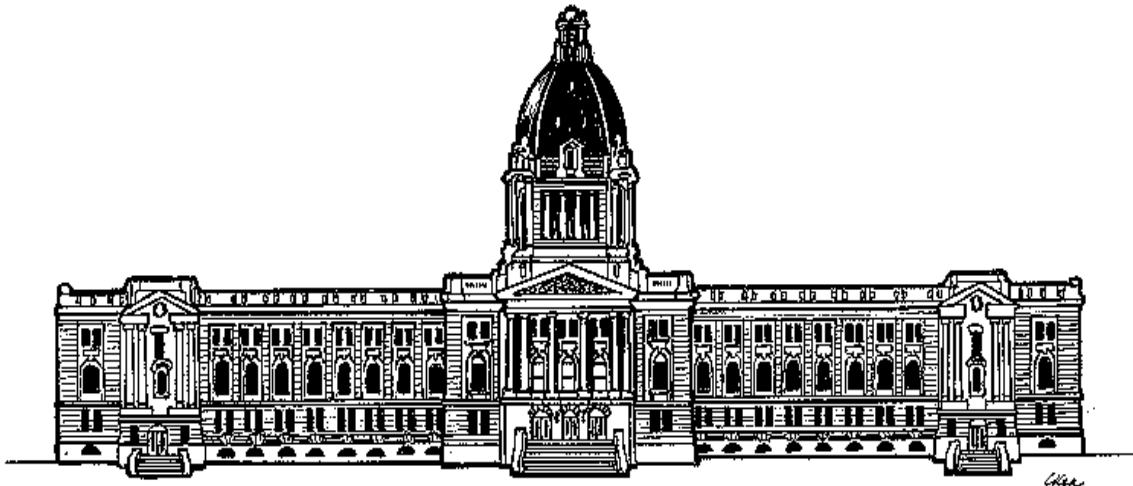




STANDING COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND INFRASTRUCTURE

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**STANDING COMMITTEE ON INTERGOVERNMENTAL
AFFAIRS AND INFRASTRUCTURE
2006**

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Ms. June Draude, Deputy Chair
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Mr. Andy Iwanchuk
Saskatoon Fairview

Hon. Maynard Sonntag
Meadow Lake

Mr. Kim Trew
Regina Coronation Park

[The committee met at 15:00.]

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

Subvote (HI01)

The Chair: — We will now convene the Standing Committee on Intergovernmental Affairs and Infrastructure. The item of business before the committee this afternoon is the consideration of vote 16, 17, and 145, Highways and Transportation.

I recognize the minister, and I ask the minister to introduce his officials.

Hon. Mr. Lautermilch: — Thank you very much, Mr. Chairman. Well we're back, and I would like to introduce my officials. To my right is Terry Schmidt who is the assistant deputy minister of operations division. To my left, John Law, deputy minister. To his left, George Stamatinos, the assistant deputy minister of policy and programs division. And behind us, Mr. Ted Stobbs is on the right, assistant deputy minister of corporate services division. And to his left is Tim Kealey. Mr. Kealey is director of corporate support branch.

The Chair: — Thank you, Mr. Minister. Being that you've been before the committee before, I assume you have no opening comments to make.

Hon. Mr. Lautermilch: — You're correct.

The Chair: — Thank you, Mr. Minister. Mr. Weekes.

Mr. Weekes: — Thank you, Mr. Chair. Welcome, Mr. Minister, and your officials. I have a couple of highways I'd like to talk to you about. This one, Mr. Minister, you are aware of. There's been an email, or a letter sent to you from a Rae Brightwell up in the P.A. [Prince Albert] area. It's concerning Highway No. 355.

And this person has supplied me with some startling information concerning near tragedies in that area. Since this person's sent you some information, there's been a rollover, and a young girl was injured on Highway 355. And the road is so bad that the message says:

Our community is selling t-shirts that say, "I SURVIVED HWY [NO.] 355, SK"

And the people are buying these T-shirts as a fundraiser for a charity.

Mr. Minister, could you give us an update on the future improvements of Highway 355?

Hon. Mr. Lautermilch: — Mr. Chairman, I'm going to ask Mr. Law to respond to Highway 355 and what we have planned for that.

Mr. Law: — Thank you, Mr. Minister. The highway that the

member refers to is a TMS [thin membrane surface] highway. It tends to be one that there are some sections that are fairly heavily used for hauling by local farmers and there's also I think a fertilizer plant located along that route that is one of the reasons for the heavy traffic.

We are aware that this is one of the areas where we're having some difficulty in trying to maintain the highway in the condition that we would like. There are some spots where there has been deterioration, and our plans for this year include trying to improve safety by putting it into a gravel condition. I think approximately 5 kilometres this year that are scheduled to be put into that condition in order for us to maintain a safer travelling condition on 355.

Trying to maintain that as a TMS, as we've discussed on previous occasions, sometimes leads to a lesser safe condition in terms of our ability to maintain it, and particularly in this case given the spring conditions that we're struggling with. We believe that this will allow us to be more vigilant in our ability to look after that particular highway in terms of the current conditions. We will be looking over the course of the construction season at whether or not there are some better improvements that can be done once the conditions improve. If the drying conditions that we've been experiencing here recently continue, we should be in a better position to do work on those stretches that will be more permanent in nature.

Mr. Weekes: — Thank you. I'll pass that on. How many miles of thin membrane highway will be converted back to gravel this year?

Mr. Law: — Are you interested in that specifically for Highway 355 or for the entire province?

Mr. Weekes: — For the province.

Mr. Law: — The work that we do in converting TMS roads back to gravel is typically dependent on the individual conditions we find from year to year, Mr. Weekes. So it depends very much on those areas that we think would be of greater public safety to convert back. So we don't have a forecast going into the year. In other words, there's no predetermined program that we're working towards in terms of gravel reversion. It's done exclusively on the basis of public safety

Last year I understand that we, and this would be a bit of a rough estimate, but we probably did somewhere in the neighbourhood of about 30 kilometres that we may have done some reversion to gravel on. So I'm trying to give you a ballpark as to what we might expect to have to deal with if the conditions were equivalent to those that we dealt with last year. But it will be very much dependent upon the nature of individual safety conditions along some of those TMS highways that will dictate how much of that work we will do, and it will be based on the work of our local crews going out to make those assessments as we go through.

Mr. Weekes: — Thank you. I'd like to turn to another case file that I have concerning Highway No. 40 west of Hafford and this is a perennial problem. This year it has crater-like

conditions in the first 5 miles west of Hafford. And the people from that area said there have been no crews out there to repair this road, and the condition has existed since late March. Gravel was used to fill the holes at one point. And they would like to know when the department will be out there to fix this problem area.

And not only this year, but in the future as well because this is a stretch of road that is well-used and every year there is serious problems in that stretch of the highway. And some years there've been trucks actually got stuck in the highway because of going through the pavement into the base and getting stuck with horse trailers and trucks and other equipment. So I'd just like to ask you what the plans are for this stretch of the highway?

Mr. Law: — Highway 40 is again one of those circumstances where we will be making an assessment as we go. It's relatively early in the season here and so until that road dries out, our ability to do permanent repairs may be somewhat limited. We will undertake to get you a more current update as to exactly what the schedule is for our maintenance crews in that area and provide it back to you.

Mr. Weekes: — Thank you, Mr. Chair. Mr. Minister, turn to another attention. I've asked you some questions in the past about this Bill Kurk and Titan Excavating. A couple more questions. It is my understanding that there might have been additional forgery charges with regard to the contract with Bill Kurk and Titan Excavating and the department. Can the minister elaborate on this?

Hon. Mr. Lautermilch: — Mr. Chairman, I would say to the member that we're not aware, and I mean none pertaining to the Department of Highways. There may be some that are under investigation by the RCMP [Royal Canadian Mounted Police], pending charges, but they would know that. We aren't in a position to be able to tell you that because it wouldn't be pertaining to us.

Mr. Weekes: — The question is in addition to the surety forgery charges that were made, there was other charges.

