the province to revisit the funding model for Saskatchewan's major urban municipalities. Cities such as Saskatoon drive a significant share of provincial business investment and economic growth, yet they are also bearing the greatest burden of complex and escalating social challenges.

These social issues are increasingly costly and cannot, and should not, be funded primarily through property taxes paid by businesses and residents. A more sustainable and equitable funding model is required, one that recognizes the provincial interest in addressing social challenges that impact public safety, workforce participation, and economic vitality.

### **Progress on Reducing Interprovincial Trade Barriers**

The NSBA would also like to acknowledge the steps being taken by the Government of Saskatchewan to reduce interprovincial trade barriers and improve the free flow of goods, services, and labour across Canada. Efforts to advance mutual recognition agreements and align regulatory frameworks between provinces are positive developments that support business growth and labour mobility.

Despite this progress, significant interprovincial barriers remain, and further action is still achievable. These barriers continue to add cost, delay, and administrative burden for Saskatchewan businesses attempting to operate or expand across provincial borders, often creating challenges comparable to, or greater than, those faced in international trade.

By continuing to lead on interprovincial trade reform, Saskatchewan can strengthen its competitiveness, lower costs for businesses, and help create a more unified Canadian marketplace, one that allows Saskatchewan companies to scale, innovate, and compete more effectively nationwide.

### **Additional Considerations**

To further support business prosperity in Saskatchewan, the NSBA encourages continued focus on regulatory efficiency, timely infrastructure investment, and policies that support innovation, productivity, and private sector growth. Businesses thrive when governments provide certainty, competitiveness, and a clear commitment to economic development.

We appreciate your consideration of these recommendations and would welcome the opportunity to discuss them further. The NSBA looks forward to working collaboratively with the Government of Saskatchewan to ensure our province remains an attractive place to invest, work, and do business.

Sincerely,



Keith Moen  
Executive Director, NSBA