

July 13, 2022  
Saskatchewan Rate Review Panel  
P.O. Box 1301,  
Saskatoon, SK, S7K 3N1

**Subject: Impacts of the proposed SaskEnergy rate hike on Saskatchewan small businesses**

To Whom it May Concern:

On behalf of the Canadian Federation of Independent Business (CFIB) and our 4,300 small business members in Saskatchewan, we are writing to express concerns regarding SaskEnergy's proposal to increase energy rates by 24 per cent for the small commercial sector over the next three years.

With next to no notice, this energy rate increase comes as yet another blow to Saskatchewan small business owners, who are already struggling to recover from the impacts of the COVID-19 pandemic. According to [CFIB's latest Recovery Dashboard](#), only 51 per cent of Saskatchewan small businesses are making normal sales for this time of year, while the majority continue to struggle with pandemic-related debt and stress. Nearly two thirds (62%) of Saskatchewan small businesses report taking on pandemic-related debt, at an average of \$95,188 per business.

Under "normal" (pre-pandemic) conditions, low energy rates have been important to keep Saskatchewan businesses competitive in a global marketplace; however, we are nowhere near back to normal conditions. According to CFIB survey data from June 2022, 80 per cent of Saskatchewan small business owners are struggling to get back on track due to "rising government costs" (taxes, fees, permits, etc.). Following two years of pandemic restrictions, declining revenues, and rising debt, businesses are now facing the cost pressures of record high gas prices, the expansion of the PST, rising payroll costs, an 8% SaskPower rate hike and, as of July 1, 2022, the reintroduction of the Saskatchewan small business corporate income tax.

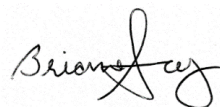
Higher energy costs will only further hinder small business recovery, meaning business owners will have fewer resources to create jobs, invest in their businesses, and contribute to the growth of the provincial economy. If costs keep increasing without any relief, Saskatchewan's small business climate will continue to suffer, especially given that one in six (17%) of Saskatchewan small businesses are actively considering bankruptcy.

We thank you for considering the concerns of Saskatchewan small business owners. It is our hope that the Saskatchewan Rate Review Panel will limit any further cost increases for small businesses at a time when they can least afford it, and instead emphasize the need for the Government of Saskatchewan to introduce measures to help offset the multiple added costs that Saskatchewan small businesses and residents are being asked to shoulder.

Sincerely,



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