



# **STANDING COMMITTEE ON THE ECONOMY**

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## **STANDING COMMITTEE ON THE ECONOMY**

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Mr. Buckley Belanger, Deputy Chair  
Athabasca

Mr. Jeremy Cockrill  
The Battlefords

Mr. Ken Francis  
Kindersley

Mr. Terry Jenson  
Martensville-Warman

Mr. Delbert Kirsch  
Batoche

Mr. Doug Steele  
Cypress Hills



[The committee met at 11:00.]

**The Chair:** — All right. Good afternoon, everyone, and welcome to the Standing Committee on the Economy. I'm Colleen Young and I will be chairing the committee this afternoon. And in with the committee are members Jeremy Cockrill, Ken Francis, Terry Jenson, Delbert Kirsch, Doug Steele, and substituting for Mr. Belanger today is Ms. Aleana Young.

Because we are still implementing measures to facilitate safety in the context of the COVID-19 pandemic, if the minister needs to confer privately during proceedings, he may do so in the hallway or the vestibule at the front of the Chamber. And as a reminder, please don't touch the microphones; they are fragile and sensitive. The Hansard operator will turn your microphone on when you are speaking to the committee. Cleaning supplies are located at the tables by the side doors for members and officials to use if they require them. And if you have any questions about logistics or have documents to table, the committee requests that you contact the Clerk at [committees@legassembly.sk.ca](mailto:committees@legassembly.sk.ca). Contact information is provided on the witness table.

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

**Subvote (TE01)**

**The Chair:** — We will now begin our consideration of the estimates for the Ministry of Trade and Export Development, vote 90. Trade and Export Development, central management and services, subvote (TE01). Minister Harrison is here with his officials today. And if you wouldn't mind introducing them, Minister, and make your opening comments. Thank you.

**Hon. Mr. J. Harrison:** — Sure. Thanks very much, Madam Chair. I appreciate it and I want to thank committee members for being here on a Saturday. It's appreciated.

And just by way of explanation, maybe kind of House Leader stuff, we are for those listening and watching at home, trying to hold all of the committee meetings for estimates in the Chamber. And for the reasons that you had enumerated, Madam Chair, it's much easier to maintain distance in the Chamber, and we have the Plexiglas barriers and all of the protections in here that are much more difficult to achieve in the other committee rooms.

So we are trying to do all of the estimates in the Chamber as much as possible, which means that we are having committee on Saturdays. So I want to thank the folks for being here. I want to thank Hansard. I want to thank the building staff, the Legislative Assembly staff, and all of the those who are, you know, working on a Saturday here to allow for the work and business of the people to be done.

So with me today, Jodi Banks, deputy minister, no stranger to the committee; and also my chief of staff, Richard Davis, is here. And we have a number of officials who are joining us via video link, and they are obviously paying very close attention and will be providing advice to Deputy Minister Banks and I with regard

to questions from the committee.

So I am pleased to be here today to discuss TED's 2021-22 budget, and TED is what we refer to as the acronym for the Ministry of Trade and Export Development. Our budget is an important part of the government's plan to protect, build, and grow Saskatchewan. TED will play an important role in this plan by supporting the province's economic recovery and our future growth. TED contributes to this growth by facilitating investment attraction, growing our export markets, and ensuring we have a competitive business environment. TED is the lead ministry for international relations and are actively increasing our presence around the world through new international offices, which I will touch on in detail shortly.

This past year our work shifted substantially with the onset of the pandemic. TED was the lead ministry for the province's business response team. TED staff set up and ran the BRT [business response team] for the first several months of the pandemic before it shifted to the Ministry of Immigration and Career Training last summer.

In addition to working directly with businesses, TED worked in partnership with the Ministry of Finance to implement several business support programs over the past year. These included the Saskatchewan small-business emergency payment, the strong recovery adaptation rebate, and the tourism sector support program. Recently we also implemented a cap on fees charged to restaurants by third-party delivery services, and this cap will be extended to August 31 with the expected passage of *The Supporting Saskatchewan Restaurants Act*, which I believe we're going to be dealing with at the conclusion of estimates here at the committee stage later today.

We are well aware of the impacts the pandemic has had on the businesses and residents of our province. It also impacted how we are able to do our work at Trade and Export Development. Officials were unable to travel to conduct investment attraction meetings or to attend conferences. In some cases these conferences were cancelled, and in others they were moved online. In addition, any planned ministerial travel was cancelled, as were any inbound missions from foreign delegations and businesses. While we are still able to connect virtually in many cases, it certainly has changed and impacted the way we do business.

Despite these limitations, we have seen a number of significant developments in the province that point to a strong economic recovery. Last May we welcomed NRGene to the province as they set up their Canadian head office in Saskatoon. NRGene is a world-leading genomics country headquartered in Israel. Their investment followed a successful trade mission that Minister Wyant and I undertook to Israel in 2018, where we had the opportunity to meet with the company and invite them to set up their head office in Saskatchewan.

Last summer we also announced new lithium and helium projects were under way in the province. In fact North American Helium is set to open Canada's largest helium purification facility in the southwest corner of the province. We can expect that announcement in the near future.

In June of last year, Benchmark PPE opened operations in Saskatoon. Their manufacturing facility has been producing personal protective equipment, specifically N95 and surgical masks, for the domestic market.

More recently, Saskatchewan mineral and mining inc. announced plans to construct a \$220 million sulphate of potash fertilizer production expansion at their Chaplin location.

Richardson International has announced they're going to double their canola crush capacity at Yorkton in a project worth multiple hundreds of millions of dollars.

Clean Seed, an agricultural seeding technology company, is expanding their operations to Saskatchewan with a new facility in Saskatoon that will be the heart of the company's Canadian prairie operations.

And just this week Cargill Canada announced their \$350 million plan to begin construction of a new canola processing facility here in Regina, in addition to upgrading and modernizing their existing facility in Clavet. These are just a few examples of recent investments we've seen in the province.

We have also seen some encouraging economic figures in recent months. Last week we learned that wholesale trade in Saskatchewan increased by a remarkable 25 per cent in February '21 compared to February of 2020, the largest percentage increase amongst the provinces. This follows the momentum that we saw last year where merchandise export sales were more than \$30 billion, up 2.5 per cent over 2019, the highest percentage increase amongst the provinces. This included a record \$17 billion in agricultural exports, a 31 per cent increase from 2019. On a national basis, overall exports were down over 12 per cent over the same period.

Saskatchewan's urban housing starts were up 64 per cent in February 2021 compared to 2020, again leading the nation. Retail trade was up nearly 5 per cent in January 2021 over the same period last year, well above the national average of 1 per cent. In February 2021 compared to February 2020, manufacturing sales increased by nearly 8 per cent, third highest amongst the provinces.

In 2020 forest product sales were more than \$1.1 billion, one of the highest totals in the province's history, and this year we'll likely shatter even that record. Forestry is the largest industry in the North and a very important part of our provincial economy.

Lastly, Saskatchewan's seasonally adjusted unemployment rate in March was 7.3 per cent, down from 7.4 per cent a year ago. That represented the fourth-lowest unemployment rate in the country, below the national average. These examples show that Saskatchewan is indeed continuing to lead our nation's economic recovery. This is due to the hard work and resilience of Saskatchewan people and businesses. It's also due to the fact that we are blessed with the resources a growing world needs. These products will be even more in demand as the world recovers from the pandemic.

It is Trade and Export's job to help industry get Saskatchewan's resources to the world and help to bring the world to Saskatchewan. Our budget will help us achieve these goals by

providing an increased focus on international engagement. We are providing \$9.3 million, an increase of \$5 million over last year, to establish international trade and investment offices in four additional locations. This will allow us to expand our international presence and networks around the world.

These will complement our existing offices in India, Japan, Singapore, and China. We have hired managing directors for these four offices. And I am pleased to report that despite delays resulting from the pandemic, two of them are now in the markets of India and Japan, and the other two are managing remotely before being able to deploy in the coming weeks.

I also want to add that these four individuals are professionals with extensive international experience who were hired in a highly competitive selection process managed entirely by senior officials at Trade and Export Development.

The New Delhi office in India is led by Victor Lee, who has over a decade of experience in international business development and foreign affairs. Prior to this appointment, Mr. Lee served as the director of trade and investment for the Asia-Pacific region with the Government of Alberta and also as a trading manager responsible for energy and mineral resources with Mitsui & Co. (Canada).

Paul Pryce is the managing director for the Tokyo office in Japan. He joins us after serving Japan's Ministry of Foreign Affairs for almost seven years as principal advisor to the consul general of Japan in Calgary, where he was also responsible for Saskatchewan. Mr. Pryce has held a variety of roles within the Organization for Security and Co-operation in Europe.

Greg Eidsness is our managing director for the Singapore office. Mr. Eidsness is an international business development specialist with 15 years of experience in public and private sector organizations. Originally from Swift Current, he joined us from International Financial Consulting Ltd. where he led the firm's business development and served as a consultant on economic development projects in Asia, Africa, and the Caribbean. He also previously served as the director of international market development at the British Columbia ministry of international trade, where he led market expansion strategies in Southeast Asia, Greater China, the United States, and Europe. We hope to have Mr. Eidsness in Singapore by the end of May.

Lastly, Winston Kan will lead our China office located in Shanghai. He was most recently the managing director of the Government of Alberta's Beijing office where he led the trade and investment activities and managed the team of commercial officers in Beijing, Shanghai, Guangzhou, and Taipei. Mr. Kan has extensive and diverse experience in both the private and public sector, devoting some 28 years in government, clean tech, financial services, and industrial manufacturing with the focus on Greater China and the Asia-Pacific region.

Saskatchewan residents can be assured that these offices are being managed and led by dedicated professional public servants with extensive experience that will benefit our province. Through their work these offices will strengthen our trade relationships and help us bring safe, secure Saskatchewan products to the world. They will play a critical role in helping us strengthen trade relationships, support Saskatchewan businesses, grow our

exports, and attract new investment into our province.

The 2021-22 budget also provides funding for the government's continued contract with Harper & Associates. They've provided and will continue to provide guidance, advice, and support on increasing Saskatchewan's exports, diversifying and enhancing access to foreign markets, as well as attracting investment to the province. The budget also provides continued funding for a contract with Nelson Mullins in the United States. They will continue to help us advance Saskatchewan's economic interests and tackle market access concerns in the United States. They've been extremely valuable on several files, including Keystone XL, softwood lumber, and other important issues with our closest ally and most important trading partner.

Budget '21-22 also continues important incentive programs to support Saskatchewan's economic recovery and position the province as one of the most competitive places to do business in North America. In trade and export, these include the Saskatchewan chemical fertilizer incentive, the manufacturing and processing exporter tax incentives, the Saskatchewan value-added agriculture incentive, and the Saskatchewan commercial innovation incentive, also known as the patent box program.

Lastly, TED's budget also includes \$175 million for the Saskatchewan economic recovery rebate. This rebate provides all SaskPower customers a 10 per cent rebate on their power bills and will run until the end of November 2021. This rebate is a large component of the reason for TED's significant, overall nearly 700 per cent budget increase this year.

In closing, I want to reiterate Saskatchewan has shown incredible resilience throughout this pandemic, as is evident by the continued economic developments and economic indicators I mentioned earlier. This budget provides funding to continue this momentum and strengthen our economic recovery as we increase our international presence, prioritize trade abroad, and attract investment. Thank you, Madam Chair, and I'm pleased to answer questions from the committee.

