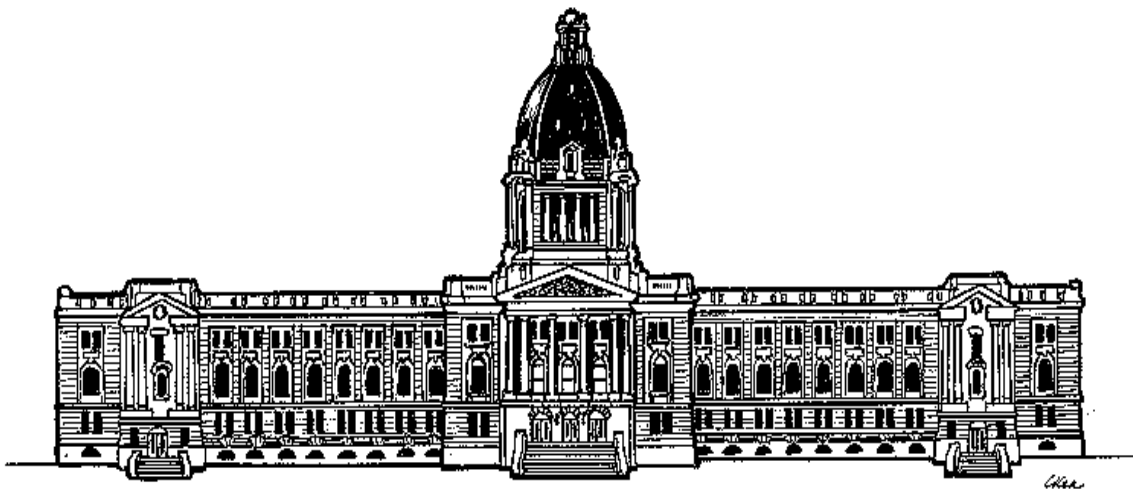




STANDING COMMITTEE ON THE ECONOMY

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STANDING COMMITTEE ON THE ECONOMY

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Moosomin

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Regina Northeast

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Cut Knife-Turtleford

Ms. Nancy Heppner
Martensville

Ms. Victoria Jurgens
Prince Albert Northcote

[The committee met at 19:00.]

The Chair: — Good evening, ladies and gentlemen. It now being 7 p.m., we'll call the Economy Committee to order. I'd like to welcome each and every one, the minister and his officials who have joined him tonight. Tonight we'll be considering the estimates for Enterprise Saskatchewan, vote 83, and Enterprise and Innovation Programs, votes 43 and 144. We will begin with vote 83, Enterprise Saskatchewan operations, subvote (ES01).

**General Revenue Fund
Enterprise Saskatchewan
Vote 83**

Subvote (ES01)

The Chair: — Minister Harrison is here with his officials. And, Mr. Minister, I would invite you at this time to introduce your officials and then make any opening remarks you'd care to make.

Hon. Mr. Harrison: — Great. Sure, well thank you very much, Mr. Chair. It's good to be here. Thanks for, committee members, attending this evening. I'll introduce my officials first. On my left, Chris Dekker who's our chief executive officer at Enterprise Saskatchewan. On my right, Denise Haas who's our chief financial officer. Behind us on the left, Ernest Heapy, our vice-president of regional enterprise; Tony Baumgartner, our vice-president, sector development; Neil Cooke, our senior manager, investment and corporate services; Gerry Holland, the manager of financial program; and Angie Schmidt, our vice-president of competitiveness and strategy.

In terms of an opening statement, I'll try and be fairly brief. And I have a feeling we'll be able to address a number of points during the context of our discussion. You know, one of the things I'll kind of lay out — and I've said this over the course of the last number of years as minister — Enterprise Saskatchewan has been a brand new organization, founded as a brand new organization, something that hadn't been done in the way that we had originally been set up ever before. We've been evolving, looking for ways to do things better, more efficiently, more effectively over the course of the last four years, and we're going to continue to evolve going forward. And there's going to continue to be changes in the way that we do things at Enterprise, and there's going to be changes in the way that we approach economic development here in the province of Saskatchewan.

First I would like to commend the hard work and dedication of those that have served on our board of directors over the course of the last year, frankly, and those who have served over the course of the last four years who have done some great work. I'd like to thank those that have served on our sector teams and our strategic issues councils who have put in significant time on a volunteer basis to bring forward recommendations to make our economy even stronger.

One of the things we're going to continue to do is work on investment attraction as well as helping to attract labour from across the country and around the world. We know our

economy has been growing significantly over the course of the last number of years. We know that we have challenges associated with that growth. But having those challenges, Mr. Speaker, I think is, Mr. Chair, is better than being faced with the challenges other jurisdictions are faced with, which is those associated with decline and stagnation. We have challenges associated with growth. So we're going to continue to work on that.

You know, we know we have a skilled labour shortage, you know, and because of that we've done some significant outreach, whether that be in Ireland where Enterprise played an important part in the mission there and how 282 jobs offered as a result of that trip alone were . . . We were in Toronto for a labour attraction job fair as well, which my understanding is went very successfully. Minister Norris attended on our behalf, on my behalf.

You know, one of the real success stories as well, and we're going to be talking about this more as we go forward, has been the red tape reduction initiative, something that I'm quite proud of. Our first kind of kick at things has been with regard to the liquor control regulations. We've been working through that process, and Minister McMillan has referenced it a number of times publicly. We'll be continuing to move through that process and have an announcement at the appropriate juncture on that. And we're going to be moving forward with the next round which is going to be focusing on hunting and fishing regulations as the next step in the red tape reduction exercise.

We're going to be continuing our support for STEP, the Saskatchewan Trade and Export Partnership, which has been a very successful organization. We increased the budget this year significantly by \$500,000 to continue to support the work that they do right here and around the world. And you know, we've seen some great economic numbers, whether that be our, you know, building permits up 25.3 per cent in 2011, the highest in the country, housing starts up very significantly, population growth very significant as well. So in terms of the specifics, I look forward to any questions from my colleagues. And thank you very much, Mr. Chair, for the opportunity.

The Chair: — Thank you, Mr. Minister. The floor is now open for members to ask any questions. I recognize Ms. Sproule, the member from Saskatoon Nutana.

Ms. Sproule: — Thank you very much, Mr. Chair. Just to start off with, I guess the committee was likely expecting my colleague, David Forbes, to be here tonight. But he couldn't be here and so I am stepping in in his stead on short notice, so just forewarning the committee of that. And I guess for me, in terms of me stepping in at this point, I think I'm going to take us on a wander through Enterprise Saskatchewan and just find out more about who you are and what you do. And certainly from a rookie MLA [Member of the Legislative Assembly] perspective, I'll ask all the officials to bear with me tonight as I try and understand better exactly what it is you've been up to and hopefully ask some decent questions along the way.

So I guess to start off with, Mr. Minister, if you could just sort of describe to me, take it right to the beginning, and just sort of give me an overview of your department and the different . . . I

don't know if you said you have a board of directors. How are you structured? Basically just an overview.

Hon. Mr. Harrison: — Sure. No, thank you. Thanks very much, Cathy. Enterprise Saskatchewan is the economic development agency for the province of Saskatchewan and as such is mandated to, you know, deal with matters related to economic development.

We're structured such that we have eight sector teams and three strategic issue councils. Those teams are tasked with advising and providing recommendations on particular sectors of the economy for which they've been asked to provide — and they're experts in their fields — and they're asked to provide recommendations to the board of directors of Enterprise with regard to removing barriers to economic growth. So these teams meet regularly and they, you know, had some I think significant successes over the course of their existence. They make recommendations to the board of Enterprise Saskatchewan which is composed of, by statute, representatives from a number of different sectors across the province — rural, urban, First Nations. So we have a very broad representation of very prominent individuals on the board of directors.

The board then will look at sector team recommendations and make comment on those recommendations and potentially pass those recommendations along to cabinet if they're endorsed at the board level. And there's been a number of instances of that as well. So in terms of . . . That's kind of how the advisory portion of the agency is set up.

In terms of the executive part of the agency there's . . . I think what we're talking tonight about two separate votes with regard to that, the Enterprise and Innovation programming portion and the other portion which is the programs budget portion of Enterprise.

So we have a number of different programs and other agencies as well for which we're responsible, the Trade and Export Partnership, STEP being one of those agencies; the Western Economic Partnership Agreement, which is a federal-provincial agreement that we have with Ottawa. This year the WEPA III [Western Economic Partnership Agreement] — this is an acronym and there's a lot of them — WEPA III is going to be winding down and WEPA IV is going to be starting and there's funding made available for that.

We had been responsible for administering the Community Development Trust Fund, which was a federal initiative which allocated resources to provincial governments to deal largely with the downturn in the forestry industry. And that was a \$36 million commitment from the federal government allocated between Enterprise Saskatchewan and Energy and Resources both. And we may have some further announcements on that coming up in terms of CDTF [Community Development Trust Fund]. But that program is coming to the conclusion of its life as well.

We have, in terms of we're responsible for the ethanol grant program which is a significant part of the budget of Enterprise and Innovation programs, \$24 million a year, which is a program actually put in place by the previous government, which I think has shown success in helping to develop the

ethanol industry. Last year, as a part of the budget, we introduced a renewable diesel program as well which this year is budgeted for at \$2.6 million and I think is going to show success in developing the renewable diesel industry here in the province. About three-quarters of a million dollars for the Small Business Loans Association program as well. And I know I'm probably missing a few other elements, but I know we'll have the opportunity to get into that.

Ms. Sproule: — Thank you very much. In terms of the sector teams, what are the headings of those sectors?

Hon. Mr. Harrison: — No, thank you for the question. Maybe I'll give a bit of history actually in terms of the sector teams. We initially started off with 18 sector teams, and those sector teams were established in the following areas: energy, agriculture, agri-value, tourism, forestry, commercialization and research and development services, life sciences and biotechnology, information technology, alternative energies and environmental industries, construction and land development, home building, transportation and logistics, financial services, manufacturing, minerals, co-operatives, arts and culture, and biofuels and bio-products.

