



STANDING COMMITTEE ON THE ECONOMY

Hansard Verbatim Report

No. 24 – April 23, 2018



Legislative Assembly of Saskatchewan

Twenty-Eighth Legislature

STANDING COMMITTEE ON THE ECONOMY

Ms. Colleen Young, Chair
Lloydminster

Ms. Vicki Mowat, Deputy Chair
Saskatoon Fairview

Mr. David Buckingham
Saskatoon Westview

Mr. Terry Dennis
Canora-Pelly

Mr. Delbert Kirsch
Batoche

Mr. Warren Michelson
Moose Jaw North

Mr. Doug Steele
Cypress Hills

[The committee met at 18:30.]

The Chair: — Welcome, and I will begin by introducing the members of the committee who have joined us here this evening for the Standing Committee on the Economy: myself as Chair, Colleen Young; Deputy Chair, Vicki Mowat. Cathy Sproule is a participating member and will be here for the first little bit this evening. Other committee members: David Buckingham; we have Lori Carr in for Terry Dennis; Delbert Kirsch; Warren Michelson; and Doug Steele.

Pursuant to rule 148(1), the estimates for the following ministries and agencies were deemed referred to the committee on April 18th, 2018: vote 1, Agriculture; vote 23, Energy and Resources; vote 26, Environment; vote 16, Highways and Infrastructure; vote 89, Immigration and Career Training; vote 84, Innovation Saskatchewan; vote 35, Saskatchewan Research Council; vote 86, SaskBuilds Corporation; vote 90, Trade and Export Development; vote 87, Water Security Agency.

Pursuant to rule 148(1), the supplementary estimates — No. 2 for vote 16, Highways and Infrastructure were deemed referred to the committee on April 10th, 2018.

**General Revenue Fund
Immigration and Career Training
Vote 89**

Subvote (IC01)

The Chair: — We will now begin with our consideration of estimates for Ministry of Immigration and Career Training, vote 89, central management and services, subvote (IC01).

Minister, if you would like to introduce your officials that have joined you here this evening and make any opening remarks you'd like.

Hon. Mr. Harrison: — Sure. Well thank you, Madam Chair. Appreciate it. And thank you to members for being here this evening. We look forward to it.

On my left I have Alastair MacFadden, deputy minister, Immigration and Career Training. On my right, Christa Ross, acting assistant deputy minister, immigration, employment, and career development. Behind me, left to right, Neil Cooke, director, financial compliance, finance and operations; Darcy Smycniuk, assistant deputy minister, training and employer services; Anne McRorie, executive director, immigration services; Jan Kot, executive director, labour market services. And behind, starting from left to right, Andrea Terry Munro, executive director, finance and operations; Betty-Lynn Halcro, director, financial planning and operations; Chad Vickers, director, employer services; and Jeff Ritter, of course, CEO [chief executive officer] of apprenticeship and trade certification commission.

Prior to just getting into my comments, I would just like to extend on behalf of the government our concern and prayers to those impacted by the events today in Toronto, which are tragic, are still developing, but we wish to obviously extend our prayers and concern and best wishes to all of those who have

been impacted.

It's my pleasure to be here today to consider the estimates of the Ministry of Immigration and Career Training. Here with me to assist in answering your questions are the officials whom we have named.

Madam Chair, Saskatchewan is a province of diversity, and part of our province's strength comes from the different people, cultures, and perspectives in our communities and our workplaces. Our provincial motto recognizes that Saskatchewan has always been and always will be a place where diversity is not only celebrated but essential to our success as a society and an economy.

By forming the new Ministry of Immigration and Career Training, our government has demonstrated we understand the important contribution that people, including newcomers, bring to our province. We know that a diverse Saskatchewan creates a more flexible, capable, prosperous, and inclusive society, which is key to supporting economic growth.

There is evidence that organizations with diverse boards and staff and organizations that leverage diverse perspectives are more profitable and more competitive. It's crucial to the success of our province and economy that we continue providing strong support for the economic engagement of our increasingly diverse population.

In the past decade our province has seen some of the strongest sustained growth in its history. Between 2007 and 2017 more than 108,000 immigrants arrived in Saskatchewan from over 170 countries around the world. This is but one example of the labour market opportunity and competitive advantage for businesses operating in Saskatchewan.

Newcomers and our First Nations and Métis people are our friends, neighbours, and family members. And it's important that we empower them to become involved in our economy, and that we help them reach their full potential as citizens of our province.

This year's budget will ensure that all Saskatchewan people can develop their skills and work experience, be part of our growing economy, and be key players in keeping our province on track by building and growing Saskatchewan together. The creation of a dedicated ministry brings profile and focus on two major priorities: helping people build a career future in the province, and ensuring employers have the workforce that's needed for businesses to thrive.

To achieve our goals, this year's budget provides \$12.7 million for front-line services and activities linked with immigration, employment, and career development; 3.1 million for front-line services and activities linked with training and employer services; and \$136.7 million in investment in labour market programs.

By way of example, labour market programs in the ministry include the provincial training allowance for which we have allocated 27.9 million to provide income support to adult learners; apprenticeship training, which includes \$20.1 million

for the Saskatchewan Apprenticeship and Trade Certification Commission and \$2.7 million for the apprenticeship training allowance; and workforce development programs, which include \$19.2 million of investments in community-based programs and services.

Madam Chair, the total 2018-19 budget for the Ministry of Immigration and Career Training is over \$167 million, a slight reduction of \$3.1 million from last year. And this reduction is a result of work to realign programs to match those of the national government and to find efficiencies in our own programming.

The provincial training allowance, which saw a \$1 million reduction, this is a reflection of the fact that the full allocation has not been fully used in a number of years. So we've recalibrated the budget, and we'll take a new approach to managing this funding with our training partners.

Training institutions will now provide a forecast of the demand for the provincial training allowance based on the institution's training program plans, matching their plans for training with the anticipated demand for income support. All of those who wish to take advantage of training will still be able to do so. The ministry will also monitor the use of this funding throughout the year to make sure eligible students are benefiting from this income support.

This year we've also completed the wind-down of the student summer works program, which is a . . . This change is taking place because a program with a similar mandate already exists through the national government. Eliminating the provincial program does not deny the importance of summer jobs for our youth. It simply ensures that Saskatchewan taxpayers are getting full value for their federal tax dollars and federal programs, and not paying two governments to do the same thing. The federal summer jobs program has seen increased investment and enhancements in two consecutive years through the federal youth employment strategy, and we're confident Saskatchewan students looking for summer jobs will continue to be able to look there.

This year we also saw the end of federal support for targeted initiatives for older workers, which was one of the four LMTA agreements, labour market transfer agreements. The smallest of those four, it was an annual allocation of about \$350,000. And that has been rolled into the Workforce Development Agreement, which combines three out of the four federal transfers, everything other than the Labour Market Development Agreement: so the Canada Job Fund Agreement; TIOW, targeted initiative for older workers; and LMAPD, which is the Labour Market Agreement For Persons With Disabilities. So something we've long been advocating for with the Government of Canada in the four years I've been minister responsible for labour market development.

It's something Alastair, who had been an ADM [assistant deputy minister] over that period of time, can attest that we have been advocating strenuously with the national government to rationalize their delivery of labour market transfers. So I think we can rightfully take, you know, if not a little bit of credit anyway for the rationalization in this, and actually the changing and the funding formula as well. I can get into all of

these matters as we get further into this.

The new agreement WDA, the Workforce Development Agreement, will provide Saskatchewan with approximately \$29 million annually to invest in labour market programs and services. We're confident we've found efficiencies and realigned programs so that we can continue providing Saskatchewan citizens with the supports and services that they need to fully participate in our job market.

The Ministry of Immigration and Career Training exists to develop, to track, and retain a skilled workforce to ensure Saskatchewan remains an attractive place for all people to build their careers, and to make sure our workers are able to adapt to changing labour market conditions.

With the investments put forth in this year's budget, I know we'll continue to meet the needs of Saskatchewan's workforce, employers, and newcomers. And this will conclude my opening remarks, and I look forward to a very cordial discussion to come.

The Chair: — Thank you, Minister. I'll now open the floor to questions from any committee members. Ms. Sproule.

Ms. Sproule: — Thank you, Madam Chair. I just have a few questions before my colleague will sit with the officials for the remainder of the evening. And these have to do with the SINP [Saskatchewan immigrant nominee program] program.

On September 27th there was a CBC [Canadian Broadcasting Corporation] story where Brightenvue, which is starting a development out at the GTH [Global Transportation Hub], was revealed to be supplying potential investors in China with misleading information on at least four different occasions. And I'll just give a quote from the article:

Government spokeswoman Kathy Young said . . . that while Brightenvue has responded to the ministry's satisfaction in each of the four cases, further violations could result in it being prohibited from using the SINP.

That's the end of the quote. So my question for SINP is, has Brightenvue or any other SINP proponents been found making further false allegations about the SINP program?

Hon. Mr. Harrison: — Well I'll have officials respond to the specific elements to the question. But what I would say though with regard to our provincial nominee program, I think this is a program that the province can be proud of. This is something that we have worked very hard as a government to grow, to expand.

It's a program that has been largely seen as one of the most successful provincial nominee programs in the entire country. And that's reflected by the fact that successive federal governments have increased provincial nominee program allocations year over year to the point where today the number of provincial nominee spots that we have been allocated is the same as the province of Ontario, same as the province of Alberta, the same as the province of British Columbia. And that has not been for nothing.

And it has not been without a great deal of hard work that's been put in by our officials who have been working in this area for a number of years. And I would point to Alastair and Christa, both sitting at this table, who have done tremendous work, and our team at the nominee program and immigration services branch who have, you know, just been extraordinarily dedicated to making this program one of the very best.

Our service standards are some of the lowest in Canada, meaning the quickest turnarounds in the country. We work with the national government of course on approvals jointly. The national government are the entity, as a part of our shared constitutional authority over immigration, that are the ones who grant permanent residency. We, though, provide nominations. Due diligence is done at both ends, and I think that we would find folks who would say across the country that we have one of the very best programs in Canada.

I would say as well that to understand how the program works, it's individuals who make application. Companies are not involved in making applications — it is individuals who apply to the provincial nominee program and there's a variety of streams within SINP in which they can make application.

There is no special treatment for any particular individual companies, anything of that nature, since I think this is where the member is going to be taking this. So I wish to address that at the front end. I can also say that the minister's office does not get — and the minister personally — does not get directly involved in any of the decisions made as to who would be nominated, as the national minister doesn't get directly involved in who will be awarded permanent residency. These are decisions made by officials on the basis of very clear policy direction that's been set by the elected on the advice of officials.

So with that, perhaps with the particular question I could turn it over to Christa who might be able to provide some additional information.

[18:45]

Ms. Ross: — Okay. Thanks for the question. So in regards to the Brightview issues that were reported in the media, we did follow up and do an investigation and found that there was nothing in contravention of provincial policies or laws as well as federal immigration laws or requirements. And there haven't been any allegations that have been brought to our attention since.

Ms. Sproule: — Thank you. And with respect to other SINP proponents?

Hon. Mr. Harrison: — Sorry, like any applications? Because we would get how many a year? I mean we had been working through our backlog on at least a couple of streams. But I mean historically we've gotten, you know, thousands of applications a year. So who are you specifically asking about?

Ms. Sproule: — I'm not specifically asking about individual applications. These are people who are publicizing information about the SINP program in other countries, for example. And we know that Brightview was doing that on four separate occasions improperly, so is that something that your ministry

looks into? Or is it just not followed up on?

Ms. Ross: — As those matters are brought to our attention or raised, it's certainly something that we follow up on to investigate further. The challenge for us, of course, is a lot of this information is posted on websites overseas, so our ability to follow up with the website owners or developers that are overseas can prove to be a bit of a challenge. But certainly as information of that nature comes to our attention, it is something we follow up on.

Hon. Mr. Harrison: — And if I could, I would add to that as well. It's important to remember, applications under the nominee program are made by individuals. And I, you know, mentioned that in my initial response. So companies aren't making, processing applications. These are being made by individuals. But that being said, when we have information brought to our attention, or that we proactively find that there is information being put out there in other jurisdictions that isn't accurate about the nominee program, we don't hesitate to make sure that that information is corrected.

And you know, officials may wish to speak to instances where that's occurred. But there have been a number of instances where that's occurred, and we proactively ask anyone spreading information that's not accurate to correct it.

Ms. Sproule: — Could you provide the committee with those instances and what was actually done?

Ms. Ross: — Yes, we could do that.

Ms. Sproule: — Madam Chair, I'm just going to make note that that's an undertaking and we'll ask that the officials comply within 30 days, and if they can't, to let us know when they can comply. Thank you.

In December 2017, there was a news story that the provincial government is quoted as stating, regarding GTEC [Global Trade and Exhibition Centre], which is the Brightview development at GTH. Here's the quote: "The Saskatchewan government says it is a partner in this project and has pledged that it 'will continue to support this project in every stage of its development and operation.'" Here's the question: Are officials at SINP involved in that project, and what kind of support would the SINP officials be providing to the GTEC development?

Hon. Mr. Harrison: — Sorry, if I can clarify, where is that quote from?

Ms. Sproule: — A December 2017 news story.

Hon. Mr. Harrison: — From where?

Ms. Sproule: — CBC, and is a quote on the third page if you print it out.

Hon. Mr. Harrison: — Who was quoted as saying that?

Ms. Sproule: — It says a government . . . It just says, "The Saskatchewan government says [that] it is a partner in this project . . ."

Hon. Mr. Harrison: — But who? Who said that though?

Ms. Sproule: — There is no . . . That's what I want to find out, who said it. It was somebody in the Saskatchewan government, according to the article.

Hon. Mr. Harrison: — Well, I mean, I don't want to be overly partisan here, but there is a history of the opposition torquing quotes for their own benefit. I would like to either see that article right now before commenting on that, or maybe the member can provide an undertaking to provide that article within 30 days.

Ms. Sproule: — I've got it right now. I'll just continue then while this is being photocopied. Is that all right, Mr. Minister? Okay.

In some information we received through a freedom of information request, there was some discussion about the exemption from the labour market impact assessment. And I'm looking right now at the application guide for the immigrant entrepreneur category for SINP and that seems to say that the people who apply under the entrepreneur program are not required to . . . they're exempted from requiring the labour market impact assessment; is that correct?

Ms. Ross: — Yes, that's correct. And just to clarify, that's true of all nominee program categories. So upon nomination for all of our other employment-related categories or skilled-worker-related categories, those nominees also get a work permit support letter, and they're able to apply for a work permit without a labour market impact assessment. That assessment is only required as part of the temporary foreign worker program.

Ms. Sproule: — So when Beijing started rejecting some of the Brightenview applicants who had been approved under or within the Saskatchewan program, was that an error on the part of the immigration officials from Canada? Because they were rejected because they didn't have the LMIA [labour market impact assessment] assessment.

Ms. Ross: — So there was a few issues. As you might already be aware, we brought or introduced a new entrepreneur category which follows a two-step process, where first step is we issue a work permit support letter for the entrepreneur who can then come to Saskatchewan to establish their business. And once they've done so, then they would get nominated for permanent residency.

So it was a new program for us, a new process that we developed with the federal government. So at first there was some confusion or some operational issues in regards to the work permit support letter, and some of our entrepreneur applicants were being rejected. But that was more of an issue we had to sort out with the federal government. And other provincial governments who have similar entrepreneur programs were experiencing the same issues. So it was something that we had to work through with our federal counterparts.

Ms. Sproule: — All right, because I am also looking at emails from November 7th, Cole Goertz from the Economy to Laurie

Pushor and Nicole Lang. And it was, I think, some briefing notes on the Brightenview immigration. And what it said there — and this was on page 16 of the FOI [freedom of information] that I received — it says if they were to apply as a temporary worker, the federal government would require a labour market impact assessment to ensure that no Canadian is able to do the job. And that was under the nominee program.

So I just want to be clear: you're saying that that did not apply to people who were under the entrepreneur category. That was only temporary foreign workers.

Ms. Ross: — Yes, the only time a labour market impact assessment is required is if an employer is applying to the federal government under the temporary foreign worker program.

Ms. Sproule: — All right. And one last question is that the expression of interest pool selections, I've noted that the requirements for the average low and high scores was significantly lowered in March of 2017 and remains quite low or lower than it was in '15 and '16, including April of this year. And as a result, the number of selections jumped up quite a bit. Can you provide the committee with the decision or the reasoning for the decision to lower the scores for the expression of interest pool selections?