Hon. Mr. Lautermilch: — Yes, we can't know that unless we're involved. And I can say that we aren't, to our knowledge, involved in any others.

Mr. Weekes: — Thank you. Could you tell me who in the department would've witnessed the signing of the official contract, and it's department contract no. M04019?

Mr. Law: — Mr. Weekes, the question was whether or not we had an individual witness the signature on the surety bond. The answer would be no, we would not have been present for the signing of the surety bond. If it was a question about our contract with the proponent, there would have been a number of sign-offs that probably would have been involved in that particular case on the contract.

Mr. Weekes: — Yes, my question was concerning the department contract and the number that I gave.

Hon. Mr. Lautermilch: — Mr. Chairman, and Mr. Weekes,

I'm told that although we don't have the contract here — because it dates back to 2004 or somewhere around there — we can find that for you, and find out who signed off just with respect to the amount of the bond which we recall to be about \$50,000. It would appear that the contract would have been in the neighbourhood of \$500,000 which my deputy tells me would have, in all likelihood, been signed off at an assistant deputy minister level. But we can find out the date of that and at what level it would have been signed off.

Mr. Weekes: — Thank you, Mr. Minister. Could you send me a copy of the contract M04019 please?

Hon. Mr. Lautermilch: — I believe that was the contract. That is what we were referring to. I wrote it down as you first indicated was M04019, which would date back to around 2004. We don't have it here because we don't have information that far back with us as we're debating this year's budget. But, I mean, we're willing to deal back to '04.

But just based on what we do know, the bond for the . . . And you're speaking to the bond that was in the neighbourhood of 50,000 which would say it's about a \$500,000 contract. And yes, we can. We'll find that information for you.

Mr. Weekes: — Thank you.

The Chair: — Mr. Wall.

Mr. Wall: — Thank you, Mr. Chairman. Mr. Minister, officials, I have some questions with respect to southwest Saskatchewan. I'm sure the member for Cypress Hills will be talking about Highway 32 as he should. And I also have a question about it.

I think, yesterday our local TV station in Swift Current, Southwest TV News, decided to do a story on Highway 32 between Highway 1 and Leader because of the growing number of complaints they were hearing. And I think as they got to about Lancer up that Highway 32, they were met by 40 to 50 people who just heard they were coming.

I want to tell you, it's very frustrating for those of us who travel that highway, to travel it and see the pumpjacks on both sides, and increasingly — certainly near the Great Sand Hills — the gas exploration. When you see those you understand with clarity the oil and gas royalty cheques that your government is cashing as a result of that particular part of the world — significant, significant millions of dollars. And well I think the member for Cypress Hills says 264 and he'll talk more about that I'm sure in a moment. And yet it has, well for the last 15 years, seemingly been completely ignored as to its importance economically.

There's a whole bunch of safety issues. I have a constituent who travelled it, he said . . . very quickly, and then I'll put the question, Mr. Chair. I'll read from his letter; he's a Swift Current business person:

In particular the portion of the highway from Lancer to Prelate was not only deplorable but outright dangerous. I counted 64 red caution flags in that stretch and actually a total of . . . [94] red flags from Eatonia to Swift Current.

When will this road be properly constructed?

Hon. Mr. Lautermilch: — Mr. Chair, what I can say the member, with respect to Highway 32, is correct. It is another one of our thin membrane roads that has been breaking down. It's not in good condition.

And as he has articulated, the activity caused by the increased oil and gas activity in Shackleton area is correct as well. I think it's fair to say that we will all be aware hopefully that the increased agricultural haul patterns and the increased activity in a booming oil industry has put a lot of pressure on the thousands of kilometres of thin membrane roads that we have in this province; not only in the Shackleton area but in the northern part of the province on other thin membrane roads.

And it's been faced by more than just exploration and developmental activities. It relates to oil and gas. But it's been ongoing pressure that we've been facing as it relates to rail line abandonment and as it relates to elevator closures and as it relates to agricultural hauling on these thin membrane roads. And it's not specific just to the southwest corner of the province and it's not specific just to oil and gas. It's specific to the activity of hauling commodities around this province and a growing economy and a strong GDP [gross domestic product].

In this budget, we have \$345 million roughly in our budget and we have had . . . It's the largest budget that we've had in the province, and you'll make the argument that it's not enough. And I think given this spring and the thaw patterns and the condition of the TMS roads, I could make an argument that the department is under some pressure to do all the work that it's required to do, you know.

And I mean there were some decisions frankly that were made before my time and before your time as it relates to the types of roads that we built, the kinds of infrastructure that we built — and as a matter of fact where we placed that infrastructure — that are decisions that we have to now adapt a new world to.

The traffic patterns have changed and they change every five, six years. We've got more roads on a per capita basis than any jurisdiction in Canada. And has it been a challenge for us? Yes it has. In 1991, when we assumed power, this province was sitting on a \$1.2 billion deficit, a \$15 billion debt. The debt servicing was the second highest per capita expenditure that we had in this province, and we were some challenged in order just to keep this province going.

We made the decision at that time that we would have to cut back on infrastructure, highways. We made the decision that we had to cut back in all areas of this government in order to start balancing our budgets so that we could move to a more competitive tax rate on oil and gas, potash, uranium, income tax — all of our tax service structures — which we have been very successful in addressing once we were able to manage the mountain of debt that was created by the previous administration.

Having said that, we have done our tax reductions. We're now moving to a position where the reductions in taxes have been helping us to build this economy in a way that has put more pressure and more stress on our road system.

So that's a little bit of the history on how we got here. And so it's not a situation that happened overnight. It happened over a period of years. And we're attempting to rebuild this. We've got still in the neighbourhood of 6,000 kilometres of thin membrane roads, and to bring them up to a paved standard would be an expenditure of about \$2 billion.

Now having said that, do we want a better road system on the TMS area? You bet we do. And Highway 32 is one of those that are facing the kind of pressures that we have been working to first of all manage when the TMS section fails. Some of those areas have been reverted to gravel for safety reasons. And then we attempt, when the weather conditions are proper, to restore them to a dust-free surface. You will know that the weather conditions have not allowed us in this province to do all of the regenerative work that we want to do because of high moisture. And now that we've had some warm weather and the roads are hardening up, we've got the capacity to go in and start rebuilding in these areas. Highway 32 is one of them.

And so obviously as conditions will permit and during the course of the construction season, we're going to be attempting to work managing Highway 32 and other areas in the southwest corner and other areas of the province.

Mr. Wall: — Mr. Chairman, what is the regional construction budget and maintenance budget, if it's broken down that way, for the Southwest for this year versus for the last number of years, if you will? You don't have to go too far back — 1, 2, 3, 4 years.

Hon. Mr. Lautermilch: — Mr. Chairman, I'm going to ask first of all . . . And I believe we're going to have to go back to the department to get the maintenance budget for the southwest corner. And we'll get that and supply that to you. But I think what might be helpful is if Mr. Law would share with you the investment that the Department of Highways has made in Highway 32 over the past three, four years. So if you would care to do that, Mr. Law, that might be helpful.

Mr. Law: — Our program on Highway 32 has been one that recognizes that we have a section of that road that is a poor performing TMS that requires upgrading. And we've been working away at that in the course of the last few years trying to sort of get 4 to 7 kilometres a year done in terms of improvements.

In 2004-05 we spent \$418,000 to upgrade a section between Miry Creek and Shackleton, and I think that section was something a little less than 4 kilometres. In the previous budget year '05-06, we spent \$571,000 on the TMS surface to do another 5 kilometres. And in the current year and sort of on a go-forward basis, I think we are anticipating that we've got about 47 kilometres worth of the worst section of that TMS that we have to deal with. And so we've targeted over the next five years a program that would try and allow us to get at that on that basis.

The other thing that we're having to do in this area, is there are circumstances where from a safety perspective we've had to use gravel. And that's certainly part of the consideration depending on the circumstances we have to deal with this spring.

