



STANDING COMMITTEE ON THE ECONOMY

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STANDING COMMITTEE ON THE ECONOMY

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[The committee met at 15:00.]

The Chair: — Good afternoon, committee members. This is the Economy Committee convening this afternoon. It is right at 3 p.m. so we're starting right on time. I'd also like to welcome the minister and his officials who are here today. It looks like we have full attendance of the committee. No substitutions for this afternoon.

**General Revenue Fund
Economy
Vote 23**

Subvote (EC01)

The Chair: — We're considering this afternoon the estimates for the Ministry of the Economy, as mentioned. Our consideration of vote 23 is labelled Economy, central management and services, subvote (EC01). We'll be here until 5 o'clock and then we'll have a supper break and then I believe we have three more hours of the Economy Committee after that, so we'll be busy doing work on behalf of the people of the province of Saskatchewan.

Minister Boyd is here with his officials. This is his first time appearing before the committee, so if you have some opening remarks you'd like to make and maybe introduce your officials as well, you can do that now.

Hon. Mr. Boyd: — Thank you, Mr. Chair. Good afternoon, committee members. It's a pleasure to be here to deal with the estimates for this year for the Ministry of the Economy. Along with me are officials from the ministry. On my left is Laurie Pushor, the deputy minister. On my right is Hal Sanders, the assistant deputy minister of minerals, lands, and resource policy. Behind me on the left is Denise Haas, chief financial officer, revenue and corporate services. Seated beside her is Kirk Westgard, assistant deputy minister, economic development. Beside Kirk is Doug MacKnight, assistant deputy minister, petroleum and natural gas. And on the right is Bryan Richards, president and CEO [chief executive officer] of the Global Transportation Hub.

Mr. Chair, as I said, it's certainly is a pleasure to be here this afternoon to discuss the estimates for one of the most diversified economies in all of Canada. We have done our best to create a business environment that is highly competitive. We've established a stable royalty and tax regime that is globally recognized. We are continuing to ensure that there is a good business and regulatory environment for investment here in Saskatchewan. We are also being especially mindful of removing unnecessary barriers to development to enable industry to operate to its fullest potential in our province.

The motive for this is quite simple. Whether markets and economies are in a slow cycle or whether they're breaking records, you want to be in a place where it's a good place to invest for businesses. Saskatchewan is that place. We have the resources; the transparent, business-friendly regulatory environment; the responsible and solution-driven industries; the innovative technologies; and the rationale for good, collaborative policy making. By encouraging investment and

development we add to our overall economic growth and security in a productive way. If we have done our jobs well in government then the private sector can do what it does best — generate economic activity and prosperity.

Government does not create jobs and wealth by itself but we can set the tone and create the conditions to support and encourage growth. In support of this philosophy the Ministry of the Economy is focused on two core concepts: generating steady economic growth and sustainability; and meeting the challenges that accompany this growth. Our key tasks include encouraging continued prosperity across the sectors and industries, attracting investment at every level for our communities, and helping to create and sustain the best possible environment for people to build careers, lives, and a home here in Saskatchewan.

Mr. Chairman, the Ministry of the Economy's 2016-17 expense budget is \$248.9 million. This is 3.5 per cent or 8.961 million below the 2015-16 budget. The budget includes areas which I'll list: \$2.4 million for the Canada-Saskatchewan Job Grant; 1.2 million to address program pressures, employability assistance for persons with disabilities program; \$2 million to provide support for IRIS [integrated resource information system], the IT [information technology] system that is regulating the oil and gas industry.

The ministry succeeded in achieving significant reductions through the ending of some programs and by aligning program budgets with historic utilization. These include \$5.9 million for operating and capital decrease due to the completion of the PRIME [process renewal and infrastructure management enhancement] project, \$1.3 million decrease representing the sunseting of the renewable diesel program, \$3.49 million reduction in funding overall to the labour market programs, by recognizing reduced demand for apprenticeship training and supports, as well as underutilization of program dollars in some program areas; \$846,000 decrease for information technology; \$500,000 reduction to the ThinkSask investment attraction campaign budget; and \$650,000 reduction in the petroleum and natural gas operating costs.

As part of the 2016-17 budget, Tourism Saskatchewan now has its own vote and is no longer a part of the Ministry of the Economy's budget. This reflects Tourism's independence as a treasury board Crown.

Although the 2016-17 budget will see the ministry's FTEs [full-time equivalent] decrease by 5 to 571.9 to meet the needs of the 2015-16 workforce adjustment plan, we are pleased that there will be no impact to direct services to the public.

Recognizing the impact . . . market volatility that has happened across the industry, the ministry will hold the 2016-17 oil and gas well levy at '15-16 levels while maintaining front-line inspection and compliance activities. This represents a deferral for the oil and gas industry this year of \$1.8 million. Economy has allocated an additional 8.73 million — \$14.03 million in total — to continue responsible cleanup and remediation of the uranium Gunnar mine and satellite sites. This is a joint responsibility that the province is working with the federal government to clean up.

Our ministry takes a strategic approach to our budget development. Realignment within the ministry has created petroleum and natural gas divisions with a singular focus responsibility for regulating oversight wells, facilities, and pipelines in response to feedback from industry. This adjustment was managed within the ministry with all costs covered in existing budgets.

We are always looking for efficiencies and either looking for better ways of doing things or developing them ourselves. We deliberately take the time and effort to look to things from our customer's perspective. By doing so, we can effectively determine if programs and services in fact meet their needs. As a consequence we are better informed and able to examine our resources and align them with the priorities of the ministry. This is what is meant by meeting the challenges of growth through controlling operational spending and being a responsible government.

Mr. Chair, that concludes my opening remarks. I now look forward to questions from the committee and meaningful discussions on the estimates of the Ministry of the Economy. Thank you.

The Chair: — Thank you very much, Mr. Minister, for that information. I will now throw open the floor to questions. I recognize Mr. Belanger.

Mr. Belanger: — Thank you very much, Mr. Chair, and thanks for the introduction of the officials, and welcome to the officials as well. I'm certainly going to try . . . And just to forewarn you that I'm going to be all over the map, so to speak, on a wide variety of topics that you've discussed. Certainly a lot of the projects and some of the challenge we face as a province is something that, you know, we obviously want to learn as much as we can and also for those that may be listening, to help them learn as well.

But there's no question that from our perspective, the opposition perspective, that Saskatchewan is the place to be. We obviously share the same values in terms of the role of the private sector and certainly the roles of the corporate players, so to speak, that wish to come and help develop the opportunities and the resources of our good province. I think there's no one that could be more in agreement with that particular concept than I. And I certainly point out that the economy of Saskatchewan over history has had its ups and downs, no question about that. But it certainly has been a welcoming environment for many governments and certainly many governments of many stripes.

So I think it goes without saying that the people of Saskatchewan want their government to be inviting and they certainly want the investment. They certainly want the jobs and they, as you've indicated from time to time, a fair return on the resource base that's in the province of Saskatchewan because after all that's what funds our schools and our hospitals and our highways and so on and so forth.

So I think I'll preface my opening questions with that particular statement just to again to reassure people and to reaffirm our position as an opposition that we too want to see the economy strengthened. We too want to see the investment flow occur.

We too value the role of the small-business sector and the large corporate players to come and invest in Saskatchewan and help us build a sustainable economy for years and years to come.

That being said, I just want to touch base a bit on some of the cuts that we see as a result of the recent budget announcement on the economy. And I'll be very brief in the questions, just more or less for my clarification. But there was approximate number of cuts in a few places, and I want to again bounce around here, but there's \$4.5 million less in central services funding. What is that and why were the cuts sustained there?

Mr. Pushor: — Thank you very much. Our central services division was the division that was leading the PRIME project, which was the development of our new information system for the oil and gas division. As such, the budget for the project itself was housed in that division. Because the project concluded in the last fiscal year, the project dollars decreased dramatically and we are now only budgeting for the sustaining operations of the system. And so that's the most significant connection there.

It's also where the reduction in our Think Saskatchewan campaign was housed. So we went from a one and a half million dollar promotional campaign around Think Saskatchewan to a \$1 million budget for that campaign this year. So those two are the largest elements of that reduction.

Mr. Belanger: — Okay, thank you very much. Just in terms of the, for minerals, lands and resource policy, there's an increase in operational support. Can you explain that, just as it fits with some of the other cuts?

Mr. Pushor: — As was mentioned, we went through a reorganization in the ministry in the last fiscal year, and part of that reorganization was to focus the petroleum and natural gas division on its regulatory responsibilities and move all development activity from that division. In doing that, it was transferred into the mineral, lands and resource policy group. Hal could add some further comments on the specifics of around what those responsibilities include.

Mr. Sanders: — The specific changes would be found in our mineral lands tenure area where we brought in oil and gas lease administration areas and consolidated it with our mineral administration areas for land. And then the other area is in oil and gas policy, specifically taxation policy, blended in with our energy policy group that was formally already part of minerals, lands and resource policy. So essentially it's a direct transfer of FTEs and the money out of petroleum and natural gas division into ours.

Mr. Belanger: — And it's always important to receive these tugs and to-and-fros within a certain ministry to see where the focus and where the shift has left and moved on somewhere else. It's important to kind of keep track of that. So some of the explanation is necessary.

How about the increase to the Saskatchewan geological survey? What was that about? And the second question I have may be — I'm not sure if it's, I don't think it's connected, but while we have the floor — is around the increase in the contaminated site remediation. I'm assuming that the contaminated sites you were

making reference to is the Gunnar, Lorado project? And again being familiar with that particular project, is this a one-time cost for this year, or is this going to be expected to happen each year?

Mr. Sanders: — If I could respond, I'll maybe start with the Gunnar project. We are in the final stages of the Lorado completion. This is a site that is just south of Uranium City, where we spent in the order of 28 million and expect to spend only 2 more as we are revegetating that area. So the work there is largely done. It will move into monitoring this year and then hopefully into our institutional control program in five years.

In the case of the Gunnar site, we are moving into the engineering design phase and what will ultimately lead to borrow material being gathered and then used on the tailings pile. So that is a one-time cost for that activity this year, but of course the overall cost for the Gunnar site is a considerable amount over quite a number of years. So you go through a period of evaluation, a little bit of breakdown of what was formerly a townsite, and now we're into the remediation phase itself where we're burying the tailings. We're dealing with waste rock piles and we're dealing with the debris from the former townsite.

[15:15]

Mr. Belanger: — Now the Gunnar and the Lorado projects I'm quite familiar with. I believe I was the minister of the Environment at the time when this discussion occurred with NRCan [Natural Resources Canada]. And I think the minister at the time was Ralph Goodale, if my memory serves me correct.

Now over time, the SRC [Saskatchewan Research Council] was the contracted body or party that basically led this file because obviously as we . . . If my memory serves me right, this was a new undertaking, and to clean up an abandoned uranium mine was quite a significant challenge and probably a new enterprise that the province was embarking upon.

I just want to ask . . . There was 41 original sites, but the Gunnar and Lorado sites are the two more costly ventures. Is that correct in terms of the cleanup aspirations that we have as a government even now?

Mr. Sanders: — The Gunnar site absolutely is the largest significant site to be cleaned up in relation to . . . Lorado would be the second. Gunnar, there is a liability established on the books of the government in the neighbourhood of 200 million right now to be able to move it towards its final completion and into a monitoring phase at some point in the future. And in fact the SRC continues to be the general contractor on the site.

Mr. Belanger: — And the notion of \$200 million, like these are obviously estimates that I'm assuming SRC would put together for the Ministry of the Economy. Are we fairly comfortable with that price tag or is there still a lot of discussion?

Mr. Sanders: — Estimates are done at a point in time, and I'm always looking for those estimates to come in lower. I would say that they were done at a point in time when the economy was a little stronger than it is today in that particular area. So SRC doesn't come up with them themselves. They actually use

independent contractors to look at industry standards for movement of earth and those kinds of things, but at the time they were class D estimates, I believe, which would be a plus or minus 50 per cent estimate.

Mr. Belanger: — The Cameco corporation assumed the cleanup of the Beaverlodge site. Is that correct?

Mr. Sanders: — Yes.

Mr. Belanger: — And what were the estimated costs of cleanup on that site?

Mr. Sanders: — I'm sorry, I don't know the costs on that site. But certainly we do rely on information from other companies that are cleaning up sites in that area to be able to help us with estimates, as well as the nature of engineering design to make sure that it's satisfactory and that we have a plan in place that is approved by the Canadian Nuclear Safety Commission.

Mr. Belanger: — I just want to be clear. There is no collaborative interrelationship with Cameco on their cleanup of the abandoned mine at Beaverlodge and ourselves as a government through SRC. I just want to clarify that.

Mr. Sanders: — The extent that we share expertise from experts that would have been doing that type of work, there is that kind of relationship. But there is no formal collaboration that goes on between the SRC and Cameco on the sites in that area.

Mr. Belanger: — Is it because we choose not to have that relationship, or is it because the Canadian Nuclear Safety Commission dictates that we have an independent process with the two parties? I'm just trying to understand this better.

Mr. Sanders: — Canadian Nuclear Safety Commission licences are site specific, so you are really looking at each site independent of each other. They would have followed different paths, different timing. And of course it is truly about the cleanup of a site; in a way, it's a construction activity more than anything.

Mr. Belanger: — And I certainly appreciate that because one would assume logically that if there is two parties — being the Government of Saskatchewan and the private corporate company as in Cameco doing the same kind of work — there'd be some collaborative emphasis or even suggestion by the Canadian Nuclear Safety Commission. And the reason I'm saying this is because they're probably struggling with the same challenge that we have in trying to ascertain what exactly are we dealing with when we talk about the cleanup of abandoned uranium mines.

This is obviously . . . It's always an evolving science; I can appreciate that. But certainly you would assume that one of the first things we would do is to collaborate with industry that has a background and probably has a lot of experience with a government that's committed to doing exactly the same thing that they are. And that's why I inquired whether the CNSC [Canadian Nuclear Safety Commission] said, no, we're going to do this site specific. We will direct you and it'll be no collaboration between the two parties.

Mr. Sanders: — My earlier comment was really regarding a formal collaboration agreement. It does not mean that there is not information shared. Certainly experience learned on the Beaverlodge site would have certainly been understood and examined in the context of the Gunnar site.

And we, I say we, but in fact SRC works very closely with the CNSC, and I believe right now they do have a licence based on their current plan. There are holdbacks at the moment as they work through the true detailed engineering design, at which time those holdbacks would be released and work would begin. The other item that's important to note is that the timing of those sites is very different. Beaverlodge has been in that point where they're at a monitoring stage for quite a number of years, whereas Gunnar is just starting to clean it up.

Mr. Belanger: — No, I certainly appreciate that difference or the timeline difference. That's pretty important.

I'm assuming now that some of the basic changes to how industry operates — particularly the uranium sector, you know, which I'm a very strong proponent of and a very good supporter of, I might add for on the record — obviously in this day and age there's a lot more awareness. Because obviously Gunnar and Lorado, I'm assuming happened in the '50s or the '30s, '40s, and '50s, in that timeframe, and there was a lot more to be understood as to how we reclaim some of these sites.

But today, just for my own purposes I guess, is it safe to say that industry itself now has an obligation and has created funds necessary to reclaim an existing uranium mine, say for example Key Lake or McArthur? There are contingency plans and environmental funds established to reclaim that site. Is that correct?

Mr. Sanders: — Yes, there are mechanisms in place where these companies must provide some mechanisms in which to remediate the sites when the work is done there, yes.

Mr. Belanger: — Now going back to that point in terms of standards and timelines, you know, obviously and thank goodness for that, there's a lot more information, a lot more data, a lot more intelligence in terms of how the sector and the industry should be, you know, certainly consulted with and collaboration should happen on a continual basis.

What is the institutional control difference when you mention that Lorado was \$2 million away from institutional control versus Beaverlodge, which has now been completed by Cameco? And I'm assuming that that Beaverlodge site is under institutional control. What is the difference between the private sector institutional control and the government-owned property as in Lorado? How would you characterize the institutional control for government versus a private corporation? Is it much the same, the standards are the same? Like would you elaborate on that?

Mr. Sanders: — If I could clarify first, Beaverlodge is not into institutional control. So right now it's being monitored by Cameco in fact. And over the next number of years it will be determined that it's stabilized enough to be able to move into institutional control, which of course is a way in which money is put into a fund, and it allows for regular monitoring as well as

an unforeseen-event-type fund in the event of a failure of some part of the site.

To be honest, the standard for a Crown property would be the same as it would be for a non-Crown property. The land would go through the same process. Essentially it would reach its completion of remediation. It would be monitored from 5 to potentially 20, 30 years even before it would be considered going into institutional control. And our Environment ministry would have to determine that it's stable and that it will, you know, outlast time and be stable enough for just regular monitoring.

Mr. Belanger: — And a lot of us have the optimist and the pessimist in us. For the Gunnar site, in terms of a timeline for institutional control, to achieve institutional control, what does the optimist in you say versus the pessimist?

Mr. Sanders: — The optimist in me would suggest that the site would be cleaned up within the next five to six years to the point where it would be at a monitoring phase. I expect — given the magnitude of the site because it is an extremely large site with three different tailings sites, a very large waste rock pile, a townsite that has to be remediated — I am expecting that I would not be surprised for it to be in the monitoring phase for 15 to 20 years.

Mr. Belanger: — And again being the optimist and the pessimist in terms of the federal funding, are we getting any intelligence as to whether the federal contributing partners are starting to waver? Is there any kind of indication from our federal colleagues? And what does CNSC have to say about the federal role? Do they really have a lot of authority to force them to continue funding this program?

Mr. Sanders: — First in terms of the CNSC, they can direct that action be taken. They do not direct where the money comes from. So they have no role to play in who is funding it, but they can certainly direct this province to clean it up. In terms of our relationship with the federal government in attempting to get a cost share, we still struggle with that particular issue, and it's still a live file where we continue to pursue it.

Mr. Belanger: — So again basically on these increases in the contaminated site remediation, I guess obviously we'd employ best practices to determine what our out years would cost us. But if the CNSC has the authority to say it will be cleaned up — not saying who pays for it — if the federal government walks from this, are we to assume then as a province that this would be a liability?

Hon. Mr. Boyd: — Well I guess that would be sort of the worst-case scenario, but this is a file that we have continual discussions with the federal government on, most recently with Minister Goodale here a few months ago that we had spoke about it. So I think, and I guess this would be the optimistic side, I would say that I would hope that the federal government realizes that they have an obligation in this area as well.

Mr. Belanger: — And the other point I would raise as well with the third partner. I just can't remember the name of the third partner that actually converted from uranium development in the early '50s in the Uranium City area and moved into the

gas and oil sector in Alberta. Can you recall what the name of the company was? And are they still active partners because they were, basically through land titles, they were searched and the old rule, you know, polluter pays kind of thing. Are they still active with this file, or have they made a contribution and simply walked?

Mr. Sanders: — I believe you are referring to Encana. And they did make a contribution, and it was specific to the Lorado site. And they did make a contribution of \$24 million. And that was essentially the settlement with that company for it to be turned over to the Crown at the time. In the case of Gunnar, it was Gunnar Mines, and they went defunct back in the early '60s, and there is no way in which to go after that particular company. It does not exist.

Mr. Belanger: — Okay, so the Lorado company which is a \$28 million cost, am I then to assume that, of the \$28 million cost, Encana paid 24 million of that? Is that fair to say?

Mr. Sanders: — That is correct.

Mr. Belanger: — Now I would point out that one of the things that I would raise with the officials, Mr. Chair, is that again, you know, it's a whole new ball game when we're looking at the cleanup of the abandoned mines, in particular for uranium. I think there's a few other gold mines attached to this, but is the number 41? Is that the right amount of mines that were caught up in this initiative? And could you give me a breakdown of uranium versus gold mines in the Athabasca Basin that were part of this particular project?

[15:30]

Mr. Sanders: — It is not 41. It's actually just under 20. I believe it's 18. And the ones that are identified in our relationship with both the SRC and NRCAN are all uranium mines, but there was a mine that you may be thinking of that also produced gold. So it was part of the process to receive gold. But really we're talking about uranium mine sites or satellite sites where they may be as small as a trench where they did some digging and others where there are some actual diggings into the rock there.

Mr. Belanger: — And at the time, the estimated project cost . . . I don't want to make reference to a number, you know. I know what the number is. But I would rather go to the percentage of the total overall project. How much would you attribute of this particular venture with the federal government and with Encana? How much of those abandoned mines would be uranium, oh sorry, would be the cost directly for Gunnar and Lorado?

Mr. Sanders: — They are accounted for separately. The 28 spent already that I referred to from Lorado is specific to that site, and the additional 2 that we expect to spend for both maintenance and then what ultimately might be institutional control to bring that total up to 30. And then the approximate 200 that I had mentioned that is still essentially on our books as a liability is the Gunnar site, but it is also I believe in the neighbourhood of 18 satellite sites. Again they vary in their description and activity that happened at those satellite sites, and they are spread out all over that region south of Uranium

City and east and west.

Mr. Belanger: — And a final question on that particular file because it's obvious it's quite important to the region: is the Box mine, that's not part of any of the cleanup when you talked about the one gold mine that you're making reference to. The Box mine is still an actively owned site or is it . . .

Mr. Sanders: — It is.

Mr. Belanger: — All right. I'd like to again point out in my closing comments on that particular aspect is that I wouldn't know where to begin because obviously I'm not trained and certainly not knowledgeable in the areas of decommissioning of abandoned mines. And the SRC has been the lead and the point organization, if you will, that we at the time thought it would be wise to employ. And so given that fact that they do have that skill and expertise, you know, as being innovative, and certainly in this particular case you have to be innovative, who have they really contracted to give them their sole kind of technical advice on how to clean up an old abandoned uranium mine? Because Gunnar and Lorado are significant mines and there are significant challenges with that. So who has been their lead contact, or who have they contracted mostly to help them give advice on this front?

Mr. Sanders: — I don't have the specific information on who they may have contracted to, but I do know that they tender and that there have been numerous contractors because they are looking at things like water quality, ground stability. They are looking at ground cover and its radiology parts to it. So I would expect that at any given time they are contracting three to four different contractors on different aspects of the site, and there's no specific one that would have dominated through that activity. Probably the largest contract will be related to the tailings cover itself which is yet to be had.

Mr. Belanger: — And you're probably aware of . . . Would you be able to share with me the amount of companies that have applied for that kind of work? I know Nuna is one of the companies that are doing some of the work around some of these. I think it's Gunnar. But there's a lot of other companies, particularly those that are setting up in the basin as well. They want to provide that particular service.

And one of the things that I think is important obviously is the reliance we have on SRC to find the people that have the technical skill set and the science background to determine how best to decommission these mines. The secondary benefit that a guy like myself would look at is to ensure that the benefits of that particular project, the cleanup of the basin so to speak, that we maximize the benefits and impact to the local communities as best we can. And a lot of companies obviously try to provide that service. But one of the things that we look at is, how effective are some of these contractors coming to the basin, and is it a condition of their employment through the Economy, that they maximize benefits to the Athabasca Basin people and particularly their businesses?

So is it a point system or rating system? Like what kind of system do you use to employ or to award contracts? Is it just based on price, or is all the other factors included?

Mr. Sanders: — If I could answer one of your first questions, your reference to Nuna, they are the contractor that did do the cover for the Lorado site. I'm not aware of whether or not they would be bidding on future work at Gunnar. I expect there will be a number of companies.

The SRC does have a policy, and you'd have to ask them specifically what that is, but I do know that they have a rating system which includes contracts with local population and businesses to try and maximize benefits in that region. I know at Gunnar so far we have also trained some people in the area for asbestos abatement when the townsite came down and some of the other activities . . . And then I do know that Nuna also hired a fair amount of local people in their truck driving and actually did some training in that area.