Ms. Ross: — Okay. So in terms of the points, the minimum threshold that we've set for pulls from the expression-of-interest pool, it does fluctuate from draw to draw. Part of that is driven just by operational capacity and the size of the pool, so we want to make sure that we have a reasonable sample or pool to draw from. So the size of the pool does inform the minimum cut-off that we use.

In terms of the size of the draws so, you know, we have here probably at the list you're looking at, you see draws of 70 all the way up to 231. So they have gotten bigger the further along into the program we've gone because we've learned a few things along the way.

One is that when we invite people to apply, it doesn't turn into 100 per cent — we don't have a 100 per cent application rate — so we are inviting people to draw or to apply, but not all of them are actually submitting an application. And also as we've wound down and finished processing all of our old entrepreneur program files, that's opened up some more capacity for our team to start to process more new files.

Ms. Sproule: — Thank you. I understand that you now have a copy of the article I was referring to. I didn't get my copy back so. It's on the fourth page I believe, the quote that I'm referring to.

And my question is . . . “The government says it is a partner in the project and . . . ‘will continue to support the project in every stage of its development and operation.’” And my question for the SINP officials is, what is the involvement from your ministry, Mr. Speaker?

Hon. Mr. Harrison: — Well the Speaker's not here right now, but I'll respond on behalf of the government. The quote in question . . . We're going to do some additional research as to

where the . . . because it's still not clear — I read the article — it's still not entirely clear who actually, or what branch of government actually made the statement.

But what I would say though is that, I mean there is no special provision for application through the nominee program based on any sort of particular relationship. It's all adjudicated on the basis of individual applications.

So you know, are we supportive of additional investment coming into the province? Of course we are. Will we work with companies that are, you know, looking to invest in the province? Of course. Would we provide information that would be useful to them? Of course we will. These are the things we do as a business-friendly government looking to work with potential foreign investors in the province.

But that stops where there is no special relationships or special treatment with any applicants. You know, as I said, they're all individual applications. They're not companies that are applying on behalf of potential permanent residents. That's just not how it works. So you know, we'll do some additional digging on that particular line but, like I said, we don't have kind of particular special relationships with the individual groups.

Ms. Sproule: — So if I understand correctly, Mr. Minister, you're saying that you're undertaking to do some digging on this particular statement about the Brightview project. Is that correct?

Hon. Mr. Harrison: — Well what we'll do is . . . Like I said, it's not clear to me. I've just had a chance to take a look at this. It's not entirely clear to me which agency of government it's referring to here.

Ms. Sproule: — I'm just asking if SINP is providing support to this project.

Hon. Mr. Harrison: — Deputy Minister MacFadden has a comment.

Mr. MacFadden: — If I can just contribute to the conversation about this. What we can say with certainty is that the ministry and the SINP program does not support or endorse any specific projects, including the project at the Global Transportation Hub Authority. Immigrant applicants, including entrepreneurs, are assessed based on the program criteria and their own merit. Whether they're affiliated with a property developer or not is an issue that's independent of program consideration.

[19:00]

The Chair: — At this point, I'd just like to put into the record that this document was tabled: ECO 11-28, CBC news article dated December 15th, 2017, for the records. Go ahead.

Ms. Mowat: — Thank you. Thank you, Madam Chair. And I'm happy to be here to discuss trade, export, immigration, and jobs. And I want to thank the minister for his previous comments and thank everyone for being here today.

There has been a lot of unanswered questions in these areas in

the last little while. And I know even today when we were in question period, and in the House in the rotunda, my colleagues along with journalists had a lot of questions in these areas, especially the ones that pertain to the GTH.

Since we're here in the Economy Committee, and there are questions about immigration and many outstanding questions about the GTH which is connected to trade and export, I want to move a motion to call Laurie Pushor as a witness so we can work on some of these answers.

Hon. Mr. Harrison: — I'll speak to this first, if you wish, Madam Chair. I would just first like to put on the record, I mean, this is estimates. We're supposed to have a serious discussion about the, you know, \$165 million of spending we have in front of us right now. This is the opportune . . .

I know this is a new member. I know this is a new member but, you know, we've had very highly experienced members from the opposition who take this very seriously. I would point to the member for Elphinstone who's done these estimates the past number of years with whom we've had a wonderful discussion about the actual estimates in front of us.

The member wants to grandstand politically, question period is a really good spot for that, and I'm happy to do it. But she stopped asking me questions actually in question period, so maybe she thinks she can bring it to estimates.

But the point I would make, this isn't the place for grandstanding. This is the place to have a discussion about the actual estimates in front of us which, you know, there's a lot of material here. GTH isn't in any of this because that's a separate agency of government.

So the member can grandstand. The member can want to call a deputy minister responsible for an entirely different ministry if she so wishes, but I would encourage her to focus on what's in front of us. This is important stuff. This deserves sufficient and due consideration and diligence.

You as members and the member opposite are voting on \$165 million of spending tonight. That's what you're doing. And if you want to grandstand on GTH, be my guest. We can't stop you from doing it. But this is serious.

The Chair: — Ms. Mowat, the minister is correct. If I could ask you to make sure that your questions are related to the estimates that are before you this evening.

Ms. Mowat: — They absolutely will be, Madam Chair. But I would request that I move my motion:

That this committee requests the previous deputy minister of Economy, now the deputy minister . . .

The Chair: — Ms. Mowat, that is not part of the estimates this evening, a request to have someone come forward on a separate issue other than the estimates. So you cannot put that motion on the table tonight.

Ms. Mowat: — Okay. Is there a format for when I can put the motion on the table or when we can call him to the committee

to deal with some of these issues? Just forgive me for not following the process, Madam Chair.

The Chair: — Right. Your questions must pertain to the estimates that are before you. This evening has nothing to do with calling a member or any other member of the government before committee.

Ms. Mowat: — Okay, we'll get into some of my questions. I've read through the ministry's plan for 2018-2019. I see a discussion about the strategic advantages of immigration and the off-reserve indigenous populations. How are you working to fully integrate these populations into the workforce?

Hon. Mr. Harrison: — Well I would be happy to speak to both of those. As far as newcomers to our province, I would kind of look at two separate components of that. So you would have those who have come through either the provincial nominee program, been granted permanent residency, or are here on a temporary basis, most of whom end up applying for and successfully obtaining permanent status. And then there's a federal component to the kind of permanent newcomer component as well. And then you have the refugee part.

If I could just speak to the newcomers that would come through the provincial nominee program, by and large as a condition of being nominated through the provincial nominee program, there is a job that that person is either in currently, if they're applying through a temporary stream, or that they would be taking when they arrive, if they aren't already in Canada. So as far as integration on that front, there's a very significant investment, and I'll ask officials to go into perhaps some detail on it.

But I would just say kind of at a higher level, there's a significant investment and a significant priority that we put on investing in our gateway program. I think we have 11 gateways that we're operating. We partner with organizations, for example, Prince Albert Multicultural Council, Moose Jaw Multicultural, Regina Open Door, Saskatoon Open Door, who deliver a lot of programming for newcomers as well.

You know, this has to do with workplace skills. I mean there's not as high a necessity for some of this programming with our provincial nominees in that a lot of the skills that are necessary — or language requirements, those sort of things — are already a part of the application process through the nominee program.

So that's not to say that there isn't programming that's accessed by newcomers, because there is. We put significant investment into that, and that investment has increased by orders of magnitude over the course of the last decade, in that when the NDP [New Democratic Party] were in government, the nominee program was a tiny fraction of what it is now. This program has grown exponentially and the number of newcomers to this province has grown exponentially.

I've spoken about this, you know, on many occasions, but I still think it's very much an untold story: the massive population increase in this province and the very significant influx of newcomers, primarily economic immigrant newcomers from around the world, who have, over 100,000 of them, come to this province in the course of the last decade.

So you have that element. You have federal streams which, you know, clearly we're not directly responsible for. And most of our newcomers come through the nominee program, not through federal immigration streams which . . . You know, there's a different rationale for some of the federal streams than there are for the provincial ones, which are purely focused on economic immigration at the direction of the national government.

Because there has been on occasion some concern why there isn't a family class category as a part of our provincial program, these have been in direct response to the fact that the national government, who we share this space with constitutionally, have mandated that the provincial nominee program be an economic immigration program. So that would be a part of the response as well.

And would the federal stream newcomers be utilizing those services as well? Absolutely, and we're happy to, through our partners, to provide resources for those services and programs to be delivered.

So as regards to refugees, you know, there was obviously about two years ago a significant influx of newcomers, of refugees from Syria. And that had been, you know, as a policy choice the national government had made. And we worked to not just do our part, but we did more than our part as far as per capita settlement of Syrians into Canada.

You know, part of the challenge with refugees, and their integration and supports necessary to successfully enter the labour market and all of those parts of it, are that you have, generally speaking, significantly less marketable skills for our labour market. You often have language challenges that are different than you would find through a PNP [provincial nominee program] applicant or through a federal stream applicant, which have language requirements. I think the federal requirements, depending on the stream, can be even a little bit more stringent. Express entry is an example.

So you have, you know, a different level of service required for these refugee newcomers to be successful as far as their settlement. So we put significant additional resources into that, both through our partnerships, some of the programs that we deliver. We've worked with the national government, who have made repeated commitments to provide additional resources given the fact that, you know, the refugee resettlement, they pay for basically year one, and after that it's all on provincial governments because the refugee benefits lapse after 12 months from arrival.

So you know, it's very much in our interest — in addition to being the right thing to do — to work with refugee newcomers to ensure that they have those skills as quickly as we can possibly provide them so that they're able to enter the labour market. And we partnered with a whole number of organizations to do kind of innovative things as far as allowing for and creating conditions such that refugee newcomers can enter the labour market and, you know, make Canada their home and Saskatchewan their home. So you know, there's a whole number of different, there's a number of different things on that side.

As far as the First Nation and Métis side of skills training, job training, you know, adult basic education would be . . . we really are unique here. We spend, I think over 20 per cent of our adult basic education funding is spent directly on reserve. There's no other province in Canada that does that. And you know, there's a host of jurisdictional issues that you would find in other jurisdictions for not doing it and, I mean, they're constitutionally legitimate; I mean, there's section 35 of that Charter makes pretty clear that, as does section 91 of the Constitution, the 1867 Constitution. So you know, for us to undertake, we're not obligated legally to do it. But again, we're doing it because we think firstly it's the right thing to do, and it's also the right thing to do for our labour market.

So we make these investments with First Nation learners on reserve, providing training, adult basic education directly on the First Nation which allows for, you know, hopefully increased participation rates. And I think that would be borne out actually by our data that we've collected over a decade of doing this. So we have that. We have the northern skills training component of our workforce development plan, which is a not-insignificant investment that we make as well. And for adult basic education, I think the number of indigenous learners, it's over 60 per cent of the entire ABE [adult basic education] funding envelope. And the number of spots that we fund and the learners in those spots, I think it's 65 per cent are indigenous. So you know, these are very significant and unique investments.

You know, significant investments as well through some of our line programming, whether that be PTA [provincial training allowance], there'd be significant beneficiaries for off-reserve indigenous learners as well. Apprenticeship training allowance, we pay almost all of the ATAs [apprenticeship training allowance]. It's nearly, 99 per cent literally is for living away from home allowance. And that's primarily for learners from outside of Saskatoon, Regina, the major centres, to actually undertake their apprenticeship training. So you would find a disproportionate number of those being indigenous learners who are, you know, having to move to one of these centres to actually undertake this training.

So, you know, we take this very, very seriously. And you know, like I said, I think we have some pretty unique investments that we make in this area that we're not obligated legally to do and we continue to push our national government for additional investments. And we did in the previous incarnation of the national government as well in these areas because these investments at the front end into skills training end up paying very large dividends down the road, you know, where folks are able to participate in and be successful in the labour market and the broader economy. That's only a beneficial thing for all involved. So I guess I'd be, you know, happy to answer any further questions on some of that.

Ms. Mowat: — Sure, so I just have a follow-up question about the success rates. You said ideally it would improve participation rates in the labour force for indigenous peoples. Would you say that that target has been achieved? Would you say you've been successful considering the fact that indigenous unemployment is still hovering around 20 per cent and has been there for some time?

[19:15]

Hon. Mr. Harrison: — Well, I'll have Deputy Minister MacFadden perhaps provide some additional thoughts. What I would say is that, you know what, we can always do better, and particularly as it relates to indigenous participation in the labour market we can always do better. And, you know, some of this kind of comes down to how can we do things that are perhaps a little different or innovative.

I would look at, you know, a partnership that we have up in Meadow Lake actually between the North West College and one of our local companies and the local First Nations that are directly involved in kind of having the hands-on sort of training, where everybody has some stake in the outcome, you know, so-called skin in the game. And that's been the path where we've really tried to take a lot of our labour market programming as much as possible; where, you know, we all have a stake in a positive outcome and we have direct involvement of employers in a lot of those cases as well, so that, you know, jobs that you're training for, at the end of that training period it's not just a piece of paper; it's actually a job that's waiting for you at the tail end of that.

So, you know, the Regina and Saskatoon skills and trades centre we work closely with — I think we fund each to the tune of nearly a million dollars a year — that, you know, have had very, very significant success rates. And I think the graduation rates is mid-80s at both of those centres and labour participation is very, very high at the conclusion of those programs. So kind of taking that idea and that model, you know, as much as we possibly can into other parts of the province and other parts of our labour market training processes and programming — that's how we're going to build capacity and that's how we're going to achieve better outcomes. But maybe, Alastair, if you want to speak to . . .

Mr. MacFadden: — Just to offer a bit more background on the status of our work with First Nations and Métis adults. What we're expecting over the next five years is a need for about 94,000 workers in the province. About three-quarters of that is because of the rate of retirement. So an aging workforce is creating demand for workers to replace people that are retiring, and the remaining one-quarter is because of expansion in the economy.

What we're observing in terms of the job vacancies is that employers are looking for workers who have both skills and experience, and so our investments in education and training are looking very carefully at not just providing people with skills but also providing them with experience and exposure in the world of work.

So the minister mentioned things like trades and skills centres. That's where people learn more on-the-job skills, so they're applying as they go. And obviously apprenticeship, that's been a long-standing tradition where people earn in the trades while they take a break to skill up in the classroom as an apprentice.

What is evident with First Nations and Métis people is that it's a fast-growing and strategic opportunity for Saskatchewan businesses, and we've seen an employment rate increase for that population. So just looking at 2017 compared to 2016, we saw the employment rate — so that's the portion of the population with jobs — go up by 2 per cent. But looking longer term over a

five-year period we've seen their employment rate go up by more than 13 per cent compared to about 2 per cent for the non-indigenous population, so a significant growth trajectory. And as the minister points out, a lot of that is attributed to targeted investments in skills training and adult basic education.

The school completion rate for indigenous people is not what it is for the non-indigenous population, and so we're trying to address those gaps in high school completion and overall school achievement. And it's been a focus of the Ministry of Education, the Ministry of Advanced Education, and our ministry for several years.

Hon. Mr. Harrison: — Yes, and I would just say it's actually, I think, hard to overstate the importance of providing some of these opportunities close to home for indigenous and First Nations learners. You know, we provide . . . As an example I point to my home community again, you know, North West College in Meadow Lake. Flying Dust is basically attached and butts up to Meadow Lake and, you know, Meadow Lake's kind of the service centre for the west side in not-insignificant ways — not for every way, but some ways.

So we have the opportunity to provide that training at North West College and we do that in other First Nations directly on the First Nation. So having the opportunity to do your adult basic even if it's the one-two component of your adult basic education, I mean that's the building block for actually being able to enter and get a foothold in the labour market.

So, you know, we really do put a premium on this and it is something that's unusual for jurisdictions. And you know, there would be others that would say, well I mean that's not really your area of responsibility, why don't you reallocate that funding elsewhere? We made a very conscious choice over the course of the last decade to put funding into this area because we think it's both the right thing to do and it provides long-term benefits for all directly involved.

Ms. Mowat: — Okay. I have another follow-up question based on the first question I asked regarding some of the statements that you made about the importance of language. And I fully agree with you that language can be a significant barrier for newcomers.

I received some information from Sheri Benson who is my Member of Parliament for Saskatoon West on some challenges that she's encountered with respect to newcomers. So she visited a LINC class, language instruction for newcomers to Canada, and heard from students that they're no longer receiving the provincial training allowance and can get funding from social assistance only, now. And the PTA allowed them to earn some income while they were taking their classes where social assistance does not allow them to earn some income.

So at Sask Polytech in Saskatoon, this change affected 105 students. And I had the opportunity to hear from some of these students on the impact this had on their household income and their ability to get by as they were learning English. So I'm just wondering why this program was removed from the PTA eligibility list and what other programs have been removed.

