



The Conference Board
of Canada

Le Conference Board
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Saskatchewan Institute.



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Saskatchewan Institute

Introduction

The Saskatchewan Institute is a major, multi-year initiative of The Conference Board of Canada that focuses exclusively on issues that are relevant to Saskatchewan. The Institute brings together the Conference Board's full range of expertise in economic analysis and forecasting, public policy research, and organizational performance to address themes of leadership, governance, innovation, competitiveness, and more.

The Institute collaborates with partners in Saskatchewan to produce research that will help public and private sector leaders sharpen their vision for Saskatchewan's future and find solutions to the challenges that they need to address.

Why Saskatchewan?

A Time for Careful Planning

Saskatchewan is ideally positioned for strong economic growth and long-term prosperity if:

- government leaders develop the proper public policy framework;
- business leaders help achieve efficient transformations in the economy;
- all stakeholders work collaboratively to attract and develop new talent;
- community leaders engage in forward planning.

Opportunities Abound—But So Do Risks

The world wants what Saskatchewan produces. Demand for products from the mining, agriculture, and energy sectors is rising. The economy thrives on Saskatchewan's combination of natural resources and strong human capital. Saskatchewan's challenge is to seize economic opportunities while recognizing that fast-paced growth has risk implications for human capital development, environmental sustainability, housing, transportation, and other infrastructure planning and development—as well as for education, health care, and social supports.

Saskatchewan's Challenge

Saskatchewan needs to be prepared. Across the full spectrum of its resources—human and natural—it will be critical for Saskatchewan to benefit from skilful analysis of the issues, robust forecasts of trends and resourcing needs, and sound advice regarding investment options.

People and Places

Saskatchewan has people and places needing investment. An aging workforce and changing labour markets make it imperative to attract new talent. Immigration will be an important part of the solution. So, too, must be Saskatchewan's growing and underutilized Aboriginal population. Investments are also needed in the physical environment—from sustainable agriculture, to adapting to climate change, to water management.

The Saskatchewan We Know

Saskatchewan has valuable land, water, and other natural resources. The province makes up 6.5 per cent of Canada's land mass. It encompasses over 651,000 square kilometres, including almost 592,000 square kilometres of land and nearly 60,000 square kilometres that are covered by water. Mineral resources include world-class deposits of potash and uranium. Saskatchewan's rich soil supports vast grain crops.

Real GDP per capita increased by 3.7 per cent in 2008, ranking Saskatchewan first among the provinces.

Saskatchewan has a rich history of trade and settlement. European contact with Aboriginal peoples occurred during the fur trade era, and increased when agricultural settlement began on a large scale in the late 19th century. An economy built on agriculture emerged. A century later, agriculture—although still significant—has declined in relative importance as more people (64.3 per cent of the population) live in urban areas. Today, the provincial economy is undergoing transformation.

Saskatchewan is resilient. At the outset of the recent economic slowdown, Saskatchewan's performance was strong. Real GDP per capita increased by 3.7 per cent in 2008, ranking Saskatchewan first among the provinces. Saskatchewan's productivity (real GDP per employed person) increased by 2.2 per cent and was the highest among the provinces. Saskatchewan also led the nation in personal income growth (12.4 per cent) and disposable income growth (13.7 per cent) in 2008. Saskatchewan experienced the pinch of the recession but emerged quickly.

Saskatchewan: One of the Fastest-Growing Provinces in 2013!

Saskatchewan's economy will grow strongly in 2013! Robust gains in the construction and mining industries will propel real GDP growth to 3.8 per cent this year. At the same time, strength in the goods-producing industries will bring employment gains of 3.6 per cent. In addition, wages will post steady gains, thereby supporting the service side of the province's economy. Next year, economic growth will decelerate somewhat but remain healthy, with real GDP forecast to expand by 2.7 per cent.

This year, the mining industry is firing on all cylinders. Non-metallic mineral mining and quarrying (non-metal mining) will lead the way. Potash production is set to rebound strongly, as new contracts have been signed with buyers in China and India. In addition, PotashCorp's Cory and Allan mine expansions are coming online this year. Next year will see even stronger growth in potash production as

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the industry continues to expand production capacity. Metal mining will also see growth accelerate over the next two years with the completion of the Cigar Lake uranium mine and ever-increasing demand from China and India.

Strength in the goods-producing sectors will be mirrored by the performance of the job market. Employment is forecast to grow 3.6 per cent this year. Solid income gains, soft inflation, and low interest rates will support robust increases in household consumption, and Saskatchewan retailers will see healthy gains over the next two years.

