



STANDING COMMITTEE ON THE ECONOMY

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STANDING COMMITTEE ON THE ECONOMY

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Prince Albert Carlton

Kevin Weedmark
Moosomin-Montmartre

[The committee met at 15:48.]

Chair D. Harrison: — Welcome, and I'm Daryl Harrison. I'm the Chair of the Economy committee. And with us today we have Don McBean chitting in for Meara Conway; we have Kim Breckner chitting in for Tajinder Grewal; Racquel Hilbert; Brittney Senger is chitting in for Sally Housser; Kevin Kasun; and Megan Patterson is chitting in for Kevin Weedmark.

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

Subvote (SR01)

Chair D. Harrison: — Our first item of business today will be the consideration of the 2026-2027 estimates for Saskatchewan Research Council. We will begin with consideration of vote 35, Saskatchewan Research Council, subvote (SR01).

Minister Kaeding is here with his officials. And I would ask that officials state their names before speaking and please do not 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: — Thank you, Mr. Chair. Good afternoon. It's a pleasure to appear before the committee of estimates regarding the Saskatchewan Research Council, which we will call SRC [Saskatchewan Research Council] from now on.

With me today are SRC's president and CEO [chief executive officer], Mike Crabtree; SRC's chief operating officer, Ryan Hill; and SRC's vice-president of finance, Jocelyn Allard; and Michelle Lang, our chief of staff; and Arlie Matisho, our ministerial assistant.

For nearly 80 years, SRC has proudly delivered innovative science solutions with unparalleled service to clients that grow and strengthen Saskatchewan's economy. Founded in 1947 by the province of Saskatchewan as a provincial treasury board Crown corp, SRC was initially established to support scientific research and economic development in the province.

In 1954, SRC's mandate expanded to include independent research activities with a focus in applied research for the provincial government and the private sector. SRC opened its laboratories in 1958 and then expanded its facilities further in 1963, enabling more in-house applied research and scientific work.

SRC's mandate has always been fairly broad, which affords SRC the opportunity to both react to the needs of industry as well as progress new, innovative ideas forward for the province.

Today SRC is one of Canada's leading providers of applied research, development, and demonstration and technology commercialization. SRC is a market-driven company that sells services and products to companies in Saskatchewan and around

the world.

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 is meeting the growing demands of Saskatchewan's industries.

Home to several state-of-the-art laboratories, SRC offers reliable, professional commercial lab services, plus a wide range of dedicated services that are focused on contract research, development, and demonstration projects, as well as pilot plants that offer clients the opportunity to test new technologies and processes.

Since its inception, SRC has been part of many important firsts for the province that have brought significant 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.

In 1981 SRC began overseeing the operations of the Slowpoke II nuclear research reactor, supporting analytical testing and scientific studies. SRC operated this nuclear research reactor for 38 years before shutting down and decommissioning the reactor in 2019. Throughout its operation at SRC, the research reactor surpassed 20,000 hours of operation and conducted more than 240,000 analytical tests.

SRC's geoanalytical laboratories secure diamond facility, established in the early 2000s, is the largest such facility in the world. And not only does it offer diamond services, but it also offers geochemical and mineralogical analysis for base metals, gold, lithium, uranium, potash, and rare earth elements. SRC is also home to the world's largest uranium and potash lab, staffed by world-class scientists, engineers, researchers, and technologists. So these examples really paint a small picture of the important work that SRC has done over its 79-year history and the positive impacts that have followed.

So speaking of impacts, SRC has been measuring its economic impact within the province for well over two decades now. SRC's '24-25 economic impact assessment shows approximately \$565 million in direct economic benefits to the province with about 1,447 jobs created or maintained in Saskatchewan that are valued at an additional \$92 million.

So that means for every dollar invested in the SRC by the provincial government, a 28 times return was achieved in '24-25. So since 2003, when SRC began measuring its economic impact, SRC has contributed roughly \$16.2 billion in combined economic and employment impacts in Saskatchewan. So these impressive figures really underscore SRC's pivotal role in fostering innovation across Saskatchewan's industry and driving economic growth within the province.

One of the impacts that SRC is most proud of from the '24-25 fiscal year is one that is already starting to make significant social

impacts. In January of 2025 SRC launched its Indigenous action plan, which is based on four pillars: leadership, employment, business development, and community relationships.

SRC's plan is built in alignment with the Truth and Reconciliation Commission of Canada's Call to Action 92. The plan has seen the beginnings of two new programs at SRC under the employment pillar — an Indigenous workforce program and an Indigenous summer student program. Together these programs will help SRC increase recruitment and the hiring of Indigenous peoples by collaborating with Indigenous educational institutions and training entities to develop strategies for the retention and the advancement of Indigenous employees.

SRC is very proud to welcome new a cohort of students into its Indigenous summer student program within the next month or two. The long-term goal for this workforce pillar is to have Indigenous people represented across all job categories at SRC, supporting career development and succession planning for Indigenous employees, as well as targeted recruitment efforts and training to develop an Indigenous talent pipeline.

Since launching this plan last year SRC has already achieved some incredible milestones, including the formation of an Indigenous advisory committee and holding the committee's inaugural meeting in the past year. Also this past year SRC rolled out a council-wide Indigenous cultural training program called Our Shared History. And SRC's leadership team and board members also participated in this training.

So I mentioned before how SRC is on the leading edge of bringing firsts to Saskatchewan. Certainly now I'd like to shift gears to highlight a couple of projects that SRC is currently leading in Saskatchewan. The first very high-profile project that has already garnered significant national and international attention is SRC's rare earth processing facility.

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, as well as the technology that's 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 actually relatively abundant in the ground but are often difficult to extract and to separate from each other and from other minerals.

The applications of REEs are vast. So if we didn't have REEs, we would not have a lot of technology that we actually 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.

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. So 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 really to stimulate the REE resource sector in Saskatchewan and across Canada.

So the facility is meant to provide the mid-stage supply chain that's needed to generate industry investment and growth. 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 metals, known as NdPr. NdPr is a common ingredient in permanent magnets that are used in electric vehicles and other green technologies such as wind turbines.

SRC's facility can be broken down into three stages. So the first stage of the facility is a monazite processing unit. And this unit processes the mineral monazite and then creates a mixed rare earth chloride liquid that contains all 17 REEs, but is free from all other minerals or impurities.

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. And this part of the facility, when complete, is going to house more than 400 solid extraction cells and these truly will be the workhorse of the facility. And they're also a technology that SRC and the Government of Saskatchewan is extremely proud of.

In 2022, SRC designed and manufactured proprietary solvent extraction cells in-house for the facility. And this means that Saskatchewan is now really the only one of a handful of jurisdictions in the world that has this capability. So one that is extremely integral to completing the rare earth supply chain.

So 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. And these metals are then going to be sold on the open market to permanent magnet manufacturers.

So once fully operational in 2027, SRC's facility will be able to process up to 3 000 tonnes of monazite and produce about 400 tonnes of NdPr metal. So that's enough NdPr to power half a million electric vehicles.

[16:00]

In 2024, SRC's metal smelting unit began producing rare earth metals at commercial scale, making Saskatchewan and Canada the first jurisdiction outside of China to achieve this milestone. SRC's facility will fulfill a significant part of the province's critical minerals strategy in the 2030 growth plan, which aims to grow and establish an REE hub in Saskatchewan.

So SRC has worked diligently to secure feedstock for its facility and has entered into agreements with suppliers in South America and in Africa. On top of this, with SRC's proven metal smelting technology and ability to produce REE metals, the council has secured toll processing agreements with clients in Canada and Europe, where SRC is taking REE oxides and converting them into REE metal alloys. This project is certainly attracting a lot of interest and investment from abroad, and the world is starting to connect REE technology with Saskatchewan.

At the end of 2025, SRC signed a historic rare earth partnership with REAlloys, reinforcing Saskatchewan's leadership in establishing the first fully integrated rare earth supply chain in

North America. And this agreement is for a five-year offtake agreement where REalloys will purchase a significant amount of NdPr metal and dysprosium and terbium oxides from SRC's rare earth processing facility. And this agreement will deliver very strong commercial returns to SRC and the people of Saskatchewan while enabling REalloys to deliver rare earth metals to its defence industrial base clients.

In addition to this offtake agreement, REalloys has partnered with SRC to conduct a feasibility study for a large-scale rare earth processing, separation, and metallization complex in Saskatoon. This large-scale facility would be one of the biggest and the most advanced in the world, further solidifying Saskatchewan as a global hub for rare earth technology development with the potential to bring hundreds of jobs to Saskatoon.

While SRC's rare earth project is focused on bringing world firsts to Saskatchewan, the majority of SRC's revenue does come from its fee-for-service client work serving industry both within and outside of the province. SRC is home to Canada's most complete analytical chemistry lab, and its services include monitoring, assessment, and testing of water, wastewater, biofuels, radon detection, crop DNA [deoxyribonucleic acid] testing, and aquatic toxicology.

SRC also provides sustainable services throughout the mining cycle to maximize clients' production from exploration to remediation planning. And a lot of this important work is supported by SRC's geoanalytical labs, which, as mentioned earlier, is the largest potash, diamond, and uranium laboratories in the world.

Sensor-based sorting is one example of SRC's sustainable mining services, and SRC has now become a leader with its sensor-based sorting services. So with the acquisition of a full-scale laser sorting unit this past year, the equipment has strengthened SRC's capability to deliver efficient, cost-effective, and sustainable sorting solutions to industry in Saskatchewan and beyond. This laser sorting unit is the only commercial full-scale sorter of its kind in Canada, and its home is here in Saskatchewan at SRC.

Lithium is also a key area of focus for SRC as it supports a growing lithium industry by providing geochemical and mineralogical services for all types of lithium hard rock and clay projects, lithium preconcentration technology testing, and sensor-based sorting testing for all lithium ores.

SRC supports the industry through two technological research and development areas including lithium recycling technologies, advancing battery shredding and metals extraction, and direct lithium extraction technologies.

In 2023 SRC successfully piloted a lithium hydroxide monohydrate production facility and produced battery-grade LHM. So this pilot facility is the only one of its kind in North America and Europe.

In addition, SRC is leading a major remediation project, known as project CLEANS [cleanup of abandoned northern sites], that has been ongoing for almost 20 years now in northern Saskatchewan. SRC was contracted by the Saskatchewan

Ministry of Energy and Resources to manage the remediation of the Gunnar and Lorado uranium mine and mill sites as well as 35 satellite mine sites in northern Saskatchewan's Athabasca region. To date, remediation at the Lorado mill site is complete with long-term monitoring now under way.

Twenty-seven smaller satellite sites have been fully remediated and SRC has permanently closed the three mine openings present, the Gunnar mine and mill site, including completing the construction of a hazardous material landfill. Remediation work at Gunnar is nearing completion, and from there Gunnar will enter into post-remediation monitoring for about 15 years.

Throughout the project, SRC has conducted meaningful discussion with northern and Indigenous communities by hosting regular public meetings and providing updates on project progress and upcoming employment and training opportunities. In fact, SRC has conducted over 200 public meetings with Athabasca communities throughout the course of the project. And this project will ultimately remediate the sites with positive economic, environmental, and social impacts, ensuring a very safe environment for those that live and work in the area.

In closing, it's very clear through the achievements of SRC that the organization continues to add significant value to the Saskatchewan economy, and we look forward to continuing this journey of growth, driving economic prosperity, and enhancing the quality of life for all who call Saskatchewan home. I now look forward to taking questions from committee members. Thank you.

Chair D. Harrison: — Thank you, Minister. I will now open the floor for questions. I recognize Kim Breckner.

Kim Breckner: — Thank you, Chair. Thank you, Minister, and to the staff here today from SRC for your time in preparing for today and for being here to answer questions. I'll start with some questions on funding.

According to the budget, it looks like an increase in funding up 132 per cent from last year. Is this a one-time cash injection or do we expect similar levels of funding in subsequent years?

Hon. Warren Kaeding: — So the additional funding that we're seeing is to complete the REPF [rare earth processing facility] project. So when that's done, completed, then that will be the end of that funding stream.

Kim Breckner: — Are there any federal government funds being allocated to that project or any of SRC's other projects?

Hon. Warren Kaeding: — So all we've received is about \$13.5 million from NRCan [Natural Resources Canada] and that was capital to go into the REPF facility.

Kim Breckner: — Given the federal focus on defence spending, is there any strategy to capture some of that defence funding for SRC applications?

Hon. Warren Kaeding: — So it's interesting. I guess the focus on our federal government on defence has really just taken a priority in the last year or so, we would say. And I'd say they're just now kind of finalizing . . . well not finalizing but trying to

get their strategy put together. They've released their national strategy. And I know we've attended a number of forums — we've certainly hosted our own forum — where we've seen significant interest in the defence and aerospace industry and we'll maybe include those two together.

And so we know that there's significant opportunities that we're going to be able to play, not necessarily even just with what we're doing here but as a province. Because I think what we've been told is we have 23 of the 31 critical minerals that are essential for defence implications. And we have those in our province here.

We recognize that the technology that we've now developed at SRC is going to play a very critical role in that, as we've seen with the interest that we've had literally from around the world — from not just players in North America, but also from Europe and ASEAN [Association of Southeast Asian Nations] region and ultimately even South America.

So we recognize that we've got something good here, and I would say we're just now getting, you know, a strategy formed ourselves as to what role and position we're going to play in Canada's defence strategy. And I would say that it's going to be a significant one.

You know, in some of the round tables that we've hosted supporting the defence industry, we have found that we've had players in this province who have been in that space for six, eight years already, and you know, just quietly going about their business but playing a significant role in the defence sector and the North American and European defence sector.

So we have been having a number of conversations with our federal colleagues at various ministerial levels and a number of different ministers just to, I guess, talk to them about what we've got here, what folks at SRC have been able to develop, and then ultimately the value that it's going to play in a Canadian defence strategy.

I would say even as we were starting to entertain offers for the commercial production of the facility, we specifically kept a portion of that available for the federal government to ultimately take a position on that and determine how they want to use that in their defence strategy.

I don't know, Mike, is there anything else that we can add to that? Good, yes. Mike reminded me that the federal government has been fairly . . . I guess right now their priority has been on the mining and kind of the extraction of critical minerals. And now we have the ability to show them that we've got the midstream processing side, which they really didn't realize that they had an opportunity to participate in. I'd say now that we've perfected that process, fully expect that they're going to be participating in a significant way. How that is or what that looks like, that's an ongoing discussion.

Kim Breckner: — Just to clarify the last part of your statement there, you mentioned reserving some capacity within the REPF. So are you referring to . . . I know in the news release that REAlloys is going to take most of the offtake of that, the commercial aspect. So you're saying that what's left over is kind of reserved if the federal government has an interest in taking that offtake?

Hon. Warren Kaeding: — So it's open, it's available, and we fully expect the federal government will express interest in that. But at the same time if they don't, then it's available for commercial sale, yeah.

Kim Breckner: — Thank you. I just wanted to make sure I was understanding correctly.

[16:15]

You've previously stated that your vote 35 allocation is generally about 20 per cent of your total revenue mark. Does that still hold true with this budget, given the significant increase from past years?

Jocelyn Allard: — Okay. Jocelyn Allard. So when you speak to the 20 million, roughly, that is the vote 35 provincial investment that we receive, that is correct. In the current year budget there is the \$20 million towards vote 35 and then the additional capital funding that we are receiving towards the rare earth processing facility. So when you look at SRC's total revenue as an entity in organization, that \$20 million is representative around that 20 per cent of our total generated revenue, ignoring the 26 million of capital investment.

Kim Breckner: — Understood. Thank you. More a big-picture question, and I'm just curious, given how long SRC's been around and the commercial aspects of the work it does, and I remember from estimates last year you talked about how you always budget for a surplus and you look to reinvest that surplus into different technologies or research . . . Would SRC ever reach a point where its assets in commercial services make it financially self-sufficient where we wouldn't see that, you know, 20 million year after year from the provincial government?

Hon. Warren Kaeding: — I think what you've seen with government being involved in a research entity like this is you've seen a lot of innovative research that's able to be done because there's no limitations towards getting to a specific commercial level. So what that does is it allows a lot of flexibility and ability for a research facility like this to look at all the intricacies of all key sectors.

And then what you're seeing now is a result of having that freedom and flexibility to be able to develop these industries the way that they have. I would say because of SRC is part of the reason why we've seen our critical minerals and our mining and even to our ag sector allowed to take such a creative route and kind of be, as we talked about in the notes, a world-leading entity in a number of these key areas. And as it is a research institution, allows that flexibility.

And I'd say as we're starting to see, as some of these research institutions all of a sudden are losing some of that core funding from government or third-party entities, you're finding that creativity being channelled or almost stifled. So it becomes very narrow in scope. And that's the risk all of a sudden if you go that route of it just kind of running on its own and trying to run on its own ability to generate cash flow and be fully self-sufficient, that all of a sudden it becomes a very narrow focus, and you probably don't get that evolution around that whole research and development piece.

But I'll maybe let Mike explain that a little bit more kind of from what Mike's time has been at SRC and kind of how he's seen things evolve and some of the risks that have come with kind of what we've just talked about. Mike.

Mike Crabtree: — Mike Crabtree. This is a question that we discuss internally within SRC on a very regular basis, is the balance in our mandate between being commercial and a profitable organization and our mandate which is to support economically and socially the people of Saskatchewan. If you ask the majority of our 400 or so employees, some of them who are leading-edge scientists, engineers, technicians in the field, one of the reasons why they stay at SRC is not because we can pay the most — because we can't — but because we have that mandate to do good and do really interesting things.

The mandate also allows us to do the very hard things that pure commercial companies would not be able to take the risk to do. For example, rare earths is a really good example of that. You know, there's a reason why we're the first in North America to be able to develop and commercialize this technology. So we do the hard things that other companies don't do.

Other jurisdictions in Canada, other provinces have gone down the route of — in the last 20 or 25 years — of their own RTOs [research and technology organization], their own equivalents of SRC . . . is to say, “Okay, you're out on your own now. We're not going to fund you. You're going out as a private company.”

Of those companies that were put in that position, none of them currently exist. If we went back 20 years, there'd be somewhere between 15 and 20 RTOs across Canada of that sort of scale. Now there are fewer than three or four of anywhere near the scale of SRC. SRC is the second-largest in Canada after the National Research Council.

So what I'd argue here is that our ability to be profitable, our ability to address our public mandate, and our ability to be able to take that profitability and reinvest it back into ourselves to do and to set the technology frameworks — for us to be able to do these very difficult things is quite important.

If we were to be a purely commercial company within Saskatchewan, some of the things that we do now that are not particularly profitable or non-profitable but are very important socially in Saskatchewan and economically to industry in Saskatchewan, would probably not continue. And that would be, I think, to the detriment of the province.

Kim Breckner: — Thank you. Last year your officials predicted that there would be no significant impact from US [United States] tariffs. Do you still consider that to be the case? Have US-Canada relations impacted any contracts or supply chains? Have US global tariffs contributed to increase in prices on any materials or equipment?

Hon. Warren Kaeding: — So I guess when it comes to actual components or active ingredients or items that SRC has required, no, there hasn't been any material effect on that.

However there has been a very positive effect in a number of ways in that (a) the product that we're even coming into commercial production with has gone up in value. I think

probably more important though is the amount of interest now that has been coming to SRC from kind of the middle powers, we'll call them, from around the world that are now looking at SRC and the work that they've done as an opportunity to kind of help build their supply chains or their midstream research and development areas.

And what we've probably seen at SRC is a significant uptick now in interest of the delegations that they've had coming through from throughout Europe, India. The Middle East has been significant. It has been measurably up from where we may have been kind of pre-tariff stage. So I guess if there's been a positive that's come out of that, is the interest and the role that we ultimately are going to be able to play in supporting kind of our partners as we've seen come to us from around the world.

Kim Breckner: — I'd like to talk about the microreactor for a few moments. What's the timeline of the delivery? You may have stated it already; if you could repeat for me. Are you still on track to have the eVinci microreactor completed within the next nine years?

[16:30]

Hon. Warren Kaeding: — So regrettably the eVinci program has been kind of moved now out of SRC. When Westinghouse and Cameco had made the big announcement with the significant contract in the US with a number of reactors that are going to be going into the US that are Westinghouse based, they decided to change direction on the eVinci program, and they're going to focus more on the aerospace and the defence sector. And that's just not an area that we're going to be able to participate in, that development around the eVinci program. So the project has been — I guess the term would be — cancelled.

Mike Crabtree: — From the Westinghouse side.

Hon. Warren Kaeding: — From the Westinghouse side, right. And so now I just want to let Mike kind of talk around how we got to that point, and then some of the things that we're now seeing, you know, maybe materializing in that same microreactor space.

Mike Crabtree: — Mike Crabtree. So the eVinci project was cancelled by Westinghouse, as the minister has just said. Over the period that we had been working on that project for several years, we'd also identified other microreactors — both slightly larger and slightly smaller — for different market niches potentially within Canada as a whole and Saskatchewan in particular. So we continue to work to identify and progress those projects.