Hon. Mr. Harrison: — Well I would just say by kind of

introductory comments, this was a change that wasn't actually made this year. This was a change that was made a year ago, but we'll provide some additional information on that in just a moment.

Mr. MacFadden: — I'd like to give you a bit more background about some of the changes that happened last year with the provincial training allowance. So that program is a program that's designed based on social assistance in the province. The regulations identify the types of programs that are eligible. And several years ago, we'd approved a couple of LINC programs for PTA funding. But at no time were all LINC programs and LINC students eligible for the provincial training allowance. And as the pilot expired, we weren't providing PTA to those federally funded training programs anymore.

We worked with the training providers and we worked with the Ministry of Social Services to ensure that students were aware of opportunities for income support. And we've also advised learners of part-time language programs as well as online language programs so that they could access language programs as they needed them.

What we have found in our work in looking at best practices in language programs is that the participation rate can be very strong, but many people withdraw early as soon as they find employment. So what we are trying to do is work with the federal government to shape more language programming that's work-based so that people are learning language skills in the context of employment, because we believe that gives stronger outcomes and it's clear that newcomers are motivated to work, not just learn language.

Ms. Mowat: — Okay, I'm just having trouble reconciling why the change would be made if, as the minister has said as he was giving his opening remarks, he said all those who wish to take advantage of the PTA will still be able to. And I think that the argument was being made that language is important for employment, so I'm just having trouble reconciling why that decision was made. I understand that it was last year and that there were significant cuts to the PTA last year as well. But I'm just curious what the reasoning is for that.

Hon. Mr. Harrison: — Well the member is torquing what I said. With regard to the LINC programming as Deputy Minister MacFadden pointed out, I mean this is a federal program. We had a pilot program to provide provincial training allowance, not for all of the LINC programs, for a small selection of those. And we discontinued that pilot program as this is a federal program.

With regard to my comments on the provincial training allowance, you know, what I was referring to was adult basic education. There is going to be no impact as far as adult basic education opportunities because of the change in the provincial training allowance, which historically, as I said in my opening comments as well, hasn't been fully utilized. And it's based, PTA allocation is based on number of ABE seats that are being utilized. So it's a direct correlation across the two.

Ms. Mowat: — I also see in the ministry's plan that a key action is investing in skills training opportunities that are responsive to the needs of employers. So I'm just wondering

how this action is reconciled with the cuts to skills training that we see in this year's budget.

Hon. Mr. Harrison: — Right, yes. No, I can speak to this. So there was a \$1 million transfer of STA [skills training allocation] program funding to the Ministry of Advanced Education to consolidate the skills training program funding in Sask Poly's base operating grant. What we had done previously, as well, is that we had held a \$500,000 amount in the STA centrally. And we used this, or we had this budgeted to respond to very rapid emerging labour market pressing issues. We found that we weren't utilizing the \$500,000, so the overall reduction was \$280,000 out of that \$500,000. And there was a million-dollar transfer from our STA allocation to the Ministry of Advanced Education.

Ms. Mowat: — Okay. So while we're on that particular topic of the labour market programs, can you just provide some guidance in terms of . . . I know that there's some changes to the wording for some of the line items, so I'm just wondering if you can provide some guidance in what those are. It looks like skills training was previously referred to as youth and adult skills training, that workforce development was previously employment development in past years. Can you just speak to that so we make sure that we're looking appropriately year to year?

Hon. Mr. Harrison: — Right, for . . . Well I would just say, kind of, as how these are recorded in the estimates with the wording, obviously the minister isn't getting down to that level of detail as in the drafting. But I will ask officials to perhaps speak to some of the wording changes.

Mr. MacFadden: — The program names were simplified to make it more transparent, what types of activities and outcomes were being supported with those investments. So for example, work readiness - youth and adult skills training is a skills training investment. Were there specific ones that you had questions about?

Ms. Mowat: — Yes, the first three allocations on page 89 as they compare to page 44 on estimates from 2017-2018.

[19:30]

Mr. MacFadden: — I'll walk through those changes that were made. What's now known as essential skills had been known as work readiness - adult basic education. What's now known as skills training was formerly known as work readiness - youth and adult skills training. And what is now called workforce development was formerly called work readiness - employment development.

Ms. Mowat: — Okay. I appreciate that. That's what I was thinking, but it's good to know that that is what the correct answer is as well.

I have another question. Listed under a few different areas, there are some changes to salaries. So central management and services, immigration, employment and career development, and training and employer services, there's a number of changes to salaries yet there's no reported change in the number of FTEs [full-time equivalent] that we were provided from the ministry.

So can you explain the changes that occurred in the ministry's organizational structure and why those changes occurred?

Mr. MacFadden: — In terms of the structure, what was created when the Ministry of Immigration and Career Training was established was a ministry that now has three divisions. One of them is focused on corporate services, one of them is focused on training and employer services, and a third area is focused on immigration, employment and career training. So that's a different structure than formerly existed.

The monitoring and reporting on actual FTE usage is what has taken place traditionally and what will be taking place going forward. And that's because the actual FTE utilization is a better measure than budgeted FTEs, and that's simply because the budgeted FTEs were being used as a proxy and they were subject to significant influence to things like the need for overtime, when hiring was completed, salary rates, and so on. So what the ministry is doing on a go-forward basis is managing to the level of total compensation that's provided and approved in the budget, and we'll report on actual FTEs on an annual basis at year-end.

Ms. Mowat: — Okay. Can you provide a little bit of additional information on the adult basic education? So you indicated that some money had moved to Advanced Education, but in the essential skills section it's reporting the same amount is estimated from 2017-2018 to 2018-2019. So it doesn't look like any of that money had moved out. So I'm just curious about tracking the ABE and where it went, yes.

Mr. MacFadden: — The transfer that the minister was referring to had to do with skills training. When it comes to adult basic education, there was a small transfer, less than \$100,000 that was administrative funding that helped to support the operations of programming in our college system. That was transferred to Advanced Education and it's been deployed as status quo funding, so there is no net change for the institutions themselves.

Ms. Mowat: — So would that have been reflected in the previous allocation to operational support that's now not reflected?

Mr. MacFadden: — I'll offer a bit of history on this. We're talking about \$91,000 that was identified as ABE funding in the past. When the Ministry of the Economy was established, there was some operational funding for post-secondary institutions that went to the Ministry of the Economy rather than Advanced Education. And so this year, in rebalancing some of the funding across ministries, we transferred that 91,000 to Advanced Education. So it's ABE.

Ms. Mowat: — Okay. So previously labour market programs required 16 million in operational support and this was presumably under the old structure. Can you indicate why the change occurred this year, why there's no allocation for operational support and that category has been eliminated from the labour market section?

Mr. MacFadden: — What you're noticing is some of the differences in the structure. So in previous years there was one labour market development division and the operational support

that was identified was for a full division. Now in the ministry structure there's three different divisions, and so there's operational funding that's associated with each of those divisions. The financial or corporate services activities is added on to what had been formerly called the labour market development division, and those things combined constitute the Ministry of Immigration and Career Training.

Ms. Mowat: — Okay.

Mr. MacFadden: — I should just correct that. When we were talking about adult basic education, the transfer that took place was not, strictly speaking . . . didn't proceed as a transfer. It proceeded through a restatement of budget. That's why you don't see a difference.

Ms. Mowat: — Sure. And is there any expectation that this will have an impact on the programs, labour market programs, that there will be less support provided to those programs and to people who are looking for work?

Mr. MacFadden: — When looking at the operational budgets, what you're looking at is the leadership support and administrative support that takes place through the ministries. And so the changes that you're looking at illustrate the separation between the different divisions. So there is no difference in terms of the operational activities that are purchased from the training system.

Ms. Mowat: — Okay. Can you elaborate on the \$1 million cut to the provincial training allowance and what impacts that will have?

Mr. MacFadden: — The provincial training allowance has been underutilized, the full budget, for several years. The \$1 million reduction is based on our forecasted demand for the PTA and based on . . . which is informed by the previous years' utilization.

Ms. Mowat: — I was just thinking back to the previous question that I asked about this. I also asked for a list of other programs that are no longer eligible for the provincial training allowance as part of my previous question, so I wonder if officials are working on that or if we can get access to that.

Mr. MacFadden: — The provincial training allowance is specifically dedicated to full-time training programs that are under 60 days, and they are provincial training programs. So when we were talking about some LINC programs that had been funded, they were funded only on a pilot basis. There's many LINC students across the province that never received PTA because they were in part-time programs or they were taking federal programs in a location that wasn't part of the pilot. So the question that you asked and the experience that you had in Saskatoon wasn't a universal experience across the province.

Ms. Mowat: — So I understand it was just the pilot programs that were linked to the feds. It was not . . . There were no other additional programs that lost their ability to apply to the PTA?

Mr. MacFadden: — The provincial training allowance is for full-time provincial training programs, so you're correct.

Ms. Mowat: — Okay. Can you explain what areas are being cut from the loss in skills training, 678,000?

Hon. Mr. Harrison: — I can answer that. We've already talked about the \$280,000 reduction in STA which is a part of that skills training allocation. The other component is the targeted initiative for older workers, which was one of — as I talked about in my introductory remarks — one of the four federal transfer programs which expired this year.

The last agreement we had signed was in 2014. Is that right? . . . [inaudible interjection] . . . Expired in March, yes, but we had signed it earlier. Anyway, it had expired this year, and the funding from the agreement was rolled into the workforce development agreement, which is the broader labour market transfer. Now that previously included the job fund agreement and the TIOW and the LMAPD.

Ms. Mowat: — I want to shift gears a little bit and talk about SINP. So there was some mention about this, but I'm interested in hearing what the minister has to say. I've heard a lot of concerns about family reunification and reinstating the family class in SINP.

I see a potential for a positive impact in our economy here where some families are interested in bringing their family members to Canada primarily to serve as caregivers to elderly adults and children, and freeing up a skilled family member who's already in Canada to be engaged in the workforce. Can you shed some light on where you're at with this, whether any changes have been considered, and if you have heard these concerns as well?

Hon. Mr. Harrison: — Well I thought I was clear earlier when talking about this. It's not up to us. This is up to the federal government how our provincial nominee programs look, and we had to make a change about four or five years ago, maybe even a bit longer than that, that provincial nominee programs are to be exclusively in economic immigration streams. So there is no family class allowed by the national government, period. Anything else you'd want to add?

Mr. MacFadden: — When the changes were made at the direction of the federal government, the SINP combined a skilled worker category with a family referral category. So this was in 2014. And we did that in order to meet the federal requirements but also to simplify our processes. What that means is that people with family connections can apply through the international skilled workers category.

And that category assigns points for family connection. The points that are available for people that have family connections in Saskatchewan are higher than what had been available under the former skilled worker category. So the points for people that have family connections account for 20 per cent, or 20 out of the 100 total points that are sought for human capital applicants.

By creating this category, we believe we've increased the flexibility for applicants who have family connections to get some recognition from the program and still operate within the rules and expectations of the Government of Canada.

Hon. Mr. Harrison: — Yes. And if I could just add, additional

to that, there was a slightly higher number of sponsored family members that landed in Saskatchewan over the course of the last year, about 100 additional — went from 1,950 to over 2,000 this year. But that's through the federal stream. The vast majority of our landings here are through our provincial nominee program. There's a little over 1,000 that come through the federal worker program, but just over 2,000 this year were sponsored family category.

Ms. Mowat: — So just as a follow-up on that, I realize the relationship between the provincial and federal government on this. Is there any consideration to putting pressure on the federal government to make changes to the program so that there can be family reunification in the same spirit as it was before? I appreciate what you're saying about the 20 per cent, but I think you can agree that in the spirit of reunification that I was describing, those people are not going to be coming through on the program based on 20 per cent.

Hon. Mr. Harrison: — Well I, you know, I've tried being clear. I mean, the national government sets the parameters on this. And you can say, well why don't you put pressure on them and make them do this and whatever. I mean, ultimately it's their decision. They've increased their family category. The numbers are not insignificant that they've announced as far as changing their target for family class immigration.

What I can tell the member though is from the perspective of provinces, you know, largely . . . a case has been made from governments from Ontario to right across the country that a high target . . . and I think the target was 70 per cent, Alastair, economic nationally? That had been the target that PTs [provincial-territorial] had put forward to the national government. That target's never been quite there. So you're going to see kind of a further change in that proportion away from the 70 per cent target towards higher proportion of family class immigration.

[19:45]

Our province's position had been essentially across the country . . . I mean, there had at different points been some opportunity for family class considerations in our provincial nominee programs, but that had never been basically the deal. I mean, the arrangement with the national government had always been that PNPs would be focused on the economic immigration end of it, and the federal government would be responsible for family class parts of the system.

And you know, I've explained before. I mean, this a jointly shared area of constitutional jurisdiction. So, you know, you have other provinces that, you know, I think that there's a consensus around that arrangement between economic and the feds do kind of their thing on the other end of it.

We'd like them to increase their processing time — I can tell you that — which would be something you would find every single provincial immigration minister in Canada that would agree with also. But, you know, their targets are higher than they historically had been, so there are going to be additional opportunity for family class reunification under the federal program.

And you know, I think they would be very . . . You know, I'm the last one to probably around here to be speaking for the national Liberal government, but I think you would find a reluctance on the part of the former CIC [Citizenship and Immigration Canada] department to change that arrangement with provinces and territories.

Ms. Mowat: — And so part of my question was also, have you heard about these concerns as well? Have people brought these concerns forward to you? And what have those conversations looked like?

Hon. Mr. Harrison: — Well you know, I think, you know, people would depending on particular newcomers, I think that there would be a desire that there be additional opportunity for family class immigration. I think you would find a high degree of understanding though amongst newcomers, you know, those who have gone through the system as to how it works. Probably, you know, much higher degree of understanding than you would find amongst the general population about how these programs work. So there's an understanding about the difference between, you know, provincial economic programs and federal streams, which include family class streams.

You know, honestly I haven't had . . . I haven't had a whole lot of outreach with regard to changing the makeup of the nominee program. You know, the biggest thing that we get back from stakeholders in the system is, why does it take so long? And it's not concern with us, because we, you know, literally are able to turn our nominee applications around from two to four months. I think even less than that in some cases.

It's the challenge with the national government, who can take 18 months to process the application once we send it to them. So you end up with, you know, two years of waiting to process a PR [permanent resident] application or even 18 months after receiving a provincial nomination which can be, you know, justifiably pretty frustrating for those that are waiting for an answer. So I would say that the biggest concern we receive is with regard to processing times on the federal component of processing.

Ms. Mowat: — I will certainly have folks get in touch with you then.

Hon. Mr. Harrison: — That's fine. It's not that we haven't heard of it. We just don't, it's just not the biggest concern that we hear.

Ms. Mowat: — Yes. I hear about it nearly weekly in Saskatoon Fairview, so I do know that it is a concern for folks. So I will leave it at that.

We'll move on to . . . Actually I think I had another question about some of the line items up here that I missed earlier. Can you elaborate on what areas are being cut from the 1.244 million that was lost in workforce development?

Hon. Mr. Harrison: — Yes I can. I can speak to that. And I spoke to the major component of that in my introductory remarks around the wind-down of the student summer works program which we had announced last year, in that the program was being duplicated by a federal program, which is the

summer, student summer work ... What is the federal program? Summer jobs ... [inaudible interjection] ... Yes, program. So we were duplicating that service, so that was that element.

The other element of that particular line item was the transfer of the street walker advocacy program from our ministry to Justice. And we transferred that program to Justice in that it was just better aligned with their mandate.

You know, we had, you know, significant thought that went into that decision. And we worked with Justice, and there was a general agreement that it just fit better with their ... Sorry, with Corrections and Policing — former Ministry of Justice — but Corrections and Policing who are just a better fit for delivering that program. So that was about a \$220,000 per year allocation that now has been transferred over to the Corrections and Policing ministry.

Ms. Mowat: — With regards to the SSW [summer student works] versus Canada summer jobs, do you want to speak to how you felt it was duplication? If memory serves me, there are some differences in what the program offers in terms of, I believe, the amount that they are willing to reimburse the employer as well. So if you could speak to how you felt there was duplication, I think that would be useful.

Mr. MacFadden: — The observation that's been made is that we had two levels of government that were funding a summer jobs program that provided wage subsidies to both high school and post-secondary students. You're correct that some of the eligibility rules are very different. In fact, Saskatchewan's program was much more narrowly available. It supported three sectors of the economy: people in culture, sports and recreation, and in green jobs. So it was not available to all employers. The dollar amount that was available is different than the federal government.

