



# **STANDING COMMITTEE ON THE ECONOMY**

## **Hansard Verbatim Report**

**No. 1 – December 18, 2007**



**Legislative Assembly of Saskatchewan**

**Twenty-sixth Legislature**

**STANDING COMMITTEE ON THE ECONOMY  
2007**

Mr. Darcy Furber, Chair  
Prince Albert Northcote

Mr. Ron Harper, Deputy Chair  
Regina Northeast

Mr. Jeremy Harrison  
Meadow Lake

Mr. Yogi Huyghebaert  
Wood River

Mr. Warren Michelson  
Moose Jaw North

Ms. Laura Ross  
Regina Qu'Appelle Valley

Ms. Nadine Wilson  
Saskatchewan Rivers

[The committee met at 09:05.]

**Mr. Kaczowski:** — Good morning members. If I could call this meeting to order.

As committee Clerk to this committee, it is my duty to preside over the election of the Chair, and I will call for nominations for that position now. Mr. Harper.

**Mr. Harper:** — I'd like to nominate Mr. Huyghebaert.

**Mr. Kaczowski:** — Mr. Harper has nominated Mr. Huyghebaert to the position of Chair. Any further nominations? There being no further nominations, I would invite one of the . . . sorry, excuse me. There being no further nominations, I would invite one of the members to move a motion:

That Mr. Huyghebaert be elected to preside as Chair of the Standing Committee on the Economy.

**Mr. Harper:** — Mr. Chair, I move that motion.

**Mr. Kaczowski:** — Mr. Harper has moved:

That Mr. Huyghebaert be elected to preside as Chair of the Standing Committee on the Economy.

All those in favour of the motion? All those opposed? I declare the motion as carried and invite Mr. Huyghebaert to take the chair.

**The Chair:** — Thank you. And thank you, Mr. Harper, for the nomination. The next item on the agenda, committee, is the election of a Deputy Chair, and I would like to now open the nominations for the position of Deputy Chair. Ms. Wilson.

**Ms. Wilson:** — I would like to nominate Mr. Harper as Deputy Chair.

**The Chair:** — And any further nominations? Mr. Harper has been nominated to the position of Deputy Chair. There being no further nominations, I would like to invite one of the members to move a motion:

That Mr. Harper be elected to preside as Deputy Chair of the Standing Committee on the Economy.

**Ms. Wilson:** — I'd like to move that motion.

**The Chair:** — Ms. Wilson moves:

That Mr. Harper be elected to preside as Deputy Chair of the Standing Committee on the Economy.

All those in favour of the motion? Opposed? I declare that the motion carried, and Mr. Harper has been elected as Deputy Chair.

**Mr. Harper:** — Thank you.

**The Chair:** — The next order of business is the establishment of a steering committee, and I would accept a motion:

That a steering committee be appointed to establish an agenda and priority of business for subsequent meetings and that the membership be comprised of the Chair and Deputy Chair; and further

That the steering committee shall meet time to time as directed by the committee or at the call of the Chair, that the presence of all members of the steering committee is necessary to constitute a meeting, and that substitutions from the membership of the Standing Committee on the Economy be permitted on the steering committee.

Could I get a mover for that motion please?

**Mr. Michelson:** — I so move.

**The Chair:** — The motion has been moved by Mr. Michelson. Is there any comment, or is everybody agreed on the motion? Or those in favour of the motion? Opposed? It's carried. And I would entertain a motion:

That pursuant to rule 133(2), the committee authorize the broadcast of its public proceedings.

And I would ask for a mover for that.

**Mr. Furber:** — I'll move that motion.

**The Chair:** — I have a motion from Mr. Furber:

That pursuant to rule 133(2), the committee authorize the broadcast of its public proceedings.

All in favour of the motion? Opposed? Carried.

**General Revenue Fund  
Supplementary Estimates — December  
Highways and Infrastructure  
Vote 16**

**Subvotes (HI10) and (HI04)**

**The Chair:** — We'll now be proceeding to supplementary estimates and the first order is Highways and Infrastructure, vote 16 and vote 17. And I ask the minister to introduce his officials and himself, please.