What we did about a year and a half ago was consolidate a number of these sector teams simply for the sake of efficiency, and we consolidated the 18 into 8. And we reorganized those into the following areas: arts, culture and tourism; infrastructure and services; science and advanced technology; manufacturing; agribusiness; energy; mining and forestry; and transportation and logistics.

So all of the areas are still covered, but they're a part of the teams that are, I think, more consolidated in the sense of having areas of common interest, being able to look at perhaps a bigger picture.

Ms. Sproule: — That's a wide range of areas that you're covering. So this is basically to have experts from all of those now eight areas and provide information to the board or recommendations to the board.

On the original individuals that were named to the 18 sector teams, are they now part of the eight? Like, is it the same team that you started with basically?

Hon. Mr. Harrison: — Some of the original members are. I think there were originally 162 members that had been involved in the 18 sector teams. That's been reduced now to, I think, around 96 is the new number of individuals on the consolidated sector teams. But like I said, these are people who are leaders in their fields who are able to provide and have provided very important insight to government, to the board of directors about challenges that they're facing in their particular area.

Ms. Sproule: — I'm sure you chose them with great care. The strategic issues now, what are the three strategic issues, teams, or whatever you call them?

Hon. Mr. Harrison: — Right. We have the regulatory modernization council is one of the issues councils, the youth economic engagement council, and the entrepreneurship council. And those are the three that are currently, you know,

moving forward with their recommendations on a broader sort of context than perhaps the sector teams which are more focused on particular sectors.

Ms. Sproule: — Okay. So for example, the regulatory modernization issue, we see a lot of that coming now from different ministries as well. There seems to be . . . I guess modernization regulation is always a concern of government, and I don't think that's new. But what would be the intersect between your ministry and, say, the modernization regulations that the Environment ministry is going through right now? Do you have any connection with that?

[19:15]

Hon. Mr. Harrison: — Yes, absolutely. The regulatory modernization council, recommendations made by the regulatory modernization council were actually the catalyst for the initiation and design of the red tape reduction initiative. It was on their recommendation that we as government moved forward with the red tape reduction initiative.

And maybe I'll actually give some briefing because we have . . . or some background information and detail as to how the red tape reduction initiative actually is working in practice. I don't think we've actually publicly had an opportunity to talk about that yet. I think it's a real success story though and we're only, like I said, on our second item right now, but there's been some real successes on that front with the liquor control regulations.

What we've done, we have a team within Enterprise Saskatchewan tasked with working with whichever ministry is responsible for the regulation that we're looking at. So in the first case, we were working with SLGA [Saskatchewan Liquor and Gaming Authority], and officials were incredibly co-operative and there was a great working relationship with the S team tasked with undertaking this review and SLGA.

Literally what we do is go through it line by line. And I know most people probably wouldn't find going through line by line of regulation a lot of fun. I think, Cathy, you probably would, and I do. And on our red tape reduction committee, the Minister of the Environment is on, Minister of Crown Investments Corporation, the member from Thunder Creek, and the member from Arm River-Watrous are the core members of the red tape reduction committee.

So our officials will go through areas where there's been challenges. And I should say right at the start we're not looking, as a part of this process at, you know, massive policy change. We're looking at regulatory modernization and getting rid of regulations that perhaps haven't been looked at in decades and decades.

And actually, one of the catalysts for this, my father — who'd been a civil servant here in this province, a director with the Environment ministry when he retired only a couple of years ago, a civil servant for 37 years — told me that if you really want to do a red tape reduction right, you need to have elected officials literally going through it line by line. And that was kind of the basis for how I envision the process working.

So our officials have been, in this instance, working together

with SLGA and with our Enterprise crew, looking at areas that could be open for change, both at the regulatory and policy level as well, and presenting recommendations. The ministers and MLAs on the committee go through the regulation itself line by line. And we then have input from all of the stakeholders involved as to what they believe could be changed or modernized. We have the sector team that's responsible for that particular area go through it as well, make recommendations as to what could be improved as well. We then get together. We allow for the stakeholder groups that wish to make presentations to the red tape reduction committee. And then we literally sit there and go through it line by line, what could be changed, what could be modernized, what could be updated.

And we're going to have, I think, some very . . . Just as an example, I'm not going to get into all the details because we have to go through some additional processes yet. But as an example, the regulations, the liquor control regulations. There was a provision that only two beverage carts, or only one beverage cart per nine holes could be operated at any one time. And you kind of ask yourself, well why? It's a pretty silly regulation. But you know, nobody's looked at these things for a lengthy period of time.

I mean, these are the types of things we're looking at getting rid of and looking at changing, addressing, and turning our mind to. So it's a very in-depth, it's quite a lengthy process for all that we have, you know, 600 regulations that we're going to have to get to at some point. But I think it's going to be quite a groundbreaking sort of process. As far as I know, no other provincial government has ever kind of gone through this process at this level. And, you know, we intend on moving forward with it.

Ms. Sproule: — It sounds pretty gruelling. So good luck.

You mentioned earlier something about the next stage of red tape reduction, that your target is hunting and fishing regulations. What sorts of things will you be looking at there? Are there some archaic regs there as well?

Hon. Mr. Harrison: — Well we're at the very outset of that process. What we're going to be doing is asking, you know, average hunters and fishers out there for their input. In Saskatchewan I think we have about 200,000 hunters per year . . . or hunting licences per year that are sold, or 190,000 hunting licences and 200,000 angling licences per year. So I mean this is a very significant number of folks that are, you know, participating in this every year. So firstly we want to get their input as to, you know, what might be an annoyance or hindrance or something that could be made more efficient.

We're going to be asking input from all of the stakeholder organizations, the Wildlife Federation and, you know, all of these stakeholder organizations. Ministry officials are at every stage very involved in the process. And of course our Enterprise officials are working with them to provide recommendations. And ultimately the members of the red tape reduction committee are going to be going through the regulations, the pertinent regulations, line by line.

Ms. Sproule: — In the establishment of the stakeholders, do

you call for stakeholders or how do you identify who the stakeholders are both for, I would say, for hunting and fishing and for liquor control or any of your projects? How do you identify stakeholders?

Hon. Mr. Harrison: — Right. No. Well I appreciate that. I wish we had representatives from our red tape that are actually on the team here. We don't tonight, but maybe Angie, could you speak to that? It's Angie's division that's responsible for the initiative, so maybe Angie can come up.

Ms. Schmidt: — Thank you. We work really closely with the ministries or, in the case of the liquor control regulations, closely with SLGA and identify the stakeholders that they deal with, their clients. For instance we worked with the Saskatchewan hotels association, with the Saskatchewan restaurant association. We also looked at working with Tourism Saskatchewan. They sent out surveys to all their members, as did these other associations. We also consulted with the tourism arts and culture sector team and they sent out surveys to their networks as well. So it was pretty extensive. We actually received surveys back of about 150 responses. So it was quite significant.

In the case of the environmental hunting and angling regulations, we again worked with the Ministry of Environment, and we're sending out surveys to those that have had fishing and hunting licences. We're also working with some of the associations, like the outfitters associations.

The Chair: — Excuse me for a second. My apologies. I forgot to mention, when officials are speaking, if they would introduce themselves for the sake of Hansard, at least the first time they're recognized, that would be greatly appreciated. Thank you.

Ms. Sproule: — Thank you very much. And just two little questions that come out of that. Is there any call from the public or people that have concerns, you know, negative views of these two sectors, or are they surveyed as well? Or would that come through in surveys that the stakeholders do?

Hon. Mr. Harrison: — Yes, generally the catalyst for the areas that we look into are areas that are, you know, impact on a large number of folks or were going to have a significant business impact. We often hear, well you know, this is a — you know, even anecdotally — well you know, why is this regulation here? This is silly. And you know, generally if it's kind of a single regulation, you're not going to go through the whole regulatory change process for one thing.

So you know, these are areas where we've heard a number of submissions. But I mean, you're generally kind of at an anecdotal level about, well this is a silly regulation and perhaps we should be looking at updating it. And that's how we've kind of moved forward in terms of the first of the two processes we've embarked on so far. Yes. But I mean, these are regulations that impact on, you know, hundreds of thousands of people on a daily basis, at different times of the year I guess for hunting and fishing. But you know, they have a very large impact. And you know, you do hear a lot of kind of comments about why is this this way.

And you know, oftentimes there's very good reason why it's that way. But there's other occasions which we discovered during the review of the liquor regulations, that it's been on the books for 60 years and nobody's ever got around to changing it before. So yes, I think it's a very valuable process, and it's thus far been very successful.

Ms. Sproule: — Okay. Thank you. I know that I'm part owner of a campground, and I think our campground manager would have a lot to say about the fishing licences. So if you want to give her a call, I can give you her number, but anyways.

One hundred and fifty doesn't seem very high to me in terms of responses to a survey, and I don't know the sample that you're dealing from. It just doesn't seem like a lot, particularly if Tourism Sask distribute it to all their members. That wouldn't be very high. And I guess the Hotels Association as well. So that's one question is, is why do you consider that a high rate of response? And then I guess the other question is just sort of, how is this survey structured? Like what kind of mechanisms did you use to get that input?

Hon. Mr. Harrison: — Yes. In terms of the number of responses we've, you know, Angie can speak to the details as to the distribution. You know, a lot in terms of the liquor control regulations, we had received input from folks, you know, not necessarily as a part of this process but from different quarters and different individuals, different sectors, different businesses.

So I mean we've had, you know, I think a very broad cross-section of response. You know, we're still going through the process right now, so any other folks that wish to participate, we would love to hear from you. And Angie can probably even put contact information on the record right now if anybody watching would like to submit suggestions for other hunting or fishing regulatory changes or for alcohol control. And I'll turn it over to you, Angie.