The student summer works program hadn't met some of the targeted objectives that we had to engage underrepresented youth in the labour force. So the most recent year that I've got information for is 2015, where less than one-quarter of all of the students self-identified as being either indigenous or having a disability. Those were specific targets where we were trying to work with employers to encourage them to offer work experience opportunities.

The decision to discontinue the program really reflects an overall objective to improve the coordination of federal and provincial investments in programs. We're trying to ensure that Saskatchewan people aren't paying twice for programs like this. Because it's not a reflection of a commitment to student summer jobs, but Saskatchewan taxpayers were paying one level of government for a summer jobs program, and they were paying a different level of government for a summer jobs program as well. Now we have one, and in two consecutive years the federal government has expanded its investment in the Canada summer jobs program.

We worked on a communications strategy starting last year to inform the target sectors and partners of the changes to the student summer works program, and we directed them to some of the federal funding opportunities that are available. And

we've also helped to promote the federal student work-integrated learning program that's also there to support work exposure and experience for post-secondary students.

Ms. Mowat: — So in terms of the narrowness of student summer works, the student summer works program, I believe one of the criteria involved having indigenous students employed, so I believe it was an opportunity for indigenous students to find meaningful employment. Regardless of whether the targets were met, I believe that employers were supposed to prove that they had attempted to recruit indigenous students. Is this correct?

Mr. MacFadden: — Another factor that distinguished student summer works from the Canada summer jobs program is that the provincial program wasn't available to private sector employers; it was going to community organizations only. So it created a really limited opportunity for indigenous students or students with disabilities to access job opportunities in their field of education or training.

The federal program, as stated, doesn't have those same restrictions. And we think that because of the increased investment that the federal government has made in the last two years that it's important that we ensure that our tax dollars are being directed into the Saskatchewan workforce.

Ms. Mowat: — And just to follow up on that, I don't believe employers can use both programs for the same position, right? So it's not like there's actual physical duplication of that money. Like I think those positions are necessarily separate in those programs.

Hon. Mr. Harrison: — We had about 30 per cent of employers that applied to both.

Ms. Mowat: — Well, if I had many funding sources in front of me, I would apply to as many of them as possible as well, but it doesn't mean that one student position is funded by both the federal and provincial government programs at the same time. So I just want to clarify that that is not the case.

It's not really a question. I know it's not the case, so I don't ... Yes, we can move on.

Hon. Mr. Harrison: — No, they could have got funding from both.

Ms. Mowat: — Not for the same ... for this exact same position?

Hon. Mr. Harrison: — The officials tell me they could have got funding for both.

Ms. Mowat: — Okay. I don't believe that that is correct. We can move on to saskjobs.ca. Last week I asked questions about the decision to shut down saskjobs.ca. Can you provide additional information about what this change is going to look like?

Hon. Mr. Harrison: — I don't have the note in front of me here, but I can speak to that. We made a decision some time ago and we've been working with the national government and the

national Job Bank officials to migrate SaskJobs and integrate the site with the national Job Bank, and there were a whole host of reasons for that. I spoke to some of them in question period and some of them subsequent to that in a scrum with the media.

We felt that there were a number of advantages in moving in that direction, you know, around security, around the ability to kind of see the national picture. But perhaps I'll ask one of our officials to speak specifically to the process that led to the transfer and the discussion that went along with that.

[20:00]

Mr. MacFadden: — SaskJobs started in November of 1999 and at that time it was designed in partnership with the federal government. So over the years, an employer that would post a job on saskjobs.ca would see that job posting automatically migrate to the national Job Bank. It was invisible; there was no clicking required, but there was an inherent and built-in partnership that leveraged the advantages of both tools.

When the plan for growth was released, government made a couple of commitments in there about making enhancements to SaskJobs. So one of those commitments was that we would create a job-matching tool for job seekers so that they could be matched with available jobs in a more targeted way. And the second commitment was that we would create an international version of SaskJobs so that international job seekers could find their way to job opportunities that were available and eligible through our immigration program because not all jobs would be applicable to the SINP.

In the same year that those commitments were announced, the federal government made related commitments and a significant multi-million dollar investment in the national Job Bank. So they designed and launched some immigration tools on the national Job Bank that are tied to federal immigration streams that included some electronic verification and validation and security features to ensure the integrity of the immigration process online, and they also introduced job matching features. What that allowed us to do was look and revisit the partnership with the national Job Bank to see if we could leverage those same tools.

And we've been working with them for several years to try to find a way to preserve the SaskJobs brand and the look and feel for Saskatchewan employers and job seekers while leveraging some of the tools and the investments that have been made with Saskatchewan people's tax dollars to the federal government. So again, another instance where we're trying to make sure that Saskatchewan's tax dollars that go to Ottawa are invested towards Saskatchewan's interests.

What is being launched is a hybrid website that includes the brand recognition of SaskJobs with the engine that exists with the national Job Bank. So individuals will still have free access to search for jobs with improved tools like labour market information, access to things like average wage rates in different occupations. They can do some career exploration that SaskJobs didn't offer. They can subscribe to job alerts so they're automatically notified when job opportunities are available in their field or region of interest.

And for employers, there's a number of features that are also available to them including indicators that are available to them if they're interested in hiring from specific target groups — individuals can be matched. So if an employer is specifically interested in hiring veterans, for example, the job matching tool can help them to identify candidates who are veterans from the Armed Forces.

Ms. Mowat: — So I think that the auto-migrate system sounds a lot easier than what I'm hearing from employers right now, and I'm wondering if the ministry has taken time to talk to employers who have been posting on the site or have posted on the national site in the past, that what employers liked about saskjobs.ca is not just the brand but the actual engine that runs it.

So I've heard from employers that the national Job Bank is costly and cumbersome for posting job vacancies, that they have to scroll through very long lists to be able to determine what occupation they are posting, that it's not necessarily going to line up with the actual occupation that they have, and that they have concerns with the ability to accurately describe the job.

And then there are also concerns in terms of timeline. You know, several days later it hasn't been uploaded onto the job site yet, which can be quite impactful from an employer perspective.

So I'm just wondering if there's been consultation with employers, if the ministry has heard this complaint, if they're working on it, and so on.

Hon. Mr. Harrison: — Yes, you know, as Deputy Minister MacFadden pointed out, I mean, this has been a process that's been in . . . This has been a discussion and a process that we've been working on for literally years with the national government. And we've been working with employers as well.

You know, there is significantly increased functionality that comes along with integrating our system with the national Job Bank, which if we were to completely do our own thing without having it having the interoperability with the national Job Bank, literally would've cost tens of millions of dollars. So we're able to, you know, having worked with the national government on this, leverage their investment into this.

You know, we've had, you know, significant amounts of discussion around what would be helpful for us as well, and they've been working with us for years in a collaborative way in the context of putting this into effect.

I mean, that being said I don't want to minimize concerns that would be coming from employers. I know when, you know, there's updates and changes to websites — I think folks would even know in their individual lives — it can be confusing for a time and it can take you some period of transition to become accustomed to a new design or functions in new areas or that sort of thing.

So, you know, we're open to hearing submissions from employers. We ultimately want to do the best job we can for them with regard to, you know, their concerns and how we can

maximize the value that they would see from these things. And we've had a very good collaborative relationship with the national government in putting this into place.

But we just, you know, we just made a decision that reinventing the engine and reinventing a whole lot of the functionality that we would be seeking in an upgraded platform just didn't make sense in the context of having the Government of Canada making those investments and tying it in with a number of provisions in the immigration end of the equation as well. Express entry is directly tied to this system which is . . . You know, we have 775 express entry seats allocated to Saskatchewan. So there's a whole bunch of reasons that have this make sense from an operational point of view.

But that being said, I don't want to minimize concerns that might be out there from users, but I would say that there often are challenges in getting accustomed to new systems with perhaps different functionalities.

Sure, and if you want to add, Alastair?

Mr. MacFadden: — So we were anticipating a need to work carefully with employers and industry partners to make this transition successful. So we launched three phases in this transition beginning back in January.

In phase 1 and 2 the users of the SaskJobs website were given advance notice of upcoming changes, as well as the timelines and the continued need to sign up with the national Job Bank to create their user account.

In phase 3, which is live right now, new job postings are no longer available on the SaskJobs website, that they need to use the national Job Bank. Phase 4 begins on May 1st, and that's where the SaskJobs site as it existed will become a different site. When a person logs into saskjobs.ca they will automatically be redirected to this enhanced website. Users will end up at a landing page that's linked with the Saskatchewan.ca overall government website. There will be a box that is for employers to recruit or hire and a box for job seekers to find a job. And they'll be redirected, when they click on those, to the appropriate page on the national Job Bank. The page will also have a live feed that shows the number of posted Saskatchewan jobs and a new toll-free line and an email address for enquiries that are already in use today.

Since January the SaskJobs team has received about 1,900 calls from employers and job seekers who are looking for some assistance. We've seen 870 job postings reviewed by that team and posted to the national Job Bank. And there's been 640 employers who weren't previously registered create employer file accounts with the national Job Bank.

The federal process includes validation of the employer's status. They're trying to ensure the integrity of the job search system, because at times there's been misrepresentation on the national Job Bank, where people were applying for jobs that were not legitimate and at times perhaps being asked for information that was not appropriate. So the federal government has taken steps to mitigate those sorts of risks by going through a more robust verification process to ensure the integrity and the legitimacy of the employer and the jobs that are available.

So lower employer uptake had been anticipated in the initial phases of this transition. It was our expectation that employers may not pay attention to the transition information until it came to the point where they were actually posting a job. And so we are experiencing more inquiries as employers post. Very few are creating accounts independent of needing to actually post a job vacancy.

Ms. Mowat: — In terms of seeking feedback from employers though, before, during, and after this process, is there a dialogue between the ministry and employers on how the process is going, how these phases are being rolled out? Like has there been consultation with employers?

Mr. MacFadden: — As I mentioned, we've had direct contact from . . . or inquiries, over 1,900 of them, either phone calls or emails from employers and job seekers looking for more information. Some of that feedback has helped to inform the subsequent phases and the information campaign that is going on so that people are well aware of what the transition opportunities actually afford them.

We do believe that the enhanced website is significantly improved over what SaskJobs originally offered. It does mean a change. Employers who were posting on SaskJobs originally had free texts available and they could describe the job in whatever way they wanted. The national Job Bank offers a bit more standardization. So employers are asked to use national occupation codes. And it's with that information that our government is able to track the types of skills and occupations that are in demand, and we're able to use that labour market information to inform our training system.

So by working with the national Job Bank, for example, we've started an analysis of soft skills that are in demand in the province. It's our understanding over time that in forecasting the skill requirements in the labour force, we can help to re-tool the training that's available in Saskatchewan. And by using job posting information, we're able to do that.

The free text approach that was being used traditionally since 1999 didn't lend itself to that sort of analysis and so it wasn't available to us as a tool to inform the training system.

Ms. Mowat: — Thank you. In terms of the actual language around the site . . . So the minister said it's not being shut down. In terms of the functionality that was described here tonight, I think we can fairly say this is a shell website. The same domain name still may exist, but if you click the link, you're being moved to the national job website.

So how can we say that saskjobs.ca still exists? If we're just saying that it's the domain name, I understand that. But if the posting and the same brain doesn't exist in this space, wouldn't you say that we can fairly say saskjobs.ca has been shut down and we are using the national bank, if it's just the shell that was described?

Hon. Mr. Harrison: — Well what I would say is, you know, we've been working on integrating our systems with the federal government for some period of time. So you know, we've had input into that. We've worked with them on that as far as even maintaining the branding. You know, you're not typing in

nationaljobbank.ca — I'm not sure what the web address is for the national Job Bank — but I mean for folks who are accustomed to going to saskjobs.ca, and it's a relatively familiar brand, that brand still exists.

I mean, is the under-the-hood component provided by national Job Bank? It is. I mean, we've not said that it isn't. You know, in fact I think we've made the case as to why that makes more sense, to have the national Job Bank as the engine under the hood. So you know, we — I think between the deputy minister and I — explained the reasons for that, and I think they're valid reasons. They make sense, and I think that it ultimately is going to benefit both employers and employees in this province.

Ms. Mowat: — Where does the funding for saskjobs.ca come from?

[20:15]

Hon. Mr. Harrison: — Right. Okay. Well, you know, the way SaskJobs had been funded before was through the Labour Market Development Agreement, which is one of the federal transfers. So it was basically federal funding transferred through LMDA [Labour Market Development Agreement] that we would use to fund saskjobs.ca. So a part of the workforce development agreement — which we just recently signed, which was the bringing together of the TIOW, LAMP, and the CJF [Canada Job Fund], the job fund — both the WAD, workforce development agreement and the Labour Market Development Agreement, the two transfers both require provinces and territories to use job bank.

So this isn't just a transition that we're going to be making. Every other jurisdiction in the country is going to be either integrating their system directly with Job Bank or just directly using Job Bank as their labour market computer networking program. So as far as kind of the funding previously uses through LMDA, the feds are just funding it directly as far as the under-the-hood component of national Job Bank now. So I guess that answers it.

Mr. MacFadden: — If I may add that most jurisdictions in Canada were using the national Job Bank all along. And in developing a partnership with the national Job Bank, the user experience in Saskatchewan will offer some customization. So for job seekers, for instance, when they click the box that they're looking for work, what they'll see is a subset of national job postings that highlights what's available in our province first.

Ms. Mowat: — So you were talking about this funding. Where would that money be reflected in estimates? Can you point me to which item covers, which allocation covers saskjobs.ca? I understand what you're saying about the direct transfer now from the federal government, but where would it have been found previously?

Hon. Mr. Harrison: — Right, well, officials are looking for that information and we'll provide it as soon as we track it down.

Ms. Mowat: — Okay. So I just have some follow-up questions about SINP as it relates to the Global Transportation Hub.

Today I asked . . .

The Chair: — Ms. Mowat, I'm going to remind you that the questions must be related to the estimates that are before you, and the GTH is not part of those estimates.

Ms. Mowat: — Sure. Do we have a mechanism within SINP to track how successful new immigrants are who arrive under the entrepreneurial category, how successful their businesses are?

Ms. Ross: — So in regards to how successful entrepreneur nominees are, what we do measure and have outcomes for are things like retention, so how many nominees are staying in the province. We get that through data that's linked between CRA [Canada Revenue Agency] data and immigrant landing data.

We also get information on their investments, so how much they invested in their business in Saskatchewan and how many jobs they created as a result of that business and their investment activity.

Ms. Mowat: — Okay. In terms of retention for 2017, what did that look like?

Ms. Ross: — So unfortunately we don't have that timely of data when it comes to the retention data. Like I said, we're reliant on a database. It's a federal database that links together CRA data and immigrant landing data. And there's usually a couple of years time lag between that. So the most recent data we have on retention, we have a retention rate of 81 per cent for immigrants who arrived between 2011 and 2015 is the latest data we have available.

Ms. Mowat: — Can I ask that that information be tabled, that document?

Ms. Ross: — The information?

Ms. Mowat: — Yes.

Ms. Ross: — Okay.

Ms. Mowat: — I'm also wondering if your ministry has changed any procedures on SINP and the entrepreneurial class since August?

Ms. Ross: — We haven't made any changes since August 2017, I'm assuming you're referring to. No changes have been made.

Ms. Mowat: — Yes, okay. What does the ministry have in terms of a long-term plan for job creation in Saskatchewan?

Hon. Mr. Harrison: — Well you know, that's a fairly broad question. I'm happy to answer that. You know, we continue to work, and we'll get into this a bit more in the Trade and Export Development estimates, I'm sure we can have further discussions about the creation of the opportunity for further investment into the province which has an obvious impact on the creation of jobs. You know, we've continued to put in place provisions, the value-added incentive for example, just in this budget as an incentive to investment.

You know, and the other thing we've really, really worked hard in doing is making Saskatchewan as competitive a jurisdiction as any in the country, and we think the most competitive jurisdiction for investment out of any in Canada. And you know, this has been in the face of significant headwinds from, I would point specifically to policies of the Government of Canada over the course of the last couple of years.

We've had regulation piled on regulation along with significant uncertainty created with federal policy around carbon tax for instance, which I would note the member supports, in addition to other challenges that we've worked with them on. I think that they could have done a better job in the implementation and rollout and collaborative nature of working with us on, you know, clean fuel standard for example, or on the methane emissions which have been very, very challenging for our industry and didn't necessarily have to be to challenging if the national government had worked with our folks on those.