So we are, through that process, attempting to do what we can to try and maximize the benefits in the region. But at the end of the day, it is also a cost-driven exercise as well.

Mr. Belanger: — Yes. No, I appreciate that the cost-driven exercise is probably the fundamental argument, one made to manage the costs of the project. It's no question about that.

So I guess my only question is, a guy like me coming along as the MLA [Member of the Legislative Assembly] for Athabasca and a lot of companies approach me and, you know, they want obviously our support. And I tell them a lot of times, it doesn't really add too much, but certainly I'll give you our support on that front.

And our primary goal as the MLA for the area is to maximize benefits to the region because obviously number one is to clean up the site right. And so we have the argument, people will say well we're using a lot more Athabasca Basin employees. The ownership of the company is much, much closer to the Indian bands and the municipalities in the basin. You know, we have a number of projects we've successfully completed, so all these arguments are forwarded to me on numerous occasions about the value of some of the companies within the basin.

Now all I really want to know is that does SRC have the final authority as to who they award contracts to? Who would be the contact person? And are we privy as a government or myself as an opposition MLA, are we privy to the schedule of work and opportunity coming or being scheduled for the cleanup?

Mr. Sanders: — I would make the observation that SRC does do a very strenuous job in trying to ensure benefits to the basin including going out well in advance of their work, explaining what the nature of that work would be. They've actually changed contract parameters to be able to look at what businesses might be able to do where they are limited in their scope of work. They've been doing that actually for the life of the rehabilitation that's going on over the last number of years. But if you do require a contact from the SRC, then I would recommend Joe Muldoon, vice-president of the SRC.

Mr. Belanger: — All right, thank you very much. And I did indicate I was going to bounce around, so we'll go right from the Athabasca Basin to the notion around the commodity prices. I just want to point out obviously we're a commodity-driven economy, and there's a lot of questions on how we can do

things better. But I really need to ask particularly the revenues for each of the commodity, and if I can get a breakdown of the revenues. I'm hoping to have a breakdown on the taxation versus the royalties. And if you could be as specific as you can around the area around potash as one, uranium being the other, oil, gas, coal, and industrial and metallic minerals. Those are the six areas I wouldn't mind getting a breakdown of the taxation and the royalties that the province receives from each of the categories.

Mr. Pushor: — Thank you very much. At a high level I could tell you that — get my columns lined up properly — in oil we were forecasting just over \$500 million in revenue across a variety of the streams there, plus 36 million in Crown land sales. We have nine and a half million dollars in natural gas royalties. Potash is forecast at \$420 million for this year, uranium at 140. Then we have sodium, coal, and other resources at approximately \$30 million.

Mr. Belanger: — Would I have access to get your table there? Is that possible?

Mr. Pushor: — Yes, we can share our information with you.

Mr. Belanger: — Getting back . . . and the breakdown that I'm getting from you in terms of the chart itself, it would break down the royalties and the taxation that we would receive from each of those sectors. Is that fair?

Mr. Pushor: — Pardon me. Sorry?

Mr. Belanger: — If we are able to get a breakdown of the royalties versus taxes from each of those sectors from that information you're going to send over? Does it break it down there?

Mr. Pushor: — I believe so. I believe it's in the budget documents, but we'll either get you a reference or some more information.

Mr. Belanger: — Just to remind you, I'm just a hockey player dabbling in politics, so I'm not an analyst on the resource royalty regime. But I think it's important that we break that down because it's quite important from a perspective that we understand where each of the revenues are coming in.

On the oil sector itself, can you break down how many barrels of oil were produced in the last year and how many wells were drilled, say, versus last year, a comparison? Are you able to share that with us?

Mr. Pushor: — We produced . . . I can take you through. Historically we produce up to about 160 million barrels of oil annually. In '12, '13, and '14, that grew to about 183 million barrels of oil. It's come back into the mid-170's and is forecast this year in the low 170 million, 162 for '16-17.

Relative to wells, we peaked at about 3,500 wells in that same period of time, around 2014. And we're forecast to drill about 1,700 this year.

Mr. Belanger: — So it's almost in half.

Mr. Pushor: — Well in addition to drilling activity though we're seeing a continued shift from actual well drillings to more enhanced oil recovery projects. So Husky's moving in some of their thermal projects, as well as we're seeing some waterflood and other initiatives out there. So we think there would be a natural evolution away from a well count necessarily being the best indicator of overall activity in the oil sector.

Mr. Belanger: — So you're seeing a transition of less wells drilled and more of enhanced oil recovery.

Mr. Pushor: — Right.

Mr. Belanger: — And how long would you think that process would take? Like being, you know, relative to today's costs and so on and so forth.

Mr. Pushor: — Well historically, the industry was spending maybe up to \$3 billion in the '10-11-12 period annually. And it peaked in 2014 at 6 billion. Last year we came back to about three and a half billion in spending and we expect it to stay around there and grow out. So overall we've fared well in terms of the overall capital investment. We would anticipate, subject to economic conditions, good stable, steady investment, and growing as profitability drives those investments.

[15:45]

We do know that companies are increasingly interested in the EOR [enhanced oil recovery] projects in the province. They have very good operating costs. And with some lower costs now, it's a pretty attractive environment to move forward. So it's really about managing their balance sheets as they look at what is an appropriate expenditure level for them in these conditions.

Mr. Belanger: — That would be an interesting development because obviously, you know, enhanced oil versus drilling new wells, there's probably a lot of science to it. And it would be nice to understand a bit more of that. Like are you getting any advice separate from industry? Because obviously industry would be the lead on this. But any advice internally as to what opportunities or what threats or what potential environmental risks like, for example, fracking? There's all these different issues that are out there. And I'm not sure if it's related to enhanced oil. But are all these issues kind of put together in some document for us to understand better as a government?

Mr. Pushor: — I'm not sure we have a single document, but we could reflect on what information we could share. Certainly we collaborate with a number of people in a variety of spaces, regulators in other jurisdictions, the Petroleum Technology Research Centre. The SRC does work with us in some areas we have questions of. And of course industry has a significant body of technical knowledge of their own. That, combined with the talented people we have within our petroleum and natural gas division, allows us to make a good thorough consideration of any new technologies.

We are informed by practices in many other places. When you think about things like horizontal drilling, there's been a long history of it. We've been pioneers in it and think done a very, very good job. The type of horizontal drilling and

multi-fracking that's occurred in this province has been done very, very safely. We have really no documented incidents of a problem from a fracking operation in this province, and we think that's a real testament to the quality of our industry and the quality of our regulatory regime.

In addition to that, when we think about some of the thermal projects, there's a long history of SAGD [steam-assisted gravity drainage] developments in many other places. So there's a body of expertise that's available to us, and we draw on that as we examine what is now much smaller scale SAGD operations in those thermal projects. And so we are very collaborative both in the province and beyond, and of course very collaborative with industry as well.

Mr. Belanger: — Thank you for the information because we are certainly interested in some of those aspects of how we extract some of the minerals and commodities throughout our province. This stuff obviously takes a lot of thought, no question about that. I just wanted to reaffirm. I might have missed writing it down here. But the royalties you got from coal, could you repeat them again please?

Mr. Pushor: — I'm sorry. I'm not going to reveal information from coal. We only have a single coal producer in the province, and we're obligated not to reveal specific company information.

Mr. Belanger: — So my trap didn't work.

Mr. Pushor: — Nice try.

Mr. Belanger: — Nice try. All right. I just wanted to again go to potash as well. There was a significant expansion assumed last year for Mosaic, Agrium, and PotashCorp. So what's the general thought or attitude now within industry and, you know, based on the Economy department being engaged?

Mr. Pushor: — Well I think in relation to potash, when you do mine expansions, you don't do it incrementally. So it's always a big step in productive capacity, and then you build your volume of production and sales over a period of time. And we're certainly at the early end of that in terms of how long it might take to absorb that production.

We continue to work very closely with those companies around what their expectations are in regards to sales. Potash historically has seen volume increases that are very incremental. They grow approximately 2 per cent a year when you look at it other than the odd interruption in that. And so looking forward, we remain optimistic about the long-term potential for potash. There's always some corrective activity around expansions when industry, the global industry has capacity brought on, so we'll see how it unfolds over the next little while. But we envision a slow, steady growth in overall market volume.

Mr. Belanger: — I just want to correct the record again, and again this is from my recollection and it's fading pretty steady. But how many years supply do we have of potash in the ground from the provincial perspective?

Hon. Mr. Boyd: — It would probably be in excess of 100 years, depending on the rates of recovery of it and the economic return on that, but a considerable amount.

Mr. Belanger: — Now under that scenario, we have potash and a lot of it. We see growth in the industry of 2 per cent as indicated, and that there's a lot of interest worldwide in our potash. And one of the things that was discussed was the royalty. And I understand that there was a review initiated last year and the Premier put that on hold. So the review of the royalty regime, so to speak, how long . . . How far did we get down that path, and what was the response from industry at the time, and where is it at now?

Hon. Mr. Boyd: — I would say that we're still moving forward in a, I guess a kind of a gradual way with respect to it. The industry representatives have been very good to work with on it, I believe, and we will at some point in the future want to, a little more aggressively, have discussions about this. But there's been ongoing discussions and . . . But at a time when we're seeing prices that are as low as they are, I think it was felt that it isn't the right time to make significant changes. But there is still the option and the will to move forward at some point in the future.

Mr. Belanger: — Yes, and that's always the million dollar question. I should say billion dollar question because obviously what happened with Stelmach in Alberta in which the oil sector basically went on strike out there in Alberta, investment came into Saskatchewan because Stelmach was asking for a review of the oil royalties. And all of a sudden, we seen companies come here en masse. And it wasn't one of your speeches, Minister Boyd, that brought them here.

But anyway, for the record, I think there was some very glowing comments and some very, very proactive statements about the value of Saskatchewan and the royalty regime that we enjoyed at the time, in which the oil patch basically went on strike in Alberta and came to Saskatchewan. And obviously Alberta has much less of, as one example I would use, an overburden on property. Their oil deposits were much easier to access than Saskatchewan was, so we had a different land dynamic as well. But even despite that, we saw good investment in the oil sector moving from Alberta into Saskatchewan.

So obviously now we have a potash issue. So when and where do we draw the line around getting a fair return for the resource base in our province versus attracting investment to develop the resource? Because obviously the people of Saskatchewan want both the investment and they want the royalties. So the Premier did indicate that he wanted the review to continue. How long would you see the review being put on hold and actually coming to completion?

Hon. Mr. Boyd: — Well I would say that's, you know, a very complex discussion that I think we will just say that there's ongoing discussions, and that'll continue for some time in the future until the decision is made to actually, you know, move forward in a more aggressive way. I think there's, and I think you would appreciate this, there is a delicate balance always between an adequate and fair and reasonable rent or royalties or taxation being paid to the people of Saskatchewan through companies, and whether or not you can continue to attract investment. There's a real fine line in there. And if you get it right, well you start to see more investment flowing in your direction, and if you get it wrong, you start seeing investment flow elsewhere because capital is movable.

Companies look for a few things: where they can get a good rate of return, where they feel the environment, the economic environment that is, is such that they feel that they're welcome, a few things like that. And I think if our government has done anything positive, it would be, I believe, we've been able to continue to assert that Saskatchewan is a good place to do business. And companies have responded in a pretty good way.

I'm not sure . . . I think many companies would probably bristle at the discussion of, they went on strike in Alberta. I'm not sure they did that. But I would just say that they felt that, you know, there was opportunities perhaps elsewhere, or they pulled back investment even within that province, just set it aside for a period of time. But we've benefited I think to some degree from that in Saskatchewan, and certainly that's been helpful.

We're now into a bit of a significant downturn, but we're starting to see a little bit of hopeful signs I think that are somewhat positive. If you look to just a few days back, the senior people from Raging River were in the legislature, and they were introduced with a very significant program that they're going to be moving forward. You saw that just last week with the principals from Crescent Point here in Saskatchewan as well to talk about their investment and the amount of investment that they expect to make on an ongoing basis here in our province.

So while, you know, while we don't want to boast or take credit for the speeches that we give, I think the Premier's been fairly successful, I would argue, in terms of pointing out Saskatchewan as a good place to invest, not just here in Saskatchewan but on the national stage and even to some degree on the international stage. And I think many oil companies would certainly support that view if you asked them directly what their thoughts are on Premier Wall's advocacy for the industry.

Mr. Belanger: — Just on the royalty rates that are in place now, how long have those rates been in place and has there been any changes since then? Could you give me the date?

Hon. Mr. Boyd: — We'll get the date for you. I don't know off the top of my head what it was. It's been in place for some period of time.

And you know, back to the . . . And I think when the Saskatchewan Mining Association had their Mining Week here in the province, I think we had the opening of it right here at the legislature just down the hall from here, and the former minister, Eric Cline, was there. And I gave him credit for the fact that he made some pretty positive changes to the structures at the time that I think set off some of the investment that we see in Saskatchewan today.

So you know, it was a positive step, and I think it has helped. And we've continued on that train to continue to see that investment here in Saskatchewan. So not all things that I would agree with that may have happened back then, but those were some positive ones.

Mr. Belanger: — Yes, the minister's being evasive in basically indicating that the royalty regimes were established under the NDP [New Democratic Party] government of Lorne Calvert.

And I constantly remind the minister in the Assembly, don't mess with success. And so I would urge the minister to be careful when you look at the royalty review. Obviously this is . . . as you indicate, capital is fleeting, and capital will go where there's the opportunity. And we have to compete with the rest of the world. We understand that very clearly and very completely in the opposition benches.

Obviously you look at the work that minister Cline completed. It was certainly a . . . The other players that were involved at the time was minister Lautermilch and minister Sonntag. And today we see the value of listening to some ministers that are very capable and sincere in their duties. And I would say that the most difficult thing that we have to deal with now is, even with the downturn in the oil economy, is how do we kind of match that commitment and get the record investment that the province has enjoyed and benefited from, from some previous decisions made by previous governments.

That being said, I want to shift . . .

Hon. Mr. Boyd: — I would agree with that. I would definitely agree with that. I believe there were changes made in the structure in 1999, in 2001, in 2003, and then in 2008. So some of those changes were made under the previous administration, and some of those changes were made under ours.

[16:00]

Mr. Belanger: — I want to shift gears here to the abandoned oil wells, if I can. How many oil wells were abandoned in '15-16, and what is the total overall amount of abandoned wells do we have now in the province?

Mr. Pushor: — We are just going to try and track down specific numbers for you. We are about, I think, the third or fourth year into the orphan well program in the province, so it's been ramping up steadily. We saw a very good relationship with industries since they are bearing the cost of it. The fund is in place. We are continuing to release contracts to abandoned wells. I want to be clear that you are asking about orphan wells in particular, because companies, viable companies, also properly abandon wells. We are talking about wells that have been orphaned for whatever reason where there's no longer a corporate entity to pursue. And that fund continues to grow and develop, and we should be able to track down those numbers very shortly for you.

So let me just perhaps explain a little bit about what happens. So you can have a well that is an active well but isn't producing. You can have a well that's been suspended and isn't producing but has been put in a category of suspended. And then you can have a well that has been abandoned properly by a company, and it's abandoned. We both approve them to do that, and then we also approve, at the end of it, that it's been done properly. And then you can have a well where the company is no longer in existence, and there's no corporate entity to pursue. That we call an orphan well. We typically evaluate those wells as to whether or not they should be abandoned and work with industry who help us manage the orphan well fund that industry pays into to cover the costs of those orphan wells. And then we release contracts to go ahead and do the proper formal abandonment of those wells, so that it's properly reclaimed and

shut in.

Mr. Belanger: — Yes, and thanks for the explanation. It's quite important for people to know the difference between abandoned and orphaned. And when you look at the abandoned wells, I'm assuming that basically the well has extracted the oil resource to an extent where it's no longer viable to do any more operations, so they cap it, and then they simply abandon it based on your directives and standards. But how much would be spent on remediating these abandoned wells? And you said the industry pays for that out of their own cost. And what do you do when you abandon the well? Like, what are some of the basic directives from government to industry?

Mr. Pushor: — Perhaps Doug could come up and talk about some of the different technologies. It very much varies from well to well and the nature of the well. I would just preface Doug's comments by saying that just because a well is inactive does not necessarily mean a company is going to abandon it, particularly in relation to EOR now where companies are relooking at those to say perhaps it becomes an injection well for an EOR project. Or with other EOR activities, you might be able to bring that back into production.

There's also wells that are suspended for purely economic reasons. They're producing at volumes that, at this price, the company would rather hold the resource which, frankly, is good for the owner as well. So there's a variety of decisions around the status of a well, not just we got all of the oil out of the ground. But Doug can talk about some of the technical options for abandoning a well.

Mr. MacKnight: — There are two concepts when it comes to abandoning a well site. There's first the actual downhole abandonment of the well, where you plug it and you cut it off below the surface and you secure it. And then the other process, which is just as important, is the actual reclamation of the land back to its previous state. So those two aspects, we generally use the term abandon and reclaim.

In respect to the orphan well program, we're currently booking liabilities on average of 55,000 per well site. We're looking at that, but we think that with the cost coming down because of the current state of the industry, we're probably still in the right space.

It's important to note, once you get in to start abandoning a well, you can discover things that disrupt the average, so to speak. So there's site assessments done before that. And so it'll go up and down depending on the type of the well site, the kind of reclamation, whether there have been some spills on the site that require remedial work, if there's salt, which is problematic, those kinds of thing all go through it.

We actually don't do the abandonment ourselves. All of the abandonment work is tendered through companies that do that for a living. But there is a third-party environmental assessment at the end of the process before we will sign off. Now the sign-off itself is through what's called an acknowledgement of reclamation. Generally that won't go out for three to five years after, until we're sure the site's back to its former state. That's generally the process.

Shallow gas wells in sort of the southwest area, they can be abandoned. The deeper the wells or if there's something complicated, the price can go up. And as I said, we're averaging around, currently average for liability about 55,000.

Mr. Belanger: — Basically then the process of a company saying we're prepared to abandon this particular well, you're saying that it could take anywhere between three to five years to have the government sign off on it.

Mr. MacKnight: — Right. I'm talking . . . The first conversation was about the orphan well fund itself and where we do it. But the companies themselves generally do that work. We've got only about 100 orphan sites on our ledgers right now.

By and large, the predominance of the sites are done by the companies, and they will go in. They'll — what's termed — cut and cap it, plug it downhole. There's some requirements related to cementing. And then once they're done that, then they have to reclaim it using again third-party assessments by environmental companies, submit all the evidence. We review that evidence. We may in fact order, and we often do, additional work, and then we'll issue the abandonment AOR [acknowledgement of reclamation].

Why that AOR is important is because once the AOR is issued, the company's liabilities ratings in our system get better, and that's important to them.

Mr. Belanger: — I guess last June we did ask — going on the orphan wells issue — last June the ministry was asked whether you had sufficient resources to deal with all the orphaned wells. And I'll quote: "Well we're comfortable with where we're at in the implementation of our work in this area. We, I guess, a year and a half ago implemented a new levy for all regulatory oversight, where industry's now paying 90 per cent of the cost of regulatory oversight." Is this still the position of the ministry?

Mr. Pushor: — Yes, we continue to levy the industry for 90 per cent of the cost of our regulatory oversight. I would say that that does not relate to the orphan well fund though. They make a separate levy allocation on an annual basis for the orphan well fund itself.

Mr. Belanger: — I just wanted to clarify that. The other point, when you mentioned . . . again I'm bouncing around on these wells. Now you said there was some wells that are orphaned and others that are abandoned. And say I'm company A and Belanger's oil company has four or five wells drilled. And I'm saying I'm not going to use those wells right now because the price is too low, but I'm looking at coming back later and doing this when the price rebounds, or we look at the injection of the carbon or the gas and try and extract more oil from that process. Is there any renegotiations of the royalty regime with me as a company, or is it pre-set?

Mr. MacKnight: — How this group handles the royalties . . . but I would say that you're talking about a couple of different things, and I'll let Hal clarify the royalty thing.

First of all, the orphan well is just the fact that we have a

licence, and we don't have an owner if you will. It's gone. And in your case, Belanger oil, you're still around, and you're still interested in that asset. We really do . . . You know, the company's invested in drilling that hole, and unless there's some compelling regulatory reasons like surface venting or some kind of problem to the environment or the reservoir, we, you know, will not go in and tell you right now to abandon your well. You know there's got to be some regulatory issue. If you're going back in and redoing something with the well, then that may have some royalty implications and tax implications, and I'm going to turn it to Hal to take a shot at that. Again I'm the regulator. He does the royalty tax.

Mr. Sanders: — So there are a number of different categories of royalties and taxes that apply to different wells in the province. A lot of them are based on time that the well was drilled, and then subsequent to that, where you are doing certain activities at the well site, that might trigger a different royalty regime. For instance, if you were going to go in and do an enhanced oil recovery project that demanded a substantial capital investment, you might fall under a regime that allowed you to recover some of that capital cost and have a lower royalty rate until you'd recovered the cost. And then at that point the particular royalty curve kicks in.

So it is true that . . . You have a well. It's drilled initially. You fit into likely a date-specific royalty regime. And then after that, it's really about what happens to that well over its life and whether or not you're doing other activities.

Mr. Belanger: — It really is more date specific as opposed to the price of a barrel of oil, as an example.

Mr. Sanders: — It is date specific, but there is also a formula-driven royalty and tax rate for oil and gas wells. For every 10th of a cubic metre of oil produced out of a well in a month, you actually fall at a different part of the curve. As well in your formula which, although the formula doesn't change every month, you are looking at the previous month's price of oil, and that is built into the formula for what you will pay the next month. So every single month, there's the potential for the actual royalty curve to change, based on the price as well as the volume of production.

Mr. Belanger: — Again just shifting gears a bit. Thanks so much for the information. I can see it's obviously . . . There's overlapping regulatory processes. There's industry versus government. There's different price scheduling. There's different roles and responsibilities for different parts of the oil and gas industry. It becomes a very complex file to handle after a while. But we still had a good royalty scheme a number of years ago that served us well. Just for the record, I want to put that in.

Going back to the potash again — a 100-year supply and the amount of people working within the potash industry itself is impressive. The investment is obviously encouraged. And you know, through time I think that the potash mineral that we enjoy will serve our province and our people for years to come, and it gives a lot of us a lot of comfort knowing that it's there. But in today's date could you give me an update on the BHP Jansen potash mine project? Where are we with that?

Hon. Mr. Boyd: — BHP has indicated to us that they are still moving forward with the completion of its surface shafts and installation of surface infrastructure and utilities at the Jansen project. Work is scheduled to be completed in 2017, that particular work. BHP has committed about \$3.8 billion to the Jansen project including 2.6 billion announced in 2013. BHP is expected to spend about \$200 million at the project in 2016.

Although BHP has not made a formal decision to complete the mine construction, they continue to invest and move the project forward. A formal decision may not come for several years. If the project is completed, it'll be the world's largest mine, employing up to about 1,000 people. So I would just say this: when we meet with the officials from BHP — and we did just recently — they've always indicated that this is a priority project for them. But still the final, final decision has not been made with respect to it, though I think we're getting closer and closer. But they've invested a tremendous amount of money in it, so one would assume that they're pretty high on it.

[16:15]

Mr. Belanger: — Well obviously from our perspective, there's no question that the Jansen potash mine project has got to proceed. It's an important investment for our province, and we need the jobs. We need the investment, as I indicated from time to time. And certainly I think the people of Saskatchewan would want to do everything that's encouraging for the company to do move forward. One thousand jobs is an impressive investment into our economy and to our province. I would ask, what's your level of confidence that this is going to proceed?

