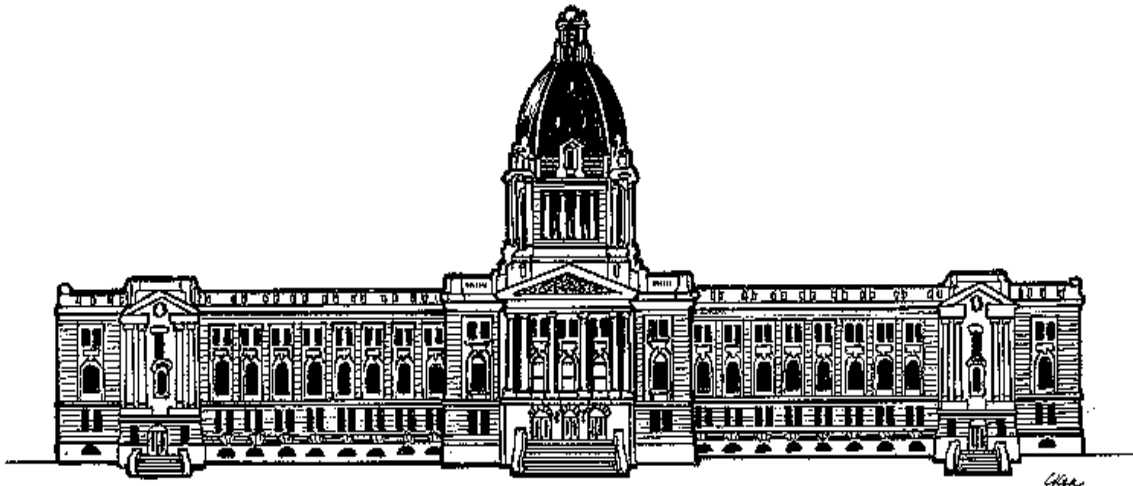




# **STANDING COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND INFRASTRUCTURE**

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**Legislative Assembly of Saskatchewan**

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**STANDING COMMITTEE ON INTERGOVERNMENTAL  
AFFAIRS AND INFRASTRUCTURE  
2005**

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Regina Northeast

Ms. June Draude, Deputy Chair  
Kelvington-Wadena

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Rosthern-Shellbrook

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

Ms. Sandra Morin  
Regina Walsh Acres

Hon. Maynard Sonntag  
Meadow Lake

Mr. Kim Trew  
Regina Coronation Park

[The committee met at 15:00.]

**The Chair:** — I call to order the Standing Committee on Intergovernmental Affairs and Infrastructure. Because of the changing on the makeup of the committee, the personnel on the committee, we will require an election of the new Deputy Chair. And with that I'll recognize Mr. Trew.

**Mr. Trew:** — Thank you, Mr. Chair. It is my pleasure to nominate Ms. Draude.

**The Chair:** — Mr. Trew has nominated Ms. Draude. It is the responsibility of the Chair to make a call three times for nominations. So the second call for nominations. Third call for nominations. Not seeing any, Ms. Draude has been elected as the Deputy Chair of the standing committee. And I want to congratulate Ms. Draude, and welcome aboard.

**Some Hon. Members:** — Hear, hear!

**General Revenue Fund  
Highways and Transportation  
Vote 16**

**Subvote (HI01)**

**The Chair:** — The first item of business before the committee is the consideration of estimates and supplementary estimates for the Department of Highways and Transportation. I'll ask the minister to introduce his officials.

**Hon. Mr. Sonntag:** — Thank you very much, Mr. Chair, and committee members. I'll introduce the officials and then if I could, I'll just go directly into some opening remarks as well.

Seated immediately to my right is John Law, the deputy minister. To his right, on the far right, is Terry Schmidt, assistant deputy minister of operations. Seated behind Terry is Cathy Lynn Borbely, director of corporate support. And immediately to my left is George Stamatinos, assistant deputy minister of policy and planning.

Mr. Chair, the budget of our government that was . . . I should say, our budget, Mr. Speaker, tabled in this our centennial year, includes a significant capital investment to build for future generations.

One of the key goals of this budget is to achieve and to maintain a green and prosperous economy. This particular goal will be the primary focus of Saskatchewan Highways and Transportation for this historic year and beyond. Our department is in, I think, a unique position to generate opportunity for Saskatchewan because transportation is an enabler, perhaps the primary enabler, of economic development. Our key industries in energy, mining, forestry, manufacturing, tourism, and of course agriculture, are all heavily dependent on transportation. As a result, even small changes in shipping costs can have a major impact on the competitiveness of Saskatchewan companies.

Traditionally the pattern flow of trades to and from Saskatchewan have consisted of east-west shipments of bulk

commodities. With the advent of liberalized trade regimes, however, particularly with the United States, we have seen a dramatic increase in the north-south traffic. At the same time, increased economic activity in recent years and the continued consolidation in the grain handling industry is leading to increases in the volume of truck traffic in Saskatchewan at the rate of about 10 per cent per year.

These trends are creating challenges within the transportation system at both the provincial and national levels. The dramatic growth in truck traffic is leading to a paradox where consumption of our highway assets is accelerated by the very economic activity that the infrastructure generates. At the same time, higher levels of economic development and continued diversification of the provincial economy are changing trade flows within our province.

Despite these and other challenges, there is seemingly limitless opportunity in virtually every sector in the economy. It is government's role to ensure that the environment is in place that allows Saskatchewan to realize this potential. And Saskatchewan Highways and Transportation will take a leadership role in creating this environment.

We have already been engaged at the national and regional level in creating a policy and regulatory environment that I will respond . . . that will respond, I should say, to our challenges. As part of this, Highway 11 has been designated as part of the national highway system, improving our ability to negotiate federal cost sharing on future improvements to this route. Closer to home, we will continue to transform Saskatchewan's transportation system to meet the needs of the 21st century.

Saskatchewan's transportation system exists largely of a highway network that was constructed in the 1950s and '60s to support primary agricultural production. We must now realign the system so that it becomes a truly integrated multi-modal network that enables a modern and diverse economy.

During the course of this fiscal year, you will see from this department a greater emphasis on enabling economic development than has previously ever been the case. Our department's excellent relationships with our stakeholders will continue to help us deliver on our commitments and identify solutions to the challenges that lie before us. We will seek to forge partnerships with municipalities and industry as a way of moving forward on our mutual priorities.

Some of our targeted capital investments for this year include the continued accelerated twinning on Highway 16 and the Trans-Canada Highway, major projects which are well ahead of schedule. We will upgrade a total of 147 kilometres of thin membrane surfaced highways through the Prairie Grain Roads Program and other key partnerships. And we will support continued innovation with initiatives such as a crumb rubber asphalt demonstration project on Highway 11.

We will support tourism and trade with improvements to Highway 39 through the border infrastructure program. And a total of 333 kilometres of resurfacing will be completed, sustaining our transportation infrastructure.

One hundred years ago, committee members, there was precious little in this province in terms of transportation infrastructure and today we have a road network spanning 26,000 kilometres. At this historic juncture, I think it is appropriate for us all to take a moment to contemplate the profound human effort that this represents. And now we must challenge ourselves to carry on this legacy and begin to create the transportation system that will drive Saskatchewan's economy for the next 100 years.

Thank you very much. And with those opening remarks, I'd be pleased, and my officials, to answer any questions committee members might have.

**The Chair:** — Thank you, Mr. Minister. Before we go to questions, I'd just like to draw the committee's attention to the fact that Mr. Yates is chitting in for Mr. Sonntag today. I recognize Mr. Weekes.

**Mr. Weekes:** — Thank you, Mr. Chair. I'd like to welcome the minister and your officials today to estimates.

As you have stated, Mr. Minister, highways, transportation infrastructure is vital to Saskatchewan and an ever-growing challenge to keep up the infrastructure and highway systems, as we know that there is demands all across Saskatchewan in the rural road system. They're ongoing demands. Many of my colleagues have individual highways and parts of highways that they will want to speak to.

We also know that in the North, there's requests from industry and local people in the North to expand the highway system in that area. And there's also, you alluded to the trade corridors, the north-south trade corridors, that exist now. And certainly, in my discussions with many people in the US [United States] and in Canada, that it's vital that we take an active role in the north-south corridor and the systems and the associations that represent those areas. And I think we're quite frankly lacking in our participation in those meetings and in those organizations.

My first question really speaks to some items in the budget. And your government has stated that they are on track to complete a \$2.5 billion commitment made back in 1997. And the problem with that is that there's been no adjustments to that commitment for inflation or factored in additional monies due to rising costs.

And this \$2.5 billion commitment is not in real dollars. The percentage of that commitment that is going into capital investment has decreased. And the Department of Highways building capital has increased by over 60 per cent, equipment purchases by over 11 per cent, and highways capital rehabilitation enhancement has decreased from 2003 and 2004 by \$2.5 million. Capital in 2005 has decreased from 2003-2004 by over \$400,000.

Really, Mr. Minister, the question is, is why isn't the government building more highways, more infrastructure to support the economy and the potential of a growing economy?

**Hon. Mr. Sonntag:** — Thank you. Thank you for the question. First of all, let me just respond to some of your first points with respect to the North and the US. I think you are correct in

identifying northern Saskatchewan as having significant economic opportunity. We recognize that there needs to be much more work yet done on the infrastructure up there.

I do point out, though, that there has been in the last number of years a significant increase in the amount of funds that have gone into the North. Over the last 10 years — these are rough numbers — but there has been for sure doubling and a little bit more of the funds that have gone into road infrastructure in northern Saskatchewan.

With respect to the US trade corridors there is a, in the last several years, been significant improvements on that infrastructure as well. No. 6, you may be aware, has had significant upgrades and is in a pretty decent state of repair right now. And coincidentally just in the last month — I guess it was just last month — I had the opportunity to meet with transport officials in both North Dakota and Montana on some of the concerns that you identified.