They are somewhat behind the anticipated development timeline of the eVinci reactor prior to them cancelling it. So what we have actually done is put the nuclear project, in terms of an installation of a reactor, on pause. However the significant proportion of the staff that were in that nuclear group, around a dozen people, we have taken the key folks and distributed them around other parts of SRC. These are all highly capable engineers and scientists, so we have other areas within SRC to work with them.

However since the cancellation of the project, because we'd established a position with expertise in nuclear built on 40 years

of operating a reactor with SRC, we are a licensed operator, so we were able to engage in a number of both provincial and national projects in terms of looking at particularly the environmental and the siting aspects of these microreactors. So although we have moved out of that specific eVinci space for the reasons that I've identified, we continue to work in that microreactor space. And once those other platforms, the slightly larger and the slightly smaller reactor types, do come further in terms of their maturity, we will be in a position to engage with them.

Kim Breckner: — Thank you. From my recollections reading materials around the work you're doing in nuclear, part of the objective was to use some of that work to provide power to the province. How has the government's announcement around refurbishing the coal plant impacted that work around nuclear reactors?

Hon. Warren Kaeding: — So I'll maybe just clarify the role of SRC and eVinci, and this was a project that was brought to them by Westinghouse. And it was to ultimately help develop and create the technology, validate it somewhat, you know, just determine what uses it may have. And then ultimately that was still the design, and it was the product of Westinghouse so it was still their control.

I mean SaskPower certainly had some ideas as to where this could possibly fit. And that was one of the roles that SRC was playing was to try and understand, you know, where some of the applications may be used. You know, we were assuming mine sites, remote mine sites, remote communities. But ultimately it was always in the control of Westinghouse, and SRC was just playing kind of that design and development role.

But I'll let Mike talk about kind of the relationship that we also still have with SaskPower and how nuclear energy is fitting there and the role that SRC has with SaskPower in the nuclear side.

Mike Crabtree: — Mike Crabtree. So the relationship we have with SaskPower is to assist and co-operate, collaborate with them wherever is useful in terms of supporting their objectives of utility-scale nuclear power. I mean SaskPower's objectives are that large-scale 1-megawatt, 300-megawatt scale utility power. The microreactors were very much at the other end of the scale. They were in that sort of five . . . In fact our mandate was up to a maximum of 20 megawatts, and eVinci was five. So they were very much designed, as the minister said, for northern mine sites and remote community use.

But coming back to the point there, it is still nuclear so there is quite a lot of crossover in terms of Indigenous, public engagement, environmental aspects in permitting that SRC has considerable expertise in that and gained considerable expertise. We co-operate, collaborate, support SaskPower in their efforts on the utility scale.

Kim Breckner: — I'm going to shift to the rare earth processing facility now. I'm not quite clear in my head about what stages are functional and when they will be functional. So I understand that there's three stages, and it's not that we need stage 1 before we can do 2 and 3. It sounds like we can do 3 right now, where that's the final . . . you get the metal out of it. Stage 2 is you get the oxide. And so am I correct that you're still working on a

technology to do stage 1 and 2 at a commercial scale?

Mike Crabtree: — Mike Crabtree. You said you didn't quite understand it and gave a perfect description. I was thinking that, wow, that's fantastic. But you're correct in that, those three stages. The third stage, which is the metallization of oxides to the metals, we already have a furnace, one of the eight furnaces, operational. And that's allowed us to actually provide commercial product to the market. And that was very, very important in terms of validating the quality and the capability of that part of the process.

The phase 2, which is that separation of the 17 rare earths and then the creation of the oxides, that is still under construction and is due for completion at the end of this year, December, December-January.

And the first stage, which is the . . . it's kind of the crushing and processing of the monazite, of the actual ore. Similarly that's due for completion and commissioning in that December-January of this year.

Kim Breckner: — So is it fair to say that we know how to do it? We just have to build it and test it to be sure that we can do it.

Mike Crabtree: — We know how to do it. We know how to build it at scale. The challenge with any sort of plant of this scale — and it's a significant scale; it's 100,000 square feet of plant — is in the completion of that. But the commissioning and then the ramp-up of production, which will occur in the early part of 2027, that's when, you know . . . It's quite challenging to ramp-up the production of these types of facilities, particularly as it's the first of its type.

Kim Breckner: — So this thing we're building, like how many Costcos is that?

Mike Crabtree: — How many Costcos? That's a really good . . . It's probably two Costcos worth.

Kim Breckner: — Okay.

Mike Crabtree: — And we do some great deals.

Kim Breckner: — Okay. So we talked about the importance of what we're building here and when it comes to kind of global defence strategies. And you've mentioned the partnership with REAlloys. And so part of that news release that I'm not quite clear on is it sounds like there's an agreement for this current REPF that REAlloys is going to take some of the product that we create with it. And then there's this other part that talks about a partnership to create — and I'll have to find the wording — but basically a bigger version, in layman's terms. Is that correct?

[16:45]

Mike Crabtree: — Okay. Mike Crabtree. Yes, you were really nearly there in your assessment. There are three components to the relationship with REAlloys. The first one is a very straightforward offtake agreement from the facility, from the REPF, which is at that 70 per cent level, which rises to 80 per cent. And I'll explain that in a moment. So that's the first agreement. So it's a straight offtake agreement.

The second area of agreements with REA [REAlloys Inc.] are for them to contribute to the expansion of the REPF from about 400 tonnes to about 600 tonnes capacity. And that contribution — which is not an equity investment; it is purely a contribution — that allows them to take an offtake of that additional material that will be produced, that additional 200 tonnes.

And that's why it changes from 70 per cent to 80 per cent, because it is a larger proportion of that 600 tonnes. In that second area of agreements with REA, they also have funded us to build, in our facility, a prototype and a large-scale heavy metals facility. Now this is something that SRC does quite routinely with clients, where they say, we want you to house, develop, and build a facility for us to prove that it can be done. So that's in that second piece.

Based on that work there is the third piece, where REA are interested in building a very large rare earths facility in Saskatoon, which would be approximately 7 to 10 times the scale of the current REPF. So we talked about, you know, two Costcos; this would be 20 Costcos. So it would be approaching a million square feet, so a very sizable facility. And we're at the stages of looking at a pre-feasibility study to be able to do that. If that went ahead, that would be in the sort of 2031-32 horizon.

So those contracts that we talked about just before the upgrade and the heavy metals piece is designed to be able to expand the production offtake between where we are when the REPF comes online at the end of this year and that 2030 horizon.

So this type of process SRC, as I think I've mentioned, we've done that quite routinely where a client, whether it's a Canadian client or a recent one in my mind, is a European client, has said we want to build a very large facility, not necessarily here in Saskatchewan. It could be anywhere globally but we want you to design and build the prototype for us, prove that it can be done. And of course that's a fully funded commercial exercise, as is the REA exercise.

Kim Breckner: — What's different between the REPF that we're building now and the very much larger rare earth processing plant that REA is looking to build in the future with SRC?

Mike Crabtree: — Mike Crabtree. The obvious piece to that is that 7 to 10X directly relates to the output of the plant. So rather than it being perhaps 400 tonnes of that NdPr metal it would be in the approach of 3 000 to 4 000 tonnes of NdPr metal, so a much larger amount of that NdPr metal.

But also I talked about that section 2, and that dysprosium and terbium, the so-called heavy metals piece there which they're funding us to do the work to prove that that can be done. That piece would also be included in the large plant at scale, so a very large capability in these very, very valuable heavy metals as well. So there would be so-called rare earth light metals, NdPr, and rare earth heavy metals, DyTb [dysprosium and terbium].

Kim Breckner: — I know in our last estimates meeting we did talk about those two, the dysprosium and terbium, and you were working at producing that. That was through a different facility or with the current facility? So does the one we're working on now, does it do the light and heavy or are they separate?

Mike Crabtree: — Mike Crabtree. So the REPF on the light rare earths, the NdPr, goes through that full three stages that we talked about: the monazite, the separation to oxide, and then the metallization. The REPF as currently funded — excluding anything from REA — on the dysprosium, the heavies, only does the first two. It does the separation from the monazite and it does the separation to the very specific dysprosium and terbium and then the creation of the oxides. It doesn't do the metallization from oxides to metals. It's very specialized.

Therefore what REA are funding is that development of that metallization piece as a privately funded capability for that DyTb. So ultimately we'd be able to go one, two, three, four NdPr, which is the design; and then one, two, and then that third piece on metallization for the DyTb as well.

Kim Breckner: — So what does the partnership structure look like for the heavy metal, the research, what you call the kind of like the prototype, proving it can work, and then the giant facility that can do light and heavy together? What is the ownership structure there?

Mike Crabtree: — Mike Crabtree. So the REPF, that stage 1, 2, and 3 for the lights and stage 1 and 2 for the heavies that we've just described, is completely owned and funded by Government of Saskatchewan. It's SRC. That stage 3 that we talked about for the dysprosium and terbium metallization from oxides to metals — the construction of that pilot and that commercial facility, which we as SRC will host — will be fully funded by REAlloys as a very standard commercial agreement between SRC and REAlloys. Intellectual property that is applied by SRC into that process will remain ours as SRC.

With respect to the large plant which we affectionately call 10X — which it's not quite 10X; it's between 7 and 10X but it's 10X — that if it were to move forward, and as I said we're going into the pre-feasibility at the moment, would be a wholly owned facility by REA. SRC's role in that would be the provision of technology licensing as much as that facility uses SRC's technology which would be considerable. And so our role would be to support the development of that engineering and consulting services and that intellectual property and licensing into that. But that would be a fully commercial entity.

Kim Breckner: — So the licensing aspect of the IP [intellectual property], would that be a one-time licensing of the IP? They pay a certain fee for that and then it's theirs to use in perpetuity? Or do you imagine an income stream with that where they renew each year to continue to use the IP?

Hon. Warren Kaeding: — So it's in still the early stages of understanding ultimately, how valuable of a commodity that we have. I'd say we're still reviewing what exactly that model's going to look like, where we've got some professional work being done, providing us some guidance and advice on this truly one-of-its-kind technology that is now the only one available outside of China.

So I would say we haven't made those full commitments yet as to (a) how that's going to be structured, you know, what ultimately is going to be the best value that's going to come back to the Government of Saskatchewan. That's ultimately what we need to determine is what is going to be the best value for us.

And that's where right now we've undertaken some pretty in-depth analysis by some folks that are specializing in that space. And as we get closer, and certainly as we get further into these discussions, we'll be able to identify that as best we can.

But also recognize there's going to be a lot of commercial, you know, confidentiality that's going to be built into some of these business agreements because this is very much a highly competitive space out there. And as well we've got something unique that we're trying to, I guess, extract the best value from.

Kim Breckner: — Yeah, don't cheap out on the lawyer.

Hon. Warren Kaeding: — Nope, absolutely. Good lawyers.

Kim Breckner: — You talked about the uniqueness and the competitive advantage. I guess my concern is if you build 10X for REA, does that render what we currently are building, the REPF, redundant?

[17:00]

Hon. Warren Kaeding: — And again just trying to understand this whole rare earth market, from what we understand is that the growth for rare earth is literally exponential, right. We call it a hockey stick type of growth for it. And so there's always going to be a demand for rare earth elements, certainly separated elements at this level of purity.

So that's one thing to keep in mind is that even though we expect to have a 7 to 10X facility possibly in our backyard, that's only going to supply a certain portion of what the market is going to potentially be out there.

But I think the biggest thing to remember is that this plant was originally built with the intention, and is still built with the intention, that it's a research facility ultimately trying to prove technology. And as we always hear about technology, there's always series 1, and then there's going to be series 2 and series 3.

And what this facility is still going to provide us is that ability to perfect the process, go to the next level, you know, utilize new technology. Maybe there's new separation opportunities to design and then to explore and then to validate. And that's ultimately what this facility is always going to be able to do, is to just fine-tune the entire rare earth process. I think they're still finding new rare earth elements out there, and that gives us the opportunity to determine how we can separate them.

There's a lot of interest in recycling of magnets now and being able to separate some of the elements again from magnets. So I think there's an opportunity certainly around the recycling side. So there's always unique and new opportunities to develop new technologies with this structure. And probably we're always going to need to reinvest, you know, what comes back and to acquire new assets to help support that technology and that development along the way.

Kim Breckner: — If there's currently so few of these facilities, and this research really is cutting edge and unique, and right now only China has the capability to do this kind of work and this work is so essential for defence contracting, why don't we build

10X and rule the world?

Hon. Warren Kaeding: — Early on in my comments I talked about the 79-coming-up-to-80-year history of SRC. And I think what we've seen, the success of SRC is they've done a remarkable job in being able to catalyze essential processes to support an industry that the private sector now has absolutely run away with.

So we'll look at a few of those: been instrumental in helping develop the uranium extraction and processing side; potash, been very influential in the potash industry; enhanced oil recovery in oil and gas. All of these things, the core strength of SRC is in the research and development to get these concepts from the concept side to the design table to the commercialization.

And then recognizing that there's significant capital that's required to invest in something that has significant risk associated to it, has to be able to handle the ups and downs of the commodity cycles because all precious metals are trading, literally, on commodity cycles as well. Have to remember, a year and a half ago nobody knew anything really about rare earth elements. There certainly wasn't interest then even willing to try and commercialize this process. That was all dominated by one country. So we recognize that there's a lot of sensitivities around who's also in the marketplace and how easily things can be changed or controlled.

So I'd say government's job, and certainly SRC's job, is to be able to support a key sector and get it off the ground and get it to that stage then where the private sector comes in and takes over, and is able to do what they do best. And that's to extract and to be able to process, and then to be able to understand the world markets and get them where they need to be. And we as a province benefit from that as well, right? As these critical minerals all are sourced from our province, we have the royalty opportunities on that. We certainly are seeing the opportunities that there is in commercializing technology, and we recognize there's opportunities there.

But I think, you know, what we've seen with our province is that we give the private sector an opportunity to flourish, and we give them all the tools to do that. That's our core strength, and that's going to be our future.

Kim Breckner: — I'm curious. You talk about the risk, and it seems that the risk is low enough that REA is willing to have this partnership to build it. Are there no Canadian companies, or companies, even federal government that would be able to do the same thing? Is there no way to keep this more of a Canadian-type partnership?

Hon. Warren Kaeding: — Not at the level of integration that REAlloy and some of the other international partners are at. We've got rare earth deposits. We've got one in northern Saskatchewan. I know there's a new one in . . . is it Ontario-Quebec? The Torngat find? We've got a magnet manufacturer, but we really don't have that full, integrated market that a company like REAlloy has or a couple of the other players would have in the US. And then we know of a couple in Europe and probably Japan as well.

So yeah, we really don't have that full integration, I think, that

you're thinking is maybe here in the country? . . . [inaudible interjection] . . . Yeah, it's not here, no. And I would say even our federal government is a little slow off the mark to recognize exactly what they've got here, and that's our job to make sure that they understand that fully.

Kim Breckner: — And there's no way to build that capacity or to help the federal government understand a bit quicker?

I just I hate the idea of being essentially a critical minerals colony for the US. You know, so much of our oil, so much of our potash, so much of our resources go down to the US. It's like we're just a resource colony, and we haven't come into our own. And so I'd be interested in any ways that we can control our own resources for the benefit of our own people.

Hon. Warren Kaeding: — Well I think we also have to remember that North America is a very integrated market in so many sectors. So even though we may supply . . . Let's use uranium as an example where we have the mineral. We extract it. You know, we get it to a semi-processed state; however we don't have that further refining. I think there's one entity in Ontario, but the majority of that is done elsewhere in the world.

And so for someone to make that investment, that's a significant investment — very significant investment — that we talked about comes with a very high degree of risk. And that's probably something that government should not be involved in is things with a high degree of risk. Let's do what we do best, and that's certainly utilize the research and development in the tech sector that we've got and help, you know, the resource sector or whoever's developing that resource.

What we could do is certainly encourage them to be here in Saskatchewan. And I think that's what we're seeing with the REalloy project is that there is a significant potential for that 10X facility to be built here in the province. And I'd fully expect if one is built here, then others will probably follow. And then we become kind of that centre of expertise, that centre of excellence.

Like we're seeing the uranium industry now certainly flourishing here in Saskatchewan. Potash industry certainly flourishing here in Saskatchewan. Ag value-added certainly flourishing here in Saskatchewan. So when one comes, ultimately we attract many others.

Kim Breckner: — I see your point of view, Minister. And I see your point of view about the integrated North American industry.

I've seen it with auto, and we're seeing what's happening to our jobs in Ontario. And so I'm fearful about integration and being too integrated as we're seeing job losses. We can have philosophical debates about the role of government and maybe some risks in my lifetime might be worth the . . . with the longer horizon that perhaps your lifetime maybe doesn't have.

Hon. Warren Kaeding: — She just called me old. Did you just call me old?

Kim Breckner: — That was a little harsh, sorry.

Hon. Warren Kaeding: — Hair? No hair?

Kim Breckner: — Where was I going? I wasn't going to do a shot at your hair or lack thereof.

[17:15]

Now I've lost my train of thought. So okay. What type of local benefits would you be looking at if you did proceed with this type of partnership? Like I'm assuming there's a lot of steel that goes into this. Is there any commitments to use local steel, local inputs, anything like that?

Mike Crabtree: — Mike Crabtree. So I think your current question and an element of your previous question talks to value that is developed and maintained here in Canada and Saskatchewan in particular.

So just leading off, one of the benefits of creating that midstream capability that we're talking about — that 1, 2, 3 — is that traditionally Canada, Saskatchewan is very good at mining: producing the ore and then shipping the ore off to other jurisdictions. And creating the midstream capability to process that to oxides and to metals, as we've discussed, adds a substantial value to that, that we maintain here in the province and in Canada. So the ability to build out that midstream hub for rare earths is going to capture a very significant value of the overall supply chain.

With respect to the facilities themselves, both the REPF and the other REA-specified facilities that we talked about, and the potential 10X facility, a very substantial proportion of the steel, of the cement, certainly of the technology — SRC's technology that we've talked about, the smelters and the separators — are built, 95 per cent of the actual raw materials that goes into that technology comes from Saskatchewan. Not from Canada; from Saskatchewan. Including steel for the building from Evraz, for example.

So we capture a very significant amount of that investment, whether it's government investment in the REPF or future direct foreign or Canadian or Saskatchewan investment, here in Saskatchewan via the materials that we procure. Also the construction of these facilities is highly specialized, so we're not only employing highly specialized tradespeople but developing them and attracting them to the province to be able to build these sorts of facilities.

On the technical and research and development side, just in the last four or five years of this rare earths facility we've attracted tremendous expertise from both Europe, from Southeast Asia, and from the US here to Saskatchewan to participate in this.

So the construction of these facilities is going to be highly valuable for the province, and actually the operation will also be really highly valuable. We talk about the potential, the 7 to 10X facility there in Saskatoon. That will need between 700 to 750 high-paying FTE [full-time equivalent] jobs during its operation, so it's really significant. In fact some of the challenges in that will be over that period attracting and training those individuals, so our engagement with tertiary education here is also important in building up that capability.

So I think as a whole, in the same way as perhaps what SRC has done, you know, for many decades, you capitalize the

development of these industrial sectors and then capture as much value in the province as is possible.

Kim Breckner: — No philosophical musings about a rare earth metals Crown corporation? Don't . . . No, that's . . . I guess my other concern too is in the realm of national security, just with what these are used for. And I kind of got to this last time, but I never got the chance to get an answer.

Have we notified the federal public safety agency about this intention to enter into the agreement with REA because of the sensitive technology that theoretically could be crucial to Canada's national security?

Hon. Warren Kaeding: — So I think the one thing to remember is that the heavy rare earths have multiple uses, and you know, we have the ability to produce them. We have someone that's buying them. We can't really direct where they're going to be able to use them because defence is only just one of a multiple number of uses that the heavy metals have implications for. I think what's probably a bigger detail to remember is we retain the IP. We retain the technology. This all stays in Saskatchewan. We retain control of that.

And then probably the last thing that we'd put out is that the federal government, although they're a small investor, is still an investor in this. So they're aware of the opportunities that come with their investment as well.

Kim Breckner: — In our last estimates you talked about wanting this to be the most environmentally sustainable facility in the world. And I would assume that these facilities take a lot of power. And so how does the composition of our power grid affect your ability to have that claim to be the most environmentally sustainable?

Mike Crabtree: — Mike Crabtree. So the sustainability that we reference in the REPF is really in direct comparison to existing plants of this general type, the vast majority of which are in China, which use very large quantities of water, single-use; very large quantities of chemicals, single-use; and then the effluent goes straight into the environment. So it's fair to say that they're an environmental catastrophe. And in areas where rare earths are processed in China, the land has been salted for what will be generations.

[17:30]

So we were very clear that the REPF was not only going to be environmentally sustainable from that standpoint, but we wanted to take it to the next level. And that next level being that this plant uses significant quantities of water and significant quantities of chemicals, but it's zero liquid discharge. So that water and those chemicals are recycled and reused.

The power for this plant is Saskatchewan grid power. SRC's commitment to new power systems and sustainable power systems is considerable. I mean the Cowessess project, which is about 20 kilometres from here; the Indigenous power project that was done some years ago, which was the first wind turbine battery facility in Canada of its type. More recently we've built what's called a hybrid energy container in association with . . . Our technology but in association with SaskPower as a client for

Descherm Lake there. So we are very focused on how we move to new energy generation systems.