Why the Conference Board?

Working closely with key partners in Saskatchewan, The Conference Board of Canada shares its expertise and insights—which differ from those of other organizations currently at work in Saskatchewan.

The Conference Board conducts independent, balanced, and rigorous analysis on economic trends, organizational performance, and public policy issues. The Board draws on its multidisciplinary team, as well as on external expertise, to carry out in-depth research that takes a country-wide array of stakeholders' perspectives into account.

The Conference Board conducts a range of economic forecasts specific to the province. It also carries out targeted economic impact assessments of emerging industry, policy, and strategy options to stimulate further research and dialogue. The Board's research aims to be action-oriented, resulting in recommendations for strategic change and policy enhancements. The Conference Board has a long tradition of conducting such analysis and communicating the results to leaders.

The Conference Board's goal is for the Saskatchewan Institute to contribute to a shared vision of sustainable prosperity and a clear path toward continued economic growth for the province.

Guiding Principles

Be Strategic

The Saskatchewan Institute examines issues, challenges, and opportunities. With a vision for 10 years from now, the Institute considers which steps need to be taken in the next 1 to 2 years. It also contemplates the longer-term implications expected to follow in the next 25 or more years if the vision is achieved. These longer-term implications will address expected impacts of growth and development on demographics, education, health care, housing, infrastructure, and environmental protection.

The Institute takes into account Saskatchewan's existing assets, work-force capacity, and opportunities. It also builds on the current economic conditions—taking stock of available research and data and identifying key information gaps that need to be addressed to achieve results.

Take a Holistic Approach

The Saskatchewan Institute examines the full range of challenges and opportunities related to sustainable prosperity. It then helps develop scenarios and options for policies and strategies that consider the inter-relationships among all factors. The Institute takes an interdisciplinary approach that reflects the cross-cutting themes within its framework and examines the correlation among the foundational themes. It facilitates collaboration with and among stakeholders while considering the roles of industry, government, and community.

Promote Engagement

The Saskatchewan Institute brings together businesses, government, and community leaders. It collaborates with all parties to identify challenges and opportunities, gain knowledge, and provide insight into how these challenges can be met and opportunities realized. The Institute takes a Saskatchewan-centric approach, prioritizing Saskatchewan interests and situating them in relation to both Canada and the world. (See Exhibit 1.)

Exhibit 1 Engagement Model



Source: The Conference Board of Canada.

The Saskatchewan-centric approach is key to:

- gaining perspectives and input;
- ensuring that research findings resonate with Saskatchewan, as well as the rest of Canada;
- recognizing a mosaic of geography, people, resources, and socio-economic conditions.

Integrate Local, Regional, National, and International Dimensions

The Saskatchewan Institute recognizes the national influence of Saskatchewan's economy, but also that there are international implications. A good illustration of the province's global impact is the fact that Saskatchewan is the world's largest producer of the important mineral potash. The Saskatchewan Institute helps the province build its capacity to compete in the global economy.

The Institute recognizes that strategic collaboration yields powerful results.

