



STANDING COMMITTEE ON THE ECONOMY

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STANDING COMMITTEE ON THE ECONOMY

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Lloydminster

Mr. Yens Pedersen, Deputy Chair
Regina Northeast

Mr. Buckley Belanger
Athabasca

Mr. David Buckingham
Saskatoon Westview

Mr. Eric Olauson
Saskatoon University

Mr. Doug Steele
Cypress Hills

Mr. Lyle Stewart
Lumsden-Morse

[The committee met at 15:00.]

The Chair: — Welcome, folks, to the Standing Committee on the Economy. Myself, Colleen Young, will be chairing this afternoon's meeting. And we have with us Mr. Warren McCall sitting in for Buckley Belanger, and we also have members David Buckingham and Lyle Stewart here with us this afternoon.

**General Revenue Fund
Innovation Saskatchewan
Vote 84**

Subvote (IS01)

The Chair: — Our first item of business today is consideration of estimates for Innovation Saskatchewan, vote 84, Innovation Saskatchewan, central management and services, subvote (IS01).

Minister Beaudry-Mellor is here with her officials. And due to physical distancing requirements in light of the COVID-19 pandemic, witnesses may speak at the stand-up microphone podium if they are required to answer questions. And I ask that they all state their names first and their titles before speaking. If the minister needs the opportunity to meet with her officials outside of the room, room 4 is available next door for you. So, Minister, you may begin by introducing your officials with you here today, and any opening remarks then that you may have.

Hon. Ms. Beaudry-Mellor: — Well thanks very much, Madam Chair. I'm pleased to be here for the '20-21 estimates for Innovation Saskatchewan. With me is Kari Harvey, the chief executive officer for Innovation Saskatchewan. Behind me is Avery Vold, who is the acting director of corporate strategy; Jon Altwasser, director of budget development and sector accountability from the Ministry of Advanced Ed; and my chief of staff, Tessa Ritter sitting at the back.

Innovation Saskatchewan is the agency responsible for advancing our province's innovation agenda and priorities. It coordinates government strategic direction in research, development, science, and technology. Madam Chair, we know that our province's future economic success will depend increasingly on knowledge and innovation. And to help ensure the success, Innovation Saskatchewan has developed a strategy focused on two important goals: number one, to ensure that research carried out at its funded institutes aligns with the province's research and development priorities; and two, to help build and support a community of prolific, diverse, and successful tech entrepreneurs and companies.

To achieve its goals, the agency manages research and innovation and investments on behalf of the Government of Saskatchewan. It also supports and partners with a variety of stakeholders in alignment with our government's priorities. This fiscal year Innovation Saskatchewan has received an expense budget of \$25.727 million.

The budget includes incremental funding for programs including a \$125,000 increase to Co.Labs as it expands programming to support the scale-up of Saskatchewan tech companies. In three years of operations, Co.Labs has made a significant impact on the growth of the start-up technology sector. It has coached and

mentored over 100 technology start-ups, which have secured 8 million in private equity investment and created 179 jobs. Innovation Saskatchewan's contribution to Co.Labs has helped leverage federal and private sector funding.

The budget also includes a \$400,000 increase to the Vaccine and Infectious Disease Organization, VIDO-InterVac [Vaccine and Infectious Disease Organization-international vaccine centre], to support construction of a vaccine manufacturing facility. This space is the first of its kind in Canada and will accelerate the development and commercialization of new human and animal health vaccines. This additional funding will supplement federal and provincial funding VIDO-InterVac received in early 2020 to support facility construction as well as its work on developing a COVID-19 vaccine.

Madam Chair, you should also know that Innovation Saskatchewan's '20-21 budget contains \$1 million in new funding to support the launch of the ag tech growth fund. This fund will drive investment into local innovations and attract international ag tech companies into the province. With centuries of ag expertise and a growing community of tech entrepreneurs, Saskatchewan is uniquely positioned to become a global leader in ag tech development. We expect the program to launch in the summer of 2020.