Ms. Schmidt: — Okay, thank you. Angela Schmidt. The associations also have a lot of contact with their membership too, so they'll have a good idea of some of the issues that are faced by the different businesses in the industry. So we felt that the issues were well represented by the responses that we received. And we identified well over 100 different issues that were identified. So we felt it was overall pretty comprehensive assessment of the regulations.

Hon. Mr. Harrison: — Yes. And we had, during the submission process, the Hotels Association, the vendors association, the restaurant association, Tourism Saskatchewan — all were able to come and actually present to the committee and put the views of their members on the record in that very kind of personal way.

Ms. Sproule: — Well 100 issues is a lot to undertake, so good luck with that. I'll just move on here now. You had talked about some allocations I guess that you had made. And I just wanted to confirm and make sure I understand this. The ethanol grant program, renewable diesel program, and small-business loan program. I'm looking at page 56 of your vote, and I don't see those programs . . . Sorry, of the Estimates. And I just don't see those programs there. So where would they be located?

Hon. Mr. Harrison: — They're actually under the Enterprise and Innovation Programs vote.

Ms. Sproule: — Okay. That's a separate vote. And what number vote is that? Oh there it is on 43.

Hon. Mr. Harrison: — 43.

Ms. Sproule: — Okay. Thank you. All right. I will want to talk about the regions themselves at some point later, but right now I'll just ask you to talk a little bit more about these programs, both under the Enterprise Sask vote and the Enterprise and Innovation Programs vote. I guess the first question is, why are they separate?

Hon. Mr. Harrison: — Why is the vote separate?

Ms. Sproule: — Yes.

Hon. Mr. Harrison: — Denise, do you want to . . .

Ms. Haas: — Denise Haas. When Enterprise Saskatchewan was formed . . . It's a special operating agency that's governed by a board of directors. And the programs that are in vote 43 are all programs that are governed by regulations or legislation. And a board of an agency cannot be responsible for legislation or regulations; therefore the minister is responsible for those, and then we . . . So they're in a separate vote, and then we as the staff administer those programs on behalf of the Minister of Enterprise. So it's not the board governing those programs; it's the minister.

[19:30]

Ms. Sproule: — And you would have the same staff administering Western Economic Partnership Agreement as STEP, so it's the same staff but you're administering two separate votes.

Ms. Haas: — Yes.

Ms. Sproule: — One directly responsible to the minister and the other one through the special operating agency. Okay. All right. Well then we'll stick with Enterprise Saskatchewan for the moment. I want to, before I go any further . . . The board itself, how many members are on the board?

Hon. Mr. Harrison: — Yes, we have 12 positions by statute. But we have, right now, there's three vacancies, so we have nine members currently.

Ms. Sproule: — And how do you go about selecting the members of the board? Like what goes into your decision making?

Hon. Mr. Harrison: — Yes. The members of the board are nominated by their particular sector group. So for example, the rural representatives are nominated by SARM [Saskatchewan Association of Rural Municipalities], the urban representative is nominated by SUMA [Saskatchewan Urban Municipalities Association] and, you know, it's left up to the sectors to provide nominations. And those appointed to the board can't be appointed unless they are nominated by the area from which

they're going to be representing — agriculture, for instance, another one. So yes, that's how board members are selected.

Ms. Sproule: — Now going back to you said . . . The sector teams that I quickly jotted down, I didn't see rural or urban in those sectors. So are they somewhere? Did I just not write them down? There's eight: arts, infrastructure, science, manufacturing, agriculture, energy, mining . . .

Hon. Mr. Harrison: — In terms of the sectors, Cathy, they're sectors of the economy. So rural and urban, they're represented at the board level, but that's, you know, a much broader sort of outlook I think than particular sectors like mineral or forestry or a sector, an economic sector of that sort.

Ms. Sproule: — Okay, yes. I can see that. You have eight sector teams, but there's 12 members on the board, so it's broader than just the specific economic sectors. I'm glad to see arts and culture is one of the sectors. Who's your board representative for arts and culture right now? I'm sure I could find this on your web page, but . . .

Mr. Dekker: — It's Chris Dekker, CEO [chief executive officer] of Enterprise Saskatchewan. The sector teams, as the minister explained, are representative of the sectors, the eight sectors that we had identified. And each of those sector teams have experts in those areas on each of those sector teams. So there's arts, culture, and tourism — all with representatives from the various industries and expertise involved.

The board itself is a different creature and has different representation. It has, as the minister noted, a legislated group of stakeholders that nominate people on behalf of various different entities. But the board is a different thing than the sector teams themselves.

Ms. Sproule: — So there's sectors and then sectors in the . . . big S sectors and the small S. Okay. I'll figure you guys out yet. I will.

Okay. So if you could just now tell me a little bit about Western Economic Partnership Agreement. That's the federal-provincial agreement, as you said. You're winding down your third phase. So that's a significant amount, I guess, of your budget, actually 8.83 . . . Well how much do you get from the feds? Or what percentage of that is funded by the feds typically?

Ms. Haas: — What the Western Economic Partnership Agreement — or WEPA, as we call it — is, as the minister had stated, WEPA III is in the process of winding down. And what it was it was a \$50 million agreement over four years whereby the federal government provides \$25 million of funding and the province provides \$25 million of funding. And its projects are undertaken and in this past WEPA agreement that fall under the four strategic priorities of business productivity and competitiveness, technology commercialization, community regional development and diversification, and trade and investment.

Ms. Sproule: — Just to check the math here: 15 million for four years — is that 60 million?

Ms. Haas: — No, it's \$50 million.

Ms. Sproule: — Oh, 50.

Ms. Haas: — Twenty-five from each of the federal and the provincial government, and that is spread over a four-year budget period.

Ms. Sproule: — Okay. So the four pillars or four areas that you focus on, community regional development I guess is one of interest right off the hop. And is that part of the enterprise regions? Is there any connect with that or is it separate?

Ms. Haas: — No, it's separate.

Ms. Sproule: — Can you tell me a little bit about that project then, the community regional development project under WEPA?

Ms. Haas: — Well these are just the strategic priorities, and underneath those priorities there are a number of projects that are considered and funded underneath them. Some of the examples would be, like it doesn't fund for-profit companies so it will fund a lot of things like innovation or if there's industry associations that are doing something that would benefit the entire sector or that kind of thing would be funded. It doesn't fund for-profit industry at all.

So I mean a lot of it is, you know, research at the point of commercial . . . almost at the point of commercialization, taking something to that stage.

Ms. Sproule: — Could you give me some specific examples so I can understand that better? I'm having trouble picturing this.

Hon. Mr. Harrison: — Yes. We have one example, which taxed our memory to some degree here, but we've got it. One example is in terms of Genome Prairie and Ag-West Bio who, you know, research institutions — Wilf Keller is the gentleman who is running those organizations — was the research and into commercialization of camelina and carinata seed. And what the research, the end goal is to have an industrial oil capable of being produced on an industrial scale, creating a new industry in Saskatchewan out of camelina and carinata seed. And that's a project that's been showing significant promise and has been the beneficiary of WEPA funding. And I guess that would be an example.

Ms. Sproule: — No, I actually had estimates with the Minister of Agriculture last night, and I believe their ministry supported that project as well, so you have double ministry support. Is that something that commonly happens with Enterprise?

Hon. Mr. Harrison: — In terms of the WEPA funding, I mean we're not aware of Agriculture making direct contributions on that. This is a federal-provincial program that we've, you know, both, you know, in a joint decision-making process and have decided to go forward with Genome Prairie and Ag-West Bio on.

Ms. Sproule: — I may have misunderstood that. They were talking about the success of the new product, but maybe they weren't actually funding it. All right.

So that's this one example, is the community region

development . . . Sorry, what was that pillar again? Community . . .

Ms. Haas: — Regional development and diversification.

Ms. Sproule: — Diversification. And then business is the first pillar, business and something. What would be an example of a project under there that has been funded?

Mr. Dekker: — Yes, there was one, a WEPA project that was approved that involved the BDC [Business Development Bank of Canada] and their efforts to determine and assist industry in determining whether or not they are efficient and whether or not they need assistance in terms of productivity. Productivity is one of the catch stones of what we're trying to do in economic development, making sure that all of our industries and businesses are as efficient as they can. And this program allows for industries to be able to be assessed in terms of their efficiency and productivity, and then they're able to access training and programming to better their productivity and their bottom lines. So that's one example under that particular pillar.

Ms. Sproule: — Did you say the BDC? The business development . . .

Mr. Dekker: — Yes, that's correct.

Ms. Sproule: — I just have a little story to share about them because some time ago, when we were working on a business plan for a cultural business that I'm involved with, we went to them for support. And they said they didn't consider culture to be an industry. So if you're working with them, maybe you could . . . seeing how that's one of your areas or sectors.

It was a bit disappointing at the time because I said, well you know, if you don't make widgets or, you know, it's very difficult I guess to characterize a cultural-based business in that way, but it was also a tourism business. But I was very disappointed with the official who told me that culture is not an industry. So maybe they don't think that anymore, but that was kind of hard to take.

Hon. Mr. Harrison: — For the record, that's a federal agency.

Ms. Sproule: — Fair enough. But if you do meet with them, I'll ask you to remind them of that. So in terms of the new program that's coming for . . . I want to say WHPA [*The Wildlife Habitat Protection Act*] all the time because that's wildlife habitat. But we're looking at WEPA, WEPA. What are you looking forward to in the fourth phase or the next phase? Is there changes to the program, or is it going to follow along the same lines?

Mr. Dekker: — We're in very early discussions with our partners, which is Western Diversification as the representative of the federal government on this file. And we haven't come to any conclusions about where we want to go with WEPA IV just yet, nor do we have the actual dollar amount fixed yet. We very much are pursuing that and have plans to meet with officials from Western Diversification over the next couple of months to determine some of the priorities as it would relate to WEPA IV. So again very early stages yet, nothing has been determined just yet.