Mr. Wall: — A couple of other questions with respect to the Swift Current constituency and then maybe one final question if I may on 32. Thank you for that response.

The five-year plan is alarming for those of us who are from that part of the world, who have to drive that highway, and who understand the cheques that are being cashed by this government from that area, from the immediate area. And I'll maybe ask a final question on that if I may.

Skyline Road is a question that I have asked in the past. It's not a large request, I don't believe, with respect to Skyline Road, but it has been put to me by the residents of Swift Current, by, well the Swift Current Hutterite colony and others who use that road a lot.

And the east turn . . . well depending, I guess. Let's say if you're heading north, the turn towards the east which would be a left-hand turn, and likewise coming from the north, the right-hand turn — that would be an eastern turn — is a pretty dangerous prospect for those who are immediately behind the vehicle that's turning, and arguably for the vehicle itself. And it appears that it would be an opportunity . . . And I am married to a civil engineer, but I most assuredly am not one. But it appears to be an opportunity for some sort of a shoulder, some sort of a turning accommodation for expansion, a widening of the shoulder to allow for a safer turn onto the Skyline Road. And I wonder if that has yet made it on the list of projects with the Department of Highways.

Mr. Schmidt: — Thank you. As you've identified, the department has been made aware of the request for turning lanes at Skyline Road. We've undertaken a review to determine if the traffic volumes and the turning movements and other criteria are met to warrant turning lanes, and they are met. So what we do then is we then rank them and prioritize them on a provincial basis to address them on highest ranking projects first.

And unfortunately Skyline Road is not ranked high enough to be done this construction season, in 2006. However it continues to be on the inventory. We update the inventory on an annual basis, and then prioritize and rank and base the projects based on that criteria and the ranking and complete the construction on an annual basis on the available funding. So it continues to be on the inventory list.

Mr. Wall: — Thank you. What's the estimated cost of that? Is there one?

Mr. Schmidt: — I don't have an estimated cost on that specific one. But typically what we do budget at a planning level for the addition of turning lanes — and it all depends on the specifics of it — if it's just a flat, normal type intersection, you are probably looking at a cost of anywhere between 150,000 and \$200,000 to add turning lanes depending on the type of turning lanes and the length of turning lanes. But that would be a planning estimate number.

Mr. Wall: — I appreciate that. Thank you for that response. The second issue or I guess maybe the third now relates to No. 4 Highway just south of the Saskatchewan Landing bridge — the provincial park and the bridge.

The officials will know that we have raised this in the past, I have and certainly the member from Rosetown-Elrose has as well, the need for a truck-climbing lane at the very least on that — a very steep-grade hill south of the bridge. There are some . . . I mean the truck traffic, the farm traffic there has always been significant. It's certainly been my memory. Additionally there's more and more tourism traffic on that highway as people go to the Saskatchewan Landing Provincial Park.

Now the government, well I should say, SaskTel has installed a tower, a cell tower at the provincial park which I would say on behalf of my constituents is a welcome thing. I would say that publicly. From my own, I use that park a lot, enjoy it, and for my own wishes I wish there wasn't a cell tower there because I kind of like being able to go somewhere and people in this community — in Regina, in our offices here — not being able to reach me.

Having said that, what we've seen increasingly because of developments like that and a residential development and a golf course now at Saskatchewan Landing, and other investments planned and the opportunity for further investments along in all that Crown lease land, is more and more traffic. And the safety issue is significant.

And I know we've talked about it in the past. And I get traffic counts. That's what we get back from the department. And I respect that. I understand that there are these measures and parameters that are used. And I don't want to argue with them. I'm not in a position to, certainly with the engineers and the management at the Department of Highways.

But all I can tell you is, notwithstanding the traffic count, in January, if there is a . . . You know if there's an eighteen-wheeler headed up that road, there's an accident ready to happen, or headed down that road you know given the grade. Regardless of how many other . . . you know if there's only one or two other cars there, it's a dangerous thing. Again I make the observation on behalf of constituents and as a motorist, not as an expert. And so I would ask where that project is with respect to the department's priorities.

Hon. Mr. Lautermilch: — Thank you. Mr. Chairman, we did have a short discussion on this stretch of highway the other day when we were in estimates. And my response at that time was that it's not scheduled for resurfacing in '06 and that we would want to look when we are resurfacing that highway at putting such a infrastructure as you describe in place. And I have to say that I, not unlike you, come at this department from a lay person's perspective. I don't know engineering, and I don't know highways design.

I do know though that the department has put in place a system as engineers, and it's a generic system throughout our country, where they will do an analysis, an assessment of requirements based on traffic flow and based on grade, degree of grade, and all of those things. And based on their expert opinions, they will prioritize the developments that take place. And I understand what you're saying. I'm familiar with this stretch of highway as well, and I recognize some of the pressures.

I have in my own community some highways with pressures that as a lay person I'm awfully tempted to say to my officials,

can't you jump this over top of some of the others in order to fix this because I know it to be a danger. Highway 2 north of Prince Albert on the way to my lake, to Emma Lake where I live, is in the summertime an incredibly busy stretch of highway and could be a candidate for capital infrastructure expenditures in my lay person's opinion. But I have to, as the Minister Responsible for Highways and Transportation, take the recommendations that come from the professionals within this department whose job it is to make recommendations in terms of where the capital that's available is to be spent.

I can say that as the department has indicated to you in a letter previously, that when it becomes scheduled for resurfacing . . . and I believe, I may be wrong on this, but I think we indicated the other day and Mr. Schmidt might be able to correct me on this, that we were suggesting that resurfacing would be somewhere in the neighbourhood of — if I'm right and I may be wrong — but 4 or 5 years is when that resurfacing may take place. At which point I think it would only make sense to look at the development of a slower traffic lane for that incline.

Mr. Wall: — I guess I have a general question, Mr. Chairman, if I may. But I think the member wants leave to introduce guests.

The Chair: — Why is the member from Rosthern-Shellbrook on his feet?

Mr. Allchurch: — With leave, Mr. Chair, to introduce guests.

The Chair: — The member from Rosthern-Shellbrook has asked leave to introduce guests. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — I recognize the member from Rosthern-Shellbrook.

INTRODUCTION OF GUESTS

Mr. Allchurch: — Thank you, Mr. Chair. And I want to thank my colleagues for allowing me to introduce a school group that has come from my constituency of Rosthern-Shellbrook. The school group is 16 grade 7 students from Medstead school at Medstead. Their teacher, Rod Enns; the chaperones, Beura Fee, Jamie Buziak, and Sandra Sommerfeld. And amongst the class is a special student all the way from Germany. She is here on an exchange student program, and we welcome her to Regina, to our Legislative Assembly, and also to Canada. Her name is Johanna — and I hope I get this name right — Johanna Koddenbruck. So we'd like to welcome the students from Medstead here and a special student from Germany to Regina, to our Legislative Assembly.

Hon. Members: — Hear, hear!

The Chair: — Mr. Wall.

General Revenue Fund Highways and Transportation Vote 16

Subvote (HI01)

Mr. Wall: — Finally, Mr. Chair, thank you. And welcome as well to our guests.

I guess this is a general question. We have rough calculations. There's been an oil and gas servicing company whose management has tried to work with the department of industry and natural resources to try to come up with an estimate of roughly the royalties that are provided by southwest Saskatchewan to the province to assist with what the minister pointed out was the battle with the fiscal situation of the province that it inherited in 1991, now much like the governments inherited across the country as in the '80s. Unfortunately we saw every government in the country of every stripe — from NDP [New Democratic Party] Bob Rae to PC [Progressive Conservative] Don Getty — rack up major debt, deficits and debt, as governments of all stripes were wont to do.

And so the government in the '90s inherited this situation. And in no small part — even though oil prices have fluctuated — in no small part I would argue, due to the royalties and revenues we get from our natural resources, we are in the much better fiscal state we are in this province as other jurisdictions are who are likewise blessed with this resource.