In addition, the Saskatchewan technology start-up incentive, or STSI for short, enters the final year of its pilot program this year. The incentive allows eligible investors to receive a tax credit for qualifying investments in Saskatchewan-based early technology start-up companies. Investment Saskatchewan has allocated 2.5 million this fiscal year towards tax certificates. Since launching as a pilot in 2018, the STSI has addressed the need for capital investment among emerging technology start-ups. In a year and a half, 10.9 million in private investment has been attracted; 4.92 million in tax credits have been issued; 138 investors and 49 tech companies have been approved to raise capital; and 66 new jobs have been created by start-ups under the program.

Madam Chair, Innovation Saskatchewan's '20-21 budget also includes the following continued commitments: \$1 million for the Saskatchewan Advantage Innovation Fund to target the commercialization of new technologies; \$2.979 million for the Innovation and Science Fund, which matches federal funding of research projects at Saskatchewan universities, colleges, and research institutes; 4.1 million for the CLS [Canadian Light Source], a major national science facility at the U of S [University of Saskatchewan]; 2.5 million for the Fedoruk centre for nuclear research; 1.67 for the Petroleum Technology Research Centre, which provides project management and funding support for research into enhanced oil recovery and CO₂ storage; and 256,000 for the industry-led International Minerals Innovation Institute; 4.849 million to the Saskatchewan Health Research Foundation; 100,000 for the made-in-Saskatchewan technology program that sees government partner with a tech company to develop innovative solutions to government challenges; and 350,000 for programming in support of technology entrepreneurs and start-ups in the province.

In 2019-20 Innovation Saskatchewan and Western Economic Diversification funded a tech sector study spearheaded by

SaskTech and led by SaskInteractive, an interactive media association. This provincial study on the tech sector's labour market and economic impact, which was released in May 2020, confirmed the tech sector's role as an economic driver in this province.

In 2018 the tech sector generated 4.7 billion in direct gross domestic product, representing 5.6 per cent of Saskatchewan's total GDP [gross domestic product]. The study also confirms the tech sector is a large employer in the province, one that employs 52,300 workers. And finally the study confirms Saskatchewan is home to over 5,000 tech companies. The study clearly outlines the Saskatchewan advantage: strong wages and a lower cost of living for workers, and a robust tech sector embracing start-ups, strong businesses, and large corporate players.

While Saskatchewan is facing both enormous opportunities and challenges during this unprecedented time of transformation, it's clear that the technology industry has come a long way and is a cornerstone for the province's growth. And not withstanding the impact of COVID-19, this past year was truly remarkable for Saskatchewan's tech industry, which saw a number of accomplishments.

For instance, Vendasta raised 40 million, marking the single largest tech investment in the prairies since the CVCA [Canadian Venture Capital and Private Equity Association] started collecting data in 2013.

In July of 2019, Conexus launched a \$30 million tech venture fund investing in SalonScale for a million, 7shifts with 6 million, and Coconut Software for 6.5.

In May of last year, Co.Labs brought together founders and investors from tech hubs in prairie provinces for the Uniting the Prairies tech conference, an event attended by over 600 attendees and 40 speakers. In September of this year, the Cultivator led the Sask Startup Summit, bringing together early-stage tech companies, mentors, and investors to navigate the challenges of building a start-up.

We also saw a dramatic increase in venture capital activity last year. The CVCA reported that 114 million in venture capital commitments were made in Saskatchewan in 2019 compared to just 60 million in 2018. Saskatchewan outpaced Manitoba, New Brunswick, and Nova Scotia in terms of total venture capital invested after lagging behind those provinces for previous years.

The current pandemic has made it clear that tech will play an increasingly important role in the future and in our growing economy, and our government wants to see this growth and success continue in Saskatchewan. That's been reflected in *The Saskatchewan Plan for Growth*.