In my opening remarks I talked about the trade corridors, if you will, changing a bit of the flow of trade — I should say, changing a bit from east to west, north to south — and we recognize that and are trying to improve infrastructure within the financial capacity that we have. We have, I think it is fair to say, as a government recognized that costs have increased. We're acutely aware of that.

But you will know from the budget that was just recently delivered, the pressures on health and education continue to be significant. With the improvement of the finances within the Department of Highways — though from when I was in this portfolio some time ago — of right around \$200 million to \$300 million now annually, I think, it's fair to say that while there is much to do, the overall road conditions have improved dramatically across the province. And I think it's reflected in the number of concerns that are raised through our office over the last year or two.

**The Chair:** — Thank you. Ms. Bakken.

**Ms. Bakken:** — Thank you, Mr. Chair. I am glad to have the opportunity to ask some questions. And just prior to asking the questions, I'd just like to make a comment that when you're referring, Mr. Minister, to the north-south trade corridors and the importance of them, I attended a meeting in Chicago last fall of the CanAm Trade Alliance and at that time was informed by those present that Saskatchewan is the only province in Canada that does not have an official affiliation with American states to address issues of north-south trade and also regulations and all the issues that surround trade.

And I found that very concerning that we would not have such an affiliation when I believe it's upwards of 80 per cent of our goods flow across the US border. And I would hope that the minister is doing something to address this deficiency and become affiliated with the United States in this manner. That's not what my question is though.

My question is about Highway 35. And I had put in a written question which I received the answer to, I believe it was yesterday or the day before, about the plans for turning Highway 35 back to pavement after it was converted to gravel

last year. I guess, to say the least, I was very upset at that action, as were the people in my constituency, to think that we have a major highway south of Weyburn coming in across at the US border and when people come across the border that they are greeted with gravel.

There is a huge safety issue. There was a gentleman that was in a motorcycle accident there last summer, and I know that there's a lot of near misses. There's a lot of damage to vehicles. It certainly has a negative impact on economic activity whether it's the oil industry or agriculture, and it certainly is a deterrent to tourism.

We certainly notice in the city of Weyburn the decrease in the amount of vehicles that travel south and come through the city because of this highway. And when I went to the US border last summer and spoke with the customs officials, they said the number of vehicles passing through this port have certainly decreased. And in fact, many people turn around and go back after they venture out on this highway and realize what they're confronted with.

So the answer that I received really tells me nothing. I hope that it was a mistake. There was a commitment, I believe, by your department last year when you converted this to gravel, that this would be corrected this year and it would be repaved. And I would like to know if that is in fact happening and when the construction will commence.

**Hon. Mr. Sonntag:** — First of all, just a clarification, I know you weren't looking for a response. But with respect to agreements between the United States, different states and our province, in fact we do have . . . That's the reason I was there. We have protocol agreements with the states of North Dakota and Montana for sure. And that was one of reasons that I was there — to talk about that. And the minister of Intergovernmental Affairs could elaborate further, if you are interested in that. That's just by way of interest.

With respect to the north-south trade corridors, our priorities in the Department of Transportation are where the bulk of the traffic takes place. I recognize your concern. But No. 6, No. 39, No. 7, and, I think, No. 8 would be routes that would have for sure higher volumes of traffic; those would be priorities.

You can look back on the exact words that we said last year — and I remember the conversation well in the Chamber here — with respect to 35, my recollection is not entirely dissimilar to yours other than I don't think there was a commitment to make it, revert it, bring it back to a paved standard all in one year. I think the response was that we had fully intended to restore it to a paved structure — and I think it was a thin membrane structure prior to that — and we're now bringing it back to a paved structure. So it will be to a higher standard, but as we could afford to do that. And we're working on that, as is planned now, each year, and starting this year and next year.

**Ms. Bakken:** — Mr. Minister, are you telling me then, and the constituents of Weyburn-Big Muddy, that there is no intention of converting this gravel surface back to pavement this year? Is that what you're telling me?

**Hon. Mr. Sonntag:** — You are certainly correct in

understanding that we're not going to do it all in one year. We have never said that we would do it in one year. It was our commitment that we would try and do this over a period of years. Our commitment is to resurface it back to a paved structure, which is a higher standard than existed prior to when it was changed to gravel.

**Ms. Bakken:** — Well, Mr. Minister, this highway is in the oil country in this province. There has just been \$1.4 billion generated in revenue for the coffers of this province from the oil industry. And yet you are telling me that this stretch of highway on 35 from the US border north, that is now gravel, is not a priority of your government when in fact much of the traffic that is on that highway is directly related to the oil industry. And if that's what you're telling me, then I would like to know how many kilometres you are converting to a paved surface this year. And when will the rest be paved?

**Mr. Schmidt:** — I can speak to some of the plans that are in place for this year. As you are aware, last year the road was changed to gravel and over the winter we had the opportunity to crush gravel. It's in the stockpile. It's in place to begin improving that road back to a paved standard.

The plans are that as we become aware of the conditions of the provincial TMS [thin membrane surface] system in the province and what type of repairs are needed and the resources are needed to do that, we'll be in a much better situation when those roads have stabilized after the spring thaw. And probably late May, early June we'll be in a much better situation to determine then with the . . . What we're endeavouring to do is looking at improving 3 to 4 kilometres this year, bringing it back to a paved standard, and continuing with that process in future years until such time as the link is completed back to a paved standard.

**Ms. Bakken:** — How many kilometres total are you planning to convert to pavement from either the gravel or the TMS structure?

**Mr. Schmidt:** — If I understand your question correctly, the part that requires improving from gravel to paved is 16 kilometres from the junction of Highway 18 to the border. And as I mentioned, we're looking at doing 3 to 4 kilometres this year. And the plan . . . [inaudible] . . . as I mentioned, every spring to reassess the condition of the TMS system and to try to allot as much funds as we can to that, hopefully to do that in a two- or three-year type time period, to have the entire corridor upgraded.

The other thing there is, if there's partnership opportunities available, we can maybe look at accelerating that as well, too.

**Ms. Bakken:** — Well I'd just like to speak to that for a moment because I believe the minister said that you look at the volumes of usage. Well the volume of usage of this highway has continued to deteriorate over the last number of years because of the deplorable state it was in. Before it was reverted to gravel, I mean it was hardly passable. It was absolutely almost unsafe to go down that road. So of course the usage dropped. And now that it's gravel, the usage will continue to drop because the only people that are using it are the local residents that have no option. So to use that as a reason why you would

not upgrade this highway is not acceptable. And, you know, to me it's just using it to justify not fixing it.

The other thing is to say that you're willing to partner. I mean I've watched this over the years, and the same thing is happening about the airport road in Weyburn. If people want to get their highways fixed to an acceptable standard, then it's been my experience that the Department of Highways comes in and says, well if you really want that done, we'll partner with you, and then after we've partnered with you, you are responsible for the maintenance and repair. It's a downloading again on municipalities that in the first place cannot afford the partnership because they do not have the funds to put into it, and then after the fact, all responsibility is theirs.

And again the provincial government is downloading the costs onto municipalities instead of them taking the responsibility, which is one of the responsibilities that the government should play, which is ensuring that we have an appropriate infrastructure so that we can grow this province economically. And certainly in my area where we have the oil industry, which is generating millions and now billions of dollars for this government, and you tell the people in my area, you have to drive on a gravel highway. It is not acceptable, and I would ask the minister to please review this.

And with the price of oil and the amount that is budgeted, it is certainly lowballing the price of oil. And I would hope that when their extra millions of dollars come in because of the oil industry, that you will look at this and that you will allocate enough money to at least to correct the situation on this highway that is gravel. If you cannot do the whole highway, I would ask that you look at reverting the gravel portion back to a paved surface because it is the least that can be done for this area of the province where we are generating millions and millions of dollars in revenue into the budget. Thank you.

**The Chair:** — Mr. Weekes.

**Mr. Weekes:** — Thank you. That raises many questions. Your government, Mr. Minister, has spoke about this \$1 billion of extra revenue that you have to spend, and it seems with your discussions with the officials in North Dakota and Montana, they must have highlighted the importance of this north-south corridor. And it seems to me that any investment in the infrastructure, whether it's a one-time input like it could have been this year, was certainly long overdue. And in my discussions with officials and state senators down in the Midwest, that they're very concerned about Canada's commitment and Saskatchewan's commitment in particular to a north-south corridor.

And as you state in your opening comments, we have an ever-growing increase in trade north and south, and when you look at one of our main arteries being in gravel, a gravel road . . . We also discuss, I know from many truckers that live in my area when they're hauling loads to California, they're going through Medicine Hat. And not only we need to enhance our north-south, our official north-south corridor, but we should be looking at, if not having a second one, at least having a secondary or supplemental corridor that connects to the north-south corridor that goes through Medicine Hat, through Alberta.

And in my opening question, it says your department has increased equipment purchase by over 11 per cent. And highways and capital, which is a rehabilitation enhancement, has decreased from 2003-2004 by \$2.5 million, and the capital in 2004-05 is decreased from 2003-04 by over \$400,000. It seems to me that you have not put . . . you have not and your government hasn't put a priority on areas that we really need in the future to enhance our economy.

**Hon. Mr. Sonntag:** — I'm not sure exactly what the question was, but the priority I think is fair to say that if there were more funds available for infrastructure in the province, I think it's fair to say we would want to put more to highways and transportation if that were an option. But the priorities of our government during this budget were health and education and clearly a maintenance of the existing budget, and there was an increase over last year of some five and a half million dollars, I think it was, to be exact.

Having said that, I want to make a couple of points . . . I didn't realize that I wasn't, that I wasn't, sort of, going to get back on here. But I want to make one point about the partnerships, before I leave it, with municipalities, whether it's RMs [rural municipality] or whether it is with, whether it is with small towns or villages. They often approach us for partnerships. I recognize the pressures that they're under as well. All we're saying is that partnerships . . . If a particular route is a priority for a community, it will be elevated in priority within the department, if partnerships can be achieved.