So we have what, you know, I think is probably the most . . . The biggest challenge facing the country right now is around just general competitiveness, specifically vis-à-vis our neighbour to the South which has, you know, taken a different approach as it relates to regulation, a different approach as it relates to corporate tax rates, which has really put significant pressure on 100 per cent mobile capital investment dollars that could literally go anywhere in the world. And you know, we've seen that, I mean we had just figures out very recently from Statistics Canada about net FDI flows, foreign direct investment flows, that from in 2008 I think we were — the country of Canada, maybe 2007 — we were at nearly \$130 billion of net FDI investment into Canada. Last year it was 31.

So you're looking at a massive reduction of foreign direct investment into the country. And last year was the first year in a very long time, and it's a very disturbing thing, that we saw more divestment of capital within the country than investment into it from companies operating here.

And all of this just highlights a growing national competitive lag with other jurisdictions. So I'm very concerned about this. I haven't been shy about talking about it. You know, it's also why, I would note, that we are adamantly opposed to a national tax on carbon which would do nothing to improve the competitive position while simultaneously doing nothing to reduce emissions. So you know, we're going to continue to fight the federal imposition of that carbon tax with everything we have.

Another component of creating investment into this province, or the creating of the conditions for investment to happen here, meaning we have to, we have to address the oil price differential, you know, right now we are getting very significant discounts on oil produced. Not only are we not getting the world price, we're not getting West Texas Intermediate price. We're not even getting WCS [Western Canada Select] price, which is trading at a nearly \$30 discount to WTI [West Texas Intermediate] right now.

Why is that? Why is that? Because we don't have pipeline capacity, that's why. That's the primary reason why we have the differential that we have. So we are getting, you know, a fraction . . . A percentage, maybe not a fraction. We are getting

a percentage that is significantly less than what we should be getting for our energy production in this country because we don't have the capacity to get our oil to tidewater.

And you know, the estimate this year is over two and a half billion dollars of economic activity that is being lost because of the fact that we have a near \$30 differential between our oil price and the world price.

So you know, why are we pushing as hard as we are on pipelines? This is a big part of the reason why, because that translates into nearly \$300 million per year in royalty revenue, which translates directly into additional investments in health care and education and highways. All of the things that provincial governments spend significant amounts and high proportional amounts of revenue on is being forgone because we don't have pipeline capacity.

And you know, I'm going to be a bit partisan on this because the member has been partisan on some questions. So I'm going to be a bit partisan on this. It's very disappointing that we don't have the support of the official opposition on putting forward a bill that would help us to get close at least or at least minimize that differential a bit. And, you know, the official opposition are going to have to justify why they're taking this position.

Essentially I'm siding with John Horgan over Rachel Notley, I might add, which is an interesting, I'm sure difficult, decision for some New Democrats. You know, we have been co-operating with other governments to make sure that we're maximizing the value of our resource. And we're going to continue to do that.

We would ask . . . So the member opposite asked how we're going to create jobs — and this is a big part of the answer — is that we need to get world price for our resources. So this is important and we would invite them to join us in that endeavour.

Ms. Mowat: — Well, thank the minister for the answer, but I think it branches a little further than what's in the Estimates book, including on my position on a carbon tax which, for the record, he got wrong. What I take from the minister's answer is that there's no document and that there's no plan because I haven't been provided with a document. I'll ask him if he has a long-term planning document, to table that document today so that we can have a look at it. I think questions about the automation of labour in the future for Saskatchewan are of key importance and that folks would much more be likely to want to hear about what the long-term plan is of this government if there is one. So I will take it that there is no plan provided. I can't find much beyond the short-term future. Is there a . . . we'll just see.

I think I probably have about one question left. I'll stick on the topic of the plan. In regards to the automation of labour, how is the ministry working to face these challenges head on?

[20:30]

Hon. Mr. Harrison: — You know what? You know, the member talks about a plan. I mean we've had a plan for growth in place for some period of time. I'll tell you what's available

on the Saskatchewan.ca website. You know, the north star of this government and this party has always been creating the conditions for economic growth, and we've seen historic growth — in the economy, in the labour market, in population numbers — all of the metrics of a healthy economy. You've seen historic growth over the last decade.

And, you know, the member can, you know, cast aspersions, but the record of her party in government was abysmal, Madam Chair — the worst job creation record in the entire country, population flight from the province, an actual reduction of the population in the course of the last decade of their government. So the problem that they have when they're talking about and casting aspersion on the record of this government is that they have the worst record over that period of time in the entire country.

So you know what? We're going to continue to create the conditions for growth. We're going to work with industry. We're going to continue to push very, very hard on the policy issues, whether it be pipeline development, whether it be fighting a carbon tax. Those are the things that are important to people in this province. That's how we're going to create jobs in the long term. And we are happy to talk about that any day of the week.

The Chair: — Are there any further questions from any committee members? Before we adjourn this portion, I'd like to note that there was a request to table document now called ECO 12-28, Ministry of Immigration and Career Training: Saskatchewan retention rates by immigrant class has now been tabled.

Thank you, Ms. Mowat, for your questions this evening. And, Minister, if you have any wrap-up questions or thank yous you'd like to make at this point in time, and then we will take a few minute break.

Hon. Mr. Harrison: — Nothing substantive, just thank you to members. Thank you to the member for her questions, and thank you to officials who do a great job day in and day out for the people of this province. Thank you.

The Chair: — We'll just take a few minutes break. If anybody needs to use the washroom or just stand and stretch or get a drink of water or coffee or anything, and then we'll proceed with our next portion of this evening's committee estimates.

[The committee recessed for a period of time.]

General Revenue Fund Trade and Export Development Vote 90

Subvote (TE01)

The Chair: — All right, everyone, if we could reconvene here. The committee will now begin our consideration of estimates for Ministry of Trade and Export Development, vote 90, central management and services, subvote (TE01). Minister Harrison, if you would like to introduce your officials and begin with any opening remarks.

Hon. Mr. Harrison: — Sure. Well thanks very much, Madam Chair. I appreciate it. My officials with me here: on my left is Jodi Banks, acting deputy minister, Trade and Export Development; my right, Kirk Westgard, assistant deputy minister, economic development. And then behind, left to right: Betty-Lynn Halcro, director, financial planning and operations; Cole Goertz, executive director of marketing and communications; Renata Bereziuk, executive director, international relations; Robert Donald, executive director, trade policy. And on the second row behind me, left to right: Andrea Terry Monro, executive director, finance and operations; Gerry Holland, director, legislative and contract services; Michael Mitchell, assistant deputy minister, strategic policy and competitiveness; and Angela Krauss, VP [vice-president], marketing and membership development from Saskatchewan Trade and Export Partnership.

So, Madam Chair, it's my pleasure to be here today to consider the estimates in the Ministry of Trade and Export Development. Our government's 2018-19 provincial budget keeps Saskatchewan's economy on track by creating opportunities for increased trade, business investment, and job creation.

Over the past decade of growth, Saskatchewan's expanded exports and new business investments have given our province the second-fastest rate of job creation and one of the lowest unemployment rates in Canada. This year's budget will help to ensure Saskatchewan's economy continues this trend.

Saskatchewan has the highest goods exported per capita of all Canadian provinces. Our province's total exports have grown by 50 per cent over the past decade. With the creation of the Ministry of Trade and Export Development, our government is placing a high priority on continuing to develop, diversify, and add to our market connections. Saskatchewan's top ten export markets accounted for approximately 86 per cent of our total export sales in 2017. The United States alone accounted for just over half of that total.

It's imperative that we sustain and build on our current trade relationships while also seeking out and creating new ones. International engagement missions are just one part of these efforts. We must also ensure that our business and investment environment is as competitive as it can be while holding ourselves to a high standard of organizational excellence and efficiency.

The Ministry of Trade and Export Development's 2018-19 budget is \$20.3 million. This is an increase of \$394,000 or 2 per cent from the restated 2017-18 budget. The budget includes \$10.6 million for economic development, 5.6 million for central management and services, 2.2 million for international relations and trade, and 2 million for strategic policy and competitiveness.

This year an additional \$250,000 is being allocated to the Saskatchewan Trade and Export Partnership. The partnership is responsible for increasing Saskatchewan's exports to existing markets. It also enables us to establish new markets by initiating sales, contracts, and projects for Saskatchewan exporters. This funding will assist Saskatchewan exporters in their efforts to increase their activity and grow their businesses. This investment will create new jobs and further expand

Saskatchewan's access to export markets around the world.

[20:45]

Saskatchewan is already one of the most attractive investment climates in Canada and in some cases the world, but we can do even better. To that end, we're introducing the Saskatchewan value-added agriculture incentive which I just gave second reading on today. This new incentive is part of our overall strategy to foster the most competitive business environment possible. Specifically it will improve investment attraction and retention outcomes in Saskatchewan's value-added ag sector. Saskatchewan has over 40 per cent of Canada's farm land, and we're very good at producing and exporting crops. We want to add value to these products here at home to increase the value of our exports, create jobs, and grow the Saskatchewan economy.

This incentive is a non-refundable, non-transferable 15 per cent tax credit for new or existing value-added agriculture facilities. Projects must demonstrate that capital expenditures of at least \$10 million were made for the purpose of creating new productive capacity or increasing existing productive capacity. Redemption of the benefits is limited to 28 per cent in year one after the facility enters production, 30 per cent in year two, and 50 per cent in year three. This new incentive will help continue to attract leading-edge innovation and high-quality jobs to the province.

Ultimately we appreciate the fact that exports are the bedrock of Saskatchewan's economy. We export roughly 70 per cent of what we produce to external markets. In 2017 these provincial exports were worth a total of \$28.9 billion, an increase of over 8 per cent from the year before, and above the national average. With goods from Saskatchewan exported to over 150 countries, market connections are the lifeblood of our communities and link us to the world. Our province has the food, fuel, and fertilizer the world needs, but it's not enough to have these things; we must also be able to enable access to them.

In the coming year the Ministry of Trade and Export Development will continue to work with our provincial partners and stakeholders in support of an even stronger, more diversified, and globally connected Saskatchewan. At the same time, we consider it a top priority to control our costs in order to work towards a balanced budget, and I would like to spend a few minutes . . . Well actually maybe I'll leave this for the Q & A [question and answer] when we get into it. We can discuss pipelines and the importance thereof. We had a bit of a discussion about it in the last segment.

So with that, Madam Chair, I will open the floor to questions, and I look forward to a productive discussion.

The Chair: — Thank you, Minister. Ms. Mowat, you can begin.

Ms. Mowat: — I want to thank the minister for his opening remarks and also thank all of the officials that are joining us here this evening. Sometimes sitting in the evening is not people's first choice of what they would do with their time, so I do appreciate your presence.

So to start off, we see that an additional 421,000 is being allocated to executive management this year. It appears that 326,000 of that can be accounted for with increased salaries to executive management, with the remainder being goods and services. We're not seeing a change to the reported FTEs within the ministry. It says it remains the same at 93. So can you elaborate on what changes took place here.

Ms. Banks: — So the \$220,000 increase is related to the ministry reorganization. So in going from the Ministry of Economy to the three ministries, it was required that we create some additional expertise in the deputy minister's office and so that additional dollars was there to support the salary of the deputy minister and the supporting staff.

The reason there's no additional increased FTEs is because we were able to repurpose FTEs when the Ministry of Economy again was changed into the three ministries. We were able to use existing FTEs and just utilize those.

Ms. Mowat: — Sorry, can you clarify? You said 220,000 was a result of the reorg? I'm just wondering where that allocation comes from.

Ms. Banks: — So that was just new money from budget that was added into the central management and services area to help support the operations and salaries of a deputy minister's office.

Hon. Mr. Harrison: — Yes, and if I could just add to that. I mean there's obviously costs associated with reorganization. And there's a minimal cost; we worked hard to minimize the cost associated with that. You know, we're continuing to share services across the three ministries and officials can speak to exactly what those shared services look like.

But you know, we're not going to apologize for an additional cost associated with reorganization. We think that there's going to be significant value that comes from the reorganization, that having the ability to focus a ministry on trade and export opportunities is going to be well worth the additional investment that's put into the senior leadership team who are going to have full capacity and full opportunity and all of their effort put towards this particular area.

And I would say, you know, it's not that there hasn't been a significant emphasis put into trade promotion, trade development, trade policy. These have sometimes been in separate areas, but we brought this all under one roof and this is the first time where we've had all of this together in government, where we're going to be able to I think very significantly leverage efficiencies and synergies by having all of our both trade and ec dev folks, you know, housed in the same ministry.

I think there's some very real advantage to this. And you know, I would say that, informed by some experience, having been, you know, responsible as minister for a significant portion of the last decade for elements of the economic file in different parts of government that had been housed together on occasion, separately on occasion, often . . . Or parts thereof would be under the same minister but there would still be different reporting of relationships through the public service. You know,

trade policy branch, for instance, had always been housed in Executive Council.

Now having trade policy with trade promotion with kind of one reporting structure through deputy minister to the minister, I think there's going to be — just informed by experience, honestly — there's going to be significant advantages to doing that. And you know, being able to put the focus, that we're going to be able to put the focus on the furthering of opportunity is going to be significant. So I would put that out there.

Ms. Mowat: — And I appreciate that. I wasn't criticizing the choice. I was simply asking for some clarification on the line item. According to my math, it's 326,000 in additional salaries, so I was just wondering about that discrepancy. So if you could shed any light on that . . .

Hon. Mr. Harrison: — No, no we can, and I wasn't insinuating that the member was criticizing additional costs for the reorganization of the ministries. But I just wanted to be clear with members through the committee and the public that are tuning in that, you know, we think that there is minimal cost associated with the reorganization, but we think that it's going to be very much worth that in the return on time that we're able to, and focus put on the file. So with that I'll have Jodi perhaps respond to the specific.

Ms. Banks: — Can you clarify the number that you . . . So it's 421 that you spoke to first, and then you mentioned three . . .

Ms. Mowat: — So I see 421 difference in the executive management allocation, but it looks like under the classification for salaries that the difference is 326,000.

Ms. Banks: — Basically we had . . . There was a total amount to support the creation of three ministries of 571; 325 of that went to ICT [Immigration and Career Training] and 246 went to Trade and Export Development and the rest has been reallocated. And then we also have a salary decrease for each amount, or for each subvote, to meet our fiscal on cost compensation dollars.

Ms. Mowat: — Sorry, I just didn't quite hear the last sentence there.

Ms. Banks: — So amount associated with TED [Trade and Export Development]: 233,000 of a total 571 increase related to the reorganization of the Ministry of Economy to the ministries of Immigration and Career Training, Energy and Resources, and Trade and Export Development. And the last . . . So 233 for staffing and operating costs required to create a new ministry.

Ms. Mowat: — Okay. With regards to STEP [Saskatchewan Trade and Export Partnership], so according to a news release and a number of budget documents, there's a claim that the Saskatchewan Trade and Export Partnership funding will be increased, will create new jobs, and further expand Saskatchewan's access to export markets around the world. Can you clarify how the government expects this will lead to job creation?

Hon. Mr. Harrison: — Sure. I'm happy to talk about the work

STEP does. You know, it's one of the . . . It's a great organization that's done great work over many years. So the additional allocation to STEP is going to allow us to continue with and expand our market access program, which is an important initiative that we've . . . I'm not sure how long we've been working on this, but it's been some period of time. So the market access program is going to allow for additional export opportunities for exporters here in this province. There's also another new initiative from the funding, which I'm going to just find the details on and I'll report back in just a moment.

So we're just following up here. I've got the details in front of me. Market access, we've been doing . . . It was introduced in 2010, and the purpose of the market access program is to reduce the risks associated with the national and international marketing efforts of Saskatchewan exporters who are looking to enter our new markets. And the funding for MAP [market access program], STEP's most active, successful, and measurable export initiative where . . . such that being able to put this additional funding into it will allow for significantly increased opportunities.

The other program that we're going to be able to move forward with is the incoming buyers program. And we've had . . . This isn't a brand new program, but we've used a limited budget, I think it would be fair to say, in past years for this program. And what we do on this initiative is essentially have potential buyers who are, you know, pre-qualified. Essentially they have to apply, external buyers have to apply, and we basically bring them into the province. And we pay for them . . . Basically we'll put on a conference and pay for I think up to two hotel nights' stay, something like that. I mean there's a pretty . . . It's a prescribed amount and a prescribed period of time but the point is to bring buyers in who are qualified and interested to meet with our exporters here directly.

[21:00]

Those personal relationships are just very, very important in developing these, particularly these first sort of contracts and the first relationships which often turn into much bigger sort of relationships down the road. So we see this as being a program with a great deal of potential, and we're going to be putting additional resources into incoming buyers which we think will pay significant dividends down the road by creating additional export markets.

