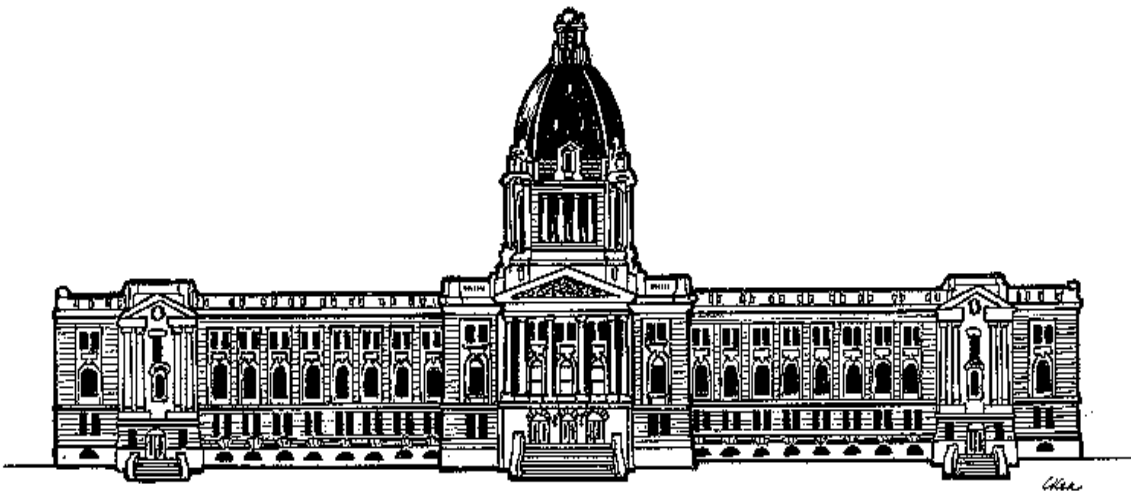




STANDING COMMITTEE ON THE ECONOMY

Hansard Verbatim Report

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Legislative Assembly of Saskatchewan

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**STANDING COMMITTEE ON THE ECONOMY
2008**

Mr. D.F. (Yogi) Huyghebaert, Chair
Wood River

Mr. Ron Harper, Deputy Chair
Regina Northeast

Mr. Darcy Furber
Prince Albert Northcote

Mr. Jeremy Harrison
Meadow Lake

Mr. Warren Michelson
Moose Jaw North

Ms. Laura Ross
Regina Qu'Appelle Valley

Ms. Nadine Wilson
Saskatchewan Rivers

[The committee met at 20:08.]

**General Revenue Fund
Environment
Vote 26**

Subvote (EN01)

The Chair: — I'd like to call the committee to order. This evening we'll be considering vote 26, the Environment. First off I'd like to announce that Mr. McCall is substituting for Mr. Furber. And my opening comments to the committee tonight, I would like to remind committee members that questions go through the Chair, and I wish members would adhere to that. I'd ask the minister now if she would introduce her officials and provide opening remarks if she wishes.

Hon. Ms. Heppner: — Thank you, Mr. Chair. And thank you for having me before your committee this evening. Joining me today from the Ministry of Environment is, to my left, Liz Quarshie, deputy minister; to my right, Bob Ruggles, associate deputy minister; behind me, Dave Phillips, assistant deputy minister; Donna Johnson, executive director, finance and administration; Steve Roberts, executive director, fire management and forest protection; Ron Zukowsky, director, climate change program; Chuck Lees, director, green policy branch.

And also joining me this evening from the Saskatchewan Watershed Authority are Alan Parkinson, president of the authority; Bob Carles, vice-president, stewardship division; and Doug Johnson, director of basin operations.

I am pleased tonight to appear before the Standing Committee on the Economy as Minister of Environment. The 2008-2009 provincial budget represents a commitment to keep our promises and make sure Saskatchewan is ready for growth. It represents a commitment to work with Saskatchewan residents, businesses, Crowns, and industries to ensure that the money we spend makes a difference and offers real results.

And it represents an investment of \$186 million to promote and protect the environment and its natural resources as part of our government's commitment to find solutions to the environmental issues facing our province. This budget demonstrates our government's commitment to work with municipalities and stakeholders across the province to protect and conserve our natural resources. We are taking action to promote a sustainable environment and assist Saskatchewan residents to conserve energy and reduce greenhouse gas emissions.

The Ministry of Environment's overall expense budget increases to \$186.2 million from 172.5 in the '07-08 budget, an increase of \$13.7 million or 7.9 per cent. The appropriation, including funds for capital, increases to 209 million from 180.4 million, up 28.6 million or 15.9 per cent.

The budget includes \$15.3 million for green initiatives. An additional \$2.2 million for green initiatives is in the Ministry of Energy and Resources' budget to address flaring and carbon sequestration and to support the Petroleum Technology

Research Centre and the International Test Centre for CO₂ Capture.

This total of seventeen and a half million dollars keeps our campaign promise to more than double the funding for green initiatives. This is a promise we made to the people of Saskatchewan, and I am proud to announce it is a promise that we have kept in this budget. Seven and a half million dollars of funding will continue under existing green initiatives. Under the previous administration, Environment was not the lead ministry on climate change issues. We are changing that approach.

This budget provides \$1 million to implement the lead role on climate change assigned to the Ministry of Environment, including coordinating policy and program development to meet provincial emission reduction targets; \$500,000 to the Prairie Adaptation Research Collaborative for research on climate change impacts and adaptation on the Prairies.

There's \$975,000 in sustainable community grants to provide funding for non-governmental agencies, communities, and Aboriginal organizations to promote sustainable development projects in the areas of climate change, water conservation, source water protection, green agricultural practices, ecosystem conservation, sustainable development awareness, and ecotourism; \$1.125 million in green technology commercialization grants to provide funding to help small- and medium-size businesses overcome barriers to the commercialization of their green technologies; \$1.3 million in support for the energy efficiency program for new housing, and the EnerGuide for Houses program.

Our new government was elected with a mandate to deliver its own plan to help Saskatchewan people go green. The framework of the plan is contained in the 2007 Throne Speech, and the government is working on details of its implementation, including developing new initiatives.

A comprehensive plan is needed to address the issue of greenhouse gas emissions in Saskatchewan. We must consult with industry and our Crown corporations to ensure that these targets are met. Our government has committed to reducing greenhouse gas emissions by 32 per cent by 2020. This is an aggressive target and we are committed to meeting it.

Our government promised an additional \$10 million in go green funding. As I said earlier, 2.2 million of that has already been allocated to the Minister of Energy and Resources for flaring and carbon sequestration, and to support PTRC [Petroleum Technology Research Centre] and the ITC [International Test Centre for CO₂ Capture] centre. The details of significant initiatives funded by the remaining 7.8 million under the go green plan will be announced as they are finalized.

Other highlights for the 2008-2009 budget for the Ministry of Environment include: fire management and forest protection receives an additional \$14.3 million in capital for projects such as the aerial fleet renewal, including the purchase and installation of CL-215 conversion kits and the arrival of a fourth CV-580A and continued construction of new fire towers.

Funding to SARCAN to deliver the beverage container

recycling program will be increased by \$2.9 million for a total of \$13.9 million. This increase reflects the growing success of this program as Saskatchewan residents return their beverage containers for recycling in ever increasing numbers. One million dollars is being provided to support the northwest Saskatchewan sustainable development plan to provide recommendations for coordinated sustainable land use in northwest Saskatchewan over the next two decades, to position our province to meet the future challenge of balancing economic interests with environmental integrity.

The environmental assessment branch will receive an additional \$260,000 and three new positions. With a growing economy, the number of developments requiring environmental assessment is growing. The new positions will allow the branch to provide timely responses to proponents.

The forest services insect and disease control budget will increase by \$730,000, representing increased funding for both the spruce budworm program and new funding for the mountain pine beetle program. This will allow the implementation of proactive emergency preparedness measures, monitoring movement of the beetle, and working closely with federal and provincial governments and the private sector.

This coincides with the Premier's commitment made at the January meeting of the Council of the Federation in Vancouver. At those meetings, the Premier endorsed calls for a national strategy on climate change adaptation, which included managing research on the spread of the mountain pine beetle.

The Saskatchewan Watershed Authority's grant is \$7.256 million. This funding will support the authority's work to develop an integrated water management framework to guide protection and management of our waters.

The goals of the ministry's occupational health and safety plan are to improve workplace safety, reduce the lost time injury rate, and improve management and staff accountability for safety. The 2008-2009 budget provides \$100,000 for training that focuses on high-risk work procedures.

Overall the 2008-2009 budget positions the Ministry of Environment well as we continue to deliver on our mandate: to work with Saskatchewan stakeholders to protect our water, air, and natural resources; to achieve a high environmental standard; and to support sustainable development in the usage of these resources.

The ministry will guide government efforts to help Saskatchewan people and communities go green, and lead the provincial climate change plan to meet greenhouse gas emission targets. Thank you, Mr. Chair, and we look forward to the questions posed by members of your committee.

The Chair: — Questions? Ms. Morin.

Ms. Morin: — Thank you very much, Mr. Chair. And welcome to the minister and her officials. Thank you for appearing before us this evening and, I'm sure, providing us with all the questions to our answers . . . answers to our questions. My apologies. It's been a long night, as you can tell.

You've said, your government has said and you as the minister representing the government have said that you'll continue to honour the greenhouse gas reduction targets that were put in place by the NDP [New Democratic Party] government in June of last year, or May it was.

Since the funding for those targets has been all but eliminated — I mean it's about \$10 million now from what I understand — how do you propose to reach those targets?

Hon. Ms. Heppner: — I understand that the previous administration had used the money from the sale of the upgrader. All I saw for the allocation of that money was a press release on it. I have not seen any plans as to the detailed breakdown of how that money was going to be spent.

We are allocating an additional \$10 million to initiatives. We are interested in reviewing the current programs and coming up with new ones for the additional money that will offer real results and, as such, the \$10 million part of that is being allocated to Energy and Resources for the programs that I outlined. And we will be working in conjunction with other ministries to find projects and initiatives that offer real greenhouse gas reductions.

In that original money from the sale of the upgrader was, I believe, an allocation — although it was never . . . I haven't seen information on the actual dollar amount of the allocation — was to go to carbon capture for the electricity sector, which I would imagine would be SaskPower as they are the electricity generator in our province. And part of that undertaking is now within SaskPower.

As you know, SaskPower is one of the leading polluters of greenhouse gas emissions in this country, and as such it offers some real challenges on how to address that. I don't personally believe that the province can meet our targets unless SaskPower is part of that solution. And although there was some funding set aside through the sale of the upgrader, there is actually more money set aside through SaskPower for carbon capture projects that were recently announced in conjunction with funding from the federal government.

Ms. Morin: — Well I'd like to get to the carbon capture project that you just raised a little later because there are obviously some other issues with respect to cost overruns and who is going to be responsible for those and especially since the federal government has already said that they're not going to be on the hook for them.

So I'm just wondering . . . So the minister is saying that the minister isn't aware of any of the initiatives, projects, services, or anything that were described under the plan with respect to the sale of, from the money from the upgrader. Is that what the minister is saying? That there is no knowledge of which programs or services or anything were cut because of the elimination of that money.

Hon. Ms. Heppner: — The money announced from the sale of the upgrader . . . There actually were no programs cut because no programs were actually implemented as far as I understand. The programs that the previous administration had put in place under the green initiatives with the seven and a half million

dollar funding envelope are still in place. Those are being funded still with the seven and a half million dollar funding, but the 300-and-some-odd million dollars from the sale of the upgrader . . .

Like I said, I saw the press release. I have seen in all of my briefings no information of an actual allocation of that funding. It's my understanding that that money went into the GRF [General Revenue Fund] and was never allocated specifically. There wasn't a program set up to cancel for the funding that was announced through the sale of the upgrader. So while there was an announcement made that things were going to be done with that money, no programs were ever officially set up for that money to go to.

Ms. Morin: — Is the minister aware of the climate change plan and the green initiative strategy being posted on the website and which have obviously since disappeared? Is the minister aware of those documents and has she seen those documents?

Hon. Ms. Heppner: — Yes.

Ms. Morin: — So the minister is aware of the strategies that would have been implemented and were in the process of being implemented given the election having taken place and then things having been changed. The minister is aware of that as well.

Hon. Ms. Heppner: — Yes, and the only, like I said, the only programs that were actually implemented were under the seven and one-half million dollar envelope under the previous administration.

Ms. Morin: — One of those programs would have been the climate change secretariat, which was in the process of being set up. Does the minister have any ideas as to what happened with that? Or is that one of the programs that's been cut entirely?

Hon. Ms. Heppner: — Well again it's hard to cut a program that never existed. It was an announcement and it's my understanding that the previous administration had planned to house the climate change secretariat within CIC [Crown Investments Corporation of Saskatchewan]. It was not ever meant to be under the Ministry of Environment, so it wouldn't have been in this year's budget because it wasn't intended under the previous administration to be in the Ministry of Environment. So as far as I've been able to tell, the climate change secretariat actually never existed. It was an announcement and . . .

Ms. Morin: — Well my information is that the hiring process under the Public Service Commission for the climate change secretariat was already in process, so there were some initiatives already starting to be undertaken with respect to the support and administrative processes of the climate change secretariat, which was also to house experts in the field of climate change and such.

Given that the climate change secretariat is clearly not going to be in existence any more, whether it's housed here or there, does the minister have any proposals going forward to have a panel of experts at the government's behest to deal with the

issue of greenhouse gas emissions, reaching targets, and the bigger issue, or global issue of climate change?

Hon. Ms. Heppner: — As I said in my opening remarks, while the former administration had planned for a climate change secretariat that was housed under CIC, the previous administration's approach was to have pieces of the climate change puzzle in different ministries. There was some in industry, some under CIC, and some in the Ministry of Environment.

And our government's approach has been to house it within the Ministry of Environment itself. We will be working with other ministries but the lead agency will be the Ministry of Environment. And in the budget documents that I'm sure that you have in front of you was a \$1 million allocation to facilitate having the Ministry of Environment be the lead agency overseeing the climate change.

And within that is four FTE [full-time equivalent] positions, and they will be the lead within the ministry to oversee the climate change implementation plans. And I think the deputy minister has some comments as well.

Ms. Quarshie: — Thank you, Mr. Chairman. Thank you, member. The climate change portfolio, as the minister alluded to earlier, rests within the Ministry of Environment. And within that, as the minister said, we have four FTEs, plus we have assistant staff. We have initiated the process. We have two working groups. We have the inter-ministerial committee, which is a working level group of actual different ministries who are contributing to formulating the plan. And then we also have the deputy minister steering committee which will provide guidance for the overall project.

In addition to that we have hired a consultant and some staff who will be starting very soon. We've also initiated a public consultation process to solicit views from different parties, including industry and ministries, to see what the real issues are, consolidate those comments, and then look at the targets to see where we are today and what do we need to be able to meet those, the proposed targets. So that analysis is in the works. It's not completed yet.

And then through that we'll have a CII [cabinet information item] which is coming to cabinet sometime very soon. And we'll also propose a CDI [cabinet decision item] through this process that I just described, which will enable cabinet to formulate a decision, a position, which will help drive forward exactly what we need to do in terms of implementation.

Ms. Morin: — It's my understanding that, just for clarification, that the climate change secretariat was supposed to house the experts who were going to be gelling the rest of the co-operative — as they are now titled — ministries together. So there are some similarities as to what you're describing now, as having your experts within the Environment ministry. Clearly there was, in my humble opinion, a much larger commitment because it was setting up a secretariat that would then have the ability to direct mandates to be followed through with the various ministries. But anyways, that's just for clarification purposes.

How does the current government foresee . . . Besides the fact that we've already discussed SaskPower — clearly that alone will not help us reach the targets that have been agreed to, set out upon, so — what does the current government see as other initiatives that will have to be undertaken in order to be able to successfully achieve reaching these targets?

Hon. Ms. Heppner: — The two largest greenhouse gas emitters in our province — one is SaskPower and electricity generation, and the other one is industry. And so industry is going to play a key role in going forward and making sure that our greenhouse gas emissions are reduced. And we have begun consultations with industry going forward, as we finalize our plans on how to reach our targets.

It's my understanding that, while the previous administration set the targets, there was very limited consultation with industry. And so in some respects we are starting from the beginning and with our targets in mind because we feel that they are achievable. But industry needs to be consulted as well so that we can help each other get to that end goal.

And as you know, the federal government came up with draft regulations recently which has — although they're not finalized — has a proposal for carbon capture and storage within industry which we will be discussing that with industry as well, going forward. And obviously that will likely be part of the plan. But industry needs to be consulted. We need to know where they're at, what their plans are so that we can help them help us reach our targets.

Ms. Morin: — Thank you for that answer. Madam Minister can talk about what wasn't done in her opinion over the past years, and I can continue to educate her on what was done. And I can assure her that there were extensive consultations done. I'm sure she had the privilege of reading the Prebble report, not to mention the other reports that the government had secured over the years. But we aren't here to discuss what's happened in the past because, as I said, I could go on ad nauseam to defend that issue.

We are here to discuss what's going on in your new government going forward into the future. So having said that, I'd like to know for instance, the \$1 million that's been allocated for the northwest sustainable development plan, who is developing this particular plan?

Hon. Ms. Heppner: — The northwest development plan, the stage that we are at now, is consulting with other ministries including First Nations and Métis Relations and Energy and Resources to establish a framework for the development plan. Once that framework has been established, it will go to cabinet for their direction, further direction if there is any or approval if they agree with the framework as it stands, and then we will move forward with the plan. But right now we are at the consultation process.

Ms. Morin: — So the officials within the department, within the ministry, are the ones that are developing this plan currently. Is that correct?

Hon. Ms. Heppner: — Yes.

Ms. Morin: — The \$1 million that has been allocated for this particular plan, does the minister feel that this is an adequate amount of money to research the environmental impact of future oil sands development? Or do you feel that there is going to be additional funds needed?

Hon. Ms. Heppner: — This is the first instalment of a two-year plan. There'll be additional funds likely in next year's budget. And until the terms of reference are established and all of that information is in front of us, I would say that \$1 million is what we need for this year. And if that changes, obviously we will be in discussions next budget cycle, but as it stands now I believe it is.

Ms. Morin: — What's the status of the Office of Energy Conservation at this point?

Hon. Ms. Heppner: — The Office of Energy Conservation, there were two FTEs within the office. One is now housed in Energy and Resources through SRC [Saskatchewan Research Council] and the other one is now doing full-time educational programming within the Ministry of Environment.