Ms. Sproule: — And what was the . . . Okay, so WEPA III was 50 million, twenty-five, twenty-five. In the previous ones, I and II, was it similar levels of contribution? So it is kind of a rollover if things go well, I suppose. Okay.

STEP, STEC [Saskatchewan Tourism Education Council], I'm thinking of STEC. Okay, STEP. I see you're up half a million this year on that one in terms of budget. Can you tell me just sort of basically goals and aspirations and why the extra half a million, what are you going to use that for? What is the rest being used for?

Hon. Mr. Harrison: — Sure. Yes, STEP is the Saskatchewan Trade and Export Partnership, primarily funded by the provincial government, but there are private sector, many private sector members of the partnership which is STEP, who pay annual membership dues and are active participants in the governance of the agency. STEP's mission is to, as its name would imply, look to expand our export opportunities for companies, Saskatchewan companies around Canada and, well, around the world primarily. To that end, STEP has worked for many, many years in developing relationships and developing new markets for Saskatchewan products. You would find, I think, many, many companies that would speak very positively of their experience in working with STEP, Brandt Industries for instance.

You know, STEP has pioneered the development of export markets along with private sector partners into countries like Kazakhstan and areas, central Asian republics — areas where we, I think, have a natural export market but perhaps haven't ever had the connections or ability to actually connect with companies and governments in those particular areas. So there's been some significant success stories in that area of the world — in Japan, in China, in India — where, you know, there's been a massive increase in terms of our exports.

And actually Saskatchewan has been . . . Most people don't know this, but of Canada's entire exports into India, Saskatchewan is 60 per cent of them. And you know, most folks would think that well, you know, British Columbia being a Pacific province probably would be leading the way. No, Saskatchewan is 60 per cent of exports into India, and that's largely because of, well, three particular industries: peas, lentils, potash. But yes, we export a tremendous amount of peas and lentils into India, into Turkey as well, other parts of the Middle East which was an industry that, you know, 20 or 30 years ago was nowhere near what it is right now. And that's the job of STEP.

And you know, this year we increased the budget by half a million dollars, and a big part of that is the focus that we're putting in terms of our economic development resources at that national and international level. And STEP is one of the primary conduits through which we're able to move forward on that front.

So you know, we can probably talk to more specifics in terms of successes with regard to STEP. I think it's a great story that probably hasn't been told as much as we should about, you know, how we have been able to develop these new export markets around the world. Maybe I'll turn it over to Chris.

[19:45]

Mr. Dekker: — If that's all right. Absolutely. And being a member of the STEP board, we get to hear first-hand some of the examples of the critical success factors that are measured by STEP in terms of our exports.

And just in terms of STEP itself, one of their core deliverables is delivering qualified trade leads to the member companies. Qualified trade leads, for instance, they're in the world, they travel the world, and they meet with many different companies and attend many different trade shows. And what they do is they find these trade leads for companies that are members. And then basically, they'll say, here's an opportunity for you to sell your product into this market. And so in the course of just the last fiscal year-end, they met and have delivered over 7,000 of those trade leads which is very, very significant.

They also do something what's called new in market, and it's an acronym that us economic development people love to use, NIMs. And this matrix basically quantifies when STEP member companies enter a new international market and for the first time. So they may be concentrating in one specific area of the world. They step into another particular country. And in 2011-12, they've had 477 examples of that.

Member satisfaction is very high, well over 90 per cent. They polled their own members to find out how they're doing with respect to the services they deliver to members. There's some great associate member referrals, employee satisfaction. But really the benchmark, I think, particularly for a province and for Saskatchewan is of course in our exports in 2011, which were up 25 per cent over the previous year. And you know, if we continue on the same pace of current exports for the first two months, we could, for the first time, pass BC [British Columbia] for total exports which is an unbelievable accomplishment for business and industry in Saskatchewan.

Ms. Sproule: — You mentioned the board of STEP — and I still have a little question about the board for Enterprise Saskatchewan — but how many members are on the board, and how are they selected for STEP? Is it member selected?

Mr. Dekker: — I'm not entirely sure how the board members are identified and appointed to STEP. They have a number that are members. They have a number that are at large. There are three appointed from government specifically, and that is myself; there is Doug Moen, the deputy minister to the Premier; and Alanna Koch who is the deputy minister of Agriculture.

Ms. Sproule: — Okay. And just back to the board for Enterprise Saskatchewan, you said there are 12 positions. They're nominated by the sector groups basically. Is that nomination accepted as a course, or do you actually nominate some people from the government side as well?

Mr. Dekker: — The way board members are selected for Enterprise Saskatchewan is really predicated . . . and there's a provision within our Act to do just that. There is a list of stakeholders that we will basically survey and ask for their input in terms of members to a menu. And then we will select from those individuals that they put forward to sit on the board that represent their individual sectors and areas of advocacy.

Ms. Sproule: — Okay, thank you.

Mr. Dekker: — There are also two government members, two ministers, obviously Minister Harrison who is the Chair, and Minister Cheveldayoff also sits on the board.

Ms. Sproule: — And I guess, just going back to the split between vote 83 and vote 43, why was it that the allocations like staff and the Community Development Trust Fund were allocated or directed to this board? And why were the other programs' allocations kept directly for the minister or under the authority of the minister?

Ms. Haas: — I'll answer that one. Again the ones that are in vote 43 are ones that are governed by programs that are governed and regulated by either legislation. They're enacted by legislation or regulations. Because Enterprise Saskatchewan is a special operating agency and is governed by a board, a board cannot be responsible for the legislation or regulations. Therefore the programs that are in vote 43 could not be under the same budget as Enterprise Saskatchewan because if it was under the same budget, then the board would have overall responsibility for it, which legally cannot happen. So those programs that are enacted by legislation or regulations are set up in a separate vote. And the Minister of Enterprise himself is responsible for that vote.

Now we have an agreement that we administer, as in the officials within Enterprise Saskatchewan, administer those programs for and on behalf of the minister. And on those programs, we report to the minister on those programs. On the other programs, such as WEPA and the Community Development Trust Fund and that, that are in vote 83, those programs are reported up to the board level.

Ms. Sproule: — To turn that around the other way, though, the government could have decided to have STEP and the Community Development Trust Fund and WEPA under the direct supervision of the minister. There would be no legislation prohibition to do that, or do they have to have a board to operate?

Ms. Haas: — There's no prohibition to do that because they are key economic development programs that are basically intertwined with the work that the officials of Enterprise Saskatchewan does. They're basically tools for us to reach our mandate. Then those programs were deemed to be better suited to be under the guise of the Board of Enterprise Saskatchewan.

Ms. Sproule: — Thank you. Just one more technical question on that, special operating agency — does that have a very special meaning within government? Is there a . . .

Ms. Haas: — What it is, is it's not a ministry. It's actually an operating agency that is set up as a result of *The Enterprise Saskatchewan Act*. So it's a legislated agency. So it is by that means a corporation in effect which is governed by the board.

Ms. Sproule: — That's good. Thank you. So for this year's budget you have . . . I'm back to the Community Development Trust Fund. There's actually no estimates for this year, right? So the WEPA III is winding down. And so the negotiations for the next level, that means you'll just have just a void for this

year?

Hon. Mr. Harrison: — Well for the Community Development Trust Fund, it's a different program from WEPA. CDTF was a federal initiative, I think initiated in 2007 — 2006, 2007 — in response to the very significant downturn in the forestry industry right across North America.

In response to that, the federal government allocated \$1 billion to be allocated to provinces on the basis of per capita population. The provinces at that point would have the ability to allocate those funds as they saw fit. And at the time, we thanked the federal government for allowing provinces to have that level of autonomy in terms of the federal money that had been committed for this program.

So there had been \$36 million allocated to the province of Saskatchewan by the Government of Canada under CDTF. That was allocated within the Government of Saskatchewan between Energy and Resources and Enterprise Saskatchewan. And you know, we moved forward in selecting projects and initiatives under this program in areas that were hard hit by the downturn in the forestry sector, which primarily meant forest fringe communities and some others as well that were significantly impacted by that downturn.

So we've moved forward with projects in a number of communities, you know, from one end of the province to the other, including for example . . . Well I'll actually, I'll have Chris maybe go through some of the projects. But we've had budget allocated over the course of that period of time for allocation in particular fiscal years. You know, we're still working through, you know, where some of these projects are at. There may be some additional funds that, you know, are not expended if projects come in under budget, that sort of thing. But we're still working through that at this point. And if you want, maybe we can talk about some of the projects that were funded.

Ms. Sproule: — Actually I did get a little bit confused between the two, I see. But you had 3.6 million last year in CDTF. And how many years, just how many years was the program? 2007, so there would be three, four budgets with . . . I'm just thinking out loud.

Hon. Mr. Harrison: — Yes. Sorry, Cathy. The program was started in January of 2008.

Ms. Sproule: — We were just chatting here about the downturn in the forest economy and the fine support that the government has provided for those places, and we're wondering about the downturn in the film economy and maybe there's some Enterprise money there too. Who knows? We'll have to see . . . [inaudible interjection] . . . Again? . . . It was a . . . What do you call it? A stuck record perhaps, but anyways, it just keeps coming back to me.

These are some questions now . . . I'm just moving over. I think that's about it for the programs under the budget — what are we calling this one — estimates. That's for Enterprise. I want to get to the ones under the Enterprise and Innovation Programs in a bit. But right now I just, I do have some questions that David Forbes had prepared and asked me to ask, and so I'm going to

try and ask them . . . [inaudible interjection] . . . Well it's typed, thank goodness. He asked first of all, there were cuts to the enterprise regions obviously and we can see that very clearly in the budget, almost 4 million that's now gone. And he asked me to ask about the provincial housing strategy because his understanding was that Enterprise was somehow involved in that. So maybe if you could explain how the provincial housing strategy fit in with the regions and what's going to happen to that strategy in terms of the intersect with enterprise regions.