[11:15]

And just a note as well on the consultations. So officials are participating via internet link. There's a bit of a delay in the link, so often we'll go back and the officials are still hearing questions. So it takes a few minutes to coordinate our responses, so just a note for folks who are watching at home. But with that, Madam Chair, I will turn it back to you.

**The Chair:** — Thank you, Minister Harrison. I'll now open the floor to questions from committee members and recognize Ms. Young.

**Ms. A. Young:** — Thank you, Madam Chair. I begin by again extending my thanks to all of the folks working today on another beautiful Saturday, from the ministry officials to the Legislative Assembly and building staff who are here facilitating the good work that is going on and the necessary scheduling accommodations outlined by the minister due to COVID-19.

I think today I will begin with a fairly high-level question in regards to the TED budget overall. I note last year's budget was

roughly \$27 million, and I believe that was an increase year over year of about 6, 6.3, six and a half million dollars. So this year, excluding the Saskatchewan economic recovery rebate, what is the budget of this ministry?

**Ms. Banks:** — So the budget for this year, excluding the 174 million for the Saskatchewan economic recovery rebate, is 32.114 million. So our total budget is 206.114 million.

**Ms. A. Young:** — And is it fair to say that the ministry faces the same inflationary pressures and salary increases, whether step-based or otherwise, that other organizations and branches of government would experience?

**Ms. Banks:** — Yes. So we did get some additional dollars to allocate towards what would be sort of regular salary increases or negotiated salary increases, and so those have been included in the allocation.

**Ms. A. Young:** — Thank you. And beyond the Saskatchewan economic recovery rebate, which I do have a couple questions about and the trade offices noted, are there any new initiatives or programs being undertaken by this ministry?

**Ms. Banks:** — Can I just clarify? So did you say outside of?

**Ms. A. Young:** — Excluding.

**Ms. Banks:** — Okay, thank you. Those are the two main initiatives for this year.

**Ms. A. Young:** — Okay.

**Hon. Mr. J. Harrison:** — Yes, Madam Chair. Thank you very much. I mean there was obviously a significant expansion in the number of programs that, you know, in a policy context we were responsible for managing over the course of the previous year, which are continuing into this year. So we maintain the responsibility around the small-business emergency payment as it moves into this fiscal as well, partnered with the Ministry of Finance as far as the actual program delivery.

Tourism sector support program, it's a similar circumstance where on the policy implementation and operationalization of that program, Trade and Export, we're the lead but working with the Ministry of Finance as far as the actual delivery and back-end processing on the details of that program.

Also on the strong recovery adaptation rebate, which we worked . . . And I want to thank our colleagues at the provincial disaster assistance program because they actually were doing a lot of the back-end work on that particular program, given the constraints that we have had within Trade and Export as far as program delivery. So that would be one element.

We've provided and partnered with the Regina Chamber of Commerce on the buy-local campaign as well. So that program is actually administered and delivered by the partnership with the Regina chamber. And it kind of all goes back. I mean we do a lot of things in Trade and Export, but you know, really kind of intensive program delivery is not one of them that we were set up to manage. But the overall kind of budget increase, you know, is obviously a significant one, the majority of which is, as I

referenced in my opening remarks, the Saskatchewan economic recovery rebate, which is the 10 per cent off of the SaskPower bills. And we can kind of talk about the reason why TED was the ministry through which that program was delivered.

But the big component is around the international engagement piece and the funding and resources for the four additional new offices. We have not announced yet as to the location of those offices, but I think we are getting very close to being able to make an announcement as to the locations. I've spent the last couple of weeks working with representatives from, well with the ambassador and the High Commissioners from the countries to which we are going to be locating those offices in, and also working with our partners at Global Affairs Canada and our representatives that are in-country as well.

As far as some of the technical elements of how those offices are going to be located, you know, there are implications that go along, just even space sort of implications, that we work with, either it be the consulate or the High Commission or the embassy, depending on the country and the location. So we're continuing that work, being led by Richelle Bourgoin who is our ADM [assistant deputy minister] in charge of that program, but I've been engaged at the ministerial level very directly for a long period of time now with those representatives, and I think we've developed some very, very good relationships there. So we look forward to being able to make that announcement, Madam Chair, and be in the relatively near future.

**Ms. A. Young:** — Thank you for that. I suppose with my questions around additional programs and budgetary increases, what I'm trying to suss out, perhaps too subtly here, is whether the ministry overall has seen any increase in budget excluding the Saskatchewan economic recovery rebate and the new trade offices, and I'm hearing that's the main focus in terms of newer ongoing initiatives.

**Hon. Mr. J. Harrison:** — I would just add, I mean, I don't have the percentage in front of me but it would've been 30-ish per cent increase in budget year over year without the SaskPower rebate. And the year before it was around that as well, I believe.

**Ms. A. Young:** — Excellent. Thank you. The minister referenced, I believe in his last remarks, a willingness to discuss some of the reasons why the Saskatchewan economic recovery rebate is being housed in TED, so I would welcome any comments on that as they might help me in being more concise with some of my questions.

**Hon. Mr. J. Harrison:** — Thank you, Madam Chair. So I'll provide just kind of a high-level response, and then Deputy Minister Banks will be able to go into some additional detail. But the basic rationale is that, you know, upon recommendation from officials who had been working together across government, the most appropriate way of delivering the program was felt to be through a statute to which TED had administrative responsibility. And that was the primary reason as to why the line item that's included in the budget is assigned to TED for the program. But I'll turn it over to Deputy Minister Banks.

**Ms. Banks:** — Thank you, Minister. So we were able to use section 12 in *The Economic and Co-operative Development Act*, which gives the minister authority to "provide financial

assistance by way of grant, loan, guarantee or other similar means . . . to any person, agency, organization, association, enterprise, institution or body within or outside Saskatchewan."

So we were able to use that. And in this way we were able to have the funds originate out of the General Revenue Fund, and we were able to ensure that there was no impact on SaskPower's ability to finance.

And so starting December 1st, SaskPower customers began receiving a 10 per cent rebate on the electrical charges portion of their SaskPower bill, which includes the basic monthly charge, the energy charge, and the demand charge. We have now made four payments in December, January, February, March, and it is estimated to cost 262 million. We had an approved budget of 87.2 million for 2020-21, and 174.8 which is in our budget for '21-22.

I will also add that we are also able to include payments of grants to both the Swift Current and Saskatoon utilities, which are outside of SaskPower, with the rest of the province.

**Ms. A. Young:** — Thank you so much. I believe you said it was section 12 of *The Economic and Co-operative Development Act*. That is broad and sweeping, and that's by no means a criticism, just a reflection.

So again in regards to the Saskatchewan economic recovery rebate, recognizing there is the need for some coordination between TED and between SaskPower in regards to tracking or managing the disbursement of this grant, and you know, what that rebate is going to look like, 10 per cent of power bills.

Certainly power consumption could impact how much of that total 262 million, which has been spoken of, is used and how quickly. Are you able to offer some comments or some explanation in terms of how that coordination between the Crown and your ministry is taking place?

[11:45]

**Hon. Mr. J. Harrison:** — So thanks very much, Madam Chair. I can provide some additional information for the committee. And Deputy Minister Banks can provide some detailed information in addition to the response I'll provide, which essentially is that we work very closely at the officials' level with SaskPower and have . . . both in the program design and estimation component at the front end. And the collaboration continues in a very, very close way as we go forward on the implementation of the program. But I'll turn it over to Deputy Minister.

**Ms. Banks:** — Thanks, Minister. And thanks for your question. So as the minister mentioned, our corporate services staff team work very closely with the team at SaskPower. We did some original work, you know, when we were putting the program together, making sure that we had, you know, as good an estimate as we can sort of based on previous years' usage. Of course at any time — particularly this winter when it got real cold, you know — power usage can go up. And now we continue to work with them on a monthly basis.

And so basically the SaskPower officials calculate the rebate



based on client power consumption, you know, whether it's residential, commercial, and farmers. And that, as I mentioned previously, includes the consumption from Swift Current and the Saskatoon municipality clients as well. And so they coordinate that and they do that work with them together.

And so every month by the 20th of the month, SaskPower provides us with an invoice and then, you know, we authorize the payment of that and make sure that they are getting those dollars back. We then continue to work closely with them on, you know, just monitoring the forecast against budget and making sure that that cash flow is happening on a regular basis. So yes, we're doing a lot of close work with them.

**Ms. A. Young:** — Thank you, Madam Chair, and thank you, Deputy Minister. Are you able to speak to the portioning of the Saskatchewan economic recovery rebate as it would relate to those categories identified: industrial, farm, residential, commercial?

**Hon. Mr. J. Harrison:** — We'll have to consult with the officials on that detailed information.

So thanks, Madam Chair. So a bit of an explanation here. So we don't, you know, have the breakdown by classification or power rate classification for the users. So we had asked SaskPower if they could provide that breakdown, or we tried to reach SaskPower to provide that breakdown. But obviously being a Saturday morning, we haven't been able to ascertain that information.

But it is a bit more complicated than that, too, with the separate power utilities in Saskatoon and Swift Current who, you know, have a different way of reporting back to us, but who are also participating in the rebate program. So you know, we just don't have that breakdown, and I guess that's the response.

**Ms. A. Young:** — Thank you. Appreciating that it is a weekend, I would be happy to receive that information at a later date if that's possible to request. Honestly, even just for SaskPower proper, excluding Swift Current and Saskatoon.

**Hon. Mr. J. Harrison:** — Well it's really not my undertaking to give. SaskPower are the responsible entity, and I think that they — without having been able to connect with them — may have some concerns around commercial sensitivities. But I would suggest that, probably better put, maybe that SaskPower would be able to provide that information and undertaking. But I don't want to bind them, just because it's not mine to give. So that would be my suggestion, that it be raised with SaskPower at the appropriate time.

**Ms. A. Young:** — Thank you. And is there any clarity around when that would be? I believe I recall that the Crowns are not . . . There's no estimate committees meeting in regards to the Crowns. So I'm just trying to establish when that question could be put to SaskPower.

**Hon. Mr. J. Harrison:** — Madam Chair, I can . . . Yes, Madam Chair. Thanks. I can likely add some clarity on that. Crown Investments Corporation will have estimates that, you know, have not yet been scheduled, but that will be likely the appropriate opportunity to put that.

**Ms. A. Young:** — Okay, thank you. So not to belabour the point, but just to make sure I understand, the appropriate forum for that question is CIC [Crown Investments Corporation of Saskatchewan] estimates. Somebody will be present and able to address that question at that point, whether in relation to the totality of the \$262 million or, as I indicated, honestly even the portion specific to SaskPower excluding those external utilities.

**Hon. Mr. J. Harrison:** — Yes. I would be able to add we'll make SaskPower — or sorry, CIC . . . So Minister Morgan and deputy minister Campbell will be aware that the query will be put to them. And we will let them know that that will be the case.

**Ms. A. Young:** — Okay, thank you. And I appreciate that, because just for the record, I had I believe in December, possibly November — my memory from those months is somewhat foggy — but I had put that question to Minister Morgan and it seemed like an answer was not forthcoming.

And my goal in asking this question is just really around transparency, you know. With our Crowns, we ask folks who make more than, I believe it's \$50,000, to disclose their salaries. So you know, in light of the commitment to that transparency, I would just ask for the record that, you know, if we're asking the individual who sweeps the coal dust off the floor of Boundary dam to disclose their salary, it would be wonderful to be able to see some transparency around those numbers as well.

Thank you. I will leave the Saskatchewan economic recovery rebate for now but do look forward to that being discussed further at CIC estimates, as my understanding is that, kind of, the information I've gotten so far in regards to this is the extent of information that will be available at this committee.