Hon. Mr. Boyd: — Well it would be the decision of the company themselves. I guess I would say I'm optimistic. I think when someone like BHP has committed, you know, \$3.8 billion of investment, it's pretty likely that they feel that this is a pretty important project. They still are employing a lot of people here in Saskatchewan.

I think they all — when I say all, potash companies in general — I think they look at the world market growing at about 2 per cent or maybe 3 per cent a year. And that's on, you know, on the worldwide scale. That's not just sales out of Saskatchewan, but 2 to 3 per cent on the worldwide basis is what the market grows at.

So you can tell after not too long a period of time, there's a need for significant, additional capacity to come on stream. And they look at that versus the amount of consumption that's taking place. You know, they're pretty good at projecting what they feel is going to happen. They look at their site. They speed up. They slow down depending on market conditions and all of those kinds of things, hoping to time their entrance into the market, time their production with their entrance into the market into a time when they feel will be, you know, beneficial to them. And I think that's probably no secret that that's how they evaluate these things going forward.

But they have significant investment there. You know we certainly continue to encourage them to move forward. They seem to be of the opinion that that's the direction that they're going.

Mr. Belanger: — Just as a minister, do you see any major changes in the planning or the schedule or any of the comments being made there? Do you have any worries on that front?

Hon. Mr. Boyd: — Not really. They update us on a pretty regular basis, BHP does, about what their thoughts are. They've committed, as I said, about \$200 million to be spent at their project this year in 2016. That's a pretty healthy level of investment. They continue to employ significant numbers of people, but they've also, you know, turned the dial back a little bit respecting where the prices are at the moment.

Mr. Belanger: — Yes and that's certainly ... the latter comment is something that of course is concerning to me. I just point out that this kind of investment into potash is very, very necessary and that we're paying very close attention to this file. We do need this project to proceed.

Hon. Mr. Boyd: — Well keeping in mind of course that this is an international business, that the potash business ... We are not the sole suppliers of potash to the people of the world. We compete. Saskatchewan, that is. Saskatchewan-produced potash companies compete with companies all over the world. You know, the changes in currency can make quite a difference. The decline in the ruble in Russia has made a fair difference there where their potash is pretty cheap now, and so they're selling increasing volumes. And we have to keep in mind that those kinds of things happened.

There's all kinds of geopolitical things that are out there that are a part of the decisions that these companies, global companies make when they decide to invest. And far be it from us to, I guess, second-guess them. I would just say that with that level of investment, I think ... I'm an optimist and continue to be optimistic that this project will be producing at some point in the future.

Mr. Belanger: — Well if you'd look at the market demands, they indicate between 2 and 3 per cent. It's probably 1.68 in the east Asian market demand and 1.76 per cent in the mid-Europe demand. These are some of the cycles that we see happening.

I'm just kidding. I don't know that for sure. I just wanted to make sure if I could confuse the officials. I had them confused for a minute.

Hon. Mr. Boyd: — You had everyone confused.

Mr. Belanger: — But the demand, the demand itself ... You would assume that these projects have the market for it just based on the demand. And that's why I keep emphasizing that. We can bandy about figures here left and right until the cows come home, but the fact of the matter is, as a province, the demands are there. The company's here. The product is here. And by all logical sense, we should have this Jansen mine project proceed.

Hon. Mr. Boyd: — I would agree.

Mr. Belanger: — The final area I want to spend a bit of time with is around the notion of again the potash industry, the drilling area around Rocanville. As the minister is aware, there's been some issues around ...

Hon. Mr. Boyd: — Restricted drilling area, are you referring to?

Mr. Belanger: — Rocanville.

Hon. Mr. Boyd: — The restricted drilling area?

Mr. Belanger: — Yes.

Hon. Mr. Boyd: — Yes, okay.

Mr. Belanger: — Could you give us an update on the efforts to resolve the issues around the potash restricted drilling area around Rocanville? Because obviously it's been an issue that I think . . . as a ministry you went out there to visit with the people in the restricted area. There's been a lot of discussion, and I'm not certain there's any lawsuits in place now. If there is, can you give us an update on that? Could you just give us a brief synopsis of what's happening around the restricted drilling area around Rocanville?

Hon. Mr. Boyd: — Well I would just say that this is a pretty challenging discussion. It's been ongoing for some period of time. There are some lawsuits, so we're a little bit restricted in perhaps what we can say. I have been out there, several years ago, and met with some of the producers. I think they've been here at the legislature, on at least one occasion that I can remember, to have some discussions around that.

It all, I think, relates to the whole discussion area of oil and gas development moving towards where there's mining operations. And so it's certainly I think a pretty challenging discussion with respect to that, so we have to respect the fact that, you know, landowners may have one view, and others may have another view, and that's why I think there's a . . . You know, the courts are engaged in the process now.

Mr. Belanger: — Yes, and that's a tough one because I think the vast majority of people, as we've indicated, and even the people in the Rocanville area, I think they all want to protect the potash industry. They understand the importance of doing all they can to enhance and encourage potash development. And so I think they're taking a very responsible position. It's just a bit frustrating the fact that . . . you know one of the things that they assumed would happen very quickly was that they'd see some resolution and leadership, not necessarily only from yourself as the Minister for the Economy but certainly, you know, from the government overall. And I think they have been basically been very patient. And the update that you provided, there's a lot more at stake and a lot more people that are asking a bunch of questions on this.

What would be your time frame or what would be your confidence level in having this thing resolved within a reasonable time frame?

Hon. Mr. Boyd: — The restricted drilling area has been reduced a little bit over the last little while. I think that was perhaps seen as a positive step. However it's difficult to judge, when you get into these kinds of situations where there's court actions, how long these things are going to take. I don't know whether anybody knows the answer to that question. I would just say that we remain optimistic that some kind of a positive

resolution can take place here.

Mr. Belanger: — And my final question, before I turn it over to my colleague, is that this is going to be a tough one because a lot of the landowners certainly want to exercise their right. If they can't exercise their right for mineral rights, then obviously there's got to be some resolution and some leadership provided by the government to resolve the situation. It cannot continue to sit where it's at. At the same time, they're doing their part to protect the potash industry's interest in that area, and that's why it's important to point that out.

And the final question I have for you is really around *The Provincial Lands Act*. What I think is happening with *The Provincial Lands Act* is that . . . I was a bit confused as to why the Ministry of Agriculture was proceeding with that bill, *The Provincial Lands Act* bill. It's always the old argument that's been around for a long time.

I would assume *The Provincial Lands Act* would be either part of the Ministry of the Economy or part of the Ministry of the Environment, but I was a bit surprised to see *The Provincial Lands Act* come through the Ministry of Agriculture. And I guess my argument is that obviously one would assume that the department of the Environment would lead *The Provincial Lands Act* process, if not the Ministry of the Environment, well maybe secondly the Ministry of the Economy. But low and behold, the Ministry of Agriculture's bringing forward the lands Act.

So I guess I would ask the question: what is your relationship with Agriculture when it comes to the disposition of land or the disposition of minerals, disposition of other assets such as forestry? And again could you clarify in that relationship — and I still can't understand — why the department of Agriculture is leading *The Provincial Lands Act* and not the Ministry of the Environment or at the very least the Ministry of the Economy.

Mr. Sanders: — So if I could respond, I understand that both the Ministry of the Environment and the Ministry of Agriculture administer *The Provincial Lands Act*, and it was just probably a toss-up on which one would move it forward. But essentially they are both administering it as surface land agencies.

Our ministry focuses on the mineral rights aspect of it. And we certainly do have a process where we deal with them on all of provincially surface-owned lands in our process for things like well licensing and some other activities where, for instance a mine site, where they have to approach both us for the mineral rights, and then the surface-owning agency for surface leases to be able to carry that out.

So we have a relationship with them, but when it comes to activities around the division of land, we would deal specifically with the mineral rights aspects. Either the Ministry of Agriculture or Environment would deal with the surface rights aspects.

Mr. Belanger: — And the reason why I'm . . . Just for the record, I want to state that I just find it awkward, and I also find it concerning that the . . . And I say this in all, you know, with all level of care and regard and respect overall for the agricultural community. But it's a one-dimension industry or

one-dimension department, Agriculture is, whereas the Department of the Environment has many different aspects attached to it. So for them to lead the file on *The Provincial Lands Act*, it kind of worries me to a certain extent, saying, well why are they the lead? Why are they the lead?

And I understand now your relationship with the economy. But one would assume, given the cabinet makeup and the constitutional obligation, I guess, of the Department of the Environment, whether it got some autonomy afforded to them through the makeup of our governments, why they are not the lead on this land bill? I think it should be the Department of the Environment that's the lead with collaboration from Agriculture and collaboration from the Economy committee. So I just want to enter that into the record. I just find it strange that, Agriculture leading that file.

[16:30]

Hon. Mr. Boyd: — I would just say, Mr. Belanger, that there would have been considerable amount of collaboration between Environment and Agriculture with respect to this. And obviously at some point, the decision was made to put it in the hands of Agriculture to move it forward.

The Chair: — Ms. Rancourt, you have some questions for the minister. Go ahead. You have the floor.

Ms. Rancourt: — Yes, I do have some questions. And I want to first of all thank all the ministers and the committee members for attending and allowing me an opportunity today to ask some questions with regards to the forestry industry.

The forestry industry is the second largest industry in northern Saskatchewan, and I'm sure you've heard me say in the House a few times how if northern Saskatchewan is doing well, Prince Albert is doing well as well, you know. So I feel really passionate about making sure the forestry industry is going well, and I'm looking forward to learning more about what the government's position is on trying to strengthen the forest industry.

So first of all, if we are working on increasing forestry development, I was just wondering why was there a decrease in funding from this budget from the last budget. Can you explain the reason for the decrease?

Mr. Sanders: — You're referring to that we had a couple of vacancies in a very small group in our forestry development branch. It actually did not change the focus of their operations or impact their service delivery to industry. It was really just operating dollars that were not being used by that particular branch.

Ms. Rancourt: — Thank you. Part of the government's plan is to continue to exceed year-over-year timber harvest levels with the target of 50 per cent increase by 2020. Is this plan still being followed through?

Mr. Sanders: — It is, and we are on track. There have been some fluctuations, but year over year we are seeing an increase in our sales of forestry products.

Ms. Rancourt: — What was the timber harvest levels in 2015-16?

Mr. Sanders: — I have numbers up to '14-15; I do not have '15-16 yet. But we went from 2008-09 from an actual harvest percentage of 15 per cent, today we are at . . . or at least in '14-15, we are at 41 per cent. And that number, I believe is higher than that today. So there are a considerable amount of mills operating and forest being harvested today.

Ms. Rancourt: — Do you have an estimated level for 2016-17?

Mr. Sanders: — I do not have it with me, but certainly we could provide some projections.

Ms. Rancourt: — So what work is being done in terms of developing a multi-year investment attraction plan to ensure that the forestry sector remains competitive globally, and to increase the export of forest products?

Mr. Sanders: — There are a number of different activities that are going on. Certainly there is an officials' committee meeting with all of the forest sector companies in the province. We have a competitiveness committee where we are looking at how we can improve the competitiveness of the forest industry, and that has been in operation for in excess of a year and is making progress on some of our issues around costs and how to reduce some of those costs.

We continue to look at opportunities for making available wood supply that is not otherwise allocated as well. And then two years ago we introduced a new stumpage regime, which also was through considerable consultation with the industry and also is designed around the competitiveness of the wood, and being able to operate within the parameters of a profitable company.

Ms. Rancourt: — Do you have an idea when you plan on having a meeting to consult with the other agencies?

Mr. Sanders: — I'm sorry, consult with agencies on what specifically?

Ms. Rancourt: — You were saying that you were going to work with other agencies to develop this plan.

Mr. Sanders: — I must have misspoke. I was pointing to the number of activities that we already engage in, the fact that we do meet with companies. We meet them right now on a quarterly basis where we're going through some of their competitiveness issues. And it's met with also multiple agencies of the government, including Highways and our Environment ministries, to make sure that the government is coordinated, as well as industry issues are brought to the table. And we look at how we might be able to address them.

Ms. Rancourt: — So one of your plans in your economic plan for 2016-17, it says, "Increase forestry sector investment and export of forest products." So what will be the goal for this plan?

Hon. Mr. Boyd: — I don't know whether there was any specific targets around that in terms of percentages or things of

that nature. I think the good news is though that we see that there is some additional investment taking place here in the province of Saskatchewan. In 2010 for example, the level of investment was about \$225 million. This past year, 2015, it's about \$431 million of exports of products. So there's been pretty considerable growth in the export value of forest products out of Saskatchewan since 2010 when we saw, as a result of a very, very significant downturn in the American housing market . . . And we've gradually grown from that.

And I think the companies have, when I say companies in general, have done a pretty good job of expanding their markets. It was primarily an American market before. Now it's American and offshore markets that I think have really helped them pretty significantly. Most recently we've seen expansions at Edgewood and others, so I think we're definitely seeing increased levels of investment, increased levels of exports from Saskatchewan in the forestry sector. We're quite encouraged by that.

I just had a meeting here just recently with some of the forestry companies and they seem, I guess I would say, cautiously optimistic about the future. All of them, as a result of the downturn in 2009-2010, have all worked very hard to drive some of their costs down in order to be able to be competitive on an international basis.

Ms. Rancourt: — So you talked a little bit about more export and maybe the difference in prices. Has there been anything else that's been helping currently with the increase?

Hon. Mr. Boyd: — Well we've seen a little bit of a pickup in the marketplace in the US [United States] market. For example, in 2010 there was roughly 500,000 housing starts in the US. In 2016 it's probably just about 1.4 million houses are expected to be built in 2016, so very significant rough numbers, just about three times what we saw in 2010. So that really, really impacts upon their sale opportunities.

Ms. Rancourt: — Another one of your plans in the Ministry of Economy plan for 2016-17 is to ensure regulations foster a business climate conducive to successfully operating in a globally competitive environment. So what regulations need to be changed in order to have that happen?

Hon. Mr. Boyd: — Well we are always working with the industry with respect to that. Their big concerns are maybe not specific to our province. Their big concerns are around currencies. Their big concerns are around softwood lumber agreements, things of that nature.

When they get a little bit more specific with Saskatchewan, they're around trucking regulations or around highway constructions and weight restrictions, things of that nature. Some of them are municipal regulations that they are working with. Certainly stumpage costs and things of that nature are always on their minds. They're always interested in the forest management agreements and what might be possible there. I think they take a pretty long view of their company's viability, and so they're always working to enhance some of those things for their specific companies. And that's probably no surprise to anyone.

Ms. Rancourt: — Has there been any certain regulations that have been perhaps preventing us from being competitive in the global market?

Hon. Mr. Boyd: — That have kept us from being competitive? I don't think you can point to anything that is a big impact. I think you can point to things that they're always concerned about. As I said, I think their biggest challenges are around the traditional markets, the American housing market which has grown pretty significantly but still hasn't come back to the levels that it once was. You know, currency values are important to them. A change in the Canadian dollar relative to the American dollar is a pretty significant driver for them as well.

On a specific thing though, I guess I would say the one that we hear quite a bit about from them is around trucking regulations and things of that nature. Transportation costs are a pretty significant part of their overall cost structure, so that's always a concern to them. We talk to companies about, you know, different axle configurations and things of that nature to perhaps help with respect to that. I think they're always concerned about possible other capital areas that they might be able to invest to enhance their operations — biomass, things of that nature to perhaps produce some of their own power. Some of those kinds of things would be the things that we would be talking to them about when we have discussions with them.

Ms. Rancourt: — And has there been any specific regulations that have been changed recently?

Hon. Mr. Boyd: — There has been discussions about it. I can't think of one off the top of my head that has been changed with respect to it, but I would just say that certainly FMA [forest management agreement] changes have taken place over the last number of years. We have seen the companies respond pretty well in terms of reopening of facilities that were previously closed. You know, Big River and things of that . . . There's a number of them that have moved forward that are quite positive developments.

Ms. Rancourt: — So how will northern and First Nation partners be included and participate in the development of the province's forest and resource sectors?

[16:45]

Hon. Mr. Boyd: — I think this is one area that I think we're making some pretty good progress when it comes to forestry here in Saskatchewan. If you look at other places in Saskatchewan when it comes to the number of Aboriginal forestry employees, for example in neighbouring provinces of Alberta there's about 7 per cent; in Manitoba it's about 10 per cent. Significant forestry areas in our province, or in Canada I should say, British Columbia is 5 per cent. We're at 31 per cent.

So we're doing pretty well. Always can be better, always. We would never say that the work is all done in this area. But I think we're making some pretty good progress here. There are, you know, a significant number of people that are directly employed in the industry. When we talk to forestry companies, this is an area that they pay a pretty considerable amount of attention to. They want to see more First Nations people. I think

the harmonious relationship with people in the area is important to them, both First Nations and non-First Nations people, so they work pretty hard at that. I think they're always open to, not just employment, but business opportunities from First Nations companies as well, you know, around in the forest itself, in trucking, in harvesting, and things of that nature.

There's a pretty considerable amount of effort to encourage development. We are active in that as well to encourage companies to start up and move forward in that respect. So you know, there's still lots more, as I said, work to be done. But when you compare the number of people employed in the industry with other provinces, we're three times what the best one is anywhere in Canada.

Ms. Rancourt: — So when you say 31 per cent of the employees in the forestry industry have First Nations ancestry or are self-declared as being First Nations, when did you get that number?

Hon. Mr. Boyd: — As I understand it, a recent number that's come out in just in the last few months. Oh, okay, sorry. That's a Stats Canada number from 2014.

Ms. Rancourt: — So in the Economy plan in 2015-16, one of the key action plans was to increase skilled employment and engagement with First Nations people in the forestry economy. So has there been a plan to increase that?

Mr. Pushor: — We'll be back this evening to talk about our activities in labour market services with Minister Harrison. We have extensive investments across northern Saskatchewan with a variety of partners around training and skills development. We also have some significant relationships with First Nations folks at Montreal Lake and agency chiefs in other areas, in partnership with them to continue to grow and develop the workforce, as well as the capability within the business community in those areas as well.

Ms. Rancourt: — Another one of your goals was to develop a multi-year investment attraction plan with subsector and geographic targets. So has this plan been developed?

Mr. Pushor: — We've done an extensive amount of work in recent times across the ministry. It was part of our reorganization to bring some cross-ministry, cross-government strategies to bear around a variety of sectors and a variety of target opportunities within each of those sectors.

So we have activities around continued development of the mining sector both in terms of primary production as well as the supply chain. We have a strategy around oil and gas development in the same way, both upstream and downstream. We have a very extensive partnership with the Ministry of Agriculture around value-added agricultural production. We're working to develop more opportunities around manufacturing. And we have a partnership with Innovation Saskatchewan to take a look into, you know, the technology space around all of the research and development we're doing in the province to continue to identify and develop that space in terms of the new inventions and new ideas that are coming out of those research activities.

Within the ag value-added sector, as an example, we've been looking at a very broad-based number of food ingredients. We see significant opportunities there, particularly as you contemplate interest in non-animal-based protein. We think there's some significant opportunities in the province in pea processing. We think there will be room at the right time for more canola crushing capacity in the province. We're very pleased with the extensive amount of build-out that has been done and is continuing and in the planning stage around grain handling and so on. We see opportunities in further flax processing and oat processing.

Manufacturing is going through a bit of a plateau right now and so, while we are pursuing opportunities in that space, investment is kind of on the sidelines a bit in a lot of the manufacturing spaces. But we have a remarkably good manufacturing sector in this province, so we're working to develop and enhance our relationships with all of those companies and we are in conversation with others from other parts of the world in terms of what they might see as the right opportunities for Saskatchewan.

In the oil and gas space, of course we talked earlier about some of our enhanced oil recovery, and technologies being deployed in there and looking to enhance the supply chain around that. We're engaged in some conversations around perhaps some downstream activities. Those are always very long and complex analyses for companies to make around those types of investments.

Because we have a fair bit of associated gas in our oil and gas industry, we are working to work with midstreamers and other gas producers to ensure that they are helping us deal with our associated gas volumes and looking for investments in that area. We've had some successful gas plant investments recently, and we continue to be in some very good conversations there.

In the mining space, of course there's been the build-out across the potash and uranium space, and that production is being absorbed into the global market. But we continue to see exploration opportunities being pursued, particularly in some kimberlite and potential diamond activities. We're encouraged by the signals out of the recent acquisition and merger with Claude Resources, where we see a company that's examining opportunities to enhance investment in support of those gold mining activities in the province.

I can go on, if you like, a bit. But we're also very encouraged by primary exploration in our mining sector. It's been a tough time for mining exploration, and across Canada and around the world, there's been sharp, sharp declines in the amount of exploration investment. We've been very fortunate in the province to protect that investment and see it in fact as a percentage of Canada's mining exploration investment, we've actually grown our percentage of the Canadian investments. So we have a broad-based approach, and we're continuing to work on all of those areas.

Ms. Rancourt: — With regards to timber harvesting, what areas would you subsector, and the geographic areas that would be targeted?

Mr. Sanders: — The timber harvesting licences that are issued

are centrally across our commercial zone, commercial forest zone. These companies put in plans for where they're going to be harvesting over the period of that year, and they do speculate on subsequent years as well. So it really is not specific to one area.

I believe if you asked Environment they would tell you that they're trying to ensure proper stewardship of the forest that needs old growth as well as new growth. So they, in their work with these companies, try and find that balance between trying to ensure that our forest is healthy and continues, as well as our commercial interests are meeting their targeted timber needs.

Ms. Rancourt: — Because this is . . . Like on page 4 of the Ministry of Economy plan for 2016-17, under the increased timber harvesting: "Develop a multi-year investment attraction plan with subsector and geographic targets." So I haven't really heard of exactly what that would look like from some of the answers that were given.

Mr. Sanders: — So this is specific to the fact that we have an annual allowable cut that is identified by Environment that you can actually cut in the forest and still maintain the health and growth of the forest. We are at 41 per cent. So we have an annual allowable cut limit of between 7 and 8 million cubic metres. At 41 per cent, we are only harvesting 4 million, so there is a considerable amount of potential for growth in the forest from a commercial development perspective.

Right now we have mills that are scattered across the commercial forest zone in Meadow Lake, Big River, and further east in Carrot River. And the idea is to be able to look at those stands and see if there is opportunity for a site, for instance potentially in Creighton as an example, where its distance from the existing mills might be too prohibitive because of the transportation cost. But if you could have a mill somewhere situated right close to the timber and try and deal with it that way, there may be opportunities.

So we do examine that. And we are not saying we want a targeted mill in this particular area or that. We are recognizing that we have an underutilized forest today, and it is essentially across the landscape of the province. And it tends to extend east side to west side and further north in the commercial forest zone.

Ms. Rancourt: — So how would you describe, in the general state, what the forestry industry looks like right now?

Mr. Sanders: — I would describe it as very healthy. We do have 7 out of 10 mills operating right now. The amount of volumes that are coming out of that are significant over the last year.

As Minister Boyd has indicated, the softwood lumber agreement is one of the pending issues that the forest industry faces. But they are in a . . . called a standstill period for the softwood lumber agreement, in which they are allowed to produce and export their product. And the amount that they produce may actually influence the opportunity for Saskatchewan to try and achieve a higher percentage of exports into the US under the softwood lumber agreement. So it's those kinds of things that are being worked on. But at the same time,

it's extremely strong, very strong.

Ms. Rancourt: — So which three mills are not operating right now, and what is the reason for them not being operating?

Mr. Sanders: — The P.A. [Prince Albert] pulp mill is not operating. That is the mill purchased from Domtar. They are still exploring options for the potential for a pulp mill. And I believe it's largely related to the softening of the pulp price market and some tariffs that were placed in China where a lot of the pulp actually goes.

