STANDING COMMITTEE ON THE ECONOMY

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STANDING COMMITTEE ON THE ECONOMY

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[The committee met at 09:00.]

Chair Thorsteinson: — Good morning, everybody. Welcome to the Standing Committee on the Economy. I'm the Chair, James Thorsteinson. And with us today we have MLA [Member of the Legislative Assembly] Kevin Weedmark; MLA Kevin Kasun; MLA Kim Breckner; MLA Sally Housser; MLA Tajinder Grewal; and sitting in for Darlene Rowden, MLA Barret Kropf.

General Revenue Fund
Supplementary Estimates — No. 1
Saskatchewan Research Council
Vote 35

Subvote (SR01)

Chair Thorsteinson: — Today pursuant to rule 148(1), the following supplementary estimates no. 1 were committed to the Standing Committee on the Economy on November 27th, 2025: 2025-26 supplementary estimates no. 1, vote 35, Saskatchewan Research Council. Today the committee will be considering the supplementary estimates no. 1 for Saskatchewan Research Council. We'll begin with the consideration of vote 35, Saskatchewan Research Council, subvote (SR01).

Minister Kaeding is here with his officials. I would ask that officials please state your names before speaking into the microphones. As a reminder, please don't touch the microphones. The Hansard operator will turn your microphone on when you are speaking to the committee. Minister, please introduce your officials and make your opening remarks.

Hon. Warren Kaeding: — Well good morning, Mr. Chair, committee members. It's a pleasure to appear before the committee of estimates regarding Saskatchewan Research Council, or SRC, for supplementary estimates. So with me today are SRC's president and CEO [chief executive officer], Mike Crabtree; COO [chief operating officer] Ryan Hill; and SRC's vice-president of finance, Jocelyn Allard.

For nearly 80 years, SRC has proudly delivered smart science solutions with unparalleled service to clients that grow and strengthen Saskatchewan's economy. SRC lives by its core values to build a better Saskatchewan and a better world.

SRC's mandate is to take under consideration matters pertaining to research, development, design, consultation, innovation, and investigation in and commercialization of the natural and management sciences as they affect the welfare of the province and any particular matters that may be brought to SRC's attention by the Lieutenant Governor in Council. This is and has always been a fairly broad mandate which affords SRC the opportunity to both react to the needs of the industry as well as progress new, innovative ideas forward for the province.

SRC is the second-largest research and technology organization in Canada behind only the National Research Council, which is governed by the federal government. Home to several state-of-the-art laboratories, SRC offers reliable, professional commercial lab services. SRC also offers dedicated services that focus on contract research, development and demonstration projects, as well as pilot plants that offer clients the opportunity to test new technologies and processes. By investing in new technologies and world-class researchers, SRC continues to expand its capabilities, moving the organization to the forefront of research, development, and demonstration and meeting the growing needs of Saskatchewan's industries.

Since its inception, SRC has been a part of many important firsts for the province that have brought many benefits to the Saskatchewan economy. In the 1970s SRC was a leader in energy-efficient housing research, and its work formed the basis for the development of the R-2000 standard for energy-efficient homes. In the 1980s SRC played a large role assisting the Saskatchewan oil and gas industry by enabling the implementation of horizontal wells and the use of carbon dioxide for enhanced oil recovery.

SRC's geoanalytical laboratories' secure diamond facility, established in the early 2000s, is the largest such facility in the world. Now not only does it offer diamond services, but it also offers geochemical and mineralogical analysis for base metals such as gold, lithium, uranium, potash, and rare earth elements.

SRC is also home to the world's largest uranium and potash labs staffed by world-class scientists, engineers, researchers, and technologists. So these examples paint really a small picture of the important work that SRC has done over its near 80-year history and the positive impacts that have followed.

So I mentioned before how SRC is on the leading edge of bringing firsts to Saskatchewan. And I'd like to shift gears to highlight why we are here today for the SRC's rare earth processing facility, which has already garnered significant national and international attention.

For almost 20 years SRC has been investigating and developing the technology and intellectual property to process minerals containing rare earth elements, also known as REEs [rare earth elements], as well as the technology required to separate individual REEs and to eventually produce rare earth metals.