Hon. Mr. Harrison: — One of the things I can tell . . . Chris will be able to provide some additional detail. One thing I want to talk about: the board has been very committed on the provincial housing strategy and has been very engaged in the process of the development of a provincial housing strategy. We've had a number of presentations from the Saskatchewan Housing Corporation, from others that have been, you know, before the board and making presentations. The board's been very engaged in this, and I just want to put that on the record because members are very committed to this. Chris, maybe I'll turn it over to you for additional . . .

Mr. Dekker: — The minister is absolutely correct in that Enterprise Saskatchewan was very much involved in the establishment of a housing strategy, first identifying the very real need for housing as it relates to economic development, both in terms of pushing that file forward but also having great input into the final program. Part of that did involve input that we had received from our enterprise regions obviously on a regional basis, and that certainly was taken into consideration.

We feel that we can still move forward on a housing strategy that will benefit the entire province. If there is additional input that is required on a regional basis, that can still be garnered from the individual municipalities and/or from the associations, both Saskatchewan Urban Municipalities Association and the association of regional . . . SARM. So there's still opportunities to garner some significant regional input on the matter.

[20:00]

Ms. Sproule: — So when you say the board established it and is still committed and engaged, could you just tell me a wee little bit about the strategy itself?

Hon. Mr. Harrison: — That would probably be better put to the Minister Responsible for Sask Housing. They'd be in a better position, Cathy, to be able to give you details as to that.

Ms. Sproule: — So the link with the board is basically within the context of how it affects development and enterprise?

Hon. Mr. Harrison: — And that's the mandate of the board is to, you know, identify barriers to economic growth and look at ways that we can address them.

Ms. Sproule: — Do you look at rental housing as well, or does the strategy include rental housing? I'm sorry. I know I should ask the minister of Sask Housing but . . .

Hon. Mr. Harrison: — Well it probably would be better put to the Minister Responsible for Sask Housing, but I can tell you that the board looked at the entire continuum of housing.

Ms. Sproule: — All right. As you know, David asked questions today about funding of co-ops, and he just asked me to ask if you have any plans for co-ops. And I know you mentioned in question period today that you are looking at something right now on a go-forward basis. Can you give us any details on that?

Hon. Mr. Harrison: — Yes. No, I'd be happy to. You know, as I indicated in question period, we met with representatives from the Saskatchewan Co-op Association last week, and there was a good discussion between my staff and SCA officials. What was referenced in question period was that there had been a cut. There hadn't been a cut. There had been a two-year contract in place with SCA. The contract has expired. There's been a new application made by the SCA. We're in the process right now, Enterprise officials are in the process right now of evaluating the outcome and results from the first two-year contract. And we'll be evaluating the application on the basis of those results and on the merits of the application itself in due course.

Ms. Sproule: — Okay. I'm just going to go back to housing for one minute. And we're hearing about man camps. And I heard about it . . . Who was I talking to?

An Hon. Member: — North Dakota.

Ms. Sproule: — Oh, the folks from North Dakota today were talking about man camps. And these are the, you know . . . [inaudible interjection] . . . You want to know where they are? I do too.

Apparently in the Bakken play where all the development is going, there's this huge, incredible housing shortage, and they have these basically camps set up where people are living, I assume in Atco trailers or something like that. And there's several hundreds, if not thousands of people living in these and the housing issues that are occurring in that area. So obviously, you know, with the economic development, there's a shortage of housing there. Are you hearing anything from the regions about those kinds of needs in more rural areas, especially where there's a lot of economic development? And what are people asking for?

Hon. Mr. Harrison: — Well that was an interesting discussion we had — the gentlemen up from . . . the Speaker of the North Dakota legislature and mayor of Williston and another member of the legislature — here over the course of the last couple of days hosted by, of course, the Speaker of the Assembly. And obviously they've related the challenges that they're facing in terms of economic development in North Dakota, you know, largely as a result of exploration drilling and production in the Bakken Formation which we, you know, obviously share a significant portion of in southeast Saskatchewan, which has led to significant economic activity in communities like Estevan and Weyburn, you know, who have without question faced challenges in terms of their housing market.

You know, we're moving forward with . . . And I know the cities are committed to finding solutions. The market has responded as well. I think if you look at what's going on in both of those communities right now in terms of new construction — very, very significant new construction in those communities. So you know, there's going to be a response from the private

sector. There's, you know, just before the House right now even a Bill that's designed to and will incentivize construction of multi-unit dwellings also, which is going to have a significant impact once passed through the House and implemented. So there's not kind of one silver bullet in terms of solving the housing challenge in any particular area but, you know, there has been a multi-faceted approach taken, a recognition that we are definitely facing this challenge.

One thing I would say though is, without minimizing any of the impacts of the housing shortage that we have in some communities, these are challenges that are much better to have than challenges a lot of other jurisdictions are facing right now where you see, you know, foreclosure after foreclosure, you know, 20 per cent unemployment in different areas whether particularly in pockets in the United States, the collapse of the housing markets. One only has to look on an MLS [multiple listing service] in Phoenix or Palm Springs or some of the other sunbelt communities where, you know, foreclosure sales are kind of the name of the game. So you know, it's without question a challenge. As I said, I don't want to minimize that, but these are challenges that are probably good to have. It's a reflection of a growing economy.

In terms of the camps, I know there's, you know, these sorts of camps set up where you have, you know, workers that are coming in for predetermined periods of time to work on, you know, particularly construction sites. And we see that right now with the massive expansions that we have under way and the number of the potash mines, both brownfield and greenfield, with BHP. We're going to have, you know, camps set up, which I mean I think in some people's minds evokes not necessarily an entirely positive image, but I think when you look at these camps actually in person — I was up to Oilsands Quest camp that they had set up a few years ago — these are, you know, are very professional places that are managed in a very professional way, very clean, you know, and allow for workers who are working on that particular project to, you know, spend their down time in comfort. And I think companies see that being to their advantage to have workers who are well rested and able to take on the job.

Ms. Sproule: — All right, thanks. I'll move on now. Another question that he had was in relation to the SEDA [Saskatchewan Economic Development Association] conference funding. And obviously that conference isn't going forward here this year. However we have heard of support from Enterprise for the national conference that's happening down east that was raised in question period . . . [inaudible interjection] . . . WCIT [World Congress on Information Technology]. Thank you very much. Sorry. And so why would Enterprise focus more on a national conference and withdraw funding for our conference provincially?

Hon. Mr. Harrison: — That conference actually is receiving no funding from Enterprise Saskatchewan this year. This WCIT conference is receiving no funding from Enterprise. We had attended that conference in 2010 when it was held in Holland and went with a delegation of six information technology companies from Saskatchewan. As a part of that sponsorship in 2010, we were given a credit, a sponsorship credit, in this conference. So we're not spending any money on the WCIT conference for this year.

Ms. Sproule: — Thank you. The next question is, is the lean strategy . . . just wondering how that's being implemented or I guess implemented in Enterprise. Have you used it or are you too new to have lean? Maybe you don't need lean yet.

Mr. Dekker: — Certainly, and in fact Enterprise Saskatchewan was one of the early adopters of the lean process and yes indeed, we have established a lean program. We've finished a number of lean exercise. We're in the middle of a couple more and then we have a plan to continue on with two lean initiatives in each of the next years out.

It's been highly successful. It's led by staff and has tackled a number of key issues for us and has resulted in a number of significant efficiencies in the programs that we've entered into lean programs for. So we've found it highly successful and very . . . something that we will continue on for the next couple of years.

Ms. Sproule: — I guess the question is — can't resist — but the enterprise regions, was that part of the leaning? No, okay. Then maybe . . . Yes, my colleague here is asking then what were the actual lean projects that you did undergo?

Ms. Haas: — There's been several. Did you want me to list them all?

Ms. Sproule: — Maybe the most significant ones. How's that for a start?

Ms. Haas: — Okay. Well one of the really, really significant ones was, I mean, the overall title of it was delegated signing authority, which basically looked at everything that we do in the agency from how we delegate authority for people to sign off on items, how we pay them, the process on how we pay our suppliers and things. It dealt with how we forecast and budget within that. It was a very all-encompassing lean exercise on a great majority of our financial exercises.

And we had some really, really good results from that: (1) it led to a lot more empowerment of the staff, (2) we actually reduced or we set up new policies for things like routine business expenses so that there wasn't . . . that they could be put on to purchase cards. And it streamlined that whole payment process for all of the bills and everything that we have.

We did some education on those kinds of things. We actually cut error rates, I think, by 20 per cent. We cut the number of prior approvals required in the agency by 95 per cent. And you know, there's several other things that come out of that, but I think probably one of the big things was the actual empowerment of staff, both that they now had more authority to make the proper decisions at their level, and also that the front-line staff were the ones that were putting forward through the lean exercise all of the recommendations for the changes. So that's one.

We had another one that we did also internally. Our, well we call it our G drive, it's really our drive on our IT [information technology] system where we hold all of our information. And I mean, Enterprise Saskatchewan was formed from two different ministries coming together and then became Enterprise Saskatchewan, and so we did not have a common system of

how we stored documents. We had, probably, documents on there, I think the oldest one was 12 years old, I believe. And so we went through and what was happening is we were having to pay additional money to buy additional space to house all of these documents. So the staff went through and did a whole review of that system. And we reduced the disk space that we required by just under 30 per cent. And we reduced the age structure of the documents on that drive to three years or less, and we reduced the total number of files on that structure by 37 per cent.

We've also had, you know, we're in the midst of doing some other lean exercises on some of our programs that we deliver to the public like the Small Business Loans Association, say, being one, which really is more client-centred focused. And we are wanting to gain efficiencies in that program so that we can process the loans and turn that around faster for the loan recipient who's getting the money for the association. And so we are still doing that one.