So you know, the other observation I would make around growing the economy, I mean we've . . . This has been a bit of a theme in the last estimates and this as well. I mean the most kind of productive way of growing the economy and of creating additional economic opportunities is by opening new markets. And that's been the story of the economic expansion that we've seen over the last decade, a 50 per cent increase in exports. It's largely been an export-driven economic increase. And whether that be through . . . It's not just through raw materials. It's not just potash. It's not just oil. I mean these are manufactured goods. These are the whole gamut of export products that we've been able to take advantage, our companies have been able to take advantage of because we've been able to develop new markets to export to.

And how have we done that? I mean part of that's been through

direct outreach. Organizations like STEP have played a pivotal role in that, but also it's been through increased economic opportunity through trade agreements. And whether that's been through the comprehensive economic and trade agreement, CETA [Canada-European Union Comprehensive Economic and Trade Agreement], Canada-Europe for a kind of shorthand; whether that's been through the North American Free Trade Agreement historically allowing for export into markets in the United States; whether that's been . . . You know, we're hopeful on CPTPP [Comprehensive and Progressive Agreement for Trans-Pacific Partnership], which has now been signed, not yet ratified by parliament here, but we're hoping . . . The national government are hoping late '18, early '19 for parliamentary ratification on that. That's an 11-country trade bloc. Canada-South Korea was another trade agreement.

We've been very supportive of these agreements. During the negotiation of CETA a number of years ago, I was trade minister at that point as well and flew to Brussels and met with the lead European negotiator and worked closely with the lead Canadian negotiator, Steve Verheul who's also now the lead Canadian negotiator on the NAFTA [North American Free Trade Agreement] renegotiation. And I would give the Government of Canada significant credit on NAFTA renegotiation for keeping provinces and territories closely apprised of developments and ways that we might be able to play a positive role in that negotiation.

So yes, I'd like to talk about that in more detail later. I think that there's a high degree of interest in where that's going also. But you know, kind of a long answer to a question that you had asked as a part of that one, but also previously about growing the economy, new markets and development of new markets. STEP plays an integral role in that in the investments we're talking about with the additional funding to STEP. A 7.5 per cent increase, which is not an insignificant budget lift, is going to play a significant role in exporting even further.

Ms. Mowat: — I'm happy to take some of the compliments on STEP. As the minister knows, it was an NDP government that brought it in. But I am curious to know if you have any idea of which industries this could potentially impact, this increase.

Hon. Mr. Harrison: — Well you know, these programs are available to members, right? So I think we have . . . How many members do we have in STEP now, 480 companies? Yes, 480 members of STEP. So I mean these programs are available to the companies who are members. So I wouldn't say it's necessarily targeted at any specific industry, but you know, we try and provide these programs to our partners.

Ms. Mowat: — Of the members, do you have a breakdown of which industries? Do you sort of categorize them to give a percentage of who's reflected?

Hon. Mr. Harrison: — Yes, I can give you a per cent of the regular members and the premium members as well. Okay, so the regular members, 38 per cent are agri-value; 32 per cent are manufacturing; and 30 per cent are technology services and resources. So that's the percent of regular members. The per cent of premium members: 41 per cent, agri-value; 47 per cent, manufacturing; and 12 per cent, TSR [technology services and resources].

Ms. Mowat: — Thanks. Can I ask that you table that? I can't get it all written down at the same time.

Hon. Mr. Harrison: — Sure. I don't think that . . . Just let me check to make sure there's no commercial sensitivity. Yes, we can table that.

Ms. Mowat: — So as you referred to, this is a boost that STEP is receiving of \$250,000 this year. And this is directly to the grant that they receive from the province, as far as I understand, which you have also identified as a 7.5 per cent increase. So my math certainly matches yours in this case. Can you indicate why this increase is warranted and who was calling for it?

Hon. Mr. Harrison: — Well you know what, I'll just be honest. I made the case for this increase. And you know, a big part of the reason why is I believe in the work that STEP's done. I've been minister responsible in different points, in different incarnations. As minister of Enterprise, I was responsible for STEP at one juncture. You know, I've been a minister responsible for STEP obviously since the change in cabinet in February of this year but I had been, prior to August of last year, minister of STEP as well for 18-month or so period, I think.

So you know, I've become familiar with the work that STEP does. I've become appreciative of the work that STEP does. And I think that there were opportunities that, you know, in the broader context of the budget, a relatively modest investment could have a disproportionate impact on economic activity in the longer term. So you know, there's no kind of guaranteed short-term turnaround kind of returns on these things but I think historically we have seen value for investment put into the organization which is, you know, compared to jurisdictions across the country that do similar things, not identical. I mean these organizations are structured differently in most provinces, but you know, a fairly modest investment compared to some other jurisdictions, at least in the overall funding envelope, that we get very good return on that investment.

So you know, and I think we see the feedback from members being, you know, positive in the context of seeing a value for their investment. I mean they have skin in the game on this. They're paying, you know, a membership fee every year and private enterprise wouldn't be doing that unless they also saw a return on that investment that was positive. So you know, I advocated for an increase in funding because I thought that we would see a proportionate if not disproportionate return on that investment in the medium and long term.

Ms. Mowat: — So thank you for that. Can you speak to why 7.5 per cent was determined? You know, obviously we're in tight times right now. From my estimation, there was no increase last year in last year's budget. So I just want to know how that determination was made or how that amount of funding was determined.

Hon. Mr. Harrison: — Well it was what I asked for. It was what I proposed. I had asked, I had asked STEP to put a note together that would explain what it would look like if we were to provide a seven and a half per cent increase in budget for the organization, not, you know, not with necessarily the intention of even bringing that forward but seeing what that additional

allocation could potentially do down the road. I think that it was . . . I felt that it was a very positive sort of investment that we could be making into the organization. Cabinet agreed with that.

Ms. Mowat: — Can you provide detail on why you asked for that amount? So you said . . . Basically I said, why did they get 7.5 per cent. You said, that's because I asked for that amount. So can you provide detail on what went into that decision-making process in determining that?

Hon. Mr. Harrison: — That's what I felt would be appropriate.

Ms. Mowat: — Okay. You made reference to a bit of a plan. I read through STEP's annual report from last year. I didn't see any mention of calling for more money. Were there any conversations where they had expressed to you that they were interested in more funding?

Hon. Mr. Harrison: — Well I mean STEP historically has been able to show significant return on investment that the province has put in and, you know, have been able to make a compelling case that additional investment would engender significant additional returns on whatever the provincial government were to put forward. So this isn't a new case that's been made. I mean, this has been known to me, at least over the period of time that I've been minister, that additional resources allocated would and could result in significant increases in economic activity and export opportunity for member companies over the medium and longer term.

Ms. Mowat: — So prior to you approaching STEP with the proposal of the 7.5 per cent increase or asking them for a plan for what they would do, had they approached you asking for the funding?

Hon. Mr. Harrison: — You know, this was in the . . . When I asked for options around this, it would have been in the first meeting I had after being sworn into cabinet in February as minister responsible for trade and export. Had I seen a specific proposal on this budget cycle? No, I hadn't, because I wasn't involved in this budget development cycle. I had left cabinet in August so I wasn't involved at the front end of the budget submissions from organizations.

But, you know, very well, I mean if . . . I guess it's a bit of a dangerous thing to hypothesize in public life, but if I had been minister all the way through that period, I most likely would have brought forward the same sort of budget request just because of the fact that I've long felt that with that additional investment I knew STEP could do positive things with that.

Ms. Mowat: — Okay, so I'm just trying to get a sense of timeline. So you said that the 7.5 per cent was your idea, but then at the same time you also said that it wasn't. You weren't there for the budget request, so I'm just wondering what . . .

Hon. Mr. Harrison: — No, the member either misunderstood or mischaracterized. No, the budget submission was put forward subsequent to the February date on which I became minister again. The original budget deliberation process, obviously I wasn't minister responsible for; I wasn't in the cabinet. So, you know, there had been discussion but the budget

hadn't been finalized. That was something that, you know, you obviously go through treasury board and cabinet finalization prior to that occurring, so that happened subsequent to the February cabinet changes and the new Premier being sworn in as Premier.

Ms. Mowat: — Okay, so you brought this forward after . . .

Hon. Mr. Harrison: — At the subsequent deliberation in February.

Ms. Mowat: — Okay. Can you provide some detail on what you expect STEP will do with the additional funding then? You mentioned that there is a bit of a plan. There was a bit of a plan in place.

Hon. Mr. Harrison: — No, I think I addressed that already when we talked about the market access program opportunity, the incoming buyers program as well. So you know, those would be the additional allocation through those.

Ms. Mowat: — Do you have the breakdown of where that money is going to go?

Hon. Mr. Harrison: — Yes, the market access program is about \$135,000 or thereabouts; incoming buyers program is \$22,000. The export readiness membership category — and that's basically just kind of a 50 per cent discount on membership, if I remember correctly — is a \$10,000 allocation. And then additional marketing and communications items which is a \$16,000 allocation, as they have here.

[21:15]

Ms. Mowat: — Sorry. With the reference to the discounted memberships, are those being provided as some sort of incentive for specific industries, or what's the rationale there?

Hon. Mr. Harrison: — It is. It's a new category of membership designed for Saskatchewan start-up or pre-commercialized companies and entrepreneurs who require assistance in selecting and developing national and international markets for their service or products. And what this allows for is an incubator membership. So as opposed to the \$800 per year annual membership, there would be a \$400 yearly membership that would still allow access to all of STEP services for companies that would fit into that category.

Ms. Mowat: — Okay. Under international relations and trade, can you clarify . . . by my math there is \$293,000 that was cut, and what areas were impacted?

Hon. Mr. Harrison: — Maybe I'll ask Deputy Minister Banks to explain as this is very much an operational explanation.

Ms. Banks: — It really results from bringing the two sections of two different ministries together, so the Intergovernmental Affairs, the two branches from Executive Council in with some additional divisions from the former ministry of the Economy. And so the international relations and trade is made up of the two branches — international relations, and trade policy.

And so 201,000 of the 293 is moved. It comes over with those

branches because we also moved over our associate deputy minister with two support staff, which then rolled into the new deputy minister's office of Trade and Export Development. So it came in as originally with the international relations and trade but then got transferred up to executive management.

And 92,000 got moved in as our IT [information technology] expense that came out of the former Intergovernmental Affairs piece and then also got moved into ... So they came over whole, but it was just restating and moving into other areas.

Ms. Mowat: — Just in terms of the estimated values for 2017-2018 then, is it ... Like what I'm hearing is that the estimated values for 2017-2018 are not an accurate reflection of what that portion would have looked like. Like if all the money moved over but there's less money, I'm just having trouble reconciling how that works.

Ms. Banks: — So basically when we moved over the two branches plus the associate deputy minister and two admin or support staff, the international relations and trade division is now made up of two branches. And the 201,000 that moved was basically the salary and operational dollars for the associate deputy minister and the two admin folks. So although the numbers do not look ... obviously we see a \$293,000 reduction. All of those dollars are still in the Ministry of Trade and Export Development. They've just been transferred to subvote (TE01).

Ms. Mowat: — Okay, yes. So that's basically what I was asking, so that makes sense to me. In terms of the budget documents and the minister's initial speech, there is reference to two new tax incentives — Sask value-added agriculture and SaskTech start-up — and the reference here is that they will support job creation. So I'm just wondering how, you know, that these will create jobs.

Hon. Mr. Harrison: — Well I mean we're hopeful that the new incentive in place for the ag value-add is going to result in investment that would otherwise not occur. I mean the theory behind new-growth tax incentives is that you're incenting growth, that if you weren't incenting growth, it wouldn't occur. Those investments wouldn't happen.

So what we're doing is providing the conditions under which, you know, significant investment, large projects particularly, the parameters for the ag value-add are a \$10 million minimum investment. You know, we feel that the incentive is such that we are going to attract investment because of it, because we are putting ourselves in a more competitive position than perhaps neighbours or other jurisdictions in Canada that will allow for us to have those investments made, which will consequently create jobs that otherwise wouldn't have been created.

Ms. Mowat: — And is there some sort of ... So I appreciate the fact that there is hope and that there is optimism. I'm wondering if there is any evidence-based approach that has been provided in these areas, if the minister is working off of some study that exists or, you know, what that decision is based off of.

Hon. Mr. Harrison: — Well you know, I'll let officials kind of speak to perhaps some of the metrics that were used in putting

this together. What I would say though, you know, we developed these incentive programs in close collaboration with industry in a general context. You know, we take their feedback seriously and we work to put in place the sort of program that we hear from them, in a general context, would perhaps be the tipping point between investments being made and not being made. So you know, there are officials that put a lot of work into, you know, making sure that the incentives are right, the numbers are right, that the tax incentives of the program design is such that we incent that and minimize risk. But I'll let perhaps ... I'm not sure which official would wish to speak to this.

Mr. Westgard: — Hi. Thanks for the question. And in addition to what the minister has already stated, what we can say is we've worked with other ministries, the Ministry of Agriculture, to look at what are the competitive advantages that Saskatchewan has to offer. And if we look at the agriculture value-added incentive, we've worked with companies around the world looking at Saskatchewan as a place to do business, increase the foreign direct investment in the province. And we know that by doing our research, we found anywhere between 15 and 20 companies that are interested in looking at processing in Saskatchewan that should make some idea of investment between 700 million to a billion dollars over the next one to two years.

Ms. Mowat: — So can you speak to if there's a process that's followed in determining need for this type of incentive program?

Hon. Mr. Harrison: — You know, there are challenges and we kind of become aware of challenges when we're working with companies to, you know, find ways where we can work with them to make investments into the province. And there are, you know, competitive advantages that we have where we can leverage those. But there are also, you know, economic realities that we have to work with. Some provinces, for example, have hydro generation which means their power costs are cheaper. You know, there's things of that nature that we take into consideration with, you know, competitors ... Not just here but I mean there's other jurisdictions around the world that we compete for investment with. So we work with industry. We, you know, we hear first hand what some of those very real competitive advantages and disadvantages are, so we work with them to try and devise programs where we're going to leverage our advantages such that we'll be able to secure investments and not have those investments perhaps go elsewhere.

Ms. Mowat: — So what I'm hearing is that there is not a general process that is followed, that it's ...

Hon. Mr. Harrison: — There is a process. You know, I mean these numbers aren't kind of picked out of thin air. I mean this isn't the minister picking the numbers out of thin air. This is actually based on significant amounts of work in policy analysis that are done by folks who are highly trained in the area to do this policy work, informed by direct input from industry and potential investors. So I mean this is something that, you know, there's a significant amount of, like, not just work but a significant amount of lead time that goes into developing these programs.

So I'm not sure if, Kirk, you want to speak further to that. But I mean, you know, our folks and officials, some of whom are very, very talented, work hard on putting these programs together.

Mr. Westgard: — If I could add a little bit on the numbers and the work that goes into making this decision when we look at new-growth incentives, is we've reorganized the division to look at almost lead-generation type of activity that does a lot of research into the companies that are available around the world, domestically, internationally, that are looking at opportunities to provide value-added processing in this industry.

And as we discuss with them and talk quite frankly about the numbers they're looking for and the information they would like to see, and how Saskatchewan is competitive against other jurisdictions, we learn a lot about the industry, the sector basis, and then we go ground truth it with policy work and research at the back end before we even start thinking about putting an incentive package together. So quite a bit of work.

What I can say, just on average last year, we researched about 17,000 companies before we did any other work, find out who's interested, who's in the game, and who would like to take advantage of what Saskatchewan has to offer.

Hon. Mr. Harrison: — And I would add to that too. I mean we often proactively contact companies we think where it would make sense for them to invest here. They might not have even had it on their radar necessarily. But we proactively, doing this research with, you know, like Kirk said, 17,000 companies that we look into, that investment for them would make sense in this province. They might not even know it yet, but we work hard to make sure that we do that research and then even reach out directly to them and make the case to them directly.

Ms. Mowat: — Thank you. Can you speak to some of the expected benefits of the SaskTech start-up? A lot of the benefits that you've been referring to so far are in relation to the value-added agriculture.

Hon. Mr. Harrison: — You know, on the start-up, that bill isn't in possession of the House yet, so . . . I hate to bore my colleagues around the room with House procedure, but you know, for me to speak to details of what are going to be in the bill is actually a privilege issue. So I can't speak to any of the direct provisions that are going to be in that statute. The House will be in possession of that bill soon enough and we'll have the opportunity to . . . Well Minister Beaudry-Mellor will have the opportunity to speak to that in estimates and in second reading in the House.

