



Government  
— of —  
Saskatchewan

Minister of Finance

Legislative Building  
Regina, Canada S4S 0B3

NOV 08 2017

Ms. Eleanore Fang  
Board Secretary and Chair  
Canadian Association of Financial Institutions in Insurance  
802 – 21 St. Clair Avenue East  
TORONTO ON M4T 1L9

Dear Ms. Fang:

I am writing to you as the new Finance Minister for Saskatchewan, as a follow up to the Provincial Sales Tax (PST) revenue initiatives announced in the 2017-18 Budget.

As you are aware, in the 2017-18 Budget our Government committed to control spending, modernize and expand the tax base, and invest in priority government programs, services and infrastructure projects for the benefit of all Saskatchewan people. The decline in commodity prices that began in 2014 resulted in the Government's resource revenues falling by \$1.2 billion. This was the revenue challenge underlying the development of the 2017-18 Budget. Significant efforts to control and reduce spending were made during the budget development process. However, our efforts to manage spending were not sufficient to fully address the revenue shortfall. With this goal in mind, the 2017-18 Budget introduced a number of revenue initiatives to help address our fiscal challenge, including the expansion of the PST base to insurance premiums.

The Ministry of Finance continues to work with the insurance industry on implementation and transition issues. We understand that many companies are still working on system changes to correctly collect and remit PST on insurance premiums to the Government of Saskatchewan.

Our Government remains committed to moving forward with the implementation of PST on insurance premiums. We also committed to continue to monitor the impact of this tax change on the economy and consumer behaviour. In this context, we are now seeking any information and specific data your organization may have to demonstrate the impacts the PST change is having. Please send any relevant information and data back to my office by November 15, 2017. The evidence of these impacts will be assessed and considered in the development of the 2018-19 Budget.

Thank you in advance for sharing your perspectives on this matter.

Sincerely,



Donna Harpauer  
Minister of Finance

cc: Brendan Wycks, Co-Executive Director, Canadian Association of Financial Institutions in Insurance