



## PRESS RELEASE



*Canadian Mortgage News - National Archive 2010*

### **Saskatchewan's Growth Will Be the Strongest in Canada - BMO**

**REGINA, Saskatchewan, June 22, 2010** — A rebound in the potash sector, strength in energy and strong population trends are poised to fuel 4.2 per cent growth in Saskatchewan this year – the strongest in Canada, according to the Provincial Outlook report from BMO Capital Markets Economics.

“Potash sales have bounced back, output was up 75 per cent year-over-year in the first quarter of 2010 and Canpotex said it was exporting at maximum capacity in the quarter,” said Robert Kavcic, Economist, BMO Capital Markets. “Meanwhile, the oil and gas sector, particularly the Bakken play, continues to attract investment dollars. The Province banked \$190 million in land sales in April, well above the \$11.7 million fetched in the prior year, when commodity prices were much lower.”

Saskatchewan continues to see positive interprovincial migration flows—almost 3,000 people in the latest four quarters. “This trend is likely to continue thanks to relatively low living costs and bright economic prospects,” noted Mr. Kavcic. With population growth still near a multi-decade high, retail sales and construction activity will continue to be primary beneficiaries.”

The Province of Saskatchewan is projecting a \$20 million surplus in fiscal 2010/11, but \$174 million deficit (still a modest 0.3% of GDP) before transfers of a \$194 million from the reserve fund. The Province is projecting surpluses in each of the three following fiscal years.