**The Chair:** — As it would be noted, Ms. Young, that's a question that will have to be put before the CIC committee, and they will have to work with SaskPower at that point in time to see what information can be provided.

**Hon. Mr. J. Harrison:** — Yes, and I would offer as well, I think there'll be an additional opportunity at annual report time for SaskPower, which the Standing Committee on Crown and Central Agencies have the opportunity and obligation to review.

**Ms. A. Young:** — Excellent. Thank you. Thank you, Minister, and thank you, Madam Chair. Moving on then to trade offices, I believe, I have up next in my theme area of questioning. So the minister noted, I believe, in some of his explanatory remarks that of the four offices — India, Japan, Singapore, and China — to date two of them are open.

I understand in the past they had been targeted for opening, I think, Q1 [first quarter] of this calendar year, but obviously with some of the international challenges going on related to a global pandemic, that has been pushed back a bit. Are there any timelines, even flexible, broad ones, recognizing the current state of international affairs that are in existence in regards to the four forthcoming trade offices?

**Hon. Mr. J. Harrison:** — I would say the short answer is yes, but we're going to go and consult with Richelle Bourgoin, our ADM in charge of the international program, and have some more detailed information for the committee.

[12:00]

So thank you, Madam Chair. I'm happy to be able to provide the committee with some additional information on the office calendar, and Deputy Minister Banks will be able to provide some additional insight in that area as well. So we do have the two representatives in-country right now, in India and Japan, which I think I'd referenced earlier on. We've been working with kind of the local authorities in the other two jurisdictions, being Shanghai and Singapore, which has obviously been a challenge given some of the . . . I mean given the pandemic and the implications on international travel between Canada and those countries, and their specific requirements around the granting of visas and the arrivals. But you know, so that has been something that isn't really within our control as to when that will be concluded, but we continue to work on that and are hopeful it'll be sooner rather than later. But we are grateful though that we have our representatives in the other markets and they are hard at work.

As for the calendar for the four additional offices, we have kind of a target that is fairly, you know, fairly specific. You know, that is subject though to a whole host of factors, many of which are not specifically within our control either. I mean that has to do with the state of the pandemic in those countries and how their internal travel arrangements are going to evolve vis-à-vis Canada. So we have been working, like I said, with the ambassadors directly on some of those questions, but there are elements that are beyond our control.

But what I would say is that we are looking for two of the four offices to open and be operational in early . . . well in fall I would say. Maybe not early fall, but in fall. That is the target and that is what we are working towards. And two, the additional two offices in Q1 of the calendar year next year, so early winter — January, February, March — what we would be targeting on, the additional two offices. So we're going to be initiating the process for staffing those locations very quickly. And I know Deputy Minister Banks will be able to speak to how we are going to be going through that process, which obviously has an impact on when we can move forward with the opening of these offices.

But we have been working with the countries in which we are planning on locating, and also with our colleagues from Global Affairs Canada, as to the location arrangements because our desire is to co-locate in the appropriate embassy or consulate or high commission in the country as it may be, obviously not being able to say exactly which and where at this point yet since that has not been publicly announced. But, Deputy Minister, I'll turn it over to you.

**Ms. Banks:** — Thank you, Minister. And thank you for your question. And so yes, I will say that, you know, those time frames come quickly. And so we already sort of started working on doing the background work towards getting those offices opened. Minister Harrison mentioned, you know, working very closely with Global Affairs Canada and then also working very closely with the ambassadors from those countries where we are planning to locate.

So the next step will be getting some managing directors hired, and so we will be undertaking that in the coming weeks. And so these managing director positions are public servants that are

hired through a competitive process where we are able to evaluate their specific competencies and ability to deliver on market strategies for Saskatchewan. The managing director positions are an equivalent with director-level positions within the Government of Saskatchewan.

For the first managing director positions, we posted the positions on Saskatchewan's career website for four weeks. And then in order to maximize the reach, we also posted the positions through publications such as *The Hill Times*, the Institute of Public Administration of Canada, the Canadian Chamber of Commerce in Japan and some of the other countries we were working. We work quite closely with those organizations. We were also promoting them through the University of Regina and the University of Saskatchewan.

[12:15]

And so in the first time around, we were very fortunate. We received over 440 applications, and at the time we were just doing three positions. We were not doing China. We did Singapore, Japan, and India. And so we had 168 applications for Singapore, 93 for Japan, and 182 in India. The candidates were wide and varied. They included current Saskatchewan public servants, equivalent positions from other provincial jurisdictions, Global Affairs Canada foreign service, and business and industry leaders. And so you've heard the biographies of the successful candidates.

And so what we would plan to do again is we start with the initial long list of our potential candidates. We then narrow those down to sort of a next list. And we did some short screening calls, telephone interviews, and we actually had them conduct a behavioural analysis tool called a predictive index assessment. Once we got the results of those . . . And in those initial telephone conversations, you know, we ensured they understood that the position, they had to actually move to the country where we were going to place them, that they were in a position to do so, that they would be able to get security clearance, you know, that they understood that their families would have to be able to get in. There's certain criteria that Global Affairs Canada has that you must . . . You know, if you're going to co-locate with Canada, there's criteria that have to be met. So we sort of used that to screen out some candidates there.

And then we brought in a shorter list of candidates that we did a video interview with: the assistant deputy minister of international engagement, which at the time was myself, and the executive director of international offices. We narrowed that down again, and a final short list of candidates was invited to an in-person interview and presentation with the deputy minister of Trade and Export Development, and then were vetted through extensive reference checks.

And then once we have our managing directors in place, we did engage in a fairly rigorous on-boarding process as well, making sure that while some, as the minister mentioned, you know, grew up in Saskatchewan or lived in Saskatchewan for part of their time, we wanted to ensure that they had a really good feel and understanding for Saskatchewan before we sent them abroad. And so we will do that same vetting process and careful process as we go on to hire sort of our next four managing directors.

And then once they're hired there's another process that they go through with Canada around obtaining security clearances and visas and what would be diplomatic passports, etc. So that also takes time. So it does take considerable time to be ready for the fall, which is why we're starting quite soon.

**Ms. A. Young:** — Thank you, Deputy Minister. I only have one question in relation to that staffing component which you've spoken so extensively on. Beyond these individuals, are there other staff accompanying them or are they kind of, you know, like an island of one? Because you've spoken at length I think about the stringent hiring process accompanying these, pardon me, managing directors is that? Yes. Managing directors. And I'm just curious if accompanying them there are other Saskatchewan-specific staff, or if they're working largely just with the Global Affairs Canada offices in which I understand they're co-located.

**Hon. Mr. J. Harrison:** — Yes, I can give a bit of an answer, and I know the deputy minister will be able to speak to it further. We will have locally engaged staff, which is a process in and of itself with Global Affairs Canada. Obviously there are . . . You know, there's a significant amount of work that goes into that process. As far as any staff from Saskatchewan being located in-country in addition to the managing directors, there are not. We have though folks who assist them in their work within the jurisdiction to which they are assigned. So you know, I just do want to thank these folks though who really are professionals, who are really committed to advancing the interests of our province, and who, you know, deserve respect. And I hope that all members would be willing to give them that respect because they deserve it. So, Deputy Minister.

**Ms. Banks:** — Thank you, Minister. And thank you for the question. So as Minister Harrison mentioned, in each office there will be the ability to hire what are considered two locally engaged staff. So those are hired through Global Affairs Canada. They, you know, help provide the vetting and the short lists, and that process is done collaboratively with the managing director and the Global Affairs Canada staff that are on the ground. And so each managing director will have a staff member that would be, you know, a higher level sort of trade commercial officer that will provide support, you know, in some of the countries. India, for example, is quite a big country and so this is a position where they could attend meetings and do work in concert with the managing director.

Each office will also be able to hire a more administrative staff member at that level that will help with logistics, budgets, administrative duties, etc. And then I would say that we also, being co-located with the embassy or high commissioner, we are also able to use or take advantage of public relations staff, commercial staff, you know, from Global Affairs Canada that help provide support on the ground, logistics, etc. And in many of the locations there are other provinces that are located there. We have colleagues from Alberta, BC [British Columbia], and Ontario, Quebec, and so there are occasions where it makes great sense to work together and collaborate with our provincial partners as well.

And we have, as Minister Harrison mentioned, we have a branch back here in the Ministry of Trade and Export Development that has been put together to provide support from here. Those staff

are willing to work outside of normal hours to accommodate time change, those kinds of things. And so we have built a team here that is bar none and that will help provide that support.

And then I guess I would lastly say too, you know, those managing directors, it's a real collaborative approach with other ministries in the government — Agriculture, Immigration and Career Training, Energy and Resources, and many others. Advanced Education, you know, we're working with them all the time. And then we're also, of course, working with STEP, Saskatchewan Trade and Export Partnership. And so they're getting support from sort of all of those partners. This is a very Government of Saskatchewan trade office, not just a TED trade office.

**Hon. Mr. J. Harrison:** — If I could as well, I'd like to thank the senior officials from Global Affairs who we've been working with as well. And you know, obviously we're working with the folks who are in the countries to which we're looking to set up new offices. But I want to thank the ambassadors as well: High Commissioner Patel, for example, who has just been wonderful to work with in India and really has become a friend over the last number of years; and Ambassador Burney in Japan as well has been incredibly helpful; our ambassador in Singapore who we've worked with very, very closely on all of this.

You know, we do have a very good foreign service in this country and I have appreciated working with them. And the trade commissioners' services as well have been good. I mean, being able to work with a Saskatchewan-specific managing director in-country, it provides a kind of amplification of the efforts we're going to be making. So I want to kind of just publicly put on the record our thanks to Global Affairs staff and particularly the high commissioner and ambassadors, or high commissioners — two — and ambassador in the existing countries we're working.

**Ms. A. Young:** — Okay. Thank you, Madam Chair. And thank you for that thoughtful discussion of the trade offices. I do have a handful more questions in this subject area.

I believe it was in the last round of estimates it was discussed that there would be met by then deputy minister Campbell, I believe it would have been, that metrics and an overall strategy for managing the success of these offices was in the process of being developed in anticipation of their opening. And I am looking for, I guess, an update on how the ministry will be evaluating the success of these four existing trade offices as well as the four forthcoming, and as kind of an associated question, any comments you can provide in relation to how these offices are being selected in regards to location.

You know, the minister mentioned high commissions. Well I'm not going to push for the announcement in regards to the four new ones today. Looking at our top 10 trading partners, I believe — I could be mistaken — I believe there's only one who is a former member of the Commonwealth, and I . . . or pardon me, is a member of the Commonwealth and would have a high commission. So I can maybe guess one.

But I guess I am looking for some indication of how these are being selected, if it's largely just in line with, you know, our top 10 export countries, what the strategy is in regards to managing and evaluating the success of these offices, and then I guess any

indication of how many, broadly, are being targeted. Is this four kind of where we anticipate it stopping? Are we looking at reaching those top 10 export partners? I would note there's certainly some other markets, and you know, the changing nature of trade agreements and the European Union, I expect there might be some developments there.

So just if I can get a sense, I guess to be succinct, around the strategy, metrics evaluating the success of these offices and how many more, broadly speaking. I'm not looking for a number that I'm going to hold you to year over year, but broadly speaking you would anticipate being kind of the cap for this?

**The Chair:** — I recognize the minister.

**Hon. Mr. J. Harrison:** — Yes, thanks, Madam Chair. We're going to go and have the further discussion with Richelle and our officials and be returning to the committee with a detailed response.

