

Saskatchewan's 2026-27 Budget: "Protecting Saskatchewan"

Protecting the Things You Care About

Days before he delivered the Saskatchewan budget, Finance Minister Jim Reiter gave people a pretty clear preview of what was coming.

He took part in the usual budget-day shoe tradition, where Finance Ministers wear a new pair of shoes to symbolize a fresh budget, but instead of showing off something new, he wore the same shoes as last year. His explanation was simple: they were still in good shape, they just needed some protection to stay that way.

That was not just a funny pre-budget moment. It was the budget message. This is not a "buy something new" budget. It is a "take care of what you already have" budget. The government is clearly saying the Saskatchewan economy is still strong, but the world around it is getting rougher. So instead of big new ideas, major policy pivots, or flashy promises, this budget is about protecting affordability, protecting core services, protecting infrastructure, and protecting Saskatchewan's competitive position.

The government's message is simple: they are protecting the things people care about. This includes:

- A Strong Economy
- Health Care
- Our Communities
- Lower Taxes for Families
- High-Quality Education

Affordability: not flashy, but very deliberate

This budget focuses on affordability, but skips the quick wins. It is less about one-time cheques and more about easing pressure in a steady, manageable way.

What's in it: the government is delivering year two of its four-year income tax reduction plan.

- The basic personal amount, the spousal and equivalent-to-spouse exemptions, the dependent child exemption, and the seniors' supplement all rise by another \$500 this year.
- The Saskatchewan Low-Income Tax Credit also rises another five per cent.

- The government says those changes, combined with indexation, amount to about \$200 million in tax savings in 2026-27. It also says a family of four earning \$100,000 will pay no provincial income tax on its first \$65,000 of income.

What it means: this is not instant, dramatic relief, but it is real savings. The government is trying to make the tax system a little lighter for families, seniors, and modest-income households without blowing a hole in the books. It fits the shoe theme perfectly: polish what is already there, do not go buy something expensive and risky.

Housing and property taxes: practical help, not a headline grabber

This budget also keeps some of last year's affordability tools in place.

What's in it:

- the First-Time Homebuyers' Tax Credit now uses a maximum eligible amount of \$15,000 instead of \$10,000, which lifts the maximum provincial benefit from \$1,050 to \$1,575.
- On the property tax side, the education property tax mill rates are being held at last year's reduced levels: 1.07 for agricultural, 4.27 for residential, 6.37 for commercial and industrial, and 7.49 for resource properties.
- The province says total education property tax revenue will stay unchanged from last year apart from new-construction growth.

What it means: for first-time buyers, it is not enough to make a house "cheap," but it does make the jump into ownership a little easier. On education property tax, the government is basically saying it will not use higher assessment values as a backdoor tax increase. That matters for homeowners, farmers, businesses, and anyone already feeling squeezed by costs.

Health care: still the biggest operating priority

Health care remains the political and fiscal centre of the budget.

What's in it: Saskatchewan is putting a record \$8.5 billion into health care, up \$393 million, or nearly five per cent. The government is tying that funding to its Patients First Health Care Plan and continuing the push on access, staffing, and patient flow.

What it means: the government knows people still judge it heavily on health care. This budget is designed to show it is not backing away from that fight. It is not proposing a dramatic overhaul. It is trying to reinforce the existing system, add capacity where it can, and show the public it is still treating health care as the top service priority. That fits the

broader narrative: protect the system, steady it, and try to improve performance without ripping the whole thing apart.

Public safety: continuing to build out policing and enforcement

What's in it: The budget includes increased funding for policing, community safety, and enforcement, including continued investment in the Saskatchewan Marshals Service and targeted crime initiatives.

What it means: This reinforces the government's focus on visible, community-level safety, particularly in rural and high-crime areas, and remains an important political priority alongside health care and affordability.

Capital spending: this is where the "protection" theme gets real

On the capital side, the budget is more aggressive than the overall tone might suggest.

What's in it: Saskatchewan's 2026-27 capital plan is more than \$4.3 billion this year, including nearly \$1.8 billion in executive government spending and more than \$2.5 billion in Crown-sector spending. Over four years, the province says capital spending will total more than \$17.5 billion. The government describes this as one of the largest capital budgets in Saskatchewan history.