Ms. Morin: — Thank you. So in essence does . . . The Office of Energy Conservation, I'm assuming, still exists as a structure. And if that's the case, are they still going to be funded at the current levels?

Hon. Ms. Heppner: — The office itself no longer exists, but some of the programming that was done, like I said the educational component is now within the ministry. And I understand previously administration's plan was to roll it into the secretariat, according to the backgrounder that I have in front of me. We've rolled one through SRC under Energy and Resources and one into Environment.

Ms. Morin: — So the Office of Energy Conservation no longer exists as well. And do you anticipate that those two FTEs are going to remain, going forward? Do you anticipate that there may be an increase to the FTEs for the educational purposes, or do you feel that it's adequate at what it stands now?

Hon. Ms. Heppner: — The educational programming individual that we have within Environment is now a full-time employee. Previously it was on a contract position, so we've actually made that position permanent within the Ministry of Environment. And the deputy minister can follow up.

Ms. Quarshie: — Thank you, member. The one position from that office now rests with the SRC. SRC made the decision to retain the person to do some of their research work within SRC. And the one position that the minister mentioned is the one that we now have within the Ministry of Environment, who's now an educational coordinator, solely responsible for educational programs full-time.

Ms. Morin: — Thank you for the response. Has the ministry considered the report by Environmental Defence Canada?

Hon. Ms. Heppner: — This is the report that you had referred to earlier that came out in February. I actually read the report in February. And what struck me is that there was a lot of things obviously in there that are going to be affecting Saskatchewan,

with what's happening in Alberta. And I had a long list of questions which I asked the ministry for information on, and got back a few pages of information about what Saskatchewan had done as far as analyzing the impact and mitigation going forward. And so I have, yes, read the report and had quite a few questions about it.

Ms. Morin: — So the minister's already said that the minister had a long list of questions. Are there any measures that are going to be undertaken because of those concerns and questions that arose from the minister's questions posed to the ministry?

Hon. Ms. Heppner: — Well it was interesting. One of the questions that I had asked was the extent of monitoring the toxins that were blowing in from Alberta, and specifically to air, water, and soil sampling. And the information that I received is that to date very little . . . Well some has been done, but there are some areas where, when it comes to soil sampling, under the previous administration none has occurred. So that is one thing that we are proposing to undertake in 2008-2009.

Water or air monitoring was limited. We are planning to increase monitoring stations in '08-09 because we need more information than what was previously found. When it comes to water sampling, there were, I believe, 150 lakes in the Northwest that were monitored and we are following up on that. Also there were in the past discussions with Alberta, the Government of Alberta, to work together because of the shared concerns when it comes to this area. And it's my understanding that in '07 no such talks took place, and those have resumed this year, I believe in March.

Ms. Morin: — Thank you. So it's my understanding though that there was a MOU [memorandum of understanding] signed with Alberta with respect to acid rain in 2002. So will this agreement be re-signed with the new government?

Hon. Ms. Heppner: — I understand that the MOU expired in March 2007, and like I said, discussions with Alberta started up again this March. And there will be various topics of conversation going on there and different issues that we need to be addressing. And the deputy minister has some additional information to offer.

Ms. Quarshie: — Thank you, Minister. Alberta actually is part of the federal government's framework for developing regional air jets, and of course Saskatchewan is also involved in that. And so we are in discussions with Alberta about the deposition of sulphur from the east side of the border into the North and the actions that we need to take to ensure that, you know, the potential impacts will be minimized, and the monitoring program itself will be going on. So those are currently in the works, in discussion. Nothing concrete has happened yet with those.

Ms. Morin: — Do we anticipate a memorandum of understanding coming from these discussions? And if we do, are we in the position that we can say that we would want to sign on to that?

Ms. Quarshie: — Well I believe we have to develop this framework that I just described. We have to seek opportunities where we could work together with Alberta to be able to

achieve our targets. And if that entails signing another MOU, then that's where we'll go. At this point in time I really don't know for sure if that is really where we need to go or not because we haven't really gone through the whole process.

Ms. Morin: — What studies are currently underway in the province with respect to monitoring acid rain in Saskatchewan?

Hon. Ms. Heppner: — As I stated earlier there was, I believe, 150 lakes that Environment was monitoring for pollutants that were coming in. Environment Canada tested 300, so we have information on 450 lakes in Saskatchewan. The information that was obtained through those studies is being analysed to pick which lakes are going to be used as the baseline for going forward to monitor.

And like I said as well, there's also soil sampling that we are proposing to begin in 2008-09. Historically soil sampling has not been done, and that is also an indicator of what kind of toxins are coming in and saturating it, because they saturate soil, air, and water obviously. And so soil sampling will be taking place as well.

And as I said, air monitoring is . . . although it was done on a limited basis, we are going to be doing more monitoring going forward.

Ms. Morin: — Thank you. When will those results be available, and will those results be made public?

Hon. Ms. Heppner: — The information on the water monitoring in the lakes, I am told that information will be completed in the next few months, and any information that we have will be made public.

Ms. Morin: — And with respect to the soil and air monitoring, when will those results be available, and will those also be made public?

Hon. Ms. Heppner: — The information will be made public, and as for timelines on that, I will . . .

Ms. Quarshie: — I believe there are two recent reports under the CCME that are currently available, which is the Canadian Council of Ministers of the Environment, the subcommittee. Those two reports are available that kind of talks about the levels of acidification in the emissions. The additional data, whatever monitoring information additionally that occurs, would all be public information anyway. I don't have an exact date for when those will be available.

Ms. Morin: — Given that the report by the Environmental Defence Canada, is there any impact in terms of staffing levels as to more rigorous testing, or what to do to mitigate the circumstances because of the circumstances coming out of the Environmental Defence report?

Hon. Ms. Heppner: — The issue of mitigation was actually one of questions that I asked after reading the report. And the answer that I received back is that opportunities for mitigation are limited at this time because of the lack of information that the province has because not all of the testing was done that should have been done previously, or could have been done

previously. And on the air quality monitoring side, there is the mobile units. There is additional staff hired in the summer to operate that unit and go through the province for monitoring programs.

Ms. Morin: — Getting back to the water monitoring, the minister's already stated that there will be a report available in approximately two months. But given that the Environmental Defence report was only released in February 2008 and given that we have new information as to the impact it's having on Saskatchewan with respect to over 70 per cent of air emissions acidification directly affecting the province, is there going to be anticipation of additional monies added to or staffing level added to monitoring the water and soil and air quality of Saskatchewan because of the new knowledge of the increased acidification that's happening to the province?

Hon. Ms. Heppner: — I would point out that . . . And I am not in any way downplaying the effects of Alberta's oil sands coming to Saskatchewan, but when you said that this was new information, it's not necessarily new information. We've suspected for some time that this was happening. And in order to address some of these issues, I believe under the previous administration '07-08 budget through the green initiatives fund, there was \$200,000 set aside for air quality monitoring. We've actually increased that to \$300,000 this year.

And to help to address this situation, there is also some reorganization within the ministry to make sure that we have the resources in place to address this issue because as I said, we need to do more monitoring than what was previously done. We've known that Alberta has an impact on Saskatchewan for some time. It was not a new revelation as of February 2008. And I think we need to clarify that.

The report that came out was very informative. As I said, it raised a lot of questions in my mind, and I got a lot of answers on that. But to say that this is suddenly new information because somebody wrote a report in February 2008 is not a correct statement. The previous administration would have known about this as well, as they too set money aside for this, and this has been an ongoing issue for a number of years. And I just wanted to make sure that we were clear that this situation did not suddenly occur in February 2008.

Ms. Quarshie: — The ministry is reorganizing its air quality section in terms of bringing in actually, specialists, air quality specialists who'll be actually able to really manage this. The actual structure in terms of bringing people in has not commenced yet, but that is to start very soon.

Ms. Morin: — Thank you for the response. And, Madam Minister, I do agree this isn't a new revelation. What I meant by new was to the extent of which the acidification process is affecting Saskatchewan, with respect to the Alberta oil sands.

So you're right, it isn't a new revelation, but it is new information as to the extent of which it is affecting Saskatchewan. Given that Alberta's contributions to the rising acid rain emissions that are going to hurt Saskatchewan's soil, forests, fish, wildlife, and economic sectors like forestry for instance, can one assume that these discussions that are taking place with Alberta over the past number of months, that you've

talked about, include some of the responsibilities and perhaps mitigations that Alberta would need to take on and shoulder as their burden to the pollutants that are affecting Saskatchewan?

Ms. Quarshie: — Thank you, member. I think first of all let me state that Alberta is doing their own monitoring. They've done extensive monitoring including modelling of the airshed to determine the different pathways and the deposition patterns and the load and everything. We are also doing now — it's as the minister explained earlier — now we need to have enough monitoring data to also confirm our position in terms of what the extent of the pollution is or the deposition and also confirm the model whether really it's congruent with ours or not.

But these discussions are all in the works. I mean we're working co-operatively together. You know, immediate mitigation strategies are not on the table because the monitoring programs are ongoing and, you know, we know that there are potential problems. But, you know, we haven't reached a broad-based conclusion that this is what we all agree on. So I think these discussions need to work out. And then we have to decide mitigation strategies that would satisfy both of our requirements, from both the Alberta side and the Saskatchewan side. And I think if there's any MOU to come out, this is the point where I see a potential MOU.

Ms. Morin: — So mitigation strategies are being contemplated, though, given that there are clearly pollutants from Alberta affecting Saskatchewan and our environment. Is that correct?

Ms. Quarshie: — Well we know that there are depositions coming in from Alberta — there's no question. I think Alberta knows that. Now the extent of that deposition and the actual characterization of it in terms of loads, you know, there's some information on that from on the Alberta side. We need to do that on our side.

Ms. Morin: — Thank you. What is the ministry's position on the emerging sulphur dioxide and nitrous oxide regulations being proposed by the federal government under the Canadian Environmental Protection Act?

Hon. Ms. Heppner: — Through the CCME, the provinces are working to establish criteria for the levels of those compounds and to define the limits within — it's through a working group — and define the limits that would be allowable. And so Saskatchewan is working within the CCME to help come to those conclusions and also what the implications would be on Saskatchewan.

Ms. Morin: — What does the ministry anticipate as a result of this report and the impact it would have on Saskatchewan?

Ms. Quarshie: — Well some of the proposals particular with respect to particulate matter is really strict, that's what they call in the PM_{2.5} — are very fine particulates. So I mean the intent is really to work within the federal family and the provincial family to come up with specific criteria which is achievable and which will meet this objective or the intent.

So our role is really, participate in and in sharing information, trying to develop what those potential targets would be.

Ms. Morin: — Has the ministry done an analysis of whether these measures are strong enough to significantly affect the levels of acid rain coming from Alberta into Saskatchewan?

Hon. Ms. Heppner: — As was stated in previous answers, we don't have all of that information yet because the monitoring is ongoing. And so to have a conclusion today on that, I don't think is reasonable until all the information has been established.

Ms. Morin: — So do you intend on doing an analysis once you have the further information? When this analysis is concluded will that also be made public?

Ms. Quarshie: — Yes. Remember, as you very well know, all these documents are public anyways.

Ms. Morin: — Thank you very much. It's always good to have it on records that I know I can ask at some point in time. So we know that the water and management of our groundwater and watersheds and a continued abundance of clean water are important markers of our sustainability success. Given the Environment ministry's mandate to ensure high quality environment and health ecosystems, to what extent has the ministry shown that there will be progress on that issue going forward?

Hon. Ms. Heppner: — There is an ongoing watershed management process. There's separate watersheds throughout the province. There are nine initiatives currently underway. Six are completed or are in the final stages, and there is two that are currently being developed — one in Carrot River and one in Assiniboine.

Ms. Morin: — Thank you. Given that there's lots of discussion and lack of knowledge, shall I say, or lack of clear knowledge as to what Enterprise Saskatchewan is going to entail, if a private exporting scheme was attempted to be implemented by, say, the encouragement of, say, Enterprise Saskatchewan, could you tell us whether this would, in your ministry's view, compromise the spirit and force of the ministry's mandate with respect to water exportation?

Hon. Ms. Heppner: — I have to say with all due respect, that is a completely hypothetical question, and as far as I can determine it really has nothing to do with the budget that we are discussing tonight. And I'm honestly quite not really prepared to answer hypothetical questions about what may or may not happen, especially in another ministry.

Ms. Morin: — Enterprise Saskatchewan is in another ministry, but if that ministry impacts your ministry, Madam Minister, then I would think that that would be something that would not be of a hypothetical nature for Madam Minister to answer.

Hon. Ms. Heppner: — What you're asking is hypothetical. You're asking about water exports which is not in discussion anywhere within my ministry or any others that I'm aware of. So it is a hypothetical question.

Ms. Morin: — What I'm asking, Madam Minister, would be whether that would compromise the spirit and force of the ministry's mandate to even venture into the notion of water

exportation.

Hon. Ms. Heppner: — I think the mandate of the Ministry of Environment and the Saskatchewan Watershed Authority is clear. We have absolutely no inclination plans to change that mandate; and as I said, as for your actual question, it is absolutely hypothetical.

Ms. Morin: — I will not disagree with the hypothetical nature of the Enterprise Saskatchewan question, so that's why I haven't asked it in the last two questions. I've asked, Madam Minister, I'm specifically asking whether it would compromise the mandate and the spirit and force of the ministry's mandate. It is my understanding that it would be illegal, under the Watershed Authority. I am simply trying to confirm whether my understanding is correct or not?

Hon. Ms. Heppner: — And as I just said, that mandate of both the Ministry of Environment and the Saskatchewan Watershed Authority are quite clear, and there is absolutely no plans to change those mandates.

Ms. Morin: — Could you please clarify the mandate then, since I understand that you're saying that there is no plans to change those mandates. Could you clarify what that mandate is with relation to export of water?

Hon. Ms. Heppner: — The legislation currently in place does not allow for export of water.

Ms. Morin: — Thank you. That was the answer that I was trying to achieve. Is the ministry aware of the results and consequently the negative consequences of water service privatization in Ontario?

Hon. Ms. Heppner: — We're aware of it, but it doesn't apply to Saskatchewan, so it's not really something that we've looked at.

Ms. Morin: — Just wanted to confirm that we are aware of what's happened there.

I want to now focus on the relationship between Enterprise Saskatchewan, and I'll try not to ask any hypothetical questions, but it is a new government entity. So it's something that has long-reaching tentacles into many different ministries, and it's already partially formed as we already noted, and the legislation is looking going through this session right now . . . and it's relationship to the Ministry of Environment. As I said, I will try and restrict my question to the Environment ministry's views and that anticipated relationship.

Do you foresee or . . . How will the ministry respond to Enterprise determining the issue of water as it stands currently under public ownership and government regulation as a barrier? So if Enterprise Saskatchewan identifies this as a barrier with respect to the fact that it's publicly owned and it's restricted under government regulation, if they identify it as a barrier, what will the ministry's response be to Enterprise Saskatchewan?

Hon. Ms. Heppner: — Again it's a hypothetical question. And I would ask the Chair that perhaps he could explain that we are

here to discuss the budget, and if you have questions that concern the budget that is before us today as the vote that we are examining, I am more than willing to answer those questions.

But to answer hypothetical questions about what another ministry may or may not do, I don't think is within the procedure that this committee is supposed to be involved in this evening. And I will leave it up to the Chair to decide, but as far as I can tell this line of questioning has absolutely nothing to do with the budget and is completely hypothetical questions.

The Chair: — Yes, I would say we allow quite a bit of latitude in committees providing it relates directly to the estimates that we're here to consider. And I know the member has referred to Enterprise Saskatchewan on numerous occasions now, and that's not what's up here this evening. And so therefore it's hypothetical questions, and I think we should restrict ourselves to the estimates that we're here to debate.

Ms. Morin: — Thank you for that ruling.

Moving on then to the report from Alberta Environment dated November 26, 2007, *Alberta Air Emissions Trends and Projections*, I'm sure that your ministry is aware of this report as well. And I'll leave you a few minutes to allow your officials to move around here.

So my question will then be, how do your projections in Saskatchewan compare with specific projections in Alberta?

Ms. Quarshie: — May I please ask for a clarification? When you say the projections, are we talking about particular elements within, or are we talking globally in terms of actual air quality globally?

Ms. Morin: — Air quality globally.

Ms. Quarshie: — I think while the staff are trying to fish out the material, I know that recently there was a report put out by the lung association, I think it was. There was report put out in the newspaper by the lung association, and I believe that they gave Saskatchewan a rating of B or somewhere there. So overall the air quality in Saskatchewan is considered to be reasonably good, if I recall.

Ms. Morin: — Thank you very much. I think that that will be the extent of my questions at this time. I'm going to . . .

Ms. Quarshie: — It wasn't the lung association; it was the heart and stroke, sorry.

Ms. Morin: — Thank you for that correction. I'm going to read through my notes and I'm going to, in the meantime, pass the questioning, the line of questions over to Mr. Belanger, Mr. Chair.

The Chair: — Mr. Belanger.

Mr. Belanger: — Thank you, Mr. Chair. I'll try and follow the process as politely as I can and address my questions to the Chair as directed.

The Chair: — Thank you.

Mr. Belanger: — Mr. Chair, I'd like to ask the minister in reference to the budget, quite frankly and quite directly, why did you fire six of the kitchen staff in the Buffalo Narrows fire department?

Hon. Ms. Heppner: — Well I thank the member for his question. As I stated previously in question period, the ministry-operated kitchen at the Buffalo Narrows fire base has been closed, as was the practice, is the practice within the Ministry of Environment over the last number of years.

The ministry operated their own kitchens when the town or centre that they were stationed in did not have the ability to provide those services, whether it was a catering service or restaurants in the area. And once those centres had the capacity to provide those services, the kitchens that were run by the ministry were closed.

This has happened in other areas in the province. There is only currently one ministry-run kitchen left, and the reason it is remaining is that the area in which it's located does not have the necessary services. And I would like to offer a correction, that it was five seasonal staffers — is my understanding — that were let go from their positions.

And I would have to say that there were concerns raised by the member previously about the economic impact on Buffalo Narrows, and I would suggest that having local businesses offer these services is actually a benefit to the local economy, as these restaurants and businesses are able to offer these services. It obviously helps them out from a financial point of view and quite possibly could offer jobs to other people in the community as well.

Mr. Belanger: — Mr. Chair, it's an old trick of ministers to give five minutes of response to one minute of questioning to kill time. So I appreciate that old trick, but quite frankly, I think the minister's suggestion that it is good for the local economy, I don't buy that argument at all, Mr. Chair. I don't buy it one bit.