Very often these partnerships — and in most cases I think it's fair to say these roads — if they are in partnership and if they are reverted back to the local municipality, are not just handed back over, there will be . . . And every case is unique I need to say. There will be often very unique arrangements made where they will receive things like stockpiles of gravel — I'm just providing examples — stockpiles of gravel for a year or two. We'll provide funding to elevate the road to a much higher standard and then hand it back to the local jurisdiction.

So I just wanted to talk about the partnerships and be clear that it's rarely, if ever, just a handing back of that particular road to the particular jurisdiction.

With respect to the point you made — and if you've asked the question, I apologize because I missed it — but just with generally the capital, we do acknowledge there is been a very modest reduction in the exact amount of capital.

But having said that as well, there is — you'll know the weather was bad last year — there is a significant amount of carry-over as well from last year that we've not lost, that the carry-over from last year because of the new accounting system allows us to carry this forward into the coming year. So we will have what couldn't be completed last year, along with all of the work that is reflected in this year's budget. That's not shown in the budget at all but that will also be occurring in this year.

**Mr. Weekes:** — Thank you. Well part of what I was getting at was that the equipment purchases are up by 11 per cent, which is a substantial increase for the department. Why has the equipment purchases gone up that much, and what types of equipment have you purchased?

**Mr. Law:** — The change in our machinery and equipment budget reflects essentially two factors. Probably three-quarters of the increase is an accounting change. All of the assets that were previously held in a revolving fund in the department are now handed over to the General Revenue Fund. And as a result of that change in the management or the representation of the asset, that accounted for about \$500,000 of the change and so did not represent an increase per se. The other \$250,000, a good proportion of that would be accounted for simply by inflation.

So it was an effort on our part to maintain the equipment at the level which would allow us to continue to provide for some of the safety provisions and so on that are a part of our budget. So that accounts . . . That's the explanation for the change in the number in our budget in equipment.

**Mr. Weekes:** — Thank you. As stated before, the 2005-06 budget for infrastructure, rehabilitation, enhancement has decreased or will decrease by 400,000. And included in those budget numbers are offsetting revenue of approximately 34.8 million from outside the provincial government, mainly the federal government. This leaves a net provincial investment of only 46.8 million which is 50/50.

Federal funding has not been recognized in the provincial budget by offsetting increases and in its essence the federal funding has been clawed back. And I'd just like to ask why is the province not increasing the department's capital budget in proportion to the capital funding coming from the federal government?

**Hon. Mr. Sonntag:** — I think that's one for me. I think it is fair to say that we have lobbied long and loud, I guess — as well along with and including, many times, members from the opposition for which we appreciated that — to get more federal funds into the province here, particularly on our national highways.

We've got . . . We're up to somewhere . . . I mean, this last year was I guess sixteen and a half per cent of what they took out in terms of gas tax or fuel tax or on road tax back into the province. And this year, I guess, it would be a little bit higher than that. Most of those funds are targeted funds. They reduce the flexibility of the department in terms of where we can actually spend our money now. So that creates some problems.

But to be specific about your answer, we've always felt that the federal government should be contributing much more than they do and have indicated all along that we would try and improve and increase our department's budget to improve the roads that . . . to improve the road system. When and where we . . . When we can increase the budgets for the Department of Transportation, we'll do that.

But I think it's fair to say, that from my perspective anyway and I think it's fair to say from our government's perspective, that there should be yet a much, much greater degree of contribution from the federal government than yet exists right now. I would venture to say that if we had what would amount to somewhere up to a respectable amount — back to where it used to be at one time, sort of at least 50 per cent of what they took out — it would be . . . we wouldn't . . . probably in the discussions that we're in today, there wouldn't be a discussion about the

province needing to contribute even more.

I would say that we've contributed more in the past because the federal government has been absent. And now that the federal government is there to some degree, it does alleviate a little bit of pressure for us at least.

**Mr. Weekes:** — Thank you, Mr. Minister. But the point of the question is that as the federal government has increased its funding, your provincial government has decreased your share of it. And this is an opportunity when you've had extra revenue from the oil and gas industry to do more infrastructure projects, more highways. And you've really backed away from increasing at the same time the federal government has increased.

**Hon. Mr. Sonntag:** — Well again, I mean the only way I can respond to that is to say that, I mean we're pleased that the federal government is there to a greater degree.

We think they have always, they have always had a responsibility that they've not fulfilled anywhere near to what it should have been. I think it's appropriate that there's a greater contribution by the federal government to take some of the pressure off of the province. That's not to say that the province shouldn't work to put in more funds into the future, which I'm sure will be the case in the future as the road system continues to be a priority of our department.

Like I mean, I go back to where I started. The priorities of the department, of the department of the government, have been health and education in this budget, and a recognition that we needed to maintain the investment that we made in transportation of around \$300 million.

**Mr. Weekes:** — Thank you, Mr. Minister. I guess my question is not so much the priority of the government. We understand that, you know, health and education are a greater priority.

But it's a priority within your department, that you've really pulled back from increasing the number of roads and highways that are upgraded and built to doing . . . well to offsetting, to putting those funds to other things which we'll come to later.

But I think this is an opportune time, as the federal government was increasing its share, rather than clawing back those monies and not spending them, that was the opportunity to match those funds and finish the projects like we've talked about: the north-south corridor, and twinning No. 1 and No. 16, and looking at some highway development in the North which is so desperately needed.

And I guess my point, Mr. Minister, is at a time when we see deteriorating infrastructure and a need to improve it, this was an opportunity — this year, in this budget — to have an increase in the budget dramatically in the infrastructure program. And what we saw is . . . I guess my question is, why did that not take place and why are we actually spending less money on improvements in those areas?

**Hon. Mr. Sonntag:** — Well again I . . . Just let me answer this in a general kind of a way. I mean, I would be critical of the transportation policy changes of the federal government which,

I think, are a direct reflection of the infrastructure challenges we have right now.

I would argue that the changes in their transportation policies are what, I think, clearly accelerated the transition of transportation of goods and services from rail to road which put huge pressures on the province. And I would again . . . I mean, I'd argue those changes in transportation policies should be reflected in some way financially by the federal government.

We're starting to see a very, very modest recognition of that, I think, through things like the prairie grains road program, some cost sharing on the national highway system. And then let me speak to that.

When we started on — you talked about the national Highways No. 1 and 16 — when we started on that, we were essentially going it alone. We were looking at a completion date of, I think, 2012, if my memory serves me correctly, and we're now down to 2007. Lots of that road, No. 16, goes right through where there is a lot of oil and gas development. So I would argue, on our primary corridors there is a reflection of the priorities in transportation, lots of it directly related to oil and gas.

**Mr. Weekes:** — I appreciate that, but it seems to me that at this particular time that considering the increase in revenue from the oil and gas industry that the government is taking in, that you should have kept up with your commitment, your share of the 50/50 funding rather than pulling back as the federal government increased its commitment. That was certainly an opportunity for your government, your department to take advantage of that and get to work on many of the areas that the people of Saskatchewan have great concerns about, not only in rural areas where the existing highways the upgrading to improved roads, but also in new projects in the North.

And I mean, certainly there's a list of things that could be or should be done. And it seems to me that there was a great opportunity here to increase that commitment, and even though it's a one-year funding, that it could have been done in this year or the next fiscal year.

**Hon. Mr. Sonntag:** — Is there a question there or just . . .

**Mr. Weekes:** — Mr. Minister, I'm asking you why didn't you fight harder in cabinet for that added revenue for the infrastructure and highways programs in the province?

**Hon. Mr. Sonntag:** — I think there would be many of my colleagues — without talking about, without breaching confidentialities — who would have argued that myself or ministers of Transportation in the last few years have been very successful in arguing for their share, and suspect some would think more than their share, of the overall provincial budget directed to transportation.

When you recognize the significant change of dollars to that department from where we were a couple of years ago, well there's a recognition that there always is more that we need to do, given the incredible infrastructure that we have here in Saskatchewan. And again I'll say this — as I've said many times, not so much for your benefit but for any of the public that might be listening — we have more roads in Saskatchewan,

we have more roads than Alberta and Manitoba combined, and that's a huge, that's a huge challenge for us. But I think we're making some significant progress. And again I say I think it's directly reflected in the calls that we get to our office here in Regina.

**Mr. Weekes:** — Thank you, Mr. Minister. It's interesting, I just had a number of phone calls — complaints, quite frankly — about the department's equipment purchases. The complaints revolve around the, really the equipment purchases that are, really seem to be made on trucks in particular that are just basically Cadillac types of equipment, purchases with extras and add-ons. And the people that are seeing this out on the highways just feel that that money should have been better spent on improving their roads and highways.

And I guess my question is, without having pictures and actually showing you what these people were talking about, it seems that there's been some expenditures on trucks and equipment that were possibly, well should have been reviewed before they were purchased and buying something more that is practical and that does the job. It doesn't need to be the Cadillac of the fleet.

**Hon. Mr. Sonntag:** — Let me just respond generally, first. I'm not an expert in this area at all, but I've toured many of the highways offices, or depots I should say. I do know that the vehicles are for sure getting a bit bigger, but part of that is some of the technology that was developed by many of the employees right here in the province. And every year — apologies, I don't remember what the day is that we have — but it's a recognition of employees who have created and have been very innovative in designing and building pieces of equipment that can improve the efficiency of the very equipment that they operate every day.

And to get back to my point, part of the reason why you sometimes see bigger vehicles now is because there have been the development of plows, winter plows, and things like that will mean that you don't have to make two passes. An example, you've got the wing as I think lots of people have seen. They also have carriers in the back that, at the same time, can dispense sand and potash most of the time for melting ice.

But the very reason, sometimes, you've see bigger equipment is because employees have been very innovative in finding more efficiencies; that you don't require two vehicles, you might need one bigger vehicle.