But I would just say kind of in a general context that, you know, we've done a significant amount of work into creating the conditions to have a successful tech industry in this province. And you know, last year we moved forward with Co.Labs. You know, I was proud to be minister of Innovation at that point and being able to have, you know, a little bit to do with that anyway. But I'll tell you there are some really, really exciting companies that are taking root in Saskatchewan, not necessarily just because of what the government's done, you know, but I think that we're able to provide conditions for them to stay here. You know, clever folks who have done incredible things.

[21:30]

I would encourage members if they have an opportunity to just go say hello at Co.Labs, to some of the companies and individuals who are working there. I mean just amazing ideas. I mean these are ideas that could change the world. I mean you could have the next Facebook in there. We just don't know, but we want to keep these companies here and we want to keep them growing here and we want to, you know, make sure that there's opportunity to stay here because again this is a globally competitive industry and a globally . . . You know, we're competing for that investment and for that brain power right across the world. So you know, we have to realize that other jurisdictions are doing things to keep their companies home and also to attract companies from elsewhere to move to their jurisdiction.

So without getting into details, I would just say that there's a recognition that we, you know, need to be in that game.

Ms. Mowat: — And I certainly appreciate that. I think that there's an important role that we can be playing in the tech sector. You spoke to some of the growth that has happened already. Are there any measures of growth or is there any empirical data that the ministry is using to show that the tech sector has been taking off?

Hon. Mr. Harrison: — You know, these are questions probably better put to Minister Beaudry-Mellor as the Minister Responsible for Innovation Saskatchewan, but I'm not going to shy away from kind of offering at least some general thoughts on this. You know, I think there's tremendous opportunity in this space. You know, I've felt that for some period of time, and you know, I think that we . . . I really do think that we have to be engaged in that space to allow for decisions to be taken by individuals and companies to either locate here or relocate here or stay here.

You know, other jurisdictions have differing programs. I mean they're kind of different depending on the jurisdiction you go to, but they're often very generous. So you know, we've taken the approach of offering, you know, very reasonable access to office space, to the sorts of things that you would need in a tech start-up in that co-located office space with others who are kind of working through some of these same sort of issues — access to mentors who have been in the sector for a lengthy period of time and have enjoyed, you know, very real success.

And I would, you know, very much like to thank those who have been willing to serve on our board of Co.Labs, who have undertaken that work of mentoring some of the new and, you know, often young, not always, but often young people who are involved in these companies and start-ups.

So you know, I just think that there's a huge opportunity here. And I think that, you know, once the House sees the bill, I think that, I'm hopeful that there's going to be support across the aisle. I think that this is one area, you know, amongst a number of areas, but I think this is one area where we would find agreement, I think, across the floor about the importance of creating the opportunities for this sector to see success in the long term.

Ms. Mowat: — In terms of . . . We'll stay in the Sask value-added agriculture incentive then. In terms of this type of incentive, do you have a previous model that provided an example of how this can work in terms of job creation, where we saw job creation based on this type of intervention in the past?

Hon. Mr. Harrison: — Well you know, consulting with officials, I mean we've done . . . and I think Kirk touched on some of it, the large amount of policy work that's gone into the development of this, you know, including looking at best practices from other jurisdictions. This isn't based on any particular statute that we have in place in this province right now. But without kind of making any announcements, I think you might see some — you know, potentially anyway — some additional statutes that might look something like this as well.

You know, there's been a very significant amount of work that's gone into the design of this program and it's been based on not just kind of the consultation part, which we've spoken about, but — well I think we've spoken about all of the kind of elements that have gone into it — but consultation parts of it in addition to looking at jurisdictional best practices, you know, across the country and around other parts of the world.

Ms. Mowat: — Great. So in terms of tangible results and whether there was something in the past that you saw was tied to job creation in that industry, I'm just wondering if the ministry is operating or if there's a standard that you can hold up as a previous incentive program and show how many jobs it created. Because that's the real nugget of what I'm trying to get at, is . . .

Hon. Mr. Harrison: — No, and it's a good question. I mean, I get where you're going and it's a good question. I think what you're going to be able to see and ask in future estimates is, you know, what access . . . how many companies have accessed or applied for the program, you know? And I would add as well, and this is the case with kind of all new growth tax incentives, that you have to be willing to adjust.

And that's based on experience, because I can't sit here and guarantee this is the exact right program at the exact right time and the exact right numbers. I mean, part of this is going to be informed by experience. So we do all the work we can as far as background and groundwork and, you know, doing the studies and cross-jurisdictional comparisons but, you know, we're going to see. I mean, how many applications are we going to get to the program? How many companies are going to be inquiring as to whether this would be applicable to either their expansion or their new greenfield operation?

And based on the experience from that, you know, we may make adjustments. I'm not going to preclude that. I think it would be bad policy to kind of say, this is how it is forever and ever. You know, we're going to be flexible and be willing to, you know, be informed by experience and be informed by best practice. And, you know, if we need to adjust, we'd be open to doing that.

Ms. Mowat: — So with regards to the number of . . . You've pointed out the fact that a lot of policy analyses went into this, a lot of discussion. Is there an expected number of companies that

would benefit? Is there a goal that has been set by the ministry in terms of the number of companies, the number of jobs that would be satisfactory to be able to call it a successful program?

I know in terms of program implementation and program evaluation, these are usually the types of deliverables you want to look for to determine whether to move forward with a program. So I'm just curious if those have been set at the outset to be able to revisit later on.

Hon. Mr. Harrison: — Yes. I mean, I guess the short answer to that is we aren't entirely sure, you know. If there were, you know, 5 to 10 companies that applied for the incentive or were able to access the incentive, that would be highly successful, right? I mean, these are investments that would not have happened otherwise. And if you're talking a \$10 million minimum investment, even, you know, five projects at that minimum threshold of \$10 million would be a \$50 million investment in the province that wouldn't have occurred otherwise.

So, you know, we're happy to report back and we will respond to inquiries and questions. And I'm sure it'll be asked in future estimates as to how many applications you have, how many companies were able to access this. You know, we're happy to answer those questions going forward. But I guess that would be what we would submit at this stage anyway. That if we were to, you know, have five companies apply under these rules right now that would be, you know, not insignificant.

Ms. Mowat: — So can you give an overview of what some of the biggest trade missions have been over the past few years and where we saw . . . how much money was spent on them?

Hon. Mr. Harrison: — Yes, well I can speak to April 1, 2010 to the end of January 2018 as far as premier-led international missions. That would be during Premier Wall's tenure. There were 13 international missions: China, India, Japan, Indonesia, the Philippines, Bangladesh, UK [United Kingdom] and Ireland, Singapore and Hong Kong, and France. And I think some of these were in the context of one trip, but multiple stops, right?

So you know, I think that there is significant value in foreign trips, particularly to markets where, you know, having government directly involved is important. And I would, you know, point to the Asia-Pacific in a lot of instances where you can get . . . where having a, you know, senior political leadership is seen as being a pretty significant thing for investment into a jurisdiction. And you know, leaders can make a big difference as far as encouraging investment into their jurisdiction.

So you know, as far as kind of the go forward on international outreach, we're going to continue with that. Not only are we going to continue with it, we're going to make increased investments into international engagement. It's especially important now. It really is, given the uncertainty surrounding our trading relationship with the United States going forward, which has been by far our largest export market for a long time. And it's going to continue to be, but I think having the development of new markets at minimum serves to minimize risk associated with that trading relationship.

So you know, we're going to continue to engage. Premier Moe hasn't been on a foreign trip as of yet. I, as Trade minister since February, haven't been on a trip. Honestly I hadn't been on a foreign trip I don't think ever, or since 2010 at least, I think. 2010 as Enterprise minister I think I did a trip to Norway and to Brussels and that was a part of the CETA negotiation. But I'm going to be engaged as Trade and Export Development minister directly on international outreach and investment attraction. That's a part of the reason why we created this new ministry focused on this.

In addition to the Premier and the Minister of Trade and Export Development, the Minister of Agriculture has been, you know, very, very, I would say active and successful in working on building international relationships to result in investment into the province as well.

And you know, I'd like to thank the public servants who do a really good job and spend a huge amount of time in organizing and planning these trips. It's frankly not entirely helpful when, you know — and I know the member wasn't a member at this point — when we have the opposition criticizing officials for work that they've done on international trips, calling them travel scouts or something like that, entirely unhelpful. We have public servants that are professionals, that do their work professionally for the purpose of advancing the interests of the province of Saskatchewan. So I know the member wasn't around here when that was the case, but these things are I think just kind of unbecoming of members talking about officials.

[21:45]

So we're going to continue with our international engagement. And I would add as well, you know, we've always had a significant degree of coordination within government around how these international trips look, but I would . . . and the international engagement strategy as well. We've always had a significant amount of work that's been done as far as coordinating outcomes and coordinating objectives. We're going to have even more coordination with all of the elements of this policy area under the one ministry. We've had significant work that's been done on that already, and I thank Jodi because she knows this area very, very well and has done a great job.

So we're going to make sure that, you know, we have a one-team approach — and not that we haven't before — but we are going to be very, very focused on maximizing potential investment into this province. And that's what this ministry is about in a significant way.

Ms. Mowat: — Thank you. Can you give some detail about some of the more recent missions? So if there's one in 2018 for example, 2017.

Hon. Mr. Harrison: — Well I mean I'm not in a position to announce, you know, future trips at this point. They're going to be announced in due course and at the appropriate juncture. But, you know, we had a trip in 2017. Was that the Premier's trip to India and Japan . . . [inaudible interjection] . . . Jodi, maybe I'll let you speak to the details of some of these.

Ms. Banks: — 2017, Premier Wall was in Washington, DC

[District of Columbia], and fall of 2016, he was in China and South Korea. And China, for example, is Saskatchewan's second largest export market and so it's a really critical market for Saskatchewan. And so, you know, we have a lot of key priority areas that, you know, we want to make sure we are keeping up with. It's the largest source country for international post-secondary students. We've got Chinese companies that are working on energy, on fertilizer. Agriculture, it's a very significant market there for that as well so, you know, we think it's an important market.

India is another very important market for us, agriculture again, peas and lentils. We've had Minister Stewart go. We've had Minister Bonk go, the former minister of Economy. And of course the US [United States] is just critical for us with the renegotiation of NAFTA. It's just been a critical piece to have the Premier and others go down and make sure they're telling that Saskatchewan story.

Hon. Mr. Harrison: — Yes and I would add to that as well. I mean as far as kind of, you know, potential opportunities, we've had a challenge in India. I think the member would well know. You know, there's internal domestic reasons in India for kind of the challenges we've had on occasion with regard to pulse market access.

You know, we worked really hard on, you know, as a sub-national working with the Government of Canada and the embassy particularly which I, you know, I have to say I give full credit to the High Commission in India who did very, very good work on making the case for some of what we would see as non-tariff trade barriers that were put in place by the government of India which, you know, it seems to kind of track domestic pulse crops, strangely enough. But we did significant amounts of work on having a science-based approach on these non-tariff trade barriers. And I think we had a degree of success on that actually as well.

And then, you know, there was a . . . I mean, the national trip there from the Prime Minister was not particularly helpful as far as increasing our potential for increased pulse export into India. And, you know, what we need to do going forward is, you know, really understanding what our comparative advantages are as far as potential exports and focusing on that. And, you know, I think we've all worked at that in past years to make sure that that's what we're focusing on.

But I think there are additional opportunities. As an example, the Philippines. I mean, we've had an increasingly important connection with the Philippines given the very substantial amount of in-migration from that country over the course of the last decade. Most of, I think nine out of the 10 years through SINP, the largest source country has been the Philippines. And, you know, none of that's by design. I mean, this is how the program works and people make application. But we've had . . . It's been a very, very important source country and a very large Filipino community has grown in this province, which is a positive thing.

I point to, you know, my home community of Meadow Lake. When I was a kid growing up, there were maybe a couple of folks who had immigrated to Canada from the Philippines, had found themselves in Meadow at any given point. I mean, we

have a population now of nearly 300 Filipinos in Meadow Lake. So I mean, those very real sort of family connections can lead to — and cultural connections — can lead to very real and substantial economic connections, and they do. I mean, this has been shown historically around the world that you end up with very significant economic relationships based on historic immigration patterns.

So I think this is something we can focus on in the future because, you know, our trade relationship just in kind of dollar-and-cents terms with the Philippines is not unimportant, but it's not anywhere kind of near the dollar valuation you would see with India or China, for instance, or the United States.

But, you know, I think there is very real opportunity and we have to be looking at these things in kind of a holistic sort of cultural and economic way as to where we have potential growth and access to markets. So I would just kind of add that as my own thoughts on that. I'm not sure if my officials have heard that speech yet.

Ms. Mowat: — In terms of the future, I won't ask you to comment specifically on if there is anything planned for Premier Moe. But in terms of priorities for trade missions, how are they determined? How is a trade mission determined as a priority?

Hon. Mr. Harrison: — Well, I mean, there's a number of factors that go into that. And, you know, I'm not going to comment on specifics as far as kind of planning horizons around Premier's international travel or mine. But what I can tell you is, I mean, we're looking to maximize the use of time and resources, looking to maximize potential investment opportunities into the province, and there's a number of considerations and factors that go into that.

Pre-existing relationships are not unimportant in all of that. You know, potential market export opportunities are not unimportant in all of that as well. I mean, this is kind of part of what I was talking about with the Philippines as being a potential export destination. But, you know, having new markets that are open because of liberalized trade agreements is not an unimportant thing. I think we have tremendous opportunity in Southeast Asia given the imminent ratification of CPTPP that is going to create opportunities in both manufactured and agricultural products for us to export into countries where we've been facing very significant tariff barriers in the past. So we have opportunity.

So these are all the sorts of considerations that go into, you know, where can we maximize the best use of both time and resource into planning and putting a trip together, which are not an insubstantial amount of work in doing these things and typically require, you know, lead times measured in many months for a premier's trip. So all of that, you know, put together and all of those considerations which . . . We have a very, very good team of officials who are experienced in managing, planning, preparing, recommending where these trips would be most effective. All of those considerations will go into those ultimate decisions and, when those decisions are made, you know, the communications will be made and members will be informed.

Ms. Mowat: — Just in terms of the relationship to our biggest exports or smallest exports or areas for growth, is there a relationship or is there a tie to trade missions to strengthen our larger exports or to strengthen some of the weaker industries? Like, just in terms of what our overall focus is for the upcoming foreseeable future — this year, next year — is there any specific emerging commodities that you're looking at or specific areas?

Hon. Mr. Harrison: — Well so I think it's a good question and it's a valid question. You know, traditionally and for good reason, I think we look at where we can have the biggest economic impacts as it relates to either what we produce or what we manufacture. So you know, we've put a premium on expanding our ag export markets, whether that be pulse, peas, lentils. I mean, these were industries that literally didn't exist in this province 30 years ago, but we've managed to not just create these industries but also create very, very successful export . . . I mean, we haven't created the companies. Companies have grown up that have become very, very successful exporters in these areas around the world, entrepreneurs, a number of whom we would well know, who have done just incredible work. Murad Al-Katib is an example at AGT. These were the sorts of things that would have been unheard of 40 or 50 years ago. So you know, we have to be aware of emerging export products.

We have to be aware of potentially lucrative areas where, you know, maybe we don't trade into right now. You know, I think about up until the mid-1990s, how much manufactured ag products or ag-manufactured materials went to Kazakhstan. Like none, right. I mean, it was part of the former Soviet Union so we weren't . . . Brandt wasn't exporting. Seed Hawk or Bourgault weren't exporting there. So there is opportunity for, you know, public officials and political leaders to be directly engaged in those sort of relationship-building exercises, supporting manufacturers and exporters in new markets. And I think, like I just touched on it before, but I really do think we have the opportunity to expand our opportunity in new markets because of the additional trade agreements we've signed, that Canada has signed and become a part of, which again, not to be overly partisan, but the official opposition have opposed every one of.

So you know, we're going to continue to support the opening up of new markets. We're going to be there to support companies that are looking to export into new markets. And we're going to be there to support companies that are already existing that export into, you know, mature sort of countries, if we can be of assistance in, you know, kind of a number of ways. So all of that kind of goes into the mix as far as planning, you know, what missions overseas would look like.

Ms. Mowat: — Just in terms of follow-up on the trade missions, are they looked at after the fact for return on investment, what the ministry or what the government got out of those missions, and sort of what would that look like?