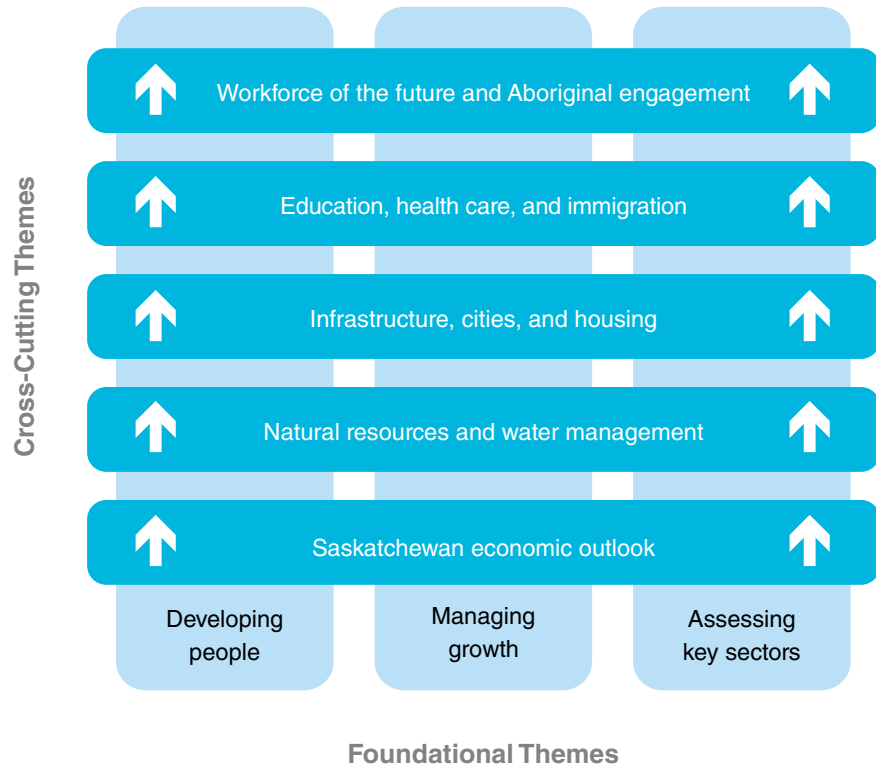
Be Action-Oriented

The Saskatchewan Institute addresses issues from a “can do” perspective—building on areas of agreement rather than conflict. Visualizing the future and identifying the gaps points research in the right direction. The Institute works closely with all Saskatchewan stakeholders to develop scenarios for policies and strategies that will lead to action. The Institute recognizes that businesses, governments, and communities are important partners in building sustainable prosperity, and that strategic collaboration yields powerful results.

Foundational Themes

The Saskatchewan Institute publishes research anchored in its foundational themes. The Institute’s Consultative Group helps the Conference Board prioritize studies among cross-cutting themes. (See Exhibit 2.)

Exhibit 2
Foundational and Cross-Cutting Themes



Source: The Conference Board of Canada.

Developing People

The foundational theme of developing people addresses key concerns that have implications for many dimensions of Saskatchewan's economy.

- Acute labour shortages in key sectors (such as mining, construction, and IT) could significantly hamper the development and operation of a series of major projects. Employment and business capability gaps in Aboriginal communities need to be closed.
- Addressing issues of housing, education, health care, immigration, etc., will be instrumental in positioning Saskatchewan to attract internationally mobile executives, as well as workers for every industry.
- Unprecedented turnover in the labour force and challenges of knowledge transfer require strategic approaches to training and other investments in today's new talent.

Managing Growth

Accurate economic forecasts are essential to good planning and managing growth. They explore issues such as the following:

- What is the fiscal outlook for Saskatchewan?
- What are the fiscal conditions that best support strong growth?
- How can firms and governments attract new capital?
- What is the future evolution of regulation? And how will it affect the competition?
- Does a strong Canadian dollar work for or against Saskatchewan?
- What are the top priority investments for Saskatchewan in terms of infrastructure?
- How can Saskatchewan effectively respond to increasing competitive pressures from global firms in low-cost markets with cheaper operating models?

Assessing Key Sectors

A growing economy places challenges on a variety of sectors. As some sectors expand rapidly, others struggle to keep up or to transform.

Governments, industries, and communities must work together to help manage growth and the demands that it places on key leading sectors, supporting sectors, and transforming sectors. Sectors for priority attention include:

- agriculture and food;
- construction;
- education;
- energy, including oil, gas, clean coal, etc.;
- environment;
- health care;
- housing;
- information technology;
- mining.

Become an Investor

The Conference Board of Canada is inviting leading organizations to support the work of the Saskatchewan Institute and to take a seat on the Saskatchewan Institute Investors Group.

Support Levels

Organizations can support the Saskatchewan Institute at a number of funding levels.

- **Foundational Investors** provide \$100,000 in funding annually for five years.
- **Lead Investors** provide \$50,000 in funding annually for five years.
- **Sustaining Investors** provide \$25,000 in funding annually for five years. Investors will work closely with the Conference Board on the design, priority setting, and implementation of the Saskatchewan Institute.

Next Steps

Efforts to secure financial support are now under way. Investors include businesses, government ministries and agencies, municipalities, academic institutions, foundations, and civil society organizations.



About The Conference Board of Canada

We are:

- The foremost independent, not-for-profit, applied research organization in Canada.
- Objective and non-partisan. We do not lobby for specific interests.
- Funded exclusively through the fees we charge for services to the private and public sectors.
- Experts in running conferences but also at conducting, publishing, and disseminating research; helping people network; developing individual leadership skills; and building organizational capacity.
- Specialists in economic trends, as well as organizational performance and public policy issues.
- Not a government department or agency, although we are often hired to provide services for all levels of government.
- Independent from, but affiliated with, The Conference Board, Inc. of New York, which serves nearly 2,000 companies in 60 nations and has offices in Brussels and Hong Kong.

Insights. Understanding. Impact.

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