There is a plywood mill in Hudson Bay that is currently up for sale, and I believe the market conditions are what is driving that particular one. And then there is a sawmill in Prince Albert, as well owned by Carrier. And when the Big River sawmill opened, they did take some equipment from the sawmill in Prince Albert to be able to establish the mill in Big River.

The Chair: — Thank you very much for those answers, witnesses, and thank you for the questions. We've reached our time for recess at 5 o'clock. Minister Boyd, if you have any last comments you'd like to make.

Hon. Mr. Boyd: — Well Mr. Belanger had a couple of follow-up quick questions that he had asked us, and the deputy minister has the answers to them. So if we could just quickly move to that and get it on the record, please.

Mr. Pushor: — Thank you very much. Mr. Belanger asked for the specific resource revenue forecasts by commodity group, and I would just point out that those forecasts can be found on page 70 of the Estimates book.

And then secondly, he asked the number of orphaned wells that were abandoned. And we abandoned 79 orphaned wells last year.

Hon. Mr. Boyd: — I would just, Mr. Chair, want to thank the officials for their very diligent work over the last year. They have a very valuable role and contribution to our province's well-being, and we want to thank them on behalf of the Government of Saskatchewan. We also want to thank committee members for their very good questions here this afternoon. Thank you.

The Chair: — Thank you very much, Mr. Minister. Thank you for the very quick response to those detailed questions to officials. And again, the committee thanks you for appearing this afternoon.

This committee will stand recessed until 7 p.m. this evening. Thanks.

[The committee recessed from 17:01 until 18:59.]

The Chair: — Welcome back, committee members. We are considering estimates for the Economy Committee. We're back from recess; I should mention that. We have a new minister here, though; Mr. Harrison is one of the witnesses. We have one substitution for this evening's estimates for the Economy Committee, Ms. Sarauer is here in place of Mr. Belanger.

The minister has appeared before the committee, before but if he wishes to introduce officials or have an opening statement, he can do so now.

Hon. Mr. Harrison: — Great. Well thank you very much, Mr. Chair, and thank you to committee members for being here this evening. We have a number of officials with us here today. What I think I'll probably do is I'll introduce Alastair MacFadden to my right, who's our ADM [assistant deputy minister] for labour market development; Laurie Pushor, our deputy minister of the Economy to my left.

And behind us — maybe I'll just ask officials to raise, maybe raise their hand when I read out their name — Denise Haas, our chief financial officer; Kent Campbell, our deputy minister of Intergovernmental Affairs; Christa Ross, our executive director for immigration services; Carol-Ann Decker, our regional director for labour market services; Bob Donald, executive director, trade policy in IGA [Intergovernmental Affairs]; Darcy Smycniuk, executive director, apprenticeship and workforce skills; and of course, Jeff Ritter from the Saskatchewan Apprenticeship and Trade Commission.

So as I said, it's a pleasure to be here this evening. Mr. Chair, the Government of Saskatchewan is committed to building on Saskatchewan's foundational strengths. These strengths are many and varied, reflecting our strong, diversified economy. Saskatchewan is fortunate to have world-class resources, globally competitive business policies, and industries that give our economy depth and resilience.

One of the most important of these strengths, and I would suggest the one upon which all others rely, is our people. Saskatchewan is growing at a record pace. We have more people living here than at any point in our history. As of April 1, 2016, 1.146 million people call Saskatchewan home, which is an increase of about over 150,000 since 2007, and over half of these newcomers are from abroad. This is something — I think it's really an untold story frankly — the rate of newcomers, the rate of immigration into Saskatchewan from outside of Canada at a pace we have not literally seen since the 1930s, which is quite frankly changing the face of the province, and in a good way.

And a big part of the reason for that is the success of our immigrant nominee program. About 86 per cent of our newcomers from outside of Canada come through our SINP [Saskatchewan immigrant nominee program] program, which I think is generally regarded as the best in the country. And I would give a ton of credit to our staff at SINP who have done a great job. Christa's here with us today. Kirk had done a great job before, Alastair who is ADM responsible. We've come a long ways on SINP, and this is, you know, 5,500 newcomers last year. We've seen increases in the allocation for SINP year over year over the course of the last number of years.

Actually I think I just have a note here. SINP received a nomination from the CFIB, Canadian Federation of Independent Business, for its Golden Scissors Award, due to the success the program has had at reducing processing times, which we have worked very assiduously on in addition to making sure that our compliance regime is one of the strongest in the country.

Our government has made a simple yet significant commitment, which is to keep Saskatchewan strong. Opportunities for skills development, education, training, and employment for our people are vital to keep the wheels turning across our economy. Supporting the growth and development of a skilled and diverse labour market is critical to that goal. Mr. Chair, labour market development branch from the Ministry of Economy's budget for '16-17 is over \$170 million this year, which includes increases of \$2.4 million for the Canada-Saskatchewan Job Grant, which has been really successful. I think there were some doubters out there when this program had been launched, but we can get into it more once we get into the Q and As [question and answer] on this. But we've seen really significant success with this program.

An additional \$1.2 million for employment assistance for persons with disabilities. I look forward to talking about that as well.

Our ministry is always looking for efficiencies and striving to determine if our programs and services meet the needs of the people we serve. By doing so and by controlling operational spending to better meet the challenges of growth that come with economic activity, we are a more responsive government. By undertaking efforts to improve our programming and support, we are a more sustainable and responsive government for the people of Saskatchewan. Ultimately Saskatchewan's people will be better enabled to engage in our economy in a meaningful way.

We do this by encouraging self-sufficiency through our continuum of programs and services that help workers get jobs and help employers access the workers they need. The ministry helps a wide range of workers and students advance in their careers with activities that include career decision-making resources, basic education, language and skills training programs, job-finding services, settlement services, and good labour market information.

While we're not immune from the pressures that come from low commodity prices, Saskatchewan and its workers are well positioned for the future because we are effective at engaging our available labour supply. And I think that's evidenced by the fact that despite the very real challenges we have with regard to the energy and resource sector, in a more general sense, we continue to have the second lowest unemployment rate in the country. And that's through, I think, a significant amount of dedication on the part of our labour market services branch and the programming we deliver, working with our third-party partners who do a lot of the actual delivery. Our employment rates rank among the best in Canada for a number of different sectors. This is because our government and our partners and CBOs [community-based organization] and training institutions share a commitment to build our economy and quality of life and deliver results for taxpayers.

We all benefit from labour market investments that create a more competitive economy and engage an adaptable workforce and a stronger province. And this concludes my opening remarks, and I look forward to questions.

The Chair: — Thank you very much, Minister Harrison, for those highlights of your ministry. We'll continue with vote 23,

looking at the estimates for that vote. I should also mention we started at 6:59 just for the record, and we're here for a mere three hours this evening. So I'll open the floor to questions from any committee members. I recognize Ms. Sarauer.

Ms. Sarauer: — Great, thank you, and I'd like to thank the minister for the opening remarks and for the officials for attending here tonight. I really appreciate it. I have a few questions for you this evening, and I'll start with a general one with respect to the immigration allocation for the Economy budget. There was a decrease in funding from 8.8 million to 7.9 million. Can you highlight to me what saw funding changes in this year's budget and what those changes were?

Hon. Mr. Harrison: — That's a good question. One of the areas where we reduced was the immigration portal, which is basically the website through which, you know, individuals looking to migrate to Canada would access SINP and be able to find other information in terms of that process. So what we've done is we've moved that portal. We put a lot of investment into that portal and have done a great deal of work on it over the course of the past number of years, but we migrated the portal to Saskatchewan.ca. So in terms of the maintenance costs, and even in terms of the kind of updating and those sorts of costs, it's significantly less than it had been, so that's a reduction of about 150,000 this year.

In terms of the additional reductions, there was a minimal reduction in language programming. The Government of Canada has committed to increase their proportion of language training, and primarily that's been a commitment they've made on the basis of the 25,000 Syrian refugees that have been relocated to Canada, of which we've received over 1,000, which is in excess of our proportion as a per capita allocation. And we're good with that. That's fine. We work very closely with them and work very closely with our settlement agencies on that front. But they've committed, along with those refugees, to additional funding for language training particularly, which is one of the prime determinants for success, attaching to the labour market and successfully integrating into not just the labour market but our society in a more general sense. So we view that as being a really important investment on the front end. So they've committed on that. I don't think we've got a firm dollar figure from them yet, but they've put about \$1.2 million as well into additional funding for settlement services for the Syrian refugees. So that's a part of that reason.

The immigrant bridge to licensing, which is foreign qualification recognition, there's a reduction there. And that program's typically been supported by fed-prov agreements, but we really haven't had an agreement in place since '13-14 I believe. So there has been a reduction in the budgeted amount for that particular program.

And of course the other was the SCIC [Saskatchewan Council for International Cooperation] funding which you asked about in question period, and rightfully so. You know, the response that I gave, which I stand by, which is a reduction of \$410,000, you know, it was a difficult decision. But you know, I made the call as minister, and I recommended that call to my cabinet colleagues. You know, when we're balancing competing priorities, you know, and even internal reallocations within the ministry . . . We, you know, put additional funding into EAPD,

employment assistance for persons with disabilities, for instance. When I'm looking at this, and balancing the competing priorities, that's a huge priority for me. And I think we get a tremendous benefit from our investment into employment assistance for persons with disabilities by having a really significant labour market impact which has benefits for that, but also for the province and for the individuals more generally.

When we're making those sorts of calls, you know, that was the reason we did. And you know, I kind of referenced as well that in terms of the international development work. You know we continue to be engaged with disaster relief sort of funding initiatives. And we just recently provided funding to the Red Cross in Alberta for Fort McMurray fire relief. We continue to be, and will continue to be going forward, engaged on disaster relief.

But when it comes to development programming, that's something I see as something better carried out by the Government of Canada and by private aid organizations. So you know, we have an entire federal department in CIDA [Canadian International Development Agency] that are tasked with doing development work, as opposed to disaster relief work, and Global Affairs Canada which also supports international cooperation regionally and provincially. So that was the basis of that. It was not an easy decision, but it's a decision that we stand by, in terms of that particular reduction. So that's how you ended up with those number of different items, the overall reduction to immigration.

Ms. Sarauer: — Okay, just to make sure that I have them all, the reductions occurred in the immigration portal, the minimal reduction to language programming, a reduction to the immigrant bridge to licensing, and SCIC?

Hon. Mr. Harrison: — Yes.

Ms. Sarauer: — And that's it. Is there any others?

Hon. Mr. Harrison: — No.

Ms. Sarauer: — Has anything seen an increase in funding this year?

Hon. Mr. Harrison: — Well in terms of immigration services, not particularly. We're going to be processing the same number of applications this year which is 5,500; 775 of those 5,500 are express entry. We call them enhanced nominations which are slightly different than the base SINP positions.

You know, we're going to continue to advocate for additional SINP positions, but I think it would be fair to say that we've seen some reduction in terms of the number of applications that we perhaps have had at different points in the past, which is a reflection of the labour market, I think it would be fair to say. But still tremendous interest. I mean, it's still . . . One of the most visited government websites is actually the immigration portal, and it is because of that significant interest.

So you know, this is a jurisdictionally shared area of responsibility between the feds and province, but I think we've developed a good relationship with the new government. We

had a very good relationship with the previous government as well. But it's something that's really, really important for the future of this province. And like I referenced in my introductory comments, the rate of growth and the rate of newcomers arriving and making their home here in this province is, you know, unprecedented. You have to go back 80 years before you've seen something even equivalent to it.

Ms. Sarauer: — Sorry, just to clarify, did you just say that the number of applications for SINP have dropped this year?

Hon. Mr. Harrison: — Well I'll ask Christa, just a second. No, we'll definitely meet our 5,500, but from '11-12 for instance, we had 9,100 nominations. Last year had 8,700. So it's not a significant reduction, but it's a little reduction.

Ms. Sarauer: — Thank you for clarifying those numbers. I want to dig into the reduction in language programming. Can you tell me exactly how much money was reduced? You say it was a minimal reduction. Can I get the exact number?

Hon. Mr. Harrison: — \$100,000.

Ms. Sarauer: — And what was the result of that reduction?

Hon. Mr. Harrison: — Yes well it was out of \$3.7 million, so it's like I said, pretty minimal. Oh yes, well Alistair just makes a good point; it was an underutilization. It was that we didn't actually spend the amount allocated in the last two years, three years.

Ms. Sarauer: — Can you elaborate a little bit on what you mean by underutilization? Was it a program that wasn't being utilized to its full extent? Or was it money that was sitting in the budget that hasn't been used?

[19:15]

Hon. Mr. Harrison: — Yes, I mean this is all delivered through our third party partners, right. So it was them that didn't consume it who had contracts for certain amounts which we renew every year for the most part. So it was an underspend on the part of our partners who then return the funding to Labour Market Development.

[19:15]

Ms. Sarauer: — So just to clarify, so the money had been provided to these third parties, and the third parties didn't utilize the money?

Hon. Mr. Harrison: — No, this was . . . Sorry, I should clarify. The funding had notionally allocated for use for language training, but we didn't actually sign contracts with third party providers for the entire amount which had been allocated. So it was money that was left in the immigration services branch budget but hadn't been utilized in terms of a third party contract.

Ms. Sarauer: — So what you're saying, it's correct to assume then that there was \$100,000 in last year's budget for language training that wasn't provided to any third parties. That was just left remaining in the budget?

Hon. Mr. Harrison: — Yes. Yes.

Ms. Sarauer: — Okay. And so then, as a result, that money is gone now. That money was. . .

Hon. Mr. Harrison: — No. That money was returned to the GRF [General Revenue Fund].

Ms. Sarauer: — That money went to the GRF.

Hon. Mr. Harrison: — Yes.

Ms. Sarauer: — Okay. Okay. And you had mentioned that the federal government had committed to some funding. How far along are you on receiving that?

Hon. Mr. Harrison: — That's a very good question. I met with Minister McCallum only a couple of weeks ago. And we raise this issue at every opportunity in that there have been commitments from the Government of Canada with respect to language programming; commitments not made just to us but to PTs [provincial-territorial], all of the PTs. This commitment was initially made in December, I believe. We had an FPT [federal-provincial-territorial] in Ottawa exclusively on the Syrian refugee issue, and the Government of Canada committed to providing additional supports for language training and for settlement services for these Syrians that were being brought into the country.

So you know, we continue to work with them on that. I have no doubt that the funding will be provided. They've been working to some degree directly as well with our settlement organizations, which is fine. We, you know, work as a team in a lot of cases on these matters. But you know, they've made that commitment. So have we seen any of the dollars? . . . [inaudible interjection] . . . As I said, they work directly with providers.

So they've committed a \$1.8 million additional Syrian allocation supplementary funding for this budget year in addition to an increase in settlement services of about \$2.4 million. So they sign contracts directly with the settlement organizations for a lot of these things; it doesn't actually flow through the province. So they, though, will be providing this additional funding to the settlement organizations, which include, you know, Regina Multicultural and Open Door. I mean, the organizations, so they partner directly with them.

Ms. Sarauer: — And to your knowledge, has any organization received this funding yet?

Hon. Mr. Harrison: — Yes. We do know that on the settlement front there has been additional funding.

Ms. Sarauer: — What organizations receive money for these language training programs through the provincial government?

Hon. Mr. Harrison: — We'll get the list for you right now. It's a fairly lengthy list. I'm happy to read it into the record, but if you want me to just provide you a copy that might be easier. I can give you just kind of a high-level outline though: Regina Open Door, Saskatoon Open Door, Regina Immigrant Women Centre, Saskatchewan Intercultural Association, Ukrainian Canadian Congress, P.A. Multicultural, International Women of

Saskatoon, Beth Jacob Synagogue, Global Gathering Place, Moose Jaw Multicultural. It's our settlement orgs that do a lot of the work.

Ms. Sarauer: — Yes, if you could just table that, that would probably be easiest. Does any money go to school divisions?

Hon. Mr. Harrison: — No, no, not for this.

Ms. Sarauer: — As you said and as you know, while receiving language training is one of the . . . and being able to integrate in terms of being able to speak the language is one of the prime determinants of success for a newcomer. So I'm surprised to hear about an underutilization in \$100,000 from last year . . .

Hon. Mr. Harrison: — I would say I think we've been very successful in moving on this. It has been a priority for the ministry. I think we do do a good job with it. There have been challenges, I would say though with, you know, with the Syrians particularly. Our settlement orgs have done a great job on it, but just in terms of kind of Arab-English speakers, to even provide the training, there have been logistical challenges around that, which I think everybody can probably appreciate. But it is a priority because this is the number one determinant of success in terms of labour market success, which leads to, you know, a broader success in terms of integration into Canada.

So we put a real emphasis on this and we work closely with our partners on it. And you know, they are doing a very good job on this. And I haven't heard any sort of representations that what we're doing isn't sufficient. You know, I think there are bottlenecks in terms of, as I just indicated, the number of people that are able to actually provide some of these services. But I do think we are doing a good job and, you know, I'm not going to take credit for that as the government. I think our partners do a great job on this.

Ms. Sarauer: — Okay, being cognizant of the time, I should probably move on quickly here. I want to talk about, let's talk about the immigrant bridge to licensing reduction you had mentioned. Can you elaborate on that a bit more?

Hon. Mr. Harrison: — Maybe I'll ask Alastair if he could provide a response.

Mr. MacFadden: — The immigrant bridge to licensing program is one that historically has existed through a federal-provincial funding agreement, and there hasn't been an agreement in place in Saskatchewan for about two years. The funding supports credential recognition projects with occupational regulators in Saskatchewan so that they can build pathways to credential recognition for the occupations that they regulate in the province.

Ms. Sarauer: — And how much was the reduction in funding?

Hon. Mr. Harrison: — 250,000.

Ms. Sarauer: — And what is the result of the reduction in funding?

Mr. MacFadden: — This is a program area that's underutilization. So there weren't projects in place to fully

expend the funding in the past, and so the budget was reduced by a corresponding amount.

Ms. Sarauer: — Can you elaborate on underutilization a little bit more?

Mr. MacFadden: — We work with regulators that are seeing demand for credential recognition in regulated occupations. And so the demand for credential recognition really depends on the flow of newcomers from different countries and whether they require credential recognition. So in certain occupations, if they see high demand, they'll want a project in order to streamline their pathways and processes. We didn't see the volume of demand that we might have expected last year and reduced the program budget for this year.

Ms. Sarauer: — Okay. Are there any . . . I'm just wondering if there are any programs or if there are any occupations that are waiting for this credential recognition that won't be receiving this service or won't be able to have it streamlined as a result of the reduction in funding.

Mr. MacFadden: — I can tell you that the federal government provides direct funding for qualification recognition projects, so that's an avenue for regulators to access. And they do a regular call for proposals on that. In Saskatchewan right now we don't have any projects that are awaiting provincial funding.

Ms. Sarauer: — Were there any projects that were done last year through this program?

Mr. MacFadden: — One of the projects last year was with the College of Paramedics and respiratory therapists to support pathways to credential recognition for those occupations. We also had a project that straddled a couple of fiscal years. It wrapped up last year for internationally educated medical graduates. And it was a program that helped them to look for other health-related occupations. So those would be a couple of the examples.

Ms. Sarauer: — And what were the results of those completed projects?

Mr. MacFadden: — I can tell you when it comes to respiratory therapists, prior to the project the international applicants had to get licensed in another province or territory because we didn't have a pathway in place. And so by working with the college, we tried to establish a pathway so that people could get recognized when they're working inside Saskatchewan.

Ms. Sarauer: — Okay. And you're saying that for this fiscal year there are no requests for any projects provincially?

Mr. MacFadden: — Now that the provincial budget's been released, we have an opportunity to invite regulators to work with us on credential recognition projects. There's nothing waiting right at the moment.

Ms. Sarauer: — Okay. Got you, thanks. What's the current processing time for each of the SINP categories?

Hon. Mr. Harrison: — We worked very, very hard to get these down, and we have. And that's just why I kind of referenced

early on . . . I'll have maybe the latest numbers. But I would just say by kind of way of high-level comment, that we really have worked hard to get this down and I think we've had tremendous success in getting our processing times down.

Some of the challenge is still on the federal processing side though, where you have a year, 18 months. It depends to some degree on the stream, but you can have lengthy wait times on the federal side whereas our times are down to . . . okay, international skilled worker, 1.4 months; international skilled worker for occupations in demand, 2.2; express entry, 3 months. So we've been able to get these down to 1 to 2 months, 3 in express entry whereas, you know, a few years ago you would've been looking at a significantly longer processing time.

[19:30]

So we have some of the shortest, if not the shortest processing times in our nominee program of any province in the country. And as a matter of fact I mean there have been provinces that have had to shut down their nominee programs to try and process some of their backlogs in their program. British Columbia had to shut their program down. I think Alberta had to shut their program down as well, to try and address some of the backlog that they had. We've been able to keep up.

I mean there was one area where we were backlogged, which was on the entrepreneur side. As of last year, we had about 2,000 applications that were in the queue, so to speak. We've reduced that now to about 1,000 through significant work. And we've changed how the program had worked as well, so these are kind of legacy applications. So we'll work through that this year. And you know, at that point you'll be looking at processing times in basically every stream of between one to four months, I guess would be an upper limit on some of them. Right, well in terms of the entrepreneur, Alastair just points out our target's six. So that would be the one that would be a bit different.

Ms. Sarauer: — So just to clarify, is the longest processing time right now six months, or is there longer?

Hon. Mr. Harrison: — Yes, entrepreneur would be the longest one.

Ms. Sarauer: — And how long is that?

Hon. Mr. Harrison: — It's about seven right now.

Ms. Sarauer: — And what have you done to reduce processing times?

Hon. Mr. Harrison: — Well we've done a number of things. I actually might ask Christa if you wanted to speak to this directly, because I think this is a great thing. And I think our staff over at immigration branch deserve a lot of credit for the work that they've done on this. So I'll ask Christa Ross, who heads our immigration branch, to come up.

Ms. Ross: — Thanks, Minister. So you know, I really owe a lot of the credit to my predecessor, but a couple of years ago they introduced application intake thresholds. So we knew we had a certain limit that was set by the federal government. We knew

we had so many resources to process, so we started proactively and strategically managing the number of applications we accept every year. So through that process — I mean that was the main process — we were able to draw down quite a significant inventory that had built up over the span of a couple years. So we're at the point now where we're . . . It's pretty much just-in-time processing so as soon as an application is received, it pretty much immediately goes into processing. So managing our intake has been a large part of that.

We've also moved to a fully online application system as of 2014. So we're not dealing with paper anymore. The exception would be our old inventory of entrepreneur applications that are still paper-based. But even with the changes we made to the entrepreneur program last year, that's going to be fully electronic moving forward. So that's also helped us find some efficiencies, just not having to deal with back and forth with paper, but just being able to correspond completely through email with applicants and send documentation back and forth electronically. So those are really the two key points, I'd say, where we were able to achieve some greater efficiencies.

Ms. Sarauer: — Great. Thanks for clarifying that. I appreciate it. What's the current success rate of applicants to SINP?

Ms. Ross: — By success, how do you measure success or what are you defining as success?

Ms. Sarauer: — When I'm saying success in this instance, I'm talking about applicants that were approved.

Ms. Ross: — Oh, approved. Okay. We'll have to pull some data for that. I don't know that off the top of my head.

Our own application approval rates . . . So this is for SINP applications that we've processed, it does vary by category. Some that have a bit of a lower approval rate would be our express entry applications, for instance. We've only been processing applications under that category and, in the first year, the approval rate was around 40 per cent. So that's kind of the exception though. Everything else is around 75 to 85 per cent approval rate.

Hon. Mr. Harrison: — Yes. And I would just note, on the express entry, there's slightly different roles for express entry in that they're set by the Government of Canada. So there's different language requirements, for instance, which are at a higher level. So it's a bit of a different process for EE [express entry] so you do see a lower approval rate on that.