But for the focus on this plant, it was really important that we focused on the core technology, as we've discussed in this session, and the development of that technology, and where possible be very conservative in terms of power usage. So that's been the focus of this plant in terms of sustainability.

It also, if I can say, makes these types of midstream processing facilities possible in Europe, Canada, North America. It would be difficult to imagine the REPF, never mind the 7 to 10X plant, operating single-use water from the South Saskatchewan River. It just would simply not make any sort of any economic sense or practical sense for the province. So that technology and the sustainability is also a key enabling piece for that process to be catalyzed and developed here in the province.

Kim Breckner: — So if I could summarize what you're saying to make sure I understand it, you are the most sustainable because essentially you're competing against China, but there's kind of a baseline higher sustainability level that you have to meet, that's well above China, just to be able to market this technology for other countries that might be interested in using it.

Mike Crabtree: — I think that's absolutely the case because it's the sustainability thing in terms of it's the right thing to do, but it's also sustainable economically. Because if you were proposing this plant that would have single-use water, or even multiple use but ultimately discharge of water, it would be very difficult from an environmental permitting and an economic sense to make it work.

Kim Breckner: — Right. That reminds me of the conversation we had last time where the reason you can compete with China is because of the technology. It makes it cheaper. Yeah. Okay.

Are we still on budget for this project? Because I know it's been a long time in the works. 2020 is when it began. The budget that you anticipated in 2020, has it varied significantly from then till now?

Mike Crabtree: — Mike Crabtree. Think I'll answer the question a little bit in reverse order. So in terms of budget and where we are in terms of budget and schedule, so we are on budget for the funding as approved by Government of Saskatchewan, the latest funding. And we are on schedule. I think, as we mentioned a couple of times here, that we're on schedule for completion of construction of the plant by the end of this year, and moving progressively into commissioning and early-stage ramp-up into 2027.

The first part of your question, in terms of the evolution of the cost and funding of the project from 2020 to where we are today is very much a story of COVID and inflation in terms of pure cost. But more than that, the plant as it was envisaged in 2020 was that NdPr operation 1 and part of operation 2. It was a much smaller scope of work, if you like.

It also did not include the sustainability piece that we talked about. Neither did it include — and we haven't talked about this in this session — that the monazite itself, the raw material, is radioactive. It contains uranium and thorium. So the tailings

originally were designed to not extract that uranium and thorium, which meant that the tailings themselves would have had to go for storage in a radioactive appropriate site.

We didn't think that that was appropriate, so we've moved from essentially three-unit operations, as it was originally envisaged in 2020, to 9- and 10-unit operations as the plant will be operating at the end of this year.

The good-news story on that is it is a much, much more capable plant. Not only we can see that, but internationally. International potential customers, not least REA. REA would probably not have engaged with us if our focus had just been on the scope of the plant that we envisaged in 2020. It is because it is a state-of-the-art, fully vertically integrated, minerals-to-metals plant.

Kim Breckner: — So the funding commitment that was made from the government funding perspective is the same as it was in 2020, is that correct?

Jocelyn Allard: — Jocelyn Allard. So as you mentioned, back in 2020 when the REPF was originally envisioned, as Mike outlined, we had the three-unit operations. So at that point, the approval for funding came through the Government of Saskatchewan around the \$30 million mark, with SRC contributing \$4 million at that point in the process.

As we've evolved and grown, as Mike mentioned — COVID, inflation, a number of this, as well as that expansion into the nine-unit, the vertical integration of the facility — our funding has increased and our requests have increased because of that. So at this point in the stage of the facility, our funding is 187 million from the Government of Saskatchewan, 16 million from SRC, as well as the federal government contributions through NRCan of the 13.5. So our total capital budget right now for the facility is \$216.5 million.

Kim Breckner: — So the 187 million request from government, when was that . . . I guess walk me through the changes from 30 million to 187. So what year did you realize, okay, we've got to go up to 100 million, or now we need 187? And has government provided the full 187, or are we expecting more to come in capital expenses?

Jocelyn Allard: — Jocelyn Allard. So as previously mentioned, that first initial contribution from the Government of Saskatchewan was the 30 million plus the four from SRC back in 2020. As we evolve through the project from the three- to the nine-unit operations, our current funding of 187 from the Government of Saskatchewan, that has come through a number of tranches of funding throughout the number of years.

So at present, we have received nearly all of that. In the current budget, there is the ask of 26 million. That is the last tranche of funding. So it's a total of 187, and that will be the final fully committed budget from the Government of Saskatchewan. The remaining funding from SRC and NRCan has already been provided to SRC.

Kim Breckner: — Okay. Until you take my advice and we build 10X ourselves and rule the world. All right. Given that we're nearly to the end point and we did start a bit late, I'm willing to cede the rest of my five minutes. We'd like to wrap up, Minister

Kaeding, if that's okay with you.

Chair D. Harrison: — Yes. I'll ask if there's any other questions from any of the other members. MLA [Member of the Legislative Assembly] Patterson.

Megan Patterson: — Sure. So I just have one quick question. Just wondering if the minister can update the Assembly or update us on all the important work they've done via SRC to drive innovation and economic growth in the province, in five minutes.

[17:45]

Mike Crabtree: — Mike Crabtree. I've been nominated for this one. I think it's a great question. You know, we focus predominantly on rare earths and nuclear. And this probably represents less than 15 per cent of what SRC is doing in any given year, certainly in this last year. I'll focus on two projects, if I have a couple of minutes, and I'll try to do a minute each.

We are engaged in a project with a large Japanese company who is working exclusively with us in the development of a radically new minerals evaluation technology. And we've christened it "automated mineralogy." And to put some context on this, is that the capability of a lab, any lab in the world, to do the amount of sample preparation and analysis in this particular field, which identifies a whole range of different critical minerals in a specific geological area, is about 300 samples per year. In fact our capability is 300 samples per year.

Under this new system that will come into operation in the summer, will give us the capability of doing 10,000 samples per year. Ten thousand samples per year from one machine. And you know, we've talked about, you know, how revolutionary rare earths are going to be. This will cause a quiet revolution in the minerals exploration piece. And it will be something that will be applied to Saskatchewan first.

Second area is something I think most people will be aware of: the CEM [Canadian Energy Metals] project, the Thor project for aluminium in the province. Quietly in the background SRC has been working with CEM for the last couple of years to develop the technology to be able to exploit that resource. It is a really interesting resource. It's huge, but it requires a different approach. And SRC has been working with CEM to develop that piece.

So that gives you perhaps an indication of two areas. This is only two. If I had longer we could spend more time on this, but just two areas that SRC is making a significant contribution to the province.

Megan Patterson: — Okay. Thank you.

Chair D. Harrison: — All right. Having reached our agreed-upon time for consideration of these estimates, we will now adjourn consideration of the 2026-2027 estimates for Saskatchewan Research Council. Minister Kaeding, do you have any closing comments?

Hon. Warren Kaeding: — Certainly. Just a few brief ones. Thank you, Mr. Chair. Certainly like to thank our SRC officials, with Mike, Jocelyn, Ryan. I think we got to hear from them today

as to the expertise that they have and what they've been able to do to support our province.

You know, we talk about 27 of 34 critical minerals found in this province. I think SRC has probably touched each and every one of them in some way, shape, or form. And I'd certainly like to thank them and certainly thank their staff for all of the work that they do to help support our resource sector here in the province.

Certainly like to thank committee members for all but the one respectful question about age. Well we'll get over that, yeah. And certainly also like to thank *Hansard* for their work here today.

Chair D. Harrison: — Thank you, Minister. MLA Breckner, do you have closing comments?

Kim Breckner: — Thank you, Chair. And again I'd like to thank all the SRC officials for being here tonight and answering the questions, and to legislative staff again for supporting the committee tonight. And thank you to all the committee members for participating.

Chair D. Harrison: — Thank you to the minister and his officials, and thank you for committee members, and also thank you to *Hansard* and the Clerks here tonight. This committee will now recess until 6:30 p.m.

[The committee recessed from 17:49 until 18:30.]

Chair D. Harrison: — Welcome back, committee members. The committee will now be considering 2026-2027 estimates for Innovation Saskatchewan.

**General Revenue Fund
Innovation Saskatchewan
Vote 84**

Subvote (IS01)

Chair D. Harrison: — We will begin with consideration of vote 84, Innovation Saskatchewan, Innovation Saskatchewan subvote (IS01). Minister Kaeding is here with his officials. I would ask that the officials state their names before speaking for the first time and please don't touch the microphones. The *Hansard* operator will turn your microphone on when you're speaking to the committee.

Minister, please introduce your officials and make your opening remarks.

Hon. Warren Kaeding: — Good evening. Thank you, Mr. Chair. I am pleased to be here for consideration of the '26-27 estimates for Innovation Saskatchewan.

So here with me today are officials from the agency: Kari Harvey, our chief executive officer; Brent Sukenik, our vice-president of corporate strategy and services; Avery Vold, vice-president of academic research investments and life sciences innovation; Drew Dwernychuk, vice-president of energy, mining, ICT [information and communications technology], and ag tech innovation; Christine Harrop, executive director, business development, research and technology park operations; and Dani Wawryk, executive director of communications and

marketing. And I'd also like to acknowledge my chief of staff, Michelle Lang, and our MA [ministerial assistant] for comms, Arlie Matisho.

Mr. Chair, last fiscal year I spoke about the collaborative spirit that helped Saskatchewan navigate global economic uncertainty. And since then, global tensions and geopolitical instability, fragile supply chains have continued to challenge economies around the world. But Saskatchewan continues to stand strong. And for years our government has worked to diversify our economy so that Saskatchewan can weather volatility, stay resilient, and protect our communities.

Investing in research and innovation has opened new opportunities, attracted investment, created high-value jobs in every region of the province. Our traditional strengths in agriculture, in energy and mining, remain the backbone of our economy. But today Saskatchewan is also emerging as a leader in crop genetics, ag tech, vaccine development, nuclear medicine, carbon capture, and sustainable energy. And this is how we build an economy that is competitive today and prepared for tomorrow.

Innovation Saskatchewan plays a key role in this progress by turning world-class research into practical solutions supporting high-growth companies and strengthening our provincial innovation ecosystem. And every provincial dollar invested by the agency leverages multiple dollars from federal partners and private industry, delivering strong value for our Saskatchewan taxpayers.

In '26-27 Innovation Saskatchewan will receive a budget of 32.2 million, a 1 per cent decrease from last year. With this budget, the agency will continue making targeted, high-impact investments that are aligned with its four core goals: ensure Innovation Saskatchewan-funded research creates economic impact and aligns with Saskatchewan's research and development priorities; grow and support a sustainable and inclusive tax sector; strengthen Saskatchewan's strategic advantages in cleantech, ag tech, and health tech to position the province as a world-class innovation hub; and make Saskatchewan the premier destination for local, national, and international research and innovation.

Mr. Chair, a major priority in this year's budget is strengthening Saskatchewan's leadership in research. Last May our government launched Saskatchewan's research strategy, an ambitious, province-wide plan to elevate Saskatchewan as a global research leader. And because collaboration fuels innovation, this strategy brings government, academia, industry, and investors together around a shared mission. And it's built around the full innovation life cycle and focuses our efforts where Saskatchewan has the greatest competitive advantage in agriculture and life sciences, energy and mining, and critical minerals.

By aligning provincial support to these priority areas, the strategy strengthens our ability to drive breakthroughs, attract world-class talent, and secure new industry and global partnerships. It positions Saskatchewan not just to meet the challenges of a changing world but to lead with strength and confidence. And this work builds a resilient, competitive, and future-ready economy, one that creates opportunity, strengthens communities, and keeps Saskatchewan moving toward long-term prosperity.

Mr. Chair, a major commitment in this year's budget is an additional \$3 million for the Vaccine and Infectious Disease Organization, or VIDO, as it advances its role as Canada's centre for pandemic research. And this investment is going to upgrade VIDO's specialized facilities, allowing vaccines developed in the lab to be produced at the early-stage scale required for clinical trials. It fills a critical gap exposed during COVID-19 and significantly strengthens Canada's ability to respond quickly and effectively to future infectious disease threats, protecting Saskatchewan people and Canadians across the country.

VIDO is one of the few research institutions in Canada that successfully developed COVID-19 vaccine candidates. In 2025 it received \$24 million from the Coalition for Epidemic Preparedness Innovations to advance vaccines targeting coronaviruses and other high-risk pathogens.

VIDO is also deepening its global partnerships. It renewed its collaboration with the International Vaccine Institute in South Korea, supporting post-pandemic global health initiatives, and it launched a new partnership with the University of Saskatchewan's Centre for Quantum Topology and Its Applications, exploring quantum-enabled simulations for next-generation vaccine design, an exciting frontier in infectious disease research.

VIDO remains one of Canada's most important scientific assets, with capabilities unmatched anywhere else in the country. It has high containment labs, world-leading scientific expertise, and an end-to-end vaccine development and manufacturing pipeline. So this investment strengthens Canada's health security. It supports highly skilled jobs and fuels growth in Saskatchewan's rapidly expanding life sciences sector. It also reinforces Saskatchewan's leadership in infectious disease research and ensures our province contributes to the breakthroughs that protect people here at home and around the world.

Mr. Chair, Innovation Saskatchewan is also proud to provide \$17.5 million in renewed core operational support for six major research institutions that form the foundation of Saskatchewan's innovation ecosystem. These institutions drive discovery, attract world-class talent, and bring national and international investment into our province. Their work strengthens our economy, provides opportunities for our researchers, and reinforces our position as a leader in Canada's research landscapes.

The Canadian Light Source will receive \$4.1 million. As Canada's only synchrotron and one of the few open to industry, the CLS [Canadian Light Source Inc.] employs more than 250 people and has supported 96 industry clients, generating over \$3 million in revenue in the last three years alone. Its beamlines drive breakthroughs in agriculture, in mining, energy, health, and advanced materials.

The International Minerals Innovation Institute will receive \$256,000. IMII is unique in Canada for its dual focus on mining innovation and workforce development. In its first decade, it has managed more than 50 projects worth over \$20 million, supporting one of Saskatchewan's most vital economic sectors.

PTRC Sustainable Energy will receive \$1.675 million. PTRC [Petroleum Technology Research Centre] is a global leader in

subsurface energy research, advancing carbon capture and storage, enhanced oil recovery, and geothermal technologies. It manages major projects, including the Heavy Oil Research Network, SaskPower's Aquistore CO₂ storage project, and the Energy Innovation Hub at the Research and Technology Park in Regina. That really pushes Saskatchewan to the forefront of sustainable energy innovation.

The Saskatchewan Health Research Foundation will receive \$4.85 million. SHRF [Saskatchewan Health Research Foundation] is the province's leading health research funder. Over the past five years, it and its partners have jointly invested more than \$28 million in research that directly benefits Saskatchewan families.

The Sylvia Fedoruk Canadian Centre for Nuclear Innovation will receive \$2.5 million. Home to Saskatchewan's cyclotron centre, the Fedoruk Centre supports cutting-edge research in nuclear medicine, materials science, ag-biotechnology, and clean energy. It was recently recognized for being the first in Canada to produce Actinium-225, a rare isotope used in advanced cancer treatments.

Finally, VIDO will receive an additional \$4.1 million to support operations, including its work leading to global vaccine development. Its Vaccine Development Centre is fully booked until 2027, supporting industry partners from around the world, and anchoring Saskatchewan as a global hub for vaccine innovation.

Together, these world-class institutions attract top researchers, build international partnerships, and bring millions in external funding into Saskatchewan each year.

For example, PTRC recently secured nearly \$5 million from the federal energy innovation program for its CO₂ reservoir evaluation project at the Aquistore site. This was the second-largest award in Canada, surpassed only by another Saskatchewan project — \$10 million to Carbon Alpha Corp. in Meadow Lake. This world-first initiative will help inform future carbon capture hubs across the country.

This is the type of global impact research that's happening right here in Saskatchewan. By supporting these institutions, our government is strengthening a research community that fuels innovation, attracts talent, and keeps Saskatchewan competitive on the world stage.

Mr. Chair, budget '26-27 continues the rollout of the expanded Innovation and Science Fund, or ISF, providing \$5.2 million annually to strengthen Saskatchewan's research capacity and accelerate discovery, commercialization, and economic growth. The expanded ISF is a key component of Saskatchewan's research strategy. It gives the province the flexibility to pursue emerging opportunities and invest in high-impact research across our priority sectors like agriculture, life sciences, energy and mining, and critical minerals.

Since 2018, ISF has invested \$26.6 million to support Saskatchewan-led research, leveraging more than \$167 million in external funding.

Launched at the beginning of this month, April, four new ISF

streams will deepen this impact. So these streams are going to support cutting-edge infrastructure, high-impact research projects, ecosystem development, and international collaboration. They will improve Saskatchewan's ability to secure large-scale grants, often doubling or tripling provincial dollars, and equip our institutions to pursue bold, globally relevant challenges.

One recent example of ISF's impact is the University of Regina's Small Modular Reactor — Safety, Licensing and Testing Centre, or the SMR-SLT Centre, located in Innovation Saskatchewan Research and Technology Park in Regina. Supported by more than \$1 million from ISF, \$4 million from SaskPower, \$2 million from PrairiesCan [Prairies Economic Development Canada], and in-kind contributions from the Canadian Nuclear Laboratory, this project is one of the most important energy innovation collaborations in Western Canada.

The centre is going to house the first modern SMR [small modular reactor] test loops in Western Canada, an essential step towards safely deploying next-generation nuclear technologies. It will create 18 direct jobs, support 10 small businesses, and train a highly skilled workforce, giving Saskatchewan a competitive edge, preparing for the estimated 2,500 to 3,500 SMR-related jobs required to build and operate nuclear power plants by the mid-2030s.

This is exactly the type of high-value opportunity that ISF is designed to unlock: research that strengthens our economy, builds provincial expertise, and positions Saskatchewan as a national leader in emerging technologies.

Saskatchewan is already home to one of Canada's largest clusters of major science research infrastructure, which includes the Canadian Light Source, VIDO, the Fedoruk Centre, SuperDARN [Super Dual Auroral Radar Network of Canada], and Global Water Futures Observatory. The expanded ISF ensures that these world-class facilities remain globally competitive and fully connected to international networks.

Strategic investment in research fuels job creation, drives innovation, and delivers real-world solutions like more resilient crops, advanced medical therapies, and cleaner energy and resource development. And it ensures that the economic, environmental, and social benefits of these discoveries are realized here at home.

By delivering on commitments outlined in Saskatchewan's research strategy — including the ISF expansion — our government is elevating Saskatchewan's position as a destination for pioneering science, and keeping our province at the forefront of research and innovation.

[18:45]

Mr. Chair, a major step forward this year is the expansion of the Saskatchewan technology start-up incentive, or STSI, one of Canada's most competitive tech tax credit programs. STSI offers a non-refundable 45 per cent tax credit to investors who support early-stage Saskatchewan tech companies. It has been a powerful catalyst for our investment ecosystem unlocking early capital and that helps founders innovate, scale, and stay right here in the province. Since launching in 2018, STSI has approved 480

investors and supported 128 Saskatchewan tech companies, helping create 550 new jobs. The program has attracted more than \$122 million in private investment, including \$44 million raised directly under STSI and another 78.7 million in co-investment.

To date, \$19.8 million in tax credits have been issued, leveraging \$6.19 in private investment for every \$1 in tax credits. So \$6.19 return for every dollar invested. Importantly STSI has broadened our investor base. Fifty-nine per cent of participants are new to angel investing, so this growing pool of local capital is essential to our goal of tripling Saskatchewan's tech sector by 2030.

Because of this success, our government doubled STSI's annual funding cap in the '25-26 budget, giving founders and investors greater capacity to grow Saskatchewan's tech ecosystem. Mr. Chair, we're building on that momentum. STSI will soon be expanded to include life sciences start-ups, positioning Saskatchewan to capture more value from our world-class research in biotech, vaccines, medical imaging, genomics, and digital health. This shift will help accelerate commercialization at leading institutions such as the Canadian Light Source, VIDO, the Fedoruk Centre, and the Western College of Veterinary Medicine.

STSI has already proven its ability to attract private capital and shift investment behaviour. Extending it to life sciences is going to amplify that impact. By reducing investment risk and drawing in more private dollars, STSI helps retain and attract start-ups, diversify our tech sector, and drives long-term economic growth, making it one of Saskatchewan's most effective tools for building a strong, competitive economy.

Budget '26-27 also renews a million dollars each for the Saskatchewan Advantage Innovation Fund and the Agtech Growth Fund, commonly known as SAIF and AGF. These programs are key drivers of commercialization for new technologies that address industry challenges in agriculture, health care, energy, mining, and manufacturing. Since 2018, SAIF and AGF have delivered significant returns to our province. Together SAIF and AGF have committed more than \$25 million to industry-led research and commercialization projects.

These investments have attracted more than \$77 million in private capital, \$14.8 million in federal funding, and an additional \$148 million in follow-on financing from national and international investors. Collectively the programs have supported the creation of more than 400 highly skilled jobs and generated over 60 new intellectual property assets. They consistently help companies that develop practical, purpose-driven solutions for Saskatchewan's priority sectors.