[12:30]

Thanks, Madam Chair. So I think we have a fairly comprehensive response for the three components to the questions around metrics, location selection, and new offices. So on the first element, on the metrics, Deputy Minister Banks is going to walk through all of that with the committee, so I'm not going to address that. That's been developed by the public service.

On the selection of location, that was based on recommendations as well that we had put together across ministries. And I think it's important to remember too, for the committee, that these are trade and investment offices. So investment attraction is a big part of what we are doing as well, with regard to the mandates of our offices.

So there are a range of factors that went into the recommendations around the locations of this current tranche and the last tranche of offices, you know, a significant component of which is the current existing trade value and trade volume. So that is an important part, but also location, geographic location is important. Singapore for example isn't in the list in and of itself — it's a city state of course — of our top 10 trading partners internationally, but it is very centrally geographically located, and more importantly is the financial centre in that area of southeast Asia. And that was a big part of the consideration as to why the office went to Singapore.

Future potential growth. There are emerging markets in different areas of the world where we really believe — and that's not just us in government, but that's working with our partners in the private sector as well — where there's a real belief that the potential exists for significant growth in exports and products into those markets. And that can be in areas of, you know, agriculture is the obvious example, but other areas as well where we have a comparative and competitive advantage over other jurisdictions in moving exports into those markets. And that is determined, you know, based on wide discussion and consultation with our private sector exporters as well.

You know, another major consideration actually has been around the existence of trade agreements, and what this provides is, you know, a degree of certainty around process that doesn't

necessarily exist in jurisdictions where we don't have free trade agreements. And the coming into force of the Trans-Pacific Partnership has really opened up a tremendous amount of opportunity and potential in the countries to which we are jointly signatories in that free trade agreement.

Having certainty around tariffs, having certainty around tariff schedules going forward, having certainty around dispute resolution, having certainty around sanitary and phytosanitary standards and scientific elements as to how those are determined — all of these things make a really significant difference in areas where we may not have had a traditional large-scale trade relationship but where we feel that we can into the future and where we have companies who are doing the actual work.

And it's important to remember, Madam Chair, in this too, I mean, governments don't do exports. We're not, you know, selling canola as the Government of Saskatchewan to Japan or to South Korea. Those are the companies that work in this province and others who are making those long-term commercial arrangements. What we can do though is provide the conditions for which those agreements can be made in and providing certainty on process and on, you know, on different elements that can be highly arbitrary in other jurisdictions, particularly around tariff schedules and around scientific standards, which have been used as non-tariff trade barriers by a lot of countries historically. So you know, there are all of these things that go into making the recommendations that came forward and why we selected the locations that we did in the offices that have been announced and those which are going to be announced relatively soon.

So as far as the addition of new offices, I would say that as of right now we don't have any immediate plans. But I would say that, you know, we continue to evaluate and we continue to look for opportunities where it might make sense in the future. So I wouldn't close the door, but I would say that as of right now we don't have immediate plans. We're going to focus on operating the offices that are, you know, opening or in existence and also making sure that the new ones open successfully. So we have, you know, only so many resources within government to do that, but that is where our focus is going to be going forward. But I can turn it over to you, Deputy Minister, for more information.

**Ms. Banks:** — Thank you, Minister. And thank you for your questions. So as you mentioned, last year we were . . . you know, the performance measurement pieces were a work in progress. And so we have spent a lot of time and energy over this last year putting together what we're calling a performance measurement framework. And so this performance measurement framework has been developed by the Ministry of Trade and Export Development so that we are able to measure and then communicate both the interim and long-term outputs and outcomes for Saskatchewan's Trade and Investment office network, including how they are contributing to meeting the growth plan goals. And we know that there are a number of those growth plan goals that are directly connected to the work of our ministry at Trade and Export Development and that these international offices can play a key role in helping meet, particularly around increasing trade and increasing investment.

And so our framework has been structured around what we're considering to be the four core lines of business and service delivery that the international offices are going to be able to

provide. And those are around foreign investment attraction; trade and economic development, which would include also the acquisition of talent; building on international awareness; and then also ensuring that we have strong international relationships. And so I'll go through each one a little more specifically now.

[12:45]

So the first one around foreign investment attraction, obviously a key priority for Saskatchewan and for these offices. And so there are a number of key performance indicators underneath this core business line that would include some output measurements, including the number of investment clients, the number of investment leads, some of the investment services that we're able to provide that we can track. And then as we get into seeing success around investment attraction, we would be tracking of course the dollar value of the investment being made into the province. And then we would also be tracking the number of investment events and/or missions.

Investment attraction can take time. It is, you know, very much relationship-built. And so you know, we will be focused on some of the output measures to begin with and then building into some of the more outcome pieces as we move along.

The second business line, as I mentioned, was around trade and economic development pieces, including the talent acquisition. So the key performance indicators under this metric would be around the number of trade clients, the number of trade leads and services being provided, the dollar value of international trade deals that we see; and then trade events and missions, including those that include advanced education, pieces around skilled migration promotion events; being able to recruit international students; and also around the innovation sector as well, some of those. When we think about talent, it's everywhere from students to workers with key skills. So those are some of the ones around that that make up the key pieces there.

When I talk about international awareness, that would be around some of the sort of marketing pieces and efforts that we're also going to be making. And so the key performance indicators would be around sort of the number of Saskatchewan awareness campaigns, media followers, website traffic, those sort of social media pieces. You will have been aware of our ThinkSask campaign, and we're going to continue to build on that. And there will of course be work done within the countries where we're located to continue that work.

And then also talking about international relationships, and so the key performance indicators under there would be sort of where we're dealing with market entry issues being addressed, the giving of policy advice, being able to create commercial and non-commercial partnerships, and then being able to support government missions. And so those are around that.

And then we will also be doing some tracking around some of the service delivery pieces. So those key performance indicators would include client and stakeholder satisfaction surveys on a semi-regular basis to ensure that we are meeting the needs of our clients, both here in Saskatchewan and abroad.

So we really have created this framework, so that we can collect and track information about the activities of the office. We're

going to be doing that day-to-day monitoring and evaluation of performance, and it allows us to track the progress towards achieving government objectives. It is based on a logic mode, as I mentioned, establishing linkages between key performance indicators, outputs, and outcomes. You know each key performance indicator is then linked to the expected outputs, the strategic outcomes, and the growth plan goals, so there's a linkage all the way through.

All of them are quantifiable measurements reflecting critical success factors for the office network and for TED, the Ministry of Trade and Export Development. We will have multiple data sources, and those have been defined, including that we have a customer relationship management system, a CRM system. We will be creating activity reports from the offices, and as I mentioned, annual client and stakeholder surveys.

After we've been doing this for a little bit, we will also ensure that we have baseline data and target goals for KPIs [key performance indicator] that will be established upon the first year of operation of an office, which will be based on actual performance and estimated results. We think these will be a bit of a work-in-progress — because of the impacts of COVID — to start, but you know, those will be refined over the coming years when there's an ability to get out and move around a little bit more.

This framework is aligned with the reporting process that we have established for each of the managing directors back to headquarters, back to the ministry. We look forward to also supplementing the actual numbers pieces with some success stories where we can showcase the assistance offered by an international office and how it can actually make a difference for clients and stakeholders, for companies, for businesses.

So that is the framework that we have put together at this time, and so we've done some pretty significant work on that.

**Ms. A. Young:** — Thank you very much. That was a thoughtful and extensive answer which I appreciate. If that is, like, a framework document that you're reading from and you're able to table that, that would be appreciated. And I do just have a couple more questions in this subject area, and then I will move on.

So in regards to that international awareness and international relationship piece which you discussed . . . And I believe at the last meeting the minister had spoken, you know, used an example of perhaps developing market awareness of canola in countries like Vietnam and Bangladesh as two markets which I believe primarily use palm oil. And of course we would all agree that canola is a superior product both in terms of its impact here at home as well as the environmental impact that palm oil has, globally speaking.

I guess just when we're speaking specifically about the export component, I guess I want to make sure that I'm understanding that it wouldn't be necessary, say, in the setting up of future trade offices, to be looking at places where we have fairly well-established trade connections such as say like France, the United Kingdom or something like that.

**Hon. Mr. J. Harrison:** — I can respond to that. You know, I think we kind of went through some of the parameters of, you

know, what we're looking at as far as setting up trade offices which have a whole number of components to them around potential growth opportunities, important centres in markets to which we're seeking to increase our exposure both from a trade and, you know, other elements to that as well, which I think Jodi walked through. You know, volume's a part of it.

But you know, there's kind of a market development element. And I think, you know, what was being referred to is in some of the markets in Southeast Asia where you have, you know, larger usages of products which are comparable, although inferior, to some of the export products we have, there is an element of what we seek to do or at least support doing. Companies really do a lot of the good work on this and the heavy lifting as far as market development, but you know, there are ways that we can be supportive in that regard as well.

I think of potash in India, for example. I mean Canpotex actually puts on clinics and/or training sessions where they go right onto the ground and work with farmers, primarily, you know, very small-scale land holders in India, and actually show them with their product how they can increase yields. I mean that's kind of the most granular sort of market development that you can do.

But this is actually what our companies do on the ground in these jurisdictions, and we can be and have been supportive and an active participant in some of those initiatives around the world. So you know, there are areas where we think that there is very, very real opportunity for, you know, further market development. That's going to be a part of the consideration that we have as far as location internationally.

But you know, I think we went through in some detail that there are considerations beyond that, which include the investment component as well. So you know, financial centres that are globally significant, you know, it can be important that we have that presence as well. But all of those are continuing discussions.

**Ms. A. Young:** — Thank you, Minister. Of the budget allocated to these four, slash, I suppose, eight offices, what is the approximate just ballpark value assigned to each office on an annual basis?

**Hon. Mr. J. Harrison:** — There's a host of factors that go into that, but I think it would be fair to say it's around a million dollars per year per office. It varies a little bit depending on location, and there are different factors that go into the final dollar value, but you know, that would be around — maybe a little bit more than that — what we expect per annum.

**Ms. A. Young:** — Thank you, Minister, and I'm wondering if either yourself or the deputy minister could offer some comment on the relocation of the Shanghai office.

**Hon. Mr. J. Harrison:** — Yes, Deputy Minister Banks can offer that. We probably should go and have a brief chat with Richelle, and we'll be able to provide some additional information on that, Madam Chair.

So thanks, Madam Chair. Deputy Minister Banks will have more to add. But I will, you know, kind of be happy to speak to our kind of relationship with China in a general context. And then we can get into the more granular details with regard to the office

locations.

So you know, I think committee members know. I mean, China remains — has been and remains — a, you know, a large-volume trading partner with Saskatchewan. And you know, that relationship though has been evolving and, you know, significantly impacted by events between Canada and China over the course of the last couple of years, which have resulted in significant reductions and impacts on our exports into that country, particularly as it relates to canola and the moving scientific and sanitary, phytosanitary standards that the Chinese use to keep out Canadian canola exports into the country. But you know, there's a broader picture around that as well.

So that has manifested itself as, additionally in the nature of the representation that we have had on the ground in the country, in that when we first set up the China office a decade ago, that was a very different environment to that which we operate in right now. And you know, our staff did not enjoy the protection of the Vienna Convention, for example, as having diplomatic status. That was a significant concern and, you know, there was an opportunity for us to transition that office in a way that we felt was appropriate, given the circumstance. But I'll turn it over to Deputy Minister Banks.