I want to take a minute here to thank my team that is driving the province's innovation agenda and providing research and innovation investments for areas that are important to us. This in turn generates results that are transferable and useful across the world. Madam Chair, this concludes my remarks. You're welcome, Warren; I cut several pages. And I welcome any questions that you might have on these estimates.

The Chair: — Thank you, Minister. And now I'll open the floor

to questions from committee members, and I'll acknowledge Mr. McCall.

Mr. McCall: — Well thank you very much, Madam Chair. Madam Minister, officials, good to be with you today. The cutting several pages even elicited an approving look from across the aisle over in Lumsden-Morse. But good to be with you to have this discussion.

This is a file that I've been sort of in and out of for a number of years, but I'm always paying attention to what's going on. So just to start, there's a tremendous amount of great things happening in this sector, and Innovation Saskatchewan is certainly going hard, doing a lot of great work, and you know, as it should be. But also it's always nice to see that potential realized.

And again, not to, you know, get into the several pages that I've cut from my remarks, but I guess I've been around long enough to . . . you know, when Co.Labs was just notional and a good vision. And to see it realized in the way that it has is pretty impressive. So I'd start right there to say, you know, keep up the great work.

And I guess I'd move adjournment . . . no, I'm just kidding. Just got to keep it interesting for a while, you know, otherwise those thoughts will turn to mayhem.

But I guess a number of thoughts occur. So just I wanted to generally state the positive impressions that are generated by the work being done, the returns being realized, the economic activity being engendered.

I guess the first place I'd start, if you could just for the record . . . I don't know if you guys were the long and the short of the thing, but certainly it's . . . If you could state for the record what has become of Wes Jickling, and just in terms of the instalment of Ms. Harvey as the chief executive officer of Innovation Saskatchewan? If you could just state that for the record, how that transpired.

Hon. Ms. Beaudry-Mellor: — Well Mr. Jickling left for another opportunity in Alberta. And we held a competitive process and arrived at the CEO [chief executive officer] who is sitting beside me, which is Kari Harvey.

Mr. McCall: — So CFOs [chief financial officer], is that still a thing or is there a search under way for . . . or COO [chief operating officer]? Or is one of your counterparts filling that under a new bit of titling, or how does that go?

Ms. Harvey: — So we actually have a few vacancies in our organization right now. And of course, you know, coming into this role as a new CEO, I'm taking some time to take a look at the organization and to determine, you know, where we need to put resources to achieve what we want to achieve with our strategic plan.

Mr. McCall: — In those plans, was there a closer look taken at the board structure, the board composition? And again I want to note favourably, at least as far as 2018-19's annual report was considered — I don't know if he's still on the board — but certainly it was good to see someone like Thomas Benjoe represented on the board of Innovation Saskatchewan.

[15:15]

And it's not to cast stones at previous iterations of the board. But anyway I think there had been sort of . . . The benchmark has moved up, and I'm not just saying that because Stewart used to be on the board or anything like that, or one of his neighbours out at Pense. But anyway, has there been a closer look at the board structure and how that is recruited and appointed, and what does the board look like right now?

Hon. Ms. Beaudry-Mellor: — I think — and I'll ask Kari to jump in — we have been very, very thoughtful in the construct of the board. I think we've worked really hard to have a diverse board, knowing that diversity drives innovation. We have actively looked for expertise in areas where we felt that we needed shoring up.

So for example, you know, we have Dr. Sandra Zilles, who's an expert in artificial intelligence at the University of Regina, which is an area that we have a keen interest in, serving on the board. Marty Seymour, who you will remember from his days at Agribition and very active with FCC [Farm Credit Canada] and in the agricultural community to help us in particular with the ag tech piece. Thomas, obviously, will help us a lot in terms of the economic development and opportunities for First Nations and Métis people, particularly in some of the work that they're doing around . . . and the name just went out of my head, the company that they're involved with. It'll come back to me.