For example, Greenwave Innovations, which used SAIF to support to develop Greensense. And Greensense is its AI [artificial intelligence]-powered energy and asset management platform. This technology helps industry reduce energy waste, lower operating costs, and cut emissions — a clear demonstration of the high-impact innovation that these programs accelerate.

Greenwave has since expanded nationally and internationally, and now operates from Innovation Saskatchewan's Research and Technology Park in Regina, showing how Saskatchewan-grown companies can scale globally while keeping strong roots here at

home. By sustaining SAIF and AGF funding, we ensure that Saskatchewan's innovation pipeline remains strong from early-stage prototypes to market-ready technologies that drive growth across our priority sectors.

Budget '26-27 also includes \$100,000 for the made-in-Saskatchewan technology, or MIST, program. MIST is one of the few programs in Canada that gives early-stage tech companies the opportunity to pilot their technologies directly with public sector partners. This early access to end-users allows companies to refine their solutions, really validate their market fit, and demonstrate real-world impact — all critical steps that help Saskatchewan innovators scale and reach new customers.

Since its launch in 2019, demand for MIST has grown steadily. As of February 26, 98 start-ups have applied, 42 have been approved, and to date 21 pilot projects have launched with public sector partners, supported by more than \$292,000 in MIST funding matched by partner contributions.

As our tech sector matures, more start-ups are ready for enterprise-level pilots, and MIST is helping unlock that growth. Companies such as SolusGuard and Luxsonic Technologies credit MIST as a launch pad that helped them gain early customers, improve products, and expand into national and international markets.

A recent example is Super GeoAI, which partnered with the Saskatchewan Crop Insurance Corporation to modernize wildlife crop damage assessment. With MIST's support, Super GeoAI deployed its drone-based and geospatial AI platform to produce fast, accurate acreage calculations. Early results show potential to improve claims processing and service delivery for Saskatchewan producers. Programs like MIST show how targeted public sector partnerships help homegrown companies validate their technologies, build early momentum, and then position themselves for long-term success.

Mr. Chair, alongside its core programs, Innovation Saskatchewan continues to support the broader innovation ecosystem through targeted commitments that help Saskatchewan start-ups launch, grow, and succeed. For '26-27, Innovation Saskatchewan is going to provide \$375,000 to Co.Labs, Saskatchewan's first tech incubator and a cornerstone of our tech sector. Co.Labs plays a pivotal role at the start of the innovation pipeline helping founders validate ideas, build early traction, and prepare to scale. Since 2017 it has supported more than 230 companies, helped create hundreds of highly skilled jobs, and contributed to raising more than \$68 million in private capital. Many companies that begin at Co.Labs progress through programs such as MIST, SAIF, and AGF and then ultimately become tenants at our research and technology parks or establish headquarters here in the province.

One notable success is Liora by EMS [Environmental Material Science], a Saskatoon-based company that's transforming site remediation with real-time data and analytics. Its technology can help reduce timelines from 20 years to as few as five, while lowering remediation costs by up to 50 per cent. With \$378,000 in AGF support in 2023 and \$5.1 million in seed funding in 2025 led by Saskatchewan's Conexus Venture Capital, Liora is now expanding into new markets and reshaping how industry approaches soil and site remediation. Our investment ensures that

Co.Labs can continue giving founders the support they need to move ideas to impact, just as Liora has, and to drive our economy forward.

Budget '26-27 also renews \$400,000 for the technology ecosystem fund. This fund supports programs that strengthen Saskatchewan's tech sector from early-stage entrepreneurship to talent development to industry readiness. Innovation Saskatchewan will continue prioritizing initiatives that grow the tech pipeline, expand the labour market, strengthen the investment ecosystem, and advance ag tech. This includes Opus, Startup TNT, and Cultivator's Agtech Accelerator.

Two standout examples are the SIGMA [Saskatchewan Innovation Growth & Market Acceleration] program at the University of Saskatchewan and Tech Career Bridge in Regina. SIGMA is the first program in Canada to embed entrepreneurship directly into engineering education. Through hands-on training, community programming, and mentorship, SIGMA equips students with the skills needed to launch companies in Saskatchewan's priority sectors. Since 2021 more than 500 students have participated, 15 early-stage start-ups have advanced through the program, and several founders have moved on to accelerators such as Lab2Market and Co.Labs while attracting private investment.

One of SIGMA's top success stories is Runnr delivery, which has progressed through Cultivator and Co.Labs. It has received \$135,000 in SAIF support, secured more than \$400,000 in private investment and federal funding, doubled its employee head count, and generated more than \$3.1 million in revenue.

By supporting SIGMA, Innovation Saskatchewan strengthens the earliest stage of the innovation pipeline and ensures academic innovators choose Saskatchewan as the place to grow. The fund is also helping expand our tech workforce.

Tech Career Bridge in Regina connects job seekers — particularly newcomers, students, and career changers — with employers across Regina's growing tech sector. In '25-26 Innovation Saskatchewan supported six meetups, bringing together more than 260 aspiring tech professionals with employers such as SGI [Saskatchewan Government Insurance], SaskEnergy, SaskPower, Farm Credit Canada, and Plato testing. As Saskatchewan's tech sector expands, these initiatives ensure companies can find the talent they need right here at home.

Mr. Chair, the strength of our tech sector is also reflected in the successes of our province's research and technology parks, two of the most important hubs in Saskatchewan's innovation ecosystem. Our R and T [research and technology] parks are more than physical spaces. They are vibrant, collaborative communities where innovators and researchers access the networks, specialized infrastructure, and support needed to turn ideas into real-world impact. Today the R and T parks are home to more than 160 tenants employing close to 3,800 people, making them among the largest employment centres in the province.

Since opening, the R and T parks have supported the launch of more than 228 tech companies with an impressive 58 per cent still operating today. Many have grown into internationally recognized leaders including Calian Advanced Technologies and

Coconut Software. We are now preparing for the future with comprehensive master plans under way to guide long-term development and ensure that the R and T parks continue attracting companies and talent for decades to come.

And we are already seeing that next phase. Siemens EDA, a global leader in AI-driven chip design, has once again expanded its footprint in R+T Park Saskatoon and now occupies more than 40,000 square feet of space and plans to hire 50 additional tech professionals. This expansion demonstrates the unique advantage Saskatchewan and the R and T parks offer high-growth tech companies.

And all this momentum extends to post-secondary institutions as well. The new Saskatchewan Polytechnic campus planned for the research and technology park in Saskatoon will serve as a major anchor for the province's expanding innovation corridor. By bringing industry, researchers, and students together in one modern hub, this project is going to strengthen collaboration, expand skills development, and further connect the R and T parks to Saskatchewan's broader innovation ecosystem.

We're also seeing new activity in the agri-food and the biotech sectors. The Global Agri-Food Advancement Partnership signed an MOU [memorandum of understanding] with 9 Mile Legacy Brewing to create new fermentation scale-up capacity. This partnership is going to support innovators developing fermentation-based products in an emerging field with strong global demand.

Together these developments show how the R and T parks drive growth, diversification, and economic resilience while providing meaningful support to Saskatchewan's innovators. They reflect our government's commitment to shaping an innovative, prosperous future for our province.

Mr. Chair, Innovation Saskatchewan is driving the next chapter of our province's growth. It supports the researchers developing tomorrow's breakthroughs, entrepreneurs building new companies, and industries that power our economy. These investments are building a stronger Saskatchewan, one that attracts talent, embraces new ideas, and creates opportunity in every corner of the province.

Budget '26-27 reflects our belief that innovation is not simply an economic strategy. It is how we protect our communities. We build resilience and we ensure that Saskatchewan continues to grow and succeed in an ever-changing world. Thank you.

Chair D. Harrison: — Thank you, Minister. I will now open the floor for questions. I recognize MLA Breckner. Oh, Senger. Sorry. You told me that too.

Brittney Senger: — People do it all the time. Thank you so much, Minister, for the update. Thank you to everyone from Innovation Saskatchewan and from the ministry for being here today. I'm really looking forward to this conversation and to learning more. I'm apologizing in advance. I am new to this portfolio, so forgive me if any of my questions are stupid. Please be patient with me, and I appreciate all of your co-operation.

So with that, I think I will jump into it. My first question right off the top is, does Innovation Saskatchewan have any sort of

investment or funding towards the Bell data centre?

[19:00]

Hon. Warren Kaeding: — So we don't have any direct affiliation with the Bell data centre, but what we are looking forward to is the incredible opportunities that we believe there may be with collaboration. And I think the other thing that we're definitely looking forward to is the development and continued evolution of AI in the province, and ultimately what that's going to do to probably develop a whole new sector that we can build around, or certainly support the AI sector that's here already and be able to expand that. And just looking forward to the opportunities that we're going to have in participating in that sector.

Brittney Senger: — Thank you. So to kind of further that, absolutely there will be opportunities for artificial intelligence the more data centres that build here. What specific collaboration opportunities is Innovation Saskatchewan looking for with the Bell data centre investment?

Hon. Warren Kaeding: — So again early stages of development, but I can tell you that what we've seen and heard from so much of our research ecosystem and the number of stakeholders in the area, that there is a tremendous amount of excitement in ultimately what this data centre's going to bring, not just with the facility itself but ultimately building that AI ecosystem around that.

I know, as we've had a number of engagements with the University of Regina, the interest that's there in pretty well every aspect of the university and what they're looking at for potential partnerships and opportunities with Bell. Again early stages of what that may look like, but certainly there will be a number of opportunities presented to them.

Talking to First Nations, First Nations is very interested as well in being able to participate in that AI space. They recognize the growth and evolution of tech right now is on a very rapid upswing, and they've indicated they want to be a part of that. And their support of, say, the Bell data centre is a great first step in what we see a great relationship even with our Indigenous partners, certainly in that research and AI development space.

Brittney Senger: — Thank you. So Innovation Saskatchewan provides a lot of grants. With the Bell data centre coming to Saskatchewan, is there going to be more of a focus on investing in AI start-ups?

Hon. Warren Kaeding: — Again Innovation Saskatchewan has actually been involved in supporting AI since probably 2017, 2018. So you know, again what we're anticipating with the Bell data centre is certainly going to open up an entire new frontier.

But I'd really like Kari to just talk about kind of some of the initiatives and ultimately where we're at with the AI, kind of that tech sector right now, and kind of what her thoughts would be as to what the future might look in that space as well.

Kari Harvey: — Sure. So what I can say is that, you know, as the minister mentioned . . . I'm sorry. Kari Harvey, CEO. As the minister mentioned, we are making targeted investments right

now in emerging technologies, like artificial intelligence, and really in four main ways. And really it's about driving productivity and growth of our economic sectors here in the province, so as we mentioned, supporting industry through our grant programs. We work with our ecosystem partners to build awareness and capacity. We're investing in research infrastructure to support industry adoption and development of talent, and then also obviously working with the broader government colleagues who will also have a role in this space.

So with respect to the supporting companies through our programs, as the minister mentioned, we've been supporting programs since about 2017, some projects for example related to autonomous ag implements such as Dot technology, Wave9 detecting contamination in oil wells and scheduling platforms, and health care like Andgo.

Specifically though for this year in 2025, in total we've committed just over \$3 million to help companies develop their AI-enabled technology solutions. So for example, through our Saskatchewan Advantage Innovation Fund we've committed 740,000 to three companies: Kinemek, 450,000 for AI-enabled mine inspection system integrating radar, light detection, and photo sensors to improve safety; Amb.AI, 200,000, multi-sensory monitoring platform for underground mines to reduce disruptions and improve safety; and Nutramate, 90,000 for AI-powered pharmacy tools to streamline prescription fulfillment and inventory management. And in addition is that these projects have also attracted about 435,000 in federal funding. So that's just in 2025-26.

Through our Agtech Growth Fund, our AI adoption funding commitments in this year are 450,000. And that's towards one project, NRGene Canada. And that is for an AI-driven genomics platform to develop higher yield black soldier fly strains for sustainable livestock and aquaculture feed.

Through our made-in-Saskatchewan technology program, the funding commitment we've made there is about just over 20,000 for last year. And that went to TrackPoint.ai, which is an AI training simulator that prepares users for job interviews, classroom presentations, sales calls, and networking events.

And then through the Saskatchewan technology start-up incentive, we've had a total commitment of 1.9 million of investments made under that program for companies, including Alto Technologies, which is building a digital platform with AI capabilities for improving patient experience and reducing administrative burdens in health care. Liora, who the minister mentioned previously in his remarks, building the world's first AI-driven soil and groundwater sensor to detect contamination. iOrders, building an AI-powered intelligence layer analyzing ordering patterns and customer behaviour, helping operators make smarter decisions about pricing, promotions, and growth.

Rivercity Innovations' IoT [Internet of Things]-powered automated temperature monitoring solution for grocers, restaurants, property management, and pharmacies. Lumeca, providing digital clinical communication tools to health care organizations. Luxsonic, building immersive health care technologies for education, training, and health care delivery. Omnee, using AI for home builders to solve problems related to home warranty requests. VeriGrain, building a platform for

providing accurate and real-time on-farm stored grain quality and quantity information.

So those are examples of the companies that we are supporting. And I think, you know, the key is that artificial intelligence is going to affect every sector. And so I think, you know, through our research strategy in the areas that we've identified there, we will continue to focus on those areas.

I would also mention though, just in line with the things that we are currently doing to support AI in the province, we are also partnering with our ecosystem partners to build understanding and capacity on the opportunities and benefits that AI can offer. So again in '25-26 our funding commitments through our tech ecosystem fund was 85,000. That went to fund 45,000 to AI Saskatchewan to complete eight industry-run table sessions to collect information from key stakeholders on trends, challenges, and opportunities in AI adoption in our core economic sectors. These sessions convened stakeholders, explored how AI is currently utilized across industries, and uncovered opportunities for greater adoption of AI in Saskatchewan.

And I would just say, in terms of the general findings of that work is that the importance of training and development and ensuring that reliable infrastructure is available, including data centre capacity, that was brought up in those conversations.

We're also funding AiSK's [Artificial Intelligence Saskatchewan] AI expo, which is their flagship AI exposition, which is designed to demystify AI and empower everyone from students and start-ups to researchers and regulators to explore its potential. And that event is taking place later in April.

We've provided funding to Co.Labs to undertake a pilot where they will be running a hands-on boot camp helping up to 10 Saskatchewan SMEs [small to medium-sized enterprise] move from basic AI experimentation to operational use in their organizations.

And then we've also provided 25,000 to ComIT. And ComIT will be delivering a three-month AI machine-learning skills program for up to 25 unemployed or underemployed Saskatchewan residents, focusing on entry-level AI technology roles. And what I would say is that we've worked with ComIT on a number of different initiatives, including working with underemployed individuals to develop coding skills in areas that industry requires them. So there's a very close collaboration with industry to ensure that their needs are met through the work that ComIT does.

We are investing in our post-secondary institutions to ensure that we have the infrastructure needed to support academic and industrial research and the development of talent in Saskatchewan. In 2025 we provided 650,000 through our Innovation and Science Fund. And that went to 250,000 to Sask Poly for their Digital Integration Centre of Excellence, which has leveraged an additional 6.6 million from NSERC [Natural Sciences and Engineering Research Council of Canada] and tri-agency funding. And then the University of Saskatchewan's Centre for Quantum Topology and Its Applications, which was recently announced, a \$400,000 commitment.

So those are the areas that we've been focusing on. And as I

mentioned, from what we've heard from our stakeholders, these are the areas that are of importance to drive AI adoption across our economic sectors.

Brittney Senger: — Thank you so much. I'm a question person, and so with all of that information I'm having a hard time limiting myself to one question.

Kari Harvey: — Sorry.

Brittney Senger: — That's okay. And I really couldn't agree more, Ms. Harvey. AI is going to affect all industries.

So I guess my next question is, who is developing any sort of policies around artificial intelligence? And is there anyone leading it or any sort of rollout plan that would be coming or influenced by Innovation Saskatchewan?

[19:15]

Hon. Warren Kaeding: — It's actually a multi-faceted approach that we're taking as government, both provincially and federally. So we'll probably delve a little bit into each part of that. So I'd say ultimately we just need to take a very responsible, coordinated approach. I think that's the most practical way that we do this, you know, recognizing we have two factors. We need to support the economic growth and development that's going to come with AI adoption. But also we have to protect public trust, which I think is very much . . . We're all aware of that.

So the role that Innovation Saskatchewan plays is really working directly with the industry and stakeholders, and we need to understand where we can support them delivering real value. You know, Kari talked about a lot of the initiatives and the great work that we're doing to support the private sector in AI adoption and development and certainly growth. We have AI written into our growth plan, right — the Saskatchewan growth plan — and we want to . . . It's directing government support, kind of a broad AI adoption across all our economic sectors to 2030. So that's the role that I would say Innovation Saskatchewan plays.

Then what we've seen and what we've seen with this Bell data centre is CIC [Crown Investments Corporation of Saskatchewan] is playing a very important role in ultimately facilitating those conversations with other players — private sector players and certainly with the Crown — involved in AI adoption and certainly the attraction of data centres. And the development of data centres at SaskTel is already initiated through their Crown.

SaskBuilds is leading an adoption of AI across executive government, kind of understanding where executive government can utilize AI best, how it best suits government, how decisions can be made, what technology is suitable, and what may not be suitable for use through government. Certainly through Justice you're seeing the work through community safety, and Justice would certainly have legislation regarding community safety as it pertains to the province.

But what we're also seeing is that the federal government has pretty well determined that this is certainly for safety of consumers, safety of the public. This ultimately is kind of their jurisdiction, and so multi-level support from all the provinces are agreeing that the federal government has to play a very

significant role in that. But what we can do as a province is help support and help inform the federal government as to what that maybe should look like as we develop policies and regulatory framework going into the future.

So yeah, I'd say overall, you know, the federal government is the one that's going to be responsible for developing that safety framework that ultimately we're all going to be working with. We recognize that there's a balance. There's a very delicate balance between getting in the way and, I guess, supporting industry.

And so that's ultimately the role that Innovation is playing, is trying to determine exactly how we can help government navigate to make sure that the private sector needs are looked after and that we don't get in the way of development as well for them.

So hopefully that explains where the multi-level aspect is there.

Brittney Senger: — To some extent. So for clarification, predominantly artificial intelligence policies and regulations as they come into effect as AI evolves in our economy, which it sounds like it's already very prominent in Saskatchewan, which is so great to hear about all of the start-ups and innovation that's going on.

So just then for clarification, the plan is for Ottawa to set the regulations and policies for Saskatchewan around artificial intelligence. Am I clear on that?

Kari Harvey: — So it would be on the public safety side. So I wouldn't say necessarily that they're determining all Saskatchewan's policies, right. I think that it's really important that this is looked at across the country and not just, you know, as an individual province.

When you start looking at what is that balance between public safety, and again not stifling that innovation because artificial intelligence does, you know, crosses borders, and it doesn't stop in Saskatchewan and pick up again in Manitoba. Like to really be effective as a country and to really embrace and accelerate development as it relates to the privacy and the public safety, that's the role that the federal government is taking.

Chair D. Harrison: — I'm going to ask MLA Senger to make sure it's estimate-related. We're getting a little off topic.

Brittney Senger: — Okay. Sorry about that. Like I said, I'm very much a question person, so my brain goes a little all over the place.

One thing that I hear frequently from stakeholders is that it can be challenging to find employment in the tech sector, particularly if you have a background in, say, computer science or mathematics where oftentimes people do want to get into that tech space. So I'm curious as to if there are any specific lanes within this budget or if there are any plans on how this budget could address the issue of students being unable to find work after completing their university degree?

Hon. Warren Kaeding: — So I think what we're seeing right now is actually one of the biggest growth sectors in the province

is the tech sector. And quite often we've got entrepreneurs in that space-building capacity. We've got a number of initiatives to help them, you know, get started: venture capital investment, a number of initiatives that I'm sure we can get into a little later here. And then ultimately we've also created an environment for these tech companies to develop, to evolve, and then ultimately to commercialize.

And I think what I'm going to do is I'm going to get Kari to just go over some of the initiatives that we've created or that we're supporting as we see the needs that you've indicated, that there are certain parts of the tech sector that are struggling to find employees, and it's just a matter of being able to (a) identify that this is a tremendous opportunity.

I know, as I do career fairs in my local schools, it's quite disappointing to hear kids thinking they have to go out of province to get an education in the tech sector when we've got an incredible ecosystem in our research institutions here. And in fact when you have those one-on-one conversations, we've maybe prevented a few a kids from leaving the province because they just weren't aware.

And so that's one initiative that we certainly have to talk to our education facilities to do a better job of making sure that they're talking about the courses and the programs that they're able to offer to help folks enter that sector. But I think what we've seen is, you know, the data is showing that the tech sector is probably one of our most rapidly growing sectors in the province.

So anyway I'm going to let Kari just review some of the initiatives that we're participating in to kind of help fill that gap.

[19:30]

Kari Harvey: — Yeah, so as the minister mentioned, through our technology ecosystem program which we allocate \$400,000 a year towards that, that program really is geared towards working with partners in our ecosystem to try to fill gaps that we see in any given year.

