

**For embargoed release
March 19, 2014
2:15 pm**

News Release Finance

Investing in Infrastructure Needed for a Growing Province

Close to \$2.9 billion in infrastructure projects, ranging from power generation facilities to telecommunications networks to schools to highways to hospitals, are key components of Saskatchewan's 2014-15 Budget.

"One of the priorities of our Growth Plan is building the infrastructure needed for a growing province," said Finance Minister Ken Krawetz.

Saskatchewan's Crown corporations, including SaskPower, SaskTel and SaskEnergy are projected to spend \$2.0 billion on capital projects in 2014-15, up from \$1.9 billion (5.3 per cent) over the previous year.

In addition, a total of \$887 million will be invested in other government projects like schools, hospitals and highways. That's a \$39.4 million (4.7 per cent) increase over the previous year's capital budget.

Crown capital spending combined with Government's projected infrastructure investment is close to \$16 billion since 2008 – more than double the investment of the previous six years.

"Our Government's next major capital investment in health care is in Prince Albert, for the renewal of the Victoria Hospital," Krawetz said. "The 2014-15 Budget sets aside \$2 million for planning this important project."

A new commuter bridge is needed in Saskatoon's north industrial area and the Government is committed to helping fund that infrastructure priority. Funding details will be established in the coming year, with dollars likely to flow in 2015-16.

In addition, planning is continuing on the P3 Regina Bypass Project, with work continuing on the west portion. The 2014-15 budget also provides \$50 million for the building of a new stadium in Regina, part of the Government's overall \$80 million commitment.

Municipalities will receive \$74.1 million in transfers from the federal gas tax, Building Canada Fund program and Saskatchewan Infrastructure Growth Initiative.

Planning and due diligence is also continuing toward the building of a bundle of nine joint use schools in Regina, Saskatoon, Warman and Martensville, anticipating the use of a P3 model. Each will have a public and separate school in one building.

This is the largest single project ever undertaken in the province to build elementary schools. Work is progressing between the Ministry of Education, school divisions and SaskBuilds, with \$3.3 million dedicated to designing the schools in 2014-15.

Saskatchewan's Crown corporation capital projects forecast for 2014-15 include:

- \$1.2 billion at SaskPower mainly for electricity generation including clean coal, natural gas and hydro as well as distribution and transmission projects including the \$380 million expansion from Island Falls to Key Lake to provide improved system stability for northern businesses, industry and residents;
- \$355 million at SaskTel primarily for the expansion of its wireless network capacity across Saskatchewan and its high bandwidth project to provide broadband services to homes and businesses; and
- \$300 million at SaskEnergy mainly to expand its pipeline and compressor capacity and for integrity spending to ensure system safety through infrastructure upgrades and renewal.

The 2014-15 Budget for transportation capital projects is \$405.2 million, which includes:

- construction of 19.5 km of new twinning lanes for Highway 16 East of Saskatoon to Clavet;
- pre-construction activities for twinning projects on Highway 7 West of Saskatoon to Delisle for 24 km;
- Highway 6 and 39 twinning from Regina to Estevan and Highway 39 East of Estevan to Bienfait for 8 km;
- pre-construction work for the future passing lanes on Highway 7 from Delisle to Rosetown;
- repaving of 300 km of highway and renewing bridges and culverts; and equipment; accommodations and, other minor capital projects; and
- \$31.4 million is for partnership programs including \$25.5 million for the Municipal Roads for the Economy program.

The 2014-15 Budget includes \$103.3 million in K-12 school capital, which includes:

- \$4.1 million for planning four new major school projects including replacing Connaught School in Regina and Sacred Heart in Regina as well as major renovation projects for the St. Brieux School and Sacred Heart in Moose Jaw;
- \$9.5 million to proceed to construction with two new school projects approved for planning last year including Langenburg School and Gravelbourg Elementary;
- \$46.4 million for construction on ten on-going major school projects;
- \$1.0 million for 15 new Pre-K programs and \$1.0M in minor education capital;

- \$6.9 million for 29 new re-locatable classrooms and moving 10 to schools with increased enrolment;
- \$24.0 million for school maintenance, an increase of \$4.6M or 23.6 per cent from the previous year; and
- \$7.2 million for student achievement software and 500 new child care spaces.

In 2014-15, \$32.6 million will be transferred to post-secondary education institutions for capital initiatives, an increase of \$7.1 million, or nearly 28 per cent over last year.

The transfer includes \$20.6 million to address needed maintenance, an increase of \$4.1 million over last year, \$6.5 million for the Health Sciences Facility at the University of Saskatchewan, \$4.5 million for the Trades and Technology Centre at Parkland Regional College in Yorkton; and \$1.0 million for continued construction of Weyburn's Southeast Regional College.

This budget includes \$94.9 million for health-related capital initiatives, including;

- \$48.1 million in maintenance and equipment capital, including \$8.0 million for the Parkridge Centre long term care facility renovation and \$1.5 million for sprinkler retrofits in private personal care homes as well as other smaller projects;
- \$27.3 million for five ongoing rural long-term care facilities and \$1.5 million for planning associated with the Regina Extendicare Replacement and La Ronge long term care facility expansion; and
- \$18.0 million for hospital funding which includes \$16.0 million for the Moose Jaw Hospital and \$2.0 million for planning the renewal of the Prince Albert Victoria Hospital.

A P3 project guided by SaskBuilds, with the Ministry of Health and Cypress Regional Health Authority, is moving forward on construction of the Swift Current long-term care facility, and \$2.1 million in early stage funding is allocated in the 2014-15 Budget.

Another project, the Saskatchewan Hospital North Battleford and integrated corrections facility, also continues to move forward. The 2014-15 Budget includes \$2.5 million in early stage funding for this much needed project, including due diligence regarding the use of a P3 procurement model.

“This significant investment in infrastructure will keep Saskatchewan on the path of steady growth,” said Krawetz.