In the case of southwest Saskatchewan — and we admit these numbers, these are estimates — 264 million in royalty revenue from the Southwest. That's not just Highway 32 area but all the way down to Consul. What is that? Seventy-five per cent maybe of the provincial budget for highways? You could argue right there — oil and gas royalties.

Now we want that to continue. I think, I would hope the minister wants more development. I know that we certainly do. In order for that to happen, you're going to have to be able to get there from here. You're going to need an infrastructure.

I would leave this with the minister with a general question. I know a town councillor from Eastend approached, I think it was the Deputy Premier, with a pretty good point at SUMA [Saskatchewan Urban Municipalities Association]. He said, you know you can't just cash the cheques, the royalty cheques. You just can't do that. You have to make an infrastructure investment. He said the Romans pillaged and plundered, but at least they left behind good roads which is a pretty . . . and I think the Deputy Premier had a laugh. I mean, they weren't having an antagonistic discussion.

People are, at this point in the Southwest — and I'm sure elsewhere but I'm speaking as the local MLA [Member of the Legislative Assembly] — they are, they simply want to ensure that the infrastructure investment is there to support the development which in turn is helping to keep the fiscal state of the province in a positive state. And I would ask in a general way for the department . . . Although I know you're not the industry and natural resources department or the Finance minister, I understand that. But we're asking that the department remember that as they look at regional planning and not just for the Southwest but for other areas whose resources require infrastructure.

Hon. Mr. Lautermilch: — Mr. Chairman, and Mr. Wall, I would have to tell you that — and I'm certainly not breaking confidence — I think one of the first conversations I had when I

assumed this portfolio with Mr. Law, my deputy, was that it was very much my view that the Department of Highways and Transportation was an economic development vehicle. And it was very much a tool that we needed to use to support economic development.

We have been working with area district planning committees, with SARM [Saskatchewan Association of Rural Municipalities], to sort out what economic development infrastructure corridors in this province needs to look like. Where would be the flow and what would make sense. We haven't got frankly, a north-south infrastructure to support trade with our American partners. And we need to develop that. And that's one pressure we have.

East-west in the southern part of this province, Highway 13 is sort of a natural corridor. And I know that area well. I grew up there, and that's where I was born and raised. And we need that corridor.

On the west side of this province, Highway 21 has become under some incredible pressure based on the oil and gas activity that's been occasioned by not only royalties and taxation; I mean, \$70 oil has obviously help kick-start that activity and make it work. So that's new pressure.

Highway 5 down in the southwest corner, oil and gas activity again, heavy oil. North of Redvers, we made a decision this year because we can't do them all and sometimes you just have to make decisions. And Highway 5, the 17 kilometres north of Redvers that we're going to be surfacing, we're going to be rebuilding because it's one of the areas that the department officials were convinced — and obviously I supported it — that needed some work done. Are we where we need to be? The answer is no, we're not.

When we started to develop some financial freedom, some fiscal freedom from deficit fighting and all of the things that were not very popular but were so very necessary when we started balancing our budgets, and when we started having surplus budgets last year, we found ourselves the recipients of \$800 million of resource revenue that wasn't budgeted. And that's good news. But that money has all been spent, some of it to debt reduction, which we still carry some debt as you will know. And we're trying to reduce the amount of debt in this province so that we're spending less on debt, more on programs, more on services.

We find ourselves in some pressures as it relates to the Department of Health, as it relates to the Department of Education. Obviously as the Minister Responsible for Highways and Transportation, I can make an argument that there needs to be more money put into the transportation infrastructure, as my colleagues do in health care and as they do in education and the other areas of government. And ultimately when we put our budget to bed and when the documents to deliver that budget are produced, some choices have been and some trade-offs have been made.

I could, I think quite comfortably, show my colleagues where incremental expenditure in this department could be very, very well placed with respect to public safety, with respect to economic development — all of the things that you and I will

agree to. But ultimately when you're governing, you have to make choices and that means a balance.

Now I'm very hopeful that we're going to be able to continue to work with the municipalities — who have been really very supportive and a very positive group — through SARM and through SARM's leadership, that we're going to be able to continue to work with them, that we're going to be able to continue to work in a positive way with the Saskatchewan Construction Association, the men and women who run businesses, that'll own businesses, to help us create this infrastructure.

But as well I'm hopeful that we can engage in a more meaningful way another partner. And I'm saying this in a very positive way, and I truly do believe this. We're now represented here in Saskatchewan by 12 members of parliament who sit with the new Harper government. I know what successes we had from the Liberals in terms of the national infrastructure. And frankly we had some, not always enough in our opinion.

And I am hopeful that we're going to be able to work with you and your colleagues and our members of parliament to impress upon the national government that we want the prairie grains road transportation agreement renewed. That's expiring this year. It's come to a conclusion. That when we negotiate, and if we're able to negotiate like a new national highway structure to assist us with twinning so that we can take some pressure off our budget to put some more money into other rural roads, that will be successful in not only the capital cost, but will be successful in terms of getting some ongoing maintenance money. Because what we're finding with the twinning is that every kilometre of highway we've built, we've now built in costs with respect to maintenance on an annual basis.

So I mean it's sort of a Catch-22 we're in. And what I'm offering you today as Leader of the Opposition and I'm hoping that you would find this a meaningful approach to take, I don't think we always have to be in an adversarial position with our federal counterparts, nor with opposition. I think government and opposition can work together to make some good things happen, and a transportation infrastructure program on an ongoing basis — a multi-year program — is certainly one of the areas where your critic I think can be supportive in terms of helping us to generate more interest from Ottawa. And I truly believe that can happen.

Because I don't think, with 6,000 thin membrane roads and \$2 billion in terms of upgrade costs, that I can see enough money coming into that particular budget at the expense of health care and education and all those others. So we do need some outside support, and my offer to you is, my commitment to you is . . . First of all we're going to work darn hard to do what we can in terms of this particular infrastructure with the existing dollars that we have and what we're going to get next year from the Department of Finance. But my commitment to you is to work with our federal counterparts to ensure that we can generate enough interest to be able to help us with what is one pretty big massive amounts of liabilities that we have out there in terms of roads that we need to fix.

Mr. Wall: — Mr. Chairman, I want to thank the minister and his officials for those answers. And, you know, with respect to

Skyline Road and Highway No. 4 and Highway 32 we'll say, talk to you tomorrow, see you next week, see you next month, see you next year. We'll still be asking those questions. They're important. We appreciate the time today of the minister and the officials. Thank you.

The Chair: — Mr. McMorris.

Mr. McMorris: — Thank you, Mr. Chair. I just have questions probably on a number of highways but I'm going to keep it to one and it's Highway No. 1 just east of Regina at the community of Balgonie.

There had been some work done there a number of years ago where the 364 merges on to No. 1, but there's a lot of concern where the main street comes out of Balgonie, goes directly on to No. 1 Highway and there are no acceleration or deceleration lanes from either direction, be it east or west. So if you're exiting the community and turning on to Highway No. 1, you're having to go right into the main driving lane which at that point is 110 without an acceleration lane.

If you go up the highway a little ways towards Regina, you know, and there's an entrance from the community of Pilot Butte. I mean it's the highway coming from Pilot Butte. They have acceleration and deceleration lanes for that community, and I'm just questioning where it is in the order of priority for the Department of Highways.

I know the mayor has been in touch with the department. He's been looking at lighting. He's been looking at many different issues. I mean, the ideal situation is proper lighting and an acceleration-deceleration lane there. Just where it is on your priority list, I would be interested in hearing.

Hon. Mr. Lautermilch: — Mr. McMorris, I met with the mayor of Balgonie at the SARM convention this spring — I think this spring — and he outlined some of the circumstances that you have just shared with us. And at that time I committed to him that the department was going to look at what options might be available for us. He suggested that some of them are very, very low cost, in his opinion.

Of course I'm not an engineer, as I told your leader just a while back. But we were going to be looking at that. There may be some low-budget items that we can do to upgrade out there, and I've asked Mr. Law and Mr. Schmidt to work with the community to see if there's something we can do in this construction season. And we will follow up on that.