But in terms of specifics, I think I'll let . . . the officials maybe can answer something more detailed than what I've just provided.

**Mr. Law:** — The member is quite right that we do have some unique pieces of equipment. Again, I think we have identified as a priority trying to keep our fleet relatively up-to-date and modern, largely as a means of us being able to deal with some of the significant safety concerns that we deal with given our weather conditions here in the province.

The minister's right, most of the kinds of changes that we've seen in our equipment have been related to efforts to try and either improve the efficiency of the system or to enhance our



ability to accomplish more in a shorter time frame.

So these things are important for us. We hear about this regularly when it comes to things like our winter snow and ice removal. Where it becomes a significant priority for us, in terms of providing the best conditions, that we're able to provide relative to modern equipment for those purposes.

**Mr. Weekes:** — Thank you. I appreciate that answer. I guess the complaints that I've got is the expensive accessories that these vehicles had come with. And as an example, chrome bumpers and things like that that — well, quite frankly — are unnecessary for the practical use and practical purposes of those equipment.

I appreciate that larger trucks and up-to-date equipment is needed. That wasn't the issue. But it's those accessories that had come to light.

**Mr. Law:** — Yes. I think that's a fair comment that I think, for many in the general public, whether it's chrome bumpers or things like it, they might view as potentially being additional sort of features on equipment.

In actual fact, we do go through a tender process for the acquisition of all of our major equipment so that what we are purchasing is based on the lowest available cost for the particular specifications that we identify to do the work. In some instances the vehicles may come with those things.

We are, I can tell you, definitely not looking to, sort of spruce up the vehicles for purposes of aesthetics. There may be certain features that come with some of the equipment that is part of the package, but I can tell you that we do go through a tendering process to try and ensure that we are getting the right equipment at the best available price.

**Mr. Weekes:** — Thank you. In 1995 the province had 8,600 kilometres of thin membrane surface highways and we now have 6,530 kilometres. How much of this 2,070 kilometres have been upgraded and how much of these sections of thin membrane surface highways have been converted to gravel?

**Mr. Law:** — The number of kilometres that have actually been upgraded is 1,700 out of that total that you've identified.

**Mr. Weekes:** — And how much has been converted to gravel?

**Mr. Law:** — It wouldn't have actually have been converted to gravel. It would have been . . . we would have described that as upgrading it to a gravel standard. I'll maybe have Terry describe the difference for you.

**Mr. Schmidt:** — Some of those roads, of those approximately 200 or so that were upgraded to a gravel standard, would have been TMS roads, some of the lower volume roads that were not performing well. And they were improved to a gravel standard to allow for a safer operation and to allow for some of the more heavier weights to be carried on there. That allows us then to be able to maintain them in a more timely manner and in a more effective and efficient manner.

**Mr. Weekes:** — Just a clarification. You're saying upgrading

from a thin membrane surface to gravel . . . going from thin membrane surface to gravel is an upgrade, that's what . . . that's your definition?

**Mr. Schmidt:** — In many cases, the reason it would be considered an upgrade is because it would have maybe improved some of the poor curves on the road. It would have cut down some of the big hills. Typically it's a wider road top when we're done. It's a higher grade that performs better, so it is viewed as an improvement in that it's often safer and it often operates more efficiently as well.

**Mr. Weekes:** — And how many kilometres were affected?

**Mr. Schmidt:** — Of the 2,000, 1,700 of them, as the deputy mentioned, have been improved to paved standard and the remaining 300 would have been improved to the gravel standard.

**Mr. Weekes:** — Thank you. Of the resurfacing proposed for 2005-2006, how much resurfacing will be thin membrane surface highway?

**Mr. Schmidt:** — We actually will be not constructing any thin membrane surface highways this year. We will be improving approximately 147 kilometres of thin membrane surface highway to a paved standard highway.

**Mr. Weekes:** — Has the department done a long-term cost comparison between installing thin membrane surface highway and granular pavements?

**Mr. Law:** — I just wonder if I could ask you to clarify a little bit for us the question. Are you asking us specifically if there is a change in terms of the difference that we're talking about in one versus another of those approaches?

**Mr. Weekes:** — Yes. The difference.

**Mr. Schmidt:** — When we look at our historical maintenance costs for a thin membrane surface highway versus a granular pavement, a typical thin membrane surface highway on average will cost us around \$3,300 a kilometre to maintain, whereas a granular pavement will cost us in the range of 1,800 to \$2,000 per kilometre to maintain.

**Mr. Weekes:** — Over what period?

**Mr. Schmidt:** — That would be on an annual basis.

**Mr. Weekes:** — An annual basis.

**Mr. Schmidt:** — Yes.

**Mr. Weekes:** — And what's the life expectancy of granular pavements versus thin membrane surface?

**Mr. Schmidt:** — We construct a new road for a granular pavement. We use a 15-year design. And what we have found is that with good maintenance practices, good preventative maintenance, oftentimes the service life of those will be anywhere from 20 to 22 years, depending on the type of traffic, the weather conditions, those type of things.

A thin membrane surface actually does not have a design life as in that it was just intended for dust-free and mud-free travel. So it actually is not engineered, or no structural component to it at all.

**Mr. Weekes:** — Next question is, what is the type of surface going to be used for on the resurfacing of the 269 kilometres of principal highway network?

**Mr. Schmidt:** — Two hundred and sixty-nine kilometres on the principal highway network will be asphalt concrete resurfacing.

**Mr. Weekes:** — And what is the type of surface will be used for resurfacing of the 64 kilometres of the regional highway network?

**Mr. Schmidt:** — Our regional highway network consists of both asphalt concretes and granular. So without getting into the specific projects I'm not sure, but it would be a combination of either asphalt concrete or granular rehabilitation with a double seal coat on top. We have both types of those roads in the regional system.

**Mr. Weekes:** — The pilot project that you're undertaking concerning asphalt and used tires. Could you just tell us how big of a project is that, how many kilometres, or what is it going to cost, and just some of the background on that pilot project?

**Mr. Schmidt:** — Just having someone search for the costs so I can speak to some of the other details. The project will run between the junctions of Highway 2 south of Chamberlain on both the northbound and the southbound lanes for a total of approximately 21 kilometres. The estimated start date is July 5, and the project will be done by . . . It's been tendered already, and it was awarded to H.J.R. Asphalt.

**Mr. Weekes:** — Talking to the road builders, they inform me that it takes different types of equipment in order to do this project, very expensive equipment. I'm assuming you're going to take that all into account in your study. The contract that was given out, I assume it was left up to the bidder to get the equipment, I assume, or did they have the equipment on hand that would work with this project?

**Mr. Schmidt:** — Yes, absolutely, to respond to that concern by the road builders. The equipment that is used on the road to place the asphalt and to mix the asphalt concrete is exactly the same as traditional equipment that is used.

So what we did in this case, is where you need specialized equipment, is to mix the rubber asphalt cement with the rubber crumb, and we tendered that project separately. So that mixture of oil with the rubber crumb and the asphalt all done was a separate tender that was provided to the contractor of this project to allow them to use their traditional means of delivering the project on the road.

**Mr. Weekes:** — I assume the tires . . . go into the background. The used tires, I assume, were from the used tire corporation, that's where they would have been accessed? Is there a process done there at the used tire corporation or would they be brought to another location where they'd be made into a product that could be used for the highway construction?

**Mr. Schmidt:** — The rubber asphalt cement was actually tendered and awarded. The contract was awarded to Prairie Rubber Corporation of Assiniboia, who operate a scrap tire recycling plant that produces the crumb rubber.

**Mr. Weekes:** — So the Scrap Tire Corporation didn't have anything to do with this project?

**Mr. Schmidt:** — I'll have to get back to you on the involvement of the Scrap Tire Corporation.

Now we do have a cost estimate on the project. It would be just under \$3.1 million to surface that section of road.

**Mr. Weekes:** — Thank you. To move on to another item, what amount of funds is the federal government providing for the Prairie Grain Roads Program? And when I ask that question, my next question obviously is, what is the provincial share of that program?

**Mr. Law:** — The total federal contribution this year will be \$13.2 million and the province will be matching that amount.

**Mr. Weekes:** — Could you provide me with a list of highways that this . . . or roads that this program would encompass?

**Mr. Law:** — We can get that for you. Yes.

**Mr. Weekes:** — Just a question about Highway 39. To what standard will the Highway 39 be resurfaced to?

**Mr. Law:** — I'm advised that that's going to be designed to a 15 year standard as per Terry's earlier description.

**Mr. Weekes:** — Thank you. You're delivering on five construction partnership initiatives improving 24 kilometres. Where will these improvements be located and how many kilometres will each partnership initiative yield?

**Mr. Law:** — If it's acceptable, I think . . . We don't have all of the details here for you but we can certainly provide . . . We can get them and bring them, make them available to you.

**Mr. Weekes:** — Thank you. I appreciate that. That and a couple of other items that you had mentioned you would give me the information, I appreciate that.

I guess it's close to the hour is up, so I'd like to thank the minister and your officials today and we will return to these questions and others in a future estimates meeting.

**The Chair:** — Thank you, Mr. Minister, and officials. We'll be moving on to the consideration of the estimates of the Department of Northern Affairs. That will be a few moments while the officials depart and new officials arrive. Thank you.

**General Revenue Fund  
Northern Affairs  
Vote 75**

**Subvote (NA01)**

**The Chair:** — Okay then, we'll reconvene the committee. We

have before us . . . The item of business before the committee is the consideration of estimates for the Department of Northern Affairs. I welcome the minister and his officials and ask the minister to introduce his officials, please.

**Hon. Mr. Belanger:** — Thank you very much, Mr. Chair. To my immediate left is Richard Turkheim, and to my immediate right is Mr. Steeves, who is the deputy minister for Northern Affairs; and to my extreme right is Mr. Glenn McKenzie who is our assistant deputy minister.