And so developing talent and helping to ensure that there is opportunity for community and networking and engagement is one of the things that we certainly focus on. So as I believe the minister mentioned in his opening remarks, one of the events that we put on is called the Tech Career Bridge — which holds a series of meetups through the year to connect individuals pursuing tech careers — offering networking, education, and job opportunities. And so again, this program links jobseekers with established tech professionals in Regina, boosting employment perspectives and stimulating our local technology sector.

We also have seen other events through Co.Labs. Co.Labs has played a really important role in the ecosystem in terms of convening community and providing various networking events, whether it's through their pitch competitions where they get, you know, 250 people out. In fact this week they're having their co-launch event, and we expect about 250 people to be out there. So these are opportunities for networking to get to know people within the sector.

The other thing though we should say is that, you know, aside from even just looking and connecting for employment

opportunities, we also through the tech ecosystem program, also try to support entrepreneurship. So again we mentioned the SIGMA program, which offers a step-by-step approach to help students grow their entrepreneurial skills through their technology and innovation programs. And a number of start-up companies have spun out of that and are being supported through organizations like Co.Labs.

So really, for us it's about creating that environment and that ecosystem for that networking, but we do also look at that entrepreneurship side through the funding for Co.Labs, through SIGMA, through Opus, and Cultivator here in Regina.

Brittney Senger: — Okay, thank you so much. I'm going to try so hard to stay on track, but I am already getting to jumping around a little bit.

Okay, before I jump to that question, I'm going to ask quickly about some of the programs that you referenced that are receiving grants and funding from Innovation Saskatchewan. How many of those are receiving, if any, multi-year funding agreements? Or are there any guidelines around how they can spend their funding, such as, is it limited to operations? Is it limited to any other specific area or programming? Could you just provide me a little bit of information on that, please.

Hon. Warren Kaeding: — So I mean, just to clarify. The programs, you're asking if they're multi-year funded?

Brittney Senger: — Multi-year funded. And then if there are any, again like, limitations on how the funding can be spent.

Kari Harvey: — Just for clarification, so is it specific programs that you would like that information — so like for example, Saskatchewan Advantage Innovation Fund, Agtech Growth Fund — like those programs? Because each of them have different parameters. So are you interested in hearing about all of those or is there specific programs that you're interested in?

Brittney Senger: — Well, Ms. Harvey, you gave a really outstanding list. And obviously Innovation Saskatchewan is supporting a lot of start-ups and a lot of potential, a lot of growth in Saskatchewan. So I would actually, if possible, would you be able to table a list for me? Is that possible? Sorry, I'm still a rookie. I don't really know if I'm asking the right things.

Kari Harvey: — So what I'll do is I'll just give you a bit of a high-level around the programs. And then what I would suggest is that there is more detail, like on our website, around every one of the programs that provides that, you know, more of that detail around the parameters.

So our Innovation and Science Fund is really geared towards supporting academic research. That program has four streams that we're looking at that have just been rolled out just last week. And so there are specific parameters around each one of those different streams which again probably in the interests of time, you know, you might want to look at the website.

The Saskatchewan Advantage Innovation Fund and Agtech Growth Fund, they're both kind of based on the same premise, which is really accelerating the development and the commercialization of game-changing research for key disectors.

And this is more industrial based. The maximum grant of both of those programs is 450,000 and cannot exceed 30 per cent of the total value of the project.

In the case of our . . . Well I guess maybe I'll just stop with those ones. I would say that in all three of those, we do have multi-year agreements in place. Typically they tend to be probably two to three years maximum if they are multi-year.

Brittney Senger: — Okay, great. Thank you. Okay, now I'm going to jump back to the thing that I was looking at before, which is the 2030 plan. So I really appreciate the goals and work that's being done to support technology and entrepreneurship in Saskatchewan.

My question in regards to the numbers that have been outlined — and again written down somewhere in this mess of papers — is really just how are you measuring the success and the number of jobs that have been created as you work towards that 2030 goal? So are they, for example, full-time, permanent jobs? And are those jobs that are still in existence? Or was it, for example, a job that was created and perhaps that start-up did not succeed?

Kari Harvey: — Okay, thank you for that question. So essentially we completed a report, a study back in 2024 with the intention of really establishing what that baseline and that measurement, the metric that was going to be used for tripling the technology sector by 2030.

Essentially the number of employees is the metric that we're using to look at what entails tripling the technology sector. There are a lot of other metrics including revenue from companies, investment achieved, but in terms of really looking at what the growth of the sector is to the province, we chose to look at the actual job numbers.

And so what we've seen is that on average since 2016 we have seen — sorry, it's 2019 — we've seen an average of over 700 new jobs added to the economy, which we see will exceed the pace of meeting that target of 7,893 jobs. So that's what the tripling of the . . . That will be the target. And it looks that we are, you know, on track to exceed, at least meet or exceed that.

We've seen the technology sector have a 109 per cent increase in employment since 2019, which is outpacing all the Prairie provinces, and in addition we've seen that it accounts for essentially 10 per cent of all job creation from 2016 to 2023. So our intent is that we will continue to do this assessment, and it used Stats Canada data so it's very objective, and that will give us the insight into the growth of the technology sector.

I would just also say that there were, when you talked about number of companies, there were 347 companies in Saskatchewan's technology sector in 2023, which is an increase of 14 companies since 2019, which includes the addition of five companies with more than 100 employees now. So this really suggests a healthy technology sector, with smaller companies that are gradually expanding and building their workforce as well in the province.

Brittney Senger: — Okay. I think I had had a look at that previously as I prepared for this. So just for clarification then, there's no update on the numbers of people currently employed

in the tech sector beyond what was provided in the 2024 update?

Kari Harvey: — No, we haven't run that report.

Brittney Senger: — Okay. And then, sorry, not to dwell on this again — I'm just a question person and I want to understand it — of the people employed, is there any indication of how many of those positions are full-time, are part-time, are permanent? Do you have any indication on that?

Kari Harvey: — It essentially is total employees, so we don't have that broken down by permanent and part-time or temporary.

[19:45]

Brittney Senger: — Okay, thank you. And forgive me if you already touched on this. You had mentioned that there are more companies setting up head offices here, and I believe many of these are tech start-ups that have been invested in by Innovation Saskatchewan. So out of curiosity, of the tech start-ups that have been invested in by Innovation Saskatchewan, how many of them have headquarters here?

Kari Harvey: — So what we're seeing through the programs that we're funding . . . And I'll refer specifically to the STSI program. So what we've seen is like over 90 per cent of the companies that have accessed investments through that program — so the tax credits, so having Saskatchewan investors invest in their companies — have stayed in Saskatchewan.

So through that program we do monitor where companies are at to determine whether or not they're still in existence. And again that rate is again quite high. I believe it's in the 80 per cent range. So we're seeing a very, very high success rate of the companies that have accessed that program, and we're seeing that they're staying in Saskatchewan.

Brittney Senger: — Great. And then of the start-ups that Innovation Saskatchewan is investing in, how are you measuring their overall success? So for example, I know that a lot of start-ups, particularly in the tech space, are unsuccessful. What are you seeing in terms of the investments that Innovation Saskatchewan is making? And I know you've already outlined some really great points, and this is maybe more of a question in regards to ones that are less successful.

Kari Harvey: — So just to clarify, like with the STSI program and just to, I guess, be clear that we're not actually investing in those companies. So with respect to that program, it's up to the companies to attract investors to put money into their companies, and then those investors receive a tax credit.

The important thing to note on that is that investors go through a whole period of due diligence before investing in a company. And so, you know, you have to have a good business plan and a good path to commercialization. And so I think that's why we're seeing fairly high success rates of our technology companies. You know, I would argue that we're doing probably . . . and with the kinds of supports that we have in the province for our technology companies, that they are actually outperforming what we're seeing in other provinces, which is why we're seeing that growth of the technology sector here outpacing our neighbours per capita in Alberta and Manitoba and BC [British Columbia].

We do track all of our programs. We track the amount of investment and follow-on investment, which also is a very good sign of success of our companies, whether it's through our grant programs like Saskatchewan Advantage Innovation Fund and the Agtech Growth Fund.

You know, we also will monitor their employee numbers, their growth numbers. And so I think just overall, you're right. The nature of technology companies are that it is inherently risky. But I would say that we're outperforming as a province compared to others for sure in terms of that success.

Brittney Senger: — Thank you. It certainly does seem like Innovation Saskatchewan is doing a lot of great things to support tech start-ups.

So my next question, are any of the tech start-ups environmental technology companies?

Kari Harvey: — So you know, this isn't necessarily something that I have a list in front of me about all of the different companies. But I would say that, you know, a large number of companies that we have supported through our programs — again whether they've benefited through our STSI program or SAIF or AGF — are environmentally focused as well, particularly though when you look at our ag tech companies.

And again just to kind of give you an example, again where we've got companies like Liora, which is integrating new nutrient sensors into their solution, allowing for real-time tracking of nitrogen losses and carbon sequestration in the ag sector, demonstrating a reduction in remediation costs for industrial clients by replacing quarterly manual sampling with continuous 30-minute automated data reporting.

I think as the minister mentioned in his opening remarks, we've got Greenwave, who is working on the environmental systems or operating systems in buildings to help bring down energy and other focuses on that.

And we've got PathoScan, which is a portable PCR [polymerase chain reaction] technology to withstand field conditions, providing results in minutes. So it's a portable rapid DNA disease testing for crops; AI-driven solutions for autonomous crop insurance and environmental monitoring through Super GeoAI, which the minister mentioned.

So you know, a large number of the companies, I would say, particularly on the ag tech side, but there would be others as well, whether it's in energy or mining capacity as well.

Brittney Senger: — Thank you. That's great. I'm happy to hear about that. It sounds like there's lots of positive things happening.

I wanted to follow up on that and just ask, you know, have you heard any feedback from the start-ups that you've invested in regarding the use of coal energy?

Hon. Warren Kaeding: — So I think, if I understand the question correctly, we haven't heard from any of the start-ups that are concerned about energy source. I think what we've heard from start-ups is they really appreciate the opportunity that they have to be able to get into an affordable workspace and an

affordable environment that allows them the opportunities to develop their technologies. I think what we've heard from our start-ups is that they appreciate the collaboration that they have access to in our research ecosystem.

What we've heard from the start-ups is that they appreciate the financial incentives and opportunities that we've provided them. You know, we've heard about the work that they're all doing towards more sustainable production, more sustainable mining practices.

[20:00]

You know, I think what we're hearing from our start-ups is that this is probably one of the best environments that they have in order to develop their business. In fact what we've seen is even interest from outside the province now looking at us as an opportunity for them to develop.

And I would say we've even had a fair bit of international interest in our research parks with companies now that are coming here with a great idea. And they like the idea that they have access to many world-renowned researchers, that they have access to a very collaborative ecosystem, you know, within the research parks themselves. As we say, gathering around the water cooler provides an awful lot of opportunities for them to collaborate. So what we've heard from our tech start-ups is that we've given them the best chance to succeed, and they certainly appreciate that opportunity.

Brittney Senger: — Thank you. Okay, so I wanted to kind of circle back on the metrics piece. I'm just curious, are there any metrics that Innovation Saskatchewan is reviewing or tracking year over year to determine the success of start-ups and the success of where the investments are going?

Kari Harvey: — So with respect to each one of our programs, we do track; we have metrics that we monitor. We track everything from jobs created to investment received, whether that's through the investment that was received under, for example, with STSI, or it could be leveraged investment, whether that's coming from like, co-investment outside of the province. We do keep track of companies that are sustained over time.

So we do monitor every one of our programs. We have metrics that we monitor and we track over time. But I would also just say that, you know, when you look at the success of the program . . . So the minister spoke to the fact that the STSI cap was doubled a couple of years ago. You know, we opened up the program to ag tech companies. We increased the cap of investment to allow for greater amounts of investment to happen because we knew that capital investment in ag tech is much greater than, you know, a software-as-a-service company.

So it's about listening to our stakeholders and really evolving our programs to meet the needs. And as we announced last year with the research strategy and what the minister again spoke about today is, you know, now expanding the STSI program again to allow for life sciences companies to be able to access.

So you know, it's really important that we listen to our stakeholders. And you know, I feel like we have done a good job in trying to understand what the needs are and what we need to

do to continue to grow and evolve our sector as different opportunities evolve over time. And so that's been really the approach that we have taken.

Brittney Senger: — I think that's very smart to keep track of it and to be able to provide that ongoing support. I'm happy to hear that that's available. On the note of available, the metrics that you are tracking, are they available somewhere?

Kari Harvey: — They would be available in our annual report which is located on our website.

Brittney Senger: — Great. Thank you. I must have missed it when I looked at your annual report. That's okay. Okay, now I'll get back on track to the actual list of questions that I had.

So last year Innovation Saskatchewan saw an increase to their budget. This year there was a 1 per cent decrease. Why was that?

Brent Sukenik: — Brent Sukenik, vice-president, corporate strategy and services. The 1 per cent was a target for just a general efficiency reduction for our budget, which was standard across most of government.

Brittney Senger: — Thank you. I see there is \$3 million allocated in capital funding. Can you please explain what that is going towards?

Brent Sukenik: — The \$3 million is for a third-party capital project for VIDO, which the minister addressed in his opening remarks.

Brittney Senger: — Is this the pandemic research? Yes? Okay, so I was reviewing estimates from last year and, Ms. Harvey, I believe that you mentioned that there were metrics that were being used to determine if the funding for VIDO for their vaccine program . . . You had mentioned that there were metrics to see if their funding would be renewed or expanded.

And so I was just curious — and I don't think my colleague asked this last year — what metrics you were using to determine that funding. And sorry, forgive me. I'm just trying to track it down here. But if you have those metrics, that would be great.

Hon. Warren Kaeding: — With VIDO, what we're finding is we have got probably one of the most renowned vaccine research institutions in the world. It's interesting as I travel internationally, how often VIDO comes up in the conversations as to the contributions that they're making literally to world health, both human health and to animal health.

And we're really excited to see this level 4 containment facility come on board. That's the only non-government entity in Canada that's going to have this level 4 containment, which absolutely opens the door to significant, groundbreaking research in vaccine development, again for both human and animal health.

And so we also recognize — and I know the federal government recognizes — the value that VIDO brings to the health security aspect of what Canada is certainly trying to achieve and work towards, and it certainly fits very well in our research strategy. In fact I'd say it's a cornerstone to our research strategy here as well.

And so the success of VIDO is certainly very important to us. And I know having Kari on the board certainly gives us that conduit as well to understand exactly, you know, the work that they're doing as well as to understand the financial components that's going into VIDO's operations as well.

So, Kari, just comment a little bit on your experience there.

Kari Harvey: — Sure. Yeah. So I think, you know, VIDO, along with the other funded institutes that we provide funding to, those are independent organizations that have boards, a board of directors. They have their own strategic plans and KPIs [key performance indicator] that they would be, you know, working towards. And so we very much are a part of, you know, developing and working with those organizations on what those strategies and plans are.

So I would say those would be the metrics that we would be monitoring, as well as ensuring, you know, a strong fiscal management of the funding that we provide. And by being on the board, that, you know, that provides us some insight into that.

With respect to VIDO, just in terms of some of the key research outcomes that they've achieved, you know, VIDO is one of the world leaders in infectious disease in both humans and animals and have worked on vaccines related to SARS [severe acute respiratory syndrome] and Zika.

They have a 45-year history of vaccine development and commercialization. Eight of its vaccines have been sold commercially, and six have been described as world firsts. They've undertaken over 80 contract projects to work on various therapeutics that could be helpful in treating COVID-19, and they're internationally recognized for its role in vaccine development as one of Canada's national science facilities.

And so I would just say that again those are the types of things that we look at, being on the board, you know. We certainly, you know, support and will continue to support in terms of financial perspective.

The other thing that I would just say is of course, you know, a large part of the funding for our major science facilities comes from the federal government. And the federal government is in the process of looking at a new model on how they support these facilities of national importance across Canada. And we'll be looking at providing more of a life-cycle management or life-cycle approach. They're just in the process of developing that program, which will come into effect in 2030.

And so, you know, we're not exactly sure what that's going to look like except that, you know, there will still be . . . Right now there's a funding formula of 60 per cent federal through Canadian Foundation for Innovation and a 40 per cent match that the facility has to fund through whether it's a provincial government or private sector support or some combination of that. And so I know that there's some evaluation on the actual ratio, whether that's appropriate or not. And again, it will be a much longer funding agreement that would be put in place for those organizations such as VIDO, and Canadian Light Source would also fall into that.

Brittney Senger: — Thank you. So I just wanted to clarify . . .

Okay. Again, sorry, my brain is all over the place. So last year it was said that the \$4 million that had been committed was basically going to provide the full funding required for that pandemic centre to be fully constructed, yet there is the additional investment this year. And further to that, it says what the funding needs are and the milestones that it was going to be evaluated on, what the funding needs were and the milestones that they need to meet receiving that funding.

So I was wondering if you could speak a little bit more about, you know, when the decision was made exactly what milestones you were looking at. And if you have an update on where the construction is at now versus last year.

Kari Harvey: — So essentially what the process is is that we have, you know, an agreement that we put in place with VIDO where they have to meet certain milestones in the construction process in order to receive payment. So it's just a matter of . . . It's not an evaluation of a metric of success as much as a metric of, you know, meeting the construction milestone that they have put out, that they have identified that actually triggers the payment. So that's how that works.

[20:15]

With respect to the additional \$4.1 million, so that commitment was made in our budget last year. There was the announcement that the government was committing to that additional 4.1 million, which as you mentioned rounds out the complete funding now that's required for completion of that facility.

So we've been working with VIDO to understand when the cash flow would be required for that according to the milestones. And so what we've determined is in this year, that first tranche, that 3 million, is part of that 4.1 million. So it's a cash flow issue. So we announced the commitment, but we knew the cash flow wasn't required until this year, if that makes sense.

Brittney Senger: — I think so. I think I follow. Thank you. Okay. And then I also wanted to ask, you had mentioned federal funding. And so I'm curious if Innovation Saskatchewan receives any federal funding and what those agreements might look like.

Hon. Warren Kaeding: — So the short answer is no. There is no flow-through funding. There is no contributions from the federal government. But what we do have and what we see quite often is joint funding agreements. And I'll just give you an example.

The latest one was just a couple of weeks ago when we acquired the quantum computer at the University of Saskatchewan. So Innovation Saskatchewan contributed \$400,000 to it, the federal government just over \$2 million. But I tell you, it's going to revolutionize that space in the research sector. And again proud of the fact that we were able to acquire that, and it's first of its kind in a university in Canada.

Again we talk about that very connected research ecosystem is lined up, is already lining up to be able to make use of that. But I would say it was, you know, as a result of Kari and her work at Innovation Saskatchewan to convince the federal government that that was the right project and the right time and the right place to invest in.

And so we'll have a number of those on the go on, you know, any given time. There's no fixed schedule or agenda to them. It's just when the right opportunity comes, we'll certainly be there to try and support it when we can.

Brittney Senger: — Great. So continuing with, you know, some follow-up from estimates last year, you predicted last year that the effects of US tariffs would be moderate. Would you say that prediction was accurate in terms of your purview in this, maybe say petroleum, biomedical, or any other area that Innovation Saskatchewan works on?

Hon. Warren Kaeding: — So again a short answer. Have the US tariffs directly affected Innovation in anything that we've been undertaking? I would say no in the negative side. However what I will qualify for is I will say yes on the positive side. And what we're seeing is just a number of engagements now, both across Canada but I would say more so internationally, where we're seeing countries that maybe had some innovation opportunities, you know, with a key partner that maybe just felt wasn't quite working out to their expectations.

And as we continue to talk about . . . And I know as Kari and her team travels internationally as well. They've positioned Innovation Saskatchewan as a destination for so many opportunities. I mean just we've seen VIDO sign some pretty significant MOUs and agreements and contracts with — I'll give you an example — the International Vaccine Institute. When I was in South Korea, I was there to witness the signing of the MOU between VIDO and the International Vaccine Institute, which certainly gave VIDO again more international prominence.

We've seen, you know, our new research strategy we were able to launch in the United States, again drove significant interest into considering opportunities at our research parks in the health sciences side and certainly on some of our other research sides. The UK [United Kingdom], we've seen a lot of interest in some of our ag tech start-ups actually having access to opportunities in the UK, and expecting as well we'll see some reciprocal business that's going to come from that.

You know, our folks attended Hannover Messe. They attended Agritechnica, and the opportunities that they were able to identify and ultimately bring back . . . Again, opportunities with the Canadian Light Source, having access to the Canadian Light Source. It's one of the few institutions around the world that actually entertains commercial contracts or commercial reach-out to utilize the light source. And again that's things that Innovation Saskatchewan's been able to facilitate.

Certainly on the side of nuclear medicine, radioactive nuclear isotopes, again that's a space that Saskatchewan excels at. And our folks at Innovation Saskatchewan have been able to have some significant reach-outs to companies that are involved in that space, and they're looking at us as an opportunity to maybe establish a new base in, and again because of the work that's been done through Innovation and their international reach-out.

So I would say, never waste a good crisis. There's great opportunities that come from that, and I'd say we're starting to see some of that come our way now. And it's really reassuring to know that we're doing the right things when we see that level of

international interest and engagement coming to us in Saskatchewan.

