

Tuesday, November 25, 2008

Go West, young man -- but stop before the Alberta border; Saskatchewan is booming

Like legendary investor [Jim Rogers](#), I'm bullish on Saskatchewan. This resource rich province is now under the wise and gentle stewardship of Saskatchewan party Premier Brad Wall, and times are good.

In two reports released today by [Statistics Canada](#), unemployment is down in the province and retail sales are at record levels for the month of September.

"More Saskatchewan residents are enjoying the benefits of our growing economy," said Enterprise and Innovation Minister Lyle Stewart. "There are more job opportunities, and Saskatchewan's confidence levels in the economy are extremely high when compared to other Canadian jurisdictions."

According to StatsCan data, there were 8,300 people receiving EI benefits in September 2008, a drop of 8.5 per cent from the same month one year ago. This is the largest drop in EI beneficiaries of all provinces. In fact, across the country, the number of people receiving EI increased 3.9 per cent during the same period.

Retail sales for September 2008 were up 10.4 per cent over last year, the second highest increase in Canada. Nationally, retail sales increased by 5.6 per cent over the same period.

"While much of Canada is experiencing an economic downturn, there is still a sense of optimism and excitement for the economic future of Saskatchewan," Stewart said. "We will continue to build a stronger province and a better life for people who live here."

Back in Alberta, [Premier Stelmach is struggling to keep Alberta's oil and gas economy from collapsing](#). The province's New Royalty Framework (NRF) has pushed drilling activity to British Columbia and Saskatchewan and it's not clear whether the recent ad hoc, desperate tinkering to oil and gas royalties will help.

Alberta's free market-oriented opposition Wildrose Alliance party thinks nothing short of scrapping the New Royalty Framework will give oil and gas investors the confidence to return to Alberta.

"This latest announcement is reactionary, policymaking on the fly designed to fix something the government has caused," said former MLA and party leader Paul Hinman.

In a media statement, the Wildrose Alliance wrote "investors outside of Alberta may not have any faith that this government will even stick to this makeshift plan for the five years. They have proposed six revisions to the current Royalty framework in the past 14 months, all with a mind to raising tax revenues." Not since Prime Minister Trudeau has the political climate been so uncertain and unfriendly to Alberta's energy entrepreneurs.

Hinman says "There is only one thing to do: announce a full retraction of the NRF and launch a full open consultation with the industry to see if a new framework is even viable."

Well, there is one other thing: move to Saskatchewan.

Posted by Matthew Johnston

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