**Ms. Banks:** — Thank you, Minister. Thank you for your question. So as Minister Harrison mentioned, we have had an office in Shanghai since 2010, with a director. And while that managing director worked collaboratively with the consulate in Shanghai and the embassy in Beijing, that individual did not have diplomatic status as our new managing directors now do. And so when we were doing the analysis around opening the, or expanding our office network, we did a fair bit of analysis around . . . on the model. And co-location kind of came up as the best option, and there's a number of reasons for that.

And so being able to co-locate with Global Affairs Canada where we can, you know, came up as the best option. So the new three offices and the next four will all be co-locating with the embassy or High Commission in those countries. And if there are situations where co-location is not immediately available, you know, we will look at options around utilizing office space but with the plan to co-locate as soon as space becomes available.

Being able to utilize Canada's network, existing network, provides a strong base for Saskatchewan's global presence. You know, Canada's role is to advocate on behalf of Canada, not any specific province. And so having Saskatchewan employees on the ground allows for advocacy and education on behalf of Saskatchewan businesses and stakeholders, with both people in market as well as Global Affairs Canada employees, but at the same time being able to take advantage of Global Affairs Canada's network and expertise in market.

You know, it will give us the opportunity to position Saskatchewan's priorities as shared interests. It also offers Saskatchewan officials access to other federal co-locators, such as Agriculture and Agri-Food Canada, the Canadian Food Inspection Agency, and Export Development Canada, as well as other provincial co-locators, as I mentioned, in many of those places. We have Alberta, BC, Ontario. And so there's just an increased opportunity for collaboration. Where it makes sense to do so, we can host joint events. We can share contacts and share

market intelligence.

And I would say too, from an administrative standpoint, co-location really streamlines the administrative needs, allowing Saskatchewan to have a more efficient footprint here within our ministry than would be required with different stand-alone offices in different locations all over the world. The Government of Canada manages all the administration related to the location, security, and locally engaged staff, which is what we had mentioned previously. And it does create more predictability in costs, and then we don't have to manage exchange rate fluctuation. So it is billed through Canada.

And Global Affairs Canada has been very supportive of Saskatchewan's network expansion and desire for co-location. I would say as well that as we have sort of gone through the pandemic, it has also reinforced the benefits to co-location around security, around just being able to, you know . . . the original situation in China where Canadian diplomats were actually, you know, chartered home, in some of those situations, you know, where we would be considered an employee of the mission. So you know, I think it gives us some real benefits there.

Back to China. So you know, as I mentioned, for both security and efficiency reasons it was determined that . . . And it was always the plan to transition our stand-alone office into a co-located situation. And then just with a change in . . . Our managing director after 10 years had a new opportunity and so had moved on from that position. And so we just decided to take that opportunity to do it then, and it gave us the opportunity to close down the stand-alone office and be able to transition that space into the Shanghai consulate.

**Ms. A. Young:** — Thank you, Deputy Minister. I was rooting around for it here but I can't seem to find it in my many stacks of papers. I believe in the press release issued by the government in regards to the development of these new offices, the contract with Harper & Associates was mentioned as well as, pardon me, the second . . . is it Nelson Mullins? And I'm curious, in regards to those two contracts, are the costs associated with those included in that budgetary increase that we see for the trade offices? Or do those show up somewhere different in terms of the budgetary estimate votes?

**Hon. Mr. J. Harrison:** — We're going to go consult with our corporate services folks on where that shows up.

Thank you, Madam Chair. You know, to the specifics of the question, I'm going to ask Deputy Minister Banks to respond to the committee.

**Ms. Banks:** — Thank you, Minister, and thank you for your question. So the Harper & Associates contract is included in the international offices branch budget. The Nelson Mullins contract is included in the international relations branch budget as they remain having the responsibility for Saskatchewan-US [United States] relations. All within the same division and subvote though.

**Ms. A. Young:** — Thank you. And what is the value of those two contracts?

**Ms. Banks:** — So the Nelson Mullins contract is valued at

\$380,000 US per year and the Harper & Associates contract is valued at \$240,000 a year.

**Ms. A. Young:** — Thank you, Deputy Minister. And the terms of each of those contracts as well, like in terms of . . . Are they renewed annually or are they for a five-year term?

**Ms. Banks:** — The Nelson Mullins contract is renewed annually. The Harper & Associates contract was renewed this past fall and runs from October 1st, 2020 to March 31st, 2022 so that we could have it align with the Government of Saskatchewan's fiscal year.

**Ms. A. Young:** — Excellent, thank you. And besides these two external consultants, are you able to indicate how many other contracts with external consultants or partners the ministry has and, you know, certainly material contracts and what the total value of those contracts is?

**Hon. Mr. J. Harrison:** — Madam Chair, we can provide that information. We're going to go collect it, and we will return to the committee with the detailed response.

[13:30]

Thanks, Madam Chair. I think we have some good information for the committee which was compiled. So the additional contracts over and above Nelson Mullins and Harper & Associates, we have 12 in total. So those are 2 of the 12, and this is as of February 28th, 2021, which is where we have data or were able to pull the data together as of that date. The number of contracts greater than 100,000 is six; the number of contracts between 50 and 100,000 is two; number of contracts 25 to 50 is two; and number of contracts under 25,000 is two.

The largest, the total value of which is \$1.78 million, the largest component of which is a \$1 million contract with the Regina & District Chamber of Commerce. And that was for delivery of the Together We Stand marketing campaign which was the buy-local campaign of which we partnered with the Regina chamber to deliver.

I can give a couple other examples. One, a contract with the Saskatchewan Chamber of Commerce, and that was the \$65,000 contract. And the Sask Chamber developed a series of webinars to help Saskatchewan small businesses access funding through the existing business support programs, both provincial and federal. So we partnered with them in that contract. So you know, that's in addition to the Harper and Associates contract, the Nelson Mullins one as well. And I mean if there are more detailed questions, Deputy Minister Banks can go through the individual ones.

**Ms. A. Young:** — Thank you. And I would like to recognize the value of those webinars that have been put on and the hard work undertaken by the chambers. And in providing those, I do want to communicate, I've heard really positive feedback from folks in the business community around the accessibility and content of those webinars.

So pivoting then to local economic development and small business, last year the minister had spoken about, in relation to the business response team, how the hardworking folks on the BRT had essentially been pulled together over a weekend, fairly

quickly, in response and put to work. So since June, has there been any training or upscaling provided to the, I'm trying to remember, I believe it was 14 people who are staffing the BRT currently?

**Hon. Mr. J. Harrison:** — We can go and consult. I would just say with regard to the business response team, Madam Chair, you know, I think we had answered a number of questions for the committee with regard to that in Immigration and Career Training estimates. Those are the officials who would be able to provide the detailed responses on that. And they are, you know, obviously not a part of the Trade and Export Development ministry.

So it's a bit of a challenge. I mean, I can kind of take a swing at it as minister, but I would prefer that, you know, we had the . . . You know, the officials who are better placed to answer this are Deputy Minister Repski and Ken Dueck, who is running BRT. We can respond to, kind of, detailed questions with regard to BRT up until the handover in mid-summer. And I think we, you know, talked about that in the session that we had in the summer.

But by way of a response, I can say that, you know, there was a very close collaboration in the hand-off between Trade and Export officials and Immigration and Career Training officials when we did that handover so that there was continuity between the two ministries. So I mean, I guess I could . . . Jodi, I'm not sure if you want to add anything more.

**Ms. Banks:** — Thank you, Minister. I can just add that when we first stood up the business response team, we had a call centre, an email address, and so we redeployed a number of, I think you said 14 folks, and more actually. And so there were certain teams that were created. Some of them were assigned to answer phone calls and others were assigned to answer emails. And then we also had teams in the background that were researching what was changing on a very day-to-day basis, so particularly around as federal programs started to be announced so that we could ensure that those who were providing those responses on both the phone and through email had the most up-to-date information.

And so we developed a fairly significant list of questions and answers, and we also were able to . . . We got to a point where, as we were answering those questions where people agreed that they wanted to be contacted in the future, we were able to collect their email addresses — with their permission, of course — so that we could send out alerts, email alerts, as things changed.

And of course in those early days they were changing very rapidly. We were doing this over a weekend, so on the Monday morning we did a very extensive two-hour training program on being able to answer calls and being able to, you know . . . We didn't have a lot of information. And then every morning there was updates and meetings where officials who were answering those phone calls were given as much updated information as we had.

And then as Minister Harrison mentioned, when the time came to transition to Immigration and Career Training, that transition happened over about four- to six-week period. We started having folks from their ministry partner on calls with us so they could hear and learn; we were sharing our documentation with them, as much as we had; and we were having morning meetings, or some

of the officials would have meetings every single morning at 7:30 to go over sort of what was new of the day and making sure that if they had . . . And then we also, the other thing we did was we did significant amount of outreach with business organizations, with organizations like faith leaders and others. And so we were able to bring those officials from Immigration and Career Training into some of those meetings so that we had, I guess, a smooth transition so they got to know who was sort of taking on the responsibility.

And we continue to this day working with Immigration and Career Training on this. You know, we have significant outreach to the chamber of commerce, to the Saskatchewan Business Council, and many other individual businesses, and so we continue to share that information on a very regular basis. I myself continue to be on a call regularly, twice a week. And so you know, we continue to work very collaboratively with both Immigration and Career Training and the Ministry of Health.

**Hon. Mr. J. Harrison:** — Yes, and if I could just kind of add, Jodi gave a really kind of good background of this. And you know, I'm not going to go into all the details of how this was set up. I think I talked about it a bit in estimates last time around. But this was really a remarkable effort. You know, literally it was over a weekend where we put this together. We transitioned our ec dev [economic development] branch from the work that they were doing into a, you know, a business response team, but I think in a more general context, a COVID-19 response team within government that really acted as a clearing house for a lot of the questions not just that came from the public, but also a body that did adjudication and recommendations on decision-making.

So you know, Jodi talked about the mechanics of kind of the operation behind the scenes. You know, we would meet every day, every morning, and go through what had come through the door the previous day and often, you know, give direction or provide feedback on what was coming through the door. And it was an incredibly intense period, as you can imagine, Madam Chair. I think we all, all of us in government, had lived through and felt that. But we — you know, it was pretty overwhelming — but we, I think, did a great job.

And I really do want to put on the record again just my gratitude to our staff and officials who did that work in the early days on BRT. And I would say too — Jodi's too humble to say this — but of the public service awards handed out this year, five of them, Trade and Export got two. And these are very prestigious awards within the public service. The BRT got one and our policy shop — which is a very small unit of just a handful of folks of which the minister tries to be an honorary member but doesn't quite cut it though, I think — got another.

And it's a reflection, I think, of the esteem that our folks are held in within government and the work that they have done and kind of the selfless work that they have done, you know, whether it be 6 in the morning or 11 at night and all points in between, which we were working through and continue to with BRT and ICT [Immigration and Career Training] at this point. So you know, it was just kind of to put that on the record as well, the great work that's — really genuinely great work — that's been done and my gratitude to them.



**Ms. A. Young:** — Thank you, and I'm happy to end my line of questioning around the BRT. I thought it might be fair game just due to that ec dev line here, but I am happy to move on. But before I do I would, Deputy Minister, also offer my sincere congratulations and appreciation to you and your staff. It's been a wild year.

I guess before I continue, given some of the fluidity of these programs in regards to their movement between ministries, is I guess, a question. I'm not sure if this should go to the Chair or to the minister. The SSBEPP [Saskatchewan small-business emergency payment program], is that appropriate for this committee?