Ms. Ross: — And also too, you might be interested to know what the federal approval rate is for applications because after we nominate them, they still have to apply to the federal government for permanent residency. And so we still have very high approval rates. About 90 per cent of the people we nominate do become permanent residents of Saskatchewan.

Hon. Mr. Harrison: — Yes. And which obviously speaks pretty well of our program because not every provincial program has a 90 per cent success rate.

Ms. Sarauer: — So you had mentioned that you're starting to do a point in time processing but there's also a bit of a wait. So

is that a backlog or is that just . . . Can you explain? Is there a backlog right now for any applicants.

Ms. Ross: — The only area where we have a backlog is our entrepreneur program. So like the minister mentioned, we've kind of halved that inventory over the past year, and we expect to have completed all those files in the next year. But when we say, you know, there's still a month, two months, maybe three months, that is just the way the file process works. So there is various stages of file processing that it goes through. And then quite often there will have to be some back and forth between us and the applicant to get clarification on some information or to request further documentation, so that just adds a bit of time to the process.

Ms. Sarauer: — Fair enough. What was the total number of applicants for this past fiscal year?

Hon. Mr. Harrison: — Well to not quite the end of the fiscal year, to March the 8th, it was 8,752.

Ms. Sarauer: — Do you have a breakdown by different categories as well?

Hon. Mr. Harrison: — We do. What particular category would you like to know about?

Ms. Sarauer: — All of the particular categories, please.

Hon. Mr. Harrison: — Okay. This might be another one where you want me to table it.

Ms. Sarauer: — Maybe table it if it's too big.

Hon. Mr. Harrison: — No, I'll go through it. It's not that long: international skilled worker employment offer, 1,786; international skilled worker occupations in demand, 1,681; express entry, 3,500. And then you're into the Sask experience category: so existing work permits, 668; health professions, 34; students, 607; hospitality, 341; truck driver, 83. And then in terms of the entrepreneur, like we said, we have a backlog. And we did, we reopened but we had 40 applications on entrepreneur; farmer, we had three; and unknown, we had nine. I don't know what those were.

Ms. Sarauer: — That would be interesting. Do you have any plans to change your family reunification policy?

Hon. Mr. Harrison: — Well that's an interesting question. And this was obviously a point of some . . . I think it required some clarification a number of years ago. That was at the request of the Government of Canada, where we had changed the percentage of our SINP. I think it was at 25 per cent family reunification in SINP. And they essentially told us that we had to remove that particular category from our nominee program, and there was obviously some concern around that. But that was, I mean like I said, this is a constitutionally shared area of responsibility and they had the authority to make that request in terms of our provincial nominee program.

So we made the change. A number of other jurisdictions had to do the exact same thing. And I know that there had been concern expressed at that point and that was a number of years

ago now. But we haven't, I haven't heard any concerns raised with me with regard to that because I think it's pretty well known, the reasons why we were required to make that change.

Ms. Sarauer: — So just to clarify, is there no ability for any type of family reunification anymore through the SINP program?

Hon. Mr. Harrison: — No, it's all through federal streams now.

Ms. Sarauer: — So I'm guessing you wouldn't have numbers on . . . Or would you have numbers on any type of family reunification that's occurred, any children that have gone through?

Hon. Mr. Harrison: — Well I mean it's CIC [Citizenship and Immigration Canada] that would have that documentation and no, we wouldn't have it in front of us. CIC would have that available though.

Ms. Sarauer: — So what you're saying is that the family reunification policy changes were a result of what the federal government required you to do? Okay. Have you had any talks with them about changing that policy?

Hon. Mr. Harrison: — Well I mean, I think where they're at is they continue to be as . . . As a general proposition, they view provincial nominee programs as being economic streams of immigration, and that's been the underlying assumption in terms of SINP. I've heard no representations from the new government, and obviously the previous government had made that a point of policy. I've heard no representations from the new government that they have any intention of changing the provincial nominee programs as being economic immigration streams.

Ms. Sarauer: — Okay. I'm going to move on to temporary foreign workers. Can you highlight how many temporary foreign worker complaints there were in the past year?

Hon. Mr. Harrison: — Yes. No, last year we engaged in just about 200 investigations, so 199 investigations to be precise. Those aren't necessarily all triggered by complaints though. They can be triggered by, you know, red flags for whatever reason. So we don't actually have the number of complaints that resulted in investigations being initiated. But we take this very seriously. This is, you know, a major concern of mine personally, and it's been a major concern of our department as well to ensure that those who come here to work on a temporary basis are treated respectfully and fairly. You know, and frankly it's in our interest. Not just is it the right thing to do, but it's in our economic interest. Nearly half of our permanent residents, our provincial nominees who become permanent residents, start on a temporary basis here.

And we actually had a labour market ministers' meeting this morning, an FPT via video conference this morning, so all of the labour market ministers of whom our TFW [temporary foreign worker] program falls into. It's a bit of a joint area of responsibility between federal immigration and ESDC [Employment and Social Development Canada], so Minister Mihychuk hosted the meeting. But we discussed temporary

foreign worker changes that the federal government are contemplating. They're going through a review process right now, but they have some directions that they're looking at going in in terms of changes to the program because it does fill important niches in the labour market. It really does.

And we continue to hear from employers that the changes that had been made June of two years ago by the Government of Canada continue to have impacts. They actually suspended the reduction in the number of temporary foreign workers that could be employed at a single workplace. The intention at that point was to go from 30 to 20 to 10. The new government suspended the reduction to 10. They've kept it at 20, largely in response to concerns that have been raised by employers from across the country for different industries. Obviously Atlantic Canada has different needs in terms of their labour market than would we, than would British Columbia.

So the program plays different roles in terms of filling labour market needs in different regions, but it is an important part of the labour market. So our representations had been . . . Even back in June 2014 when Minister Kenney and Minister Alexander announced the changes, I was very vocal in saying that they went too far on a number of fronts and it was going to have a significant impact on businesses and on our labour market here in the province. And it did. And it did.

So there's going to be consultations that are going on across the country by the new government. You know, we've made representations in terms of our view, which we made public, that the changes that had been made two years ago went too far, that there has to be flexibility, there has to be a recognition of regional labour market nuances that perhaps weren't recognized in the original changes. And I remember having the discussion with Minister Kenney the night that he made the announcement. And, you know, the case that . . . I mean he had a number of reasons for doing it and I don't want to oversimplify. But, you know, we have a high unemployment rate in fill-in-the-blank Atlantic Canadian province; you guys have a 4 per cent unemployment rate. You know, why don't people from Atlantic Canada come work in Saskatchewan.

Well if we had a functioning national labour market that would be a valid argument, but we don't have a functioning national labour market and there's a whole bunch of reasons for that. And it has to do with federal policy, I think in large measure, on a number of fronts that encourage or discourage to some degree labour market mobility across provincial jurisdictions and across different parts of the country. So we don't have a functioning national labour market in the context of just filling jobs that exist in one part of the country with workers that are not working in another. So, you know, this is where you have a legitimate policy need for those labour market gaps to be filled on a temporary basis.

And the most important thing for me though, and the argument I always make is that, you know, this isn't a temporary . . . We're looking for permanent solutions to labour market challenges, not temporary solutions. But the fact that we have 50 per cent of our SINP PRs [permanent resident] starting out temporary, I mean that speaks well to the fact that this might be a foot in the door. Get some experience in Saskatchewan. Get some experience . . . or in Canada. Get some experience in

whatever particular field that you're working in and then transition into, or be nominated as a nominee provincially, or through a federal stream apply for permanent residency.

[19:45]

And we saw that. I mean that happened literally thousands and thousands of times. So I think that, you know, finding that path to permanency is important. We actually talked about that as ministers this morning, that we need to ensure that this is not just, you know, a temporary solution. We need to have permanent solutions to these things. And that means there has to be path to permanency, which exists through the TFW program.

Ms. Sarauer: — So you mention that you've been in talks with the federal government about them changing their direction. Can you share with the committee what direction they seem to be going in?

Hon. Mr. Harrison: — Well, you know, I'm not going to get into specifics just because they're going to be doing consultations. And, you know, I think legitimately they haven't prejudged what particular outcomes are going to be. I will make kind of a general statement on the basis though of discussions with Minister Mihychuk and discussions with Minister McCallum who share the program, for a lack of a better way of putting it.

In that, I think there's a view that perhaps the changes made two years ago went too far, and which was a case that was made by us, and frankly made in a coordinated and concerted fashion with our partners from British Columbia and Alberta. We had a joint position with regard to the program changes. And other provinces had concerns as well, which they voice. So I think that it would be safe to say, as a way of a general statement, that you're going to see a rebalancing in terms of perhaps where it had been, to where it went, to perhaps something in the middle.

Ms. Sarauer: — Thanks. You had mentioned that the SINP program, being a good segue for individuals who come here as a temporary foreign worker to gain a toehold in terms of permanency in Saskatchewan. Bearing in mind that you obviously don't want hundreds of thousands of applicants in the SINP program because then you'll create a backlog, but saying that this is a great opportunity for temporary foreign workers, what sort of advertising or marketing is the government doing in terms of making sure that temporary foreign workers know about the SINP program?

Hon. Mr. Harrison: — Well in terms of, kind of . . . I think there's a high level of awareness amongst the temporary foreign workers, but this avenue exists from a number . . . We have our website; we have these sort of things. But in terms of helping temporary workers looking to transition to permanency or go through our nominee program, when we nominate somebody there is a work permit that is issued at the same time. So even if they're coming to the end of their time as temporary workers, we can help them extend their work permit.

And that was actually one of the concessions we got from the Government of Canada when we had raised the concerns we did because there were a number of temporary . . . Not in this province mind you, but in Alberta and British Columbia there

were a number of temporary workers who were coming to the conclusion or the end of their time that they were allowed as temporary workers who were in the queue for provincial nominations. So there would have been literally thousands of people who fell into this category in different jurisdictions. Because we were able to process all of them, we actually didn't have any that were in that category.

But we supported, though, the calls from the other provinces to have those who were in the queue for provincial nominations to have their work permits extended and not be essentially told to go back to, you know, their country of origin. So I mean we do work with them if there is an application in the queue, for instance. There are mechanisms we can be ... provide assistance.

Ms. Sarauer: — So just to clarify, from the government's perspective in terms of marketing or advertising the SINP program, there's nothing beyond what's in the website?

Hon. Mr. Harrison: — Yes. I mean, we work with the gateways. We work with the settlement agencies. There's information available through those organizations for newcomers, which I think is, you know, taken advantage of by newcomers as well. That's why I said I think there's a high degree of awareness amongst those who are even here working on a temporary basis that these options exist.

Because of the dissemination of that information, whether it be through gateways or settlement orgs, but also through the cultural communities of which they're a part. I mean, I think there's a pretty high level of awareness about this.

Ms. Sarauer: — Thanks. Moving back to temporary foreign worker complaints, you had mentioned how many there were this past year. How does that compare to other years?

Hon. Mr. Harrison: — Yes, in terms of the actual number, the number of investigations in '14-15 was 302, and as I had said earlier, the number of investigations in '15-16 was 199.

Ms. Sarauer: — So it's gone down.

Hon. Mr. Harrison: — Yes.

Ms. Sarauer: — Okay thanks. Do you have the number of investigations for this past year split up into categories? Do you know, generally speaking, what the investigations were?

Ms. Ross: — What we have ... We have it broken down just by a couple of sort of broad categories. So one would be complaints related to employers. So that was 69 of the 199. Twenty-eight, about 30 of them were connected to licensed consultants or recruiters. And then actually about 100 of them were related to more program policy issues, so not necessarily something that would be in violation of our foreign worker protection Act but something related to the SINP that our program integrity unit would investigate.

Ms. Sarauer: — I'm actually a little bit interested in hearing a little bit more about this last category, the program policy issues. Can you elaborate on that?

Ms. Ross: — So it's really just one umbrella category we have for anything that doesn't ... isn't a direct violation of our foreign worker recruitment and immigration services Act. So it could be ... I mean there's a whole host of issues it could be. An example would be if, you know, somebody we've nominated is not maintaining the conditions of their nomination. A pretty simple example of that would be, you know, we're advised that they're no longer living in Saskatchewan, so that's something that our program integrity unit would follow up, and that would be counted as an investigation.

Ms. Sarauer: — So it's not. It's not necessarily an issue with the program. It could be an issue with a nominee.

Ms. Ross: — Right. Yes.

Ms. Sarauer: — Okay, thanks. Do you know, broadly speaking, what the results were of the investigations that you conducted in the past year?

Ms. Ross: — I know that of the 199, about 90 of them have concluded. I can give you ... I don't have a ... I can't give you numbers or, you know, concrete outcomes or conclusions. I can tell you, like I said, about 80, 85 of them have been actually concluded so the remaining are still ongoing and haven't been concluded. Some of the results, you know, we do ... As I said, some of the issues are related to employers, so one outcome is helping foreign workers to recoup some costs, whether it's unpaid overtime, or if they've paid recruitment costs that they weren't supposed to. We've been able to help foreign workers recoup some of those costs.

Ms. Sarauer: — And are these conducted through an investigations unit?

Ms. Ross: — We have a program integrity and legislation unit, is what they're called. So they are responsible for administering *The Foreign Worker Recruitment and Immigration Services Act*, and they handle any SINP-related complaints.

Ms. Sarauer: — And how many individuals are working in that unit right now?

Ms. Ross: — There is a director and three program integrity officers.

Ms. Sarauer: — Okay. And is that an increase or decrease from the last fiscal year?

Ms. Ross: — It's status quo.

Ms. Sarauer: — Same?

Ms. Ross: — Yes.

Ms. Sarauer: — Okay. Sorry just to remind me, how many complaints did you say there are still being investigated from the last fiscal year, they're still ongoing?

Ms. Ross: — About 100, yes. Sorry, I don't have the exact number in front of me.

Ms. Sarauer: — Okay. Is the result of that a . . . Is a result of that because of a backlog in terms of the time for the investigators?

Ms. Ross: — No. No, we don't have any kind of backlog. It's just the nature of some cases. They take a long time to come to a conclusion.

Ms. Sarauer: — Okay, great. Thank you. Have there been any fines or violations since *The Foreign Worker Recruitment and Immigration Services Act* was brought in?

Ms. Ross: — No, there has not.

Ms. Sarauer: — Thanks. Is there any work done tracking how long people are staying in Saskatchewan once they immigrate to Saskatchewan?

Hon. Mr. Harrison: — Yes. We've been very, very successful on that front. It's a good question. It's about 85 per cent retention of nominees that stay here in Saskatchewan, as the deputy minister just points out, which is the best in the country.

Ms. Sarauer: — Do we know, the 15 per cent that don't stay in Saskatchewan, do we know about how long they've been staying for before they leave?

Hon. Mr. Harrison: — No. We wouldn't know exactly how long they've been.

Ms. Sarauer: — And in a similar vein, do we . . . I'm guessing what the answer is, but do we know where they go once they do leave?

Hon. Mr. Harrison: — No. I mean, once individuals have their permanent residency or citizenship, obviously they're free to move about the country as they see fit. So we don't track that.

Ms. Sarauer: — Fair enough. When individuals immigrate to Saskatchewan, do you have any idea how long people are staying in hotels before being able to find permanent residence?

Hon. Mr. Harrison: — Would you mean, like, temporary workers or would you mean refugees?

Ms. Sarauer: — I'm talking about people through the SINP program first. And then I'll move on to refugees.

Hon. Mr. Harrison: — No. We haven't heard about a single issue of that.

Ms. Sarauer: — Okay. What about refugees? Any delays in finding housing for them?

Hon. Mr. Harrison: — No, I think there were a couple of instances. I know in Prince Albert they were staging them out of hotels because of some challenges with regard to finding that permanent housing. But you know when you look at some of the other jurisdictions in Canada that had really, really significant challenges with regard to that particular issue, we didn't. You know, aside from that very minimal issue where there was staging out of hotels in Prince Albert it was . . . And again government's not taking credit for this because this was

the great work that was done by the settlement organizations and by volunteers and those that stepped up to the plate with housing and all kinds of other essentials, so we didn't have the issues that were existent in a lot of other provinces.

Ms. Sarauer: — Can you elaborate more on what happened in the situation in Prince Albert?

Hon. Mr. Harrison: — It was very short-duration stays. It was just when they arrived in the city; they would be in a hotel for a very short period of time prior to moving to permanent housing.

Ms. Sarauer: — Thanks. I think you mentioned this already, but I just need to clarify and then dig deeper into it because I forgot your answer. How many Syrian refugees in total have come to Saskatchewan?

Hon. Mr. Harrison: — 1,101.

Ms. Sarauer: — And what is our total commitment for Saskatchewan? Do we know what that is yet?

Hon. Mr. Harrison: — Well I mean our per capita would have been just over 800, I believe. You know again, working with the Government of Canada and being accommodating and welcoming, out of the 25,000 we had 1,100 here in this province, and they were primarily all government assisted. There were not a huge amount of privately sponsored — PSRs we call them — privately sponsored refugees. They were mainly GARs which is government-assisted refugees. So yes, 1,100.

Ms. Sarauer: — That was actually my next question. Can you tell me how many exactly were government sponsored and how many were privately sponsored?

Hon. Mr. Harrison: — Yes. There were 19 PSRs and the rest were government assisted.

Ms. Sarauer: — Thanks. Are we expecting any more Syrian refugees?

Hon. Mr. Harrison: — Well we are. It will be, though, as a part of . . . You know every year there's about 600 government-assisted refugees that are relocated to Saskatchewan. So there will be more Syrians arriving, but it won't be over and above what would have been the allocation that we would have received from kind of our normal government-assisted refugee allocation. And out of the 600, I mean we take refugees from all around the world, right? Eritrea, from Columbia we have.

[20:00]

So I mean this is interesting, though. It's kind of a good question in that we really have very little say over government-assisted refugees and the resettlement. This is exclusively determined by the Government of Canada, so we've made representations with regard to even . . . kind of information around it, that we think they could do a better job of letting us know about the relocations and even perhaps working with us a bit more closely on how that works because, you know, the Government of Canada in terms of the

government assistance for refugees it's a one-year commitment, right? So they pay housing costs. They pay settlement costs. They partner with their party organizations to deliver these services — same organizations we partner with frankly — for a number of different areas, but it's for a one-year period. Then it's basically on the Government of Saskatchewan if there's any costs to be borne after that one-year period.

The theory behind this is that after one year, newly arrived refugees will be in a position to have, you know, labour market attachment. They'll have jobs. They'll be in school. They'll do those sort of things. We know that's not always the case though, right? So we've asked to be more engaged by the Government of Canada on the assistance part of the GARs. So I think we're making progress on that.

Ms. Sarauer: — Okay. You had mentioned the funding that comes with the GARs and then — correct me if I'm wrong — the additional funding that we're still waiting for from the federal government.

Hon. Mr. Harrison: — Yes. Well some of it's been delivered already in terms of the federal commitments.

Ms. Sarauer: — Right. To third-party organizations. Okay.

Hon. Mr. Harrison: — And directly to the refugees as well.

Ms. Sarauer: — Right, okay. I'm sure the federal government's doing some work in this. I hope the federal government's doing some work in watching and working with the Syrian refugees and monitoring to ensure that settlement services are appropriate and that they are happily resettling into Saskatchewan. Is the provincial government playing a part in that as well?

Hon. Mr. Harrison: — No, absolutely. No, that's a good question and the reason being . . . I mean again it's the right thing to do, but also I mean this is important for us because we want to see newly arrived Syrians who are able to, you know, enter the workforce and are going to be able to, you know, build a life for themselves, their families, find good jobs, move up in terms of positions in the labour market. And frankly I mean, we have challenges in terms of particular areas within our labour market which we think that there's opportunity for attachment by newly arrived refugees. But again it kind of goes back to the discussion we had a while ago about language training and some of the essential workplace skills that are necessary for that to happen. So that's why we put the focus that we do on that front end so that we're going to have success as we go forward on the back end — which I think is the right way to approach it.

Ms. Sarauer: — You mentioned in — what is this? — your plan for 2016-2017 that you intend to work with the federal government to increase, to raise the SINP cap to \$6,000. What sort of work has been done on that so far?

Hon. Mr. Harrison: — Right, the 6,000 nominees. They are very aware that that's our request in terms of the increase. We're willing to work with them. Whether that be through enhanced nominations or through our base nominee numbers, that'd be great. So we've been working with them on that.

They're going through a consultation on levels right now which is, you know, it's a really big deal in terms of how they actually allocate nominee positions or how they distribute or even within kind of their internal streams, how that's going to roll out. So they're going through that. I mean traditionally the way the levels announcement had worked, they'd have a time frame at which . . . And sorry, for people watching, what levels are is basically the overall number of newcomers that will be allowed into the country. And usually there's a range, right? It's, I think, 250,000 thereabouts, and there'll be a range within 25,000.

So traditionally this has been a bit of a mystery how they come up with the number on any given year. So we've engaged . . . And it wouldn't be just us. It was a number of provinces and territories have asked for input into how they actually determine what the level is for that particular year. And Minister McCallum has given an undertaking that we'll be more engaged in determining that. Ultimately it's their decision, but we would like input into that. So how they actually determine what the levels are have a big impact on how they are able to allocate, whether it be provincial nominee positions or enhanced entry positions that are allocated to particular provinces.

So they announced their levels plan for this year, and it was kind of done on the old model of, you know, we're not quite sure how they came up with the number. But for the next year, I mean they're doing a lot of work on making sure that there is input into what the levels are going to be for next year and that provinces will have the opportunity to make their representations as to what they would like to see in terms of their provincial allocation, whether it be on the base or whether it be enhanced.

So we'll keep working with them on that, and our objective is to increase our numbers. I would say that we've been really successful in terms of raising our provincial allocation over the years. You know, as an example, last year, the last budget year, we had . . . 4,775 was our base nomination, and you know we had asked to go higher than that. And we ended up getting 5,500 which was a big increase. It really was, and it spoke to the confidence that the Government of Canada had in our provincial nominee program and the ability to handle those applications.

So again a feather in the hat of our staff — we do a great job at immigration services. But it really was. I mean there were no other provinces that saw that sort of increase on their provincial allocation. We actually have the same number as Ontario. We actually have the same number as Ontario. We have the same number as Alberta. So it's, I think, spoken well — the growth in the program and how successful we've been in driving down those processing times, and given the confidence to CIC to actually be able to allocate us additional nominee positions which have been so important in terms of fuelling our growth economically here and our labour market.

Ms. Sarauer: — Also mentioning one of your key actions, that you are going to work to ensure the SINP remains responsive to current and projected labour and skills demand. What sort of work have you done in that area?

Hon. Mr. Harrison: — Well we're always kind of looking for ways we can improve SINP even in terms of kind of internal

reallocations on different streams. We've made a number of changes over the course of the last two years; I think it would be fair to say. And maybe I'll ask Christa actually to address some of those specific changes. But we have been responsive in terms of changes to the program.

Ms. Ross: — So I can just add a couple of things. So one thing we do is we work very closely with employers. We have a dedicated team that works exclusively with employers on their hiring recruitments retention needs. So through that mechanism, we're able to get feedback from employers on where they're experiencing recruitment challenges and how perhaps, through the SINP, we can help some of those shortages and needs.

And then also, we're just very diligent about our own reporting on outcomes and performing program evaluations. We have to do a program evaluation every five years for the federal government, so that really tells us, you know: (a) are our nominees coming to Saskatchewan and staying here. Are they working? Are they working in occupations that are commensurate with their skills and education? And are they experiencing good employment outcomes in terms of actual employment rates and their earnings?

So I think those are two main points: just, you know, through that feedback loop we have with employers and through just evaluating and monitoring our own outcomes.