But there are a number of improvements that are being made there as well, both internally in the processes that we do in getting rid of some of the inefficiencies, as well as those that will be seen and made a difference to the actual client. And there's a whole number of them but . . .

[20:15]

Ms. Sproule: — No, that's a good indication of how it's working for you. I know — I was a public servant for 17 years — and I know much of what you speak. So it sounds like it's a very helpful exercise and particularly, like you say, for the front-line staff. When they deal with this every day, they certainly recognize where efficiencies can be found, so it's always good to consult with them.

Another question he had was in reference to a document, this is your '12-13 plan, and it's on page 2 under key actions. He wants to look at A2 under key actions: "develop and co-ordinate a provincial economic growth strategy that contributes to Saskatchewan's competitiveness, in consultation with stakeholders." And his key question is, what is the budget for that particular key action for Enterprise Saskatchewan?

Hon. Mr. Harrison: — Right, that is one of the items we've been working on and working with other ministries. And through the cabinet committee on economic development, we've been, had a discussion on that just quite recently. In terms of the specific question as to the finances, perhaps I'll turn it over to Angela Schmidt to give some details on that.

Ms. Schmidt: — We've allocated a budget of \$200,000. Of that, we have expended 75,000 last year to do some background research looking at, for instance, the projections of expected growth in some of our key sectors such as oil and gas, mining, forestry, and agriculture, as well as some of the infrastructure needs to support those key sectors. So we expect that other studies this upcoming year will be about \$125,000 to support the economic strategy.

Ms. Sproule: — And what budget line does that come out of?

Ms. Schmidt: — It would come out of competitiveness and

strategy.

Ms. Sproule: — And can you go up one level higher in terms of the allocations, or is that somewhere else? I'm just still looking at the . . .

Ms. Schmidt: — The general operations.

Ms. Sproule: — Okay. That's the (ES01)? Okay. Then the other question David had was under key actions, B4. I'm just interested in the budget for facilitating and participating in national and international events and trade shows to attract investment for key industries. What would be the budget allocation for that key action?

Hon. Mr. Harrison: — Yes, thanks for that, Cathy. That's an important part of what we do and it's going to continue to be an important, and I would say an increasingly important part of what we do in terms of economic development.

We do have a significant labour shortage and, you know, one of the key ways to address that is to look for new folks to come to Saskatchewan from within Canada, from other countries, as well as to continue to develop our Aboriginal population. So we're taking in all of the above approach. But a big part of what we're going to be doing in addition to the other, to the training, Advanced Education, Employment and Immigration's taking the lead on that front.

But in terms of the labour and investment attraction from other parts of Canada and around the world, we're going to continue to move forward aggressively on that. The Ireland mission which Enterprise was significantly involved in was a signal success — 282 jobs now have been offered. We're going to continue to do missions of that nature. We were in Toronto recently for the National Job Fair as well. And that's something that we're going to continue with.

In terms of the budget specifically, perhaps I could turn it over to one of the officials who may be a better position with the details.

Mr. Dekker: — As it relates to labour attraction, we would cover that off in a number of different areas. It's not centralized in one particular budget.

I would however mention, as Minister Harrison had noted, we do support Advanced Education, Employment and Immigration and the Premier in terms of the labour attraction missions, as it was in Ireland, but also in the National Job Fair. But we also have a program called Real Growth, Real Opportunity and that is the promotional campaign for the province of Saskatchewan which, in this flight, significantly changed its emphasis onto labour attraction and, in doing so, making sure that first and foremost that Saskatchewan and Saskatchewan opportunities are on the radar of those looking for employment in Canada, but also that Saskatchewan is a great place to come and have a career and live a great quality life. So in that regard, there is a budget that was allocated in terms of promotional items for both investment and for labour attraction in the past fiscal year.

Ms. Sproule: — I'm just thinking about maybe turning inward a little bit at this point and thinking about ways to grow our

labour market within Saskatchewan. Obviously we've raised questions about the Aboriginal population. Also I think some of the work I've seen done in terms of industry development is the notion of value-added here at home. And is there any part of Enterprise Saskatchewan's mission, I guess, to focus . . . Now that we've lost the enterprise regions, I think they were doing some of that work. I do have a few questions on that. But I'm just trying to think.

You were looking externally for these people, for labour and investment. Is there any sort of also balancing efforts made to develop our markets here at home and develop our value-added type of thing so we're not exporting raw materials but rather, you know, doing the value-added? You know, we have the canola crushing plants here now for example. Upgraders. I know in forestry, there's a number of things that could be done and have been looked at. But what is the focus of the board of those types of activities?

Hon. Mr. Harrison: — Sure. No, that's a good question, Cathy. I referenced it briefly in my last response. In terms of the development of our labour market here in Saskatchewan, we definitely have, I mean, tremendous opportunity for young Aboriginal folks to find gainful, meaningful employment here in the province. This is something that's very important for me. Coming from the northwest, about 25 per cent of my constituency is of Aboriginal descent. Previously when I'd been in federal politics, it was 65 per cent.

And you know, we see the underemployment, and there is underemployment. I would say we've made significant strides. We've seen Aboriginal youth employment and Aboriginal employment show gains over the last significant period of time. Month after month after month, we're seeing additional gains. I think last month it was approximately 5,000 more Aboriginals working in the workforce, which was a very high proportion of the new jobs created in the province. So that's positive. We know we have more work to do without question on that front. And I know my colleague, Minister Norris, has been very committed to this and done some very good work. We're going to continue to do that.

And we've seen some of our industry here in the province, Cameco is a great example of working very diligently as a company to train and provide employment and, you know, work to nurture that workforce in northern Saskatchewan particularly. Been great corporate citizens in doing that. Other companies have made very significant efforts in training and providing employment for Aboriginal folks from the province. But we know we have more work to do, and we're going to continue to focus on that.

As I said, we're taking an all-of-the-above approach. We have nearly 12,000 jobs listed I think today on saskjobs.ca. There's tremendous opportunity, so we need . . . And it is probably the thing we hear most from industry partners, is their biggest challenge they're facing is a labour shortage. That's the big challenge they have. That's their barrier to growth. So we're taking that all-of-the-above approach on that.

In terms of value-added we've, you know, we've worked closely with . . . And you mentioned the forestry sector. I'll speak to that, I guess. Being from Meadow Lake, that's a very

important industry for us. You know, we've worked with forestry companies to find opportunity for value-added. We worked with forestry companies to reopen mills that had closed in the past, and we've seen some significant successes on that.

But by no stretch of the imagination is the forestry sector, you know, out of the woods so to speak. There are real challenges that still exist. The US [United States] housing market that's been in the doldrums for many years has had a massive impact on the forestry sector here in Saskatchewan, also in British Columbia, Alberta, Quebec. We've seen it right across Canada, and there is still significant challenge and significant risk. We're going to continue to work very closely with companies here in the province. And I think they would tell you that the government's been very, very responsive in working with them to address their challenges. We're going to continue to do that.

Agriculture, I think, is a good example of, you know, working with industry but also with university and other research organizations to find, you know, whether it be the carinata and camelina example we gave earlier, develop new products — in that case, new oils. And then, you know, working as a part of that, STEP and other ministries working to develop those new markets for the new products that we're developing.

And there have been some real success stories on that front as well. So you know, it's working in partnership to, you know, find ways to add value and then, you know, continuing to work in partnership to develop new markets and new export opportunities around the world. And also I mean, that means we need to continue to develop our labour force here in the province to take advantage of those new opportunities.

Ms. Sproule: — Thank you. One other question David asked me to raise was in relation to D2. under your key actions on page 3 and that's "Help Saskatchewan companies take advantage of government procurement opportunities." So maybe if you could identify the budget allocation for that project, or if there is one or if it's again a mix from other areas, and how you plan to implement that action.

Mr. Dekker: — Again that is an initiative that doesn't have a specific line item or a budget allocated. Again it's across a number of divisions. Primarily our sector team or sorry, our sector development division, where we are actively assuring and reassuring that companies in Saskatchewan will continue to procure with our, for instance, our utilities, our Crown investment utilities and Crown corporations, but more specifically to that — and very much in light of the previous question that you had asked and the answer that the minister gave with respect to growing our economy and our primary resources — but also capturing that growth and maximizing that growth in Saskatchewan through again value-added but also supply chains.

And that's a big initiative under Enterprise Saskatchewan, making sure that our companies have the wherewithal and understand the procurement policies of these major corporations that have entered into Saskatchewan and make major investments, that they maximize the opportunity to supply those companies with the goods and services that they have and also attracting new companies into Saskatchewan to grow a business here and have the opportunity to grow with those major

companies.

We have one specific example, which is the mining supply chain forum. It's the third year that we've held it, and it's had record numbers this year. Well over 300 and up to 500 people attended this particular conference where we are putting the major companies that are making mining investments — BHP Billiton, Rio, Vale, you know, PotashCorp, Mosaic, K+S potash, with companies that are already in Saskatchewan and with new companies around the country and indeed around the world who are coming to look for opportunities to supply those companies. And so it was highly successful this year, and we'll look to doing more of that work this year and another supply chain forum at the end of this year.

Ms. Sproule: — So again that's the Ministry of Energy and Resources that typically is responsible for mining, so you would work with those ministries and Forestry as well as the Enterprise, I guess, arm of government. They intersect with the other ministries.

Mr. Dekker: — The way we would look at that is that, yes, Energy and Resources is the regulator, but they also assist in doing the land sales for companies in oil and gas and mining. So they're the primary contact for the companies but we do most of the value-added. That's the rough line that we draw. But we work very much in concert with Energy and Resources in that file.

Ms. Sproule: — Thank you. I just want to turn a little bit to Enterprise and Innovation for a moment and some of the programs that the minister is working on there. And again just maybe a basic explanation of the small-business loans association and the legislation that governs it.