**Hon. Mr. J. Harrison:** — So, Madam Chair, I mean we can kind of speak to some of the policy elements. The administration, the line item isn't with us. The line item is with the Ministry of Finance. We can speak to some of the policy elements, I think would be fair. It's not necessarily a kind of black and white line where that is but we can do our best.

**Ms. A. Young:** — Thank you, Minister. And if any of these questions should be punted to my colleague from Regina Rosemont, I'm happy to pass those on, although I do believe they're relatively high-level in nature.

**The Chair:** — It's just whether or not they . . . [inaudible].

**Ms. A. Young:** — Yes. So I'm sorry, Madam Chair, in terms of clarification should I proceed or leave these for . . .

**The Chair:** — If they belong to Finance because that's where this program is, then I would suggest that that's where they go.

**Ms. A. Young:** — Okay. So I'm hearing I should leave these for the member from Regina Rosemont. Okay. Happy to do that. Thank you. Okay, I think perhaps I will turn then to certainly one of my new learnings, which is quite fun to work through, the annual regulatory modernization progress report, which I do believe falls under the jurisdiction of the Ministry of Trade and Export Development.

[13:45]

And I guess to begin, a question to help me narrow my questions here. As I go forward, I sincerely do applaud the efforts of this program in regards to reducing the administrative burden and red tape that is placed. But I would note there's a — not by means of criticism — there is a vast disparity in the values listed in terms of cost savings. They range from, I believe, \$16,000 at the low end to \$78 million at the high end. And I'm not suggesting that the \$78 million one is inherently of more utility than the \$16,000 savings to the interest groups who are advocating for those reductions in that administrative burden. But I'm wondering if there is some broad commentary that can be offered or indication of how each of these items is prioritized? I do understand the submission processes, which are outlined within the reports, but in terms of within the mechanisms of government, how do you folks identify which are going to be essentially triaged and tackled in any given year?

**Hon. Mr. J. Harrison:** — So, Madam Chair, I'm happy to respond. We're going to go get some additional information on

that. But before we do I can say that, you know, this has been a priority and we have a regulatory modernization unit within the ministry that has done some very good work. And this has been a significant undertaking and process within government going back, you know, a decade that we've been working through different elements of this. And you know, there has been some evolution over that period of time as well, and you know, officials though are tasked with working through this, working with line ministries. But we will provide some additional information about some of the specific questions, I guess about how we prioritize.

**The Chair:** — The committee, at this point in time, will take a brief five-minute recess.

[The committee recessed for a period of time.]

**The Chair:** — We will resume committee from our recess and turn to the minister for comments on the last question.

**Hon. Mr. J. Harrison:** — Sure. Thanks, Madam Chair. I appreciate it. So we have some additional information for the committee with regard to the regulatory review process. So this of course is a process that's managed by the red tape reduction committee within government, which is technically a subcommittee of the operations committee. So this committee is tasked with mandating managing the government's red tape reduction plan which is, at the heart of which anyway, is a 10-year rolling review of all business-related regulations. So we have been working through this now for a number of years.

And there are a number of different ways or elements that go into selecting which regulations are going to be reviewed through that process, including submissions from groups like the Business Council or the Canadian Federation of Independent Business or submissions through our website which we have set up a couple of years ago — I think actually even more than that; I think about three years ago — to receive submissions from the public on problematic or challenging regulations.

So you know, the underlying objective though is that we will have an ongoing 10-year review of those business-related regulations, so we will get to all of them through this process. And I think that, you know, we've made progress. And you know, having the direct engagement of members who are elected in that process has made a positive difference in how that outcome has worked. And you know, the last three years we've actually got A's on the red tape reduction report card, which I think is a reflection of the fact that there is recognition of the progress that we have made as a government in reducing red tape. But I'll turn it over to Deputy Minister Banks for some additional comments.

**Ms. Banks:** — Thank you, Minister, and thank you for your question. As Minister Harrison laid out, we do have a regulatory modernization unit within the Ministry of Trade and Export Development that provides support to the red tape committee and works very closely with them. And as Minister Harrison also mentioned, we are ensuring that all business regulations are reviewed at least once every 10 years.

[14:00]

And so we work very carefully and collaboratively with other ministries and agencies to ensure that they are able to meet that target.

So we do put out an annual call for submissions to each of those ministries and ask them to come back with a plan around how that review will take place. The team at the Ministry of Trade and Export Development then put together an annual work plan, and that is where some of that, you know, the triage as you said and the prioritization comes in.

And so you know, we work closely to make sure that ministries are going to be able to meet that 10-year time frame. We, you know, provide support and help to make sure they understand what's required in those reviews, and then we put together the work plan. We also include any other red tape, I guess irritants, that are brought in any other way, and those can then be also added to the work plan. And so Mr. Harrison mentioned the Help Cut Red Tape website. We have very regular contract with the Saskatchewan Business Council and the Canadian Federation of Independent Business. And so, you know, we use those tools as well to make sure we understand red tape.

And then we also have been using the direct-cost estimator as a tool to measure the impact of those regulatory amendments that come out of that work. And so we also provide support and training to other ministry staff to be able to use and take advantage of the direct-cost estimator tool in all the work that they do.

**Ms. A. Young:** — Thank you, Deputy Minister. A follow-up question in regards to the Regulatory Reconciliation and Cooperation Table, which as I understand it is a federal table at which provincial jurisdictions are working collaboratively to reduce interjurisdictional barriers. And I'm wondering if you can offer a comment in regards to how Saskatchewan priorities are being brought forward, received, and how these priorities are identified and selected for that interprovincial Regulatory Reconciliation and Cooperation Table.

**Hon. Mr. J. Harrison:** — So, Madam Chair, I can give some preliminary comments and we're going to go consult with our trade policy folks and provide some additional information. But you know, I can speak to this in a pretty direct, first-hand way having, you know, sat through — not just sat through, but I mean I actively participated in as a minister — the entire Canada Free Trade Agreement negotiation process, which is of course the successor to the Agreement on Internal Trade, which is the interprovincial and national agreement that regulates how internal trade in Canada works, which is an incredibly complicated piece of business, I can tell you from that experience.

You know, we worked through I think about 12 ministerials on the CFTA [Canada Free Trade Agreement] and also I think there were probably 20-plus rounds at the officials level of formal negotiation in addition to all of the informal discussion about moving that file forward. You know, it's one I'm pretty passionate about, and we have a whole host of folks who are in our trade policy branch as well.

You know, I think on the face of it it's pretty easy to say, well there's too many internal trade barriers in Canada. You know, I

don't disagree with that kind of assertion on its face, but it really is very, very challenging when you get down into the nuts and bolts of what actual trade barriers are within Canada, which is primarily regulatory differences between provinces. It's not, you know, tariff barriers that are put up between provincial jurisdictions. It's very, very detailed differences in regulations seeking to do, you know, in many cases similar things, but through different means.

And you know, for rightful reasons provinces are reluctant to, you know, cede any sort of authority in the process of designing regulations, which are different and differently suited for each province, and I think rightfully so. The challenge is how do you get to a point where there's either . . . where you have harmonization if not, you know, or at least mutual recognition of regulation if not harmonization? That's kind of where you get to.

But the table itself was set up as a part of that CFTA process, which I would add that we were the catalyst for having that set up. And I'd give, you know, our folks, Bob Donald as an example, who did a lot of work on setting up this process so that we could actually get to that really granular reconciliation process of regulations specifically that had a challenging impact on businesses operating interprovincially.

So you know, as far as kind of the . . . There's been a lot of work that's gone into alcohol, which is always the one that, you know, people pay attention to. There's a lot more than that though as far as the table itself. And we can't have, you know, 20 different regulations that we're trying to reconcile at any given time, but we do have a number that we're working through at any given time. And that's what we're going to go and find some additional information to provide for the committee on.

So thank you, Madam Chair. So we've been able to compile a list of the items that are under review right now through the regulatory reconciliation table, and also I think some that have been considered over the course of the past handful of years. So I'm going to turn it over to Deputy Minister Banks, though, to go through that.

**Ms. Banks:** — Thank you, Minister. So you know, in response to the original part of the question, at the Ministry of Trade and Export Development we have our assistant deputy minister, Cammy Colpitts, who sits and represents Saskatchewan on the RCT [Regulatory Reconciliation and Cooperation Table] table. So that does have both federal and provincial and territorial members. I believe it's formally called the committee on internal trade.

[14:15]

And so, you know, we have an active participant in the group. So she works very closely with ministries and agencies and, you know, brings a list of priorities as the rest of the provinces do. And then I would just also add that the RCT also consults directly with stakeholders to also get input into what those priorities are. And so as a table, that they also create an annual work plan consisting of the items that jurisdictions or stakeholders propose for either reconciliation or co-operation. Each of the work plan items is then assigned to an existing or new working group that includes subject matter experts from each affected jurisdiction.

And so to date, the RCT has negotiated 10 endorsed agreements. Saskatchewan has signed on to five, and these include the weight allowances for wide-base single tires, the national occupational health and safety agreement, the CRN [Canadian registration number] for pressure equipment, updates to construction codes, and the extra-provincial/territorial corporate registration and reporting. So those ones have been concluded.

Saskatchewan also leads the work plan item for food inspection, meat inspection, and truck driver certification, which is around entry-level training, and has successfully led two working groups, including what I mentioned — the construction codes and corporate registration — to resolution. There are additional items that are also being worked on on an ongoing basis. Some of them have taken a little more time, and those include financial services; alcohol, including the direct-to-consumer aspect with that; cannabis; procurement; and labour mobility, just to name a few.

**Ms. A. Young:** — Thank you, Deputy Minister. And I appreciate the thorough and thoughtful answer. And I would just like to take the opportunity to put . . . I'd be a bad former school board trustee if I didn't put a plug in for the local improvement tax for consideration around one level of government taxing another, as well as perhaps some future consideration to the warehouse item discussed under SLGA [Saskatchewan Liquor and Gaming Authority], which was described to me by industry people as clear as mud. So for future consideration. But I do appreciate the answer.

And moving on to some of the incentives, I'll begin with the manufacturing and processing exporter tax incentive, which as I understand provides rebates for incremental employees or additional head office employees and was recently extended to 2022 as of last year, I believe. So I'm wondering if you can provide information to date, how many incremental employees have been added because of this. And again the same question for additional head office staff. And I guess I'm quite curious, year over year, what does this look like in terms of COVID impacts? And for this last year, moving towards 2022?

**Hon. Mr. J. Harrison:** — Madam Chair, we're going to collect that information and we'll return to the committee with what we collect.

So thanks, Madam Chair. So I can provide kind of some higher-level information on the manufacturing and processing export incentive, and then the deputy minister will be able to speak to some of the more . . . details on that. But important to note, though, that Finance are actually the lead ministry on the administration of the tax credit, as they are with other tax initiatives.

But what this is, is it provides eligible corporations with non-refundable tax credits equal to \$3,000 for each incremental full-time employee for each of the 2015 through 2022 taxation years, and it provides eligible corporations with non-refundable tax credits equal to \$10,000 for each incremental full-time employee in an eligible head office position for each of the 2015 through 2022 taxation years. And in total I think we've paid about \$5.4 million to date. But I'll hand it over to you, Deputy Minister.

**Ms. Banks:** — Thank you. So since inception, that includes the 2015 to 2019 taxation years, there have been . . . 44 claims for 2.5 million have been paid for the hiring incentive, and 10 claims for 2.87 million have been paid for the head office incentive. But we do not have the additional information around how many jobs that has actually created, but I think Finance would definitely have that information.

**Ms. A. Young:** — Thank you, and perhaps a question to the Chair. If I have additional questions here about some of the incentive, reading between the lines, should I be again also sending those to the member for Rosemont if those are in . . .