So I would say there's been a really active attempt to try to have a diverse, robust board, and it certainly is that. I'll see if Kari wants to jump in here.

Ms. Harvey: — Yes, and just to add to that, I mean we've had quite a few members turn over, so this is a fairly, you know, new composition for us, but we're really excited about, you know, the expertise that can help me in terms of guiding the strategic plan and thinking about where we want to go in the future.

Mr. McCall: — Well again I guess I think about different statements in the media I've seen from SaskTech and the general state of not just satisfaction, but they're quite happy with the role that Innovation Saskatchewan is playing in partnership with the sector. And again I know that's . . . There's never nothing for nothing, but that seems to be indicative of a good working relationship, a productive working relationship that again, Madam Minister, was borne out by your remarks off the top. And again the stronger the boards, the stronger the organizations, the stronger the partnership with the leadership. So I guess just keep that up.

But one thing I'd be particularly interested in, and in terms of just gaining a clear picture of the impact of COVID on the sector and in terms of the go-forward, what is the biggest challenge posed by these times we are in to the burgeoning growth of the tech sector? What sort of setbacks has that entailed, and in terms of the big stress test this all has been, what sort of lessons are you learning and applying, I'm sure, day to day?

Hon. Ms. Beaudry-Mellor: — Two major things, I think. One, obviously the restrictions on international is going to play a significant role in our ability to attract investment into this sector and to maintain the investment growth that we've had. The

economic impact of COVID will challenge that investment piece.

I think there's some opportunities there. Some of what our neighbouring provinces are doing is going to situate Saskatchewan in a competitive advantage position because they're not certainly focused on this the same way that we are. So that's going to be challenge number one. I think that's going to be a challenge everywhere, is attracting investment.

And the second challenge will be the labour challenge. And I think this challenge was there prior to COVID, but again the ability to attract senior talent — and the travel piece is a challenge — because we have only really two, maybe three anchors in the ecosystem right now that have the senior talent that some of the ones that are kind of up-and-coming need. And we really need some growth in the senior talent pools, and some of that would require people to come from outside of the province. And the restrictions on travel is going to make that a challenge. So those would be the two top of mind.

Mr. McCall: — Okay. No, that tracks. And certainly the international piece, we'll get into it in Advanced Education, but it's a brave new world we're in. In terms of . . . and I know this is something near and dear to the minister's heart, but in a lot of the commentary, the data that arises from the impact of COVID, there's a lot to indicate in terms of the gendered way that this is playing out across the economy, and there being a bigger impact on women in terms of COVID economic labour force impacts. How does the minister see that playing out through the sector, and are there opportunities that arise there to make sure that if there's a recovery, that recovery works for women as well?

Hon. Ms. Beaudry-Mellor: — So a couple of things. Thanks for that question first of all. There have been 16 female founders of the 116 founders at Co.Labs. A couple of things to this question with respect to the impact on women. Number one, the Status of Women office is working hard on a couple of fronts here. Number one, to examine women in the STEM [science, technology, engineering, and math] fields and how do we increase the number of women in STEM fields, because it's currently approximately around 13 per cent. And that is an area where we need more significant growth. That's where the higher paying jobs are. That's certainly where the jobs of the future will be. And so the Status of Women office is working on that.

I want to compliment Kari for the work that she's been doing on female Founders Tables and sharing some of that work. We have some actually pretty noteworthy women in the tech space right now — Katherine Regnier, Alicia Soulier, Serese Selanders — who are doing a lot to mentor other women into the space and to encourage them to consider it. And so I think there's a lot more interest there than there probably ever has been.

Kari has also been working hard on ladies who code, on coding with respect to women. So I think this is an area where there is a tremendous growth opportunity. It dovetails in with the work that we're doing through the Status of Women office with the WESK [Women Entrepreneurs Saskatchewan] advisory committee and looking at the scale-up piece. There's a lot of women who own businesses in the province of Saskatchewan but they tend to be in the services and retail sector. And COVID has really demonstrated, I think, the challenges in the services and retail sector, especially bricks and mortar, and the need for tech

overlays. And so that has been, I think, highlighted throughout this. So I think there's a tremendous growth opportunity there. And that's some of the work that we've been really focused on. I don't know if there's anything you want to add, Kari, to that, or if we're good.