Ms. Sarauer: — Great, thanks. I think at this point, I'm going to pass it on to my colleague, Mr. McCall here. But before I go, I just want to thank the officials, Christa and Alastair in particular, for their time and for their answers and for the minister's time. I appreciate it. As well as the committee members, thank you for working so hard over there. I appreciate it.

The Chair: — Thank you.

Ms. Sarauer: — And the Chair as well. Thank you.

The Chair: — Thank you, Ms. Sarauer. I'll note for the record Mr. McCall has joined us, and he's the new official substitute for Mr. Belanger. And I assume he has some questions for the witnesses.

Hon. Mr. Harrison: — Mr. Chair?

The Chair: — Yes. Go ahead, yes. Sorry.

Hon. Mr. Harrison: — Yes. I just want to thank Ms. Sarauer for the questions — very productive discussion, I think, and much appreciated. And thank you, Christa, for providing responses as well.

The Chair: — I recognize Mr. McCall.

Mr. McCall: — Thank you very much, Mr. Chair. Mr. Minister, officials, good to join you this evening for the consideration of the remainder of the estimates under subvote (EC13) and certainly thanks for accommodating the shift change on our side of the ice.

And I'd also say off the top, in terms of any opening remarks

that the minister made that refer, I am sure, to this area of the estimates, you'll forgive me. I was off discussing the Saskatchewan Opportunities Corporation and SaskTel borrowing under the current budget. So if there's anything that gets redundant, please bear with me.

But I guess if we could . . . This is something we've discussed in the House, and I'm sure it's as good a place as any to discuss off the top. But certainly there are some concerning trends in the employment situation in Saskatchewan. And there are places where it's more concerning than, you know, verging on alarming. And certainly, recently we've seen the Aboriginal employment statistics on a downward trend. And we've seen, particularly as regards off-reserve First Nations, the employment number, I believe the latest as per the labour market report from the ministry, I believe registering at 25.3 per cent. That of course doesn't include on-reserve population, which is about half of the roughly 135,000 First Nations people in Saskatchewan, where the situation in some cases is much, much worse. I guess my question to the minister, and again this is . . . I guess I'm looking for what the game plan is for the province going forward, both within government and all the different sort of opportunities that are available there in a lot of different ways, and we can get into those, but more broadly in the province in terms of arresting that alarming trend.

Hon. Mr. Harrison: — Right. Well thank you, first of all, Mr. McCall, for joining us. I appreciate it. And I know in terms of the specific question, I know this is something is very heartfelt, and I appreciate that as well. I mean in terms of, you know, my view on this as well, I mean it's an area where we do need to do better. And I think I said that in question period the other day. It's an area where we do need to do better. I mean my constituency, I have about 25 per cent Aboriginal population in my constituency. And prior to that when I was in national politics, it was well over 60 per cent. And you know, we need to, we really do need to engage Aboriginal people to a greater degree. And I think we have been doing a . . . We've been making progress. I'll say that. There are 43,000 or thereabout more Aboriginal people in the economy, in the workforce, than there were eight years ago. There is more work to be done.

In terms of the unemployment rate, the number I have is 16.4 per cent, which is again . . . I mean we need to do better. I mean whether that's 16 or 25. That's the number I have in front of me.

Mr. McCall: — I guess if I could clarify for the minister, I believe that refers to the overall situation with Aboriginal employment. Métis employment is a little better. Off-reserve First Nation unemployment is 25.3 per cent as per the latest.

Hon. Mr. Harrison: — I see what you're referring to, right. Yes, and of course data is not collected on reserve, which we know. And we've been . . . Maybe I'll get into it a bit later in terms of labour market information and how better jobs can be done on that front.

[20:15]

But you know, one thing I would point to is, you know, we have made significant investments with regard to adult basic education. You know, kind of my theory on this, I mean we

really have to get the fundamentals right, the basics right which means starting in right at the, you know, getting that basis of it right. And we have invested in ABE [adult basic education] level 1, level 2 largely that are being done, delivered on reserve.

You know, I would point to like just in Meadow Lake, for example, right? We have at the regional college three, four courses. I try and attend every graduation I can there just to kind of reinforce what a great accomplishment it is for these folks, and primarily all Aboriginal, right, primarily. And you know, the hurdles many of them that have gotten over to get to the point of getting a level 4 ABE which is, you know, your grade 12, I mean that's a huge deal. It really is, considering the impediments that have existed for a lot of people to get there.

So I mean part of it's, you know, making those investments, making those opportunities available because we have a real opportunity there, and others have pointed out what the opportunity is, I think. You know, in terms of the calculation, there can be discussion, but I think as a general statement of principle that, you know, we continue to have labour market shortages. Ms. Sarauer and I were just talking about that. In particular parts of our economy, we continue to have labour market shortages. So you know, we have a workforce that's underrepresented in the workforce that we need to engage in making able to take advantage of some of those employment opportunities. So we're going to continue to make those investments.

You know, in terms of the targeted funding, it's over \$50 million this year. And it's not just my department, but it's through other departments as well, you know, GR [Government Relations] and Education, Advanced Ed. I mean there's a number of departments that deliver some elements of this. We primarily do the primary education component as it relates to ABE but, you know, which is a huge increase. I mean that's a 93 per cent increase.

So you know, that being said, I very much take your point, and I agree that there is more and better work that can be done on this because, you know, just kind of the reality around this is we have labour market challenges and we have folks who could take advantage of those opportunities if able to. So we do need to do that.

Mr. McCall: — I guess in terms of, is there any sort of a game plan or targets that are there with the ministry in terms of reducing the gap or eliminating the gap that presents between First Nations and Métis folks in the labour force and everyone else?

Hon. Mr. Harrison: — Sorry, I was just kind of referring to . . . We do track these things and we do have targets around engagement in the labour market for a number of groups. You know, First Nations and Métis are one of the targets, obviously. Out of the seven groups, you know, I would point to, we have landed immigrants; Canadian born, non-First Nations and Métis women; youth; older workers; persons with disability; and Canadian-born, non-First Nations and Métis men. So we're first in five out of those seven categories in terms of labour market attachment.

Unfortunately in terms of First Nations and Métis, that's not

one that we're number one in. We are doing, in terms of an equivalent with other provinces, we're second. So it's, you know, I think an issue that's being struggled with by jurisdictions right across the country, but we are second in terms of the rate of employment amongst First Nations and Métis. But we do measure this and we do have a goal of having the best labour market attachment of any jurisdiction in the country.

So you know, how do we do that? I mean we are one of the only jurisdictions that provide training on reserve. And I know that had been an initiative I believe that your government had undertaken. We've continued with that and frankly increased it significantly because of the fact that we need to, for all the reasons that we had just been talking about, do a better job there.

Mr. McCall: — Thank you for that. I guess, what constitutes the best?

Hon. Mr. Harrison: — New Brunswick has the highest employment rate in terms of First Nations and Métis.

Mr. McCall: — Is there anything that New Brunswick is doing that would stand out as a best practice worthy of emulation or is it more a function of sort of a dramatically different situation?

Hon. Mr. Harrison: — I would say that, you know, geography has a bit to do with this in terms of proximity to employment opportunities. We know a lot of our First Nation and Métis population are in northern areas where there frankly are less labour market opportunities than you would find in an area, you know, around a major urban centre, for instance. So part of it's geography. I mean there could probably be other reasons.

In terms of programming, I don't think that there's a whole lot . . . Just let me confirm this.

No, we don't know of any specific initiatives that New Brunswick would undertake differently. One thing I would offer though in terms of a plan going forward on this, one of the trends we've really seen in labour market programming — and I would argue we've been at the forefront of this — is, you know, the concept of having employers directly involved in the training process and directly involved with potential employees all the way through that process. So Job Grant's an example of that. I mean we've seen that in other areas as well where we really have tried to put a focus on, at the end of this training, it's not just training for training's sake. It's training that's going to result in employment at the end of your training course.

So I was at SIIT [Saskatchewan Indian Institute of Technologies] a couple of weeks ago. We did an announcement on . . . And there were two courses going through at that point, one welding course and one carpentry course. And you know, young men and women, First Nation, Métis young men and women who at the end of that training had jobs basically waiting for them because employers were directly engaged, saying, here's what we need; here's specifically what we need, and would work with SIIT in tailoring a program that would allow those who have gone through the course in the, you know, three-, four-month course. So it's not insignificant. I mean this is real training. At the end of that course though

they're able to move right into those available jobs.

And it's really worked. It's really worked in terms of filling labour market needs. You know, Regina Trades and Skills for instance, right, an employer will come and say, I need 15 roofers. Okay, well let's find 15 potential roofers. Let's train them and then they have the job at the end of the day. So they actually kind of engage in the interview process all the way along, and at the end of the training there's a job waiting for them. And that's, you know, that's the direction that we've gone in. And that's, you know, the SIIT example is one where at the end of it it's, you know, First Nation, Métis youth who are — not all the youth but First Nations and Métis workers — who are going to have that job at the end of the day. And we have put significant resources into that sort of training and SIIT does a great job delivering it.

Mr. McCall: — Well to use the example of the Regina Trades and Skills Centre, which is something I'm very familiar with, verging on, you know, being their neighbour, what's your sense of, you know, if there was more resources being provided for something like the Regina Trades and Skills Centre, what greater impact could they have? Or are they at a carrying state or where are we at?

Hon. Mr. Harrison: — Yes. In terms of kind of funding, they haven't requested any additional funding, but you know, I mean I know that you know how successful they have been. There's completion rates are, you know, 80 to 90 per cent on any given year. You know, enrolments, it's fluctuated a bit but it goes around 150, 180, sometimes a few less, sometimes a few more. The programs have been pretty consistent in terms of the number delivered each year, you know, 10, 15, in that range over the course of the last seven years. And it's very responsive to labour market demand and that's what drives the whole thing.

But in terms of your specific question around funding, they haven't requested any more. But these are the sort of training programs where I think we get, we really maximize our dollars through labour market programming in these sort of programs where you have that job right at the end of the day, working with employers. Everybody, you know, kind of, so to speak, has skin in the game on this and that's how we end up with successful outcomes.

Mr. McCall: — No, and I'd certainly think the minister was referring to construction careers with SIIT.

Hon. Mr. Harrison: — Yes.

Mr. McCall: — I'm on the same page. I'm a believer in the wisdom of the approach. Certainly one of the things that those programs benefit from are the sort of pre-employment or the preparatory work, and that work often faces . . . Like it can be pretty daunting in terms of the completion rates or the success rates in terms of that piece of the equation.

Does the minister have any observations in terms of the resources deployed that work to provide that on-ramp into things like Regina Trades and Skills?

Hon. Mr. Harrison: — Yes. No, a really, really good question

and a very good observation. I mean that's right. I mean getting to the point where you're able to go into a program at SIIT or Regina Trades and Skills, I mean that's a huge challenge for a lot of young people and potential workers — getting to the point.

So I mean that is why we, you know, in kind of that pre-employment stage a lot of that adult basic 1, 2, even 3, 4 stuff to be able to, depending on the program that you're taking, just kind of basic workplace skills, I mean a lot of these things, that's what a lot of it is. And you know, that's why we made the significant increases in those investments and increased the number of training seats by 60-some per cent, I think, over the course of the last eight years on adult basic.

On apprenticeship, you know, it'd be a similar sort of number. Obviously apprenticeship is a bit different than what we're talking about here right now but, you know, that kind of having that base level of knowledge, having that base level of understanding as to what you need to do to be successful in a training course and ultimately in the labour market is a really challenging thing.

And that's, you know, I know from the North, the Northwest that, you know, there's a lot of barriers to getting to that point. And that's why we want to work with those who deliver these programs, whether it be particular First Nations, tribal councils too as it relates to First Nations youth in this case, to try as best we can allow for those who are so inclined to participate and get to the point where they can take advantage of a construction careers sort of program, and at the end, you know, walk out the end of the day.

I told the . . . In the welding course it was all young guys, so I had a good chat with them. And I told them which is true, the guys I went to high school with who went and got their welding ticket and, you know, many of them would . . . they're running their own trucks and running their own businesses. Those guys are making more money than the guys who I went to law school with and have been more successful than the guys who I went to law school with. Heckling from the government side of the aisle. But it's true though. If you're able to get into those sort of trades and, you know, if you're able to get your journeyman and, you know, have a business if you're so inclined in that direction, even just having that kind of credential going through construction crews, I mean, you can make a very good living — you really can — and support a family and, you know, really build a life that way. And that's what we want to see.

Mr. McCall: — No. Certainly, Mr. Minister. I have a very good electrical contractor friend that fits that bill nicely and has a, you know, much better quality of life than I do, I'd argue.

But I guess one of the things that we've touched on is the adult basic education component of things. That came up as a goal in the growth plan for elimination of the waiting lists, if I'm recalling that correctly. Can the minister provide a bit of a status report on that goal and how that is furthered by the expenditure under question here tonight?

Hon. Mr. Harrison: — Yes. No. Well we . . . Absolutely that was a goal, and thanks for the question. I mean, we eliminated the wait-list last year. There was a slight reduction, I think it

was \$200,000, in our ABE programming from 22.6 to 22.4 million, which was purely a utilization reduction. We had underspent last year. But the wait-list last year was eliminated.

You know, our objective has been that those who wish to participate in adult basic need to have that opportunity. And again been delivered successfully through regional colleges, on-reserve. I think there's been, you know, significant innovation in terms of the delivery of adult basic and ... [inaudible interjection] ... Yes, I'm just ... Yes. As of right now, the wait-list is zero.

So you know, we've made that a priority and that's been, you know, in our discussion, and I think you know that from before. I mean, that's a priority of mine as well that we have those who wish to acquire the skills to participate and attach to the labour market that they have that opportunity. And I think we, you know, have been pretty successful in terms of increasing the number of seats.

I think, you know, we can still work on completion rates which, you know, again it's a real challenge for folks, a lot of folks who come into these programs, and it's ... many of whom have been out of an academic environment for a lengthy period of time and have, you know, commitments outside of that academic environment; a family and for other reasons that make it a challenge to kind of get to the end on it. But you know, we want to make sure that we're being responsive, working with partners obviously. I mean, there's standards that have to be met in these programs, but working with partners, working with clients to, you know, get through that program and acquire those skills and be able to move on whether it be to further education, whether it be for training, whether it be for entry into the labour force.

Mr. McCall: — Just a bit for the record in terms of how the wait-list is, how was it conceived? How is it monitored? Is there a fluctuation that goes sort of month to month or season to season? Minister or officials, any thoughts on that?

Hon. Mr. Harrison: — No, a good question. I'll turn it over to Alastair MacFadden, our ADM for labour market for a response.

Mr. MacFadden: — We work with training institutions to standardize the wait-list measurement when we first made the announcement in 2012. And so now, September 1st, we work with them to calibrate what the wait is, and then we work with them again January 31st, and then we measure what's left on June 30th. And what we see is, with continual intakes in these programs, that people are absorbed into adult basic education programs throughout the year. And that's partly as a result of the increase in ABE capacity since 2012 where we've increased the total seats by 1,200 spaces.

So what that meant in 2014 was that in September, we had about 1,500 people in September who wanted an ABE seat that were gradually absorbed into programming throughout the year. This year we had about 1,000 people in September that through the course of the year were enrolled into programming or found other training opportunities.

Mr. McCall: — Thank you for that. Certainly the minister's

talked about the move to, you know ... One of the big challenges that continues to persist in a lot of different pernicious ways is the jurisdictional wrangling that goes on and the decision that was taken to move some of these opportunities on to reserve because, you know, the province could afford, could not afford to stand back.

In terms of what Mr. MacFadden is describing, what recognition does that make of demand on-reserve for adult basic education opportunities?

Hon. Mr. Harrison: — Yes. No, good question. In terms of the, you know, the distribution of adult basic education seats, about 7,300 are traditional programs, so that'd be delivered through regional colleges and through other institutions. Twelve hundred, though, are delivered on-reserve. So I mean, it's not an insignificant portion of the overall program. It's over \$5 million that are delivered directly on-reserve. So that's an important component of it.

But you referenced in your preamble the Government of Canada. We've been working with them in terms of their investment into economic development, into workplace training, skills development, these things on-reserve. You know, I think the province, frankly, does a better job of that than does the Government of Canada. And I think that, you know, they ... I don't know, maybe they wouldn't agree, but I think that they might.

So we, I think, have a lot of offer in terms of working with them. We've seen an additional commitment of resources from the new federal government with respect to, you know, First Nation particularly, investment on that front. We have yet to see how that's going to be allocated. We had an announcement fairly recently — it was within the last three weeks, made in North Battleford — of additional funding. It was a budget reannouncement, but that being said, there is a commitment that there will be more resources that exist for programming.

So I think, you know, we need to be engaged, and we are. We are engaged with them in terms of how we can maximize the value of that additional investment. I don't want to just see that money ... I mean, it's their resources so I guess ultimately they can spend it how they see fit. But I think that we can offer a lot in terms of ideas as to how the value of those resources can be maximized. We have, you know, not insignificant experience.

There's a reason why all the labour market programming was transferred from the national government to provincial governments, you know, in the '90s. Downloading was a part of the reason, obviously, but I think provinces are closer to it and do a better job of actually delivering those programs.

So I think there's opportunities to partner with the Government of Canada, particularly INAC [Indigenous and Northern Affairs Canada], Indian and northern affairs Canada, indigenous affairs Canada. In terms of our experiences and our knowledge perhaps, in how some of these programs can be most effectively delivered that we've gained through lengthy experience delivering them, whether it be in the case of ABE on-reserve, but more generally workplace readiness programming and training off-reserve, you know, even working with indigenous providers like SIIT. So I think there's opportunity there, and

we're going to engage with them on that. We have been already. We've been working with them on that, so we're going to continue that.

Mr. McCall: — I thank the minister for that. Certainly I had followed Minister Mihychuk's announcement with interest as well. And again I guess, one of the questions is always how are you getting the best impact. And there is a good argument to be made around what should be recognized as the pre-eminent expertise of institutions like SIIT.

So I guess this would be a good place for the . . . If the minister could describe or provide sort of an inventory of different federal dollars that are deployed in concert with the line items in this particular subvote, but also anything that's working particularly well, anything that needs more work.

Hon. Mr. Harrison: — Well a very good question. A lot of the dollars that are used in labour market programming are federal transfers. I know, Mr. McCall, you know that, through four programs where we have those dollars delivered there through the Canada jobs fund agreement. It used to be called the labour market agreement. We signed though a new Job Fund agreement of which Job Grant is a component of the Job Fund agreement. And that's for non-EI [employment insurance] eligible employees, so that can be existing employees, that can be anybody who is non-EI eligible is what Job Fund is for. So that's one of the transfers.

The Labour Market Development Agreement is probably the largest transfer. It's about \$42 million, although there was an announcement in the budget of one-time funding increase for LMDAs [Labour Market Development Agreement] of about 2.6 for Saskatchewan.

So we've been encouraging though, in terms of the labour market, I'll get to the other two in a second. Just a bit of an aside on LMDA: the way LMDA is allocated, it's a very significant federal spending or federal transfer. It's over \$2 billion a year. It's not allocated though as you would see in some other transfers on the basis of per capita. There's a whole number of factors in terms of how LMDA is actually distributed to provinces. It has to do with EI claimants. And there's like, I think there's about 20 different factors or something in terms of how they actually determine LMDA transfer. What it means though for us . . .

Mr. McCall: — Is it more or less complicated than equalization?

Hon. Mr. Harrison: — Well actually it would be more complicated in terms of the number of factors than equalization. I can get into that if you want to, but my deputy minister is saying, no, don't do that. Which is another interesting area, but . . .

So what it means for us though ultimately on LMDA is that in terms of if there were to be a per capita allocation of LMDA, or even a labour market distribution of LMDA, we're not getting what should be our share by a not insignificant amount. So we've made that representation. I had made that previously to Minister Mihychuk; shortly after she became minister, I pointed out this particular issue. And it's not just us that has this issue.

Ontario does. Alberta does as well, that of LMDA allocation that we are not getting what would be a proportionate share.

So what I proposed to her was that — you know, the new government ran on an LMDA increase in the campaign — was that that additional increase would be . . . We would kind of have the principle that nobody's going to get less LMDA, but use that additional allocation to top up provinces that are getting less than they should because of the way the factors in the distribution model work. So they unfortunately didn't take us up on that offer in this cycle, but we're going to continue to make that representation that on LMDA we should be allocated additional funding.

So LMDA though is funded out of the EI funds, so it's for EI-eligible claimants. So there's a number of programs which, we can get into all of them, but we fund a number of programs out of the LMDA agreement.

The other two transfers are the targeted initiative for older workers, which is a fairly small transfer. I think it's 25 million nationally. So we get about 350,000 per year from TIOW [targeted initiative for older workers]. The other is, well I call it the LMDAPD, but it's actually the LMAPD, labour market agreements for persons with disabilities, and that's where we fund a lot of our disability programming. That one though is a 50/50 cost share, whereas some of the LMDA programming that's eligible . . . There's different proportions in all of these too as to what provincial matching funds are necessary for programming. The LMAPD is 50/50 though.

So those are the four federal transfers on labour market programming.

Mr. McCall: — Moving front to back, the LMAPD, and you know, if you can't make an acronym out of these things, what's the fun in that? But certainly what's the . . . So you'd referenced 50/50 cost sharing. There's certainly a line item for the employability assistance for people with disabilities. How do those two things interact? What federal dollars are forthcoming? And then, if you could get into impacts.

[20:45]

Hon. Mr. Harrison: — Right. Well we'll get a list of some of the programming funding out of LMAPD, but it's about \$11 million per year on LMAPD. Not all of it's Econ; some of that goes through different ministries depending on programs. So Advanced Education has a chunk. Health has a chunk. GR has a chunk.

So we just signed a new LMAPD. We signed it concurrently actually with the jobs agreement. So it's a renewed agreement that we recently signed on to. And in terms of the number of programs, or the programs, maybe I'll ask our labour market . . . I'm not sure if Alastair or one of our other officials want to go through a list of some of the programs funded. They'd be programs that would very recognizable, I think, to people who are paying attention in terms of what's going on. So I'll ask Alastair maybe.

Mr. MacFadden: — So in terms of what's included under the EAPD program, it's a program that's intended to assist students,

job seekers, and workers who have disabilities with disability-related obstacles to training or employment. The funding is primarily provided to community-based organizations, but also to post-secondary institutions so that they can offer disability-related programs and accommodations. So for example at our post-secondaries, it's funding that's available to offer tailored supports to students. If they need tutors or specialized equipment or anything like that, they're able to access those supports directly through the campus student support centre or a disability services centre on that campus.

Community organizations would have programming that varies by community, but the broad spirit of it is that it's programming that helps people prepare for jobs or it helps them to get jobs or to keep jobs. So it can be job-finding interventions. It could be job finding that includes coaching support once you've got a job. And that job coaching means that there's follow-up; once you're employed, we'd work with the employer and also with the worker to make sure that that job sticks. So those would be some of the examples.

Hon. Mr. Harrison: — Yes, if I could just add a bit to that too, I mean this is programming that really does work. I mean we track results, obviously, in these. We've had very, very real success in our EAPD programming, employment assistance for persons with disabilities. You know, we've had 90 per cent of program participants were satisfied with the program. Completion rates are over 80 per cent. And we've seen — because of those completion rates and what Alastair talked about in terms of working with employers, working with employees — we've seen significant retention in terms of attachment to a particular employer, or even in a particular sector. I mean, it's been really, really successful, and we've seen the standard of living wages rising beyond the rate at which you would see in kind of a normal wage increase. So it's really working.