**The Chair:** — Yes, Ms. Young, and particularly if they are numbers that are particular to Finance rather than to this ministry.

**Ms. A. Young:** — Thank you. Thank you for the clarification. You know, while the minister and his officials were out of the room, I was reflecting on some of the minister's comments earlier, so I might just circle back a little bit. The minister, I believe, had mentioned the Vienna Convention in some of his remarks. So question: in bringing that up, is the minister concerned as it pertains to the People's Republic of China in regards to the detainment, potentially, of Saskatchewan officials?

[14:30]

**Hon. Mr. J. Harrison:** — I would say that, you know, we want to be very cautious. And the safety of our officials is of paramount concern. And you know, obviously the People's Republic have detained former officials of the Government of Canada; at least one in the recent past. And I think there was . . . I forget exactly what it was, but there was a communication from one official in the Chinese Foreign Ministry saying that hardly anybody actually gets detained over there arbitrarily.

So I'm not entirely sure how much confidence that gives but . . . Look, I mean, not to be flippant because this isn't something to be flippant about. You know, we want to make sure that our officials are in the best possible position they can be, doing their job. And you know, I think transitioning to the set-up that we're going to have going forward is going to be the ideal one for Saskatchewan.

**Ms. A. Young:** — Thank you, Minister. And along that same line, recognizing the state of relations currently between Canada and China have shifted considerably since the conception of that initial trade office back in, I believe the deputy minister said 2010 — forgive me; I can't remember the exact year — is there commentary that can be offered on the relationship between Saskatchewan and China, which I believe is our second-largest trading partner in light of, you know, the illegal detainment of Canadian citizens and certainly what are being discussed as genocidal actions taken against Uyghur and Turkic Muslim minorities?

**Hon. Mr. J. Harrison:** — Well you know, I think I kind of addressed some of this, Madam Chair, in earlier comments. I would say, firstly, which I've said on many, many occasions before, Saskatchewan doesn't have a foreign policy. The Government of Canada has a foreign policy. Saskatchewan does have interests and we will speak to those interests when necessary. But the commercial relationship with China continues

to be one that is significant.

But I would say that, you know, I think it is a healthy thing that we are seeing diversification in that trade relationship to other markets in the products that we export. And I would say that that is not a coincidental thing. We are seeking to diversify where our exports are going into markets around the world. You know, I think for a long time it really was, you know, an easy thing to work, you know, in that Chinese market when you did have a higher degree of predictability around, you know, around both commercial relationships but also political stability. That clearly has eroded over the last number of years on both fronts — on the economic certainly and on the political stability component.

So I think it's very much in our interest to seek to diversify where exports that may have been going to China at one point could at least go to other markets in the future. And canola is the obvious example of that where we've seen, you know, significant diversification away from the Chinese market into others. And it's really quite a . . . It really is a remarkable story actually and I think Jodi can speak to it better than I. You know, to kind of go from the volumes that we were exporting to China, which are still, you know, are still significant on the process side, but to have, almost immediately, the shift away into markets where we weren't exporting before, it's really a testament to the work that the companies that are in this space have done.

And you know, in a lot of cases that was market development work in addition to commercial work that was being done. So you know, it was something that when that first happened, very real concern that we were going to see a significant decline in the global price in a long-term fashion of canola. And that never happened. In fact I think we are probably as high we have ever been right now, or close to it. And that is largely a reflection of the fact that we've seen increased growth outside of that Chinese market.

**Ms. A. Young:** — Thank you, Minister. And you spoke about that changing predictability, certainly in that diplomatic relationship but also in the economic relationship. And considering, you know, Saskatchewan's economy, and the government has indicated, has made it clear they've made some shifts such as excluding Huawei from our 5G network would be certainly one of the more public decisions that's been made. Have there been further decisions or actions taken to protect the remainder of kind of critical telecommunications or business infrastructure in the province as it relates to the PRC [People's Republic of China]?

**Hon. Mr. J. Harrison:** — I'm sorry, I didn't catch the entire question, I'm not sure if maybe we should take a minute to go consult. It's hard on communications infrastructure. That really is not anything we have to do with, but we will be back in a moment.

Thanks, Madam Chair. So I reviewed the question back there, and Jodi will have some additional comments. But when it comes to regulation in the telecom space, of course, it's entirely federally regulated. SaskTel though, you know, obviously made a decision to go forward with other suppliers than Huawei. I would kind of offer that those questions with regard to rationale, reasons, wherefores, and whys be put to SaskPower officials at the appropriate juncture, but Jodi may have something more to

add.

**Ms. Banks:** — Thank you, Minister. I think, you know, when we are doing business globally, we are always ensuring that we are, you know, being very up to speed on sort of security measures and how we protect our information and how we conduct our business safely. And so you know, working with China is no different. And so you know, we do extra training for our staff, particularly anybody that's going abroad. We have them receive briefings on how to do business safely and securely internationally. And so I would just say we take it very seriously and that it is part of our training and part of how we do our work.

**Ms. A. Young:** — Thank you, Deputy Minister. And you know, I do appreciate the reminder of the regulation to the telecommunications side of things. I was just more broadly, since the minister brought it up, interested in, you know, our ongoing business relationship with the People's Republic of China, you know, and if anything related to business infrastructure is off the table. I mean, another example that came to mind while the minister and his officials were out of the room was the . . . I believe it's the Yancoal potash mine, which I understand to also be Chinese state owned.

So again I guess broadly speaking, you know, since it was raised, I'm curious if the minister can comment on, you know, whether the government is going to continue the same level of relationship that we have seen to date with the People's Republic of China in light of, you know, the detainment of Michael Spavor and Michael Kovrig and the genocide against Uyghur and Turkic Muslim minorities, or if this is something that the minister and ministry is planning to shift.

**Hon. Mr. J. Harrison:** — Well we can go into the specific approach. I think last year we got zero foreign direct investment from China, I believe. But we can provide some additional information on that particular project.

[14:45]

Thanks, Madam Chair. So we've been able to consult with our economic development folks with regard to the specific project for the committee and, I think, also have some information for the committee in a broader context. So on the specific project, we haven't heard from that proponent company in over a year now, and our understanding from public sources is that Chinese state-owned enterprises are not allowed to or have been directed to not invest into the Canadian market.

So as I said in kind of my initial response, there has been no Chinese investment in Saskatchewan in at least the past year, and we haven't heard from that specific company. So I'm not sure, Jodi, if you have anything more to add. I think that should cover it.

**Ms. A. Young:** — Thank you. Sorry, the minister indicated he had higher level comments, or was that . . .

**Hon. Mr. J. Harrison:** — No.

**Ms. A. Young:** — That was it? Okay, great. As COVID-19 continues to move forward, can the minister or his official share any indication of plans or programming that they will be putting

in place specifically going forward? An expansion, perhaps, of programs offered for hard-hit sectors that are still struggling? You know, of course the top-of-mind ones would be the restaurant and tourism sectors. And I do note other jurisdictions have taken advantage of some of the tools of government that they have in their tool belts to offer: you know, local dining tax incentives or further initiatives for tourism, festivals, performing arts.

**Hon. Mr. J. Harrison:** — We will go have a brief consult that kind of cuts across a number of ministries. But we will return shortly, being mindful of the short time for response.

So thanks very much, Madam Chair. So I think we have some additional information with regard to the support programs that the government has put in place. And I'm not going to go through every single one and every single dollar amount, but you know, between the small-business emergency payment, you know, the six pay periods that have been in place; the tourism sector support program and kind of the two application intake periods for that; the Re-Open Saskatchewan training subsidy; the strong recovery adaptation rebate as well — I mean, it's been well over \$100 million thus far that has been directly put into the hands of businesses.

With regard to the go-forward, I would just say to stay tuned. You know, there's going to be news coming relatively soon with regard to supports in the immediate future. So I'm not going to make an announcement here right now, though.

**Ms. A. Young:** — Thank you. And in regards to STEP, I'm wondering I guess with my last question . . . Actually no, that'll likely require an absence from the Chamber. I guess a high-level question then: in regards to trade missions, I understand these are scheduled well in advance — certainly the Premier's foreign trips and likely the minister's as well, I would imagine — and I'm wondering if the minister is able to indicate how many have been tentatively scheduled for the next few years.

**Hon. Mr. J. Harrison:** — You know, the short answer is that I really can't give an answer just given the dynamic circumstances of the pandemic. You know, I would say by way of a statement of principle that we would like to embark on international engagement missions when we can, but that is still unclear as to when that's going to be.

[15:00]

But you know, that's going to continue to be a priority, and I've said that before in front of this committee and elsewhere. That's going to continue to be a priority for both the Premier and for the minister and our senior officials to engage at that international level. There really is great benefit that has accrued to our province from doing so, particularly given the fact that we are just such an export-based and -oriented economy.

But I see it being past the time. Maybe I'll just say my thank yous and I'll turn it over to you, Madam Chair. But I do want to thank you, Deputy Minister Banks. Really, really appreciate you being here today, and all of our officials on the line behind the House who have been really, really engaged through all of these last four hours. So I want to thank them for their time, and their time on a Saturday away from their family as well, and of course all of the

members of the committee for being here and all of the staff and Hansard and LAS [Legislative Assembly Service] and building security and all the rest that make it possible for us to do these meetings. So I want to just say thank you.

**The Chair:** — Thank you, Minister. So having reached our agreed-upon time for consideration of these estimates, we will adjourn consideration of the estimates for the Ministry of Trade and Export Development. And, Ms. Young, if you have any closing remarks you'd like to add as well.

**Ms. A. Young:** — No, thank you.

**The Chair:** — No? All right. Minister, will you be changing officials for dealing with Bill 29? No? All right, so we can proceed right into that.

### **Bill No. 29 — *The Supporting Saskatchewan Restaurants Act***

#### **Clause 1**

**The Chair:** — So we will now begin our consideration of Bill 29, *The Supporting Saskatchewan Restaurants Act*, clause 1, short title. And, Minister, if you have any opening comments before I open it to questions.

**Hon. Mr. J. Harrison:** — Yes. Thanks, Madam Chair. I will have some relatively short introductory comments that will be similar to the second reading speech provided. So of course I've introduced officials already, but Deputy Minister Jodi Banks, chief of staff Richard Davis. And I am pleased to be here to discuss Bill 29, *The Supporting Saskatchewan Restaurants Act*.

Our government has been working with the business community very closely throughout the course of this pandemic. We know the economic challenges caused by COVID-19 restrictions have had a significant impact on businesses in the province and particularly to the restaurant sector. On March 28th an emergency order went into effect, capping the amount food delivery service providers can charge restaurants. The emergency order expires on April the 30th. Prior to the caps being introduced last month, rates for delivery services were as high as 30 per cent or even more in some cases.

Restaurants would normally bear these costs because delivery makes a small percentage of sales, and they made this investment to ultimately get more people in the door. However these are certainly not normal times. Restaurants have shifted their businesses to pickup or delivery services to meet public health restrictions, impacting profit margins.

This legislation extends the cap on food delivery fees from May the 1st until August the 31st. The caps in the legislation remain the same as those in the emergency order. Under these caps, food delivery service providers can charge a maximum of 18 per cent of the order price for the services that include delivery. They can charge a maximum of 10 per cent when restaurants use a third-party ordering app but consumers pick up the order themselves or the restaurant fulfills the delivery. This applies to delivery service businesses that provide services to 50 or more restaurants.

These caps mean more money remains with restaurants. It acknowledges the major shift restaurants have had to make in response to public health restrictions and changing consumer preferences during the pandemic.

