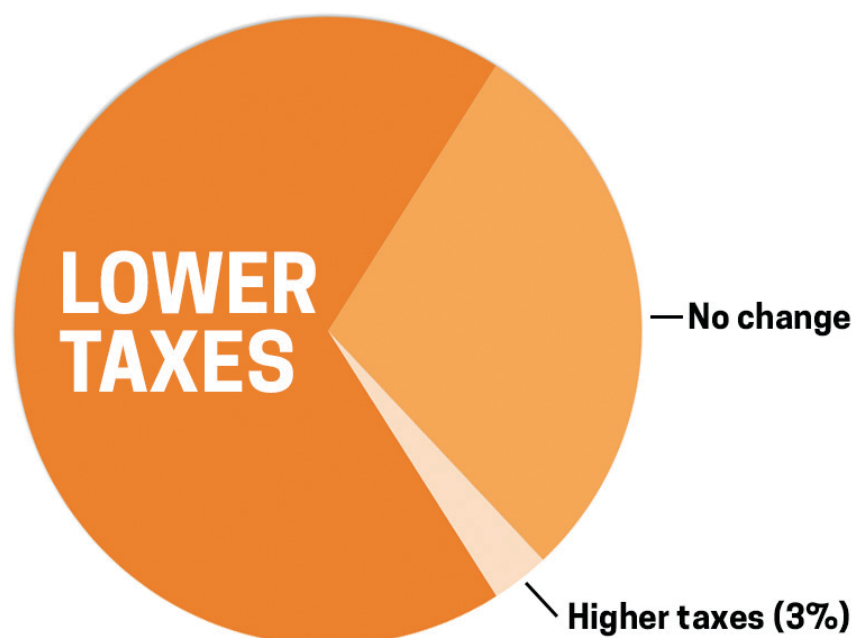




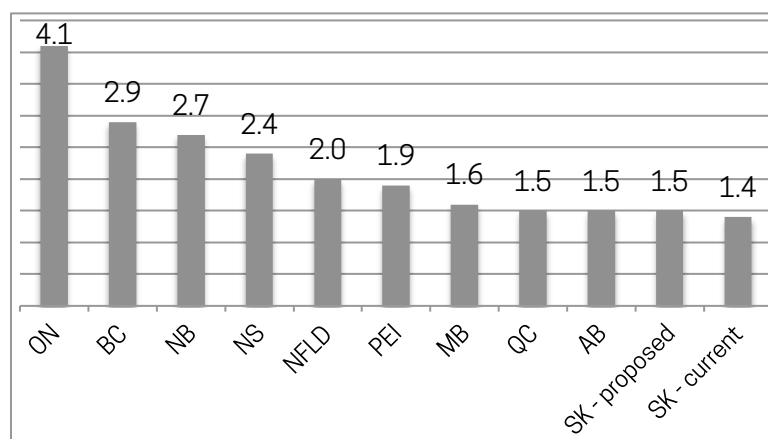
Backgrounder: Broten announces tax and utility affordability help

Lower taxes for a majority of families

- Nearly 70 per cent of people will see a modest tax cut.
- Individuals with the highest incomes (just three per cent of Saskatchewan's earners) will see a modest tax increase on any income above \$175,000.
- 29 per cent will see no change to their income taxes.
- Cam Broten's tax changes will mean most people see a small decrease, paid for by asking the wealthiest three per cent to pay a little more:
 - Raise the basic personal amount individuals can earn before being taxed by \$500 (the current basic personal amount is \$15,843).
 - Slightly reduce the current top tax bracket, from \$127,430 to \$125,540, to phase out the benefit from the increase to the personal amount for these individuals.
 - Implement a new top tax bracket of 16 per cent for income above \$175,000 – this is a one-per-cent increase on income above \$175,000.
 - The tax cut for the majority of people is largely offset by the tax increase on income earned above \$175,000 (anticipated revenue loss is \$25.2 million; anticipated revenue gain is \$22.2 million).¹



- According to statistical modeling, using Statistics Canada's Social Policy Simulation Database and Model:
 - Nearly 70 per cent of Saskatchewan households will see a modest reduction in their income taxes, by an average of \$90 per year, or \$360 over the four-year term.
 - Just 3 per cent of Saskatchewan households – with at least one individual earning more than \$175,000 per year – will see an increase in their income taxes, with an average increase of \$1,370.
 - The remaining households will not see a change in their income taxes.
- Saskatchewan currently has the flattest income tax structure – measured as the ratio of top tax rate to the bottom tax rate.