I don't know if discussions have taken place subsequent to that, but my commitment was, and it remains, that if there's some things that we can do that aren't huge budget items, we'll do those.

Mr. McMorris: — One follow-up, then. I know talking to Tim Sterzer, the mayor there, that is kind of their main concern and there are some issues, I mean, with lighting. And that is one step. To have it better illuminated would certainly help. But the ideal is some proper entrance and exit — that's maybe not the right term — acceleration and deceleration lanes there which, you know, I guess it certainly is a cost. It's a larger cost than just illumination, but the ideal is . . .

So I'm glad that you're . . . and encourage you to keep in touch with the mayor because one of the things about that community and maybe a little different than a lot of the communities in the constituency I represent, that one is growing, growing quite substantially. They're the one community that is having trouble with, you know, infrastructure on growth, as opposed to problem with infrastructure on declining populations. So there's definitely a need there. Anyway, thank you for your time.

Hon. Mr. Lautermilch: — Mr. McMorris, we will follow up on that. We'll keep you informed of what our intentions are with that. And you are right. Balgonie is one of the bedroom communities that — I guess across Canada — are growing and the infrastructure pressures are becoming more and more, even in those communities. And it's why the department is working on an urban infrastructure interconnect program for the province.

I mean you know, when we talk about pressures on this whole transportation system and the changes that are taking place is so dramatic. And I mean it's not only the doughnut factor around the larger cities but it's some economies growing while some are, you know, some are just dying and some of the smaller communities are having a hard time to survive. And it's tough to see. And we need to support the communities that are in fact growing. Thank you.

The Chair: — Mr. Elhard.

Mr. Elhard: — Thank you, Mr. Chair. To the minister, I know that you had a fairly lengthy discussion with the member from Swift Current, Mr. Wall, a few minutes ago about Highway 32. But I need to go back there because that highway, for the most part, is in my constituency. The worst parts of the highway are in my constituency. And the greatest amount of anxiety emanates from the people in my constituency.

I get a number of calls per week. I'm sure the minister's office gets calls and letters from my constituents regarding that highway.

Here's how bad the situation is right now. The ambulance from Leader will not take emergency patients to Swift Current down Highway 32. The ambulance avoids it. They make a much larger trip by heading all the way down No. 21 to Maple Creek and then across the No. 1 into Swift Current. And that just, when time is of the essence, that is not an acceptable alternative.

The mail truck will no longer drive Highway 32 to deliver mail. From what I'm told, they had such a serious breakdown they cannot run that highway in view of those conditions.

And I understand that even Highways department trucks out of Leader will not travel the highway. Most of the time, they're taking alternate routes.

So when I heard today that there is a plan to repair Highway 32 in stages over the next five years, I'm encouraged to hear that but I don't think five years is a suitable time frame. But let's just look at the plan if we can in a little more detail.

Exactly what sections, from what mile to what mile, will be

repaired each year over the next five years? And would you, Mr. Minister, identify the type of repair that is going to be put in place?

Hon. Mr. Lautermilch: — Mr. Law will respond to the details of your questions.

Mr. Law: — To the member. The challenge this year is that we are trying to engage with some of the reeves and some of the local community interests, including the area transportation planning committee, to determine which sections we should be doing, in what order and what priority, in part with the hope that if there are some contributions that can be brought locally, it will help us deal with the time frame and the priority associated with it.

Our work on the TMS system is determined not simply on the basis of individual highways but is done globally across the province on the basis of the network as a whole. And we use an asset management system to help us determine where we would do that work.

My understanding is that we have for the most part dealt with those sections of Highway 32 that don't require us to do additional sub-grade infrastructure improvement — where we've been able to deal essentially with the surfacing improvements that are necessary — and that a majority of the work that we need to do now on 32 might involve us having to do some additional grading or widening before we would go in and do the surfacing.

And I think one of the opportunities for us to be able to enhance our work in this area is through the partnerships that . . . We've had previous discussions on this. And I understand that these are active again in terms of how we can facilitate that and that, in part, our decisions about which sections would be done in what order will come from the discussions and the outcome of the work that we're trying to do locally with the communities about where they may be able to partner and which we think are the best sections to fix first, second, and third, based on the asset management system. So that's ongoing work.

We have not determined with respect to the revitalization or the re-strengthening of the TMS section which of those would go in which order at this point in the coming construction season. I know that there have been some areas identified, some of the worst-performing sections from the perspective of public safety, where I believe there is . . . And this is not an unusual plan. But periodically we will take sections and put them into gravel if we think that can improve the circumstances while we're working through the upgrading.

And my understanding is that there are portions of the work that have already been identified as a result of the condition of Highway 32, for the current construction season, that will probably be in that category and are probably part of the immediate tender schedule so that some of that work will probably be proceeding.

That does not get to your question though in terms of the longer term strategy, and my understanding is that we are hopeful that we will be able to enter into an agreement that would have us working with some of the local community interests in terms of

what partnership opportunities might be there and whether or not we can secure agreements and contributions from the local community to help us work through that.

Mr. Elhard: — Given the response I've just received, am I to believe that the prospect of any improved condition on that road is directly tied to whether or not you get funding from the local RMs [rural municipality]?

Mr. Law: — What I said earlier was that we have been able to make improvements in each of the last few years in that area and our current plan remains in place, that we would expect to make improvements again of a similar magnitude as we have been able to make in the last couple of years. But the extent to which we could do more or less than what might be available as part of the current base budget would certainly be affected or enhanced by a partnership agreement should we be able to conclude one.

Mr. Elhard: — I understand there's a letter from the department circulating in the communities there that indicates 17 kilometres of that highway will be turned back to gravel as of this year. Will you confirm that?

Mr. Law: — That is correct. My understanding is that that would be part of our program for dealing with the public safety concerns I talked about.

Mr. Elhard: — That might also explain why 50 people showed up in the community of Lancer yesterday to talk to a television crew that showed up to take pictures of the condition of the road and why another 20 or more showed up in Leader to express their anger and frustration over the continued deterioration of that road.

Mr. Minister, to you and your officials, frankly there's no asset left there to manage. The road is a complete and utter cow trail. It is not safe to traverse. It isn't possible to take a vehicle down there without putting your vehicle at risk for damage and the lives of people. I don't know why they would even go near the road. So I guess what the people of the communities along Highway 32 need to hear is that there is a clear and a definitive plan to make the road travelable again that will allow traffic to actually travel down that road with some assurance that they're going to be able to do so safely and not put body and soul and equipment at risk in doing so.

And I think I've made this point a dozen times in sessions, of estimates with the Department of Highways over the last number of years. Highway 32 is without a doubt, in view of all the lousy roads I've got in the southwest part of the province, Highway 32 is by far the worst and the most urgent right now.

And one thing I might add to this discussion is that when my constituents phone in, somebody in the minister's office had the temerity to suggest that we wouldn't get our roads fixed because all of the available money had gone into twinning No. 1 in previous years at an accelerated pace. You know, No. 1 is 65 miles from Highway 32. And if that is the case — if we're being punished now for having had extra money go into Highway 1 when the twinning was of the essence — I don't think that's fair at all.

Highway No. 1 is part of the national transportation route. There was some — very little, but some — federal funding that came, and we on both sides of the House urged the federal government to put money in that to accelerate that twinning process. And I don't think that it's acceptable that people in Cypress Hills would now be penalized because of that investment in the national highway corridor some years back. And frankly I don't think . . . If that excuse is offered again, it's not doing the credibility of the minister or this government any good. So I just, I need to put that on the record today because it's, it's unacceptable.

Hon. Mr. Lautermilch: — Mr. Chairman, let me put on the record as well some comments. No one is being punished for the development of twinning on Highway 1 or Highway 16 or the Highway 11 twinning that has started. That's not how you put a budget together, and that's not how you decide which roads get repaired.

No one will argue that reversion to the 17 kilometres, so that we can begin to rebuild and start rebuilding them, is going to be popular in that area. It's not and we understand that. But let's not use the kind of language that would suggest that the department or the minister is punishing any community because of work that's being done other places.