Brittney Senger: — Okay, I'm just going to give my messy stack of papers one more quick go-over here. I think that the majority of the things that I was jumping around on have been answered.

And so I think that I will wrap things up here and just again say thank you so much to the minister, to Innovation Saskatchewan, to the ministry staff, and of course to *Hansard* and everyone for being here today. This was very informative. As I said, as somebody very new to the portfolio, I'm kind of a rookie. I learned a lot, and that's what I was really hoping for coming out of this. So thank you so much.

Chair D. Harrison: — Any further questions?

Kim Breckner: — Yes, I have one.

Chair D. Harrison: — Okay.

Kim Breckner: — Innovation Saskatchewan invests in a lot of tech companies, obviously, and we want them to be successful. And that ultimately means commercial success, people using their products and whatnot.

It seems like there's maybe a large gap between the work you're doing and the public purse. And so would you say that the other ministries are well versed in the companies that you're supporting? Because for example, you know, I found it strange that things like our hunting and fishing licence application is a US company. Surely we've got local companies that can do that type of work. So I'm wondering, if that's the case, what other opportunities are other ministries maybe missing to support these companies that we're investing in through Innovation Saskatchewan?

Hon. Warren Kaeding: — It's interesting when I travel both across the country, US, internationally, what I probably hear the most is that people are surprised by the level of integration of our government and the ability and the opportunity they have to engage at all levels of government, whether it's agriculture, it's environment, it's access to the Premier, to key decision makers. I find that we're actually able to attract business because we are very integrated and we really have a minimal amount of silos between ministries.

And what I also see is, you know, in many of the programs that we've talked about here, there's quite a level of overlap, whether it's agriculture, whether it's, you know, through the ag fund, whether it's some of the initiatives we've got. Just one interesting initiative is the Innovation Challenge, which in the last few years we've had a number of problems that have been identified by a ministry that ultimately they've put in front of Innovation Saskatchewan to try and find a solution. We've got a number of examples there.

In fact some of them were to actually work on some of the issues that you were talking about. One of them was access to land for rural property access when we talked about trying to get permission from landowners, you know, to access their land for hunting or access through quad snowmobiles. Mental health in agriculture, we had a challenge put out, you know, what are some

of the technological solutions that we can help Saskatchewan farmers actively monitor their mental health. Challenge is put out and we honestly did have some people that were able to put a solution together. Workplace safety, another issue identified there. So from Workers' Compensation had some concerns.

Solid waste measurement. You know, we've actually got a company that now has gone international from the solving a problem for solid waste measurement here in the province. I actually, I think . . . was it the city of Regina had identified that? How can technology be used to monitor the amount of solid waste generated and disposed of in the province? So Prairie Robotics, a U of R [University of Regina] team, put their heads together, came up with an app and a measurement system using artificial intelligence, a number of other key components to it. And now they've actually got sales, I think, around North America. And if I'm not even mistaken even internationally now from problem solving an issue that was identified by the city of Regina.

[20:30]

Rural security. Another successful project that again was a challenge put out a few years ago from the ministry of Corrections and Policing about, can we use technology to help solve or deal with safety and security in a rural setting with rural citizens, rural property. And ultimately a company called Rivercity Innovations came up with a solution that again is now marketed around the world — United States, Europe, Gulf regions.

So just the examples I've given you there is probably six different ministries that have actually identified problems that Innovation has been able to facilitate solutions for that are actually now being marketed around the world and are very viable companies that have been able to establish themselves here and now work internationally.

So I believe we've created this tech sector. Innovation Saskatchewan's done a remarkable job in creating an environment where great ideas can come to life and actually reach a commercially viable stage. That is pretty significant and actually has helped solving problems around the world. So I think we've done a pretty good job starting up.

And I think there's a lot more work to do, but I think we're on a very good trajectory. I think with all of the things that we've talked about here tonight, a number of the incentives, the work that we're doing to support start-ups, I'd say we're on a pretty good trajectory of success here in the province.

Chair D. Harrison: — Thank you, Minister. Having reached our agreed-upon time for consideration of these estimates, we will now adjourn consideration of the 2026-2027 estimates for Innovation Saskatchewan. Minister Kaeding, do you have any closing comments?

Hon. Warren Kaeding: — Well certainly I think we've had the opportunity to talk for a couple of hours about how many incredible things that are going on here in the province. And I tell you, every day technology changes the way we do things. And I'm just so appreciative of the fact of Kari and her team, the people behind you, and the people, you know, all through the

province that are working in Innovative Saskatchewan that are bringing all of these great ideas to life.

And the work they're doing, the initiative that they've taken, the support that they've been providing, you know, both private sector and government, in trying to develop policy that's going to help each of these companies thrive in this very unsettled times, I think is remarkable with the successes that they've certainly attributed. And I give them all kinds of credit for the time and the effort and the willingness to literally travel the world to find new opportunities that we can develop and work with here in Saskatchewan. So very appreciative of the work that they do.

But thanks once again to the committee. Thanks again for the questions, great questions. And I learned a lot here as well. Thank you to *Hansard* and all the officials and keeping track of that. I will turn the microphone over.

Chair D. Harrison: — MLA Senger, do you have any closing comments?

Brittney Senger: — Once again, thank you to the minister, to Innovation Saskatchewan. Thank you, Ms. Harvey, for answering all of our questions, and of course everybody who is here and *Hansard*. Really, really appreciate it. This has been a great learning opportunity and I'm grateful for everyone's time. Thank you.

Chair D. Harrison: — Thank you, Minister, and your officials for coming in this evening, and thanks to the committee. But a special thanks to the Clerks and *Hansard* for conducting the business here tonight. So thank you.

Minister, do you need a few minutes to change out your officials?

Hon. Warren Kaeding: — Yes.

Chair D. Harrison: — Okay. We'll recess here for a short time to change officials.

[The committee recessed for a period of time.]

**General Revenue Fund
Trade and Export Development
Vote 90**

Subvote (TE01)

Chair D. Harrison: — We're back. The committee will now be considering the 2026-2027 estimates for the Ministry of Trade and Export Development. We will begin with consideration of vote 90, Trade and Export Development, central management and services, subvote (TE01).

Minister Kaeding is here with his officials. I would ask him to introduce his officials. And would also ask that the officials state their names before speaking for the first time, and please do not touch the microphones. The *Hansard* operator will turn your microphone on when you're speaking to the committee. Minister, please take it away.

Hon. Warren Kaeding: — Good. Thank you, Mr. Chair. Good evening, everyone. I'm pleased to be here to discuss the '26-27

budget for the Ministry of Trade and Export Development, or TED.

Joining me today is Jodi Banks, our deputy minister; Ryan Cossitt, our assistant deputy minister of international engagement; Aaron Wirth, our assistant deputy minister of strategic policy and competitiveness; Tiffany Stephenson, assistant deputy minister of economic development; Jay Teneycke, executive director of marketing and communications; Doris Morrow, executive director of international offices branch; Bradyn Parisian, CEO of Saskatchewan Indigenous Investment Finance Corp.; and Krystal Medwid, executive director of corporate services. I think we've got the entire office here. Oh, and Michelle and Arlie.

TED's total budget for 2026-27 is \$42.74 million, a decrease of 2.5 per cent from the previous year. This budget is supported by a ministry of very dedicated employees in Regina, in Saskatoon, in Prince Albert, Ile-a-la-Crosse, and our nine international trade and investment offices around the world. And all of them work very hard every day to advance a very strong and sustainable economy that protects the province.

As we move into the new fiscal year, we do so in a time of global uncertainty. And this last year has been particularly challenging. But I'm very proud of our ministry and the work that it has done to protect Saskatchewan and grow its economy for the benefit of all residents.

Despite significant economic uncertainty around the world and geopolitical upheaval, Saskatchewan's economy remains the strongest in Canada. The Trump administration's tariffs continue to cause unpredictability in the global economy. And until just recently we were also faced with tariffs from China on our canola products and our pulse products. Although we still have tariffs on pork products, we are pleased to see the removal of tariffs on canola meal and beef, and significant reduction on canola seed as of March 1st as a result of the mission to China that our Premier led alongside Prime Minister Carney.

There is no doubt that conversations around tariffs continue to cause uncertainty for decision makers, producers, and citizens alike. As a province that exports 70 per cent of what we produce and where one in three jobs is tied to exports, we know that the province cannot rely on a single market or a region for its long-term success.

Stronger trade diversification is key to our resilience and growth, and our trading relationships are crucial to Saskatchewan's economic prosperity today and into the future. And that's why we have prioritized international engagement so much over the last year, and it's why we are keeping up that momentum. Because the people of Saskatchewan deserve to have a province, a government, and communities that protect them when times get tough.

While trade agreements are negotiated at the federal level, our engagement as a sub-national has helped resolve trade challenges and keeps international relationships strong and delivers real results. Recently Premier Moe joined Prime Minister Mark Carney, Indian Prime Minister Narendra Modi, and Cameco CEO Tim Gitzel as they signed a \$2.6 billion deal to provide Saskatchewan uranium to India.

And this agreement was the result of our government's consistent efforts to expand Saskatchewan's exports to one of the largest markets in the world. And Tim Gitzel had this to say about the deal:

We're thankful for the continued advocacy of Saskatchewan and Canadian governments to foster international trade opportunities that allow us to meet the needs of global customers and bring the benefits home.

This agreement in India builds on the Premier's earlier trade mission to China that resulted in tariff relief in that country. And our government has consistently said that it would fight to protect our farmers and the many other industries that drive our economy.

I can tell you, Mr. Chair, that our network of nine international trade and investment offices play a key role in this approach. Saskatchewan has built this network over the last five years to ensure the province's prosperity. They facilitate trade and investment while creating and maintaining diplomatic and commercial relationships. They advocate continuously to position Saskatchewan as a reliable supplier to help the province's firms compete and win international business. And this is more important than ever before.

[20:45]

They helped expand Saskatchewan's global reach by preserving and expanding sales into more than 160 countries. And they worked quickly to redirect commodities such as canola, wheat, and pulses to other high-growth markets. The Government of Saskatchewan has trade and investment offices in Mexico City, Mexico; London in the United Kingdom; Berlin in Germany; Dubai in the United Arab Emirates; New Delhi in India; Singapore; Ho Chi Minh City in Vietnam; Beijing in China; and Tokyo in Japan.

Saskatchewan's international efforts this past year saw Premier- and minister-led missions to the US, to China, to India, to Japan, to South Korea, Brazil, the Philippines, and Thailand to protect market access, attract investment, and strengthen Saskatchewan's reputation as a reliable partner. And these efforts are working. Where we have offices, exports have grown faster. Total exports to countries with international trade and investment offices has increased from 6.3 billion in 2019 to 7.6 billion in 2025. That's a 21 per cent increase in trade values. This offers clear proof that local, on-the-ground teams are strategic assets that open doors, build trust, and deliver concrete results.

Last year the province saw total exports reach \$43.6 billion. And if we look back to 2007, the value of Saskatchewan's exports was just 19.8 billion. This has since climbed to over \$40 billion a year on average over the past four years, with eight markets that total over a billion dollars each.

One great example of the results as part of his recent mission to India, Premier Moe along with officials from Canada, India, and the University of Saskatchewan agreed to explore the creation of the Canada-India pulse protein centre of excellence at the National Institute of Food Technology Entrepreneurship and Management in Kundli, India. The proposed centre is going to be a hub for food innovation, with a focus on advancing pulse

protein processing and fortified foods development.

Around the world, people understand that our province can provide the food and energy security they need. And our work creates the trust and connections needed to secure major international achievements like those realized in the US, India, and China last year.

Saskatchewan Trade and Export Partnership, or STEP, has been an instrumental partner in this work. STEP plays a vital role in helping our province's businesses explore new markets and showcase Saskatchewan products and services to the world, and that's why our government provides them funding of \$3.268 million in this budget.

STEP and TED work closely together to support businesses to reach new markets. For example, last year Saskatchewan's Mexico office supported STEP in a trade mission to Ecuador, Columbia, and Chile. This mission generated over 120 trade leads, 39 deals in market, and an estimated \$12 million in export sales over the next 12 months.

The Germany office also worked with STEP to support 27 Saskatchewan companies for Canada's largest presence ever at Agritechnica, which is one of the world's leading trade fairs for agricultural machinery. The connections made at this show are far reaching with nearly 700 trade leads, over 150 deals in market, and an estimated \$34 million in sales.

The US remains our largest and most important market. Through sustained advocacy and outreach with US policy-makers and industry, our team highlighted the key role that Saskatchewan plays in providing energy products to the country. And of course we've seen first-hand the value of the Canada-United States-Mexico agreement. We're glad to see that energy products compliant under this agreement, so most notably our oil, can keep finding its way to this key market.

In the critical minerals and rare earth elements space, we've brought the right partners to the table. Supported by the Premier's direct engagement in Washington, with extensive expertise in uranium and nuclear, the province is poised to support the increased interest from the US in these sectors, not just with raw resources to fuel the clean energy but the technology also to make it all possible.

Cameco is a major player in this field and, with their recent acquisition of Westinghouse, they are making big waves south of the border. Now this includes an \$80 billion partnership between Cameco, Westinghouse, and the US government to build Westinghouse nuclear power reactors announced last October.

To support the economy's strength, the ability to have investors interact directly with Saskatchewan is crucial. The province has three direct flights that connect us to major US hubs, including Regina to Denver, Regina to Minneapolis, and Saskatoon to Minneapolis. These flights are supported by minimum revenue guarantees from our government, guarantees with the airport authorities of Regina and Saskatoon. Without them, the flights would not be possible.

The lack of direct US flights has historically been an impediment to Saskatchewan's economic development and investment

attraction efforts, and that's why we continue to provide this support. They connect Saskatchewan to the US and the US to Saskatchewan, sustaining vital links for business, trade, and tourism and increasing our economic competitiveness.

Reinforcing the Saskatchewan advantage, our province also continues to be a leader in reducing internal trade barriers. We have long been an advocate for making trade across Canada as streamlined and as easy as possible because we know that it doesn't happen by accident. Our most recent internal trade data reaffirms that the province has strong trading relationships with other jurisdictions across Canada.

In 2024 Saskatchewan exported \$16.6 billion worth of goods across Canada, and we imported \$12.6 billion of goods within Canada alone. Markets like Alberta and Ontario are critical to Saskatchewan businesses, and that's why I have been working hand in hand with my provincial and federal counterparts to facilitate the removal of barriers to trade within Canada.

Beyond all of that, our commitment to facilitate mutual recognition of our goods, our workers, and investment continues. *The Saskatchewan Internal Trade Promotion Act* will do just that, enabling Saskatchewan to mutually recognize goods and services from other jurisdictions. And this means that Canadian businesses won't need to go through unnecessary approval processes, saving them time, effort, and reducing red tape.

TED also supports the work of Saskatchewan's red tape reduction committee, a cabinet subcommittee which is now into its 12th year. Through the committee's hard work, they have saved businesses over \$692 million since 2014. And they consistently achieve their growth plan goal of saving Saskatchewan businesses 10 to \$20 million annually. And our province is going to continue to lead by example on this front. And why? Because the removal of barriers, the strength in relationships, and the new connections all lead to investment, and that investment positions us as one of the best places in the world to live, to work, and to raise a family.

And it means more companies than ever before are seeing our province's potential. We are ranked third globally for mining investment attractiveness by the Fraser Institute. And by the end of 2026 the province is expected to have commercial production of six critical minerals: potash, uranium, helium, copper, zinc, and lithium.

One company acting on our potential is Foran Mining, which now, I believe, is Eldorado Gold. The McIlvenna Bay mine is expected to begin production later this year, the total capital investment of \$1.2 billion for phase 1. Historic projects like these create new jobs and opportunities that protect Saskatchewan's strong and vibrant communities.

On the manufacturing front, the province has been critical to supporting the defence sector. The recent release of the federal government's defence industrial strategy signals Canada's commitment to invest in building our defence and military capabilities. Here in Saskatchewan we have many businesses and institutions that are already heavily involved in the defence sector, and they are crucial to producing important cutting-edge solutions such as instrumentation, monitoring tools, drone technology, composite material used for testing, and

communications equipment.

Communication systems for the Canadian patrol frigate program were manufactured right here at home, for example. Saskatchewan companies also designed, implemented, and installed the Canadian Space Agency's radar satellite communications system. With Canada hitting its 2 per cent NATO [North Atlantic Treaty Organization] commitment for the first time since the late 1980s, it truly is a transformation time for the defence industry, and our province is very well positioned to play a leading role.

For the fourth consecutive year, Saskatchewan's private capital investment continues to outperform provinces across the country. The province's total private capital investment for 2025 is \$13.6 billion, and that's a 12 per cent increase from last year, one of the highest years on record for Saskatchewan.

Our *Securing the Next Decade of Growth: Saskatchewan's Investment Attraction Strategy* is driving that momentum, protecting our strong and growing economy, and this work is leading to milestone projects. Take Bell Canada's investment for their data centre outside of Regina, for example, one of the largest projects in Saskatchewan's history, expected to generate \$12 billion in economic value. Its addition marks 60 large-scale projects either in planning or under way in the province. That's over \$62 billion in investment from industries around the world who are taking notice of what we are doing here in Saskatchewan, and TED is very proud of the role that it plays in making this possible.

Part of what makes Saskatchewan one of the best places to do business is the personalized support that we offer, and an important aspect of this is our strong suite of incentives. Last year I was excited to add two more programs to our already robust list. The first is the new small and medium enterprise, or the SME, investment tax credit because we know that accessing capital can be a major barrier to growth, and the SME tax credit helps address that challenge.

This program helps Saskatchewan businesses to take the next step, whether that means buying new equipment, adding a production line, or hiring more workers. It strengthens our economy by driving private investment, diversifying manufacturing, and building value-added production capacity. Programs like this one show how government can play a strategic role not by competing with business, by partnering with it.

The second program we announced is the Saskatchewan Young Entrepreneurs bursary, and this program is aimed at providing entrepreneurs aged 18 to 35 with the opportunity to grow their business. We received a total of 326 strong applications, disbursing 57 bursaries across 48 communities in the province.

Kaylee Miller, owner of Insightful Growth Pathways from Langenburg, was one of those recipients, and she said that:

The \$5,000 will allow my business to purchase some different assessments, tools, and sensory materials that I'll be able to use in our clinic to work directly with the kids and the families that we're supporting. Early intervention is when it's most impactful, so this allows me to reach more families and show them the services that I offer.

Our government is providing nearly \$1 million over three years to the Saskatchewan Chamber of Commerce to support this program.

But it's not just our province's private capital investment and competitive incentives that are growing. Opportunities in economic reconciliation are growing as well. Since its launch in 2021, the Indigenous Business Gathering's attendance has increased by 300 per cent. The event creates a space where Indigenous and non-Indigenous organizations can meet, can seek partnerships, and can explore future opportunities together. And all of this plays a vital role in increasing Indigenous participation in the economy. It has become one of the biggest events of its kind in Canada and helps to increase Indigenous participation in the economy, which in turn creates strong, vibrant communities throughout the province.

Andrea Crittenden, president and CEO from Sixteen Safety Services, had this to say about the event:

The IBG is one of the most impactful events that we participate in each year. It undoubtedly continues to create meaningful economic opportunities by directly connecting Indigenous businesses with organizations seeking trusted partners. The relationship built here continues to strengthen not only our organization but communities across Saskatchewan.

We know that lasting reconciliation can only be achieved by creating economic opportunities for First Nations and Métis citizens here in the province. And that's why in addition to our efforts at IBG [Indigenous Business Gathering], we also offer webinars through our ministry. Most recently we hosted the Indigenous Business Financing Forum, a free, online event aimed at connecting Indigenous-led businesses in high-growth industries with top financing experts, key support resources, and knowledge of funding opportunities. Over 300 attendees got to hear from experts such as the First Nations Major Project Coalition, the Canadian Indigenous loan guarantee program, and the First Nations Bank of Canada.

[21:00]

And we want to keep growing the share of Indigenous businesses in Saskatchewan, ensuring that First Nations and Métis communities reap the benefits of this growth. And that's where the Saskatchewan Indigenous Investment Finance Corporation, or SIIFC, comes in. SIIFC ensures that Indigenous communities in the province can realize the long-term financial benefits of equity ownership in major projects.

The corporation issued its first-ever loan guarantee last year to George Gordon Developments. A loan guarantee of up to \$7 million is provided to support their 100 per cent ownership of Wicehtowak Solar Ltd. This solar facility will provide power directly to the K+S potash mine in Bethune through a 30-year power purchase agreement. Securing full equity ownership in this project positions George Gordon First Nation to play a leading role in Saskatchewan's renewable energy sector.

Saskatchewan truly is a place where Indigenous businesses are flourishing, particularly in mining. The Denison Phoenix mine at Wheeler River will be a significant economic driver with

\$600 million in anticipated capital investment. There is an estimated 56.7 million pounds of uranium reserves just in this location, and that means that this project alone will produce enough uranium over the course of its life to power 1 million homes for 80 years.