- Individuals earning over \$127,000 pay the second-least amount of taxes in Canada at the top rate, tied with Alberta. The new 16 per cent top tax rate will mean we still have the fourth-lowest top tax rate in Canada.

	Top tax rate	Threshold for top rate
NB	25.75%	\$250,000
NS	21.0%	\$150,000
ON	20.53%	\$220,000
QC	20.31%	\$103,150
PEI	18.37%	\$98,145
MB	17.4%	\$67,000
SK - proposed	16.0%	\$175,000
NFLD	15.3%	\$175,000
AB	15.0%	\$300,000
SK - current	15.0%	\$127,430
BC	14.7%	\$151,050

More money in families' pockets with more affordable utility rates

Saskatchewan families are paying more these days

- In 2007, Saskatchewan had the lowest cost utility bundle in Canada.
 - For home heating, electricity, telephone and auto insurance, Saskatchewan families paid almost \$40 dollars less than our nearest competitor, Manitoba.ⁱⁱ
- Now, Saskatchewan families pay \$400 more than Manitoba families:ⁱⁱⁱ

	Saskatchewan	Manitoba
Home heating	\$900	\$966
Electricity	\$1,209	\$679
Telephone	\$258	\$314
Auto insurance	\$1,116	\$1,044
Total household utility costs	\$3,483	\$3,003

- Under the Sask. Party, the amount Saskatchewan families pay for electricity has jumped by 35 per cent and the amount families pay for auto insurance has jumped 25 per cent.^{iv}
 - For the average family, electricity bills are up \$308 per year.^v
 - The average auto insurance bill is up \$222 per year.^{vi}

Cam Broten's plan will cut rates

- Cam Broten's plan is to deliver more affordable utility rates – cutting rates for families each year, and matching or surpassing Manitoba's lowest-cost utility bundle by 2020.

Broten will deliver the most competitive smart-phone packages and refuse usage-based billing for Internet

- Broten will make sure Saskatchewan families benefit from the most competitive smart-phone packages.
 - Compared to the big telecom companies (Rogers, Telus and Bell), SaskTel currently delivers the most competitive package (comparing unlimited text and nationwide calling, 2-10 GB of data, and voicemail).^{vii}
 - By protecting our Crown corporation, the NDP will keep delivering good services at the most affordable prices.
- All major Canadian Internet service providers have introduced usage-based billing. The NDP won't allow that at SaskTel.

- Usage-based pricing is when consumers pay Internet service providers for a specific amount of data they agree to consume instead of a flat fee for unlimited data.^{viii}
- By protecting SaskTel from privatization, we'll be able to say no to usage-based billing, because people shouldn't be charged for "too much Internet."

ⁱ Modeled using Statistics Canada's Social Policy Simulation Database and Model

ⁱⁱ Budget 2007-08 Summary Book, page 39

ⁱⁱⁱ Budget 2015-16 Summary Book, pages 66 and 67

^{iv} Comparing Budget 2007-08 Summary Book, page 39, and Budget 2015-16 Summary Book, pages 66 and 67

^v Comparing Budget 2007-08 Summary Book, page 39, and Budget 2015-16 Summary Book, pages 66 and 67

^{vi} Comparing Budget 2007-08 Summary Book, page 39, and Budget 2015-16 Summary Book, pages 66 and 67

^{vii} Comparison of plans on company websites, March 2016

^{viii} <http://www.cbc.ca/news/business/telus-bails-on-unlimited-internet-bandwidth-plays-on-for-a-price-1.2965470>