There's \$345 million to be spent this year through this budget that'll be placed in the areas where the greatest priority exists. When we achieve some federal funding to help cost share and to accelerate as an example the twinning of Highway 1, if you can find 50 cent dollars, it wouldn't make much sense not to put your money towards a highway that can help you accelerate and move your program ahead. We had budgeted to have the twinning completed, as I recall, in the year 2012. But because the federal government came on board — which I'm hoping this new administration will — we were able to accelerate that.

But no one, no one should assume that anyone sitting in Regina or any other department regional office is punishing any community. That's just not fact.

I can say to you that I get letters from people on Highway 32. Yes, I have. We've had phone calls to my office. But I can tell you I've had them from 368 south of St. Brieux. I can tell you that I've had them from my home community. And I can tell you that the road that I drive to when I go home tomorrow afternoon on the access to the Murray Point road has created some concern as well. So it's not just one road. We've got others that need our attention.

And as the weather conditions will allow us to get to them, we're going to change some of the TMS surface to a gravel surface. And we're going to grade and gravel and blade and make sure that we've got a safe surface because safety is the main priority. And as capital allows . . . which we have outlined here today that we have spent capital on that road in past years. And we intend to spend some this year. And we intend to spend some next year and years into that.

Having said that, I know the activity that's happening along that road. I know the people who found the natural gas. I know the people who developed it, and I know why they did. And in one respect it's been such an incredible blessing for us as a province

but on the other hand, it's created these kinds of circumstances.

And I want to make one other point if I might. We generate revenue from oil and gas along Highway 32 — yes, we do — and from along Highway 5 and along Highway 1. And, you know, we generate revenue from potash in Lanigan. And we generate revenue from uranium in the northern part of this province. And all of this puts pressure on some infrastructures. But the thing is the activity is so dramatic. And it's been changing and the patterns change. The infrastructure can't move. The infrastructure's there. And some of it wasn't designed to take that kind of activity.

And in this House every day — it happened again today — more money for prescription drugs, more money for the Department of Health, more money for the Department of Highways, more money for the Department of Education, but ultimately you have to make some choices. And it's fine to sit on one side of this House and say, you got to put here; you got to put here; you go to put here. But on the other side, we have to make decisions, unless we're going to just open up the purse and start spending as was done in the past in this province which I don't think people want.

So we're attempting to, in a balanced way, meet the needs of your constituents, and I want to remind you that the vast majority of dollars from this budget are not urban spent dollars. These are dollars that are spent in rural Saskatchewan to serve rural needs and to serve your constituents, and we're doing the best that we can. We recognize the condition of Highway 32 as we do the condition of Highway 5 where we're putting some capital in this year. And you know, we'll continue to work with you.

And we listened to the area district planning committees who help us in terms of utilizing grid roads, where we can, to move some of the traffic from the thin membrane roads, and we've been pretty successful in some of that. In some areas we haven't been able to achieve those agreements yet. So we're hopeful that we can work with the municipalities in terms of planning where the traffic flow goes, where we can. And we're going to do our utmost to have the best system out there to serve the people who live along Highway 32 that we can.

Mr. Elhard: — I think we could carry on this discussion quite a bit longer, and I don't want to belabour the point. I want to move into another specific situation.

Mr. Minister, there has been an application made to the Department of Highways for the development of a truck stop on the northeast corner of the intersection of 121. And there seems to be some difficulty. The Highways department has restricted a certain area around that intersection to prevent development in the unlikely need some time that we'll need an overpass or an exchange, a cloverleaf of some sort there.

But that's not the issue here. I think the issue is whether or not the Highways department can accommodate this particular request for development on that piece of land. The Highways department owns some property right in the site or very close to the site where the proposal is. It looks to me like an access road is being requested as well, and there seems to be some pretty serious hesitancy on the part of the department to accommodate

this development request.

So I guess what I'm looking for is an indication from the minister and his officials that they will do what they can to help negotiate the creation of this enterprise as opposed to just saying there's obstacles, there's roadblocks, and we can't help you.

Hon. Mr. Lautermilch: — Mr. Chairman, I think we should probably answer this in two parts. First of all, the department officials will deal with the technical aspect of the request if they have that information here. But I want to say that within all that I've seen from the officials and in their decision-making process, they attempt to facilitate economic development and not to be an impediment.

They always will review these initiatives with safety and future planning. And that could be some of the problem with the initiative, the truck stop, that you referred to on Highway 121. I'm going to ask the officials if they have the information here and if they do, we can share it. If they don't, we would . . . I would propose that the department would bring forward the file. We'd have a look at it. And we can report back to you in terms of if there is a delay or just why that might be if that is the case.

Mr. Law says that they don't have that information here, but we will undertake to find that out for you and to get back to you within the next few days.

Mr. Elhard: — Mr. Minister, can I make a suggestion for the department? I've got a copy of the letter written to the lawyer representing this individual and it outlines the complications and the problems. And it says, "The department cannot permit development within the Control Circle," which is understandable. And then it says that at this intersection Highway No. 1 is an R3 access management level. That means the most restricted level, as I understand it. And then it says, please call us if you have questions. One more line at the end of this letter would have been very helpful I think. And that is, the department is willing to work with you to find a suitable solution. I think just that little line of encouragement might go a long way to solving some of these kinds of problems.

And I would ask the minister if you would give me permission to talk to his officials to try and sort this out or see if there's some additional remedy to this particular proposal? That would be well received I'm sure.

Hon. Mr. Lautermilch: — Mr. Elhard, let me say this. I think every department has its own culture and every department uses a different kind of language, in my experience. And I think some departments are much more technical than others. And I have found the Department of Highways and Transportation to deal with facts. And bless them all. They come from engineering backgrounds and many of them aren't marketing people as you and I are. And so I have heard your comments, and I'm sure that the officials here would agree that a good, positive, go-forward message would be most appropriate.

Mr. Elhard: — Thank you, Mr. Minister.

The Chair: — Mr. Hart.

Mr. Hart: — Yes. Minister, our time is short. I have a few questions about two highways and also the Transportation Partnerships Fund. What I will do is I will ask my questions and perhaps your officials, you and your officials can find the answers to possibly the three questions. And because as I said our time is short and there's some other . . . some of my colleagues want to ask some questions so . . .

First of all, Highway 310 between Balcarres and Ituna. The municipalities of the area have signed a partnership agreement. They're asking whether any work will be done on that this year. And if not, when will work start?

The other highway that I would like some information on is Highway No. 22 from the junction of No. 6 to the junction of No. 20. It is in a very poor state of repair. The residents that live along that highway have been asking for the last six or seven years that something be done on that highway. Are there any plans for that highway?

Also on that same particular highway between Junction 6 and my hometown of Cupar, there's a section that hasn't been done and it's breaking up. I'm wondering if there's any plans to do any rehabilitation work on that. And so if you have the answers for that, then I have one further question for you.

Hon. Mr. Lautermilch: — I think we might expediate this whole process if I were just to ask the officials to report directly to you if they have that information here. And if not, what we'll do is undertake to get it to you within the next few days.

Mr. Schmidt: — To the member, I'll do my best to answer all three of those if I may. Highway 310 between Balcarres Ituna as you mentioned, we've been in discussions with the local municipalities along that corridor for some time, as well as the First Nations. And they've actually progressed quite well. We have received the partnership proposal. Unfortunately we received it after the budget development process for 2006. So we haven't had an opportunity to put any funding in to start anything this construction year.

But we are looking at that proposal right now. It looks promising and we are hopeful that we will be able to build that into consideration for the 2007 program to start delivering on that multi-year strategy that we've . . . that's been brought forward as a proposal by those RMs. So you know, we're looking favourably on moving forward on that proposal.

Highway 22 between the junction of Highway 6 and 20, as you mentioned that road has been experiencing some distress because there is a grain terminal along that corridor. Pioneer Grain is located approximately 3 kilometres from the junction of 6. So we've as well been in discussions there for a period of time with the village of Earl Grey, as well as some of the local municipalities, and the area transportation planning committee.