With the largest high-quality deposits of uranium in the world, the province is poised to fuel nuclear power and provide global energy security for decades, which goes to show that clean energy begins in Saskatchewan. Our focus remains on fostering investment attraction that strengthens Saskatchewan economic competitiveness by supporting businesses and expanding trade opportunities.

It's important to remember that the work that this ministry has been leading and advocating for has been years in the making. So even with current economic uncertainty, the Saskatchewan advantage remains clear. It's what continues to connect the world to Saskatchewan and builds opportunities right here at home. And it's what ensures that we can put more funding into schools and health care and programs that people rely on. It's what allows us to hire more teachers, more doctors, and more nurses. It ensures that we have safe daycares to send our kids to while we're at work. And it's what makes sure that at the end of a long day, we can gather around the dinner table with those who matter the most.

So whether it's our efforts in international engagement, economic development, economic reconciliation, responsible policy development, or red tape reduction, this work shows how important it is to have a strong economic foundation that protects the province, protects our communities, protects our families. And this is the reason that we continue to work so hard because all of this together brings results to the people who matter most, the people of Saskatchewan.

So thank you, Mr. Chair. My officials and I would be pleased to answer questions from the committee.

Chair D. Harrison: — Thank you, Minister. I will now open the floor to questions. I will recognize MLA Breckner.

Kim Breckner: — Thank you, Mr. Chair. I'd like to begin with some questions around the grants and bursaries. Last year you stated your intent to cap the annual amount of investment tax credits approved through the small and medium enterprise investment tax credit. And you also stated at this time last year that you'd be working on a final version of the parameters in a couple weeks' time. Have you got that final version prepared? And can you table a copy of that document?

Jodi Banks: — Thank you. Jodi Banks, deputy minister. So as we talked about last year, the small and medium enterprise investment tax credit is a three-year pilot program that offers a 45 per cent non-refundable tax credit for individuals and corporations who invest in the equity of an eligible enterprise. And as part of the pilot, these enterprises must be in either the food and beverage manufacturing sector or the machinery and transportation equipment manufacturing sector.

The program was launched on November 21st, 2025 and has already seen a strong uptake, supporting increased private investment and growth among Saskatchewan's small and

medium-sized businesses. Applicants can access the program criteria parameters through the web page on the business and industry section on Saskatchewan.ca, where they can submit their application using the online portal. So our program parameters and criteria are all public on the website.

Kim Breckner: — That's sufficient. Thank you. Last year you discussed your intent to change the economic eligibility benchmarks of the commercial innovation incentive program due to not having a single successful application.

How have you changed the benchmarks? And has it impacted the success rate of the application?

Jodi Banks: — Okay. So the Saskatchewan commercial innovation incentive — or SCII, what we affectionately call the patent box — offers eligible corporations a reduced 6 per cent provincial corporate income tax rate for 10 years when they commercialize qualifying intellectual property in Saskatchewan, with a possible 15-year benefit if most of the related research and development occurs in Saskatchewan.

It is open to any sector, and it supports commercialization of patents, plant breeders' rights, trade secrets, and copyrighted software. So last year we did go through . . . It is a very targeted and specific incentive, and it is used for specialized commercialization in a very complex area. And so we reviewed the program, as we mentioned last year, made changes to improve its competitiveness and relevance.

And so we did look at the eligibility criteria, and we also looked at the economic eligibility as well. And so we have seen one application. It is still in review. But we are heartened to hear that, you know, companies are noting the changes that we've made and that we continue, as we work with companies in this sector, to talk about some of the changes that we've made and to be able to market it to those where it will provide important benefits.

Kim Breckner: — Right. That's one of the things we spoke about last time, was the marketing of the program. How much has been spent on marketing to date, and how much of that since you changed the benchmarks? And it sounds like it may have impacted the number of applications, yet to be determined? But if you could talk to the numbers about money spent on marketing.

Jodi Banks: — So while we haven't undertaken a specific marketing campaign, we have done a number of other things. And so we have gone out, talked to universities to get knowledge and lists of companies that would potentially fit the criteria. We've created lists and had our investment attraction team go out and meet with some of these companies to talk about the incentive. It is part of our investment-attraction strategy document. It is listed as one of the incentives on Saskatchewan.ca, on our website, and our nine managing directors in our international offices are equipped to speak to it around the world.

Kim Breckner: — When you've had meetings with these potential companies that might benefit from the program, have they offered any feedback about the parameters of the opportunity?

Jodi Banks: — So while we have made two of the three changes

that we've received feedback on, there is one piece that we continue to get some feedback on. That is the requirement to establish a sole corporation that isolates the intellectual property, particularly with businesses that have multiple lines of manufacturing, or pieces. And so that continues to be something that we work through.

We certainly, you know, work with companies to figure out if there are ways that we can work within their business structure. But we certainly don't want to be asking businesses to change their business structure to meet the needs of a program.

Kim Breckner: — Right. I think I'll leave it at that. I'm sure the fine taxpayers of the world don't want to get into business planning, trusts, shell corporations, all that fun talk. But from what I gather from this conversation is you are looking at the feedback and looking at what appropriate changes might be. So that's heartening.

Let's talk about the young entrepreneurs bursary. So this one is administered through the Saskatchewan Chamber of Commerce. Can you tell me about why the Saskatchewan Chamber was chosen as the organization to administer this grant?

[21:15]

Hon. Warren Kaeding: — I think the chamber's been a really good stakeholder for us, for this government. You know, what we're seeing is that chambers do a very good job representing business across the province. And what this did was it gave us the best reach across the province to get this program into the hands of young entrepreneurs. There's no one that knows their communities better than the local chamber.

It's a great way to engage chambers, to also give them focus and opportunities to do more in their communities. And at the same time, it also offers opportunities for mentorship, which an important part of the young entrepreneurship program is to provide mentorship to the recipients.

So I think it's a great opportunity for everyone involved: for the young entrepreneurs to be more engaged and active in their communities, for the chambers to have a good feel of what's going on and ultimately giving them an opportunity to support young business people in their communities and to offer that level of mentorship. And as well the Saskatchewan Chamber has done a very good job of representing businesses across the province.

Kim Breckner: — Was there any requests for proposals for administering the grants or other organizations considered, such as the SK Startup Institute, Futurpreneur, or Community Futures Saskatchewan considered? Or was it from the get-go the idea that the chamber would administer the grant?

Hon. Warren Kaeding: — So again, I think in my previous answer we covered this as well. But the chamber gave us the best reach to reach all of the business communities. The entities that you talked about are very specific in ultimately who they represent, whereas the chamber is very broad based. They represent the entrepreneurs. They represent start-ups. They represent very mature companies. They represent large companies, small companies. And this just gave us the best

opportunity for the reach across the province.

I would say the chamber also does very good work with each of the entities that you've talked about. I'd say they're very collaborative in the work that they do, and they also reached out through a number of these entities to help find, you know, applicants that would qualify for the young entrepreneurship program. So I'd say there's somewhat of a collaborative relationship between all of those entities out there.

Kim Breckner: — Okay. And for clarity, this wasn't through an RFP [request for proposal] process?

Hon. Warren Kaeding: — Correct.

Kim Breckner: — Okay. And is the chamber receiving an administration fee or otherwise government covering the costs of staff to administer the grant?

Hon. Warren Kaeding: — So with the program, there is an admin fee that we pay of \$42,750, or 15 per cent of the program. But with that they're responsible for the administration of the program, the application development, the marketing of the program, the mentorship. We had a number of round-table engagements. They also have an evaluation board that reviews each of the applications that came in. They're also responsible for any events that may be utilized through the process.

So we believe it was very successful, and actually it was very good value for what ultimately, you know, the province is getting out of it. We received I think just over 300 applications in the first year, which we believe is very successful. And fully expect . . . and we've already asked young entrepreneurs to now consider applying for this tranche.

Kim Breckner: — What other payments, whether they be administrative or sponsorships or other types of funding, is the chamber of commerce receiving from the provincial government?

Hon. Warren Kaeding: — So we can only speak to what Trade and Export Development is aware of, what the chamber gets from government. So we're only going to speak to what we provide.

And really the only thing we do is sponsorship of their food, fuel, and fertilizer conference that's coming up here. And I actually think it's a remarkable outreach that we've got, you know, ultimately attracting interest from all over North America. So I again think it's a pretty good investment to be able to track that level of attendees as well as keynote speakers that we've had in the last number of years. But there's \$25,000 that goes to the chamber for the sponsorship of that event, and that's all our commitment to the chamber.

Kim Breckner: — The 326 applications resulting in 57 grants awarded, do you consider that a satisfactory ratio for the program?

Hon. Warren Kaeding: — For start-up, for the year of introduction, absolutely.

Kim Breckner: — And how will you measure the success of the grant's initiative or goal?

Hon. Warren Kaeding: — So this is the first year, as we've talked about, where we've launched this, so ultimately calling it a bit of a pilot project in the first year of launch. Certainly we're doing evaluations, kind of lessons learned that we've been able to accumulate from the chamber as well as the participants. Each one of the participants also, part of their obligations is to report back on to, you know, what they've experienced and what lessons they've learned and, you know, ways to improve the program.

Interesting — I was involved in a round table the other day with a number of the young entrepreneurs that had won this bursary. And you know, what they were using that money for was everything from investing in a business plan or maybe a strategic plan or expanding their operation faster than what they would've had an opportunity for, investing in capital to help build their business quicker.

You know, it was actually quite invigorating to hear the enthusiasm of each one of the participants as to how much this actually made a difference in their business, just the opportunities that they believed that they were going to be able to achieve in a little earlier time than what they maybe expected.

We're looking forward to this year's program. And I would say a great measure of success is that we have more applications than we did last year, and they come from more communities across the province than what they did this year. We're anticipating our launch is going to come in a couple of weeks' time, and we'll be able to start measuring that then.

Kim Breckner: — Let's switch gears to the trade offices. In chapter 7 of volume 1 of the 2025 auditor's report, the auditor found that the ministry needs to:

Strengthen how it evaluates trade office success by establishing targets for its key performance indicators to drive expected results and by measuring satisfaction . . . [example, giving surveys] of all parties working with its trade offices. For example, setting annual targets for new foreign investments or expansions can help trade offices measure their performance and impact, as well as clarifies accountability and focus for trade office staff.

[21:30]

They also found that trade offices should enhance their public reporting on trade office performance. This is the quote here:

We found the ministry periodically reports some trade office activity through news releases and quarterly reports; however good practice expects public reporting on results of achieving key performance indicators that outline targeted and actual results. Sufficient public reporting helps Saskatchewan residents to understand the role, impact, and economic benefits of trade offices and whether the ministry's trade office investments achieve expected results.

I'm sure you're aware of the audit's results. How do you intend to address the findings of the auditor?

Hon. Warren Kaeding: — So we certainly appreciate the work the Provincial Auditor went into reviewing the processes that we

have and monitoring and measuring the actions of our trade offices. We'll say the one metric that we use to measure the performance of the trade offices is, did business improve or increase in each of the areas that our trade offices are in? And absolutely it did. In some cases it doubled if not tripled in the areas that the trade offices are operating in.

So that's one very simple, quick measure as to the success of the trade offices. But recognize the Provincial Auditor had come up with, I think, four very distinct recommendations, which we certainly appreciate and accept, and certainly have a process now worked out as to how we're going to support each of her recommendations. And I know Ryan has spent an awful lot of time on developing that process. We'll get him to explain kind of the direction that we're headed with that.

Ryan Cossitt: — Thank you, Minister. Ryan Cossitt, the ADM [assistant deputy minister] of international engagement. As the minister said, we are taking the auditor's recommendations very seriously. We were before the Public Accounts Committee just a short few months ago.

I'll start by saying that we fully recognize and accept those four recommendations, and we're taking them quite seriously. And I would just start by saying that these are system-level, systemic changes. They're not quick fixes. So we are undertaking a thoughtful approach, which is how we've addressed it through committee in terms of the methodical sort of way that we're going to go through this.

So I'll just be clear again that we're treating all four recommendations as system-level improvements, taking them seriously. Each one will affect how the international offices will collect data, how they will plan their work, and how they'll demonstrate results. So getting this right takes careful design. That's part of what we're trying to do intentionally, and that's why we're taking a careful approach. The auditor's report, I will say, gave us a really strong road map, so we're really appreciative for the work of the auditor and how they've laid it out.

And we are implementing in a way that's implied. So we are working on — and you sort of mentioned this — methodology first, then setting targets, evaluating our feedback mechanisms to make sure that we're getting some sense of our accomplishments. And then public reporting, last but not least, really the fourth and final way that we'll try to address the results.

And I can go through some more detail on each of those. This will ensure that we don't rush ahead of ourselves if we do it in this sequence, and this is again how the auditor implied in their report.

So we are deliberately undertaking some consultation particularly with our managing directors, who for the most part will be responsible for providing a lot of the metrics and KPIs that we are about to design because we want this system to be as rigorous as we can. And I would just say we're making a deliberate choice between not just considering what is measurable but what is meaningful.

And so that's why we're doing an interjurisdictional scan. It's why we're taking stock of what's happening and what's working well in other jurisdictions, including at the federal level, and

making sure that we start with a meaningful set of metrics with meaningful targets. And we will incrementally improve over time.

So what you are likely going to see is that in the course of this fiscal year, which is what we agreed to in terms of implementing the recommendations, the four recommendations, you'll see that over the course of this fiscal year. And we will start incrementally and deliberately and slowly so that we are actually making incremental improvements.

So I can certainly go into a bit more detail in terms of the first one. So you mentioned that the first recommendation was that we obtain and evaluate formal feedback. So with respect to that, we have some strong metrics in place now. We have some review processes. But we agree that a more consistent approach to collect feedback from companies, from investors, from partners will be a system-level improvement. So we do do some of this now, to be clear, but guidelines and tools to ensure more consistencies, particularly among offices, is important. And so we intend to do some data collection in that same way.

We are developing options as we talked about at committee. I would say that, of course, the auditor's report was not quite a year ago — in fact probably about half a year — so we just simply haven't had time to do all of the work. But we are taking it seriously, as I've said, and work is in full swing. So getting this right's going to take careful design, which is why we're taking a careful approach.

So we are developing options. As we speak, we are gathering feedback and we will continue to do that work. And we are on track to do this and accomplish it in the fourth quarter of this coming fiscal year. So that's the first recommendation with respect to feedback.

The second one as it is outlined in the auditor's report is to establish targets for key performance indicators used to monitor the success, and you mentioned that. Again with respect to targets, objectives, risks — reliable data are in place. The auditor did give us some recognition of that.

But setting credible targets is obviously the next logical step and we fully agree. In fact we had taken some steps through work with KPMG before the auditor's report in that vein, because we understood that this is an evolution. If we actually step back and think about the network, it's actually quite young still. Offices really just began in 2020 and the last office opened in 2023, so really two-plus years of full office in full working order at full scale.

And so we've always understood that there was going to be an evolution and a maturity, and so we are at that point and we're eager to sort of take a look now that we have the nine offices up. And we feel that now with two-plus years at our disposal for all nine offices, we're probably in a good place to stop and do some evaluation in terms of how is the network operating as we envisioned it at full scale.

So over the past several months we've been examining good practices from other jurisdictions, as I said, through an interjurisdictional scan. We have drafted options, so those are going through internal review and a little bit of rigour testing to

make sure that we're on the right path.

What I would just say here is that it's, again, really important to make sure these are meaningful and achievable targets. So we want to be very careful that we're, you know . . . stretch goals are fine. It's not about that. But let's make sure that we're able to do a couple really, really well, and incrementally improve over time. So that is indeed what we're trying to do.

The next thing that we talked about, or the auditor talked about and you mentioned, was methodology. That's really important, obviously, for consistency. We agree with the auditor that we need to formally document that so that when we're talking about KPIs and metrics and targets, it's clearly understood what it is that we're actually trying to measure and the outcomes we're trying to achieve.

So again, that work is still under way. It's in early stages. We have sort of the draft definitions and formulas and data requirements for each. It's technical work, so it needs to be really accurate. We are basing that very much so in what's happening in other jurisdictions. And again, I would point to the federal government and Global Affairs Canada as one such example. We do have others from other provinces and territories as well.

So we are planning to continue that work. Again, that remains to be on track and we are targeting the second quarter of this fiscal year to have something approved internally that we can start to implement.

The fourth and final recommendation that you touched on, that I can give you a bit more detail on, is the final recommendation which is the reporting of key information. As you mentioned, we do some of this now. We already published some results in our annual report, for instance, and in news releases as you mentioned. But we agree that more consistency publicly is needed and we have begun work to do that.

So again, that's part of the jurisdictional scan as well, and we're specifically looking at other provinces and the federal government. Based on that review, we do plan to develop some really clear, reliable reporting format that we can of course do consistently year over year. And I think that's the thing that we certainly agree would be of some value.

So still early stages. As per our commitment to the committee, we are on track to implement that by the end of this fiscal year. And we have every expectation that we'll be able to meet that.

So I'll maybe stop there for now. But I'll just close by saying, again, system-level changes, not quick fixes. We appreciate that so that we're going to take the time to do it right. But we are taking the auditor's report very seriously and fully agree with the recommendations.

Kim Breckner: — Just for my clarity, you said that you intend to implement changes in order to address the auditor's recommendations within this next fiscal year?

Ryan Cossitt: — That's correct.

Kim Breckner: — Okay. And for the record, could you provide detailed budgets for each of the international trade offices by

major expense code, please?

Ryan Cossitt: — Thanks for the question. So what I'll do is, as requested, I'll go country by country and I'll try to specify each time so that it's clear what number I'm reading and what it is that should be.

So this is for the '25-26 fiscal year. The budgeted amount for China, our China office, I'll start with salaries, is \$179,000 and goods and services is \$891,000 for the China office.

So again moving to the India office, for '25-26 the budget amount for salaries is \$170,000 and for good and services it is \$830,000.

Moving next to the Japan office, again for the '25-26 fiscal year, the budget for salaries is 160,000 and the budget for goods and services is 1.045 million.

Switching to the Singapore office, for '25-26 the budget in salaries is 170,000 and the goods and services is 1.174 million.

Now to the United Kingdom office in London, for '25-26 we have a salary budget of 170,000 and a goods and services budget of 1.171 million.

Switching to the UAE [United Arab Emirates] office in Dubai, for '25-26 we have salaries at 160,000 and goods and services at 1.238 million.

Next to the Mexico office in Mexico City. For '25-26 the budget for salaries, 158,000. The goods and services budget, 931,000.

Next to the Vietnam office for fiscal '25-26, the budget for salary is 220,000, for goods and services is 685,000.

And next and last to our Germany office in Berlin. For '25-26 the budget for salary is 187,000, and for goods and services, 1.205 million.

Kim Breckner: — I'm sorry. I didn't want to interrupt you, so I let you finish. But if you could go back and let me know for the salary amount how many personnel that relates to.

Ryan Cossitt: — So for those salary values that I quoted, that is for our managing directors and there is one managing director in each office.

[21:45]

Kim Breckner: — Okay, thank you. How much was paid to Global Affairs Canada?

Ryan Cossitt: — Thanks for the question. So for the '25-26 fiscal year the amount to Global Affairs Canada was \$5,657,164 for '25-26. And then that was a 20 per cent increase year over year from the '24-25 fiscal year.

Kim Breckner: — 20 per cent seems significant to me as a lay person. Is that significant? And if so, why the increase?

Ryan Cossitt: — Thanks for the question. I just wanted to get some other details for you. So is it significant, I believe, was the question. Certainly, you know, 20 per cent between '24-25 to this

year I would say that . . . A couple things. First and foremost, we did have a switch of office location for the London office. So prior to that it was housed in Quebec House with the province. That was because when we first opened the office in London there was no room at the embassy, unfortunately, so we had to make alternate arrangements.

So I would first point out that the dollars that were going to support our office in Quebec House of course have now switched. So the MOU cost went up, but we're not paying those dollars to Quebec anymore. We're paying them under our MOU with GAC [Global Affairs Canada]. So it is a significant year-over-year increase.

I would just say it's fairly common that Global Affairs Canada and the federal government are undergoing a certain number of adjustments and changes to their operations. I think we all understand that there's some fixed costs when it comes to office space, whether it's IT [information technology] administration, security, all the things that go into buildings.

We're finding that Global Affairs Canada is reducing their footprint, but the fixed costs are the fixed costs. And so we're seeing a bit of a combination of our cost is going up because there's just increases, whether that's in rent and whether it's in the services that they provide. It's also because, as I said, we've shifted from the Quebec House operations into the embassy proper. So our proportion has gone up.

Kim Breckner: — I have a question for the minister. When it comes to attracting investment from sustainably minded jurisdictions — I'm thinking in particular Europe — how effective can we be at that when our power grid relies heavily on high-carbon-emitting energy sources?

Hon. Warren Kaeding: — So you've heard us say quite often we've got 60 capital projects on the go here, a \$62 billion investment. A number of those projects are European owned, they're Australian owned, they're Indonesian. They're from around the world. We have not had any indication that they're concerned about the origin of the power.

What we've heard about is that they're very concerned about the dependability of that power. They're very concerned about the affordability of that power and the availability of that power 24-7-365. Those are the concerns that we've heard about in capital projects coming to this province.