Ms. Harvey: — Yes, I think just in general, diversity in the tech sector is something that we are pursuing quite diligently because it's . . . to the point that the minister made, these are the high-paying jobs. We want to ensure that there's inclusion in this sector of, you know, not only females but also First Nations and Indigenous as well.

Hon. Ms. Beaudry-Mellor: — The only other thing I would add to that would be that I think for the first time, at least in my recollection, the three biggest institutions in the province for post-secondary all have women as their heads of research in some capacity. At Sask Poly it's the AVP [associate vice-president], but at U of R [University of Regina], U of S, they're both VPs [vice-president]. And so I think there's an opportunity that we haven't seen before to really drive the innovation economy — one of those sits on our board — in a way that hasn't been done before.

Mr. McCall: — Again I'd refer you to my opening comments, and again there's some great things happening. But in terms of, like the leadership is obviously critical, but consideration of dedicated funds, dedicated sort of upscaling opportunities, is there anything under consideration in that regard?

Hon. Ms. Beaudry-Mellor: — Okay, I'll give you a bit of a breakdown. And I would say that these are not just women-specific, that they're focused on EDI [equity, diversity, and inclusion] goals. And so one of those, of course, is we have dedicated . . . Last year we dedicated 7,700 towards the Ladies in Tech events that I talked about earlier. So those are designed to engage with various tech industry stakeholders in both Regina with the Cultivator and in Saskatoon with Co.Labs. And it would include iQmetrix, Women Entrepreneurs of Saskatchewan, EDR [Economic Development Regina].

Also the Founders Table which I referred to earlier, at 50,000. So that was a WESK and EDR collaboration and I actually had the opportunity to attend some of those. They're mastermind sessions between, in fact, some actually small venture . . . some angel investors and women founders to talk about how they might attract investment, how they might improve their business plans. That's an absolutely great piece.

Eighty per cent of the participants reported hiring employees based on how they found some of their funding programs. Fifty per cent joined Co.Labs or Cultivator, including some of those that weren't already involved. Seventy per cent of them had ongoing angel and VC [venture capital] funding conversations directly related to this, which is . . . That is one of the things that we have found over the course of the last while working in this area, is that there are some challenges for women to attract investment, whether they feel unfamiliar with that sort of territory and network. And we've been spending a lot of time in looking for opportunities to facilitate those conversations because they're not classic networks.

RoboX, which you may have heard of, I'm pretty proud of.

Innovation Saskatchewan partnered with the Saskatchewan Science Centre to deliver coding and robotics education up in northern communities and with teachers. So it was provided through SaskCode and Saskatchewan Science Centre. They educated 136 people in the northern part of the province from training from SaskCode to do coding and robotics exercise in northern schools.

I'm pretty proud of that one. I think that one has a legacy effect, once a few teachers have the ability to teach those skills and can pass them on. I think it was amazing, representing 19 schools in 13 communities, so there is an estimate that they will reach 200 teachers in the Northern Lights School Division by the end of the year, and I think that's really important. There was a survey done to see what teachers' comfort level was with coding and robotics exercises before they went out and then after they went out, and I think it was 98 per cent was after . . . It was really quite significant, so pretty proud of that one.

And then 90,000 . . . We work with an organization called ComIT. It's a non-profit organization that offers three-month coding training to individuals who are underemployed or unemployed in the community. So in early 2019, WD [Western Economic Diversification Canada] provided ComIT with 800,000 to expand the program across Canada and we have been using them as well. So 106 people have completed the course to date and 72 per cent found employment within the first six months of completing the course. So that's one that I think has a really high return on investment that we'd like to see more of.