[20:30]

Hon. Mr. Harrison: — Thanks very much for the question. ES [Enterprise Saskatchewan] works with, I think, approximately 186 SBLAs [small-business loans association] across the province to extend financing to small and start-up enterprises that require funding beyond the scope of traditional lenders. So we would extend, or the SBLA would extend up to a \$20,000 amount. We had, previous to this budget, a \$15,000 cap. In this budget we've upped that to \$20,000.

We've seen significant success. This program has been in operation for some period of time. I believe in 1989 was when this program had originally been initiated. The total loans over that period of time I believe were in the neighbourhood of \$76 million; 11,000 or more entrepreneurs have been able to access funding under this program. And I think we'd estimate the number of jobs created in the neighbourhood of 30,000 over that period of time. It's a program that's shown a high level of success over that period of time. But perhaps I'll turn it over to Denise who might be able to provide a bit of additional information.

Ms. Sproule: — Just before you do that, how many of these associations are there in Saskatchewan?

Hon. Mr. Harrison: — There's 186 SBLAs.

Ms. Sproule: — It's seems like a large number to me, and is it?

Hon. Mr. Harrison: — Well it's, I think, a reflection of the fact that there's . . . have been a successful program over the last 20-plus years.

Ms. Sproule: — And that association just formed . . . Like if I wanted to form a small-business loan association in my neighbourhood, is that how it happens? It's initiated by the local people and then they apply? Is that basically it?

Hon. Mr. Harrison: — Yes, that's essentially how it works.

Ms. Sproule: — Okay, thank you. You can go on to explaining.

Ms. Haas: — Okay. You're asking if 186 is a lot. Some communities have multiple associations and some associations will target their loans to a specific sector. Like there might be one for, you know, tourism or whatever, right? But essentially I think a way to explain it is that it's really peer lending. It is local people within the community that get together that form the association, and then they take applications from people within the community that are wanting to, you know, start up or expand a small business.

And normally I mean these are very small companies. They're not the large companies that are coming in for 15 and now can be \$20,000. Some examples might be, you know, it could be a farmer that wants to start a business as a second income. It could be a housewife that wants to start a business as a second income for the family. So they generally start as, you know, the owner is the employer, or maybe one or two people. They start at very, very small. But I mean we've had some of them that then have grown enough that they then . . . I mean the true measure of success is when they grow enough that they can then go and get financing from a traditional lender like a bank, because a lot of the loans that are issued under this program are to folks who wouldn't be able to get a loan from the bank.

And I don't want to say it's a lender of last resort, but it certainly has a lot more lenient qualifications in order to get the loan. However the loan losses under the program are amazingly right around the 6 per cent mark, which is very low when you consider that it's a much higher risk loan than what your traditional banks and that would do.

Hon. Mr. Harrison: — Yes. And maybe I could add as well to that. As a part of this, there's two non-budgetary items in this: the loan loss provision account which, as Denise said, there's approximately a 6 per cent default rate, which is extraordinarily low considering the perhaps bit of a riskier sort of loan provision. But it is peer lending, so you end up with a situation where people really do feel an obligation to pay back any money that's been lent.

The average loan is in the neighbourhood of about \$11,000 — a little under that, I think. So it's not that folks are taking the maximum amount and heading for the hills or anything of that sort. It's a program that very much is, you know, focused locally and it is peers lending to peers. So there's a \$480,000 provision in terms of the loan loss provision account. There's a concessionary allowance as well, which is to cover the cost to government for lending, which is about a little less than

\$270,000 a year.

Ms. Sproule: — All right. I do want to turn to the enterprise regions now for a bit before we run out of time. And I want to come back to the ethanol fuel tax, sorry, the renewable diesel program, and there's another program we mentioned earlier. But at this point I just have some prepared questions around economic development, the policy, and sort of what is going on with enterprise regions.

The first question I'll pose to you is — it runs along this line — the province has a long history of funding economic development at the local level. And this goes back to the REDAs [regional economic development authority] and before that there was the rural development corporations during the Devine era. So what's happened? Why has the policy been changed? Why did the train stop on the track?

Hon. Mr. Harrison: — Well you know, as I've said a number of times in question period and other venues, to the media and others as well, it's been . . . The government's made the decision that local economic development is best handled at the local level. And to that end, we have increased revenue sharing very, very significantly — 87 per cent over the course of the last four years; this year alone, going up \$21 million. Next year you're going to see revenue sharing to municipalities, these all go to local governments, a \$35 million increase on top of the \$21 million increase this year.

So local governments have more resources by far than they have ever had before. And you know, local governments have the opportunity, with that additional allocation of resources, to make decisions in terms of how they want to move forward with local economic development decisions. And you see in many communities already that have for many years economic development officers for their municipalities that have worked either with other communities or with local business, others to develop the local economy. You know, we've seen examples where communities are co-operating to hire and keep in place economic development officers. So this has been going on for a long period of time outside of any sort of formal provincial government program.

With that increase, that very, very significant increase in resources for local governments, we've made the decision that those local economic development decisions would be best made at the local level, and that we would focus our resources in terms of economic development at the national and international level. And we talked I think at some length about what those initiatives entail — increased funding for STEP, increased international engagement, increased engagement, you know, as an example at the national job fair in Toronto. We just feel that it's the appropriate place for the provincial government to be at that national and international level, and leaving the local economic development up to local decision makers.

Ms. Sproule: — Yes. I guess the next question I have is sort of following up on what you were just saying. And it reads as this: the official line used by your government is that local economic development is best done locally. But this assumes that the enterprise regions were not local. They were completely governed by boards comprised of local representatives. So I guess there's just a lot of questions about you can't say whoa in

a mudhole. They were just getting going. You know, they had all the data that they were collecting. There's a lot of capital now in these enterprise regions over and above the economic capital, I think, that has been invested in them. And I think there's a lot of people feeling that this is, you know, out of the blue and sudden.

So you know, you were on track. I think that the feelings of the enterprise regions was that they were on track. They were doing good work. And not just . . . You know, they certainly appreciated the investment and I know you've indicated how you've realigned what you see, the investment in local communities through the revenue sharing. But why the sudden change, I guess?

Hon. Mr. Harrison: — Great. Well thank you. Mr. Chair, I never thought I would hear a New Democrat member quoting Grant Devine. But I guess we've heard that.

In terms of the local decision making, you know, as I'd indicated in my previous response, you know, those local decisions I think are best made at that local level. And I hear what you're saying with regard to the board structure. I mean, those boards are able to, you know, continue to make a decision. And I know many of them have been undertaking discussions over the course of the last number of months about the way forward.

You know, we're going to be providing assistance to those local enterprise regions if they make the decision, the boards make the decision to no longer continue in that present form, or if they make the decision that they continue in the present form with continued support from municipal governments and industry partners and others who would see the value in continuing with that support.

But no, we're going to see a definite realignment in terms of local economic development. You know, there's going to be a transition period, without question. But I think ultimately we're going to end up with a very accountable system of local economic development, you know, whether it be local economic development officers hired by individual communities or working for a number of communities that decide to work together to particular ends. And we're going to have direct accountability to those communities because of that.

You know, I think we're going to end up with a system that's efficient and effective, that's going to be a direct result of decisions made by those elected at the closest level to the people, which is municipal governments who I think are probably the most responsible level of government to folks because they're seeing them every day at the grocery store and post office. So you know, we've increased those resources very, very significantly for municipal governments, and they're going to be in a position to, you know, make decisions along with other partners as to how they best see local economic development moving forward into the future.

Ms. Sproule: — I wasn't quoting Grant Devine. I was quoting my good friend Gord Olson who said that to me many times. I'm not defensive, just for the record.

And we did put together a business plan, a very local business

plan for our local business, and certainly used REDAs a lot to help us go forward on that basis. And they were local people, so I hope you're right. I'm not sure that I believe that it's going to turn out as you're hoping.

And I guess, I think what we've heard from the REDA people is that they were serving a very useful function. And whether or not municipalities will be able to manage that in addition to all the other significant challenges they face as well, in terms of growth and infrastructure and all those things . . . Yes, the transfers, the revenue sharing is incredibly important to their success. I think we'll see, you know, whether what you're saying will in fact bear out.

Just a few more questions, I have a lot here, so I don't know if we'll get through them all, but I'm just going to jump ahead. I guess my question is how much are you going to save from cutting the enterprise? Is it 4 million? Is that the savings that you've projected for this?

Hon. Mr. Harrison: — Okay. The \$4 million from the enterprise regions and \$2 million from the ministry itself.

Ms. Sproule: — From the ministry itself?

Hon. Mr. Harrison: — That's correct.

Ms. Sproule: — Okay. My next question then is how much did it cost to get them set up in the first place? Do you have a figure for that?

Hon. Mr. Harrison: — Well we can undertake to come up with a number for you on that, Cathy. I don't think we have that in front of us here.

Ms. Sproule: — Thank you. If you could do that, I'd appreciate it. I guess there's a lot of infrastructure and capacity now that's also been built up, and I guess the feeling is that's being quite casually disposed of. So do you see that as wasting money on an initiative, without giving it a chance to produce the results that it may have been able to do?

[20:45]

Hon. Mr. Harrison: — Well you know, like I said on a couple of previous responses, I mean we just made the decision, you know, that we felt that local economic development is handled at the local level.

And you know, I don't think there's necessarily going to be a case of the local infrastructure and knowledge and whatnot lost. Those are going to be decisions taken by the boards of the REDA who don't report to Enterprise Saskatchewan. They're independent organizations. And if there's a decision taken by municipal governments and industry partners and others to continue forward with particular projects or other sorts of initiatives, there's going to be — without, I would sure hope anyway, without question — co-operation from those enterprise regions, from the boards of those enterprise regions to facilitate transfer of particular information or documents or work that had been previously done.

Ms. Sproule: — Did you do a program review on this before

you made the decision?

