

FOR IMMEDIATE RELEASE

Budget Should Focus on Cost Control and Competitiveness

Saskatoon City Council urged to examine tax rates through a recovery lens

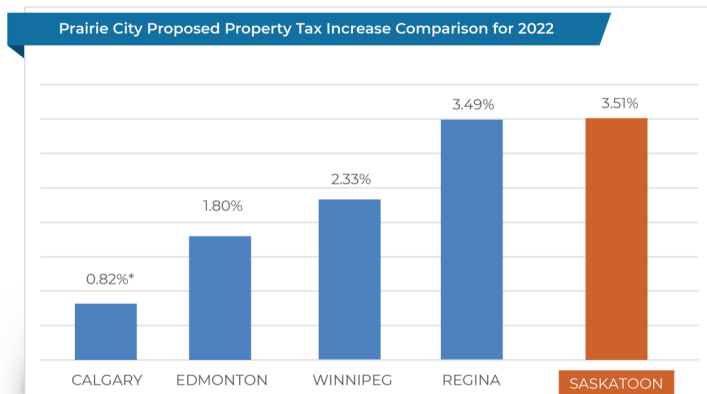
SASKATOON, SK – November 24, 2021 – The Greater Saskatoon Chamber of Commerce is urging City Council to review the city’s proposed 2022-2023 Business Plan and Budget with a greater focus on cost control, competitiveness and Saskatoon’s economic recovery.

“While the state of our economy is improving, and businesses are starting to find their feet, recovery remains a challenge,” said Jason Aebig, CEO. “Inflationary pressures, labour shortages, supply chain issues and post-pandemic uncertainty are slowing the pace of recovery for many, particularly for small and medium size businesses.”

He added: “Council has an opportunity to help close the recovery gap by freeing up capital for these businesses to grow and rehire. Commercial property tax increases run the risk of undermining Saskatoon’s capacity to recover the jobs, incomes and economic growth lost to the COVID-19 pandemic.”

The Chamber is pleased to see reductions in the City’s initial property tax projections of 5.96% and 5.42% for 2022 and 2023 respectively. Revised estimates of 3.51% and 3.14% for 2022 and 2023 are encouraging but remain higher than neighbouring municipalities.

Other major Prairie cities are projecting lower rate increases in an effort to spark economic recovery and growth. Saskatoon’s proposed increase remains above the benchmarks set by cities like Calgary, Edmonton and Winnipeg.



*The City of Calgary is considering a range between 0.64 and 0.99 per cent. 0.82 per cent is the average.

“Among major cities in our region, competition for new and expanding businesses will be fierce,” noted Aebig. “Every city has been gripped by the pandemic and harmed by its economic impact. By keeping rate increases in line with major cities to the West and East of us, we can ensure that Saskatoon attracts good jobs, more residents, and career opportunities for our kids.”

The Chamber urges City Council to keep cost control and competitiveness at the forefront of its deliberations next week by finding additional savings and opportunities to reduce or defer spending until Saskatoon’s economic forecast has improved.

Other areas of note released in today’s budget include:

- Operating Budget: 2022 = \$565.95 million, 2023 = \$581.25 million
- Capital Budget: 2022 = \$274.4 million, 2023 = \$297.5
- Water and Wastewater Utility: 2022 = 2.5% increase, 2023 = 3.40% increase
- Staffing: 2022 = 95.5 FTE increase, 2023 = 56.3FTE increase (does not include Library FTEs)



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The Greater Saskatoon Chamber of Commerce is Saskatoon's voice for business and province's largest Chamber, representing a powerful network of community-minded businesses, organizations and leaders who want the best for their city. Learn more at saskatoonchamber.com.

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