[15:30]

And then finally, we've been doing some work with the Regina Open Door Society and newcomers, although I would say when I was looking at stats related to women, a lot of newcomer women already are in STEM fields, interestingly enough. But we have done some work with Regina Open Door, hosting Working Code Hackathon last year. Fourteen people participated in that, seven participants met with different employers for job interviews, and four have secured employment to date. So those are just a few examples of things that we've done on EDI more generally.

Mr. McCall: — Thank you for that. And I see by the clock on the wall that my time is coming rapidly to an end, but a couple of questions perhaps I'll put a marker on for, perhaps in Advanced Education.

But certainly the involvement of Innovation Saskatchewan, there's a lot of interplay with the whole field of artificial intelligence. And I think we've talked about this before at committee in terms of, you know, Innovation Saskatchewan is very much fuelling the one side of the equation, but in terms of what the overall labour impacts are of AI [artificial intelligence] on the Saskatchewan economy and throughout different segments of the labour market in particular, I don't know if the one hand knows what the other hand is necessarily up to.

And you know, I think one of the challenges of government work is to be intentional and thoughtful and, you know, try and see beyond the horizon, but AI is like massive in terms of its implication for the structure of our labour market. I think Lyle's possibly finishing his seeding right now on his iPhone. Not to

make light of it, but it's something I don't know that Innovation Saskatchewan . . . And again there's government at large on the hook for this. But from Innovation Saskatchewan's perspective, what's the understanding of the impacts and steps towards mitigation?

And then I've got another one just real quick after that, but any thoughts on that?

Hon. Ms. Beaudry-Mellor: — So I guess I would characterize us as cautious champions of AI. And I would say that because we have the benefit of having Sandra Zilles on our board, who has talked a lot about how she's using, for example, artificial intelligence to track processes in carbon capture and storage. And her position would be that you always need a human being to help identify and interpret the problems. The AI is only a tool that you can use in your tool box.

I'd also say that, with respect to artificial intelligence, I mean the ability to do precision seeding in spring has incredible both economic and environmental impacts that are positive. And I don't know that Lyle Stewart is going to be able to abandon his farm any time soon, but I do think that the ability for him to be able to do those things in a cheaper and faster way over time is going to be great.

The same would be true . . . And I think the real argument is with respect to access. The use of technology and artificial intelligence has allowed us in many ways to be able to reach more people than we've ever been able to reach before. And I think that is a notable achievement with respect to AI.

For example, I can think of the remote pediatric services that are offered currently in the northern part of the province. Sometimes it's difficult to access direct face-to-face services. But on things like that or things like, for example, mental health in rural Saskatchewan, the ability to interact through an online interface using some AI technology in order to be able to provide services is, I think, an expansion of a service and perhaps a destigmatizing of a service that wasn't there before. So I see those as positives.

Mr. McCall: — I guess if I could pause you there, Minister, again you don't need to sell me on the here comes the future; get on. Like, I'm on board; I've got my iPhone telling me what to do on an almost minute-to-minute basis. I haven't finished seeding with it yet, but you know, we'll see how that works out.

But again I'm looking for some sort of game plan in terms of mitigating the impacts on labour market. And the way that the Saskatchewan labour market is structured, it's particularly vulnerable to those impacts. So I get there's a whole raft of benefits to be garnered, but I want to know that there's a plan to mitigate the negative side of the equation.

Hon. Ms. Beaudry-Mellor: — Yes. It's called the growth plan. And in the growth plan is a goal to triple the size of the tech sector, which really is one of the ones that is always at the very front of my forehead when I think every day, and that's the one through all three of my files directly correspond to. So that's the goal that we're going to drive towards and our goal here in Innovation Saskatchewan, but I would argue the rest of my files as well is to make sure that we include people along the way in those goals. People that would not normally be included which

would include Indigenous folks and women in particular, and we have some work to do there.

