

- Finally, a number of transportation-related issues are of interest to Alberta. Harmonization of truck weights and dimension regulations would facilitate a more efficient flow of commercial vehicles between the province, the United States and Mexico. Development of efficient border crossing facilities to improve the flow of cross border flow of goods by commercial carriers is necessary. The Canada Customs and Revenue Agency (CCRA) and the General Services Administration from the United States have plans to upgrade and expand the border crossing facility at Coutts/Sweetgrass. Use of Information Technology System and pre-clearance procedures at border crossings will be important elements of a more efficient system to meet future growth.

As is the case across the country, security of access to the U.S. market is critical to Alberta. U.S. attempts to pursue actions aimed at restricting imports of Canadian products is a major concern. Efforts must continue through various forums available to provincial, state, and national governments to ensure that issues are resolved before they become actual disputes.

SASKATCHEWAN

Overview

After registering gross domestic product growth of only 1.1 percent in 1999, Saskatchewan's economy is expected to record significantly higher growth in 2000. The increase is attributable to three factors: increased activity in the mineral fuels and mining services sectors spurred by higher oil prices; an acceleration in manufacturing output, led by the electronic products sector; and strong performances by the transportation, storage and communications sectors, as well as in the wholesale trade sector, as a result of the banner agricultural crop in 1999-2000.

While the province's economy remains susceptible to fluctuations in the demand and prices for agriculture products, mineral fuels and raw materials, the province hopes to mitigate this through further diversification, which will be achieved through the continued growth and development of its key sectors. These key growth sectors include: value-added agriculture, mining, forestry, energy, information technology and tourism.

Saskatchewan, with 44 percent of Canada's cultivated farmland, generates about 20 percent of Canada's

agricultural production, and is Canada's largest grain producer, accounting for about 50 percent of the country's wheat production. In recent years, however, Saskatchewan's primary agriculture sector, which contributes about \$2 billion annually to the province's gross domestic product, has become more diversified in terms of livestock and new crop production, particularly specialty crops. The province's food-processing sector is growing rapidly and Saskatoon has become a world-class player with respect to agricultural biotechnology.

Major extractive industries have developed around Saskatchewan's rich deposits of potash, uranium, oil and natural gas; this, in turn, has provided new opportunities for manufacturing and services industries. With 23 percent of the province covered by commercial forest, Saskatchewan has also become a small, but competitive, producer of pulp, paper, lumber and value-added wood products for both domestic and international markets.

While agriculture and extractive industries continue to play an important part in the provincial economy, services now account for 60 percent of Saskatchewan's gross domestic product and over 70 percent of total employment. The province's telecommunications and information technology sector, which consists of national firms headquartered in Regina (ISM and GDS & Associates), branch operations of other national companies (LGS, CGI and Systemhouse), and an array of small to mid-size local firms, is expanding. Perhaps surprisingly, the film sector is one of the fastest growing industries in the province, expanding eight-fold over the last seven years and generating revenues of \$50 million in 1998.

Improving the environment for innovation is a provincial priority and research and development activity is playing an increasingly important role in shaping Saskatchewan's future in the new economy. In the energy sector, Regina is home to a new world-class centre for heavy oil and horizontal drilling technology development. The Canadian Light Source Synchrotron, which is under construction in Saskatoon, will be one of the country's major scientific facilities. Given that the facility, which will be used for basic and industrial research in a number of fields, will be one of only a handful in the world, it should attract both scientists and companies in the pharmaceuticals, medical diagnosis and treatment and biotechnology sectors to Saskatchewan.