REEs are a group of 17 metallic elements found on the periodic table. And despite their name, REEs are relatively abundant in the ground but are often difficult to extract and separate from each other and from other minerals. The applications of REEs are vast. If we didn't have REEs, we would not have a lot of the technology that we use every day, including cell phones, rechargeable batteries, LED [light-emitting diode] lights, lasers, fluorescent lighting, HVAC [heating, ventilating, and air conditioning] systems, elevators, and robotics.

Today REEs are considered one of the world's most strategically important mineral groups due to their role in clean energy, advanced manufacturing, aerospace, medical technologies, and national defence. It is why REEs already play an important role in directly supporting Saskatchewan's own critical mineral strategy.

The strategic importance of REEs are also beginning to be recognized and prioritized by the Government of Canada as well. And this can be seen in the most recent federal budget, where they look to view defence and industrial security spending not just as a cost but as a strategic investment.

Federal budget 2025 provides $6.6 billion over five years to strengthen Canada's defence industry through a new defence industrial strategy. It also provides over $2 billion over five years for the creation of a critical minerals sovereign fund. These two initiatives alone provide the Government of Saskatchewan and SRC an opportunity to demonstrate how the rare earth processing facility fits under the federal government's overall strategy to increase domestic industrial activity.

Demand for REEs is forecasted to grow significantly over the next two decades, driven largely by electrification, renewal energy systems, and global supply chain security. Many other jurisdictions including the European Union, the United States, Japan, and Australia have also declared REEs as critical minerals and are actively seeking to diversify supply chains and reduce reliance on China.

Currently 95 per cent of the global REE sector is dominated by China. And that is why in 2020 the Government of Saskatchewan commissioned SRC to begin constructing a North American-first rare earth processing facility. Due to the volatility of the REE market as a result of China's dominance, the scope of the project increased substantially over the last five years.

These scope changes include, but are certainly not limited to, developing proprietary tech in-house, independent of China's REE dominance; the addition of a federally funded bastnaesite pilot-scale processing project; increasing the number of furnaces the facility will have to better meet commercial-scale targets; and adding capacity to produce dysprosium and terbium, a set of heavy REEs that are essential for high-efficiency permanent magnets primarily used in defence equipment.

This facility is now set to be the first fully integrated, commercial minerals-to-metals facility in North America, with hydrometallurgy separation and metal smelting stages. The objective of this facility is to stimulate the REE resource sector in Saskatchewan and across Canada. The facility is meant to provide the early-stage supply chain needed to generate industry investment and growth, and that is something that we are already seeing happen.

Once complete, SRC's facility will take rare earth minerals and produce rare earth metals, specifically neodymium, praseodymium, terbium, and dysprosium. These metals are a common ingredient in permanent magnets used in electric vehicles, green technology such as wind turbines, and in defence equipment.

SRC's facility can be broken down into three stages. The first stage of the facility is a monazite processing unit. This unit processes the mineral monazite concentrate and creates a mixed rare earth chloride, a liquid that contains all 17 REEs. During this process, it also removes radioactive elements and impurities, ensuring safe downstream processing.

The second stage of the facility is a solvent extraction unit, and this is where in-house developed technology will separate the 17 rare earths from one another, creating individual rare earth oxides. This part of the facility, when complete, will house more than 400 SRC-designed-and-manufactured solvent extraction cells. These truly will be the workhorse of the facility, and they are technology that SRC and the Government of Saskatchewan are extremely proud of, as Saskatchewan is now one of a handful of jurisdictions in the world that has this capability, one that is extremely integral to completing the rare earth supply chain.

Moving back to the various facility stages, the individually separated REE oxides are then fed into the third stage, a metal smelting unit where a semi-automated process converts these oxides into REE metals. Once fully operational, SRC's facility will be able to process 3000 tonnes of monazite and produce about 400 tonnes of NdPr [neodymium-praseodymium] metal, enough to power half a million electric vehicles.

In mid-2024, SRC's metal smelting unit began producing rare earth metals at a commercial scale, making Saskatchewan and Canada the first jurisdiction outside of China to achieve this milestone. The development of this hub is aligned with the province's 2030 growth plan, and the project is already attracting interest and investment from abroad. The world truly is starting to connect REE technology with Saskatchewan.