Before I begin, Mr. Chair, if I can I'd like to introduce, as I mentioned before, some of the folks that work in Northern Affairs and to publicly thank them for all their effort, and ask my deputy to convey those thanks.

I want to make some brief introductory remarks about Saskatchewan Northern Affairs and the work that it does. We at Saskatchewan Northern Affairs, SNA, are eager to meet the challenges and to realize the opportunities that lie ahead for northern Saskatchewan. In all that we do, our engagement of northerners as partners is central to the way we work to promote the economic and social development of northern Saskatchewan communities.

Saskatchewan's north is a resource-rich area. Significant opportunities exist in northern economic sectors to support value-added activity within and outside of the region. One excellent example is the upward trend of northern worker participation in the northern mining industry.

In 2004, Mr. Chairman, northern work participation in the mining industry was 53 per cent. This record year is up from 46 per cent in 1994 and 32 per cent in 1984. This progress is due in large part to the co-operation of many northern stakeholders including the mining industry, the northern labour market committee, and the provincial government. The 2005-06 budget builds on our past successes in advancing economic and social development in the North.

Saskatchewan Northern Affairs will continue to work with northern communities, businesses, industries, organizations, individual residents, and other departments and agencies in advancing the northern strategy. Our priority will continue to be the expansion of the northern economy — the foundation for meeting social and community development objectives. To this end, through programs such as the Northern Development Fund and the federal-provincial Northern Development Agreement, we will continue to support initiatives in mining, forestry, tourism, transportation, primary production — which is commercial fishing, trapping, and wild rice production — and other sectors of the northern economy.

And as Saskatchewan celebrates its centennial as a province, northern Saskatchewan, with its abundant resources and unlimited potential, has a bright future and is sure to figure prominently in contributing to the success of this province over the next 100 years.

Enhanced economic development and social development will help northern residents to rebuild their sense of independence that, prior to the arrival of the Europeans, once characterized the North. I believe that the success and growth of northern

Saskatchewan is vital to the future of our province and success industries, such as mining and forestry, will benefit all of Saskatchewan. Further to that, Northern Affairs is just as important to the growth of northern Saskatchewan, and by fostering increased economic development in the North, Northern Affairs supports a brighter future for all of our residents.

The mandate of the Office of Northern Affairs is to promote the economic and social development of northern Saskatchewan communities in partnership with the federal government and northern communities by supporting regional business and industry development and coordinating government activities in the northern administration district, the NAD.

Let me talk more specifically about the role of my department. It is the responsibility of Northern Affairs to lead a cross-governmental northern strategy which is intended to foster economic and social development. Northern Affairs assists in the development of key sectors in northern economy, including mining, forestry, tourism, infrastructure development, and traditional industries such as fishing and trapping.

Another important role of Northern Affairs is its coordinating role amongst departments, communities, and industries to better capture northern opportunities. In this regard, it is worth noting a Northern Affairs specific role in administering northern minerals surface leases. As well, we managed a northern mines monitoring secretariat and the environmental quality committee program that monitors northern uranium mining developments and operations.

It is a goal of Northern Affairs to provide integrated provincial government communication to northerners, to help northerners understand all the programs and services offered by our government to the North, not just those of Northern Affairs.

A final important yet little-noticed role is to advise the departments on key issues and initiatives. Northern Affairs has an excellent on-the-ground working understanding of the North. And we're often called upon to provide informal advice on northern issues to other interested departments.

I want to talk briefly about the range of the programs that Northern Affairs is responsible for, programs that focus on economic development in the region which promotes maximum economic and employment benefits for all northerners. One of the most noted achievements of Northern Affairs is the delivery of the Northern Development Accord and Agreement. SNA works with other provincial departments, the federal government, and with our northern partners, specifically the Northern Development Board corp in delivering the Northern Development Agreement, a groundbreaking tripartite approach to building northern infrastructure.

Provincial funding will continue to be earmarked in various departments' budgets to fulfill the province's commitment of \$10 million over a five-year term of the \$20 million agreement that we signed with the federal government. SNA is one contributing part to this agreement. SNA's funding towards this agreement was increased by 300,000 this year, for a total of \$550,000 to help ensure that the province's overall commitment is met.

Nineteen projects, valued at more than \$7 million, have been approved to date under the Northern Development Agreement. These projects improve transportation, provide high-speed Internet access, create training opportunities, and support economic development in the North.

Implementing this unique tripartite decision-making model has resulted in some challenges. Investment under the NDA [Northern Development Agreement] is somewhat under committed to this point. After almost three years of the five-year program, about 35 per cent of the \$20 million has been committed. The good news is that there remains ample resources to respond to the high-quality, strategically focused investment opportunities in the North.

The Northern Development Board, federal and provincial partners are working diligently with northern stakeholders that they forward applications to address important infrastructure issues. We remain confident that the Northern Development Agreement will generate successful infrastructure projects that will change and enhance economic development prospects for northern Saskatchewan.

Another key program for Northern Affairs is the Northern Development Fund. Under the Northern Development Fund, we deliver small business loans and grants that annually benefit an average of 150 northerners. We also offer business development counselling service to northern clients. The NDF [Northern Development Fund] provides commercial loans to northern businesses, and primary production loans to trappers, commercial fishers, and wild rice growers. The grants program supports marketing, research, organizational development, and support for young entrepreneurship.

In 2004-05, SNA provided 11 commercial loans valued at 952,000 and 70 primary production loans worth \$364,893. The Northern Development Fund also provided regional support totalling 252,000 for five regional development corporations in '04-05.

Supplementing this financial support, SNA's regional development unit also provides organizational, technical, and other advisory support to five regional development corporations. This includes the development of operating plans, budgets, and project proposals.

Another important program is the commercial fishing production incentives program that provides financial support for the commercial fishing industry in northern Saskatchewan through a freight subsidy and price support mechanism. The freight subsidy, accessed by more than 500 fishers a year, helps equalize transportation costs for fish shipments throughout the North. The price support mechanism compensates for reduced market prices or increased operating costs on certain species.

With regulatory responsibilities in a northern mining sector, SNA negotiates and administers on an ongoing basis 13 surface lease agreements for current and former mining operations in the NAD. Through the northern mines monitoring secretariat we coordinate provincial government activities pertaining to northern uranium mining, and support the activities of the northern Saskatchewan environmental quality committees, the EQCs. Representatives from 31 northern municipalities and

First Nations communities are a part of the EQC and play a critical role in meeting industry and regulatory authorities' requirements for public inputs into decisions on new developments and mine operating approvals.

And finally, SNA provides strategic and developmental assistance to economic sector associations, northern entrepreneurs, businesses, co-operatives, community development corporations, and other northern organizations.

In closing, SNA has a total complement of 41 full-time equivalents, up 6.4 from '04-05. These additional staff will work to improve program coordination, improve communications, and to provide leadership in the delivery of the expected \$24 million uranium mine cleanup project — and I underline expected. SNA has permanent offices in La Ronge and Regina, with field offices in Creighton, Buffalo Narrows, and Saskatoon. Most SNA staff work in the northern administration district.

This provides you with key highlights of the services my department provides in northern Saskatchewan. As members will know, I could go on a lot longer, especially when it comes to the merits of northern Saskatchewan, but I will stop here.

I look forward to the opportunity to answer your questions, and I'm eager to be accountable to you and to the people of Saskatchewan through this new committee format. Thank you, Mr. Chair.

**The Chair:** — Thank you, Mr. Minister. Mr. Allchurch.

**Mr. Allchurch:** — Thank you, Mr. Chair. Mr. Minister, welcome to your colleagues today. The Northern Affairs budget is a very small part of the overall budget, but I know there's a lot of questions that need to be answered.

One of the things I have found in dealing with Northern Affairs in estimates is the questions that the people from the Northern Affairs distribution area have seems to get split up between different ministries, whether it be Education, Economic Development, Northern Affairs, or whatever. So in my line of questioning, I have to keep pretty specific to the budget of Northern Affairs.

I want to start with, under estimates of Northern Affairs, the department's full-time equivalency increased by 6.4. It was 34.6 and now it is 41.

Central management and services. There were overall funding reductions to central management and services. However, within that there were increases in executive management, accommodation services, and salaries. There were increases in executive management to the tune of \$7,000 increase. There was 17 per cent increase in salaries for central management to the tune of 119,000. Where were these jobs created and why?

**Hon. Mr. Belanger:** — Before I defer the specifics of the job locations and the roles of the FTEs [full-time equivalents] that we've seen an increase, I want to point out that over the last several years Saskatchewan Northern Affairs has, like many other departments, certainly have gone through a downsizing effort. As we've indicated time and time again as a government,

many occasions over the past several years have forced the government to certainly withdraw on many fronts some of the things that they want to do. So when we see an increase in the bump-up of some of Northern Affairs staff, it is because in previous years, as part of the austerity measures that we put in place, we had to withdraw offers for employment to fill the FTEs, and we even had to let people go.

So now that we are in better financial position as a province, I'm quite pleased as a minister to be able to have the extra staff available to us, because these extra staff are now working on many of the areas and the programs that I described earlier. And these are staff that are probably involved with policy development. I'll let my DM [deputy minister] get more specific, but as Minister of Northern Affairs I'm quite pleased to have additional staff doing additional work on behalf of northern Saskatchewan, after going through a couple of years of downsizing and a couple of years of losing some much-needed revenue and some help. So I'll ask Mr. Steeves to elaborate as to where the positions are and what the roles are.

**Mr. Steeves:** — Thank you, Minister. Yes, 6.4 staff increase, as our Minister referenced, this was in part a recognition that some of the reductions that occurred last year probably were areas that would benefit from some additional enhancement.

You will note that our actual overall staff budget didn't go up by a proportionate amount in terms of the overall budget for our department. We tried hard to be practical and flexible, not only with ourselves, but also with other departments how we manage that.