These — and I stand corrected — these five employees that you callously fired with no regard for them and their career and their years of service to your ministry, quite frankly, are very upset. They're very angry. And they want to know, after all those years of service to this particular department in a variety of different governments, that they were dismissed. And the response the minister gives us is they can have lunch at the local café now.

Does the minister have any idea how many staff have traditionally been fed through this particular kitchen, especially during the heightened forest fire season?

Hon. Ms. Heppner: — The number of people who are required to be fed through either through a ministry-run kitchen or through the local businesses in the communities depends entirely upon fire season. So it's difficult to give a definitive number. It all depends on the particular year.

Mr. Belanger: — So if I told the minister that there was thousands of meals served on an annual basis to a variety of

crews, whether they're the air attack crews, whether they're the ground crews, whether they're the initial attack crews, or whether they're just the forest fire protection workers that work for her, she wouldn't be able to challenge that fact. Is that correct, Mr. Minister, or, Mr. Chairman?

Hon. Ms. Heppner: — Well as I said, it varies depending on fire season. But I would point out that the fire service station in Stony Rapids and Weyakwin previously had ministry-run kitchens and are now having their food service provided through local businesses. And it seems to be working there.

Mr. Belanger: — Would the minister know for certain, Mr. Chairman, that as a result of the budget that she's announced today, the cuts attached to the budget — we're not talking about the increases so much — but really the cuts to the budget, that what if I told the minister (a) this was a very, very poor decision. And the officials that gave you the advice to cut the staff in Buffalo Narrows made a very, very, poor decision, and this reflects on the minister. This reflects on the minister.

What if I told the minister that the restaurant in Buffalo Narrows was debating whether they were going to keep their doors open or not, primarily because they have difficulty finding staff and they've leased that space out for a number of years to an individual who may not continue that lease. Now again, not knowing how many people that you feed at the kitchen staff, not knowing for certain if the local restaurant is going to stay open, and really not finding out the real true impacts of the decision that she made as a minister, does she think this was a very wise thing to do?

Hon. Ms. Heppner: — I thank the member for his question. And as I stated earlier, this actually brings Buffalo Narrows into line with the way food service is provided in other areas of the province. And it's my understanding that there are two restaurants in Buffalo Narrows — both have been approached by the ministry about providing food services and both are interested in providing them.

Mr. Belanger: — The other important fact I would point out is I just want to make the point that I raised earlier, that I think the minister made a very, very poor decision here — very, very poor decision. And the rationale in making the decision was also very poorly thought out. I don't know who recommended to the minister, but I could tell them that this was one terrible decision that was made.

Mr. Chair, I think the problem that I see . . . and I would ask the minister a few preliminary questions first. And the first question again, given the fact that she is from southern Saskatchewan, I think she would agree with me that the vast majority of our forests in Saskatchewan are in the northern part of our province. Is that a fair assessment to make, Madam Minister?

Hon. Ms. Heppner: — Yes.

Mr. Belanger: — All right, that's a fair assessment that can be made. Would you say that the vast majority of the opportunity, whether it's in the forestry industry or even simple things — I'm not certain of the science behind it — but the fact that trees sequester carbon, which could be good for the environment. So protecting our forests for even those two major issues is also

very important to the province as a whole. Would the minister concur with that statement?

Hon. Ms. Heppner: — Yes.

Mr. Belanger: — Okay. So at the end of the day, would the minister also agree that northern Saskatchewan with its vast mineral ability — whether it is in uranium or whether it's in gold and in a variety of minerals — whether it's in forestry or whether it's in tourism potential, that northern Saskatchewan does offer a great amount to the province as a whole? Would the minister agree?

Hon. Ms. Heppner: — I think the opportunities in the North are, I would say, almost staggering at this point. I think that the opportunities that the resources that are found in the North offer our province as a whole, and especially for opportunities for those who are currently living in the North, are quite exceptional.

And I think our government has been clear that we are more than willing and are anxious to look at the development of those opportunities, not just for the province but for those who are living in the North who up until now have not always had the most opportunities or the best opportunities. And I think it's very important to help those living in the North realize those opportunities and work with them to make sure that they benefit from this as well.

Mr. Belanger: — The other question that I have for the minister in reference to the budget itself is that, is she proud of the fire protection workers that work for her in northern Saskatchewan, protecting northern forests, protecting a lot of investments, and really building the economy in the North and being part of the economic solution overall? Would she concur with the fact that she does have pride in her workers, Mr. Chair?

Hon. Ms. Heppner: — I think those who are offering their services in the forest fighting industry do an astounding job. It is not a job that I myself would be willing to do. And I offer that absolutely freely, that opinion. That is not a job that I would want. It's dangerous. I'm sure at times it's probably exciting. It is an enormous job and the men and women who are in that, who are offering their services, many times risk their lives to protect not only the industry that's in the North but the people who are living in the North, and I'm absolutely proud of what they do. I would be proud of them whether or not I was the Minister of Environment.

Mr. Belanger: — Well I would say, Madam Minister, and Mr. Chair, that I think the Minister of Environment has probably the toughest job within a government. I'll grant the minister that. There's no question that sooner or later choices will be made between the environment or the economy. And I don't see evidence that the environment will be protected. I don't see evidence of that within this particular budget. My question is budget related, Mr. Chair. So I want to give the minister that, to afford the minister that.

But we have heard her say that she is proud of her staff. We have heard her say that the North contributes a great amount. We have heard her say that there is vast amount of opportunity

in the North. And we've heard a number of glowing praises for the North in general and the contribution the North makes. However in these northern communities, every single job counts, Mr. Chair. Every single job counts — every one.

And given the resources that the province has today, given the fact that the vast majority of our forests are in northern Saskatchewan, given the fact that the forest fire fighting program itself over the years, I think, while there's been a great amount sometimes that effort goes unnoticed and unappreciated. And the particular impact of being felt by that, the greatest amount, are in these northern communities.

So when you shut down a service in the hopes that the local restaurant can cover the overflow of all the fire fighting crew and you place five, and I believe it's five women, that work in this kitchen feeding the army of people that protect our forests and northern resource base — trappers' leases, forestry companies' operating areas, mining companies' sites — these are you're people that do a tremendous amount of good work.

And how you have treated your particular staff — five staff in Buffalo Narrows — by callously firing them and saying your services are no longer needed, that really hurt Buffalo Narrows. It hurt your staff members that you let go. And it hurt the whole entire northern attitude towards what I think was building very, very strong in the favour of recognizing that northerners do contribute a lot to this province and recognizing that we are good forest fire fighters in northern Saskatchewan.

Madam Minister, I cannot express to you, through the Chair, the great amount of disappointment on that decision that is being impacted in the North. And you can accuse me of being overdramatic here tonight; that is your right to do so. But I am telling you that decision was very poorly thought out. It was very poorly recommended. And I have enough respect for the professional people to not ask who recommended that. But I can tell you, that was one poor decision.

Now every government on every budget time always considers cuts, always considers losing some FTEs. That happens every budget. But as a minister, and I don't think I have to explain the responsibility in your role, you fight back and you say no. Ultimately it's the minister's decision.

And this is why, Mr. Chair, I am asking the minister the pointed question of why she fired five hard-working women that served her army of workers to protect northern forests in a town, in a town that needs every job despite the glowing praise of all our resources and all the contributions that the northern part of our province makes to the rest of Saskatchewan. I can understand if there was a surplus of services. I can understand if there was a whole whack of mismanagement. But decisions are being made that have a dramatic negative effect on your northern fire bases, whether it's in La Ronge, Creighton, Fond-du-Lac, or Buffalo Narrows.

And my only message to you today, Madam Minister, in a most respectful way, is if the forests are in northern Saskatchewan, why in the heck are the cuts made in northern Saskatchewan? If every job counts in these northern communities, especially the government jobs in a very important role of forest fire fighting, why cut in that particular program? Why? And that's the

question that these five ladies . . . I don't even know their names; I haven't spoken to them, Mr. Chair. All I know is that there is five more people in Buffalo Narrows unemployed.

And the question you have to ask, Madam Minister: why is the focus on decreasing and quite frankly discouraging all your staff in northern Saskatchewan? Why are they being focused on when it comes to cuts and reduction of services? What is the logic behind that?

Hon. Ms. Heppner: — I thank the member for his questioning, and I do not downplay or criticize his passion for the North and the communities that he represents. I have respect for that. I will say again that other communities which used to have ministry-run kitchens no longer do. This is not a first-time thing. This isn't a one-off. This is to bring Buffalo Narrows into line with how the ministry has run in the past.

And I would point out that the member previously had stated publicly that his position is that government needs to get out of the business of being in business. And their job is to create, and I quote “. . . a climate that encourages businesses [businesses] to seize on all opportunities and to build their own successes.” And I would point out, Mr. Chair, that as I have stated previously, there are businesses in Buffalo Narrows, businesses that need to have more business in order to increase their bottom line, to make them profitable, to create jobs, to keep the jobs that they have.

And the approach that we have taken, while it affects employees, it also brings about the added benefit of adding to the economy. And I know that for some reason the member doesn't agree with that — now — that it does have a benefit to the community. As I have said, the restaurants in Buffalo Narrows have been approached by the ministry. They are interested in providing the services.

And I would point out to the member as well — as he has just said that he hasn't spoken with these women — that there are opportunities within this ministry and opportunities offered to them in other ministries, of jobs. So to say that five employees are now unemployed, with all due respect, Mr. Chair, is not true. There are jobs being offered to the personnel who were let go. One I understand is retiring, and one is on disability. And for the three that are remaining, jobs are being offered to them.

Mr. Belanger: — Mr. Chair, I think quite frankly, northerners are like any other part of the province where, if they've been given a hard shake, they're not simply going to wilt and die. They will certainly do their very best to recover. In this particular instance I don't think they had a choice. They had no choice but to do what they had to do, whether it's going on long-term disability or seek another work. Northerners are like that, and that's good for them.

But the problem I'm trying to also conclude in a roundabout way, Madam Minister and Mr. Chair, is that in northern Saskatchewan, you have good forest fire fighting protection workers. You have a good support staff, whether it's the air support staff or whether it's the chopper businesses that you employ.

And absolutely, I support business development. You're darn

right I do. You can quote me on that a million times, and I won't change my position.

The argument we have is that if you don't have that service there . . . and what if the restaurant in Buffalo Narrows says, well we can't handle the capacity? Or no, we're not going to renew the lease; we're done at the end of the month. What's going to happen after that? Where are these men going to eat? Can perhaps another person come along and try it? And then in the meantime your staff members are having some difficulty.

So that, in itself, ends a lot of questioning and a lot of arguments. And I'm not going to let this go, Mr. Chair, because there's a lot of nuances behind the logic behind the firing, the response of people and the reaction of people in northern part of Saskatchewan.

Well, Madam Minister, in northern Saskatchewan, as I mentioned — and I'll do my best to try and assist you, not educate you but assist you in making your future decisions — is that the northern forests are there for all of Saskatchewan to enjoy, whether it's tourism or whether the people are just canoeing or hunting, whatever the case may be. Water supply — it's an amazing part of our province, and you have an army of fire protection workers that protect that land. Whether it's a trapper's lease or a uranium mine lease, they're there. And they do a darn good job for the province.

But what happens is . . . and all of a sudden the northern fire bases start feeling the effects of cuts. This is one cut. They start feeling the effects of cuts, and they start feeling underappreciated, and they start feeling dispirited. And what's going to happen is all of a sudden Fort McMurray may be calling. And Fort McMurray will say, well come over here, you guys; you know we'll take you. And all of a sudden you start losing three or four fire protection workers, FPWs. You start losing maybe one or two choppers. And then you start losing two or three managers or another three or four support staff. And all of a sudden it becomes very easy to shut down fire bases because you can't find staff.

And that's the domino effect that I think is going to be occurring and will happen if we allow simple decisions like this to be made from somebody that does not have the full ramifications of what they do. And that's why, Mr. Chair, I tell the minister through her budget that this was a very poor decision. That this was a very, very unwise bit of advice that she received from whom? I don't know and I don't care.

But the net effect is, yes okay, five women aren't working in Buffalo Narrows anymore. We hope the restaurant picks up the slack. But the net effect is you're having a whole bunch of people that are being negatively affected by this decision. It has huge ramifications.

And I'm not being dramatic here, Madam Minister. I am not. But in northern Saskatchewan communities every job counts — every single job. Every job counts. And when you make those cuts, you're affecting families and you're affecting communities.

Now I was hoping to have some letters here today from a variety of people who want to support these women. But the

thing is, is that I know, being the former minister of the Environment, that the staff have to be very professional. And many of them don't speak with me primarily because they're professional people. And I respect that. And I expect that from them because if I was their minister I'd want the same thing too. So we've left that particular scenario alone.

And I can say, Madam Minister, in the northern fire bases, in your northern offices that the staff, while respectful, are being very, very conscientious when I have questions of them. And they're being very, very careful how they respond to me, and they're also being very professional. So I respect that of them, and I a lot of times don't even phone them for any questions I might have. I'll end up phoning the minister's office.

So, Madam Minister, your staff deserve your respect. They feel that they're part of a bigger team. And in the northern part of Saskatchewan, as I mentioned, you're their minister. And they want you to know, and I want you to know on their behalf, that this was a very, very poor decision.

And I intend as a MLA [Member of the Legislative Assembly] and certainly as a member of this committee, through the years, to continue fighting for those positions that somebody along the way says, well we don't need 10 here or 5 more here. Because I can see two or three years from now you're going to lose a lot of the fire protection workers you have now because there's other industries and other sectors and other provinces just dying for workers and dedicated workers like the kind that you have.

So, Madam Minister, if there's somewhere along the line that you can reverse the decision, that if you could somehow in the whole scheme of things afford your staff with respect, especially if they're in northern communities where the forests are, and they've dedicated years of their lives to your ministry, that you ought to know that these cuts have a dramatic, drastic effect, and everybody in these northern communities know.

So, Madam Minister, I guess I would say, as part of my particular wrap-up of this issue, is that you're in danger of losing your staff. And perhaps somebody in middle management or upper management, perhaps they think, well maybe it's time northern bases don't get the attention they deserve. Maybe that's what they're thinking. But, Madam Minister, I can tell you, northern Saskatchewan communities are going to fight this and fight it and fight it and fight it.

I'm just not giving . . . Don't consider this, Mr. Chair, as any kind of warning. That's not the way I operate. It is advice, advice I hope the minister takes into account when some recommendation as poorly thought out as this one comes across her desk and says, sign on the dotted line; this is a done deal. Because it's not a done deal when it comes to northern Saskatchewan workers and communities.

I would point out as part of the decision that I see in the budget when we talk about upgrading the forest fire fighting fleet, I continue to support that. I think it's a wise decision, that the minister has agreed and the ministry and the current government has agreed to continue pursuing the upgrading and updating of this vital part of our forest fire fighting effort. I understood they stocked about a \$17 million commitment. Is this the final year of commitment, or is there any other years

after this that they're committing to continue purchasing new aircraft or parts of aircraft for the northern air operations?

Hon. Ms. Heppner: — I thank the member for his question and before I respond to that, he very eloquently pointed out the need for respect for workers and the demoralization that can happen within the ranks when workers aren't respected. And while I will take his comments into consideration, I have to point out the sheer hypocrisy of that comment coming from a member of a government who supported Murdoch Carriere and did nothing for his nine victims. There was demoralization in the ranks in that situation as well.

So I do respect the words that he said, and I will take those into consideration, and I understand that he is standing up for people in his community, but I feel that was a bit of a lecture on his part. And I have to say that, like I said, while I respect his words I think that there was some respect that could have been paid to former employees, those that are still working in the Ministry of Environment under past situations.

But as to his question on the forest fleet, the funding that was announced in this budget was phase 2 of a capital investment project. And it is my understanding that there will be a phase 3 that is not included in this budget and the details of the funding within phase 3 will be determined in the future. But the funding that is allocated in this budget is for phase 2 of an ongoing funding program.

Mr. Belanger: — I have no further questions, Mr. Chair.

The Chair: — Ms. Morin.

Ms. Morin: — Just a few follow-up questions that I realized in my notes here. The forest fire capital projects have increased by about \$14 million. What capital projects are going to be built with this money?

Hon. Ms. Heppner: — Thank you for the question. I had stated in my opening remarks, and I will just go back to that, the \$14.3 million out of a total of 27.1 for capital projects will include the purchase and installation of CL-215 conversion kits, the arrival of a fourth CV-580A, and continued construction of new fire towers.

Ms. Morin: — Thank you for the clarification. Just to refer to the government's plans in terms of meeting the air emissions targets. When the Sask Party had put the targets in the platform with respect to stabilizing emissions by 2010 and reducing the emissions by 32 per cent by 2020 and reducing them by 80 per cent by 2050, I would assume that the Sask Party would have put those targets in their platform knowing full well that they had some sort of idea as to how they would achieve those targets. Can you, you know, illuminate for us what those plans were or what those thoughts were, given that the Sask Party has now been elected to government and would now be able to implement those plans to be able to reach these targets?

Hon. Ms. Heppner: — Well as I stated earlier, the two largest polluters or emissions generators in the province, which I believe account for 50 per cent or thereabout of our greenhouse gas emissions, are SaskPower and industry. And so obviously when we looked at the targets and how we were going to

achieve those, working with SaskPower would be one of those key components, and the other one is industry. And as I said, we have started consultations with industry, and we will also be looking at the federal regulations going forward as those will be impacting Saskatchewan, as to how greenhouse gas reductions can be achieved. But obviously when we looked at the targets and chose to adopt them, the two biggest places where we needed to work was with industry and SaskPower.

Ms. Morin: — Okay. I remember you saying that earlier. But I guess what I'm failing to understand is, given that the issue around SaskPower would be about and would be with respect to the clean coal plant, and that it won't be fully functional until 2015, and the first targets that have to met are by 2010, I'm still failing to understand how that is going to happen simply by discussing with industry what might happen through industry. There surely to goodness must be some other plans in place or some other thoughts of plans in place or some other thoughts period, in terms of how that first target goal is going to be achieved.

Hon. Ms. Heppner: — There are obviously a number of things to look at as we move forward. The first benchmark is 2010 and having our emissions stabilized by then, which we realize is not that far away.

But because there is work to do, and we are moving as quickly as possible on that, but there are things that need to be explored. Many of those are discussions with the federal government — whether or not we are going to get credit for carbon sinks in the forest, carbon sinks on agricultural land, what offsets are available, if there's other credits that the federal government is going to be offering to us, what industry is capable of doing, able to do within the time frames that are allotted; and those sorts of things.