**Hon. Mr. Elhard:** — Thank you, Mr. Chairman. Before I make the introductions, I'd just like to congratulate you on the position you have now assumed as chairman of this committee. It's an important committee. It's a committee that deals with the most basic economic issues facing the province and the various ministries that contribute to the development of our economy in the province. So I welcome you to your position.

And I'd like to acknowledge the critic for Highways and Infrastructure, the member from Regina Northeast, Mr. Harper, in his new appointment and welcome the other members, most of whom have never sat on a provincial committee to date. And I think they're probably looking forward to an important contribution that they can make as members. And on behalf of their constituents in the province as a whole, I'm sure they'll do

their job to the best of their ability.

Mr. Chairman, I'd like to introduce Mr. John Law, to my right. He is the deputy minister of the new Ministry of Highways and Infrastructure. And he's joined me to assist if there happen to be any questions as a result of the brief presentation I want to make now. And I am going to keep my comments brief because, as we all know, we're looking at supplementary estimates that came from a different political era in Saskatchewan's history, and I'm here to make the request — not to justify the work. And we can discuss briefly some of the undertakings that happened that required this particular request for supplementary funding.

In the spring of 2007, the province experienced significant spring flooding across northern and east central regions. Similar conditions were experienced in the spring of 2006 as well. And as a result of the two consecutive years of flooding, a risk assessment was undertaken by ministry staff to identify the areas posing the greatest risk to public safety and to determine how to best prioritize the repairs. The province incurred some 21.1 million in emergency operation and repair costs over the spring and summer of 2007.

The breakdown of that \$21.1 million is as follows. 18.6 million was through vote 16, which is operation and preservation of the highway system, as you will notice in the Supplementary Estimates booklet; and two and a half million is required through vote 17, which identifies infrastructure capital spending. However there was a reduction in vote 16 of approximately \$720,000 to reflect the transfer of human resource funds to the Public Service Commission from the department.

Now in August 2007, there was a catastrophic geotechnical failure which occurred on the westbound lanes of Highway 16 of the Yellowhead near the community of Langham. The complete failure of the westbound lanes of Highway 16 was again weather related, as record rainfalls in August washed out infrastructure in the Langham area. Two million dollars in funding was provided through vote 16 for the Highway 16 repairs. The cost to repair the failure was actually \$11.9 million.

So in light of our commitment to infrastructure and recognizing the exceptional circumstances in dealing with public safety concerns caused by spring flooding and weather-related events, we are providing the ministry additional resources through this supplementary spending. A total of \$22.4 million in mid-year funding has been allocated to Highways and Infrastructure for emergency road repairs and to pay for special projects. Thank you, Mr. Chair.

**The Chair:** — Are there any questions on vote 16?

**Mr. Harper:** — No questions, Mr. Chair.

**The Chair:** — Okay. Vote 16, operation of transportation system (HI10) to the sum of \$6,327,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — The preservation of transportation system (HI04) for \$13,551,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Okay. The total for vote 16 is \$19,878,000. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** —

Be it resolved that there be granted to Her Majesty for the 12 months ending March 31, 2008, the following sums for Highways and Infrastructure, \$19,878,000.

Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — We need a mover for that motion.

**Mr. Harper:** — Mr. Chair, I move that motion.

**The Chair:** — Mr. Harper moves the motion. All in favour? Agreed.

[Vote 16 agreed to.]

**General Revenue Fund  
Supplementary Estimates — December  
Highways and Infrastructure Capital  
Vote 17**

**Subvote (HC02)**

**The Chair:** — Vote 17, Highways and Infrastructure capital, are there any questions on vote 17?

**Mr. Harper:** — No questions, Mr. Chair.

**The Chair:** — Infrastructure enhancement (HC02) for the sum of \$2,500,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** —

Be it resolved that there be granted to Her Majesty for the 12 months ending March 31, 2008, the following sums, which to the extent that they remain unexpended for that fiscal year are also granted for the fiscal year ending on March 31, 2009.

Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — And may I have a motion to that effect, please. Mr. Furber.

**Mr. Furber:** — I'll move that motion.

**The Chair:** — And all agreed?

**Some Hon. Members:** — Agreed.

[Vote 17 agreed to.]