Mr. McCall: — Again, you know, that's great. I'm with you. But I want to hear someone from the Government of Saskatchewan say, you know, over the next decade here's what we project in terms of job losses, in terms of jobs that will be eliminated by the impact of artificial intelligence, and here's our plan to make sure that those workers aren't just left to hang.

Hon. Ms. Beaudry-Mellor: — But we have job growth targets. And those job growth targets, as you know, in the growth plan are also related to the tech growth. So I guess I don't share your . . . Yes, I understand that AI will change some of the work that we do, but I think we are driving towards new kinds of jobs and new kinds of work, and I think that's the key here.

And that's why the tripling the tech sector goal in the growth plan is really important, as are numerous other goals in the growth plan. But it means that the nature of work may change, the kind of work we do may change. And that's just not a discussion for Saskatchewan, that's a global conversation, is what the world of work is going to look like, if it's going to be based around the gig economy or if it's going to be based around some other form, some other kinds of jobs. We already know that right now. Lots of people are working remotely and okay doing that, right? I mean it's transformed us in a period of three months in many cases.

So it is part of the plan. The growth plan targets do contemplate that the nature of work is going to change. I would say all of our post-secondary institutions also understand that.

Mr. McCall: — Well that's a whole different round of questions that will be coming for sure.

But I guess one big front, one big battle in the whole tech sector as relates to Saskatchewan, value-adds, R & D [research and development], I mean the Canadian Light Source synchrotron has been a massive use of infrastructure, generator of R & D. And again I think we can take it as agreed the importance of the CLS. What's the involvement of Innovation Saskatchewan with making sure that as we come up to the renewal of that great institution in the province, and as we come up to some generational questions as to is Saskatchewan going to carry forward with that, or are we going to lose out to other jurisdictions? What sort of action is the Innovation Saskatchewan taking on that front?

Ms. Harvey: — So we are represented on the board of directors of the CLS, and so we're very much aware of, you know, the discussions around the CLS 2.0. The board is striking a committee to take a look at what kind of plan needs to be put together to take to the federal government because this is a major science initiative, and so it will be up to the federal government to make the decision around where that's going to be located. But we are very much aware that there will be other jurisdictions that are going to be, you know, hoping to be the new home of CLS 2.0. So we are on top of it, I guess.

Mr. McCall: — Okay. Glad to hear it, and so we'll be looking for success on that front for sure. But with that, Madam Chair, thanks to my colleagues for their indulgence. Madam Minister,

officials, good to join you here for these consideration of these estimates.

The Chair: — Thank you. Now that there are no further questions, we will adjourn consideration of the estimates for Innovation Saskatchewan. Minister, if you have any wrap-up comments you would like to make?

Hon. Ms. Beaudry-Mellor: — Well I did at the outset thank my officials, but I would like to thank Kari and Jon and Avery and Tessa again. I'd like to thank Mr. McCall and also my colleagues that are here and spending long hours in these rooms, I'm sure. And of course, the folks from LAS [Legislative Assembly Service], thanks very much.

The Chair: — Any further comments, Mr. McCall, that you have? No? All right, thank you. We'll just take about a few minute break so that we can change out officials and do a cleaning.

[The committee recessed for a period of time.]

**General Revenue Fund
Environment
Vote 26**

Subvote (EN01)

The Chair: — All right, folks, welcome back to the Committee on the Economy. We will begin with consideration of estimates and supplementary estimates for the Ministry of Environment, vote 26, Environment, central management and services, and subvote (EN01).

Minister Duncan is here with his officials, and due to physical distancing requirements in light of the COVID-19 pandemic, we ask witnesses to speak at the stand-up mike at the back to answer any questions. I would also ask all the witnesses to please state their names and their positions the first time that they speak. And if the minister needs extra time to confer with other officials, the room 4 next door, the media room, is available. Minister, you may begin by introducing your officials and making your opening remarks.