And I'll reference your comment earlier with respect to the fact that the North doesn't just mean Northern Affairs, but rather those actions of a number of other departments. And one of the key roles within that is the very fact that ours is a direct program delivery of areas like leases and things like the Northern Development Fund, etc. But a lot of it is kind of coordination, making sure things move ahead in the way it needs to serve the residents and the people of the North.

Within that context, we had lost two policy positions last year. And I think there was a sense that overall, in terms of the ability to move forward northern agendas, there really was a need for that kind of enhanced policy and coordination role. And we did identify those positions.

To be honest, we funded those out of reductions in codes 2 to 9, the expenses, those kinds of things so that we, in fact, would not, did not ask for additional funding. We found it within our existing budget and cut expenses in other areas.

The other positions came in part because of the close working relationships we were attempting to develop with other departments. I think there was a sense, from a number of departments, that there would be a benefit to enhance overall coordination, delivery of government programs with respect to communication.

And in fact, Saskatchewan Housing Corporation, through some efficiencies they did by really devolving another program or two to northern housing authorities, had an additional position which they frankly transferred to us with the understanding that

we would enhance our overall communication co-ordination role, serving theirs' and other departments' needs. That wasn't new money. It was just a transfer from department to department.

With respect to the area of an additional finance policy person within the 6.4, I think the Department of Finance felt that there would be benefit to supporting our financial management areas and transferred a position to us with funding again within their budget as well.

Finally, the two other professional positions that were identified both related very much to the need to begin to wrap up with the expected identification of the abandoned uranium mines cleanup fund. And as the minister referred to, I think that grows increasingly likely. We felt it would be not helpful to actually see that 24 million be identified and not be in a position to begin moving the projects forward for cleanup.

As a result, through the funding that was identified there, we were able to identify a specific individual who will work on the kind of technical aspects of the project planning with respect to the cleanup in a professional policy coordinating position here in Regina, that would actually encourage the coordination within departments to make sure that these projects move forward smoothly because there are more than one department — just as you say, with respect to the cleanup — that bear responsibility. So that funding came from there.

Finally, there was a point four admin support increase because of some of those areas with respect to the abandoned uranium mine cleanup as well that we needed to be identified. And that was actually identified again through efficiencies within our budget.

So a long-winded answer, Minister, my apologies. In terms of the 6.4, that's what they're doing. And in terms of the funding, frankly there was very little in the way of a new request for funding. It was either done through transfers from other departments, efficiencies within our overall operating budget or . . . well really those two, or the abandoned mines clean-up fund and trying to ramp up for that. We were trying hard to be as frugal as we could given the situation, Minister.

**The Chair:** — Mr. Allchurch.

**Mr. Allchurch:** — Thank you for that answer. One of the things in your answer was regarding that many of the problem in the North result in going to different ministers to find out the answers. I asked this question to the minister last year, as if he thought about having a one-stop centre in the North that would deal with this.

It was said at that time that he would look at it. I'm just wondering if the minister and your colleagues have decided which way to go in that regards because I still believe in the North it is a great, huge problem for people finding out information on different things, that they have to take time to go to different ministries to find out the answers.

**Hon. Mr. Belanger:** — Yes. Well I'm obviously quite pleased that the official opposition has taken that position that, you know, we need more emphasis on Northern Affairs and

northern Saskatchewan. This was obviously something that was a bit of a concern to us when we had discussions about the role of Northern Affairs in general. And one of the purposes of us staffing up this year was to do exactly that — have more of a central, coordinated role on behalf of northern Saskatchewan.

And although the department itself is a small department in relative terms of dollars and FTEs, it is a very effective and dynamic staff and a very effective and dynamic department I might add, not primarily because I'm leading it — I might like to think so at times — but it is primarily because of the staff and the amount of work that is being undertaken by the staff on many fronts.

Not just operating the current programs that I've indicated, but one could include within Northern Affairs the \$20 million Northern Development Agreement; one could include within Northern Affairs the abandoned mines file, which would be up to \$30 million by the time we get the federal government engaged; one could include the expansion to the northern uranium mining industry; one could include the tourism or the forestry aspect in terms of what is happening in northern Saskatchewan; one could include the amount of highway construction work that we've been asking for to be delivered to northern Saskatchewan.

So yes, easily this five and a half million dollar department could quite frankly become a 100 or 120 million department. But it's very important to note that what we want to see is a strong, effective northern Saskatchewan department that really coordinates on behalf of all northern Saskatchewan the government's agenda. So more staff, more focus on strategic programs and projects, and certainly having the success that we've been enjoying is something that I think fulfills the offer that we made last year, making Northern Affairs the premier and the number one department when it comes to dealing with northern Saskatchewan.

**Mr. Allchurch:** — Well thank you, Mr. Minister, for that answer. And contrary to what you've just stated and many of the phone calls and the conversations I've had with northern people and northern officials, they have stated many times when I've asked the question, does Northern Affairs, the ministry of Northern Affairs, work for you people in the North? And they've stated many times no, it doesn't. But do not change it until there's something in place that will replace it.

And I think their frustration is the fact that Northern Affairs is a small part of the budget. Most of the ministries involved in our province are resulting in aspects to the North, and therefore the people up there don't feel that Northern Affairs really does the job they feel they need in the North. And that's why the question was asked, is there going to be a one-stop shopping centre in the North that would deal with the problems of the North as a whole rather than through all the other ministries in the province, and excluding Northern Affairs, which should be there for the northern people.

**Hon. Mr. Belanger:** — One of the, if I can, one of the things that we have to make sure that we do — and I'll point out, for example, the abandoned mines, the northern abandoned mines, uranium mines cleanup — is that Northern Affairs has led that file on a continual basis. We have been meeting with Minister

Efford and we have been working closely with Industry and Resources, and Environment.

I would like to take my hat off to the officials of Northern Affairs for being very aggressive and certainly presenting what I think has been a very astute plan as to how to achieve this.

The uranium mine cleanup — some peg at 24 million, others peg at 30 million. There's a number of partners. We have to look at what the federal government might do; what the provincial government might do; and what other private companies that may have been engaged with that area or with those mines at the one time, what they might do. So this may end up to be a \$30 million department.

So I would argue that on many of these fronts, whether it's the Fort McMurray road, whether it's the forestry build-out, or whether it's the uranium mine cleanup, Northern Affairs is a very strong, effective department that leads many of these issues.

Another example is the commercial fish processing plant. Northern Affairs has been there for that particular process. Another example is the Northern Development Agreement — \$20 million — and Northern Affairs has been there for that particular agreement.

So it is of interest to me when you say northerners don't feel that Northern Affairs is effective enough or big enough. Well I'd point out that if we seen our budget jump from 5 million, as we have now, to over \$120 million, almost everybody overnight would say, well what's going on there? But in a sense what we're effecting and impacting here is a significant amount of development in the North. And even though we're small in nature, in terms of the staffing and the budget, our impact is enormous.

And I can tell you, the amount of coordination we get from other departments when it comes to the Northern Affairs mandate is just absolutely incredible. There are times, like in any other government, that we have miscommunication and there is, you know, there's challenges here and there. But overall, the amount of coordination and working together attitude, kind of, that permeates the relationship that we have with other department is astounding. It's really, really good.

So my answer to the people of the North is, absolutely. We have a one-stop shop; it's called Northern Affairs. We're very effective at working with other ministries and other departments. We have a very large mandate, a lot of challenges, but we are gaining good progress and we are seeing success. So we'll continue moving in that general direction.

**Mr. Allchurch:** — Well thank you, Mr. Minister. Well as a minister, you may feel it is working. I wouldn't have got as many phone calls as I've had from different organizations and people if it was working to the result that you say it is.

I know in the North that there is a lot of problems with funding, and it's related to the federal government. In regards to federal government funding in the North, what is the formula that the province works on, in regards to funding projects up in the North?

**Hon. Mr. Belanger:** — In general terms, what we want to approach the federal government on is a 50/50 cost-share arrangement. And I noticed you had discussions here with the Minister of Highways. And one of the issues that certainly impact and affect the North is the notion of highways need to be addressed in the North. We understand that. We've had some progress, and not as much as we'd like, but there has been some good progress.

And one of the examples that we use when we deal with the North, or with the federal government when it comes to the North, is look at the abandoned mines cleanup. You know, there may be a private company involved. There may be a \$30 million cost. Well maybe the feds can come up with half of that and maybe we can come up with half.

I looked at the . . . A good example that we have is the Stony . . . or the Black Lake road. We want to see the federal government come to the table on that as well. Because what did they get? As the Minister of Highways indicated, they have gas tax; they have GST [goods and services tax] on gas. So what do they pull out of the province each year? I think the federal government pull out an incredible amount each year.

So when we talk about building roads in Saskatchewan, from what I can gather — and I'm not the Minister of Highways — but all the indications that we have is they say to us look, we get \$300 million a year in gas taxes; we spend approximately that amount. We're trying to get the federal government to spend some of their 180 or \$200 million — this is all memory — that they get as well.

So if we start looking at the North and saying we want to build the road to the Far North, it's going to cost 50, 60 million — conservative estimates. Well we'd like the federal government to come on board and help build that road — as we'd like the federal government to help build many of the roads in Saskatchewan — because they are pulling out a significant amount of tax revenues on gas out of the province.

So whether it's the abandoned mines file or whether it's the far north road, we are asking the federal government to come on board on a 50/50 scenario to help meet some of the objectives of the North. And what we in Northern Affairs refuse to do, what we refuse to do is have the blame game played in regards to some of the efforts that we have undertaken.

All we tell the people of the North is look, when it comes to progress, we are prepared to do our part, and you need to see the federal government to do their part. And on many occasions, the answer is no. So what's the use of building half a road to anywhere unless you got a good, solid partnership that you can make sure the road is built completely to a location that people wish these roads built.

So I would point out, as I mentioned before, it's always been a 50/50 arrangement and I wish we could do more partnerships. And we're having some success and we hope that success continues.