SRC has worked diligently to secure feedstock for its facility and has recently entered into agreements with suppliers in South America and Africa. SRC expects to complete the construction of the facility in the fall of 2026, commissioning in early 2027, and be fully operational later that year. From SRC's perspective, the project's schedule and costs are currently on track.

And with that I would be happy to take any questions from the committee. Thank you.

Chair Thorsteinson: — Thank you, Minister. I'll now open the floor for questions. MLA Housser.

Sally Housser: — Thank you very much, Minister, for being here today and having the SRC leadership. It's a very exciting time for SRC and obviously critical and rare earth minerals here in Saskatchewan.

Just to jump right into it, first question is, what's the 68 million more specifically being used for in the processing facility?

Hon. Warren Kaeding: — Okay. I think best, to understand the full scope of the project, that we let the expert speak as to what that is going to. So I'm going to defer now to Mike Crabtree to explain what has gone into that. Mike.

Mike Crabtree: — Mike Crabtree. I will forget to say my name every time I speak, so apologies in advance.

So yes, the 68 million is part of the stage-gated funding for the project. Projects of this scale are funded on an annual basis. It has been in construction since the early 2020s. The current tranche of funding is designed to allow us to complete the plant to the end of 2026. That takes us through the construction, the commissioning, and the early-stage operations of the plant.

As the minister said before, the plant was originally designed with just three unit operations, so it was designed to take monazite and really just produce that first and second stage. What we have now is a plant that operates with nine unit operations, so it is much more sophisticated.

And of course SRC has developed its own internal intellectual

property and the ability to both design and manufacture that intellectual property. I'll give one example here. As the minister mentioned, we handle both uranium and thorium. In the original design, the tailings from the processing of the monazite would go for radioactive, safe radioactive disposal.

One of the unit operations which is unique to SRC takes those tailings and removes the uranium and the thorium so the tailings are completely non-radioactive and in fact will be used for things like road construction. So that uranium and thorium, changing it from a dangerous waste product, is now a valuable sales product.

[09:15]

So that 68 million is a part of that process to complete those nine unit operations and get us into full operation by that fall of '26 and into early '27.

Sally Housser: — Thank you very much. Am I correct in assuming now the province has provided as a grant 138 million for the development of the processing facility, and then there's an additional 30 million of combined funding from the Government of Canada? Is that correct?

Hon. Warren Kaeding: — Okay. Can we get Jocelyn to clarify? There's some intricacies around the federal funding parts, and Jocelyn I think is very fully aware of how that would break down for you. Jocelyn.

Jocelyn Allard: — Yes. So in terms of funding for the facility, there are various aspects. So in total right now, the Government of Saskatchewan has approved funding of 187 million. SRC has contributed a portion as well. So 16 million came from SRC ourselves.

As well from the federal government, there's two aspects. So we have received 13.5 million that went into the REPF [Rare Earth Processing Facility] facility on its own, and then earlier we mentioned bastnaesite project. So that is a separate project that the federal government has funded as well, and that project funding was 16 million. So in total that was the representative 30 million that you spoke of earlier.

Sally Housser: — Thanks. And I guess kind of what would be curious with it in supplementary estimates is you talked about the scale up and the development. When were these decisions made? And why are we in a supplementary for the 68 million now instead of it having previously been a line item or booked by the government?

Mike Crabtree: — Mike Crabtree. I'm doing really well so far. It won't continue. I think it'd be useful to answer the question in terms of the phasing of the funding of the project against government budgets. And projects like this, in order for them to be able to move forward with the momentum we need, quite often when we need to change and pivot, it doesn't exactly match the funding and budgetary requirements of government to do that. So sometimes we have to go within the existing year and look to what the following year could provide.

But putting that in context, when we originally started this project and were given sanction by government to do so, we were going to do what everybody does when they're looking to purchase equipment of this type, which was to go to China. And so we got quotations from China for exactly the sort of equipment we were talking about — those smelting units and the separation units. And we got those quotations.