That includes:

- \$417.2 million for transportation infrastructure, with \$400.9 million for more than 850 kilometres of highway improvements plus bridge work.
- \$239 million in municipal infrastructure transfers,
- \$123.8 million in education capital,
- \$56.8 million in advanced education capital, and
- \$635.7 million in health capital. Within health capital alone, the province is putting \$238.4 million toward the Prince Albert Victoria Hospital redevelopment, \$100 million toward the Regina long-term care specialized beds facility, \$50.2 million for integrated and long-term care projects across communities including Grenfell, La Ronge, Esterhazy, and the Battlefords, plus additional money for health facility maintenance, IT, and medical equipment.

What it means: This is about more than just maintaining what's already there. It is a protection budget backed by serious construction money. The government is not only trying to protect services on the operating side, but it is also trying to protect future capacity. Roads, bridges, schools, hospitals, long-term care, training space, and

municipal infrastructure all point to the same thing: the government is spending real money to keep building and expanding capacity across the province. For clients in construction, engineering, health infrastructure, municipal work, and education infrastructure, this is one of the most important parts of the budget.

Economy and workforce: steady hands, not sharp turns

The budget is also trying to reassure employers and investors.

What's in it: the province is maintaining the small business tax at one per cent and highlights a \$125 million investment in workforce development. The broader message from the budget is that Saskatchewan wants to remain a stable, affordable, investment-friendly place to do business, even while broader economic uncertainty grows.

What it means: this is less about a new economic strategy and more about holding Saskatchewan's market position. The province wants businesses to hear that it is not lurching into major tax changes, not pulling back on infrastructure, and not stepping away from labour force development. Again, same shoes, just more weatherproofing.

The deficit story: Saskatchewan will make this a relative-strength argument

The province is projecting an \$819 million deficit on \$21.4 billion in revenue and \$22.2 billion in expense. That is a meaningful deficit, and the NDP will hammer them on it. But the government's defence is pretty obvious: compared to a lot of other provinces, Saskatchewan still looks controlled rather than reckless.

Using the latest official budget plans now on the books:

- Saskatchewan's projected deficit works out to about **\$647 per person**.
- Alberta's 2026 budget deficit works out to about **\$1,862 per person**.
- British Columbia's 2026-27 projected deficit is about **\$2,350 per person**.
- Ontario's latest official 2025-26 outlook is about **\$905 per person**.

So the clean comparison right now is this: Saskatchewan is in deficit, yes, but it still looks better than a lot of other provinces on a per-capita basis. Ontario and Manitoba are tabling their budgets next week and are anticipated to be much higher per capita than Saskatchewan.

What are People Saying about the Saskatchewan Budget?

It's still early, but the initial reaction to the budget is falling along pretty familiar lines. Groups that tend to support stability and predictability see positives. Groups focused on frontline pressure points are saying it doesn't go far enough.

The Opposition: Immediate and Direct Criticism

The Saskatchewan NDP came out quickly with their standard lines of attack.

- Leader Carla Beck focused heavily on affordability, arguing the relief is too slow for people dealing with rising costs today
- The NDP also pointed to healthcare and education, saying funding still doesn't match what people are experiencing on the ground
- Continued criticism around deficit and debt levels

Bottom line: The NDP's message is simple: people are feeling the cost of living, and the government needs to step up further on healthcare and education.

Municipalities (SARM / SUMA): Watching Infrastructure and Costs Closely

As of now, detailed post-budget statements are still rolling out, but based on early reaction and past positioning:

- **SARM** is expected to focus on:
 - Rural infrastructure gaps
 - Policing and public safety costs
 - Ensuring municipal transfers keep pace with inflation
- **SUMA** will likely zero in on:
 - Urban growth pressures
 - Housing and infrastructure demands
 - The need for predictable, long-term funding

Bottom line: Both groups tend to welcome stability...but will continue pushing for more support as costs rise at the local level.

