



SUMA Position Statement

The Saskatchewan Transportation Company provides an important link between communities in Saskatchewan. It provides low-cost transport for those needing to travel to a larger centre, important linkages with inter-provincial transport companies, and package delivery to destinations that are not serviced by courier companies.

SUMA is calling on the Government of Saskatchewan to continue funding STC at sufficient levels to ensure service continues at present levels for both public transport and package delivery services.

Key Messages

- STC provides the sole public transportation option for many small urban municipalities.
- Many people, and particularly the senior population, relies on buses to get them into larger centres for essential medical appointments.
- STC provides package delivery to many small urban municipalities that do not have access to another courier service, ensuring that small businesses can survive outside of cities.
- STC provides an essential link between public carriers operating in Alberta and Manitoba, allowing inter-provincial travel to those that are unable to access it in any other way.
- Provinces that have chosen to completely sell off low-cost transportation options have found that private carriers are generally unwilling or unable to continue providing equal levels of service, negatively affecting residents.

Current Status

The provincial government has not announced any STC cuts, as part of the 2016-17 budget. However, recent economic difficulties have made unprofitable programs and crown corporations more vulnerable to funding cuts.

Background

STC was originally created in 1946 to link major centres and as many smaller centres in the province as was fiscally responsible. The company grew rapidly, even functioning as one leg of inter-provincial carriage, in partnership with Greyhound and Grey Goose bus lines. However, ridership has decreased continually over the last few decades. STC has been regularly operating in a deficit, and using its package shipping service to supplement decreasing ridership.

There have been a number of calls in the lead-up to the provincial election for the government to stop funding STC and either allow sale to a private corporation to provide service, or allow it to fold. This is a major concern for small urban centres, as STC is one of the primary ways to receive parcels where the larger corporations may not deliver; bus travel is also an important way for rural and small-urban residents to travel to larger centres for events like health-related appointments. Provinces that have tried providing incentives or regulating private carriers into providing service to small urbans (generally after a government corporation is sold) have received significant pushback, as private companies want to run only profitable routes.



Saskatchewan Transportation Company

Community
and Economic
Development

Strategic Context

With the volatility in commodity prices, outside agencies have begun criticizing government spending on unprofitable crowns and programs. STC costs the provincial government approximately \$13 million annually, including capital investments.

The viability of small communities is dependent upon residents' ability to access services. STC provides essential transportation and shipping services, without which many residents may be unable to live or work in their community.

Contacts

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