Through those discussions it was determined that there was no opportunity there to do weight restriction on that and do a haul route agreement. There's just not the suitable municipal infrastructure there. So the next alternative was to look at some kind of option to do upgrading or at least strategic strengthening. And so the focus now is on providing a good corridor from Highway 6 to the village of Earl Grey. And it's

promising now that it appears Pioneer Grain is willing to become engaged in some of these discussions as well.

So that's where we are on that. Hopefully being able to reach an agreement there with industry and the locals to come to some time an agreement on a similar partnership on the section from Highway 6 to Earl Grey, as we've done on Highway 310. So we'll continue in those discussions.

The section of Highway 22 from 6 over towards Cupar, I'm not sure if those are the exact sections but we did do some upgrading there not that long ago under the Prairie Grain Roads Program. So I'm assuming what we're seeing there is some spring breakup on some of those areas. I'm not . . . I haven't been over that road myself for some time.

So we will be taking care of that corridor and protecting our investment there as soon as we can through some patching, some machine patching, seal-coating. So I'm sure crews will be out there and I'll be undertaking to determine what exactly their program is and their schedule is for that section.

Mr. Hart: — The sections that are breaking up between . . . on either side of the small community of Markinch on Highway 22 have not been upgraded and that's why they're breaking up. There was some work done a year or two ago from 6 east, and also about three years ago from Cupar west. But there's a remaining, I don't know, 5, 6, 7 kilometres that haven't had any work. And that's the area that they're breaking up on.

Just one final question. In the last fiscal year, what type of revenue did the department receive in its Transportation Partnerships Fund through these partnership agreements? I'm looking at a copy of the agreement you signed with the municipal government in the . . . with regards to Highway 310. And there's a schedule of commitments, you know, from the municipalities with first, once the first 5 clicks are completed the municipalities have to come up with \$45,000 for payment into the transportation fund.

I guess a few questions. How many partnerships agreements did you have with municipal governments in the last fiscal year? What was the revenue generated by these partnership agreements in the last fiscal year? And thirdly also, what is the value of goods and services in kind that can be attributed to these partnership agreements? If you don't have the information today it would be quite fine for you to provide me with that information, you know, in the next week or so.

Mr. Stamatinos: — Mr. Hart, I believe your reference is really to a different program than what you have identified. The Transportation Partnerships Fund is really related to the transportation partnership program, which we have numerous agreements with industry partners, like Federated Co-op. I believe you're referring to a . . . I believe it's called the strategic partnership program. So we could certainly prepare some information for you on that.

Mr. Hart: — Yes, you're probably right. I was just looking at section D of the partnership agreement where it says these monies are to be paid to the transportation partnership fund.

Just one final comment with regards to Highway 310. I think

the people of that area would certainly be hoping to get that project under way. Because if you look at the schedule that's laid out in the agreement, it's going to take anywhere between 8 and 14 years or 13 years to complete the 41 clicks there. And if we're waiting for another year, it's going to be a long time. And I know that the residents of that area would like to see that process speeded up considerably. Thank you for your information.

The Chair: — Thank you, Mr. Hart, for your three final questions. Mr. Stewart.

Mr. Stewart: — Thank you, Mr. Chair. To the minister, Highway No. 42 in the Keeler-Brownlee area was rebuilt two years ago and it looked good. But this spring it's right back to the sorry state that it was before the rebuilding. I'm wondering, is it just going to be a patch job this summer or is that section going to be rebuilt again to standards that will handle the traffic?

Hon. Mr. Lautermilch: — Mr. Schmidt will respond to Mr. Hart.

Mr. Schmidt: — Thank you. Yes, as the member has stated, that section of highway was upgraded two years ago approximately. And that was one of the sections that was . . . we identified was a candidate for upgrading using the Pavement Scientific International technology through our roads and research and development agreement. And we are undertaking some work right now to do some forensic testing as to why those sections have failed.

We've built approximately 250 kilometres of that type of technology that is performing very well. And recently we've had a couple of projects that have prematurely failed on localized areas. And so we want to really undertake to determine why that is occurring, what is the best repair technique so that it will be a long-term fix.

So that is the work we're doing. I was actually on that road earlier this week. Crews have started on the repairs. They are removing the material that has failed to a depth to come to a solid structure, and then they are backfilling that with granular material, compacting it, and then putting the dust-free surface back on. And then they'll be coming to put the second seal back on when that one is cured. So the plan is to undertake repairs that will be long-lasting and perform to the same standard as the rest of the road that it was designed to handle the traffic for.

Mr. Stewart: — Thank you, sir. Mr. Chair, to the minister. For some time we've been lobbying to have a left turn lane installed off the westbound lane of the Trans-Canada Highway into the community of Mortlach. There's fear in the community that somebody's going to be hurt or killed there with traffic slowing in the passing lane to make that left-hand turn. I wonder if that's on the list to be done this year.

Mr. Law: — As to the member's question, that project is not part of our current construction list. But we're prepared to undertake the study that would help us determine its priority this year. And to the extent that the statistics would support it, we would include it in our inventory going forward.

Mr. Stewart: — Thank you very much. It's my understanding

then that that study will be undertaken. Thank you very much. I'll turn it over to Mr. Bjornerud.

The Chair: — Mr. Bjornerud.

Mr. Bjornerud: — Thank you, Mr. Chair, and Mr. Minister. We only have a few minutes so I'll get right to the most complaints that I get. And No. 8 Highway from No. 10 to MacNutt — and we've talked about this for the last couple of years — it was hard surfaced or dust proofed I believe it was in 2003 and has just totally disintegrated again. Well actually all winter it's been bad, but it's away worse this spring. It's right from the junction of 10 and heads south to the village of MacNutt.

And I might mention at the same time, No 10 itself right from the Manitoba border — and I don't think it's that many clicks — are really in bad shape or rough I guess is the word. I don't think there's that many holes in them but the first piece is very rough. And the rest of it's not bad at all but right out near the Manitoba border it would be, you know, I think to our advantage to take a look at that and see maybe if something needs to be done.

But the most complaints I'm getting is on that short piece from No. 10 over to the village of MacNutt.

Mr. Law: — To the member's question, we are, as I understand, working with the local municipality. That is a weight-restricted road that we've been trying to work with the community to manage the overweight traffic on. As the member will probably know, the permits are issued locally for overweight vehicles on there and so that's probably our biggest challenge is understanding the best ways of working with the local municipality to ensure that the traffic that is on that road is managed in a way that will support the long-term viability of the road surface itself. And we will make the commitment to work with the local municipality to move towards restoring it to a dust-free status as best we can in the course of the coming construction season.

Mr. Bjornerud: — Well thank you for that answer. One short answer, Mr. Minister, and I apologize. I think you may have already answered this today. It's to do with the depots and satellite shops out there. And I believe we asked in question period here a while ago. The ones I have are Churchbridge and Stockholm and there's still some concern out there about their closures. And I believe you've answered this earlier today, and I apologize. I missed that. Could you just touch that again, please.

Hon. Mr. Lautermilch: — Well I mean the department is cognizant in terms of the impact of the employees in rural areas to be able to provide timely service and obviously you would want to have an efficient network. We have no plans to be making wholesale changes.

But I mean, you know, it will happen that staffing changes will take place. Staff members will bid into other areas, you know. I mean there's those types of changes that take place. But our goal is to provide safe and timely service and we see the maintenance depots as part of that infrastructure.

Mr. Bjornerud: — Thank you, Mr. Minister. I think at that point we're finished so . . .

The Chair: — Thank you, Mr. Bjornerud, you're very co-operative. Thank you.

The item to be considered by the committee is found in our book on page 88 and it is central management and services (HI01) in the amount of 17,470,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Operations and transportation system (HI10), 78,677,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Preservation of transportation system (HI04) in the amount of 97,739,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Transportation policy (HI06), 2,193,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Custom work activity (HI09) has no amount. So I guess that's agreed.