Hon. Mr. Harrison: — This was a decision taken in the context of the budget process. In terms of a specific program review within the technical meaning of the term, there hadn't been that done, but you know, obviously we'd heard, you know, feedback and other information coming back from stakeholders and others with regard to the enterprise regions.

Ms. Sproule: — If there wasn't a program review done, I guess the question is, why was the decision made without a basic rationale explaining what it was meant to achieve and how it failed?

Hon. Mr. Harrison: — You know, again Cathy, it's just the decision that cabinet took, was that local economic development was best handled at that local level. And you know, we've had folks in our cabinet who have had very significant experience in the economic development world. The Premier himself had been an economic development officer, prior to being elected to the legislature, who has a very significant and deep background in economic development.

You know, many of our members have had significant background in this, and you know, one thing I want to say, I mean this wasn't a decision that was taken in any way, shape, or form lightly. And these are all very, very difficult decisions that are taken when they're impacting on individuals, people that we know and people that we respect and people that we have high regard for. So this was not taken in any way lightly. This was taken after great deliberation and discussion, and that's the nature of how we took the decision.

At the macro level what I would say is that, you know, when you're looking to move forward with a balanced budget, which we are here in this province — the only balanced budget in the entirety of Canada, one of the only balanced budgets in the entirety of North America — there are difficult decisions that have to be taken in order to make that a reality. And you know, this was one of the difficult decisions that were taken in that regard. But I would say that this wasn't done, it was not done lightly or flippantly.

Ms. Sproule: — And I thank you for that answer, and I appreciate the difficulties at the cabinet table when it does come to budget time. Although I've never sat there myself, I can just imagine how difficult it is. I guess the one thing I would point out is that the Premier was an economic development officer with that experience when the regions were established as well, so it does seem to be a bit of turnaround unexpectedly.

The next question I have is that the government has provided funding to all of the enterprise regions to conduct business retention and expansion studies over the course of two years. And thousands of businesses were asked to spend time with enterprise region representatives, providing data on their businesses, so that they could analyse the data, communicate problems to the province, and then the province could try and improve the business environment.

Now what happens with all this data? And what it does this say to the businesses that invested time working with enterprise regions and giving them that information? And is the province

committed to following through with its efforts to improve the business environment based on that program?

Mr. Dekker: — Absolutely. The business retention and expansion program was delivered at the regional level as you had noted. Enterprise Saskatchewan supported that through a number of ways, including the software package and the training and the support for that.

We're looking at ways of continuing that program. Right now we're looking at different delivery models, the different agencies that might be able to help us. It's going to be a difficult transition, but we still find that some of that programming and some of the information that was delivered to be valuable. So we'll continue to work to see if indeed we can carry on that program. I know for instance, the Saskatoon Regional Economic Development Authority is very interested in maintaining that program in the city of Saskatoon. And so we'll be working directly with the two major city enterprise regions or just economic development regions, RROC [Regina Regional Opportunities Commission] and SREDA [Saskatoon Regional Economic Development Authority], in that regard. So we'll be doing some significant work over the next couple of months.

Ms. Sproule: — Thank you. Give me a moment to look through these. I think I'll just put that aside for one second. Just a response to your last response, I guess. It's difficult to see how SREDA . . . and RROC is the Regina one? You know, they've also lost their budgets too, so obviously it's going to be a difficult transition as you say, so just a comment there.

Right back to your original speech, you talked about biofuels. And I can't find my note where I refer to that, but you talked about biofuels as one of the new programs. I suppose that's Enterprise and Innovation? Can you tell me?

Hon. Mr. Harrison: — Yes, the renewable diesel program was a new program introduced last year for the first time. It was in last year's budget, and we had a renewable diesel Act as a companion piece of legislation as a budget Bill to that, which has mandated a certain diesel, biodiesel content here in the province of Saskatchewan and put in place an incentive program for production of renewable diesel here in the province as well.

Ms. Sproule: — Now if I'm understanding correctly, there's a \$2.6 million allocation for that, and there was last year as well. How is that money spent?

Hon. Mr. Harrison: — Just as a clarification, which one you're asking about, there's a \$2.6 million allocation for the renewable diesel program. And for the ethanol grant program, there's a \$24 million allocation for that.

Ms. Sproule: — That's the fuel tax rebate? It's referred to as an ethanol fuel tax rebate in the budget.

Hon. Mr. Harrison: — Yes. It's the ethanol grant program.

Ms. Sproule: — For now I'm looking at the renewable diesel one, so if you could just tell me a little bit about that.

Hon. Mr. Harrison: — Yes, the renewable diesel program provides a 13 per cent per litre incentive to producers of renewable diesel fuel produced in Saskatchewan. The program's capped at 40 million litres of production per year, which is approximately the amount of biodiesel that would be required in order to meet the 2 per cent biodiesel mandate here in the province. And what we did was capped, for each individual producer, the ability to recover on that program to 20 million litres of production.

So I guess what you would see if there was full uptake on the program would be, full uptake with the maximum capacity per institution, would be to facilities producing 20 million litres per year of biodiesel. So I mean this was an initiative we undertook seeing this as an important environmental and agricultural initiative creating a new market and also, you know, creating a — with the 2 per cent biodiesel blend — I think an important, an important initiative in terms of greenhouse gas reduction.

Ms. Sproule: — Yes, it strikes me as very much an environmental program more than perhaps an Enterprise one. Again, what was the intersect with the Ministry of Environment on this?

Hon. Mr. Harrison: — Well we worked with the Environment ministry on this. You know, we've been responsible for administering the ethanol grant program, which had been brought in a number of years ago, in 2005 I believe . . . 2002 actually. So this was a companion program to the ethanol grant program.

Ms. Sproule: — What is renewable diesel?

Hon. Mr. Harrison: — It's a canola-based product. And actually Milligan Bio-Tech from Foam Lake have been doing groundbreaking work on the development of biodiesel.

One of the challenges that historically has existed with biodiesel has been problems with operating in environments such as ours, meaning very cold conditions. You would see in kind of the first sort of biodiesel products, basically vehicles would just stop running because it would end up, you know, basically freezing. So Milligan Bio-Tech and the Research Council, I believe, and others have done research and work on this over the course of many years in making a brand of or a type of biodiesel that would be able to actually operate in the very harsh environments which you could see on occasion here in Saskatchewan.

So there had been, over the course perhaps, you know, say 8 or 10 years ago, concerns about moving forward with a renewable diesel mandate here in the province because of the impact it could actually have on vehicles, you know, operating with the 2 per cent blend. But because of the work that had been done and the research that had been done, we felt confident that the technology was at a point where having that 2 per cent blend wouldn't have a detrimental impact on vehicles or economic use of vehicles in very cold conditions. And it's been, I think, a success story in that regard as well.

Ms. Sproule: — Good old Saskatchewan enterprise and innovation, right? I guess we're getting very close to the, near to the time allotted for this evening. I just have one final

question. And it's something that, since I've come into government, I've tried to figure out, and I'm slowly getting my head around it. But you have Enterprise Saskatchewan. You have Enterprise and Innovation. And then you have Innovation. And why are they separate? Why isn't that one ministry?

Hon. Mr. Harrison: — Well they're . . . Perhaps actually I'll turn it over to the CEO of Enterprise Saskatchewan who had been also responsible as a senior official for Innovation Saskatchewan and . . . Chris.

Mr. Dekker: — When the agency was first started, it had both functions under its mandate, and that is enterprise, which was generally the economic development function, and also innovation. In the course of a couple of years, the government decided quite correctly that innovation, productivity, and generating a knowledge economy is going to be very important as we continue growing. And so they carved it off as its own special operating agency with its own Act and with its own board. The only reason why I believe that we continue to have Enterprise and Innovation programs is because the Act refers to it as Enterprise and Innovation. So we need to clean that up as an amendment.

Hon. Mr. Harrison: — Yes, and if I could just add to that. I mean this is a part of the evolution that we're seeing with a brand new agency. You know, we're going to — and I said right at the beginning — I think my first comments were we're going to continue to see evolution. We're going to continue to see evolution in terms of how economic development is handled in this province, how government addresses economic issues at a broader level. And you know, we're going to continue to see that. And that's something we've been saying over the course of the last two years, and we'll continue to see into the future.

Ms. Sproule: — Over to you, Mr. Chair.

The Chair: — I take it the members have reached the end of the planned question time. Was there an intention to vote off the . . . tonight? I recognize Ms. Sproule.

Ms. Sproule: — Not at this point, Mr. Chair. Thank you.

The Chair: — Not at this point. Okay. I would like to recognize the minister.

Hon. Mr. Harrison: — Yes. I wanted to thank the member for Saskatoon Nutana for her questions, very good questions. I understand how difficult it would be coming in on very short notice, not being the critic, to undertake estimates. And if I can say so, you did a fantastic job, Cathy. And very good questions, I think, very pertinent, and very worthwhile.

And I just wanted to thank the members also for being here and to thank officials very, very profoundly for the work that you do. We have a great team over at ES. Chris does a great job, our vice-presidents, our other officials do a wonderful job. Denise keeps us all in line as well. And you know, it's a very good team and a very . . . I think we've moved leaps and bounds over the last number of years. So I just want to put that on the record and thank them and thank the members for being here.

Ms. Sproule: — Likewise I would like to thank the minister for

his forthrightness and answers to my questions and patience with my questions. And thanks to all the officials for hanging out with us on a Wednesday night. So thanks for coming out.

The Chair: — As well I'd like to extend thanks to the minister's officials for joining us tonight, to the members for their participation and involvement. And I'll entertain a motion for adjournment. Mr. Bradshaw.

Mr. Bradshaw: — I'll so move.

The Chair: — Are we all in agreement?

Some Hon. Members: — Agreed.

The Chair: — Carried. This committee stands adjourned until Friday morning at 9:00 a.m.

[The committee adjourned at 21:01.]