So as I said before, we are working on a plan moving forward. And because we understand that the first benchmark is 2010, we are trying to do this as quickly as possible and to gather the information that we need. The other discussion that we need to have with the federal government is on the issue of equivalency agreements.

We've had discussions with industry and obviously their desire is to have one regulator and not two. And so that would require equivalency agreement discussions with the federal government as to who is going to do the monitoring, the overseeing, the fact checking, the follow-up, be the regulator — if the federal government is going to have regulators in Saskatchewan or whether or not we can regulate that from our side. So there are other discussions to have going forward, but we understand the time limitations that we are on.

Ms. Morin: — Thank you. On September 7, 2007 in *The StarPhoenix* there was this quote by the member by the name of Dan D'Autremont, quote:

This announcement today [that the clean coal plant wouldn't be built in time to meet rising electricity demands at competitive costs] proves that SaskPower and the NDP . . . have been looking for pie-in-the-sky solutions when they need to be getting . . . solutions to provide for the needed capacity that we have coming on in

the future.

We need to be looking at all of the technologies, including nuclear, to see what's economically viable.

Is your government looking at nuclear power for Saskatchewan?

Hon. Ms. Heppner: — I believe our position on this has been consistent, is that our Premier has stated that we are looking at value-added opportunities in Saskatchewan. And the decision on future power generation is not within the Ministry of Environment; that would be the Minister of Crown Corporations to make that decision, and perhaps you can pose that question to him as well in committee.

Ms. Morin: — Thank you for the answer. The NDP has not been opposed to value-add when it comes to uranium either, but certainly the discussion about nuclear power generation is on a different level. There is a report, my understanding, that has been done and I'm wondering if the minister has seen or read that report that was conducted with respect to this topic.

Hon. Ms. Heppner: — Report coming from where?

Ms. Morin: — My understanding is there is a report that's been done with respect to nuclear power generation in Saskatchewan. Is that in fact correct or not?

Hon. Ms. Heppner: — A report by whom? Who? Who authored the report? Where? You said a report.

Ms. Morin: — Right.

Hon. Ms. Heppner: — Who authored the report?

Ms. Morin: — Well that's what I'm asking. If you've seen a report, clearly you would know who authored the report. So if you haven't seen a report on nuclear power generation possibilities in Saskatchewan, then you would ask who has authored the report. Have you seen such a report? Yes or no.

Hon. Ms. Heppner: — Without some kind of . . . I'm sorry but without some verification as to which report . . . If you have a report in mind, if you could offer me a source. Is it an independent report from an outside agency? Is it a consultant report? Is it a report generated by government? Is it from the federal government? I honestly . . . I'm not . . . if you just reference a report, if you could source that report, I could probably answer your question.

Ms. Morin: — Let me start this way then. Have you seen any report regarding possible nuclear power generation for Saskatchewan? Have you seen any report?

The Chair: — I would ask the minister if this is related to the Department of Environment . . . or I'd ask the member if this is related to the Department of Environment because . . .

Ms. Morin: — It most certainly is related to the Department of Environment.

The Chair: — Well if you're requesting nuclear generation,

nuclear generation does not come from the Department of the Environment.

Ms. Morin: — No that's correct, but the impact on the province certainly has implications for the Ministry of Environment.

The Chair: — Then I would suggest you can ask on the impact of it, but on the actual generation of it, that does not come from the Department of Environment.

Ms. Morin: — I'm not asking of the generation, Mr. Chair. I'm asking if the minister has seen any report with respect to possible nuclear power generation for the province of Saskatchewan; if she's seen any report at all with respect to the possibility of nuclear power generation being feasible in Saskatchewan.

The Chair: — As it relates to the Minister of the Environment?

Ms. Morin: — Yes.

Hon. Ms. Heppner: — Again, Mr. Chair, I would ask the member for some kind of clarification as to what report she is talking to. Is this just some random report that was issued, like 1986 by a university student doing a thesis? Is this a report? If she could just somehow narrow that down and ask something a little bit more specific because it sounds like she's got a certain report in mind. And I obviously can't tell you everything that I've read over the course of my 36 years — although I haven't been reading for 36 because I learned to read when I was about four.

So like I said, if she could narrow down this question, that would be great. But as I said, if she's interested in the generation of nuclear power, perhaps she could direct those questions to the Minister of Crown Corporations, as the generation of power has really nothing to do with the Ministry of Environment.

That being said, she was interested about impacts. And I have said, our Premier has said — it is absolutely no secret — that our government is willing to explore value-added on the uranium side. And obviously nuclear power has been in operation in other countries in the world and is known as a clean version of power generation. So if she's asking about my views on that, I freely admit that nuclear power is a clean version of power generation. As to any report I may or may not have seen, I request again, if she has a report in mind if she could source that.

Ms. Morin: — Well my source would be as good as the rumours that are floating around by the media right now that there is a SaskPower report with respect to the possibility of nuclear power generation possibilities in Saskatchewan. And I would like to know from the minister whether she's read the report, and whether the ministry has then contemplated the impacts with respect to how it would affect her ministry, being Environment.

Hon. Ms. Heppner: — Any impacts of nuclear-generated power in this province would be examined through my ministry as a potential, as it pertains to a clean generation of power. What SaskPower may or may not have on hand — again you

can refer that to the Minister of Crown Corporations — I am not privy to internal documents within SaskPower. And there are no such reports, unsourced or otherwise, within the Ministry of Environment.

Ms. Morin: — The minister, so I understand correctly, has not seen the report and knows of no report from SaskPower that's been done by SaskPower with respect to the possibility of nuclear power generation in Saskatchewan, so that the Ministry of Environment could analyze then, what impact that would have on Saskatchewan environment. Is that correct? You have not seen the report, don't know anything about the report, don't even know if SaskPower has even done such a report.

Hon. Ms. Heppner: — As I said, any examination of the impact of nuclear-generated power in this province could potentially be done by officials in my ministry, based on the information in the public domain as it stands, as nuclear power has been ongoing in various countries such as France, for a very long time. And anything that SaskPower may or may not have, again you can ask the Minister of Crown Corporations. There is no such report in the Ministry of Environment.

Ms. Morin: — Thank you. Have any of your officials heard of a report being done by SaskPower with respect to nuclear power generation in the province of Saskatchewan?

Hon. Ms. Heppner: — Mr. Chair, I think I have answered a question that has, as far as I can tell, virtually zero impact on the budget that we are discussing tonight. And so if the member has another question, I'd be happy to answer it. But to be fishing about a report that may or may not exist, that the member may or may not know exists, and it may or may not come from SaskPower, as I said I think I've been long-suffering in answering these questions about something that may or may not exist. And if there are questions about the budget, I am more than willing to continue answering those questions.

Ms. Morin: — Well I'm going to unfortunately make the minister suffer a wee bit more. Given that the minister doesn't know about this report or whether it exists and all the other things, has the Ministry of Environment done any . . . has the Ministry of Environment done any studies with respect to how nuclear power generation may affect the environment of Saskatchewan? Has the Ministry of Environment looked at any other provinces or countries that currently have nuclear power generation and what effects those have had on the environment in those provinces or in those countries?

Hon. Ms. Heppner: — There are obviously reports in the general public that officials would have access to viewing. I don't keep up on their reading lists. But as in the four or five months that I've been minister, no reports have been asked to be done.

Ms. Morin: — So there is no statistical data, no research or anything to that effect that has currently been done by your ministry as to any potential effects that nuclear power generation might have on this province from the evidence from any other countries and provinces that currently have nuclear power generation. Is that correct?

Ms. Quarshie: — Sorry, member, I'm not really sure if I

understand the question. So maybe if you could try and clarify we may be able to answer your question a little bit better.

Ms. Morin: — Sure. Has anyone in the ministry taken any time to collect any statistical data or do any research from any other jurisdiction in Canada or elsewhere that currently have nuclear-generated power and as to the effects that has had on the environment in those jurisdictions? Have we any evidence or any statistical data or research? And have we even pursued that within the ministry?

Mr. Harrison: — Mr. Chair, a point of order.

The Chair: — Mr. Harrison on a point of order.

Mr. Harrison: — We've been through this for the last 15 minutes. I think the minister has been very generous in asking something that has nothing to do with the estimates. I've been looking through. I can't find a line item about reports that her staff may or may not have read. There's 1,000 FTEs in the department. How is the deputy or the minister supposed to know what every single person has read in the department? It's ridiculous.

Ms. Morin: — Mr. Chair, I do get to speak to that.

The Chair: — Ms. Morin.

Ms. Morin: — Thank you. Mr. Chair, the minister has already explained that her government is looking at the possibility of nuclear-generated power. Therefore I have every right in the world to ask whether the Ministry of the Environment has done any research or collected any statistical data whatsoever to the effects that nuclear-generated power would have on the province of Saskatchewan. And so far, all I've heard is that no one knows anything. And if they are considering nuclear-generated power in the province of Saskatchewan, surely to goodness they would've done some research as to what the possible effects would be on the environment of this province.

An Hon. Member: — Mr. Chair, if I could just make a comment?

The Chair: — Mr. Harrison.

Mr. Harrison: — I think the minister's been clear. If there is to be any questioning on with regard to nuclear power generation, the member should be going to ask the Minister of Crown Investments when his turn for estimates come up. And maybe then she can, she can take her fishing expedition a little further.

The Chair: — I recognize Mr. McCall.

Mr. McCall: — I'd like to speak in defence of my colleague in terms of the validity of these questions. I mean, the minister started off by talking about how the climate change file had been relocated into the Department of the Environment. The goals, the targets of the climate change file from the previous government have been taken on. The plan has not been clearly outlined. There are huge question marks that loom over the ability of the government to accomplish this.

And given the contemplation of nuclear energy by the government, surely there's some contemplation on the part of the Department of Environment in terms of the role that nuclear energy plays in climate change and in terms of how it helps them meet their climate change targets. If the minister denies that, that's fine — we can move on. But in terms of this being a germane line of questioning, I absolutely believe my colleague is fully within her rights to be asking these questions.

The Chair: — Well I understand the point of order because I commented on it earlier, about being around what we're here to discuss. And I know the question's related to Industry and Resources, was an around-about way of, excuse me, of asking questions. It's not Industry and Resources that we're here tonight to debate.

Also on nuclear power, we're into the hypotheticals again: because what if, what if Crown corporations, and we're into hypotheticals. And that's why I commented earlier, if you have a direct question, relate it to the minister, relate it to the Environment estimates, then I can understand it. And we do allow a lot of leeway, and that's why I let it go, if the minister wants to answer them.

But here we are again with a hypothetical: what if, what if, what if, and what are you doing about it? Well we're very, very hypothetical here. So I would let you ask a question directly related to what the Environment estimates are, and if you can relate directly from what your line of questioning is to what is in here, I will allow it.

Ms. Morin: — Okay. Let's try this tack. My colleague wants to speak to the Chair.

The Chair: — Mr. Belanger.

Mr. Belanger: — Thanks, Mr. Chair. I would just again challenge the point of order on the sense that the member from Meadow Lake indicates that not every report and every note and every document that the ministry staff make, the minister ought to be aware of. The fact of the matter is, is every report . . . The minister needs to be aware of the reports that are prepared for her in her department. And I would assume that the staff that are employed within Saskatchewan Environment are part of the budgetary process, budgetary costs of operating the department, and thus the connection to the question that my colleague had is appropriate in the sense of this is affecting the Environment budget and these reports are done by Environment.

The second point I'd make on such a contentious issue of the environment versus the economy and bringing nuclear power, one would assume that the Ministry of the Environment is clearly involved in those discussions on an intergovernmental and interdepartmental basis. Thus the argument is, it is budgetary related. And one cannot say, and no you can't speak about that because it's under this department. Environment clearly has the mandate and the ability and the responsibility to participate in the whole notion of something along the lines of nuclear development in terms of power generation.

So on those two fronts, Madam Chair, it's not hypothetical. There are reports presented and provided for the minister, and those cost money. Staff, I assume, are making the reports. So

that's part of the budgetary process. Thank you.

The Chair: — It's not Madam Chair, I'd advise the member. On your point, your point is received. I think the point of order was related to the question that the member asked the minister: has any of your staff read these reports? That was the basis of the point of order. How does the minister know what reports her staff have read?

The other thing is, it's very, very . . . What one can say is — you have hypothetically — that everybody within every ministry would probably know if there's discussions going on. But there's proprietary within certain areas such as the Crown corporations, what studies have been done, whether they've been released or not released, so that's why the question is appropriate for the Minister of Crowns. And that's why I suggested if you can relate directly to the budget estimates here this evening — related directly — then I would allow the question.

Ms. Morin: — My opening comment is simply going to be Industry and Resources. And Ministry of Environment should be closely intertwined in terms of what's happening in Industry and Resources and how that affects the environment of Saskatchewan. And therefore the Ministry of Environment, I would hope, would have a good working knowledge about what's going on in Industry and Resources. And if it doesn't, that is of grave concern for the citizens of this province. I'll say that first off.

Second off, it seems to me from the line of questioning that I've been placing, which clearly has some people concerned, that there has not been any research done. So let's pose the question this way. Since we're talking about your budget going forward, are there any plans for your ministry to conduct research and collect statistical data and empirical information as to how the nuclear-powered generators in other jurisdictions have affected, have had environmental impacts on those jurisdictions? Is there any notion of collecting any data or research going forward?

Hon. Ms. Heppner: — The member's question asked if we were going to study the impacts of nuclear power generation as it exists in jurisdictions in which those nuclear power plants now exist.

So I'm taking from her question that we would then generate a study to check to see empirically the evidence of the impacts of nuclear power generation in Ontario as it pertains to Ontario. I would imagine those reports already exist, and I'm not sure it would be the best resources of my ministry to see how nuclear generation in Ontario has affected Ontario when those reports already exist.

I may be misunderstanding her question. But it seemed to me the question was asked to look at the impacts of nuclear-generated power in other jurisdictions as it pertains to those jurisdictions. And I would imagine all of those reports are already done by the jurisdictions in which the power plants exist.

Ms. Morin: — I'm not asking you to conduct this research. I'm asking whether the ministry is going to look at the environmental impacts of nuclear-generated power in other

jurisdictions, because surely to goodness if your government is looking at nuclear-generated power for the province of Saskatchewan you would want to know what the environmental impacts are potentially of nuclear-generated power. You've already said that you feel it's clean power. We already have your position on that. I want to know whether there are environmental impacts from other jurisdictions that you might have concerns about.

The Chair: — I'll take a short answer from the minister. We've approached our time and I'll allow a short answer before recessing this.

Hon. Ms. Heppner: — To quickly answer the member's question. As I stated earlier, if there are nuclear plants, say as an example in Ontario, I would imagine that all the information surrounding the benefits, impacts, downsides — all of those things — the studies would have already been done and exist today. I may be wrong but I would imagine they would exist. I could possibly . . . I don't know why my ministry would look, would conduct an investigation into Ontario if Ontario already has that information.

Ms. Morin: — Thank you, Madam Minister. Since the time has come to an end and clearly there are many more questions to be asked, I will just highlight for Madam Minister the energy and climate change plan which was done by the former NDP government which lists all the programs, initiatives, etc., that were going to be laid out through this plan — some of which were already initiated and then your ministry decided to not continue on with — as well as the green strategy plan 2007. And if the minister has not seen these or have copies of these I'd be glad to provide them for her and the ministry. Thank you for your co-operation this evening.

The Chair: — Minister, any closing remarks?

Hon. Ms. Heppner: — I would just like to take this opportunity to thank the members of the committee for their time tonight and for their questions, and to you as Chair for your adjudication and your decisions that you were required to make this evening, and also to thank my officials for their time this evening. It's a late evening for all of us. And I appreciate their time and dedication — not just tonight but since the day that I was sworn in. They have been exceptional. And I would like to publicly thank them for their support as well.

The Chair: — I would like to thank the minister and staff for their participation this evening. Mr. Harper.

Mr. Harper: — Thank you, Mr. Chair. I also would like to add my words of thanks to the minister and to her staff for being here and giving us their expertise in their answers. Thank you very much. It's been a late night but it's been a very informative one. Thank you.

The Chair: — This committee is now recessed. I'd ask committee members if we can be back in here, if we can be back by 25 after, we may be able to get started just a little bit earlier and may not be here quite as late this evening. So I'd ask if you could be back in your seats by 25 after 10.

[The committee recessed for a period of time.]

General Revenue Fund Highways and Infrastructure Vote 16

Subvote (HI01)

The Chair: — Seeing the evening is getting quite late, if the minister is ready to start, we'll just start a few minutes early and possibly we can end a few minutes earlier. We're here this evening in this session to consider the estimates for votes 16, 17, and 145, Highways and Infrastructure. I would ask the minister if he would introduce his officials that are with him this evening and if he has some opening remarks.

Hon. Mr. Elhard: — Thank you, Mr. Chair. I am happy to introduce the officials with us tonight from the Ministry of Highways and Infrastructure: to my immediate right of course, is our deputy minister, John Law; to my immediate left is our assistant deputy minister, Ted Stobbs; behind me is Tim Kealey, I guess to my left behind me; directly behind me is Terry Schmidt; and to my right behind us is George Stamatinos. These gentlemen have provided expert advice and assistance in the few short months that I have been the minister here. And I appreciate their presence with us tonight.

In terms of opening comments, I have a few to make in preparation and to set the stage for our discussion this evening. And with the committee's indulgence, I'd like to begin consideration of estimates for the Ministry of Highways and Infrastructure with a brief overview of our entire budget for this fiscal year.

As you know and as members of this committee will know, the provincial budget was tabled on March 19. This year's budget represents our plan for ensuring that what we are experiencing translates into sustained and tangible growth over the long run, and for ensuring that we avoid the pitfalls that rapid growth has brought to other jurisdictions such as our neighbour to the west, the province of Alberta.

Infrastructure and most specifically transportation infrastructure is a key part of this plan. It's manifested in the ministry's '08-09 budget. Our budget for this year is \$513.2 million — that's more than half a billion dollars. It's the largest transportation budget in the province's history and represents a 15 per cent increase from last year. Included in this is both the largest capital and the largest preservation program in the province's history and an aggressive new program to repair and replace bridges and culverts.

Recognizing the key role transportation plays in creating both economic and social prosperity, our government views this work as critical to our strategy to secure the future for the people of Saskatchewan. And to that end, the ministry is implementing significant new policy initiatives this year.