**Mr. Allchurch:** — Well thank you, Mr. Minister. A follow-up question to that regarding the 50/50 split, which I'm kind of shocked that the Minister of Northern Affairs would say that.

Yet last year, in asking the questions to the Highway minister regarding the Athabasca Economic Development and Training Corporation with the all-weather roads in that part of the area, when it was asked of the Minister of Highways in regard to the formula up there, they said it was one-third, one-third, one-third. So I'm wondering, in the two ministries, what's the difference between Northern Affairs wanting a 50/50 split — which that's what it should be and I agree with that — and a regard to the roads in the North, in the Athabasca area, I believe the federal government had their share available.

I think there's a problem here between the two ministries as in regarding the formula and this is why, one of the main reasons why the Athabasca area for the all-weather roads is not being done. It's been discussed all the time. There's no action.

**Hon. Mr. Belanger:** — Well I would point out that when I mentioned that there's some good coordination between departments — the answer — I'll stand by my statement. Because there absolutely is.

And I'd also advise that member — and again I'm going from memory — several years ago we replaced a very expensive facility in northern Saskatchewan in the Athabasca Basin called the Black Lake hospital. And in that agreement, I believe the province put in — of the \$12 million cost — the province put in \$9 million and the feds put in \$3 million, even though the vast majority of people in that particular region are First Nations people.

So yes, we can play the mug's games; we can play the numbers game. But there are many occasions where sometimes we get to pay more of the share than we would like, and sometimes perhaps the feds get to pay less of the share than they would like, or that they want. So our objective overall, as I mentioned earlier, is to not play that game of blaming each federal or provincial government, which they often do to us.

So I would point out as minister, from the vantage point where I sit, is we will try and coordinate as many deals as we can from as many sources as we can to try and see progress happen on many fronts in northern Saskatchewan. So when you come along and say, well we don't think Northern Affairs is correct, or Highways is doing a different thing, that's not fair at all. We take all we can from our positioning to try and move the northern agenda forward as best we can.

And I would say to the people of northern Saskatchewan, is that's exactly the kind of effort you want to see undertaken — to get as many deals done in a constructive fashion as you can with your federal counterpart. And yes, we would like 50/50, but many occasions it's not a perfect world. And many occasions we have to bend to try and get things done. And many occasions we stay resolute in terms of what we think their role is. And sometimes we get things through, and sometimes we don't. That does not mean we're not coordinated. It means that we're trying to be flexible enough and fair enough to not play the blame game and see the North move forward. That's our position.

**Mr. Allchurch:** — Well thank you, Mr. Minister, for that answer. It's just ironic though that one minister says in the North, we're working on a 50/50 split, and yet for projects in

the North like the Athabasca road — all-weather road project — it's a different formula. I'm wondering where the difference is.

In regards to the hospital posts that you just mentioned — I don't know when this hospital was built and I don't know the scenario around that hospital — but it reminds me of some questions I have regarding the hospital in your backyard, the hospital proposed by the budget for Ile-a-la-Crosse. And to the Ile-a-la-Crosse community and people of Ile-a-la-Crosse I say to you, Minister, and to the people, it is great that that community's finally going to get a hospital.

I've been up to Ile-a-la-Crosse a couple of times. I've been through the hospital. I enjoy walking through that hospital. But there is time and need when it needs to be upgraded. And I'm glad this year, that in the budget proposal, that Ile-a-la-Crosse is awarded with a new hospital.

In regards to the Ile-a-la-Crosse hospital then, in regards to what you've said about the hospital of Black Lake, what is the formula for Ile-a-la-Crosse regarding funding?

**Hon. Mr. Belanger:** — As I've mentioned time and time again, the scenario that I would like to see is 50/50. I would like to see that on many fronts. So don't perceive my 50/50 cost-sharing arrangement as something that we're going to stay steadfast on when it comes to negotiating with the federal government.

As my colleague in Highways said, if we can get a better deal from them on other fronts or we can get a better cost-sharing arrangement to get them to the table to help pay for some of these things, then we as provincial leaders have to do what we have to do to make things move forward.

So in reference to the Ile-a-la-Crosse hospital, I'm glad you share the success of northern Saskatchewan communities. I really am. And in reference to the federal government, well I'd say it's being funded by the provincial government fully. And obviously, through the Canada Health Act and probably through the CHST [Canada Health and Social Transfer], that the federal government could clearly say that they have a role in providing health care to the people of Saskatchewan. They can claim through the back door some of the credit and some of the work being done. But there is no cost-sharing arrangement there. It's being done through the Canada health transfer Act, whatever the acronym is.

But I will point out that in the Ile-a-la-Crosse project, it's a long deserved and much awaited project. And in this instance, the provincial government certainly led the file and there's provincial resources there and the province is paying the full shot.

And I would say that, in the backdoor way, the province should have transfers to the province through the Canada health and education Act — I don't have the exact acronym in front of me. But they can certainly also say that they have had some dollars provided to Saskatchewan as a whole, to provide health and education service. So there's always that backdoor opportunity.

**Mr. Allchurch:** — Well thank you, Mr. Minister, for the answer. I am really glad — and I know the people of the province are glad — that Ile-a-la-Crosse is finally getting a

hospital, because it is well overdue and well needed.

And a follow-up question to that, Mr. Minister. The federal government came to the table regarding the hospital at Black Lake. They didn't come to the table regarding the hospital at Ile-a-la-Crosse. Now did you state that the province is funding the hospital project at Ile-a-la-Crosse 100 per cent?

**Hon. Mr. Belanger:** — Yes.

**Mr. Allchurch:** — Okay. In regards to that then, I know when you look at hospitals all across the province, I know when the town of Spiritwood, my hometown, built a new facility some five years ago, the community of Spiritwood and surrounding district had to come up with a 40 per cent share. I believe the cost share was 60/40.

What is the reasoning for that in comparison to . . . And let's use three different scenarios now. We have Black Lake, where the federal government came on stream at a 70/30 split. We have the 60/40 split for hospital projects in the province. But yet we have a 100 per cent share at Ile-a-la-Crosse. Right there, Mr. Minister, we have three different scenarios.

**Hon. Mr. Belanger:** — Well if I can respond to the challenge. In the Far North, we have often spoke about the need to recognize treaties and the need to respect treaties.

In the Far North, Black Lake is a reserve, and we have primarily indicated time and time again that First Nations health is the responsibility of the federal government. We've always maintained that. So in saying that, the question that I pointed out to you earlier is, why is the province now contributing 70 per cent of the project cost to primarily serving First Nations in the Athabasca basin? Because we had no choice and because we wanted to. That project would not proceed without our provincial input and without our provincial dollars.

So the answer to your question, in Black Lake it is primarily First Nations, and that's why the federal government put in their 30 per cent compared to our 70 per cent. And this is all from memory.

Now the second part, in reference to La Loche's hospital and Ile-a-la-Crosse's hospital is the funding from the . . . for both projects came from, primarily from the province. And when I say primarily, is because some of the northern corporations, whether it's Cameco or COGEMA, they also came along and made some donations. And I believe that the amount that they both give to the Ile-a-la-Crosse project was 50,000 and to the La Loche project was 100,000.

And then the second component of that was the communities, like the southern communities, were asked to do some of their own fundraising. And I think in Ile-a-la-Crosse, as an example, they got to raise something like \$1 million locally.

And the problem we have in these northern communities is the economy is so . . . is in rough shape. We need to have an economic base. So I say to the people of southern Saskatchewan, you know, we haven't got the economic base that you do in many of these southern communities. We are struggling to try and create economies in northern



Saskatchewan, and even a local tax base is difficult, you know, to sustain.

So now people that aren't working and looking for work, now they are required to find \$1 million in the Ile-a-la-Crosse, which is a huge undertaking.

So many times the province is saying, well, we want to be fair to all the communities as we possibly can. But northern communities don't enjoy the same kind of wealth as many southern communities. And that is the specific reason why on some of these instances you see us modify our position. Not because we're trying to show favouritism, not because we don't respect the work of southern people, not because we recognize that they have challenges as well, it's because we have some severe challenges in northern Saskatchewan and we have to address those challenges over time. But in the meantime, we shouldn't allow them to suffer the indignation of not having proper services and proper facilities because of their lack of an economic base.

And this is the reason why we are very careful as a government to do all we can to work and move issues forward. And that's why I always commend Northern Affairs . . . [inaudible] . . . some of the work that they've done.

**Mr. Allchurch:** — Well thank you, Mr. Minister. In regards then to the share that Ile-a-la-Crosse had to put up, the government is covering it, which is good because now the citizens of Ile-a-la-Crosse have a hospital. When is the hospital going to start, and when will it commence, and what is the cost of the hospital project?

**Hon. Mr. Belanger:** — Well obviously, the Department of Health and the Department of Education would have more specific costs and timelines. But from all the information that we're getting through my office and certainly as the MLA [Member of the Legislative Assembly] for the area, I believe — and I could be corrected — that the total project costs are nineteen and a half million dollars. The facility is a joint-use facility; it is a school and a hospital under one roof. And the tender, I believe, is going out next month — which is May — and construction and sod-turning is supposed to be happening in June.

**Mr. Allchurch:** — Well thank you, Mr. Minister. In regards to Ile-a-la-Crosse hospital, why was there no federal funding for that hospital as it was in Black Lake? Maybe the circumstances are somewhat different, but why was there no federal funding?

**Hon. Mr. Belanger:** — I want to point that, again, the primary reason that we went and ventured into the far north facility at the extent that the province did was that we knew that there was an acute need in the Far North for their hospital. And yet there was not as much federal commitment as we thought would exist for First Nations people in terms of health, delivering health needs. So in that instance then, clearly I think we showed a lot of leadership.