And you know, we had talked about kind of sources of labour with regard to First Nations, Métis individuals. I mean, this is another area where we have labour market shortages, labour market challenges, and a potential group who are able to participate in the economy with just, you know, a little help — whether that be through a training program or whether that be through working with an employer — just in terms of education on how disabled potential employees can help them in their company or a function of what they're doing. So you know, this is something we really believe in.

And you know, we found money internally to transfer to increase the budget for this this year in what is a very challenging budget year. We found resources to increase our funding for employment assistance for the disabled because this really works. And what it means too for individuals who had been, you know, many who had been relying on social assistance of different varieties, I mean, they're working, and all of the benefits that go along with that — self-esteem, all of these things. It's really exciting stuff, and we've really seen significant progress there.

Mr. McCall: — Just by way of information, I'm presuming there's an individual sort of disbursement, disbursement to institutions, disbursements to workplaces. How is the program

deployed?

Hon. Mr. Harrison: — There's a number of delivery providers. But I'll maybe ask Alastair if you want to address that.

Mr. MacFadden: — For the most part, the programming is delivered through community-based organizations. And I don't have a full breakdown in terms of the individual organizations, but what I can tell you is that it's primarily delivered in partnership with those third parties. If a job seeker or a student comes into one of our labour market services offices, we're also able to help them directly on an individual basis, but for the most part, the EAPD program funds community-based group programs and services.

Mr. McCall: — Thank you very much for that. I guess moving, you know, ministers hopping down the rabbit trail, and I'm like happily going after it. But in terms of the remaining three programs with the federal government involvement, older workers, the minister had referenced \$350,000 being the Saskatchewan share. What does that generally go for and what does that align with in terms of the expenditure under question here tonight?

Hon. Mr. Harrison: — Right, a good question. It's the smallest of the transfers and we signed that one as well. I signed that one as well in April of 2014. Just reading a note; this is one I'm not as familiar with as with the others. Yes, eligibility is older workers, 55-64, participate in suitable projects approved by the Government of Canada for this agreement. The federal contribution covers 84 per cent of the total eligible expenditure. So there are some specific programs that we fund using TIOW funds. I'm not sure if we have the list.

Well for this fiscal, four contracts. Sask Polytechnic, Regina campus: total contract value of 175,870; federal contributions, 84 per cent of that, as I had indicated. The second, Sask Poly P.A. campus; third, Regina work preparation centre; all of which were for the same amount: 175,870. The Radius Community Centre for education and employment in Saskatoon is the fourth organization. So we do this through request for proposal, and they're primarily training and job search sort of programs for those older workers, 55-64.

Mr. McCall: — Thank you for that. Second program under discussion for the EI eligible, the LMMA, if the minister could talk about the time frame for the different . . . the renewal time frame for the agreement, when's it up for further discussion and ultimate renewal, and then in terms of what that means for . . . how that's deployed throughout Saskatchewan.

Hon. Mr. Harrison: — That's a really good question and, like I said, it's the largest transfer out of any of the four programs for EI-eligible claimants. There's been significant discussion on how LMMA renewal's going to work. It was a significant priority of the previous ESDC minister, Minister Kenney, who really, really pushed to get renewal of LMMA agreements across the country.

Where he wanted to take the LMMA programming was in line with where we went with Job Grant, with regard to kind of having employers and employees and third party providers and

government, all with skin in the game with an outcome necessary at the end of it. And I was very supportive of that approach for reasons we've already talked about in terms of other programs.

The new government, they're consulting on this right now. I had told Ms. Sarauer this morning, we actually had a FPT meeting via video conference, and this was actually half of the meeting, was how we do labour market transfer agreement renewal. And the labour market transfer agreements encompass all four, but the biggest thing is LMDA, and how do we go about that.

Right now, the LMDA agreements are in perpetuity, which is fine. I mean that allows for a lengthier planning horizon. I mean, there's very few things in life that are in perpetuity, so whether it's actually in perpetuity, considering it's cancellable on two years notice, is a whole other argument which LMDA people find interesting to engage in. But I will refrain from that.

So we're going to continue with those discussions. I think provinces, it would be fair to say, we had a PT ministers' meeting on the same subject last week. I think it would be fair to say that provinces are of one mind on this in that we really, really encourage consultation, very real consultation, with provinces over the course of this review period. And it's a tight review period. The transfer agreement review that was agreed to this morning unanimously, but it might be scooping the press release. I don't know if it's gone out, but I think, I hope it has. I'm getting sideways looks from senior officials that we may be scooping FLMM [Forum of Labour Market Ministers] press release.

But there was agreement that that review period would commence basically immediately, and that we would have consultations over the course of July, August, September, culminating in FLMM, which is the forum of labour market ministers — so it's the table for labour market ministers — in October. And that meeting's going to be in Quebec City.

So we wanted to have recommendations around the transfer agreements. We're going to be reaching out to employers. I think we have a pretty good idea in terms of, you know, things we've heard over many years on these programs.

You know, one of the representations we will make, though, and I flagged it earlier, is with regard to the calculation of LMDA amounts. We had a one-time commitment of additional resources for LMDA programming and I think actually for Job Fund agreement programming too from the new government this year, which isn't actually up to what was their campaign commitment though, with respect to additional LMDA funding. So you know, we're going to point that out and ask for that reallocation. That's going to be, I think, more equitable with regard to provinces who are under-represented on that LMDA scale.

And I think there's a way we can do that without . . . I mean, as a general principle, provinces shouldn't be penalized. But if there's going to be additional new funding, we can use that additional new funding to rebalance the LMDA agreement.

So it's a real priority though and, you know, we'd encourage

employers and others to be engaged with regard to that federally-led consultation process on labour market transfer agreement evolution going forward.

Mr. McCall: — In terms of, say, if you use the per capita calculation or if you use the by EI claimants, what sort of shortchanging is going on in terms of dollars transferred to Saskatchewan and, if you use the respective metrics, dollars that would be transferred?

Hon. Mr. Harrison: — Good question. I am informed the communiqué went out so I did not scoop that highly anticipated FLMM communiqué.

Mr. McCall: — I wasn't taking it anywhere.

[21:00]

Hon. Mr. Harrison: — Highly anticipated. But in terms of the calculation, our position is that in terms of the transfer on labour market programming, you know, one of two metrics should be probably looked at, and that's labour market — the actual labour market — how many individuals are engaged in the labour market, or on a per capita basis, which is how a lot of these other transfers are done. So we've made that representation. Alberta has as well. Ontario has as well, who on that scale using, you know as an example, just the per capita proportion, would be would be getting less than would be their share.

So we'll keep making that case. You know, we'll see the level of recent activity on the part of the national government. But it's not just us, I mean, it's a number of other jurisdictions as well.

Mr. McCall: — Again though what . . . Depending on the metric, what does that mean in terms of dollars?

Hon. Mr. Harrison: — We're working on that and we'll get it to you, but it's not insignificant. But I'll let you know as soon as we get it.

Mr. McCall: — Thanks for that. And in terms of the common front that is possible going into October, the minister had referenced Alberta, BC [British Columbia], Ontario.

Hon. Mr. Harrison: — Not BC.

Mr. McCall: — Not BC, okay. Any others?

Hon. Mr. Harrison: — Those would be the most significant. And we've had discussions amongst ourselves with regard to that.

Mr. McCall: — Good. And then again in terms of the way that the LMDA is deployed in Saskatchewan, if the minister could, or officials, talk about how the dollars hit the ground.

Hon. Mr. Harrison: — Yes, and again a good question. Again programs that would be would be very recognizable to citizens in the province. I, though, will aside from those kind of high-level comments, I'll maybe ask Alastair if he could speak to some of the details.

Mr. MacFadden: — Looking specifically at the LMDA, a significant portion of the LMDA is used to support apprenticeship training in Saskatchewan, and the apprenticeship training allowance, you know, vary in dollar value from year to year as those cost claims are processed, but apprenticeship would be the main area.

And then there's a program called the skills training benefit that supports training for jobs for people who are on EI. We also have programming that provides self-employment training to people who are on EI so that they can move into entrepreneurship. That's done on a contract basis, so there's a number of small projects across the province that allow people to pursue their own business. And the LMDA fund also supports training opportunities and student loan grants for people who happen to be EI eligible. So in the background, we're able to determine a person's EI eligibility and charge those costs to the federal agreement.

Mr. McCall: — Again this is a sum of \$42 million annually. If you could go back through the different points of reference, and how is that allocated.

Hon. Mr. Harrison: — Yes, we'll get the details for you, Mr. McCall, in terms of how it actually breaks down. We can get you the programs that are funded out of it as well. SATCC [Saskatchewan Apprenticeship and Trade Certification Commission] is a big component, right. It's about \$22 million plus a year for the entire SATCC, which isn't all LMDA funding by any stretch, and the ATA [apprenticeship training allowance] component is not all federal funding either. But we'll undertake to get you the breakdown on the LMDA funding and where it goes to.

Mr. McCall: — Thank the minister and officials for that. Maybe a little bit more?

Hon. Mr. Harrison: — Okay, I actually have the info for you, Mr. McCall. And on the LMDA increase, as I said, it was not insignificant. It would actually go from about 42 to 57, so it's real money, big. It's very significant money.

Mr. McCall: — That would be used on a per capita basis or labour market size?

Hon. Mr. Harrison: — That's on per capita and that would be with the additional commitment of the \$500 million per year from the Government of Canada.

Mr. McCall: — Well again good luck with that. Bring it on home. I guess anything else with the different expenditures involved in the LMDA? Anything else to be added at this point?

Hon. Mr. Harrison: — No, I think we've canvassed LMDA pretty thoroughly.

Mr. McCall: — The Canada Job Fund, if you could tell us a bit about that.

Hon. Mr. Harrison: — Yes, I'd be happy to. This was the result of significant federal, provincial back and forth. I know you'd be aware of it, Mr. McCall, but this was an initiative announced in the 2014 federal budget with little prior

consultation with PTs on the change. So this had been previously known as the labour market agreement, and it was for non-EI eligible training transferred from the Government of Canada. So this was an initiative of Minister Kenney. Well Minister Kenney actually became Employment and Social Development minister after the original announcement or after the budget announcement.

So there was significant consternation, perhaps would be a way of saying it, amongst the provinces and territories about, you know, what was a fairly unilateral federal approach to remaking the LMA [labour market agreement]. So there were several provinces that were very concerned — I think we were concerned as well — about the direction this was going to go. And the cornerstone of the . . . there's three strands in Job Fund, but Job Grant is probably the best known component of Job Fund.

So we ended up negotiating an agreement, ultimately with the Government of Canada, and frankly our Premier played a central role in that and how Job Fund would be and the Job Grant component of Job Fund would be funded, whether it be new provincial money. And this is what the big issue was for a lot of jurisdictions. You're basically forcing us to put, you know, very significant additional allocations over a four-year period of time into Job Grant, which is new. We don't know if it's going to work. We don't know what the uptake's going to be. There were a lot of questions even in terms of program design at that point. You're forcing us to put provincial funding into that, and we don't really, you know, we didn't have any input into this and aren't really sure how it's going to work. So the arrangement that ended up being agreed to by the Government of Canada and by the Premiers was that there would be . . . it would be . . . you would be able to fund Job Grant out of basically federal transfer dollars from the rest of the Job Fund. You could fund Job Grant out of Job Fund.

So that was the compromise and that was the backstory to how Job Grant ended up being adopted by provinces, and how the labour market agreement ended up morphing into the Job Fund agreement, which was signed by all of the jurisdictions. I think I signed it in the summer of 2014, I believe, shortly after becoming a minister responsible for labour market development, you know.

And you know, it's worked. Job fund has worked. We've ended up, you know, in a position of having a great deal of interest — put it that way — so far this year. The program was fully subscribed last year, Job Grant, fully subscribed last year. You know, a very, very high degree of interest thus far, already this year. And we increased the Job Grant component by over \$2 million. Yes, we're at 6.4 million this year on Job Grant so, you know, very significant interest, and we just actually this morning as well went through the year to review.

Part of the arrangement in terms of getting agreement on the Job Fund morphing from the LMA was also that we would have a two-year review of the whole thing: lessons learned, what can we do better, input from all of the PTs to the GOC [Government of Canada] about what can be improved. So we made a number of submissions in terms of what could be improved. Other jurisdictions did as well. That report's going to be published shortly, I believe. Yes, we signed off on it. Ministers signed off

on it today to be publicly released.

So I think we can expect improvements to Job Grant, but that being said, Job Grant has been very successful amongst employers, and there's been 700 . . . 670 or so individuals who went through Job Grant-funded training last year. So we've seen success, and again it's that model where you have all the partners with a stake in the outcome, and an employee who also obviously has a stake in the outcome, so it's been really successful in that regard.

And I think you would find a consensus across the country that this is actually a positive thing, and again talking about the direction of labour market programming into the future, you're going to see more and more of this because it has been working.

Mr. McCall: — If the minister could just touch on what the number of individuals impacted was again, I had missed that.

Hon. Mr. Harrison: — We're trying to find the exact number of employees. I said 670. It was 669 employers that were successful in terms of 886 agreements that had been approved. 5,169 trainees.

Mr. McCall: — And again in terms of getting everyone around the table — and you know, folks got skin in the game — how is that accomplished?

Hon. Mr. Harrison: — The way it actually technically works . . . Maybe, Alastair, I'll speak to this one. But they complete a checklist online. And then on the basis of that application, we contact them and then go through the options that they have. Job Grant, you know, might be the best option, but there are other options that we provide through labour market services. So maybe, Alastair, if you want to speak to that, the actual technical process, how it works.

[21:15]

Mr. MacFadden: — So in terms of this checklist, it's an opportunity for employers to self-screen in terms of their own eligibility for the Job Grant and whether they meet some of the requirements. So for example, the Job Grant is only targeted for private sector jobs not for public sector. So that would be one of the considerations.

We track the submission of checklists as a way to record the demand for the program. And so in 2015-16, we saw just over 2,000 expressions of interest from employers who are interested in training people for jobs. Job Grant is one of the options for them, but we've already talked about trades and skills centres and construction careers. Those are other ways for employers to engage in the training system and get the workers they need.

Mr. McCall: — Any characterization around the average amounts involved, length of time over which it's being disbursed, any observations in that regard?

Hon. Mr. Harrison: — I mean, the parameters of the program are it's up to \$10,000 per employee. If you have fewer than 50 employees, if you're a company of fewer than 50 employees, you can use a wage replacement option. So basically you can take advantage of Job Grant in that case by using that wage

replacement option, which is something that a lot of employers take advantage of, actually. And that was a part of the discussion that we had had into the lead-up for the signing of Job Grant, of that being a component of it so that smaller employees could take advantage of the training, of the program. It wouldn't just be larger.

We also put a cap in terms of the number, the amount of the program that each individual employer could access. So I think it is 250,000 in this province. Provinces were given discretion though, as to what that cap should be in their jurisdiction. So some provinces have higher caps. I think Alberta's 350,000, but these are things that are, you know, kind of constantly under review per year, right? So this is 250,000 per year.

So the point being that one employer can't monopolize the program. We want to have as broad a reach as we can, and we want to have smaller employers, smaller companies able to take advantage as well. So that's why those rules were put in place on Job Grant.

Mr. McCall: — I guess this is as good a time as any, as well, in terms of . . . This would have been the program that SkipTheDishes was funded under. Is that correct?

Hon. Mr. Harrison: — No, it actually wasn't. That was funded . . . Just a second. I'll grab my notes here. Yes, that particular program, that was work readiness - employment development fund. So that particular program delivered about \$48 million in support over the past two years through a number of different processes, which Alastair could probably go into.

But you know, I'm actually glad you gave me the opportunity to address this because, you know, I think there was some characterization of this particular relationship as being different. I mean, it really wasn't. We do, through Job Grant as an example . . . and the amount per training opportunity for SkipTheDishes was identical to Job Grant. It was \$10,000 per employee.

Sorry, where was I here? Oh yes, just in terms of it not being unique, I mean, we enter into these relationships with private companies all the time as far as job training dollars go. I mean it's not unusual. We could give you the list of job grants, 669 employers, right? It's Mosaic and it's lots of companies you've heard of and lots, probably, that people haven't heard of that have taken advantage of it. So in terms of, kind of, our commitment for training support for employees, that's very much in the line of business of what we do at labour market development. It's not unusual.

As far as, kind of, the SkipTheDishes particular company . . . Again it wasn't an unusual thing. We didn't do it through Job Grant. We did it through the work readiness - employment development program, as we did through it for a number of other companies as well, through that other program. So not unusual and yes, I'm glad I was able to put that on the record actually.

Mr. McCall: — Well I guess we'll get back to work readiness if that's where it originated from. But in terms of the Job Grant, anything you'd like to add about the way it's been deployed and immediate future for it?

Hon. Mr. Harrison: — I mean, I think Job Grant's been really successful, and you know, I think you're going to see continued investment into Job Grant. We put additional resources into it this year. We have an agreement with the feds for a four-year programming commitment on Job Grant. Like, you're going to see additional resources into the future because of the fact that it actually provides results and outcomes at the end of the day.

We're going to be publishing the year-2 review on Job Grant. It's going to continue to be a part of the discussion because it's one of the labour market transfer agreements that the feds are consulting on right now.

I was encouraged, though. I mean, the discussion we had this morning, talking about that with other labour market ministers and the federal minister as well, I think there's a pretty general recognition of the value of this sort of job training and, frankly, of this program in particular. And given kind of the genesis of how we got to this point with the program, that would have been a huge surprise to people three or four years ago, well even shorter than that. Three years ago, it definitely would have been — two years ago even.

So I mean it's evolving. We continue, though, as kind of one of the principal components of the discussion on labour market transfers, and the Job Grant, Job Fund is provincial flexibility. We know our labour markets better than those who would be, you know, directing some of these things in Ottawa. We know better. And you know we want to work with them, but give us flexibility in terms of how we deliver these programs. And I would say that, you know, we have seen that. Well at least since I've been around, you know, as one of the economic ministers in the government, we have seen that.

So we're going to continue to push for that. And that's something we have a broad consensus across the political spectrum on within the country and something that labour market ministers are continuing to work on, you know, along with a number of other issues around apprenticeship, around labour market information, around a number of other files which are really, you know, really important, and the stuff that doesn't get a whole bunch of attention in kind of media circles or even academic circles, but which is really, really important to the functioning of our national economy.

Mr. McCall: — Amen to that. You know, it keeps the lights on and the bread on the table. You know it's pretty fundamental.

I guess the broader end, while we're sort of in the discussion of the federal aspect of the labour market in Saskatchewan, the situation around EI and the expansion of EI claimant regions, does the minister have any sort of update for the committee in that regard?

Hon. Mr. Harrison: — Right. We were encouraged. I mean we had the extension which was a positive thing. I mean we had called for that, you know, obviously right after the announcement had been made along with other jurisdictions where it was, you know, slightly strange that we're not included. You know, we made those representations immediately thereafter. It was actually I think during the campaign when this or part of it happened anyway. And I know I had written a letter, and we had reached out directly to

Minister Mihychuk on that.

I mean they had a formula upon which they based their decision not to include, you know, the way that . . . particularly with EI. I mean you can create formulas that will give you outcomes. And I think it was pretty obvious to a lot of folks that, you know, Edmonton should probably be included given the, you know, ravages that are happening in the labour market because of the energy price issue situation, as should southern Saskatchewan.

And it led to a lot of really strange circumstances, right. If you were in energy, working in the energy sector, say you're working out by Kindersley but say you lived in Saskatoon, you could be working side by side with, you know, a co-worker who would be eligible but you wouldn't based on where your residence was, not based on where you were employed and where you were working.

And I understand, I mean, you do have to, on these programs . . . We have to make decisions around this as well. I mean you do have to draw the line at some point. But you ended up with some really strange circumstances like that one, where you could have, you know, two employees working side by side who would be treated very differently in the case of job loss. So just from the point of view of, you know, equity — and I use that term in kind of a legal sense — it was pretty tough to justify.

So we made that case aggressively. The Premier made that case directly with the Prime Minister. You know I made that case directly with my counterpart as well, and you know they did make the extension. So that was a positive thing for us and for Edmonton as well. And I think there was one other EI region they did also, and I don't remember which one it was. But it was the right decision,

Mr. McCall: — No I guess just, you know, certainly the history of Saskatchewan and drawing on EI, there's a fairly long significant tendency to pay into the fund but certainly not draw down. And again when the need is so patently there, there is the formula gymnastics going on.

Hon. Mr. Harrison: — Well and this is a great point. And this is exactly why, on LMDA which is EI-funded, you know, why are we being shortchanged even on a per capita basis when you're absolutely right in terms of the EI account, who are net contributors and who, when being challenged by significant labour market issues in the energy sector and resource sector, maybe there should be some consideration there. And that's why we're going to advocate strongly on the LMDA component because that's a great point.

And you know, there was actually a report that was referenced on our FPT call this morning as well. I'm not sure if that report has been made public, Alastair, has it? No, it hasn't. Okay, well I won't speak to that then. I've already spilled enough secrets about that meeting.

Mr. McCall: — I won't even send it out in an email, Minister.

Hon. Mr. Harrison: — Thanks. Too soon, Warren.

Mr. McCall: — I wouldn't be so contemptuous.

Okay. I guess if we could work through the line items and do so quickly, I would like to get to a bit of a discussion around trade and where we're at. Also it's always great to see folks come in from the different arms of government so we don't want to, you know, don't want anybody feeling left out in terms of the discussion here. So we want to make sure that . . . We've got all this expertise assembled; we want to draw on it the best we can.

But moving through the line items, work readiness, youth and adult skills training, slight reduction in expenditure. Can the minister talk about what's going on there?

[21:30]

Hon. Mr. Harrison: — Yes, I'll just give you kind of a general . . . Sorry, length of time in, kind of, getting it. The way these things are broken out, it's not really by program, so we internally don't often refer to it in kind of these envelopes. So that was why we were getting to the bottom of it. Alastair though can provide details on that. And it had to do with, we're able to transfer . . . It's Job Grant-related but that was tricky in discussing.

Mr. MacFadden: — In terms of that program envelope, we saw a transfer of some of that budget into the Canada-Saskatchewan Job Grant, and the transfer came from, mainly from one program area which was to train early childhood educators for jobs in that sector. The Job Grant supports the same outcome, and so starting last year we started to promote the Job Grant to employers in early childhood education licensed centres and homes to encourage them to use the program and to show them that there is an alternative way to train their workers.

Mr. McCall: — Thank you for that. So in terms of the entire allocation, there's \$19.5 million under consideration. Surely that's not all for early childhood. I'm misunderstanding here. What does the allocation go for generally? So a lot of early childhood educators.

Hon. Mr. Harrison: — Yes. No, it's a good question. Alastair was just referring to the change in funding on that. But like I said this isn't usually how we break it out internally, so that's why we're . . . We'll get you the answer here though.

Mr. McCall: — Okay. But I guess further to Mr. MacFadden's answer, there had been a program offered to promote or to pay for the education of early childhood educators. That program has been concluded and that's the difference in the expenditures. Is that a correct understanding? Or maybe I should let him answer, you know, take it from there.

Mr. MacFadden: — There were two changes into the overall budget. So first of all in terms of the kinds of things that are supported through youth and adult skills training, it includes foundational skills programs. So there's something called the skills training allocation and the budget for that this year is about 15.4 million. That skills training allocation is funding that goes to post-secondary institutions and it supports training initiatives, skills training initiatives. Trades and skills centres are also supported under that envelope. The total budget there is

about 1.9 million.

And I mentioned early childhood education, that we transferred what had been about 579,000 into the Job Grant. The same budget envelope supports northern skills training which is training for jobs in the North through post-secondary institutions. That's about 1.7 million.

And lastly the targeted initiative for older workers that we talked about earlier, it's embedded in that broader envelope. This year the value for that program is just about \$400,000. That program was also reduced and it was reduced because the transfer from Ottawa was reduced, so it was a corresponding amount to match with the federal funding.