I'd say we've been very successful at attracting those projects. We've had a number of engagements with . . . In fact just last week we were in Ottawa talking to ambassadors from Europe, from the EU [European Union], from the UK, from, you know, pretty well around the world, representation from around the world. And what they were looking for was opportunity. They were looking for opportunity to invest here in Saskatchewan.

What they did appreciate is that we had a road map as to how we were going to get to emissions-free power supply in the future. That's what they looked at, and that's what they saw as another opportunity and why they wanted to be here. Because they knew that we had a plan and it was a plan for the future.

What we've seen as well is major interest, as we talked about,

and you hear us talk about it quite often . . . is food and energy security. Those seem to be the priorities of many of the countries that we're doing business with . . . is that how can the partner, the country that they want to do business with, how can they help them reach their food and energy security needs? And that's what they look to Saskatchewan for. They see us as that greatest opportunity to help them reach their food and energy security needs.

So those are the critical issues that we have heard from countries around the world, and especially from the EU. I would say Premier . . . and Jodi has been with Premier on a number of occasions in Germany and in London, literally where a lot of the investment from Europe flows through. And no one has talked about our energy supply. What they've talked about energy supply is our road map to emissions-free energy. And what they've talked about: is it readily available?

And I would say just in the last few weeks the reason that Bell has come here is because we have reliable, dependable surplus energy available for them. And those are the things that are going to attract business into the future.

Kim Breckner: — Thank you, Minister. So if I'm understanding correctly, for the record, you have not heard any concerns from industry about the plans to refurbish the coal plant?

Hon. Warren Kaeding: — Correct.

Kim Breckner: — Let's talk about the Bell data centre. I think that a lot of people have questions, and this could be an opportunity to answer a lot of those questions. My first question is, why wasn't this project subject to an environmental impact assessment under *The Environmental Assessment Act*?

Chair D. Harrison: — Minister, before you . . . Like if you want to answer . . . It's not relevant to your file, so feel free if you want, but if not you can direct it.

Hon. Warren Kaeding: — We will discuss the relevance to that file, yes. So what Trade and Export does when they're working on investment attraction is . . . Very proud of the fact that we offer concierge service. What we do is we look at the opportunity and understand all of the background behind it. And then we will ensure that they have every opportunity at the most expedient way possible to get in front of the ministries that are required for each one of the appropriate metrics for them to be able to establish their business here.

The environmental assessment is determined by Environment, so that would be their responsibility to determine whether it's required or not required for a project of that size.

[22:00]

Kim Breckner: — Minister, my understanding from the description of the Ministry of Trade and Export Development is that it facilitates a coordinated cross-government approach to attract investment. And so are you telling me that you don't know why this investment wasn't subject to that requirement under the Act? Or are you telling me that you're not answering because you don't think it's relevant to your ministry?

Hon. Warren Kaeding: — Well I think you answered your own question with the role that Trade and Export does, and that's to facilitate the cross-ministry approach to whatever is required for a project like that. So that is Environment's decision to determine whether it requires an environmental impact assessment or not. That's not our decision. We're not aware of ultimately why or why not. That is strictly the Ministry of Environment's decision.

Kim Breckner: — Okay, so the Ministry of Environment didn't advise you about why they made the decision they did or didn't.

Hon. Warren Kaeding: — No.

Kim Breckner: — Does Bell have any previous experience building data centres?

Hon. Warren Kaeding: — From what we understand reading the press releases of Bell, they are planning other data centres around the country. But what I will say is that what we have heard from industry and what we've also heard from stakeholders, from the federal government, is data sovereignty is important. It's crucial to the security of their businesses as we move into the future.

So what we've heard from industry and stakeholders is that they're very much looking forward to the opportunity they may have with Bell and this data centre in providing them that level of data security that they know is crucial to their business success in the future. So I think again we're very proud of the fact that a company such as Bell is willing to make Canada's third-largest capital investment in the country and that they want to do it here.

Kim Breckner: — The press release talked about 80 permanent jobs. Are these 80 permanent jobs situated in Saskatchewan? People living here, paying taxes here?

Hon. Warren Kaeding: — So Bell, in their press conference that we participated in, talked about there's going to be up to 800 skilled trades and engineering jobs that's going to come with the construction of the data centre, and that they're going to have a minimum of 80 full-time jobs that are going to be created once the facility is operational.

So fully expect . . . And then what we understand is there could be up to 750 additional community jobs that may be created to support the facility, as you get with any major infrastructure project. You get a number of tertiary businesses that now get to spring up and develop to support that major business when it gets established.

Kim Breckner: — I guess I was just looking for clarification about where these jobs are actually situated. So yes, it says that this investment will create jobs. But are they people who are in Ontario doing remote work for the data centre, or are they kind of boots-on-the-ground, on-site maintenance work?

Hon. Warren Kaeding: — Our understanding is that they're going to be located here in the province around the project.

Kim Breckner: — Thank you, Minister. So from my understanding of this conversation so far, in facilitating the investment there is no proactive talk about whether there would be an environmental impact assessment required. Was there any

proactive thought to the energy consumption? Particularly did you have discussions with Bell about the amount of energy? And could you confirm for me, if so, the amount of energy that this project will be consuming.

Hon. Warren Kaeding: — So again, with the announcement that Bell made when we were here in Regina, they talked about that they're developing an AI hyperscale data centre requiring 300 megawatts of power. That's going to be required by December 31st of 2026. So the reason that they're here is because we have available, dispatchable, dependable, baseload power. We're going to be able to supply that 300 megawatts to that facility and then ultimately they're going to be generally using other forms of generation for backup power.

Kim Breckner: — Am I understanding correctly that SaskPower currently has that amount? Or will there need to be new power generation to serve this project?

Hon. Warren Kaeding: — As I've said, the reason that they are here is because we have dependable, we have dispatchable baseload power. So it is currently available. Okay? I'm . . .

Kim Breckner: — Right. So we have 300 megawatts that we can produce right now that is just sitting idle?

Hon. Warren Kaeding: — It is available, right.

Kim Breckner: — Okay, so there's not going to be any new generation. Like we're not going to build any more natural gas plants or anything like that to service this project besides what they're building, their behind-the-fence generation, as backup.

Hon. Warren Kaeding: — That is my understanding. And I would say we're probably getting to the point now where . . . Ultimately who facilitated this deal was CIC. And I think a lot of these questions now probably need to be directed to CIC.

As I talked about in the beginning of this line of questioning here, the role that Trade and Export does is it's here to facilitate opportunities. We get them in front of the entities that they need to in order to support the project. And then this project was facilitated by CIC.

Chair D. Harrison: — I'd ask the member to please move on from this line of questioning as it's not relevant to Trade and Export.

Kim Breckner: — It's not relevant to Trade and Export? So this ministry was not involved in getting this investment?

Chair D. Harrison: — I'm saying it's not relevant to this line of questioning, so please move on from it.

Kim Breckner: — I'm sorry. Can you explain? So if the ministry was involved in bringing in this investment, then it's relevant, is it not, for the ministry?

Chair D. Harrison: — No, it's not relevant to Trade and Export Development. It's relevant to CIC and SaskPower.

Kim Breckner: — I think . . . Okay, so I am confused then obviously. So I will ask my question to be unconfused. Did this

ministry have involvement in bringing this investment to Saskatchewan?

Jodi Banks: — So at Trade and Export Development we worked very closely with CIC on the development of this investment. However when it came to things like the availability of power, that is a SaskPower piece. What we were able to go back to . . . After working with CIC and SaskPower we were able to go back to the proponent, Bell, and say, if you build here the province gives a commitment there is power is available. How that power is, or what it is now, we wouldn't know that. That would be a SaskPower question.

Kim Breckner: — Okay, so you don't know how that power would be generated. But you must know the commercial aspects, for example, the rates. Is Bell going to be paying the same rate as residential power users?

Chair D. Harrison: — Minister, you don't have to answer that. That is a CIC question. Yeah.

Hon. Warren Kaeding: — I'm just going to maybe explain this one more time what Trade and Export is responsible for. Trade and Export is responsible for looking at an opportunity. If it comes our way, we then get them in front of all the responsible entities that they need to have their discussions for in order to see this project move ahead.

In this case, as we've talked about a number of times now, two important entities that they obviously need to get in front of them is CIC and SaskPower. That's our level of involvement, is to make sure that all of those entities, the conversations, the engagement is facilitated by us. We're not privy to what all of those discussions are. We're not privy to what the end result might be and what they've negotiated with those entities.

Same thing would be if K+S wanted to expand their potash mine — which they're doing — they're going to need more natural gas supply. We're not privy to what that discussion is going to be. We're not privy to what value they're paying for that gas. Those are the things that are discussed on a business-to-business level. And honestly, they come with a lot of confidentiality that goes with it.

So no, we're not informed of all of those details in some of those projects that are coming forward.

Kim Breckner: — This project specifically, you do not know the rates that they will be receiving for the power?

Chair D. Harrison: — MLA Breckner, this has to relate to estimates for Trade and Export Development, and I don't see the relevance here at all. So please move on from this line of questioning.

Kim Breckner: — The relevance is that money is being paid to this ministry to attract investment. Now the taxpayers are obliged to know whether that money is being put to good use to bring investment that will benefit the province or if it will not benefit the province by increasing power rates for other users or other arrangements that might have a detrimental effect to the taxpayers. And so I have asked for clarity on that question.

Do you know the rates that they will be getting power from from SaskPower?

Hon. Warren Kaeding: — No.

Kim Breckner: — Similarly do you know if that will be paying the capital costs of hooking up to the power grid?

Hon. Warren Kaeding: — No.

Chair D. Harrison: — I'm going to remind the member again. The relevance of the questions should relate to the estimates for Trade and Export Development, not the estimates for CIC.

[22:15]

Kim Breckner: — I think I explained the relevance.

Chair D. Harrison: — Please ensure it does relate to the estimates for Trade and Export Development.

Kim Breckner: — How's the progress going on your work as leader amongst the provinces on interprovincial trade with respect to direct-to-consumer alcohol sales? I understand that that framework was expected for May of this year.

Hon. Warren Kaeding: — So we've been working on this since, I guess, I became Trade minister in early 2025, was when we started meeting on a very regular basis with our interprovincial trade ministers. And we know from first ministers this is a priority, that we need to advance things forward. Certainly direct-to-consumer is one of the many items that we need to move forward on. Certainly mutual recognition of goods and services is one. Labour mobility. There's a number of regulatory things that we've been able to create some pilots on and get some movement on.

But I guess with direct-to-consumer alcohol sales, Saskatchewan is actually the co-lead on this file with Ontario. And we've imposed some deadlines on ourselves, but what we've been able to accomplish is a number of MOUs that actually includes direct-to-consumer alcohol sales in. That will help facilitate I guess getting to a point where we've got an agreement as to what that's going to look like.

What we are finding in the direct-to-consumer alcohol side is that each province wants to treat it a little differently. So what we're seeing is provinces treating markups in a different way; some actually saying they don't want to include markups; some that are, you know, looking at the administration of it, just wondering how they're going to deal with that. But we've got a deadline that by the end of May of 2026 that we actually want to have something in place for Saskatchewan when it comes to direct-to-consumer alcohol sales.

Just fun fact actually: Saskatchewan has been in a direct-to-consumer bilateral with British Columbia and has been since 2016. Hasn't been well utilized because ultimately, as the other hat that I wear, Sask Liquor and Gaming has done a very exceptional job of being able to facilitate orders and opportunities with the unique orders that they may get from the vineyards or select crafters out there. And they're able to take the risk away from it. They're able to take the, you know, the hassle

and the administration away. And so Sask Liquor and Gaming has actually done a very good job in facilitating a lot of that movement of speciality alcohol.

But saying that, we know that there is going to be those that want to do this themselves and we will provide them that venue to do that.

Kim Breckner: — I was looking at the list of trade irritants that the US posted in advance of the renegotiation of USMCA [United States-Mexico-Canada Agreement] was that many provinces had removed US liquor from the shelves. I would say, if I am recalling correctly, it was all but Saskatchewan and Alberta.

What was the thought process behind initially removing . . . Well initially we did not remove US liquor from distribution. A few days after other provinces did so, we did. And then we put it back in distribution. Can you talk to me through the thought process behind that?

Hon. Warren Kaeding: — The decision behind where we ended up with American-based alcohol was recognition of a few factors, one of them being that the US is our biggest trading partner and always will be our biggest trading partner.

And one of the issues that the US has identified, and I think you've identified it as well, is that removing American alcohol off the shelves is a significant trade irritant. And that's just one thing that we do not need to antagonize one of our best trading partners with, is over a factor that ultimately a decision can be made, and we'll just let the citizens of Saskatchewan determine whether that's important to them or not.

But to us as a province, as a government working on international trade, recognizing that this is an issue with the US as well as, you know, we're continuing to have these discussions on a regular basis with American political leadership, this is not one thing that we needed to have as a list of issues that they need to bring up in reducing trade opportunities with them.

Kim Breckner: — The discussions tonight have been really enlightening. I think I perhaps misunderstood what happens when a deal is brought forward to the various ministries in the province. For example, I had asked questions about what you had suggested were SaskPower questions that you were unaware of the answers to.

So I guess my question is, if you're not looking at things like what kind of power consumption an investment might have and if that would be detrimental to the province, what kind of due diligence does your ministry do before bringing potential investments forward?

Hon. Warren Kaeding: — Well I'll maybe start off by saying, you know, what we're doing is working. Again go back to the 60 and 60. I think it's a great indication of the work that this team is doing in attracting opportunities for this province.

And we're very proud of the fact — and it's actually recognized internationally — that what we provide through Trade and Export Development is concierge service. That means that we will understand what the proponent wants to do, get the basic

understanding of what their business plan is. What are their objectives? What do they want to achieve coming here to the province?

So we do a significant amount of background research. Ultimately we are involved in pathfinding and just understanding what their basic requirements may be. Do they need a significant tract of land? Do they need it inside an urban area? Is it fine if it's in a rural area? You know, what's the capital requirements? What are the labour requirements? What are they going to need for utilities?

And then ultimately, once we get a good understanding of what that project is about, then we connect them with the appropriate authorities to have those discussions and negotiations. And in most situations those are confidential discussions that are held — whether it's utilities, it's a municipality, it's the entities that they're negotiating with — and that's totally up to them to have those confidential conversations. What we've done our job is to bring them here and to understand what the needs are, to make sure that they're in front of all the appropriate authorities and that they're able to have conversations and discussions in the most timely manner possible.

[22:30]

And again, like I say, that is recognized literally around the world. The abilities that this province offers, the opportunities that this province offers to various projects. We're not the regulatory body. We're not a body of authority. Those are all other entities that they . . . We will make sure they get in front of the right authorities or the right regulators to ensure that they have a good understanding of what this project is about. So whether it's an environmental assessment or it's a nuclear certification or, you know, it's an emissions factor or it's a matter of hooking up to utilities, we get them to where they need to be and then they have those discussions. That's what businesses do.

Kim Breckner: — Are we not done at 10:30? Because I'll keep asking questions.

Chair D. Harrison: — No, we go until 10:39.

Kim Breckner: — Oh, okay. Now you've got me shook. Okay. What's a fun closing topic? When did you engage Harper & Associates in discussions about signing a contract with them? Was the Conflict of Interest Commissioner consulted at any point?

Hon. Warren Kaeding: — So we first contracted with Prime Minister Harper in 2019 and then re-upped that in '22, and then '24, and then in '26.

I guess just trying to understand the role that the Saskatchewan Conflict of Interest Commissioner would play in that, because he's never served in government or had any responsible position within government in Saskatchewan. So I don't think there's any relevance in the Conflict of Interest Commissioner's engagement there.

But I will say that Prime Minister Stephen Harper has provided us incredible value for the investment that we've made in him. And I just use the simple rate of return of that \$2.6 billion

contract that Cameco was able to sign with the Government of India was certainly helped and facilitated by Prime Minister Harper and his ongoing engagement with India. He has remarkable respect by Indian leadership, and has for the entire time that he's been engaging with India. And it was because of him that certainly helped facilitate that uranium agreement.

And so that's just one example — but it's a fairly significant example — of the value that he brings to us as government. I've had the opportunity to engage with him in a number of times. And just his perspective of the, you know, major trading partners that, when he was prime minister, that he actually had some significant trade agreements with, that level of knowledge and background in those key markets has been invaluable to us.

And I would say even, you know, his understanding of the Indian market, the ASEAN area, has been very valuable to us to fine-tune our approach to how we're getting into key markets in those areas. So yes, the contract we've had with Prime Minister Harper has been very valuable to us and has been a great return.

Kim Breckner: — Just to clarify, so you didn't believe a conflict to exist, so you didn't consult with the Conflict of Interest Commissioner because you felt there was no need?

Hon. Warren Kaeding: — Well that would be his responsibility ultimately to engage with the Conflict of Interest Commissioner if he felt that it was relevant. But the Conflict of Interest Commissioner in Saskatchewan deals with those matters that are dealing directly with those involved with the Saskatchewan government and that are part of the Saskatchewan government. So no, there would be no relationship to him having a conflict of interest with the Government of Saskatchewan.

Kim Breckner: — And you talk about his utility in some of these trade missions. Was former Prime Minister Harper or any of his associates . . . did they accompany government employees on trade missions?

Jodi Banks: — Thank you for the question. So I would say that when we would be on certain missions, we would have our missions intersect. And so particularly in places like India, he may join for, you know, one day or a day and a half out of a five-day mission, but has ensured that we have some of the meetings with high-level government or industry and has helped do some of that in advance, as well as at times attend some of those key meetings.

In India that meant that even when, you know, the Canadian federal government's relationship with India was poor, that we were able to maintain our relationship and ensure that we could keep those doors open for Saskatchewan exports.

Kim Breckner: — Thank you. And were their expenses compensated by the provincial government? Or did they come out of the 240,000 that was paid annually?

Jodi Banks: — They came out of the contract money. We didn't provide any additional expense dollars.

Kim Breckner: — Thank you. Another trade irritant that was mentioned was supply management. What's this government's position on supply management?

Hon. Warren Kaeding: — I think we've quite often stated that the federal government is the ones responsible for trade deals. But our input into those trade deals is that we need this to be good. Every trade deal needs to be good for all of Canada. Because when all of Canada benefits, we benefit. Saying that, you know, we don't believe that one part or one sector of Canada should influence or negatively affect another part of Canada.

So I would say right now our trade negotiators, we've had the opportunities to meet and engage with them. And we certainly let them know as to what our priorities are here in Saskatchewan and that certainly the ag sector is very, very important in these trade deals. And we're going to do whatever we can to support the ag sector in getting the best deal possible out there and not compromising the critical minerals sector or the fertilizer sector or the fuel sector or anything else. Just always keeping in mind that our input to our federal negotiators is that they need to get the best deal that will support all of Canada.

Chair D. Harrison: — Having reached our agreed-upon time for consideration of these estimates, we will now adjourn consideration of the 2026-2027 estimates for the Ministry of Trade and Export Development. Minister Kaeding, do you have any closing comments?

Hon. Warren Kaeding: — Well thank you, Mr. Chair. And I think we've talked extensively on the opportunities that we are currently experiencing and that we are going to be looking at into the future, and they are immense. They are incredible in both the established markets and those that we see are going to be evolving and developing in front of us.

And I tell you, there's no better group of people to be able to serve this province than what we've got sitting behind me and what are in the offices supporting them. Because ultimately if we don't have business successful here in the province, we don't have the opportunity to provide the services that we know all the people of this province are expecting. And I would say these folks in the last . . . since 2020. We talked about the 60 in 60. It's the responsibility of the people behind me here who have been able to do the work in making sure that Saskatchewan is known across the world as to the opportunities that we have here.

And I tell you, we've only just started. We've got so many incredible opportunities in front of us as we are dealing with the new world dynamics. We are in such a great position to be able to take advantage of that, and I would say it's because of the work and the diligence and the commitment that we've got from our folks in Trade and Export Development. And I would say that extends out even out into entities like STEP and those that are doing all the business-to-business relationships as well.

I can't wait for what the future of this province is going to hold. I look at the growth plan that we've had, our 2030 growth plan where we've already blown through a number of those items in there because of the work of the investment attraction group and the business attraction group, the business development group that is here in Trade and Export Development. And I appreciate their efforts each and every day because it just makes our province that much better.

I appreciate the input by committee. I certainly appreciate *Hansard* and all the folks involved with *Hansard*. And yeah, I

look forward to getting up each and every day for the new opportunities that we see out there.

Chair D. Harrison: — Thank you, Minister. MLA Breckner, do you have any closing comments?

Kim Breckner: — Thank you, Chair. Yes, I would like to thank the officials here tonight for their work in preparing for estimates, also the hard work that they do year-round. It's much appreciated by everyone in this province. And thank you to the legislative staff here tonight and to my fellow committee members for being present.

Chair D. Harrison: — All right. Thank you to the minister and his officials for coming in here and staying late this evening. Much appreciated. Thanks to the committee for doing the same as well. Also thank you to the Clerks that have been in attendance here tonight and to *Hansard* for doing their fabulous job as always.

It now being past 10:30, this committee stands adjourned until Tuesday, April 21st, 2026 at 3:30 p.m.

[The committee adjourned at 22:44.]