But fortunately, before we got the opportunity to place those orders, the Chinese put in a provision whereby they would only sell the equipment to jurisdictions that they approved of. And we were not a jurisdiction that they approved of.

So we were forced to fall back on our own resources, and we designed our own separation and smelting systems. So this took us about nine months to do this. We were able to move forward with other aspects of the plant design on this, but we took about nine months to completely redesign or put our own designs in place for SX [solvent extraction] and smelters, which is actually quite incredible.

But on top of that we added artificial intelligence to those systems, because one of the challenges in competing with China is that China has low-cost workforce. We needed to be able to be competitive with that Chinese pricing, so we needed to bring in AI [artificial intelligence].

As we moved forward, we moved forward into COVID. COVID did not shut SRC down. We continued to work and design, but what we found is what most organizations found, that prices for equipment before COVID and after COVID were quite different — very, very significant levels of inflation. And at the same time, as I mentioned in my last response, we understood that the market was changing and we needed to pivot from something that was three unit operations to something that was much more vertically integrated, which would protect us against the volatility of the market.

So that combination of designing our own equipment, COVID, the inflation post-COVID, the pivoting into nine unit operations rather than three — which in itself was done in stages — is the fundamental reason for the difference between the cost of the original concept of the plant to where we are now. But what we have here now is a globally first-of-a-kind capable plant.

Sally Housser: — Absolutely. And yeah, I appreciate those challenges and the design changes. I guess when we're talking about pre-COVID and, you know, getting estimates from China, it seems like we're still a couple of budget periods past where all those changes and decisions were made. So I'm still wondering why we're talking about the 68 million here today and not kind of in previous budgets.

Mike Crabtree: — Mike Crabtree. If I look at the question in context, it's why have we taken longer to get where we are than we originally planned. I think the high-level response to that: this is a first-of-its-kind plant globally outside of China. And as we moved forward from those three unit operations to nine, one of the drivers for that was the volatility that we were seeing in the market, which is largely Chinese driven. And we recognized with the three unit operations that we were going to take essentially that monazite ore to separated rare earth oxides.

When we looked at how the Chinese were manipulating the market, we were concerned that we could get caught by the Chinese manipulating the market between the monazite and the

oxide. And I'll give an example here. When we started the project, the monazite was about $4,000 a tonne. And the product from the monazite, that mixed rare earth oxides or chlorides, was about $9,000 a tonne. That is a good commercial proposition. Couple of thousand dollars to process it; it's a profitable proposition.

By the time we were post-COVID into '22 and early '23, monazite was $10,000 a tonne, and the mixed rare earth chloride was $8,000 a tonne, purely through Chinese manipulation. So if we stayed with that route we would have been very vulnerable to that.

In adding the additional unit operations and moving from the oxide to the metal, we were able to re-establish profitability in that by having a much more vertically integrated piece. And I'll give you an example of this, is that $10,000 a tonne for the monazite, $9,000 for the intermediate. The combined metallization and products from that average around $60,000 per tonne. And for the metals, significantly higher, significantly higher than that.

So the decision to move from three to six to nine unit operations was driven by the commercial realities. And frankly the time taken to do that was because there are no designs for this. There was no instruction manual. We had to create our own instruction manual for that. And two implications for that: one, it took longer; and two, it cost us more.

Sally Housser: — Thanks very much. You'd mentioned initially I think that in terms of funding, the SRC itself has put back 16 million into it. Is there any additional investments or funding in the processing facility other than the money contributed by the government? Anything in addition from SRC in that 16 million internal profits or money from private sector companies or from other countries?

[09:30]

Mike Crabtree: — Mike Crabtree. The contributions to the construction of the plant, you know, capital, all of the construction costs, commissioning costs, are all funded by the three entities that you've said — so Government of Saskatchewan, SRC, and federal government — at the proportions we indicated.

Sally Housser: — Thank you very much. What's the expected final total cost of the processing facility as presently approved by the government, and are there any remaining costs to be funded by the government?

Jocelyn Allard: — Jocelyn Allard. So in terms of the total final cost for the project that is currently budgeted, we're sitting at 195 million for the capital requirements. On top of that, SRC has gone through a very detailed budgeting process so we have a 1,000-line-plus budget that represents the capital costs of the facility.