Machinery and equipment (HI13), 7,500,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Amortization of capital assets. Are there any questions? Not seeing any,

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2007, the following sums for Highways and Transportation, 203,579,000.

Could I have a member move that. Thank you, Mr. Trew.

Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Vote 16 agreed to.]

**General Revenue Fund
Lending and Investing Activities
Highways and Transportation
Vote 145**

The Chair: — Page 162 in the Estimates book, and we will be doing vote 145, loans for short-line railroads, (HI01) for 1,000,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Okay.

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2007, the following sums for Highways and Transportation, \$1,000,000.

Could I have a member move that?

Mr. Trew: — I move that.

The Chair: — Mr. Trew has moved that. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Vote 145 agreed to.]

**General Revenue Fund
Highways and Transportation Capital
Vote 17**

The Chair: — Okay. Vote 17 — page 92 in the Estimates book — Highways and Transportation capital, vote 17. Infrastructure rehabilitation (HC01) in the amount of 42,168,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Infrastructure enhancement (HC02) in the amount of 99,214,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Okay.

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2007, the following sums, which to the extent that they remain unexpended for the fiscal year are also granted for the fiscal year ending March 31, 2008, for Highways and Transportation, 141,382,000.

Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — I'll ask a member to move that. Mr. Iwanchuk has moved that. Is that agreed?

Some Hon. Members: — Agreed.

[Vote 17 agreed to.]

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

The Chair: — I invite members to turn to page 4 in your Supplementary Estimates. And we will then deal with Highways and Transportation, vote no. 16, operation of transportation system (HI10) in the amount of 5,200,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Agreed.

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2006, the following sums for Highways and Transportation, 5,200,000.

Could I have a member move that? Mr. Iwanchuk. Thank you. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Vote 16 agreed to.]

The Chair: — That concludes the estimates for the Department of Highways. I want to thank the minister and his officials. And I want to thank the members of the committee for their co-operation and their due diligence. Thank you. Mr. Minister.

Hon. Mr. Lautermilch: — Mr. Chairman, I would like to thank the members of the opposition for their thoughtful questions. And I'd like to thank my officials for their support during the estimates but as well throughout the year as they put the budget together and work in all areas of the province to ensure that we have the safest transportation system and safest road system that we can. So thank you all.

The Chair: — Thank you, Mr. Minister. It'll just take the committee members a few moments to probably get things in order here to deal with the next order of business which would be the consideration of governmental relations, vote no. 30, page 77 in your Estimates book.

**General Revenue Fund
Government Relations
Vote 30**

The Chair: — Committee members, we'll proceed now. We will be voting off the estimates that have been previously debated. The item of business before the committee is the consideration of the estimates for Government Relations, vote no. 30 which is found on page 78 in your Estimates book.

Central management and services (GR01) in the amount of 5,004,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Intergovernmental relations (GR04), 2,704,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Municipal relations (GR08), 5,263,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Municipal financial assistance (GR07) in the amount of 153,009,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Okay, I erred in the amount I gave the committee. The amount should have read 149,009,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Saskatchewan municipal board (GR06), 1,137,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — New deal for cities and communities (GR10), 30,229,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Provincial Secretary (GR03), 2,058,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Amortization of capital assets, is there any questions?

Be it resolved that there be granted to Her Majesty for the 12 months ending March 31, 2006, the following sums for Government Relations, 44,209,000.

Could I have a member move that? Mr. Iwanchuk, thank you. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. I'm afraid I was on the wrong estimates there.

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2006, the following sums for Government Relations, 195,404,000.

Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Could I have a member move that? Mr. Trew, thank you. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Vote 30 agreed to.]

**General Revenue Fund
Supplementary Estimates
Government Relations
Vote 30**

The Chair: — Page 4 in the Supplementary Estimates book. Page 4, Government Relations vote no. 30 in the amount of 44,209,000. Is that agreed?

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2006, the following sums, 44,209,000.

Could I have a member move that resolution? Mr. Iwanchuk, thank you. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Vote 30 agreed to.]

The Chair: — That will conclude the votes on the Department of Government Relations. It'll just take us a few moments and we'll proceed with the balance of the votes.

**General Revenue Fund
Northern Affairs
Vote 75**

The Chair: — The next item of business for the committee will be the consideration of estimates for a previously debated department which is the Department of Northern Affairs, and that can be found on page 120 in your Estimates book.

And the first item is vote 75 central management and services (NA01) in the amount of 1,385,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Resources and economic development (NA04) in the amount of 3,707,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Northern strategy (NA03) in the amount of 618,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Amortization of capital assets, are there any questions? Not seeing any, is that agreed?

Some Hon. Members: — Agreed.

The Chair: —

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2007, the following sums for Northern Affairs, 5,709,000.

Could I have a member move that please? Mr. Iwanchuk, thank you.

Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Vote 75 agreed to.]

**General Revenue Fund
Lending and Investing Activities
Northern Affairs
Vote 163**

The Chair: — We will now go to page 162 in the main Estimates book, and we will deal with vote 163, Northern Affairs, in the amount of 2,500,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: —

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2007, the following sums for Northern Affairs, 2,500,000.

Could I have a member move that? Thank you, Mr. Trew. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Vote 163 agreed to.]

**General Revenue Fund
Supplementary Estimates
Lending and Investing Activities
Northern Affairs
Vote 163**

The Chair: — If you will turn to page 7 in your Supplementary Estimates book, we will deal with then vote 163 in the amount of 500,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: —

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2007, the following sums which to the extent that they remain unexpended for the fiscal year are also granted for the fiscal year ending March 31, 2008, for Northern . . .

Oh I see. I'm sorry; I was on the wrong page. Apparently I was on the wrong page. So we'll do that over again. It happens.

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2006, the following sum for Northern Affairs, 500,000.

Can a member move that? Thank you, Mr. Iwanchuk. All agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Vote 163 agreed to.]

The Chair: — That concludes the votes on the Department of

Northern Affairs.

**General Revenue Fund
First Nations and Métis Relations
Vote 25**

The Chair: — We will now go to First Nations and Métis Relations. You will find them on page 73 of the main Estimates book. And these estimates have been debated previously.

Okay, on page 74, First Nations and Métis Relations, vote 25. Central management and services (FN01) in the amount of 1,735,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Policy coordination and support for Aboriginal organizations (FN02), 5,421,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Gaming agreement (FN03) in the amount of 29,180,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Treaty land entitlement (FN04) in the amount of 14,759,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Okay:

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2007, the following sums for First Nations and Métis Relations, 51,095,000.

Could I have a member move that? Mr. Trew, thank you. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Vote 25 agreed to.]

**General Revenue Fund
Supplementary Estimates
First Nations and Métis Relations
Vote 25**

The Chair: — Now we'll go to page 4 of our Supplementary Estimates book, and we will then deal with First Nations and Métis Relations vote 25 in the amount of 1,200,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: —

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2006, the following sums for First Nations and Métis Relations, 1,200,000.

Could I have a member move that? Thank you, Mr. Iwanchuk.
Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Vote 25 agreed to.]

The Chair: — We'll just take a quick break here just to make sure we've got everything done properly here.

Okay. That concludes the estimates that have been before the committee. What's before the committee members now is a draft report of the committee for the committee's consideration. So if you haven't got any questions on that, could we have a motion to adopt that report.

Mr. Trew: — Mr. Chair, I move that the committee adopt this report.

The Chair: — Mr. Trew has moved that the committee adopt the report. Is it carried?

Some Hon. Members: — Agreed.

The Chair: — Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. That concludes the business before the committee. And I want to thank all the committee members for their co-operation during our experience here this session. And it was a very enjoyable one, and good co-operation from all the members. And I want to wish you all a very great summer and have fun. And we'll see you when we convene again.

The committee now stands adjourned . . . No, we need a motion. We need a motion, I guess. So I'll entertain a motion from Ms. Draude to adjourn the committee. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — The committee now stands adjourned.

[The committee adjourned at 16:52.]