First, we will fulfill our commitment to establish a rolling five-year capital plan for our ministry. To begin this process, we released a list of year 2 projects with the final phase of our 2008 tender plan. The move to long-range capital planning will allow the ministry to secure capacity for these projects. It will provide the road-building industry with the opportunity to better plan their work for the coming years, and it will provide our

municipal partners the opportunity to plan for and respond to growth opportunities in their respective communities.

As we move forward on developing the five-year capital plan, another important initiative we will implement this year is our new rural highways strategy. The goal of this strategy is to ensure that transportation infrastructure is aligned with existing and anticipated economic development across the province. Through this strategy we will ultimately extend access to primary weights to up to 80 per cent of the entire provincial highways system. Going forward, the rural highways strategy will guide our investment decisions in future upgrades to provincial highways.

Potential investments will be identified through a transparent and rational process that will consider economic analysis, socio-economic factors, impact on safety, and the potential for partnerships. The highest ranking projects will be prioritized through extensive consultations.

Budget '08-09 represents our government's plan for securing the future for the people of our province. The initiatives we are undertaking this year in terms of both on-road delivery and on the policy front will ensure critical infrastructure is in place to ensure that our province is ready for growth.

This year is also about keeping our promises and fulfilling the commitments we made to the people of this province during last fall's election. Recognizing the critical role that transportation plays in the province's economy, we made significant commitments to repairing and rebuilding the province's highways, and we will fulfill or make significant progress on all of those commitments in this fiscal year. We will honour our commitment to rolling five-year capital plans with year 2 projects already published.

We are accelerating the commitment to invest 140 million from the sale of shares in the NewGrade upgrader to two years from the originally planned four years, beginning with \$70 million in this fiscal year. Thirty-five million dollars of this amount will be invested in long-term projects to position us for future economic growth, such as the Regina region intermodal project, infrastructure to support the development of canola crushing plants in Yorkton, and other significant infrastructure upgrades important to our urban centres. The remainder will be invested to develop primary weight corridors in support of the rural highway strategy, such as Highway 26 near St. Walburg, Highways 3 and 303 west of Glaslyn, Highway 37 south of Shaunavon, and Highway 8 in the southeast part of our province.

We are fulfilling our commitment to establish a new transportation centre of excellence as well. That will make Saskatchewan a world leader in road design and construction. Finally, we are committed to investing nearly \$2 billion into the transportation system over the next four years.

Budget '08-09 positions us to exceed this commitment by more than \$200 million. Saskatchewan is experiencing a period of unprecedented growth, and the priority for our government is to ensure that this growth translates into tangible and lasting benefits for the people of this great province.

At the same time, we need to be prepared for growth so that we avoid the pitfalls the boom times have brought in other jurisdictions. This year's budget, Mr. Chairman, positions us to do just that. Thank you very much.

The Chair: — Mr. Harper, you have some questions.

Mr. Harper: — Thank you, Mr. Chair, a few. Thank you, Mr. Chair, and I want to welcome the minister and his officials here this evening.

First of all, Mr. Chair, I want to take this opportunity to extend my apologies to the minister for remarks that I made today in the House in the second reading debate. At that time I suggested to the minister that it was a tradition that the minister would make available, in advance, a copy of his remarks to the critic. I erred in that assumption and for that error and for those remarks, I want to apologize to the minister.

Now it's certainly a pleasure for me to participate in this process. I will ask the minister and his officials to bear with me because I have never, in my duties as an MLA, I have never had any responsibilities that would have given me a great insight to the operation of the Ministry of Highways and Infrastructure. So I'm going to ask the minister if he can sort of, along with the help of his officials, give us an outline of how you manage a tremendous network of roads throughout our province.

I think it's a big task; it has to be a big task. I'm sure it's not something that you do on a day-by-day basis as far as planning is concerned. I think you must have a long-term plan and have certain objectives that you want to reach or something, certain measuring sticks you use to ascertain whether or not a road is holding up or highways are holding up to the traffic. So could you please explain to us how you manage this. What's your long-term planning? What's the process on how far is your plan reach out into the future there?

Hon. Mr. Elhard: — I think our officials will want to contribute more specific information as a result of the question. But I have a few comments that I'd like to make in immediate response. The Ministry of Highways and Infrastructure is comprised of roughly 1,500 people, most of whom are either professionals trained in the engineering discipline or related skills, many others who have years of accumulated experience on the front lines as community-based workers for the ministry. And their experience has provided the ministry with an opportunity to gauge the state of the highway on a day-by-day basis, and from that I think they are able to extrapolate what long-term requirements might be for the ministry.

Now I alluded earlier to the fact that we have a large number of very qualified professional people, primarily engineers and related technical persons, who have years and years of experience in both highways construction, maintenance, operation, and evaluation. And as part of that long-term experience they've also developed a capability to foresee some of the requirements of the system. They have access to very important engineering data and technologies that help them evaluate the lifespan, the life cycle of highways. They avail themselves of opportunities to meet regularly with compatriots in other jurisdictions that have similar responsibilities. They exchange information on a regular basis. We make the ministry

officials available to professional organizations as a matter of course, and they take advantage of those opportunities for the benefit of not just the ministry but for the benefit of the people of the province as a whole.

What we have in the Ministry of Highways and Infrastructure today is a group of men and women who have accumulated years and years of experience, who have had a full opportunity to measure the consequences of rapidly and ever-increasing traffic numbers and also the impact of changing traffic patterns in this province because of the diversification of our economy, because of changes that have come to our economic state. And that tenure, that length of time that we have accumulated through the ministry has stood us in good stead in terms of our positioning for future operations.

I can't overstate, I don't believe, for the member and for this committee how pleasantly surprised I was and how impressed I have been by the quality of leadership that the group of men that surround us here now have provided to me as a new minister, as a rookie, and to the leadership that they have provided to the ministry over the years.

One additional comment I might want to make and that is we as a ministry have both the benefit of many years of accumulated experience, but that's one of the downsides of our ministry right now. And that is that we are probably, of all the ministries of government, the one most seriously impacted by the encroaching retirement of baby boomers. And that is an issue that we're going to want to address very aggressively in the years to come. But thank you for the opportunity to respond and if you'd like a more technical and engineered response, we could provide that too.

Mr. Harper: — Thank you, Mr. Minister. Do you have a, you know, just so I can get this in my head, do you have a 10-year plan, an ongoing 10-year plan that each year one year falls off, you add a year to it, with a prescription, I guess you would say, of which highways will likely need resurfacing in a year, a certain year? I'm assuming that resurfacing would have a lifespan of a set amount, depending again on traffic flows and so on and so forth, but you'd be able to identify that. Would you be able to have a 10-year plan that you would be able to say that, 10 years from now this highway will likely need to be resurfaced; five years from now this highway's going to have to be resurfaced because it was done four years ago, or three years ago, but there's heavier traffic flow on it? Do you have that type of ongoing plans?

Mr. Law: — Thank you, Mr. Chair, for the opportunity. The answer to your question is that we do in fact have an ongoing asset management system and model that we apply to assessing the condition of the system, and that is something that is updated annually. It relies on some fairly sophisticated data in terms of road conditions that are monitored through some technology that we send out over the roads.

We actually have a fairly sophisticated piece of equipment. The truck that goes out to assess the roads travels the system and provides technical information back through a computerized model which allows us to assess relative conditions of different sections of road and through the model identifies where the optimal levels of investment will provide us the greatest level of

return in terms of the improvement or the sustaining of that system. So in answer to your question with respect to the asset management system, we do in fact have one that is upgraded and reviewed on an annual basis.

With respect to the other part of your question concerning, is there a multi-year approach. We have attempted to bring together the technical part of what I've just described around an assessment of the condition of the system with a policy framework that helps guide the priorities associated with where we think non-technical considerations should be incorporated into the system, and these are primarily economic and social considerations.

And so the ministry has been working to refine that policy framework under the direction of the new administration with particular reference to categories of economic analysis and categories of roads depending on the different economic values and components that go into that assessment.

So we have a rural road system. We have urban roads. We have northern roads. We have a number of categories of roads which have somewhat different criteria that are attached to them, but in general terms attempt to give us a sense of where we think, from a broader economic and social perspective, there is the greatest value available in terms of those investments in the system.

Mr. Harper: — Thank you. That raises another question, and if I can read my writing properly and my notes here, in supplementary estimates I believe you indicated to me that you divided the province into three regions as far as snow and ice removal was concerned. Is that the case as far as maintenance of highways and so on and so forth, and your projections based on life expectancy of roads, etc.? Is that the way you manage the province is in three categories or three sections?

Mr. Law: — You are correct that organizationally the ministry is divided into three regions — northern, southern, and central region — and that serves as the organizational basis for how we calculate and deliver the levels of service that we have responsibility for, whether it's in our winter snow and ice program or some of the other programs.

There are subcategories within those regions that are defined on the basis of how we think it's again best, how we're best able to deliver those services. So there will be, within each of those regions there are a number of sections, and there are sub-organizational structures around that in relation to how we think we can best look after some of those service requirements. And that's true of our winter snow and ice program; it's true of our preservation work and our remedial construction activities in the summer programs as well.

So it is organized — you're correct — across the three regions, but there are . . . Depending on the category of service and the nature of the program that you're talking about, we have further subdivided or rationalized to a finer level of granularity what exactly those programs look like.

Mr. Harper: — Mr. Chair, I have a lot more questions, but my colleague, Mr. Belanger, has a . . . maybe an appointment later on or something, or he can't stay up as late as the rest of us. He

has a few questions, so I'm going to turn it over to him, and then when he's done I'll get back on. Mr. Belanger.

The Chair: — Mr. Belanger.

Mr. Belanger: — Thank you, Mr. Chair, and welcome to the minister and his officials. Just quickly I'll basically have the majority of my questions on the northern component of highways. But just for summary, on the Trans-Canada Highway itself, how many year project was it, and when was it finally completed?

Hon. Mr. Elhard: — If I remember correctly, because I was critic at the time, I think the initial plan had been 12 years to twin the highway from border to border, and because of the work that had taken place just prior to that, I think the original plan had been to reduce it to eight.

I don't know if you remember as a member of the House at the time, but there was a brutal and terrific accident on the No. 1 in the western part of the province, west of Piapot in the Tompkins area and loss of life and cattle, hogs were destroyed. It was an ugly, ugly situation, and because of that and some other pretty horrific accidents in the years just prior to that, there was an urgency around the idea of accelerating the twinning project.

Mr. Sonntag was the Highways minister at the time and through discussions in the House and through question period and so forth, there was a motion brought forward — an emergency motion brought forward if I recall correct — which I moved and which Mr. Sonntag as the minister seconded, asking the federal government to increase its contribution to the twinning project so that we could accelerate it. The motion was passed unanimously in the House.

It was sent from the House to the federal government. And I believe it was the very next year that the provincial ministry cut the twinning time down from the anticipated eight years to four. And the twinning project on the west side was completed in half the time that they had anticipated.

In terms of the completion of twinning on the No. 1 to the east, that's going to be done this year. There's just one more short leg that has to be done to the Manitoba border.

Mr. Belanger: — So I guess your point is there's a lot of good hard work done on No. 1.

Hon. Mr. Elhard: — All of the hard work has been done on No. 1.

Mr. Belanger: — I just wanted to make that point. Second point I would raise is, is on the NEIS [northern economic infrastructure strategy] program. There's a number of pillars to the NEIS program and also to the overall provincial program. And one of the things that they want to do under the northern economic infrastructure strategy was of course to look at the whole capacity-building process where, being a former minister, I'm aware that it's fine to have an incredible amount of money in Highways and finally I think we're . . . I think the lowest budget was 160 million if my memory serves me correct and now we're looking at between 5 and 600 million per year.

And people would scoff at the previous administration when we talked about a \$5 billion deal over 10 years. And I think one of the comments from the then opposition was, why don't you say 10 billion over 20 years? It sounds like more money. So it's nice to hear the minister make the same comments today. It kind of gives you a little bit of satisfaction.

But I guess my comment would be on the NEIS and particular the capacity-building process because you don't have enough contractors to do the work. And if you only have a limited amount of contractors that can actually do the work, what's going to happen, because the demand is so great on them, you're going to end up doing less roads for more money.

So one of the well-thought-out processes I believed at the time I served as the minister was this capacity-building notion, where you'd work with the region and with the companies, develop capacity, thereby making the industry more competitive because there's more potential contractors. And under your budget this year, what kind of money is actually being committed and dedicated to not only the capacity-building aspect but as well as what contracts and projects that may be allocated to those capacity-building entities like say a joint venture company?

Hon. Mr. Elhard: — Well thank you for the question. I think it's a topic that bears some discussion here because the capacity-building concept is in my estimation a pretty valuable exercise. The First Nations people that had an opportunity to participate in the efforts to build capacity in previous years have, I believe, benefited significantly from that opportunity and have expressed in most instances a fairly ready willingness to do it again. Not only have they expressed willingness to undertake projects once again; they're hoping to expand their own abilities as a result of the experience that they have acquired previously.

And the other thing we found interesting is that the good experiences that have been achieved by some individual communities and various organizations in the North that were focused on the capacity-building concept, their good experience has been noticed by other communities and other organizations who are now approaching us about their opportunities to do similar work on behalf of the ministry in the North.

We are convinced that there is a very important opportunity that we wouldn't want to miss, given the level of expression that's come forward in that regard. And I think that the ministry is actively working right now with a variety of communities and groups to try and achieve similar participation in this coming year, this construction year, and with any good luck, in years to follow.

Mr. Belanger: — Okay. I just want, Mr. Chair, to also reiterate to the minister that when we talk about First Nations people, it's very important to respect First Nations people, but you also have to include the Métis as well. And I think the language often needs to be corrected because you certainly want to be fair and representative to the most distinct Aboriginal groups in the province and that's the First Nations and the Métis.

I think many times we forget the word Métis, and as the president of the Métis Nation of Saskatchewan often says,

Métis is not a four-letter word. So it's something that I think I'd like to encourage ministers to include in their language because it's certainly important we do that.

But on the capacity-building stage, on the capacity-building argument, it's a very logical plan that Highways has, very logical. Because in these certain areas, you're going to find out because of the huge demand for highway construction, as you've indicated, and there's going to be a lot more work in the future and you can sustain that work for the next five, ten years. So it'll be some exciting times for Highways as long as you don't get the engineers and the builders arguing. I think it stands to reason that there's a lot of good work that will happen.

So when the department says, well the capacity-building exercise is important because you're developing more businesses of course, but you're developing a competitive nature to the business of road building which is advantageous to not only the economy, but to us ensuring that the dollars are stretched as far as possible and as much work gets done. And that's a wise approach in government of course.

But in northern Saskatchewan, you're going to have to anticipate some problems because, you know, you have road builders and they go find another joint venture partner. That joint venture partner also has capacity-building problems as well. Some of them include cash flow. They may not . . . One group may not be experienced as the other.

And I look at the contrast of, for example, the Far North. We have some people that are actually maintaining roads and doing some of the work under a joint venture scenario and they probably have a fairly good partnership going. Other areas in the east side and the west side, as opposed to the Far North, they may not be as advanced but they certainly see the opportunity of capacity building.

So I guess my question to you — and I used to do this all the time, Mr. Minister — is that take 15 minutes to answer a 30-second question, therefore kill all the time necessary to do the committee work as part of my responsibility. But it's important for us to know in the North what capacity-building problems do you anticipate northerners to have and what programs or support mechanisms do you have within the Highways to encourage that capacity-building exercise to get as much advantage for northern people to position themselves in the whole issue of road building, and thereby creating greater opportunity for Highways to do more work?

Hon. Mr. Elhard: — Well before I answer the question I want to acknowledge the reminder that the member sent to me about including the Métis and if I neglected to do that, I apologize for that; it wasn't intentional. I'm thinking about quite a number of things as I'm talking, and sometimes my mouth doesn't work quite in tandem as my brain.

But you know, I think the capacity issue is something that brings its own unique challenges to the industry of road building, although road building outside of capacity building isn't immune to a number of challenges that you as a former minister would understand.

You know, it's almost like farming. You're subject to the

vagaries of weather. You have no control over that. Now we have some manpower and labour issues that are more pronounced than they have been in previous years. We've lost a number of very effective operators to the industry for a variety of reasons. We've got tremendous competition in the industry being driven by 2010 Olympics in British Columbia and the extensive oil field work for contractors in Alberta and even in Saskatchewan. I mean I don't want to point the finger at Alberta exclusively because we have considerably more work for earth moving in Saskatchewan. So the competition for capacity is pretty strong throughout the industry.

The challenges you referred to though, in terms of capacity-building potential in northern Saskatchewan, is one that the ministry is keenly aware of and for that reason has taken, as you will probably remember, has taken some unique positions in terms of finding partners to do the projects that are needed being done in the North.

That's why the ministry has chosen to issue requests for proposals as opposed to very clearly defined tenders for projects, because it gives the ministry considerably more latitude to develop the conditions and the terms of reference for the work to be done, and they can show that flexibility in any number of ways and in quite a variety of ways as required by the capacity that exists already. So I think the uniqueness of the circumstances in every individual contract requires an equally unique response and the request for proposal approach is the way to achieve that.

Mr. Belanger: — Well thank you very much. Just a note, Mr. Chair. I do plan on meeting with the minister if he would accept my invitation to meet on a number of capacity-building meetings and discussions that we could possibly have. Because being a northern representative, you get, even prior to the last election, you get a lot of information and advice. And I just want to hear the minister say that he will extend all offers of his officials and his staff to exhaust all the avenues on the capacity-building front. I think that's important for northerners to hear that. And if I can get the minister to concur to that, that would be most helpful in some of the work we're trying to undertake in the North.

Hon. Mr. Elhard: — Well I don't think there's any hesitation on our part in undertaking whatever discussions are necessary to achieve the work that we have already committed to for the North and to look at opportunities for expanded work in the North. Frankly, there is going to be a considerable demand for capacity in the North because this government sees the opportunities in the North as absolutely fundamental to our continued growth in terms of economy and social economy. And we think that there's much potential in the North that is yet to be reaped, and we need roads in order to achieve those objectives.

Mr. Belanger: — So that begs me to ask the next question, Mr. Minister, through the Chair. Why were the Cumberland House contracts and the Patuanak contracts cancelled then recently? Can you confirm they were?

Hon. Mr. Elhard: — Mr. Chairman, we've had a few minutes to discuss the question, and I think the short answer is that there has been no cancellation of projects in the North. There may

have been some repriorization, but we have not actively cancelled any projects. And I think if you want more detail in terms of a response, I think Ted is probably prepared to provide some, and I believe Mr. Law would also add some additional information.