And throughout that process what we have done is we have allocated a risk budget or a contingency, and that amount sits on top. So we have a $22 million contingency that we've currently budgeted for, and we will go through each of those 1,000 line items and allocate the contingency based on any risks we've assessed throughout our budgeting process.

In terms of the final funding, we are going through that process and evaluating every month the final budget. That has not changed in a number of months, but we are looking at additional funding to come next fiscal year in '26-27 to get us through that final construction phase.

Sally Housser: — Is there any estimate of what that might look like? Ballpark?

Jocelyn Allard: — Right now we're continuing to monitor that through that budget process, and so there isn't a final budget at this time to define.

Sally Housser: — Like 5 million, another 68 million, or anything close to that?

Jocelyn Allard: — Jocelyn Allard. Yes, so to clarify, back when we went over the breakdown of the numbers we'd stated the 187 coming from the Government of Saskatchewan, so that is the total budget included. And so in multi-year projects such as this, we would go through that phase process where we need that cash flow each year, and therefore a part of that 187 million from the Government of Saskatchewan would come next fiscal year. But there is no additional budget ask beyond that final number.

Sally Housser: — Thank you. In the press release in September of 2024 it stated that:

> SRC's facility is ready to produce 10 tonnes of neodymium-praseodymium [I think I got that right] (NdPr) metals per month, with purities greater than 99.5 per cent and conversions greater than 98 per cent. SRC is on track to upscale this production to 40 tonnes of rare earth . . . [minerals] per month by the end of December, 2024.

So can you advise the amount of NdPr that you are able to produce now, and then what actually is being produced?

Mike Crabtree: — Mike Crabtree. So I can confirm the capacity of the furnaces — which is the final stage of the process — is 40 tonnes per year, which is the design as we've had at the end of 2024. Ultimately the fully vertically integrated plant that will be operating at the end of next year will have a capacity of approaching 400 tonnes per year. Thus far through commercial agreements, actually with a German company and with a Canadian company, we have tolled, toll manufactured about 20 tonnes. We have not pursued further expansion of those contracts at this stage, because our focus is to complete the full plant rather than go into tolling agreements for relatively small quantities.

So the purpose of doing those commercial contracts was a number of things. One, we proved that we could do it at that scale, at that purity, actually exceeding that purity. We are now recognized as being a commercial producer of NdPr metals, but we don't want to go into, you know, full operation of that until full vertical integration. It's a distraction to the team otherwise.

Sally Housser: — Yeah, understood. So in terms of then from that press release from September 2024 that you said you would be producing 40 tonnes by the end of December and we're doing 20 now, so that was a decision in terms of . . . that was made after

December or September 2024?

Mike Crabtree: — Correct. It was an operational decision.

Sally Housser: — Great, thanks. You mentioned tolling. During the estimates process in April last year, it stated that:

> . . . we've designed that tolling price to be a profitable price. So the operation of the furnace, the operation of all the operation pieces are covered by the costs of the tolling.

And so essentially I interpret this as only the costs of the facility are covered by the tolling, but not the grant from the province or the federal government. And I'm just wondering if there's any expectation that the provincial government will get that, you know, the grant that's been provided, the 138 million that had been provided to the SRC, back at any point.

Mike Crabtree: — Mike Crabtree. So as SRC is 100 per cent government owned, the plant, when it's fully operational, will operate on a fully commercial P&L [profit and loss] which includes depreciation. So that depreciation effectively delivers the return on investment to government through a fully commercial profit and loss.

Sally Housser: — Thanks. REalloys has publicly announced that they're one of your partners and that they've signed MOUs [memorandum of understanding] with the SRC. That makes the relationship public and open for public discussion, I would assume. Is the 68 million in grant funding intended to meet REalloys's needs as outlined in the public press release that they put out in May of 2025? And that states that you'll provide processing to provide 500 metric tons of rare earths by the end of 2026, and 1000 metric tons by the end of 2028.

Mike Crabtree: — Mike Crabtree. So the 68 million is to complete the plant so that we can engage with commercial contracts. And we will have a number of commercial offtake contracts — not just one; a number of commercial offtake contracts — for the products for the plant. So the 68 million completes the plant. We will then be able to commercially deliver into offtake agreements.