**The Chair:** — I'd like to thank the minister and his staff for being present for the supplementary estimates.

**Hon. Mr. Elhard:** — Thank you, Mr. Chair.

**General Revenue Fund  
Supplementary Estimates — December  
Energy and Resources  
Vote 23**

**Subvote (ER06)**

**The Chair:** — The next order of business is Energy and Resources, vote 23. I would ask the minister to introduce his staff.

**Hon. Mr. Boyd:** — Thank you, Mr. Chair. Seated to my right here is the deputy minister of Energy and Resources, Glen Veikle. And we're ready to proceed.

**The Chair:** — Okay the vote 23, resource and economic policy (ER06), \$23,322,000, are there any questions?

**Mr. Harper:** — No questions, Mr. Chair.

**The Chair:** — So vote 23 for the sum of \$23,322,000, is that agreed?

Be it resolved that there be granted to Her Majesty for the 12 months ending March 31, 2008, the following sums, Energy and Resources, vote 23, \$23,322,000.

Could I have a mover for that motion, please.

**Mr. Harper:** — I'll move that motion, Mr. Chair.

**The Chair:** — Mr. Harper. And all agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Vote 23 agreed to.]

**The Chair:** — I thank the minister for being here for supplementary estimates.

**General Revenue Fund  
Supplementary Estimates — December  
Enterprise and Innovation  
Vote 43**

**Subvotes (EI02), (EI07), and (EI04)**

**The Chair:** — Next order of business is vote 43, Enterprise and Innovation. I would ask the minister to introduce his staff.

**Hon. Mr. Stewart:** — Thank you, Mr. Chair. And before I do, congratulations to you on your election to the Chair and as well to the Deputy Chair, Mr. Harper.

Seated to my right is Deputy Minister Dale Botting. And, Mr. Chair, we're here about a total appropriation of \$4.764 million that breaks down as follows. This is all the policies and work of the previous government, Mr. Chair.

And policy and planning, the SaskBIO program implementation costs of 172,000, that breaks down further. It's \$75,000 in grant funding to the Saskatchewan Biofuels Development Council, and \$97,000 Saskatchewan bio program communication funding. Mr. Chair, also \$75,000 for industry development which breaks down as follows: SaskBIO program, delivery, salary, and overhead costs of the total of 75,000.

And thirdly, Mr. Chair, and finally under investment programs, one-time funding commitments of 4.517 million for the following: Doepker Industries, 1.75 million; Hydrogen Technologies Corporation Pureenergy project, 1.442 million; University of Regina professorship in petroleum-coke gasification, 1 million; and Tourism Summit funding of \$325,000.

Mr. Chair, that comes to the total appropriation of 4.764 million.

**The Chair:** — Thank you, Mr. Minister. Are there any questions on vote 43?

**Mr. Harper:** — No questions, Mr. Chair.

**The Chair:** — Okay subvote policy and planning (EI02) for \$172,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Subvote investment programs (EI07), 4,517,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Subvote industry development (EI04) for 75,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Vote 43 for \$4,764,000. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** —

Be it resolved that there be granted to Her Majesty for the 12 months ending March 31, 2008, the following sums for Enterprise and Innovation, \$4,764,000.

Could I have a motion to that effect, please.

**Mr. Furber:** — I'll move that motion.

**The Chair:** — Mr. Furber moves it. All in favour?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Vote 43 agreed to.]

**The Chair:** — I thank you, Mr. Minister, for attending for the supplementary estimates.

**Hon. Mr. Stewart:** — Thank you, Mr. Chair.

**The Chair:** — Members of the committee, we are required that the first report on the Standing Committee on the Economy be adopted and presented to the Assembly. Could I have a motion to that effect, please?

**Mr. Harper:** — I would move that motion, Mr. Chair.

**The Chair:** — Mr. Harper moved the motion:

That the first report of the Standing Committee on the Economy be adopted and presented to the Assembly.

Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

And seeing no further business and we're past our scheduled time, we'll declare that this meeting be now adjourned.

[The committee adjourned at 9:29.]