Mr. Belanger: — If I may, before I get the response from the officials — of course I appreciate the response from the officials — but the basis of my charge today is the fact that we have had a telephone conversation with the mayor of Cumberland House who has heard that the project has been postponed for Cumberland House. I can't remember the highway number; I'm supposed to know this highway's numbers, but I don't. And it's been put off for such a long time that he figures it's not going to get done. I think it's two years now it's been pushed back.

And as well a couple of citizens from Patuanak — which is a Dene community in my constituency, and of course Cumberland is in the other constituency — they've also heard there's supposed to be 5 kilometres more paving on that particular road. They said they've heard that it has been cancelled. It's supposed to be done this year.

So I'm taking their word that the projects have either been postponed indefinitely and are not supposed to be done and weren't to be done for a number of years. That's the basis of my charge tonight.

Hon. Mr. Elhard: — Mr. Chairman, we hear all kinds of things. In fact we hear things about what we're doing or not doing on a regular basis. Unless you come to the source, rumours are rumours. And I don't know if you can identify the source or if the source is reliable but that's not uncommon in this industry.

And people are worried about whether their roads are going to get done or not. And if there's any change in the terms of the contract or the timing of the contract or if there's a delay because the contractor that was supposed to do it couldn't get to the job site on time, because people are anxious to get their roads fixed they automatically respond with some trepidation.

So I would ask for the support of the deputy minister and Mr. Stobbs here, as they can provide more definitive responses to your question. But it's my understanding that we have not cancelled any work up there. We may have reorganized or repriorized but the commitment to work on northern roads remains intact.

Mr. Law: — Thank you, Minister. The minister's correct. We haven't cancelled any existing work that's in progress. We have had in a number of instances to review our scheduling of work in relation to priorities, not just in the North but for all of our work, and in some instances there may be some timing differences between work or expectations with some of the projects that we have in a number of areas. But our current plan still has the work that you referred to in our five-year plan and we did certainly begin the design work in a number of cases, I think in both cases that you referred to.

And so our expectation is still that we will get to that work in due course. We have in the current budget year the priority on

getting something started on the Wollaston side. With some of the federal environmental holdups that we had, we thought it was important to leverage that as a starting point as well. So that work was part of the prioritization that went on with respect to what would get done in the northern program this year and we chose to get started knowing we could do that in the current year.

But none of the projects you referred to have been removed or cancelled at all. Those are still on the books.

Mr. Belanger: — Through the Chair then, can I request on behalf of the, particularly the mayor from Cumberland House, who has contacted me and he was going to make the effort to meet with you. I think he's . . . Just conversation to the effect I said, I don't know what's happening. I think the first thing you ought to do is try and meet with the minister, was the advice that I had, to get the full, full bearing as to what the problems are and what the plan is.

So his communication back to me was yes, he was going to try and contact the minister's office, come and meet with the minister's office and the minister himself. So if you could accommodate that meeting, particularly with the mayor of Cumberland House and give him the full update, I'm sure he would appreciate that.

And it's fair enough, Mr. Minister, in the sense of yes, we're subjected to a lot of people giving us information that may or may not be factual. And we have to ask the questions. That's our role in opposition.

But the question I had in particular for the Patuanak project, English River or Patuanak — English River, of course, First Nation and Patuanak being the Métis community of course. They're joint. There was to be another 5 kilometres of an asphalt surface put on. I was understanding that this was a done deal. Can I get an update on that particular project?

Mr. Law: — The member is correct about the expectation for 5 kilometres. As the member will recall, the process that we engage is to consult fairly extensively with the communities in the North about what the program would look like. And what we had in Patuanak's case was a dollar value within which we had planned a certain amount of work. And the discussions did in fact contemplate over a three-year time frame a certain number of kilometres that would get done.

In this instance the work that you're talking about, for what would be about a 5-kilometre stretch of road, was not changed in any substantive way from what was discussed with the community. This was strictly a matter of the availability of budget dollars for the allocation we had in the North. So this is part of the timing issue that we talked about.

Mr. Belanger: — So is it fair to say that the possibility of getting the Patuanak project done this year, is that a distinct possibility? Or is it going to be put off for further delays?

Mr. Law: — We don't have any funding in this year's budget to deal with that last stretch in the current budget year. That would be for part of the program we would do in subsequent years.

Mr. Belanger: — Yes, and that's the logic in terms of some of the conversations that I've been hearing. And I just want to confirm, Mr. Minister, that — and I want to be very fair here — but did I hear you indicate that you'd be prepared to meet with the mayor of Cumberland House?

Hon. Mr. Elhard: — We're always prepared to meet with people who want to bring their concerns to us. I don't think we've turned anybody away yet. We had a scheduling problem while the House was sitting, so we've deferred some of the meetings till after session. But I don't think anybody who has asked has been refused, to be honest with you.

Mr. Belanger: — Okay. No, that's fair enough because I'll certainly relay that information to him. I think it was pretty important. And from my perspective, having him deal directly with you is probably the most productive thing I could do in my role.

I just want to shift gears here a bit and talk about the potential demonstrations in northern Saskatchewan. In the '60s and '70s there was times there was roadblocks in northern Saskatchewan. Northerners were protesting a number of things, whether it's developing the North without their involvement and all the great resource base of the North and them not seeing any benefits.

What's the general rule of thumb now within the ministry itself, as part of your operations and part of your budget, when there is a threat of a potential roadblock? What process does the province follow now?

Hon. Mr. Elhard: — Mr. Chair, thank you for the opportunity to respond to the question. And you know, I guess I would couch my response in terms of the hypothetical nature of the question, because while there's always the possibility that anything might happen, the prospect of it happening isn't very appealing. It isn't very productive, I don't think, in the long term, for anybody. The ministry has, as part of its legislation, responsibility in section 22 for attending to issues arising from such roadblocks if they occur. The response of the ministry can be adjudicated on the basis of economic or safety concerns or those normal concerns that surround interruption of commerce and that type of thing.

The previous government, if I recall correctly, provided some updates or amendments to the legislation to expedite the timetable so that decisions could be taken in a more expeditious manner. And I'm not sure what the rationale was for that. That happened prior to my role here.

But I think the larger response or better response to your question is that our ministry would not take sole responsibility under any circumstances in the event of a blockade. And that is better handled by a committee of deputy ministers from different areas of expertise and comprehension. I think the Ministry of Justice would certainly be part of that equation. Our ministry naturally will be part of it. The other ministries I can't identify just now, but probably Northern Affairs, maybe First Nations and Métis Relations. Quite a broad group of deputy ministers would participate in any discussions around action that would be necessitated.

Mr. Belanger: — But just to clarify, though. You're correct on the amendments which I think you would assume are probably correct in the sense of, if there is action such as a roadblock, and typically I think the improvements made to the Act would be that Highways would have quicker response time in terms of getting an enforcement order. That was what the amendments were. But ultimately, ultimately it is the Ministry of Highways that will have a legal obligation to act on behalf of a government to remove a blockade. Am I correct?

Hon. Mr. Elhard: — That is the authority given to the ministry by the Act, but it would not be exercised without the very clear and thorough vetting of other ministries, other deputy ministers, and without the explicit direction of the government.

Mr. Belanger: — Now the reason I'm asking these questions is, northerners ought to know that there is a reaction to actions associated with roadblocks. That's why I'm asking. We tried to explain that process as best we can. Is it safe to say that in the event of a roadblock and Highways has determined that this roadblock is illegal and they want it removed and they are able to move quicker now to the amendments to have an order signed and enforceable, that some of the repercussions of the people that are manning the blockade, so to speak, there could be personal lawsuits attached to manning those blockades? Am I correct? Is that one of the tools afforded by the Act?

Hon. Mr. Elhard: — Mr. Chairman, I don't think I'm prepared to answer that question because it is precipitous and clearly hypothetical. It depends on the circumstances at the time, the variety of circumstances, the motives, the implications, the willingness of parties to be amenable to negotiation — all kinds of different possibilities exist. And I couldn't, I wouldn't dare, I don't think, sit here and speculate on what if any action we might take.

Mr. Belanger: — No, I guess my motives aren't ulterior in the sense of trying to trap the minister. But if someone were to ask me in northern Saskatchewan, as their MLA, can I tell them, you know, if you have a blockade, basically Highways is the department that will take the lead to remove the blockade because that's their role as the Ministry of Highways? But if you man a blockade, some of the potential tools and some of the repercussions to you as a protestor — if I can use that phrase — there's not only legal charges, but you could also be sued as well personally.

So I'm not trying to trap the minister if that's what the minister believes. I'm trying to make sure that people in my area are full well aware of what potential problems may exist when a blockade is put up because the possibility of blockades in northern Saskatchewan are very real. They've had them. I don't know when the last blockade was, but I can almost speculate it's probably no more than six, seven months ago.

So I don't know the exact date of the last blockade, but I know blockades happen. And the other part of the question I'll ask after the minister's done here — and he may want to throw the answer in all together — is, is our blockade regulations and rules and process and penalties, are they in concert with the national anti-terrorist Act? Is there some overwhelming federal jurisdiction and law that could override what we do with blockaders in the province if there is, say, a blockade to a mine?

So I guess those are the questions I have because what I want to do is tell my constituents in the event that there is, and prepare them, and say, folks, you know, this could be a real possibility. Because, Mr. Minister, they don't know. And if they don't know then I'll be remiss in my responsibility to warn them that these possibilities exist.

So I'm not going to go on the radio tomorrow morning on Missinipi Broadcasting and tell the people, the minister's going to put you all in jail if you have a blockade. That's not what my intentions are, Mr. Chair. I want the minister to be aware of that. I just want the people to know these are the possible repercussions and that's being fair and responsible to them.

Hon. Mr. Elhard: — Mr. Chairman, I won't ascribe any ulterior motives to the member's question or his comments following that. But I do want to remind him, as we all need reminding, that as elected members of the provincial legislature we are obliged to encourage lawful behaviour on the part of our constituents. We are not to encourage unlawful behaviour, and we are in effect agents of the Crown ourselves in that regard. And so we would break our duty to the public — and our lawful duty — if we did anything but counsel lawfulness. And so to the member I would say that I would encourage him to actively try and communicate with the people of the northern communities that are in some instances very frustrated, in other instances justifiably frustrated, that they deal with their concerns in the most lawful and appropriate ways possible.

There are many avenues available to all people to address those frustrations or those concerns. And while I'm on that topic, I think one of the most recent developments that we have taken keen note of is the Supreme Court's rulings in the area of duty to consult, which I am absolutely hopeful will eliminate the necessity for the kinds of illicit and anticipated illegal actions that the member contemplates as being possible. I really expect that the efforts of Saskatchewan's new government in that regard will help alleviate a lot of the pressures and a lot of the concerns that First Nation and Métis communities have in relationship to the development and exploration of their lands and Crown lands in the regions that they . . . [inaudible] . . . So we can only hope for better times in the future. I'm certainly not anticipating less agreeable times.

Mr. Belanger: — No. The reason why I'm asking the questions . . . And it's an uncomfortable subject, no question about it, Mr. Chair. But in recent memory there was a blockade at Clearwater. There was a blockade at Beauval Forks. There was a blockade on to the Key Lake Road, and I even believe there was a blockade near Patuanak if my memory serves me correct.

The whole notion of traditional territory demanding better services, demanding fair resources, fair share of some of the wealth in the North, these are very tough issues. But we also know in northern Saskatchewan that there are, you know, there's blockades happening in southern Saskatchewan as well. And so no region is immune to the potential of road blockades. It's just that many times northern blockades get a lot of the media attention.

And the reason I'm expressing this issue is because, you know, taking the responsible position, of course we want to encourage people to be lawful. That's pretty much a given. But in the

event that they refuse to listen to people's advice and take the advice, the second defence that you'd have as an MLA is to tell them, look you guys, if this were to occur, these are potential repercussions you ought to be aware of. So that's a secondary effort that one can take.

So as part of the process of educating people in blockade issues, they ought to know what the repercussions are, and people don't. And the one question that was given to me by a young man was, how about the national anti-terrorist Act? Does it have any effect on us provincially when we have a blockade? A lot of young people are getting active in some of the movement and, you know, environmental movement and other issues. So the answer, I couldn't give him an answer. So that's why I'm asking the minister today: what kind of overlapping type of process are you under when it comes to the national anti-terrorist Act?

Hon. Mr. Elhard: — Mr. Chair, I will defer the detailed response to Deputy Minister Law, but I think I want to assure the member that it won't be the Highways department that comes and dismantles the blockade.

Mr. Law: — Just to add to the minister's earlier comments, the group that typically comes together to review situations like these when they arise includes the RCMP [Royal Canadian Mounted Police]. The issue of our legislation and the amendments that were brought in eliminated the uncomfortable requirement, or at least potential interpretation, that we ourselves from within the ministry may have some direct responsibility for the dismantling and/or for the discontinuance notices or the serving of those notices to some of the people who would have been involved in the blockades.

On the explicit question with relation to federal anti-terrorist considerations, those discussions and those considerations are brought to bear in these discussions by our colleagues from the RCMP. We don't from within our ministry operate outside the bounds of the application or interpretation of section 22 such as it exists within the Act and the minister's responsibilities under the Act. It is that Act which then empowers the RCMP to deal with issues of criminality in relation to the legislation, but that's sort of the extent of where our provincial responsibilities end.

We have in the past — and that's the only part of the answer I can speak to directly — relied upon, in those broader discussions with the larger committee, the advice from our federal colleagues with respect to the application of federal legislation or concerns about, and oftentimes their own intelligence about those considerations being brought to bear. I can't speak directly to the question of whether there is some penalty or some federal implication that would be brought to bear on circumstances like that. We would have to defer to our colleagues probably in the Department of Justice to provide that advice.

Mr. Belanger: — No, and that's fair enough in the sense of . . . I'm just making absolutely certain as a minister that you know that I strongly believe people ought to know the ramifications legally, civilly, and personally of manning blockades. And that is something that I pray never happens. It's always important to make that point because there's always the safety of people that are trying to go through the road and the safety of the potential

blockaders. There's just a huge amount of risk to a lot of individuals if and when that occurs. I just know that people ought to have as much information on that front as possible — not as a warning but more as an educational effort. And that's the basis of my questions on that particular aspect of highways.

The other point I would raise in terms of northern Saskatchewan, we're pleased that efforts are being undertaken in Wollaston Lake. The Far North still wants to be connected to the rest of the province so there's some work happening there. I'm concerned about Patuanak and about Cumberland House.

As well the whole question of Highway 155, the main road that runs through my constituency of Athabasca. If and when that Fort McMurray road comes through — and I hope the minister's actively suggesting to Alberta that the road does come through — Highway 155 is the main link in that region. And we understand that there's one particular company that has a contract for, I think, 30 or 18 kilometres, and we're not certain that they're going to be doing that road this year. And I would invite the minister to that area because 155 is in very, very poor shape.

And when I served as the minister, we tried to get much more done. And of course you have to govern for all of Saskatchewan, not just your constituency, and that was one of the parameters that I had to operate as a minister. So I would encourage the minister on a couple of points on 155. Since I'm no longer minister I think I can lobby more and more active for that particular road.

What are we doing to ensure the companies that do get these northern contracts really get the northern work done? Because they have other contracts — they have them in the South — east, west, they have them all over the place. What I don't want to see happen is the North being the last area and the last priority for some of these companies to complete the work. So I want to ask the minister for his advice as to what he would do to encourage companies to get the northern component done.

Hon. Mr. Elhard: — Thank you. Mr. Chair, to the member: I want to respond to two or three things actually that you've raised in the last exchange here.

First of all, our deputy minister has offered to put together any information he can access that might help address some of the concerns you've raised regarding response to the threat of blockades and what, if any, federal jurisdiction might come into play in those circumstances. So if you'd like to avail yourself of his offer, we can arrange to have that done.

Secondly, you mentioned the Garson Lake Road and the concern of the willingness of the Alberta partners on that project to move forward with their share of the road. And you know, I've had a fair amount of concern about that too, because that was an agreement that was signed by former premier Calvert and former premier Klein. He hasn't been gone that long and I've already forgot his name. And I think that was an agreement that was probably initialled with the best intentions of both parties. But in the intervening time, there seems to have been a loss of impetus or initiative on the Alberta side to some extent.

And I've had an opportunity twice in the last number of months to mention that project informally to the current Alberta Minister of Transportation and well, to be candid, I wasn't real encouraged by the response I got. So I don't know that . . . I mean the Alberta government has expressed a real need to move forward with immense infrastructure investments. That project doesn't seem to be as high a priority for them now as it might have been at one time. And part of the problem from what I understand is that while their road construction costs would be substantial, they have a fairly large bridge project that they would have to complete, and that is going to be very expensive. And I think they feel that they have higher priorities elsewhere.

So we're going to have to, we're going to have to keep at them, keep encouraging them to fulfill their part of the bargain and hopefully move forward on the project.

We aren't very far from completing our side of the Garson Lake project. I mean, we don't have that much left to do. And I think for the small remaining bit that we do have, with what appears to be a completion date many years hence on the Alberta side, I think we can use some of our resources that we had dedicated to the full completion of the Garson Lake Road in other areas of the North where there is more urgent requirement.

Mr. Belanger: — Yes. One of the, one of the phrases that kind of stick to my mind when I think of planning was the Saskatoon Blades' hockey prospect, Wacey Rabbit. Wacey was a Blood Indian from, of course, Alberta. And Mr. Rabbit explained to us one day as a guest speaker that he has this regime where he eats certain foods, sleeps a certain amount of time in the afternoon, conditions himself, and has been doing this for a period of about four or five years in pursuit of a professional hockey career.

And Mr. Rabbit — and this is a roundabout way of getting to my point — Mr. Rabbit indicated that it's frustrating . . . [inaudible] . . . to be preparing that much and committing that much to this process and I may never get the opportunity to play professional hockey. He said, but what if I do get the opportunity and I'm not prepared? That's probably the worst thing one could ever go through.

So I guess the message that he had kind of stuck with me because today, if Alberta does commit to the road, are we prepared as a province to commit to 155 and to complete Garson Lake? Has there been that thought process in the Department of Highways? In particular, 155 which is a road that's been used by many, many people. And in terms of the accident report, what it costs SGI [Saskatchewan Government Insurance] in insurance claims — like all these issues have come forward in the past.