Sally Housser: — Okay. Yeah, I just want to read from the press release that the SRC was part of earlier this year:

> [REalloys's] planned production [of rare earth magnet minerals at the SRC Rare Earth Processing Facility] starts in Q2, with targeted expansion to 500 metric tonnes per year of magnet materials in 2026 and 1,000 mt by 2028. This is a major milestone to achieve the objective of a secure & resilient North American magnet materials & magnets supply chain focused on demand from U.S. Protected Markets (includes: National Defense Stockpiles, Defense Industrial Base, Nuclear Industrial Base, Robotics, Electric Aviation, Critical Infrastructure industries, and for U.S. Partner Countries with Defense Treaties, Alliances & Agreements).

Minister Kaeding, during estimates in April you stated:

> The companies that [the SRC is] doing business with have many broad uses both for commercial and certainly for the military sector. So I can't say one way or the other that they will or will not be used in those [US defence products].

[09:45]

I'm curious about the timing because that release was only a couple of weeks after our questions in committee. So it's not questions regarding the use of the rare earths that we're producing, but I would just ask kind of what changed in those couple of weeks in between our questions at committee and the release that more information couldn't have been provided to the committee, as there appeared to be much available at the time?

Mike Crabtree: — Mike Crabtree. It was referenced in that September 24th MOU, 500 tonnes and 1000 tonnes as being REalloys's estimated production for '26 and '27.

Sally Housser: — Sorry, do you mean May 2025? Just making sure.

Mike Crabtree: — I beg your pardon. May, yeah. Sorry, my mistake. Those 500 tonnes represent magnets, not the rare earth metals. The rare earth metals are fractional to that. So 500 tonnes of magnets is probably 100 to 150 tonnes of metals, so it's significantly below that.

I think the other thing to note is that of 100 per cent of SRC's annual revenue, about 20 per cent comes from Government of Saskatchewan. The other 80 per cent comes from commercial operations. We have some 1,500 clients in 22 countries, so the contracts that we enter into, particularly in the rare earth space, are extremely commercially sensitive. The investment that is going into rare earths, just within the North American continent at the moment, is way over a billion dollars, US dollars. And that's just from US government, not from private sources.

So in the areas we work with, a number of upstream, midstream, and downstream rare earth companies, commercial companies, we have to maintain very clear boundaries and very clear confidentiality in the contracts that we enter into.

Sally Housser: — Thanks. And understood, you know, in terms of confidentiality. And I understand, you know, it's one thing to enter confidentiality agreements where the commercial business is being funded, commercial for SaskTel or SaskPower. But when a project is being funded, whether 20 per cent or subsidized through the legislature, I think it's reasonable that the committee and the legislature should be able to ask questions around this, particularly when three weeks later announcements are made regarding partnerships that were asked about a few weeks previously.

I guess moving along here, just going back to the former minister of SRC . . . And we've talked a lot about the volatility and the changes in the markets and the delicate nature of it. And while it is very exciting, there still remains that volatility and I think we've seen that here today with the shifting requirements and changes.

But back in 2023, the former minister of SRC acknowledged that no private sector company would make the gamble to deploy capital into rare earths with the fear that the Chinese would sink the market, again, wreck the economics of the project, and they

would lose their investment over it all.

So just with that as the context . . . And you know, kind of lines up with a lot of the things we're talking about today. Has that shifted in terms of what you perceive of private entities being more willing to invest in these projects and markets? And what are we doing to safeguard us as a province and of the public purse in the use of these public funds?

As I said, I find this all really exciting for the province of Saskatchewan, but we don't want to be in a situation where, given a constantly changing market, that this project becomes too expensive, frankly, for the public to bear.

Hon. Warren Kaeding: — Absolutely. I think, you know, the previous minister had nailed it right bang on, is that when you get to this early-stage investment in something that's new and novel, that honestly we have minimal to zero experience in developing, it probably needs a catalyst like government to be able to facilitate that.

There is a huge technological gap in that midstream processing that I think a previous minister was able and certainly had the foresight to understand what that was, and that government need to be involved in that to develop that technology to get us to the point where now what we're seeing is tremendous interest by the private sector in investing in the downstream processing part.