The Act also provides further clarification to existing emergency order provisions. It clarifies the caps apply to pre-PST [provincial sales tax] order prices, and caps only apply for delivery services offered to restaurants that usually would offer dine-in facilities. The legislation also establishes the authority for government to administer fines for businesses that do not comply with the cap through regulation.

And I want to offer and proffer my thanks to Hospitality Saskatchewan for their very, very close involvement in the putting together of both the emergency order and this legislation. This is exactly what they are asking for, and I can table a letter from Hospitality Saskatchewan CEO [chief executive officer] that will reflect that this is exactly what they are seeking, and are very comfortable — and beyond comfortable, are very, very thankful — for being able to move forward. But I want to thank them because they are the voice of restaurants and this is what they came forward to us with. And we worked very, very closely with them over the course of a period of a time in putting this together. And they really deserve the credit for this.

So I want to thank you, Madam Chair, and happy to take questions and move forward on this legislation. And I would say as well we look forward to this moving through this stage, and there will be a discussion between House leaders on how we can move this forward in an expeditious way in the House as well. So thank you.

**The Chair:** — Thank you, Minister. And I'll open the floor to questions from any members. I recognize Ms. Young.

**Ms. A. Young:** — Thank you, Madam Chair. And this being my first go-around, I will be certainly relying on yourself and the Clerks for any procedural assistance, although I will endeavour to be clear and efficient.

I had spoken previously to some concerns that we do have with this Act, although in general we are quite supportive certainly of the objectives.

And as previously noted — and I will notify the Chair; I will notify the minister as well — I will be proposing some amendments specifically around the 18 per cent cap in regards to a previous call for a 15 per cent cap. So if the minister could perhaps . . . I think he's rolling his eyes. But I'm curious if there's a comment he can provide as to how that 18 per cent was selected. We have seen inconsistency across other jurisdictions. Some have landed on 15, some have landed on 20. So I'm wondering if he could speak to any conversations that he had, certainly with sector partners, with third-party delivery app providers, as to how that 18 per cent was arrived on.

**Hon. Mr. J. Harrison:** — Well thanks, Madam Chair. I wasn't rolling my eyes. But I can speak to the very, very good discussions that we have had with Hospitality Saskatchewan who are the voice of restaurants, and the CEO Jim Bence who represents, as the CEO, those restaurants through his very strong voice.

And you know, I'll quote maybe a couple of parts of the formal letter put forward by Hospitality Saskatchewan, received April 1, 2021. And I'll just quote this:

On March 25th, 2021, Premier Scott Moe ordered, effective March 28th, 2021 to April 30th, a cap of 18 per cent on the purchase price of food and beverage that is delivered on the purchase price for food and beverage that is picked up or delivered by other providers. This announcement was extremely well-received by the restaurant industry and demonstrated the government's continued support of the sector.

This cap allows operators the opportunity to reduce expenses at a time when it is so desperately needed and use these savings to reinvest in their businesses, staff, and increased protocols. As restaurateurs enter their busiest season, we are hopeful this cap will enable operators to continue revenues and offset some of the significant losses they have suffered since the beginning of the pandemic. They are now depending on summer and patio revenues to prop up their operations to survive the indoor dining of Saskatchewan's winter months.

Please accept our thanks and appreciation for the decision to cap these commissions, and we would like to request further consideration that the commission cap be extended to August 31, 2021.

So I mean, the consultation was with restaurant Saskatchewan, which represents the restaurant industry. And it's a reflection precisely of what they asked for on the 18 per cent cap.

**Ms. A. Young:** — Thank you. Just one further question on that. I believe the quotes presented occurred after this had been announced, and so a reflection of the announcement as opposed to any prior consultation.

**Hon. Mr. J. Harrison:** — No, that's incorrect, Madam Chair. The letter was received prior to the bill being introduced.

**Ms. A. Young:** — Okay, thank you. My apologies; my misunderstanding there. And in regards to any conversations that happened with some of the large third-party delivery apps, can the Minister offer any comment whether those conversations did take place?

**Hon. Mr. J. Harrison:** — There were some discussions that happened primarily informing the third-party delivery apps slightly in advance of the introduction of the legislation that the legislation would be introduced.

**Ms. A. Young:** — Thank you. Two further questions from me. The next is in regards to 3(2). I've raised some concerns about this previously, and I believe I voiced these also on the call with the ministry officials, who I do want to thank again for that technical briefing. But to me this does seem like a bit of a mile-wide loophole to essentially allow for third-party food delivery apps to add a surcharge as we've seen take place in other jurisdictions. So I'm just genuinely really curious as to why this provision has made its way there, as it seems to me to simply exist to allow them to charge essentially a Saskatchewan tax.

**Hon. Mr. J. Harrison:** — My understanding, and Deputy Minister Banks can speak to this, is that we have had no . . . The companies have not charged any delivery fee over and above, or they have complied with the cap and have not charged an additional fee.

**Ms. Banks:** — Yes my understanding is that we've had many discussions with the large third-party deliverers. And when we talk to them about the 18 per cent there was in BC for example, where they went down to 15 per cent, they did in fact add that additional service fee on. And so when we came in and said we would be capping at 18 per cent, all of the sort of information we've received is that they do not plan to do so. Although if they did plan to do so, we wouldn't . . . that would be between the businesses, I guess.

**Ms. A. Young:** — Right. So again, I guess I'm not understanding. Like this clause in the Act seems specifically to allow for that. Is that an accurate reading?

**Hon. Mr. J. Harrison:** — I don't think so. I wish we . . .

**Ms. Banks:** — [Inaudible] . . . one additional clarification.

**Hon. Mr. J. Harrison:** — Yes. Sure, Jodi.

**Ms. Banks:** — So one other thing that they can do with restaurants is they can enter into agreements to do additional marketing or other services. And so this does allow them to do that.

**Ms. A. Young:** — Thank you. And in regards to the duration of this Act, I note that there is a hard end in place for it. And I'm interested in whether there is openness to removing that end date of August and potentially allowing this to continue even once COVID-19 has ended. Certainly the restaurant sector will need a bit of a runway to recover. So I'm looking, I guess, for any comment in regards to whether there is a willingness to extend that.

**Hon. Mr. J. Harrison:** — Madam Chair, I would say that the date selected is a reflection of the request from the Hospitality Saskatchewan association representing the restaurants. And that's why the date selected is what it is. You know, we aren't particularly interested in legislating prices in the long term, but we worked in this circumstance given the situation with Hospitality Saskatchewan, and the date selected is a direct reflection of the request from that association.

**Ms. A. Young:** — No further questions. Thank you.

**The Chair:** — Ms. Young, do you have your amendments written? Seeing that there are no further questions at this point in time, we'll proceed to vote on the clauses. All right. So we have clause 1, short title, is this agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Clause 1 agreed to.]

[Clause 2 agreed to.]

### Clause 3

**Ms. A. Young:** — So, Madam Chair, I would move amendment to clause 3 of the printed bill:

Amend Clause 3 of the printed Bill in clause 3(1)(a) by **striking out** "18%" and **substituting** "15%".

**The Chair:** — Ms. Young has proposed an amendment to clause 3 of Bill 29 to read that in clause 3 we amend the bill to read:

Amend Clause 3 of the printed Bill in clause 3(1)(a) by **striking out** "18%" and **substituting** "15%".

Committee members, are you ready for the question?

**Some Hon. Members:** — Question.

**The Chair:** — Seeing there's no debate, Ms. Young has moved an amendment to clause 3. Do committee members agree with the amendment as presented?

**Some Hon. Members:** — No.

**Ms. A. Young:** — Madam Chair, I request a standing division.

**The Chair:** — All those in favour of the amendment please raise your hand. All those opposed raise your hand. The amendment is defeated 5 to 1. The amendment is defeated, and we will continue with the original clause 3. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Clause 3 agreed to.]

**Ms. A. Young:** — I have one more on clause 3.

**The Chair:** — But we've already carried clause 3. We now ask for leave to revert to the previous clause. Is leave granted?

**Some Hon. Members:** — No.

**The Chair:** — Leave is not granted, so we will proceed with clause-by-clause consideration. All right, we will resume voting clauses on Bill 29.

[Clauses 4 to 14 inclusive agreed to.]

### Clause 15

**Ms. A. Young:** — Madam Chair, I have a proposed amendment for clause 15.

**The Chair:** — Ms. Young has a proposed amendment for clause 15.

**Ms. A. Young:** — Thank you, Madam Chair. I would move that we:

Amend Clause 15 of the printed Bill in subsection 15(2) by **adding the following** after clause 15(2)(b):

“(c) the day following the date on which the state of emergency pursuant to subsection 17(1) of *The Emergency Planning Act* related to COVID 19 pandemic is no longer in force or effect”.

**The Chair:** — Moved by Ms. Young that clause 15 of the printed bill:

Amend Clause 15 of the printed Bill in subsection 15(2) by **adding the following** after clause 15(2)(b):

“(c) the day following the date on which the state of emergency pursuant to subsection 17(1) of *The Emergency Planning Act* related to COVID 19 pandemic is no longer in force or effect”.

I'll recognize the minister, please.

**Hon. Mr. J. Harrison:** — Yes, thanks. I would just put on the record why the government wouldn't support that amendment, because that will actually likely end this quicker than the prescribed date in the statute. By having it tied to the length of duration of the emergency order, which is not a prescribed time period when that ends, it could very well end much sooner than the August 31 date for restaurants. So I don't think that that's necessarily what we are going for here. We want to provide certainty for the restaurants, and they will have certainty that this will be in place until August 31st. So that's the reason we won't support this.

**The Chair:** — Ms. Young, would you like to respond or say anything further?

**Ms. A. Young:** — You know, I think I've covered it off in my comments before. I did have a further amendment which was related to that, but unfortunately it is in clause 3 of the printed bill. So I assume those comments would be out of order as they relate to a previous clause.

**The Chair:** — Yes, because it's already been voted off. Seeing no further questions or comments, do committee members agree with the amendment as presented?

**Some Hon. Members:** — No.

**Ms. A. Young:** — Madam Chair, I'd request a recorded division.

**The Chair:** — Ms. Young has requested a recorded division. All those in favour of the amendment please raise your hand. I note one. All those opposed raise your hand. We have five. The amendment is defeated five to one.

We will now vote on clause 15. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Clause 15 agreed to.]

**The Chair:** — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Supporting Saskatchewan Restaurants Act*.

I would now ask a member to move that we report Bill No. 29, *The Supporting Saskatchewan Restaurants Act* without amendment. Mr. Steele so moved. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Minister, do you have any further closing remarks?

**Hon. Mr. J. Harrison:** — I just want to thank the committee and all those involved for their attendance, presence, and diligence.

**The Chair:** — Thank you, Minister. Ms. Young, do you have any further comments you'd like to make at this point in time?

**Ms. A. Young:** — I would echo my earlier comments, certainly with respect to the officials for providing that technical briefing and all of the hard work and research that has gone on in this file in particular.

And you know, I guess for the record I would just express some personal disappointment. I understood, coming into these committee meetings and certainly by the minister's own comments in relation to this being the place where good work gets done, away from, I believe the words were, “the firing light of question period.” And I guess I would just offer some personal disappointment in regards to some of the tone thus far.

**The Chair:** — Thank you, Ms. Young. That concludes our business this afternoon. I would ask a member to move a motion of adjournment. Mr. Cockrill so moves. All agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. This committee now stands adjourned until the call of the Chair.

[The committee adjourned at 15:29.]