Education Sector (STF / SSBA): Acknowledging Progress, Still Pushing

Formal reactions are still developing, but early positioning is consistent with past messaging:

- The STF acknowledged the increase in education funding, but made it clear it still falls short of what classrooms need right now. Their focus continues to be on class size, classroom complexity, and the gap between funding increases and what’s actually happening on the ground.
 - The STF said the funding is “a step in the right direction,” but emphasized that it still does not fully address the pressures teachers and students are facing in classrooms.
- The Saskatchewan School Boards Association (SSBA) usually takes a similar tone:
 - Welcomes investment
 - Notes divisions are still under pressure

Bottom line: From the Education sector, expect a “step in the right direction, but not enough” narrative.

Healthcare Sector: Same Core Issue

Healthcare stakeholders are predictable...and for a reason.

- Groups like CUPE 5430 and the Saskatchewan Union of Nurses (SUN) consistently point to:
 - Staffing shortages
 - Burnout
 - System capacity
- The Saskatchewan Union of Nurses (SUN) acknowledged the increase in healthcare funding, but emphasized that staffing remains the core issue. They pointed to ongoing shortages and workload pressures, saying more needs to be done to recruit and retain nurses so the system can actually deliver the care people need.

Even with increased funding, the reaction will likely centre on whether the province can actually staff the system it is funding.

Bottom line: While funding is increasing, the system is still under significant strain, and without more nurses, the pressure on the system will continue.

Business Community: Stability Over Surprise

The business community reaction is usually a bit quieter...but important.

- Organizations like the Saskatchewan Chamber of Commerce, Regina & District Chamber and the Saskatoon Chamber of Commerce typically prioritize:
 - Tax stability

- Predictability
- Infrastructure investment
- The Saskatchewan Chamber of Commerce said the budget reflects a steady and targeted approach, noting the importance of maintaining competitiveness and supporting growth in the face of global economic uncertainty.
- The Saskatoon Chamber of Commerce highlighted the value of continued infrastructure investment and workforce development, while emphasizing the need to keep Saskatchewan an attractive place to do business.

Bottom line: This is the kind of budget businesses generally like...steady, predictable, and without major surprises.

GSD Perspective

The smartest way to read this budget is not as a big-growth budget and not as an austerity budget. It is a protective holding-pattern budget.

Saskatchewan is coming into this budget from a position of relative strength. The province's economy has been performing well, with strong resource sectors, steady growth, and a competitive cost structure. But the government also sees the global environment getting shakier. Geopolitical tensions, including conflict in the Middle East, along with trade pressures, weaker confidence, and broader international uncertainty, are creating rougher waters ahead.

In that environment, Saskatchewan is making a very political but very Saskatchewan-style choice: do not panic, do not overcorrect, and do not pretend everything is fine. Just protect the core and make sure the province is positioned to ride out what's coming.

That is why the shoe metaphor works so well. The government is not saying the shoes are brand new. It is not saying they are perfect. It is saying they still work, and now is the wrong time to toss them out and try something flashy.

You see that in the tax side, where relief is incremental rather than dramatic. You see it in health care, where the government is putting in record operating dollars but not trying to overhaul the system. You see it in education and policing, where the emphasis is on keeping up and strengthening capacity. And you really see it on capital, where the province is spending big money not to chase a shiny headline, but to make sure the province has the infrastructure it needs to keep moving.



Politically, this budget is also trying to split the difference between two risks. On one side, the government does not want to look careless by running a deficit. On the other side, it does not want to look cold by cutting back during uncertainty. So it is choosing a middle lane: accept a deficit, but frame it as disciplined, manageable, and modest compared with other provinces. That gives the government room to say, “Yes, times are uncertain right now, but Saskatchewan is still in great shape...and in better shape than most.”

For clients, the takeaway is pretty straightforward: if your business is tied to core government services, this is a steady, reassuring budget. Health, infrastructure, municipal support, workforce development, and affordability remain protected lanes. This is not a budget that opens a lot of brand-new doors. But it is a budget that keeps a lot of existing doors open. And in a year like this, that may be the more important signal.



Appendix

Government Budget General Links

[2026-27-Estimates-WEB.pdf](#) (This document shows the actual details of the budget for each ministry)

[Budget Materials | Government of Saskatchewan](#) (this link has all the relevant documents for the budget)

[2026-27 News Releases | Government of Saskatchewan](#) (all the news releases from various ministries).