I'd say that's where industry certainly sees the value, but they needed to get the midstream processing, I guess, developed. And that's certainly where SRC has played a pivotal role, in fact the role to where we will be the first of its kind to be able to get this process finalized and developed so that it is now ready for uptake by the private sector.

So I certainly appreciate previous minister foresight in being able to convince the Government of Saskatchewan to invest in that. We now see the role that SRC has played in that — in that a very prominent role, an industry-leading role — in being able to develop this technology to get it to the point where now even part of our provincial strategy was to now hopefully attract that downstream processing facility.

And I'd say we're in a very good position with the technology that's been developed by SRC and how they've been able to get it to this point. Now very much looking forward to the opportunities that we're going to see in this province probably from some downstream processing.

Sally Housser: — Thanks. And I think I can get one more in here. You brought up in your opening remarks, Minister, the federal defence strategy. And so just wondering if we are looking, you know . . . Should there be more supplementary costs coming along if we are looking for either some private sector investment potentially as people are more secure with the process going forward? Or also any additional funds that might be available from the federal government either around their federal defence strategy or their large-projects list?

Hon. Warren Kaeding: — I think what we've seen, just as we talked about just in the last federal budget, certainly an interest by our federal government in this area in particular. But I would even say that we need to look even beyond Canada's interests. I'd say there's certainly North American interests. And I would say even our allied partners' interest around the world and what is currently going on here.

So I fully expect our conversations are not over. I'd say they've just begun. And it's going to be very interesting to see where this is going to lead to further investment — private sector and government investment, certainly at the federal, international level — into what we've got going on here in the province.

Sally Housser: — Thanks, Minister.

Chair Thorsteinson: — All right. Seeing no further questions, we'll proceed to vote on the supplementary estimates no. 1 for the Saskatchewan Research Council. Before we begin the voting process, Minister, do you have any closing comments you wish to make?

Hon. Warren Kaeding: — Certainly. My apology for inadvertently introducing Michelle Lang as my chief of staff, who's also here with us today.

[10:00]

But also I think what we've talked about today certainly identifies the incredible work that SRC has been doing to put Saskatchewan at the forefront of technological advancements really throughout the world. And appreciate the effort of the folks you see here today and the incredible team behind them in the work that they're doing to advance Saskatchewan's interests on the international stage.

Certainly appreciate all of the committee members' attention today and Hansard for accurately recording our conversation. So certainly appreciate everyone's attention this morning.

Chair Thorsteinson: — Thank you, Minister. MLA Housser, any closing comments?

Sally Housser: — No. I very much appreciate the informative conversation here. And thanks very much to Hansard and my colleagues for being in attendance.

Chair Thorsteinson: — Thank you, Minister. You and your officials are free to go.

And we will vote off this resolution, vote 35, Saskatchewan Research Council. Saskatchewan Research Council, subvote (SR01) in the amount of $68,000,000, is that agreed?

Some Hon. Members: — Agreed.

Chair Thorsteinson: — Carried.

Saskatchewan Research Council, vote 35 — $68,000,000. I'll now ask a member to move the following resolution:

> Resolved that there be granted to His Majesty for the 12 months ending March 31, 2026, the following sums for the Saskatchewan Research Council in the amount of $68,000,000.

Kevin Weedmark: — I so move.

Chair Thorsteinson: — MLA Weedmark. Is that agreed?

Some Hon. Members: — Agreed.

Chair Thorsteinson: — Carried. Committee members, you have before you a draft of the second report of the Standing Committee on the Economy for the thirtieth legislature. We require a member to move the following motion:

> That the second report of the Standing Committee of the Economy for the thirtieth legislature be adopted and presented to the Assembly.

MLA Weedmark.

Kevin Weedmark: — I so move.

Chair Thorsteinson: — Is that agreed?

Some Hon. Members: — Agreed.

Chair Thorsteinson: — Carried. Well that concludes our business for this morning. I would ask a member to move a motion of adjournment. MLA Kasun has so moved. All agreed?

Some Hon. Members: — Agreed.

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

[The committee adjourned at 10:03.]