Mr. McCall: — And sorry to skip around on you a bit. Just referring back to the Canada Job Fund, how much was that envelope worth, just so I've got that straight in my head?

Hon. Mr. Harrison: — The Job Fund agreement, about 15.7 million with Job Grant being 6.4 of that.

Mr. McCall: — 15.7 million with Job Grant . . .

Hon. Mr. Harrison: — 6.4 per Job Grant.

Mr. McCall: — 6.4. Okay, thank you. So back to the youth and adult skills training. Certainly special initiatives and, you know, all kidding aside, early childhood educators I guess from my understanding of the market or talking to operators, there's certainly a continued interest in building capacity and the kind of opportunity that would have been represented there, I guess. How does the ministry reckon with demonstrated and ongoing need and allocation of resources?

Hon. Mr. Harrison: — Right. No, a good question and, you know, a part of the reason why we changed it to or transferred the funding to Job Grant was, you know . . . Again I mean obviously my bias in terms of how we conduct training has been pretty evident. Anybody who's been listening about having everybody who has a stake in the outcome involved in a direct way. And I think through Job Grant, we have that opportunity where employers would have a direct stake. And a lot of these, I mean, it would be wage replacement, how we would actually fund the training for a lot of this because of the fact there'd be under 50 employees, right. So there wouldn't have to be an outlay of cash by the employer for training early childhood educator . . . [inaudible interjection] . . . What's that?

Mr. McCall: — So it would be prohibitive in terms of, you know . . .

Hon. Mr. Harrison: — It would be right, yes absolutely. I mean that . . . So it wouldn't happen most likely.

Mr. McCall: — Yes.

Hon. Mr. Harrison: — So now by doing it through Job Grant where you can use wage replacement, I think it will actually . . . there'll be an incentive for that training to happen because of the fact you don't have to put that out there yourself.

Mr. McCall: — Again not to pick on the early childhood

educators, is there in terms of acquainting the sector with the change that's been made and the instrument, and is it too soon to tell what the potential uptake might be for that?

Hon. Mr. Harrison: — Yes. I think it might be, yes. We've really worked on getting the word out on Job Grant though because this was a real departure from how we've done training in this province before. Manitoba, like as an example last year or in the first year of Job Grant, Manitoba had on all . . . very rapidly, a pretty fully-subscribed Job Grant application. And the reason being that they had done training . . . they had done training differently than we had. Employers were used to doing it that way. Here, not so much because we hadn't ever really done it in the same way that we wanted to do it with Job Grant and as we move forward with it in a number of other areas too.

So we undertook a pretty significant awareness campaign with regard to directly contacting employers about this new program and how this program could, you know, benefit them. So I think we've done that in a pretty widely-distributed way through our labour market offices across the province in terms of those direct connections. We have put out significant literature, not to mention online, sort of, ways of getting the word out.

We actually put resources into an advertising campaign around Job Grant. And I'll get the details for you, Mr. McCall, what . . . Yes, it would've been. We can't find the exact number here, but I feel pretty comfortable saying it was around \$220,000 or so in terms of our outreach on Job Grant, which was an eligible expense as far as the Job Fund agreement went. So yes, we put resources into getting the word out. And I think, judging by the very, very significant interest we've had thus far this year, it's been . . . The word has gotten out, put it that way.

Mr. McCall: — Okay. Thank you very much for that, Mr. Minister.

Hon. Mr. Harrison: — Sorry, Alastair was just going to add one comment as well.

Mr. MacFadden: — I just wanted to point something out when it comes to early childhood education, that the funding that was transferred into the Job Grant is not the only investment that goes to train workers for that sector. I mentioned the skills training allocation. That goes directly to the institutions, and they use that funding also to support that training. ECE [early childhood education] funding was an incremental amount that was meant to be distributed to institutions as new child care spaces, as new jobs were created. And again the Job Grant has that same intent.

So there still remains a significant capacity within institutional budgets and the skills training allocation to train workers as early childhood educators, and the Job Grant remains a supplement on top of that.

Mr. McCall: — I appreciate this is probably the terrain of another ministry, but in terms of provincial training allowance being made available for particular high-needs sectors of labour markets, and it seems to me that over the years there have been different approaches as regards the extension of PTA [provincial training allowance] for such, you know, things as folks looking to get off assistance, get education. And early

childhood education certainly stands out in my memory as one of those sectors. Is that still being undertaken in concert with the Ministry of Social Services? Any thoughts on how that is working?

Hon. Mr. Harrison: — Good question. On PTA — provincial training allowance, for those unfamiliar with all of the government acronyms that we use — historically PTA's been pretty directly aligned with ABE, and there's been a pretty direct correlation between the two. We've transferred money between a number of, you know, the STB, the skills training benefit, the provincial training allowance. So finding that balance has been a challenge and you actually have seen, even within this budget, you've seen reallocations between the different benefits. But maybe I'll ask Alastair to kind of go into that in a bit more depth. So I'll turn it over to you, Alastair.

Mr. MacFadden: — So the PTA budget and policy are managed by the Ministry of the Economy, and we work in partnership with the Ministry of Advanced Education to actually deliver the program. The PTA provides an income support to low-income learners. It's for eligible programs. Those programs need to be less than 12 weeks in length, and they need to be programs that aren't student loan eligible. So it's a very targeted investment. This year the budget for that program is about \$31 million. We saw some underutilization of that program last year.

And some of the demographic characteristics that would sort of speak to the nature of your question is that about 70 per cent of PTA recipients are First Nations and Métis ancestry, about two-thirds of them are women, more than half are 25 years of age or older. And we know that about 62 per cent of PTA recipients have come to the program from social assistance. So it speaks to the transitions that people are making from social assistance programs into training for jobs or into adult basic education that'll lead to employment.

Mr. McCall: — And again, some of this is . . . We've got rookie critic questions, but did I hear Mr. MacFadden correctly, PTA is now administered by labour market services?

Hon. Mr. Harrison: — Yes. Well we have a shared services agreement on it, but we do the policy work on it and we have the budget allocation. But yes, there is a shared services agreement between the ministries.

Mr. McCall: — Well thanks for that. So work readiness, adult basic education we've had a significant discussion about that. But a slight reduction for the wait-list has been eliminated. Again, anything further to add in that regard?

Hon. Mr. Harrison: — Not particular. I think we canvassed it pretty in depth earlier.

I would point out, I mean, the commitment in terms of eliminating the wait-list, we've maintained that commitment even in, you know, a challenging economic circumstance. And the reason being is that we continue to have labour market challenges in particular sectors. But also, this is how we're going to ultimately be able to increase participation in the labour market and increase the opportunity for those who have had a difficult time entering the labour market, get to the point

where they're able to. So we're going to continue to maintain that.

[21:45]

Mr. McCall: — Work readiness - employment development expenditures down by about a million and change. The minister and officials, if they could describe what's going on there, and how that particular line item is deployed in general.

Mr. MacFadden: — Work readiness - employment development is a program envelope that supports community-based programs and services. So it would support a lot of projects with community-based organizations, pre-employment interventions, job finding services, and job maintenance types of supports. Some of the program dollars from that program were transferred into the EAPD program because we were noting that there's a growing incidence of disability in Saskatchewan. And so some of the same types of interventions targeted to people with disabilities would be funded through EAPD.

What we'd also noted is that there is a higher incidence of disability among First Nations and Métis people. So in concert with the disability strategy, we transferred funding from work readiness-employment development into EAPD programming to help people with disabilities get jobs.

Mr. McCall: — Again, in terms of the kind of average disbursement, any sort of characteristics emerge in terms of how that line item gets spent?

The Chair: — While the officials are looking up that — carry on — I would like if possible, the last few minutes of the committee are scheduled to be here until about 10. If we take a few minutes, we have a rather extensive list of votes to consider. Maybe we can look at wrapping up the questions in the next few minutes so we can get on to that. We'll probably likely go overtime, but if committee members are amenable to that, at least consider it, I'd appreciate that. Thanks.

Mr. MacFadden: — So as I was saying, the work readiness - employment development program contributes to the purchase of programs and services for a wide variety of individuals, including people who are on social assistance, First Nations and Métis people, and also immigrants. What we've seen in the last year is, we've started to update those contracts to be more outcome-focused. And in terms of overall outcomes, we're seeing employment rates of about 67 per cent for people who complete those types of interventions. But they'll vary in size and scope depending on the community, the community-based organization, the local needs, and so on. We try to make a responsive investment, depending on the local labour market conditions.

Mr. McCall: — I must have misheard earlier in terms of where SkipTheDishes got funded out of then. Did I hear that correctly in terms of SkipTheDishes being funded out of work readiness - employment development? I guess, why would that kind of programming . . . And again, you know, against the backdrop of what Mr. MacFadden has just described as the way this particular expenditure gets deployed, why would that line item be seized upon as the way to fund something like

SkipTheDishes?

Hon. Mr. Harrison: — Right. Well I mean, that was where we determined that it would be most appropriate. We've funded job training out of this envelope for many companies. We've done it for Cameco, for Areva for job training, for Loblaw's, for NorSask, for Carrier, a number of companies in the forestry sector — that's right, Laurie? — Kitsaki, yes, from a variety. So like I said earlier, it's not unusual that we would do it from this particular fund. We've done it for a lot of training for other companies. I don't know if you wish to speak to the details around this, whether it be you, Laurie, or Alastair?

Mr. Pushor: — One of the things that motivated us in looking at this was a real opportunity to continue to grow and build the cluster that is emerging in the province around some of these tech jobs. It was at a very dynamic time, and so at that time we needed to make a decision on whether or not we were going to be able to support the training and growth of the company here in the province. As we looked through the various envelopes that were available to us, we tested in several places to see what might be the best fit. And it really was a mechanical reason to use this element, that it fit best the specific requirements of this unique opportunity, and therefore we used this fund. But we were looking across a variety of envelopes within the ministry.

Mr. McCall: — So in terms of the public comment by yourself, Mr. Pushor, and certainly by the Premier as to the continued availability of such funding opportunities, it's my understanding that this won't be available to anyone else. Am I understanding that correctly?

Hon. Mr. Harrison: — Yes, and I mean, what we're going to be moving towards is more reliance on Job Grant for these sort of expenditures, working with companies for job training, just because of the fact that we're going to be having increasing expenditures in Job Grant. It's over, you know, a 2.4 million-dollar increase this year.

You know, our agreement with the Government of Canada would see an increase next year as well for Job Grant. So you know, in terms of the funding arrangements, it's \$10,000 per job. That's what we fund through Job Grant. But now we're going to have a larger envelope through Job Grant to be able to deliver some of these, sort of, training opportunities. So that's where we're going to be steering stuff towards.

And there has been a kind of a bit of a challenge in terms of how we actually direct traffic on some of the inquiries we get. You know, labour market services and our labour market offices, field offices, do a really good job in working directly with employers as to what might be the best fit on particular opportunities, whether it be for training or other sort of initiatives. So we will steer it in different directions, but as Job Grant becomes more and more kind of the primary program for job training, we're going to have more and more, kind of, traffic directed in that area.

Mr. McCall: — Thanks for that, Mr. Minister. Again recognizing the hour and recognizing that we've got two hours allocated for this portion of the proceedings, and that of course the Chair, being a wise and just Chair, wouldn't want to take time for voting the resolutions out of the scarce time we have to

consider these estimates, moving along to the Apprenticeship and Trade Certification Commission, certainly a great partnership between industry, educators, labour, and something that has really stood the test of time. And then the way that that moves into the training allowance, the minister said that this is on, sort of, you know, as subscribed. So as the demand is diminished, so do the dollars attached to it. Am I understanding that correctly? And are there any sort of thoughts on how these things might rebound in the future?

Hon. Mr. Harrison: — Yes, I appreciate the question, and that's very much a demand-driven model for apprenticeship training. So you know, we have seen a reduction in that and an associated reduction in the ATA which is the apprenticeship training allowance because of that.

You know, one thing I do want to say, I want to take this opportunity just to . . . Jeff Ritter who's our CEO who's done a great job, — and I don't know if a lot of people know this — but Jeff's been chairing the CCDA which is the Canadian Council of Directors of Apprenticeship, so the national organization of all of the provincial apprenticeship training commissions.

And you know we, as labour market ministers, have put some, you know, significant requests on the table as far as apprenticeship harmonization goes. And you know, we originally sought to harmonize 10 red seal trades which we've done, which we've accomplished last year which was a really major undertaking. And I found that out kind of . . . It sounds like it's a pretty simple thing; like, why wouldn't you just do that? When you get into it not that far, you realize it's really complicated.

The requirements in different jurisdictions are often different for reasons. I mean there's reasons that you ended up there. But at the same time, it's pretty hard to explain to somebody, if you have your plumbing ticket in New Brunswick, why you can't be a plumber in British Columbia. On the face of it, doesn't make a lot of sense. So you know, we're trying to balance out the legitimate differences that exist in different jurisdictions for sometimes historical, sometimes for practical reasons, with the ability for that mobility in terms of labour.

So Jeff was tasked with this, and we were an unforgiving bunch in that we then tasked him with 30 more to do after the original 10 red seals. So we've been making real progress on this. So I know that's a bit of a side bar, and I'm sorry; I know we're running low on time. But I just really wanted to acknowledge the work that Jeff Ritter has done on this because it's been, again, something that's not going to garner a lot of headlines but which is really, really important and really makes a difference.

Mr. McCall: — No. I'd certainly extend, you know . . . urging to keep up the good work to the folks at the Apprenticeship and Trades Commission, again in terms of bringing people together around a common table and, you know, not doing the work in a big, showy way but keeping the lights on, putting bread on the table, making careers happen, building economy. It's a critical institution. So certainly to Mr. Ritter, keep up the good work and please extend that to the folks with the commission for ourselves.

I guess I hate the fact that the time is drawing down to this, but if we could ask you a couple of questions about trade, Mr. Minister, certainly the internal trades terrain, if you could just give us a bit of a forecast on what's coming up on the year to come, what's the state of play out there in the interprovincial trade land?

Hon. Mr. Harrison: — Well I thank you for the question. I've been looking forward to this all night. I actually wish I had an hour to go through this because I would avail myself of all of that time because it's really — I don't know; maybe it's just me — I find this fascinating.

The internal trade discussions have been under way now for about two years. We've been working on a renewed agreement on internal trade. So we've had, I think now, 10 ministerials on this. There have been 20 officials' rounds, of which Kent Campbell here who is our deputy minister of Intergov — and we have Bob Donald is here as well — who has been our chief negotiator on a bunch of this.

We were tasked by premiers a couple of years ago to, you know, come up with a renewed internal trade agreement that would be equivalent to what we would find in the comprehensive economic and trade agreement which is CETA. So that was our task. Internal trade is a very complicated beast, and we though have endeavoured to really make very, very significant changes in how . . . I mean, right now we're almost kind of in an absurd situation where it's easier to do business with countries elsewhere than it is to do business with provinces that are in the same country, so we need to fix this. We really do.

And we've put a lot of time, a lot of energy. I would commend . . . Our Chair has been Brad Duguid, Minister of Economic Development for Ontario. He's a really good friend of mine. I would say that, you know, I would give a lot of credit to Bob on this and officials who have done really, really good work. You know, I would say that, you know, Saskatchewan has played a pretty important role in this. And I think we're getting very near the end game. We had hoped to have an agreement by March 31 that we would be able to sign. You know, I think we're just about there. And we had some more discussions this week. We're going to have another FPT meeting on this in the very near future, within a week and a half or so, which I'm hopeful we're going to have a final agreement which is going to be very beneficial for those doing business in this country, doing business across provincial boundaries. There are always kind of last minute challenges in these things, but I think that there's good faith on the part of, you know, jurisdictions right across the country to get there.

[22:00]

So I look forward to those negotiations being concluded, and we'll obviously have hopefully an announcement to make on that.

The Chair: — Well thank you very much, Mr. Minister. You mentioned a conclusion, and that is our time for tonight. It is just past 10 o'clock p.m.

If you have any final things you'd like to say, thank you for

your deliberations, but I'll give you the last word and then we'll continue.

Hon. Mr. Harrison: — Sure. I have a lengthy speech I'd like to give in conclusion, but I'll forgo that opportunity and just say thanks to everybody for being here this evening. Thank you to committee members for the attention. Thank you, Mr. McCall, for the questions, and thank Ms. Sarauer for me as well for her questions. Thank you, Mr. Chair, and thank you very much to our officials who, you know, really do a great job. And any mistakes made tonight were mine, not theirs. But I genuinely appreciate their support and advice and encouragement even on occasion. So I just want to say that, thank you very much.

The Chair: — Thank you very much, Mr. Minister, for your enthusiasm and knowledge, but also for the officials being here on an evening where you might rather be somewhere else. But thank you so much for your knowledge and your work you do on behalf of the people of the province.

We have some administrative work to do in the committee. You're certainly welcome to stick around, but we won't be offended if you choose to move along. So again we'll say thanks to those, and we'll get right to our voting off of the estimates for the Standing Committee on the Economy, and ask all members to participate while we go through these.

**General Revenue Fund
Agriculture
Vote 1**

The Chair: — So the first estimates under consideration will be vote 1 in the Ministry of Agriculture, and the first subvote is central management and services, subvote (AG01), in the amount of 11,207,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Policy and planning, subvote (AG05), in the amount of 3,080,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Research and technology, subvote (AG06) in the amount of 26,806,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Regional services, subvote (AG07) in the amount of 39,840,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Land management, subvote (AG04) in the amount of 23,465,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Industry assistance, subvote (AG03) in the amount of 7,376,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Financial programs, subvote (AG09) in the amount of 24,246,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Business risk management, subvote (AG10) in the amount of 254,640,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Non-appropriated expense adjustment in the amount of 1,058,000 — non-appropriated expense adjustments are non-cash adjustments presented for information purposes only — no amount is to be voted.

Agriculture, vote 1, 390,660,000, I'll now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2017, the following sums for Agriculture in the amount of 390,660,000.

Ms. Eyre. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

**General Revenue Fund
Economy
Vote 23**

The Chair: — The next ministry under consideration is the Economy, estimates for the Economy. First subvote is central management and services subvote (EC01) in the amount of 33,648,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Minerals, lands, and resource policy, subvote (EC06) in the amount of 26,072,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Petroleum and natural gas, subvote (EC05) in the amount of 11,466,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Revenue and corporate services, subvote (EC04) in the amount of 4,469,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Economic development, subvote (EC12) in the amount of 11,397,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Labour market development, subvote (EC13) in the amount of 170,341,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Performance and strategic initiatives, subvote (EC20) in the amount of 2,181,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Non-appropriated expense adjustment in the amount of 3,251,000. These expense adjustments are non-cash adjustments presented for information purposes only. No amounts to be voted.

Economy, vote 23, 259,574,000. Again I'll ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2017, the following sums for Economy, in the amount of 259,574,000.

Mr. Steele. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

**General Revenue Fund
Environment
Vote 26**

The Chair: — The next ministry is the Environment. The first subvote is central management and services, subvote (EN01) in the amount of 16,959,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Climate change, subvote (EN06) in the amount of 2,631,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Landscape stewardship, subvote (EN15) in the amount of 3,822,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Environmental support, subvote (EN14) in the amount of 6,641,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Fish and wildlife, subvote (EN07) in the amount of 10,927,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Compliance and field services, subvote (EN08) in the amount of 17,513,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Environmental protection, subvote (EN11) in the amount of 32,162,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Forest services, subvote (EN09) in the amount of 10,610,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Wildfire management, subvote (EN10) in the amount of 73,887,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Non-appropriated expense adjustment in the amount of 11,204,000. These expenses, once again, adjustments are non-cash adjustments presented for information purposes only. No amount is voted.

Environment, vote 26, 175,152,000. I'll now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2017, the following sums for Environment in the amount of 175,152,000.

Mr. Buckingham. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

**General Revenue Fund
Highways and Infrastructure
Vote 16**

The Chair: — All right. On to the next one. Oh yes, sorry. We're on to the estimates for the Ministry of Highways and Infrastructure. That is vote 16. The first subvote is central management and services, (HI01) in the amount of 18,474,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Strategic municipal infrastructure, subvote (HI15), in the amount of 26,245,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Operation of transport system, subvote (HI10), in the amount of 94,037,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Preservation of transport system, subvote (HI04), in the amount of 150,832,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Transportation planning and policy, subvote (HI06), in the amount of 3,361,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Custom work activity, subvote (HI09), in the amount of zero dollars. This is for informational purposes only. There's no vote needed. Now you know. Infrastructure

and equipment capital, subvote (HI08), in the amount of 854,582,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Non-appropriated expense adjustment in the amount of 162,423,000. These expense adjustments are non-cash adjustments presented for informational purposes only. No vote needed.

Highways and Infrastructure, vote 16, \$1,147, 531,000. And I'll ask the member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2017, the following sums for Highways and Infrastructure in the amount of 1,147,531,000.

Mr. Doke. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

**General Revenue Fund
Innovation Saskatchewan
Vote 84**

The Chair: — Moving on here to Innovation Saskatchewan, vote 84. Innovation Saskatchewan, subvote (IS01) in the amount of 29,400,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Innovation Saskatchewan, vote 84, 29,400,000. I would ask a member to move the following resolution similar to all the other ones:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2017, the following sums for Innovation Saskatchewan in the amount of 29,400,000.

Mr. Kirsch so moved. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

**General Revenue Fund
Saskatchewan Research Council
Vote 35**

The Chair: — Vote 35 is next. Saskatchewan Research Council, the SRC, subvote (SR01) in the amount of 22,230,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Saskatchewan Research Council, vote 35; 22,230,000. I'll ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12

months ending March 31st, 2017, the following sums for the Saskatchewan Research Council in the amount of 22,230,000.

Ms. Sarauer. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Thank you.

**General Revenue Fund
SaskBuilds Corporation
Vote 86**

The Chair: — Next is vote 86, SaskBuilds Corporation, subvote (SB01) in the amount of 5,073,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. SaskBuilds Corporation, vote 86; 5,073,000. I ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2017, the following sums for SaskBuilds Corporation in the amount of 5,073,000.

Mr. Steele has so moved. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

**General Revenue Fund
Water Security Agency
Vote 87**

The Chair: — Next is the estimates, vote 87 for the Water Security Agency, WSA, subvote (WS01) in the amount of 20,255,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Water Security Agency, vote 87; 20,255,000. I ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2017, the following sums for Water Security Agency in the amount of 20,255,000.

Mr. Buckingham has so moved. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

**General Revenue Fund
Supplementary Estimates — March
Environment
Vote 26**

The Chair: — We're on to the supplementary estimates — the end is nearing — on vote 26, the Environment, wildfire management, subvote (EN10) in the amount of 80,000,000.

Is that agreed?

[22:15]

Some Hon. Members: — Agreed.

The Chair: — Carried. Environment, vote 26; 80,000,000. I'll now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2016, the following sums for Environment in the amount of 80,000,000.

Mr. Doke has moved. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. I want to refer the estimates to committee. Pursuant to rule 148(1), the following estimates, the supplementary estimates, were deemed referred to the Standing Committee on the Economy on June 9th, 2016, and June 1, 2016, respectively . . . [inaudible interjection] . . . Let's just skip over that. Sorry.

Okay, here we go. The Standing Committee on the Economy, first report. Committee members, you have before you a draft of the first report of the Standing Committee on the Economy. We require a member to move the following motion:

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

Mr. Doke. Thank you for that. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Excellent. Well again, thank you very much, committee members for your work during this budget cycle. And what we've all been waiting for: I'd ask a member to move a motion of adjournment. Mr. Kirsch, thank you, has moved. Are we all agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. This committee stands adjourned to the call of the Chair.

[The committee adjourned at 22:18.]