Hon. Mr. Harrison: — Yes, I mean, there is follow-up work. And there's often officials who follow up directly even in market, on, you know, subsequent trips, not necessarily with political, but based on discussions that had occurred with either premier or ministers in the previous trip. So, yes, we do work on what that looks like. You know, it is on occasion hard to quantify. I mean, some of these things are predicated on

positive relationships and those can take years to mature and result in sort of increased exports or economic opportunity. But, Jodi, maybe if you want to just speak to that because I know you have material.

Ms. Banks: — Sure. I mean, I guess in just follow-up to what Minister Harrison said, you know, not, you know . . . These international missions are partly about taking business and doing that, but it's also about relationship building. And so sometimes, before you can get those returns, it takes a couple of trips there. It takes some relationship building. It takes some trust. It takes them getting to understand what it is that Saskatchewan has to offer. It may take us working through trade barriers. And it is all about getting those companies, at the end of the day, that sign the deals or come back and invest in our province.

But, you know, we have seen significant investment in Saskatchewan over the last . . . you know, since we've seen Premier Wall undertake some of these missions. For example, NutraPulse Foods from the US has invested 30 million in Verdient Foods, a pea-processing facility in Vanscoy which opened in September 2017. We've had ZEN-NOH Grain Corporation from Japan built two inland grain terminals in Saskatchewan, one in Maymont and one in Wilkie, for a total investment of \$60 million.

[22:00]

And so these are just a couple of examples of where, you know, after we've gone and done those trade missions, that we've seen real results after the fact. But it may not come the week after or the month after. It often takes some time to see those results, but we've certainly seen them.

Ms. Mowat: — Just with respect to trade agreements, can you give an overview of what the ministry sees as the most trade-exposed industries with regard to the NAFTA renegotiations?

Hon. Mr. Harrison: — Well you know, a lot of our export product are highly trade exposed. I mean, there's an international market, international prices, for almost all of these industries. And you know, whether that be in the ag sector, whether that be in the manufacturing sector where input costs are impacted directly by domestic policy and national policy, whether that be in the oil and gas sector, you know, we are competing globally with a very large proportion of what we produce and export from the province.

So you know, when we have a national government that seems on occasion lacking in understanding about the costs that are being foisted upon highly trade-exposed industries, that are eroding the competitive position of those producers, it can get a little bit frustrating. And we've tried to make that case at the national level, and we're still hopeful that there's going to be a recognition and understanding that, you know, there needs to be a renewed emphasis and understanding on that.

But as far as NAFTA negotiations, you know, a very kind of interesting dynamic as to how those have occurred. I mean, there would be days where negotiations and whatnot are being driven by what shows up on Twitter at 7 in the morning,

sometimes unbeknownst to the negotiators in the room about kind of directional items from the administration.

So you know, what I would say though on NAFTA is that we've been kept very much in the loop as to the latest things that are occurring at the table. I think the national government have been engaged in a significant and real way in those negotiations, in a positive way for the most part. You know, we would have no complaints as far as the degree of inclusion on the part of sub-national jurisdictions. We've been invited to negotiating rounds. You know, Bob Donald who's here with us today has been to, I think, almost all of the negotiating rounds, or close to it anyway, that have been undertaken.

Canada's chief negotiator, lead negotiator in this, Steve Verheul, who had been the lead negotiator in the Canada-Europe trade agreement, is somebody that I can say personally I have a great deal of confidence in. And I think that you would find lead negotiators from provinces and territories across Canada that would express similar sentiments, and, you know, across the aisle in a political context as well, who would say we've got the right negotiator working on the file.

You know, the challenges we have on the renegotiation of NAFTA are, we're running up against some very real, some very real time constraints. And that has to do with the Mexican election which is going to be, I think it's July 1st is the presidential election. You know, the leading candidate is somebody probably not highly inclined towards a liberalized trade agreement with the United States and Canada, or historically hadn't taken that position anyway. You have congressional elections that you know are going to become more and more top-of-mind for Congress, ultimately which is the body responsible for ratifying any sort of new NAFTA agreements. So all of these things kind of lead to a degree of urgency that's, I think, very real right now.

I had asked, and I've been told that I can say this, but that the national trade minister or national ministers responsible for negotiation are going to be in Washington next week . . . this week, sorry, this week. So I don't know if I've broken any national security protocols on that or not, but those negotiations are going to be continuing at the ministerial level. I think it would be fair to say that there has been some degree of reason for optimism on some discussions in the last couple of days. But I mean, we don't know. I mean, we ultimately don't know if there's going to be a NAFTA agreement. And that's why I was talking about, you know, finding markets around the world.

I think NAFTA still continues to make a lot of sense. And we've been advocating and making that case strongly at the sub-national level in addition to directly engaging with American counterparts, and, you know, working honestly with the national government as well and kind of maximizing any sort of impact that we can have as a sub-national and maintaining that trade relationship with the United States and the way it is now, or even kind of improving.

And there are parts of NAFTA that need to be updated; there's no doubt about that. A lot of that negotiation was actually done though through TPP [Trans-Pacific Partnership]. So we're going to continue to be engaged on these on the NAFTA renegotiation, and I think we've added something to that.

I think this is one of those issues that transcends partisanship. I think there's a couple in Canada that party doesn't particularly matter, and that's national unity and our relationship with the United States. And you know, we've worked with the national government in, you know, advocating as strongly as we can for the importance of the trade relationship as it exists right now, or even improving upon it.

Ms. Mowat: — In terms of trying to predict the future, have you had any economic modelling done to account for the possible future trade scenarios?

Hon. Mr. Harrison: — Well, I mean, it's really impossible to do that because we don't know what a renegotiated NAFTA would look like. We still have a free trade agreement with the United States that would be in place, right. I mean, and NAFTA abrogation or leaving NAFTA, I mean, there's still a notice period in which there would be, you know, the agreement in place. And there's a number of legal provisions like that and protections, and I think the FTA [free trade agreement] which was the original agreement negotiated in the late 1980s, I think, that came into force in 1988 or '89, would still be an operative agreement.

So, you know, I've said to folks, I mean, it's ideal that we find a renegotiated NAFTA that would be, I think, even more open and accessible. That would be the ideal. But, you know, there's really not kind of an immediate worst-case scenario where we're going to be facing, you know, really significant trade issues with the United States in the short term and, I don't think, in the long term — just because the relationship is such an important one, and there is so much sense that is made by having the degree of economic integration that we have with the US market, I think, on a whole bunch of files.

I mean, I'd be interested to hear Minister Freeland kind of talking about some issues, even kind of as it relates to Eastern Canada. It's even an easier case to make for us in Western Canada, the importance of that relationship than it is elsewhere. But I think you can make that case right across the country — really easily make that case in Western Canada.

Ms. Mowat: — I'll make an effort to wrap up soon. I feel the weight of the evening bearing down on us. It looks like everyone else does too.

The Public Accounts for 2016-2017 show that 26,000 was paid to Nelson Mullins from the Ministry of the Economy. I know there's reorganization, but since the last lobbying disclosure form in 2017, quarter four, shows that they lobbied on NAFTA and cross-border forestry agriculture issues, is it fair to assume that payments to Nelson Mullins will now flow through the Trade and Export ministry?

Hon. Mr. Harrison: — Yes, I can speak to that. Just kind of on the timing issue, Madam Chair, I take your direction, but I think we have to go till 10:41 — is that right? — to get the full two hours in. I think the committee can deem the full two hours to have been concluded if a member puts the motion on the floor to do so but . . .

The Chair: — Correct, if it's agreed to by all members on the committee.

Hon. Mr. Harrison: — All right. So I would leave that in the member's hands if she wishes to do that, but . . . Which I would be fine with, and I'm fine continuing to respond to queries as well.

But happy to speak to Nelson Mullins though. So the contract is a \$380,000 annual contract right now. We will be flowing from our ministry \$330,000 out of that 380. Agriculture will be responsible for . . . Sorry, \$285,000 will be from Trade and Export, and Agriculture will be responsible for the remaining \$95,000.

You know, I'm happy to comment on this contract as well. I mean Ambassador Wilkins, who's our representative in Washington, has, you know, just done . . . I have a ton of respect for the ambassador and have got to know him over the years and, you know, spend time with and be able to take advantage of the vast knowledge that he has of how the American political system works in reality as well as not just theory, you know, and somebody with just kind of amazing contacts. And you know, I think we've gotten very, very real and significant value for this contract over the course of the last number of years.

And you know, the alternative is kind of taking the Alberta model approach of, you know, putting an office in Washington, DC, which you're paying then for not just kind of the actual operational costs. You're paying for salary costs. You're paying to, you know, have . . . It's very expensive. I'm not sure what Alberta spends a year. It's well over a million dollars a year. We could find out what the actual number is. It might be more than that even.

But you know, I think we get very real and significant value for the contract value. I mean I would be . . . I'm very comfortable defending this contract.

Ms. Mowat: — And how much money is budgeted for lobbying efforts in this budget within the Trade and Export ministry?

Hon. Mr. Harrison: — Well I don't think we have a line item for lobbying. Would you mean like hiring additional, kind of outside lobbying firms, K Street firms in DC? No, we're not . . . We don't have any of that. Ambassador Wilkins is our representative.

Ms. Mowat: — In terms of the previous lobbying, can you highlight what came out of the lobbying efforts in terms of NAFTA?

Hon. Mr. Harrison: — Right, yes. Well I mean, here I'll speak to, kind of, some of the meetings that Premier Wall had in the last trip or two that he had to Washington, which were organized by Nelson Mullins and by Ambassador Wilkins. So Chuck Grassley, an important Republican senator from Iowa. We had Steve Daines, senator, Republican, Montana; Heidi Heitkamp, Democrat, Montana.

Leading members of the US administration: Secretary of Energy, Rick Perry, of course, who had been former governor of Texas and a two-time presidential candidate as well; Wilbur Ross, who's the Secretary of Commerce; EPA [Environmental

Protection Agency] Administrator Scott Pruitt; Director of OMB, Office of Management and Budget, a former member of the House of Representatives from the great state of South Carolina, Mick Mulvaney, who it's been rumoured, I might add as well, is in line to be the next White House Chief of Staff. That remains to be seen how that works out.

[22:15]

Former Speaker of the House, John Boehner, Republican, from Ohio, long-serving member of the House of Representatives; House Majority Leader Eric Cantor from Virginia, who was defeated in his last primary round so he's no longer the House Majority Leader. He's not a member of the House of Representatives now, but a very important member at that point. Ron Wyden who's the Senate committee Chair on energy and natural resources, who's a Democrat from Oregon.

Lindsey Graham, who the Premier established a very positive, personal relationship with, of course, a very prominent member of the Senate from South Carolina. Senator McCain, who I think everybody is very aware of the contribution that Senator McCain has made in the United States Senate, and of course the candidate for president for the Republican Party in 2008 election cycle; Max Baucus, Democrat, Montana, formerly US senator and US ambassador to China as of 2014; John Carey, who'd been a former secretary of state.

So these are the sort of meetings which are, I mean, you can't get much more high profile than meeting with these folks. So you know, having and not just kind of having the direct sort of access and opportunity through those meetings, but just kind of being able to avail ourselves and the government of the knowledge and insight that can come from the ambassador personally but from the firm as well, it's just very, very valuable in allowing us to participate, to be helpful for the Government of Canada who don't necessarily have access to the same sort of channels perhaps that we do.

And we've been happy to share that information that advances the national interest with the Government of Canada. You know, there are individual relationships that have developed over a number of years that, you know, I think taking that team Canada approach has been helpful for the Government of Canada. And I think you would find, you know, federal opposition members as well that have been engaged pretty directly in advancing the Canada-US relationship who, regardless of party affiliation, have put the national interest ahead of partisan sort of considerations to be helpful.

Ms. Mowat: — What percentage of Wilkins' retainer is paid by the ministry?

Hon. Mr. Harrison: — Well, like I said, it was 95,000 that the Ministry of Agriculture pay, and 285 — we're just doing the math quickly — 75 per cent is paid by Trade and Export.

Ms. Mowat: — And overall the Saskatchewan government pays 400,000 to Nelson Mullins. What percentage of that is paid by the Trade and Export ministry?

Hon. Mr. Harrison: — We just answered that. It's 380 though, it's not 400. Yes, and it's 75 per cent.

Ms. Mowat: — What about the cross-border forestry and ag issues? What came of these meetings in terms of, did you get the result that you wanted?

Hon. Mr. Harrison: — Well I mean the cross-border forestry. I mean we still have the softwood lumber issue that's an outstanding issue, right? I mean the USTR [United States Trade Representative] had — sorry for the abbreviations — the US Trade Representative's office had, you know, had been engaged on the softwood lumber file to a degree prior to the NAFTA renegotiation. But you know, once we got into NAFTA . . . And they were even engaged on the TPP, so it was even kind of a challenge to have the bandwidth in USTR to engage during the latter stages of TPP under the Obama administration.

You know, we would have liked to have got this issue resolved some time ago. It's a perennial outstanding, problematic issue. And we have, you know, tariffs that are in place right now. And you know, the countervail that we're paying to the tune of just about 20 per cent right now, that's basically going into a fund, pending resolution of the dispute.

So I mean, we've won repeatedly. I mean, we've won repeatedly in the dispute resolution processes on this, you know, and I suspect we'll win again this time. But we've won during the last round of litigation around softwood lumber. I mean, it all centres around the US contention that we're unfairly subsidizing our forest because it's Crown forest and therefore that our stumpage fees are basically acting as a subsidy vis-à-vis private woodlots, which is the case in the United States and a very limited part of Canada. I think we're only talking kind of Nova Scotia primarily where you have large-scale private woodlots. But you know, so this is a challenging issue.

You know, one of the things that we're thankful for right now, I think the forestry sector would say that we're enjoying a period of pretty healthy prices, which has been helpful in mitigating what is still what we would see as an unfair countervail and anti-dump, you know, combined on our softwood lumber exports.

So you know, we're going to continue to make the case on that. I'm hopeful this will be resolved, you know, hopefully in the near future rather than the later. But you know, there is a limited amount of negotiating room, and I think Global Affairs Canada would say the same thing from their end. NAFTA is basically taking up all the oxygen on bilateral trade negotiation right now. So you know, it's a national government responsibility. I again would actually say that they've been pretty diligent about including provinces on where things are at.

I've talked to Minister Freeland on this file many times, you know, in that it's a file I know a little bit about personally. I'd been involved in it to a degree when I was in the prime minister's office subsequent to the '06 election campaign so, you know, ultimately I think it's probably going to be decided at the head-of-government level. It's one of those issues where negotiators, officials, even ministers can take it to a certain level, but kind of the final part of the equation has to be brought across the line by heads of government. Maybe I'm wrong on that, but . . .

The challenge on softwood is that the industry in the US essentially have a veto over whatever agreement the administration strikes, and the reason for that is they essentially have to sign away any right to litigate subsequent to the agreement going into force. So it gives them a de facto veto, which is kind of a strange way to manage a trade relationship, but it's a reality in the way that their system is set up.

So you know, there have been a couple of occasions where we thought we were pretty close on a new SLA [softwood lumber agreement] that you met with a less than enthusiastic response from, we just call it the coalition, but it's the softwood lumber coalition in the United States. So the coalition basically has to sign off on and ratify any agreement that's reached by the administration on it. So it all makes it very challenging, and it all makes it very challenging particularly in the context of a congressional election cycle. So this could be an issue that takes some time to resolve, but we'll continue to encourage the national government to engage on it.

Ms. Mowat: — I want to thank the minister and the officials for providing all of their answers tonight, but I'm happy to deem the two hours completed, Madam Chair.

The Chair: — Are there any other questions for the minister from any other committee members? No? Okay. If the member has deemed that the two hours has been completed, short of where we are, and is willing to put that motion forward and it's agreed to by members . . .

Hon. Mr. Harrison: — Great. Well, Madam Chair, if you're seeing the clock at 10:41 right now, I would say thank you to the member, Ms. Mowat. Appreciate the questions informed. This was a good discussion and I appreciated it. Thank you to members of the government side who have, you know, been diligent, and I appreciate them being here. And thank you very much to officials who also have, you know, provided very good counsel and provide very good service to the people of the province. Thank you very much.

The Chair: — Thank you, Minister. Before I ask for a motion of adjournment, there was a request to table a document in regards to the partnership members in Saskatchewan Trade and Export, so I'm tabling ECO 13-28, Saskatchewan Trade and Export Partnership membership representation, for the records.

And I would now ask a member to move a motion of adjournment. Ms. Carr has moved. All agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. This committee stands adjourned until Tuesday, April 24th, 2018 at 7 p.m.

[The committee adjourned at 22:25.]