So I guess I would implore you as a minister to remember that Highway 155 serves a population of about 20,000 people. It's about 200 kilometres from La Loche south that's in very poor shape, and particularly from La Loche to Beauval. And it's got about 15 communities attached to it. So because the Fort McMurray road is not an immediate priority of the Alberta government as you indicate that you heard in recent months, that doesn't mean we can't rebuild 155 and do it over a process of several years. Because if it does happen, then we're better prepared and better off for this in the event that it may take five,

seven years.

So I would encourage you as a minister, and I certainly hope you concur with me that 155 needs to be focused on; it needs to be rebuilt. If it takes some time, fair enough; I appreciate the process. But it would be sure nice to get some kind of commitment from you as a minister that 155, being the major link and it being the primary road and designated as such, to the northwest part of Saskatchewan — especially given the fact that there's oil and gas development; there's potential of further uranium development at the Cluff Lake mine and other areas; and of course the potential link to Fort McMurray — there's all these arguments that are there.

And above all else, the safety of the people in that area in travelling on some of these roads. So I would make that appeal to you.

Hon. Mr. Elhard: — Mr. Chairman, I can tell the member that, as far as the Garson Lake Road project is concerned, it was a distance of 52 kilometres. We have 44 kilometres built. We're within striking distance of the border. And it won't take us long to finish that stretch of road if we think there's any movement on the Alberta side to get started on their part of the project.

So it's not as though we have shrugged our responsibility. But their side of the project is a multi-year project. We have one year at the most to do, and we could do it very quickly if it was needed. So I can give the member that assurance. But until we see, until we see some clear indication from the Alberta government that they're going to get started on their part of the project, I think the amount of money and time that we would dedicate to completing the Garson Lake Road and dead-ending more or less at the Alberta border, that revenue, that amount of money might be better committed elsewhere.

And you mention Highway 155. We have a contract that was let for work on that particular highway. The contractor didn't get to it last year. If he doesn't get to it this year, he will be in a default position on his contract. I don't think he'll probably want to find himself there. And we're anticipating that the work will be done that we expected to have done last year. We're expecting it fully to be done this year.

Mr. Belanger: — My final comment for the minister is . . . well there's two comments. First of all, I want to commend your department for the response they did to Highway 11 last year when they had this huge sinkhole that developed. And I had the opportunity to travel that road after it got fixed fairly quickly. So I was quite impressed then at the speed in which they responded to the problem on Highway 11, and that's when this huge sinkhole was developed as a result of a lot of moisture in the area — very dangerous. And the department responded excellent and very quick. I was quite impressed with that.

The other point I would raise is that the North is very rich. And it's often said in many corners of northern Saskatchewan that the South will benefit from the rich North. And all northerners want is a fair opportunity to share in that wealth, to participate in that economy, and to have equal services, whether it's health care, housing, and highways.

So in your discussions and thoughts as a Highways minister, I

would highly encourage you to keep northern Saskatchewan and the Aboriginal people as a priority in your deliberations as minister. Thank you.

Hon. Mr. Elhard: — Well, Mr. Chairman, I'd like to thank the member for his questions and his final comment, actually, which leads into what I would like to respond in sort of a general way. I was asked — I believe it was — by Missinipi Broadcasting. I think we were doing an interview with them, and they asked a question about northern roads and what we were doing and what our plans were for the future. And I told them about the five-year rolling plan that we were in the process of developing and how we were going to create a very specific set of criteria economically on which that five-year rolling plan would be delineated and established.

And the question was put in such a way that it was almost suggested that well, the North doesn't have roads; the South has. We need roads now because we don't have roads. And my response was, I don't think the North needs to worry about competing with any other area of the province, if you're looking at existing economic opportunities and potential economic opportunities and contribution, if the roads are put in place.

You know, there's an element of contribution that each road makes to our economy right now. But when you look at the potential for additional contribution if the roads are constructed to a primary weight standard, what part of the province do you think, do I think, has the biggest opportunity to contribute? I don't think there's any question about it. I think it's the North. I think if you put those criteria in place and try to develop a sort of an even-handed approach to investment, I think the North can compete very well in those terms because of all the opportunity up there.

It's by far one of the richest geographical areas of the entire world, not just our country — of the entire world. There's more mineral wealth and more variety of minerals up there. There's an immense forest opportunity. Just because the industry is in the dumps now doesn't mean it's going to stay there. There is human resources up there that we haven't tapped into yet, that we desperately need to do. We need to tap into that human capital. And all the other good prospects of the North make it a very appealing place for infrastructure investment.

Mr. Belanger: — Thank you, Mr. Chair.

The Chair: — Mr. Harper.

Mr. Harper: — Thank you, Mr. Chair. Mr. Minister, you mentioned your five-year rolling plan. Can you share what that plan is with us?

Hon. Mr. Elhard: — To Mr. Harper, I would be happy to do that. The concept of a five-year rolling plan is something that had its genesis in conversations I had years ago just shortly after I was first elected and became the Highways critic. That would date back to 1999-2000.

I didn't know much about engineering, and I didn't know anything at all about roads. And I took the liberty of phoning the chief transportation engineer at the University of Saskatchewan's College of Engineering. I introduced myself

and said, I'm the new critic in the provincial government for Highways and Transportation. I don't know much. Can you help me? And he said, I'll tell you everything I know in return for you agreeing to come to speak to my third-year engineering class about the social responsibility of engineers in a contemporary society. That was the start of a very long and profitable relationship with people whose passion is transportation and engineering.

And over the years, as a result of conversations with those people and in conversation with just ordinary citizens on the street and in coffee shops, it became apparent to me that we had far more kilometres of road in this province than we could adequately address without a very clearly defined strategic plan.

And when you have 26,000 kilometres of highways as part of the provincial system, and you have what the CAA [Canadian Automobile Association] has charitably identified as \$1 billion deficit in infrastructure spending — and I say charitable because I think in reality it's considerably more in today's dollars — when you have community after community crying out for attention to the infrastructure that serves their town and their future, when you have more demand than you have resources, and then on top of that, you have the environmental prerogatives that are imposing themselves on every decision governments make, it appeared to me that we could not even come close to addressing the immensity of the problem without something very clearly defined.

The people of the province want us to fix their roads. But if you say we don't have the money to fix them all, they want to know how are you going to fix them, and more importantly, when are you going to fix them? And I believe that the people of the province will be very patient as long as they have an answer to the when question.

And so the idea of establishing a five-year rolling plan was to establish the criteria to evaluate the roads, to put our best engineering and economic analysis to work, to lay out a plan that would address our most urgent and pressing needs in terms of economic potential, and from those investments realize a greater economic return which in turn would generate more money for even larger budgets. That was the genesis of the five-year plan. And as a consequence of that — and I'm sure the ministry officials heard me talk about it, both on- and off-the-record over the years — but out of those conversations came my direction to the ministry, after I was fortunate enough to receive this appointment, that we begin work on this five-year plan.

Now fortunately some of the bright lights in our ministry had recognized the urgency of this type of approach and the need to be very strategic about our investments. And some of the work was begun in the last 18 months, I would say — I would estimate — trying to come up with a formula that could identify the economic capacity of roads. Now engineers have, you know, their own way of evaluating roads. And it's a cost-benefit analysis and it's pretty cut and dried. But that really looks at the cost of the road upkeep or the road redevelopment or construction. And under ordinary circumstances and life expectancy, how long would it take to recover your costs?

That isn't good enough for our needs. We need more than a

cost-benefit analysis. We need a pretty clear idea of what economic derivatives are achieved by those investments. What does it mean to the economy? What does it mean to the communities that it served? What does it mean to truckers and manufacturers? And what does it mean in terms of safety? What does it mean in terms of broken windshields? What does it mean in terms of broken axles or flat tires or school buses that can't get down the road or trucks that are stuck in the middle of a highway, trying to deliver a load? What are the economic potentialities of this kind of investment?

And when I said some of our bright lights had started looking at these questions about 18 months ago, they came up with a formula that would take into consideration some of these other questions, the socio-economic elements. It's important to have roads that trucks can move down. It's important to have roads that manufactured goods can move down or raw products can move down, but you know, it's pretty important to be able to get an ambulance down a road to save the life of a patient. And I have first-hand experience with some of that. I mean I've been in an ambulance from Shaunavon to Regina. And I know people personally who've been in an ambulance trying to get from Leader to Swift Current, and you can't take Highway 32 to do that.

So when you put all of those things together, and then you start asking the question, what can we do — given the cost of construction — what can we do? What ideas can we bring to developing ways that we can build roads better? What kind of technologies are necessary?

We've got the most roads of any jurisdiction in North America. We've repeated that lots of times. Our government is doing it. Your government did it previously. It's a fact. It's not a political issue; it's a fact. And so if that's the fact and that's the reality we're living with, how do we come up with the best quality roads for the best and least price with the best returns and the least impact on the environment? And that's where the five-year plan came from, and that is what has driven this agenda from the day that I assumed the responsibility as minister here.

I think it's an important question. I think it's an important tool for strategically making investments in the transportation infrastructure of this province and for answering the questions of Joe Q. Public. Am I getting my money's worth? Am I getting a road? When am I getting the road? What quality will the road be, and how will it benefit my community economically? I think that there's lots of people who might argue with our approach, but I don't think they'll be able to argue with the results, frankly.

Mr. Harper: — Mr. Minister, when you apply the formula from your five-year rolling plan to the southern region in the province, what do you envision the results of that application would be?

Hon. Mr. Elhard: — Well we knew right off the bat that we were going to have money to invest in infrastructure that wouldn't await the full review of the five-year . . . I'm sorry, the economic criteria. We knew that it was urgent to get on with the job. So some of the very first projects that we identified for expenditures this year were unquestionably projects that had significant economic potential.

And we've announced them as part of our rollout. We talked about it as part of our 2008 tender package, the most recent one. We talked about taking some of the money from the sale of the Newgrade upgrader shares and addressing very urgent projects. I can identify those projects individually for you if you'd care to have me do that.

But here's something that I asked the ministry to do: address the most urgent economic corridors or the most productive economic corridors and try and find a way to complete corridors. Over the years, there's been a number of highway corridors that had significant work done in this area. And then there'd be some in this area and some in this area. And all that investment in my estimation was lost until we did this area to tie the corridor together.

And so as a consequence of that kind of direction, the ministry found some pretty important projects. Highway No. 8 in the southeast part of the province has had extensive work done to it over the years, but it had some stretches there that were just really not very good and not very productive for the economy or for the motoring public. And as a result of this initiative, we're going to complete Highway 8 with a couple of different contracts. And so that entire stretch of highway from the US [United States] border to at least the No. 1 and maybe even north of the No. 1 for a distance will be complete and will be built to a standard that will adequately handle heavy truck traffic.

We had immense potential and terrific infrastructure challenges in the northwest part of the province near the community of Turtleford — Highway No. 3 between Turtleford, and I guess generally the Lloydminster area, and Highway 303. I mean, the oil industry, the heavy oil industry is using our highways as a pipeline on wheels. There are trucks constantly on those roads and the decay and impact that that traffic has visited on those roads has been pretty significant. And if we don't repair them to an adequate standard, we not only disadvantage them, we cost ourselves money because the more those trucks deliver oil, the more revenues are generated for the provincial coffers.

So there were two highways there that needed attention. Highway No. 26 in the St. Walburg area again in the Northwest, but this time heading in a line straight north pretty much, was one highway that had been brutalized over a number of years by some increasingly heavy traffic. And the potential for both oil and gas development in the area and the lumber industry, which isn't entirely dormant in that area, is pretty significant. The road was a real detriment to increased capacity development in that region and so there was going to be an immediate economic payback.

We identified Highway 37 south of Shaunavon as another one of those interesting projects. There had been many millions of dollars invested in that highway from the No. 1 at Gull Lake south to Shaunavon and that was designated a primary stretch — the full 30 miles — but it kind of dead-ended there. It didn't kind of dead-end there, it did dead-end there. But even so south of Shaunavon for a distance of about 25 or 26 miles the ministry had invested over years an extensive amount of money rebuilding that TMS [thin membrane surface] road to a granular paved structure for the most part. There was extensive investment in a paved route through the river valley there, the

Frenchman River Valley. It's a good paved section of the road. And the road came up out of the river valley at the top of the hill and petered out into a very rough, very narrow, very deteriorated TMS road.

Now by itself that might not have been such a problem but at that point you're only 20 miles from the US border and at that border point there is a brand new border crossing facility built and owned jointly by the American and Canadian governments. That had been built with the anticipation that at some point in the future there would be need for another border crossing — maybe not a 24-hour crossing but one with extended hours — in the southwest part of the province. That was never realized because primary weight traffic couldn't go down that road. It wasn't allowed to do that. So I asked the ministry if it didn't make sense to do that, and what we have chosen to do is build the remaining 10 miles to a primary weight standard, turn a primary weight standard on for that entire corridor, and allow truck traffic at a primary weight to reach the US border.

I think that makes great economic sense in terms of not just what it could do for increased border traffic and exports going to the fastest growing economic region of the United States, the Pacific Northwest and the southwest US area, but it would have a tremendous benefit to one of the largest manufacturing facilities in southwest Saskatchewan, Honey Bee Manufacturing, which couldn't get its product in and couldn't get its product out . . . or, I'm sorry, its raw product in and its finished product out.

And the difference it will make to the oil and gas industry down there and the difference it will make to the grain traffic that is down there and which uses Highway 37 extensively will be phenomenal. I think the return on investment there without even taking into consideration the socio-economic aspects would be very, very significant.

Another factor though in looking at that is that, you know, the community of Climax has a small health centre there, and when it can't handle emergency health cases, those people have to get by ambulance from Frontier or Climax up to Shaunavon. And in the wintertime that was always in doubt because the road wasn't adequate for the safe transference of patients. So when you start adding those kind of considerations into it, it made perfect sense.

What else did we do? We chose Highway No. 32, the notorious pothole, nude pothole calendar highway, made famous by a nude pothole calendar. We chose that for very, very important reasons. It is the home to Saskatchewan's largest natural gas find. The Shackleton shallow gas potential is huge — huge. And the traffic on that road from the gas industry is incredible.

But many miles of that road have been turned back, or kilometres have been turned back to gravel, and it's impassable by an ambulance. And so given the current economic opportunity there and what will be, I'm absolutely confident, a huge investment by additional oil and gas companies in the future and taking the social concerns and the economic concerns of the local communities into consideration, it was a no-brainer.

And I guess maybe the final example I'll give you — although

there are many more — is Highway 368, the highway that runs from just east of Humboldt up to the St. Brieux area. Again last year and the year before identified as one of the very worst highways in the province.

St. Brieux is a miraculous little community. I don't know if you had the opportunity to visit but if you haven't, please do. It's the home to at least three and maybe four what I would call world-class businesses because they are leaders in their particular area of endeavour: Bourgault Industries, Bourgault Tillage Tools. There's a couple others there whose names I don't recall offhand. But between or among them, they generate millions and millions and millions of dollars in export product going all around the world, but a big part of it going into the American market.

And it just didn't seem to me to make sense to isolate a community that was that productive and had that much economic potential and was contributing way above its weight in terms of tax revenue to the provincial coffers, to leave them stranded in terms of moving their product, but more importantly in terms of getting workers who would actually drive to the community to take employment there.

We saw that as one of the highways that absolutely demanded our attention. And we would have tried to build it in one year if it would have been possible, but there were some mitigating factors that made it financially and practically impossible. And we're going to rebuild that road in two years as opposed to what was previously a three- or four-year plan.

So I think those give you some examples of what we decided to do immediately. And now we have ruled or laid out our year 2 projects. And we're in the process of developing a very clear set of guidelines for discussions with communities as we work towards years 3, 4, and 5. And we haven't even talked about the extension of the primary weight system, which is another half-hour topic.

Mr. Harper: — Thank you, Mr. Minister. Mr. Minister, when you apply your five-year rolling plan to the southern region of the province, do you believe that at the present level and likely projected level of funding for your department over the next five years, that you will be able to adequately build and rebuild all the highways in the southern region of the province?

Hon. Mr. Elhard: — To the member, Mr. Chair: I don't think I would predict that, and there's a couple of reasons why. \$513 million is a lot of money. But at the rate of inflation affecting the industry — which is now one and a half to two per cent a month and maybe more — you know, what \$500 million buys today is going to cost 750 million in a couple of years.

So can we rebuild all the roads in the southern part of the province? And when you say south, I'm assuming you're talking about a line around Meadow Lake over to Prince Albert and south.

Mr. Harper: — Well, your department has the province divided into three regions: south, central, and north. So wherever their magical invisible line is, is the line I'm also using.

Hon. Mr. Elhard: — I think the challenge before us is immense and that's why we have to be as strategic as possible. And we're not going to rebuild every road in five years. We're not going to. I wouldn't want to give anybody that impression.

But over the next five years the people of the province and the communities affected are going to know what roads are going to be rebuilt and when. And we're also able to tell them basically to what quality because we're looking at creating a much expanded primary weight network in the province. Eventually we want to see 80 per cent of the highways in this province running at primary weight capacity. We're not going to do that in five years, but we're going to do it as quickly as we can. But over the next five years, communities will know what roads are going to be attended to and the quality of the construction.

And the interesting thing about this I guess is that, as year 1 falls off, the second five-year plan begins, and so year 6 rolls up. As year 2 falls off, year 7 rolls up. So that's the advantage of a rolling five-year plan. In years 3, 4, and 5, people will be able to see the projects that are actually intended for years 6, 7, and 8. And they won't have to wait until year 6 to see that.

But we want to be as specific and as targeted and as strategic as possible for a very clear reason. If you have constraints on your financial capacity to do everything, then you better do some things right. And if you do those things right, the argument is that the economic impact and the returns financially to the provincial economy and ultimately the provincial treasury will be such that we'll have more money to do additional roads further out.

Mr. Harper: — As well as stay with inflation, you know, needing that extra dollars just to stay with inflation, as you roll through your five-year plan I would assume that a part of this . . . As you roll through your five-year plan, and as you have indicated, you likely won't have adequate funding to be able to rebuild every kilometre of highway in the southern region of the province. I would assume then that you would prioritize the roads that would require the quickest attention based on economic opportunities and economic return to the province. So would that then say that there would be some roads that would be left out of the five-year rolling plan or would be paid less attention to because they wouldn't be as economically as important as others?

Hon. Mr. Elhard: — Mr. Chair, in answer to the member's question, yes, that is absolutely going to be the case.

Mr. Harper: — So then would you envision the possibility of some of those roads that are presently thin membrane roads that would be at some point in time reverted to gravel?