So the reason that there isn't any help in Ile-a-la-Crosse except through the CHST [Canada Health and Social Transfer] transfer — I think that's the acronym — the federal government played a larger role in the Black Lake hospital than they would in the

Ile-a-la-Crosse hospital. And it's just the way, that's just a fact that this is how the province, certainly the challenges the province has.

**The Chair:** — Ms. Draude.

**Ms. Draude:** — Thank you, Mr. Chair. Mr. Minister, and welcome to your officials. I just have a couple of questions that I need some clarification on. With the Northern Development Agreement, how much money does the federal government put towards that agreement?

**Hon. Mr. Belanger:** — The cost-sharing arrangement is 50/50 — 10 million from the feds and 10 million from the province.

**Ms. Draude:** — I understand from speaking to some individuals that there's a First Nations forestry plan. Can you give me some details on that plan?

**Hon. Mr. Belanger:** — Unless you are able to give me the names of the individual you spoke to, we can't give you any information at this time because I'm not familiar with the proponents of the plan.

**Ms. Draude:** — Are you . . . Is this a provincial plan, you're just not aware of it or is it just something outside of the province?

**Hon. Mr. Belanger:** — Well as MLA, as you can appreciate, when I travel home there's probably 10 or 15 different ideas folks have and there's probably 5 or 6 forestry plans that people have. So that when you say a forestry strategy by some individuals, it's difficult for me to ascertain which group. And if you give me some specific information, we can get more detailed information as long as we have the right project.

**Ms. Draude:** — Thank you, Mr. Minister, and I will do so the next time we have an opportunity to meet.

Earlier this afternoon when you were speaking, you talked about the federal government pulling a lot of money from the North every year. Were you talking specifically about gas tax or what were you referring to?

**Hon. Mr. Belanger:** — Well certainly in the instance of the road infrastructure and the challenges that we have in the North, I was making specific reference to the gas tax.

**Ms. Draude:** — Is there other funding that comes, that comes from the North directly to the federal government?

**Hon. Mr. Belanger:** — Well certainly from the process of taxation through the CHST transfer, the equalization transfer, there's probably effects felt throughout the North from some of the work being done by the federal government. And obviously the federal government have their own programs in place. But some of the specific agreements that we have in terms of Northern Affairs specific involvements are things like the NDA or the abandoned mines and so on so forth.

**Ms. Draude:** — Thank you. Mr. Minister, when it comes to looking at the potential of Saskatchewan, many people in the North and in the South believe that a lot of our potential is in

northern Saskatchewan, whether it's in forestry or mining or fisheries and undiscovered opportunities, as well, oil and gas and that type of thing.

Can you give me an idea of what your department feels the northern economy does provide towards the GDP [gross domestic product] of this province when it comes to assets or work that's being done at the present time?

**Hon. Mr. Belanger:** — Well I would point out that one of the challenges that we have in northern Saskatchewan is exactly your point — we are very rich in northern Saskatchewan, we have abundant resources. And whether it's uranium; whether it's forestry; whether it's even, in this day and age, gold and diamonds, there's a lot of work being done.

And you're absolutely right. We envision, in northern Saskatchewan, that the South will look at the North for opportunities over the next 20 years. And I think a lot of the opportunity will be based in northern Saskatchewan.

But the clear message that we often hear, and I'll go into more specific sector-by-sector analysis in terms of what the sectors in northern Saskatchewan contribute to our province — well not specifically to the GDP but in general — the sectors, what they provide to the province, is the whole notion is that there is some incredible benefit to the province as a whole.

The message that northerners have is that we will share this opportunity with all of Saskatchewan because when times were tough, the South certainly helped the North. When times get better for the North, the North also wants to help the South. We see that in the employment stats, we see that in the benefits to some of the taxation collected and some of the opportunities for employment and so on and so forth.

The only message we have back is, we want to be able to be part of that economy. We want to be part of that economy, not cheerlead the economy but to be part of it. And that's the specific reason why Northern Affairs exists is to make sure some of those things happen. That's why we're here.

So I would ask, from our perspective, Mr. Turkheim to give us more details sector by sector as to what is happening in the North and what the provincial impact might be.

**Mr. Turkheim:** — Thank you, Minister. I'm not able to give a lot of specific or updated details with regard to the GDP breakout, I don't have that information from Finance. I think we're all well aware, though, that the northern economy contributes 100 cents on the dollar towards GDP with regard to any uranium development revenues from this province. The same would be true with respect to any wild rice revenues, usually run 2 million, 2.4 a year despite the . . . and like an agricultural crop experiences the same sort of challenges as southern farmers did last year; non-timber forest products beyond wild rice production, roughly in the neighbourhood of 1 to 1.5 million a year.

I can't, unfortunately, provide the breakout as to the value of forest harvest in the North in terms of what it's contributing through the sheet goods and dimensional lumber facilities. I don't have that information available but expect that, between

the Department of Finance and the two other departments, that information could be provided.

**Ms. Draude:** — Thank you to the officials and to the minister. Mr. Minister, Saskatchewan has unlimited promise and potential. I look forward to getting the information. But I guess I'm hoping that when it comes to developing the North and as the minister responsible for the North, there must be a northern strategy where you can come on line. Our people have hopes for tomorrow when it comes to taking their rightful place in so many areas in the province, so I'm thinking that there must be within your department a business plan and a strategy and a methodology towards opening up the North with its unlimited natural resources and human resources.

So is this strategy or business plan available? I'll start with that. Is that plan available now?

**Hon. Mr. Belanger:** — Yes, the plan is available. I will get my deputy to give you more specific details on the plan.

But what I'll point out is that we take — Northern Affairs does, the minister and the entire staff — take a very, very stringent view of some of the things that we have to undertake as part of this government. The Premier and the cabinet, through the creation of Northern Affairs, have dedicated a specific focus on northern Saskatchewan. As I mentioned earlier, let us not look at the \$5.4 million at the end all, be all, because our effect and impact is felt right across this government.

And I'll point out that several years ago Stony Rapids did not have water and sewer. There's a seven and a half million dollar system there now today. I can point out that Pinehouse was overcrowded in their school. Well there's a brand new school there today.

I can point out that large corporations owned forestry rights in and around Buffalo Narrows, Beauval, Pinehouse. Well today the people of those communities own those forestry rights.

I can point out the road to Garson Lake where there did not exist a road. I can point out to the Black Lake hospital, La Loche hospital. I can point out to the Ile-a-la-Crosse project. I can point out to the cellphone coverage. I can phone about the planned forestry and tourism strategy.

We can sit here for hours on end talking about the value of some of the work being done in northern Saskatchewan. In the end there is a northern strategy. In the end there is northern success, and this province is a big part of that. But time and time again there's a lot of challenges that we have to meet and we will continue meeting them. And the only way we can get that done is through a good solid plan. We have a plan, and I'll allow my deputy minister to explain what that plan is.

**Mr. Steeves:** — At the present time, we're going through a major rewrite actually of that plan. And I think that the kinds of things that our department particularly takes responsibility for is the overall policy and coordination role. And what we're trying to do is reinforce and set context in terms of what people operate within. That means, for example, issues such as economic development — the particular piece that the minister referred to and the kind of things that can happen there —

mining, forestry, tourism, fisheries, things of that nature.

But I think in that area, equally important and the kind of things we're working on and bringing forward for consideration and updating, that is the role of infrastructure — water and sewer in communities, roads, power transmission, natural gas transmission — all those are pieces of developing an overall effective kind of strategy.

Ownership. Key issue I think that we hear about and that we're interested in exploring is ways in which we can enhance northern ownership at the individual, community, institutional level — those kind of things. Beyond that, accountability — provincial accountability in northerners to meet their needs; you know, accountability for local, individual people to meet the same kind of rules and expectations that everyone has otherwise.

We're looking at those kinds of things and looking at how we can update and move that plan forward in a way that will serve the needs of development in the North. And I think beyond that, not just development in a strict economic sense but by generating the kind of jobs that the minister has referred to, we build safer and healthier communities. And I think that's something that, you talk to northerners, they'll tell you very quickly that what we really need here are jobs and ways we can build our families, build safe, secure communities. And that's something that within the work we're doing, and updating our plan, that we're focusing quite a lot on.

**Ms. Draude:** — Thank you, Mr. Minister, and to the officials. And I guess I started by asking for the northern strategy or plan. And the minister said that the officials would give it to me and I haven't heard it yet. I would imagine that something would have to be given to me. I understand you're working on it.

But I think that what the people from the North are talking about to me and to my colleagues . . . And my colleague here has talked and congratulated the minister on the number of infrastructure projects that the minister has talked about, with his hospitals or schools or roads. That's all delightful and great, and that's what we need. That's what the government is there for.

But the words I haven't heard from anybody is input from the northerners. We know that nothing can be done in the North just by government. Government is there for the infrastructure. But what we need is for the business people and the people that have had the thumb on their head for years to have the opportunity to start developing some of the businesses and the potential of the North, because it doesn't matter what government is, you can't think of all the opportunities; it's the people that are living there.

And I think the frustration that my colleague was talking about, whether it's this department or other ones, is that they don't get . . . their voice isn't heard. And they haven't been able to get rid of their shackles that feels like government is there, is there on every corner they turn on. And the government makes the decisions and makes their life happen or not happen up there.

When I talk about the promise of Saskatchewan, that is the promise of unleashing the potential there that the people have to

be able to do. I congratulate you, and I congratulate your government for providing infrastructure. But you've got to be able to start . . . you've got to allow them to do the real job. Government doesn't . . . We cannot create enough jobs through government to employ everybody in the North. You've got to get the businesses up there and allow them to be able to do what has to be done.

So I'm looking forward to getting a copy of the business plan, and I'm looking forward to seeing the vision this government has. But I'm sure hoping that I see in there very many times the individuals that are going to do the work to develop the North.

**The Chair:** — Thank you, Madam Member. I think we will give the Deputy Chair the opportunity to have the last word today. And it now being near 5 o'clock, the committee will now stand adjourned.

[The committee adjourned at 16:59.]