Hon. Mr. Elhard: — Of all my preferences, that is the least. I don't have much enthusiasm for reverting roads to gravel, but there's 5820 kilometres of TMS road in this province yet that need attention. And there may be some circumstances in which we will have to revert to gravel in order to provide as safe a, you know, a travelling surface as possible.

You know, people get pretty used to dust-free surfaces, and they'll dodge quite a number of potholes to maintain their

dust-free surface, or to keep it. But at some point it just isn't safe any longer. And I know, I mean I've been part of that argument myself. I haven't been on this side of the fence all that long. I've made the argument that, you know, reverting to gravel is going back in time. It's like pulling up the rails; it's like running buffalo on our pastures. We're going back to the good old days. I think the chairman has used that description quite colourfully from time to time. But I don't cherish, I don't relish the idea of some roads going back to gravel, but I would rather take the complaints about a gravel road than have somebody lose their life on a pothole-filled road where hunks of pavement are coming up and doing damage to windshields and vehicles, and coming right through windshields and hurting people.

Mr. Harper: — No, I agree, Mr. Minister. The reverting formerly dust-free surfaces back to gravel is never a first choice, but I'm assuming that, and as you have indicated, it would be— if presented with that circumstances— it would be something that you would consider, and from a safety factor I'm kind of pleased to hear that. I would hope that we would find ourselves always in this province in a financial situation where we wouldn't have to resort to that.

Hon. Mr. Elhard: — Mr. Chairman, may I respond just briefly. I want to assure the member that we are going to take every effort to optimize what remains of the TMS network in the province. If there is an economic reason to rebuild the road to primary weight standards, maybe not using asphalt concrete, you know, the nice black surface that you see, but maybe going to a granular surface type of construction, we'll do that. I've had experience with that. I've driven on many kilometres of road that were built to that standard and it takes a little while to get used to it, but you know, when that road provides you dust-free service for 10 years, you think the construction was worth it. So we'll do whatever we can to maintain, or optimize rather, the TMS network that exists.

Mr. Harper: — Yes, I would imagine you would. Did I get it correct — I think I made notes here someplace — your budget this year is a 15 per cent increase over last year? Is that right?

Hon. Mr. Elhard: — Correct. The member is correct.

Mr. Harper: — And I could probably ascertain it here, but have you concentrated that extra funds in any particular area of your department?

Hon. Mr. Elhard: — Well we took the \$70 million that had come from the sale of the upgrader shares and put them into the specific projects, most of which I have identified for you in terms of the rural highway network that we talked about — Highway 8, Highway 3, Highway 303, 37, and 26. However there are some urban-related projects that we have also identified that were very crucial to the ongoing economic opportunities that are being presented to the province now by a burgeoning economy and much more activity in many of these communities. I would reference you to the Pinkie Road upgrade that's going to be necessitated by the Regina region intermodal facility that we announced in December. There's considerable work that needs to be done there.

As part of that, although it's not dovetailed directly to it, we're

going to be initiating work on the Lewvan project— the interchange at Lewvan and the No. 1 in the southwest part of the city — and that's a project that I would characterize as overdue. But we dare not, frankly, we dare not wait any longer to get that project started, and I'll tell you why. We anticipate with the intermodal facility that CPR [Canadian Pacific Railway] and the federal government, the provincial government, and the city of Regina are partnering to bring to this area, we anticipate considerably more truck traffic, which is what these kinds of ventures generally generate.

And I don't think it would out of line for me to estimate that we could see as many as 1,000 trucks a week extra in that area of the city as a result of this intermodal facility. I mean you could underestimate easily, but I think saying 1,000 probably isn't a significant overestimate. If that's the case, half of those trucks, we can assume, are going to go west. At least half of them are going to go east. Where does that put them? It puts them right in the middle of the Lewvan interchange. It puts them right in the middle of Victoria Avenue East. And so getting the Lewvan interchange started now is crucial. It'll take a couple, three years to build and complete and open to the public, and then we're going to have to look at some other infrastructure investments to funnel those trucks out of the city safely.

We have some safety issues at 9th Avenue and the No. 1 Highway in Moose Jaw. Now that's a fairly, a fairly busy intersection there, and we want to make some safety improvements there. So there's some off-ramps or turning lanes that we're going to be initiating this year. There is work to be undertaken in Yorkton. We've got some issues there that need to be addressed in terms of providing infrastructure support for the canola plants that have been proposed for that community.

We've got some completion work in Estevan on 4th Avenue. All the heavy truck traffic goes right through the heart of the city there and has made a real mess of their main avenue through the city. And if you ever drove through it before it was repaired, you know what I'm talking about.

Lloydminster. We have a twinning project there as part of the city's requirement to move rapidly escalating numbers of vehicles through their city. The Highway No. 16 has been twinned all the way to Lloydminster. There's a bottleneck on the east side of the city, so we're going to undertake a project in partnership with the city to complete twinning into and through the city of Lloydminster.

There is the completion of the twinning of No. 1 at Moosomin, but there's also some access roads — the old highway into Moosomin that we need to fix up and make more drivable for the community there and people who travel to the city.

There's an interchange at Swift Current — Highways 1 and 4 — that was built probably 40 years ago, maybe 30 years ago, that is just inadequate to the immense growth that the city has seen on the east side. And we need to do a lot of work there to make that a safer intersection.

Let's see, what else? Have I missed anything? Well there's the Saskatoon south Circle Drive. There's some additional work that's being done there to facilitate their growth in that city.

And we've got a new program — you may be familiar with it — it's called urban connectors. I think some discussion of that was given when your party was still the government. It's a good program, and I think it's been very well received by the number of communities, I think there's 59 communities in the province of Saskatchewan that qualify. And quite a number of them have taken us up on that program because they want to partner with us to make sure their infrastructure within their boundaries is up to standards required for a growing economy.

And the other thing I want to mention is that we've increased preservation spending by \$46 million, and that's a very important item in terms of the infrastructure in this province. That \$46 million will help us complete additional preservation activity on a considerable number of kilometres of road.

I'm sure the member's heard me say this, but as a result of this budget, we're going to see some level of work done on 1,400 kilometres throughout the province of Saskatchewan this year. Now that's everything from brand new construction, to rehabilitation, to pavement overlays, ordinary maintenance work, even crack-sealing, but it's all essential to maintaining the life expectancy of our infrastructure.

Mr. Harper: — So outside the twinning projects that are ongoing in Saskatchewan here, how many more kilometres of road would follow that construction or reconstruction? How many more kilometres are going to get done this year versus last year?

Hon. Mr. Elhard: — To the member, you know this is kind of a difficult question to answer. And it's complicated by the fact that, you know, we're one of the benefactors of an attitudinal change at the Ministry of Finance. They allow us to roll monies over and projects over. If we can't get all the work completed in one year, they understand that, so there's some flexibility in that respect.

And last year for the fiscal year 2007-2008, there were 270 kilometres resurfaced, and there was 29 kilometres work-in-progress. So that's just short of 300, 299 kilometres. This year we anticipate 310 pavement resurfaced, 310 kilometres of resurfacing of pavement and 120 kilometres of work-in-progress. So that is 430 kilometres compared to 299 last year.

Mr. Harper: — I probably should have asked the question earlier. I assume these contracts or the tenders have already been let. Companies have contracted this work.

Hon. Mr. Elhard: — Well work-in-progress of course is work based on previously let contracts. In some instances the work was tendered last year, the project started, maybe not completed. In some instances the contracts were let, the work was never started, and it's being started. There's a variety of circumstances and situations.

Mr. Harper: — So the 310 kilometres that are going to be resurfaced in Saskatchewan this year, those contracts have already been, or those tenders have already been let?

Hon. Mr. Elhard: — I believe the answer is that the majority of them have been let already. We want to get work started as

soon as we can in the construction season. So we've been pretty aggressive in getting the tenders advertised.

Mr. Harper: — And the other 120, they haven't been advertised or they haven't been let yet?

Mr. Law: — Mr. Chair, if I can just try and clarify in response to the member's question. The total of about 430 kilometres, virtually all of that work, the majority of that has all been put out to tender. There is a component of the work which came out because of some timing considerations in the program this year and the change of government, and so on.

We actually went out in three phases, the most recent of which has just very recently been released to the industry. Some of those won't necessarily be in contract yet. We are looking at the best ways of programming that work in relation to activity that's already under way.

So in some instances there may be better ways for us to take advantage of contractor capacity. If for example, somebody is doing work in a particular area, and rather than having to have them remobilize at the additional costs, we may be . . . So we have some of that work that's still being finalized but the majority of the total amount that we talked about, the minister referred to the 430, the majority of that has been put out to tender.

Mr. Harper: — Now realizing the weather has an effect on timing and the ability of contractors to complete their work . . . but let's assume that this coming building season, construction season, will be on average or normal amount of rainfall, and so on and so forth, and winter won't come any earlier than it normally does etc. How many kilometres of the 430 do you expect to have completed by freeze-up this fall?

Hon. Mr. Elhard: — Mr. Chair, in answer to the question from the member, it's almost impossible — in fact it's nigh onto dangerous — to try and predict the number of kilometres we'll complete this year.

Let me give you, on the surface of things, a justification for that answer. If all the province was under the drought conditions that southwest Saskatchewan is, we could get all our roads built. But they're not. I don't think there'll be any problem getting road construction projects started and completed in southwest Saskatchewan, unless there's unusual rain sometime this spring. But given, given the circumstance right now, I mean, there isn't even potholes or sloughs on the sides of the roads, so you could start construction immediately in southwest Saskatchewan. So there's two fairly significant projects down there that, as soon as the contracts are let and as soon as the contractor can mobilize, they could get to work.

The exact opposite is true in the northeast part of the province, where they have had successive years of way too much moisture and where the flooding has just started as of yesterday or today. And I think one of the members here tonight would give evidence to the kind of the damage that's happening in her constituency already.

You know, the weather plays a part. Flooding plays a part. But even when the flooding subsides, it takes a long time for

roadbeds to dry out. And work on wet roadbeds is done at one's own peril because it probably isn't going to last very long. The quality of construction based on wet roadbeds isn't worth the money you'd invest in it, frankly. So in answer to your question, we can't possibly predict. But given the conditions in some parts of the province right now, work could start tomorrow.

Mr. Harper: — Well, Mr. Minister, I'm sure you would agree with me that the last thing we would wish upon this province is a drought in the entire province like they are unfortunately experiencing in the Southwest. Because I have myself made my living for a number of years depending on, in the world of agriculture which depends heavily on weather conditions, and I feel sorry for anybody that goes through a drought.

But at the same time, Mr. Minister, your officials must have a record of the amount of paving that's been done each year for the, say, the last 10 years and would be able to ascertain an average, what an average year would result in the average number of kilometres paved. And I'm not going to hold you, if you're 10 or 15 kilometres out, I'm not going to hold you to that.

Hon. Mr. Elhard: — In response maybe in a circuitous way to the member, the question about how much we are going to achieve in any given year is not simply related to the factors concerning weather. We have had a capacity issue in terms of companies and available equipment and those kinds of things in recent years.

But that's another reason why that five-year plan was so important because it would send not just a clear signal. It would send a very precise signal to the industry of our intentions as a government, as a ministry, what the projects would be, where they'd be located, the size of the projects, and whether it would behoove them or encourage them as an industry to reinvest in their companies, to reinvest in equipment, to reinvest in some new equipment that addresses some new technologies that are coming into common usage.

So that, I think, has been seen and understood by the industry, and as a consequence I believe the industry has started to gear up to take on the extra work that is being announced as a result of this budget, and the expected work that will come as we roll out future budgets and years 3, 4, and 5 of the rolling five-year plan. So it's not only weather that's going to play a part in this. And if the industry rises up to the challenge like I think it's prepared to do, we could see, you know, quite an improvement on our statistical average.

Mr. Harper: — No, no, I will be the first to admit that I think that your five-year rolling plan is certainly a step in the right direction. I think it's a very good idea.

Can you or your officials tell me how many kilometres of resurfacing, paving resurfacing was done in the year '04-05?

Hon. Mr. Elhard: — To the member, we don't have those numbers with us tonight, but we would be able to and willing to provide them.

Mr. Harper: — Great. I would appreciate that. And while

you're looking for that information, could you also provide me the same numbers for '05-06 and '06-07.

Hon. Mr. Elhard: — We can do that.

Mr. Harper: — It would be very helpful. Just a couple more little questions. The Chair is urging me to speed up here.

Hon. Mr. Elhard: — I don't know why. I think we're having so much fun we should stay here all night.

Mr. Harper: — I don't know why either. I was just getting into this, getting my second wind, although I do hear some snoring coming from down that end. But . . . [inaudible interjection] . . . I said from that end, and I was pointing at the Chair.

The number of kilometres of Saskatchewan provincial highways that are gravel surface — not returned to gravel but are gravel surface.

Hon. Mr. Elhard: — If memory serves me correct, it's about 5,500 kilometres in total.

Mr. Harper: — Okay. And the number of kilometres of oil surface? Dust-free surface? Thin membrane?

Hon. Mr. Elhard: — Well thin membrane is 5,820 if I remember correct — 5,820 exactly.

Mr. Harper: — Okay.

Hon. Mr. Elhard: — We have 9,438 kilometres of what we call asphalt concrete pavements. We have 4,937 kilometres of granular pavements. We have, I said, 5,500 of gravel highways, but it's actually 5,700. I was short there. And we have — I think this is really quite unique and unusual — we have 229 kilometres of ice roads that disappear every spring.

Mr. Harper: — Okay. They have to be rebuilt.

Hon. Mr. Elhard: — They're real thin membrane.

Mr. Harper: — Pretty thin membrane right about now. What was the average cost to pave a kilometre of highway in Saskatchewan in 2007 versus the tenders you're getting in 2008?

Hon. Mr. Elhard: — Mr. Chairman, while the deputy minister is looking up those exact figures, here's something I would like the members of the committee to know. You know we used to be able to construct a kilometre of road for \$250,000 a kilometre. It didn't take long for it to get to 300. More recently it got to 400, and I've just gotten used to quoting \$400,000 a kilometre to rebuild an ordinary two-lane highway, and I'm now told that \$500,000 a kilometre isn't out of the question, and maybe 550. The pace at which construction costs are escalating is mind-boggling, and you know to be honest with you, it can wreak havoc with budget numbers.

Now something else you might want to know. We had a project carry-over. I'm not sure exactly where the project was, but the project was carried over. Its value was estimated to be about \$35 million, and if I remember correct, 25 million of it was

eaten up in inflation. So we need to get these roads fixed sooner than later.

Mr. Law: — I have some numbers I can share. These are numbers that we have used to estimate our costs for the program for the coming year. The minister referred to the inflationary impacts which in rough terms are in the category of about 20 per cent, so if you take off about 20 per cent from these numbers, then that would give you the 2007 number.

We can be more precise about this. We in fact have been doing some tracking with some outside assistance to do some comparative analysis on them. The only cautionary note I want to sound before giving you these numbers is that when you talk about these averages, there's a fair degree of variability depending on the specific requirements associated with any particular location we may be doing work in that could be quite different in a different spot in the province.

Gravel roads we've estimated to be in the range of 130 to \$185,000 a kilometre for the coming construction year. Our grading work is in the neighbourhood of 200 to \$260,000 a kilometre. The direct resurfacing work is a similar cost. Granular pavement's in the range of 290 to \$395,000 a kilometre, and our twinning work is actually in the range of 1.1 to \$1.8 million a kilometre.

Mr. Harper: — What was that last one?

Mr. Law: — 1.1 to 1.8 million.

Mr. Harper: — Oh 1.8. Okay. Okay. Well now I know where the tax dollars go.

Mr. Law: — Not that far.

Mr. Harper: — No. I don't know where . . . I don't want to start a new area here. Yes, one, one very short question. When you're tendering out your projects now — whether they be construction, road construction, earth moving projects, or whether they be re-surfacing projects — do you build in or do the contractors request built in a clause that will accommodate a change in the contract to accommodate increasing fuel prices?

Hon. Mr. Elhard: — I hope I get this straight, Mr. Chair, because this is an important question, but it's fraught with some nuances and challenges.

When a contract is tendered, the contract assumes an indexing. The ministry says, here's the price of fuel and establishes an index at that time for that contract. And if the price of fuel goes up 7 per cent, we recognize that there's going to be additional cost. If the price of fuel happens to go down 7 per cent, we recognize that there's got to be some savings for the contractor or for us, I guess, because of the indexing. The savings accrue to the contractor so we should share in that, I guess.

So that's one of the contingencies that's built into a contract, and there's a whole number, a whole variety of things that have to be addressed in contracts to legitimately protect both parties. And because of the vagaries that we talked about earlier, all the different possibilities that can impact a construction project, we have to be very diligent and cognizant of those and diligent to

build those into our contracts.

I know it's getting late, but I just want to add for your information, for the information of the committee, I want to add one other contingency that is a particularly debilitating factor in road construction. And that is the role of the federal Oceans and Fisheries people and the navigable waters Act, which has been raised as one of the major irritants of ministries of highways and RMs [rural municipality] and contractors in this province and throughout Western Canada.

It was a discussion that was raised at the ministers' meeting in Ottawa last week. It wasn't on the agenda, but it was added on as a last-minute addition to the agenda. It provoked some of the most spirited discussion, and as such it is one of the most challenging issues that both ministries and contractors face in pricing a job where there's any kind of water run, whether it's a navigable waterway or not. I mean, if a guppy can survive in it for two weeks, it comes under the purview of this review, and it is stringent and it is brutal. And I can't overstress the angst and anxiety that particular legislation and the people who enforce it create for our industry and our ministry.

The Chair: — We've reached the hour of agreed time to adjourn. Mr. Harper, do you have some last comments?

Mr. Harper: — Mr. Chair, thank you very much. Yes, I just want to thank the minister and his officials for their very quality answers. I am looking forward to continuing our discussions as we further ourselves on these estimates, but I want to thank you all very much. The hour is late but thank you.

Hon. Mr. Elhard: — Mr. Chair, I would express my appreciation to the members of this committee, especially the members who have asked questions, for their indulgence, for their patience, and for surviving the late hour.

It's also important to acknowledge the very good work of the officials that support those of us who are in these roles as ministers. We couldn't do these jobs without their expertise and their patience because they have to teach us from scratch when we take on these jobs. And they've been very good for me, and I want to thank them publicly.

The Chair: — Thank you, Mr. Minister. I'd like to thank you and your officials, and I'd like to thank the committee for their staying so late this evening. And now I would accept a motion for adjournment.

Mr. Michelson: — I so move.

The Chair: — Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — This committee is adjourned.

[The committee adjourned at 00:48.]