Hon. Mr. Duncan: — Thank you and good afternoon, Madam Chair, and to members of the committee here. With me this afternoon are members of the ministry's executive team as well as other key officials from the ministry. This includes, to my right, Sarah Harrison, deputy minister; Kevin Murphy, assistant deputy minister, resource management and compliance division; Wes Kotyk, assistant deputy minister, environmental protection division; David Brock, assistant deputy minister, climate change and adaptation division; and Cheryl Jansen, director of budget and reporting branch.

This year's budget is focused on growth for a better quality of life, fostering a strong economy, creating strong communities and strong families. The vision for building a strong Saskatchewan could never be more important than it is now. As we continue to address and adapt to the challenges of COVID-19, we need to ensure that the province and the ministry continue to identify and support priorities for the future. The principle of planning for tomorrow in a purposeful manner is important for

government on a strategic level and a signal of confidence for those we serve.

On that note, the Ministry of Environment will lead or support a number of key commitments in Saskatchewan's growth plan, including ongoing delivery of the Prairie Resilience climate change strategy and implementation of the solid waste management strategy unveiled earlier this year. The ministry's 2020-2021 budget of 111.268 million represents an increase of 7.312 million, or 7 per cent, from the 2019-2020 restated budget. The restatement reflects transfer of the wildfire management program to the Saskatchewan Public Safety Agency.

This year's budget allocation will once again allow the ministry to ensure the environment is protected, communities are safe, and economic growth is balanced with environmental health. As members will know, the province's Prairie Resilience strategy, designed to make Saskatchewan more resilient to the climatic, economic, and policy impacts of climate change, include more than 40 commitments in five key areas: natural systems; physical infrastructure; economic sustainability; community preparedness; and measuring, monitoring, and reporting.

To help support the climate change strategy and a vision of continued growth in the province, this year's budget includes an investment of 480,000 for Saskatchewan's output-based performance standards program. With respect to growth and needs of the future, the budget also includes \$90,000 to support implementation of the provincial solid waste management strategy.

In addition, the 2020-2021 budget includes an increase of 4.8 million to help deliver the Sarcan beverage container collection and recycling program, bringing the province's total funding support to \$31.8 million. Sarcan employs more than 700 people at its 72 collection depots across the province. This important and ongoing funding contributes to economic activity, provides waste management and recycling benefits, and contributes to the well-being of persons with disabilities and others who work within the Sarcan recycling operations.

The budget includes an increase of \$1.5 million for a total of 3.5 million to honour rebates associated with the previous version of SaskPower's net metering program, which met its 16-megawatt cap in November of 2019.

The budget also continues to focus on protecting the province's biodiversity through the following allocations: 129,000 for the establishment of new Indigenous protected and conserved areas; 150,000 to help conserve critical habitat for species at risk on grazing lands; and 160,000 to support oversight on economic development activities. The chronic wasting disease initiative will receive 355,000, an increase of 120,000. And the budget also includes 110,000 to support the Saskatchewan landfill closure program.

The ministry will earmark \$250,000 in new funds to conduct a business process review and assess future IT/IM [information technology/information management] system requirements. The budget includes 1.6 million to address operating pressures. Capital funding for 2020-21 remains at 1.18 million, enabling the ministry to continue to address safety and security concerns in its facilities and maintain the operating equipment required to carry

out its mandate.

Operating savings of \$2 million have been realized across the ministry as a result of efficiencies and reductions in one-time funding. The 2020-21 budget will allow the ministry to continue managing the health of Saskatchewan's environment in a responsible manner that supports sustainable growth through objective, transparent, and informed decision making and stewardship.

Madam Chair, with that, we'd be pleased to take your questions.

The Chair: — Thank you, Minister. I'll open the floor to questions from members and recognize Mr. Pedersen.

Mr. Pedersen: — Thank you, Madam Chair. Well it's Pollinator Week, Minister, and I guess I'm wondering for starters, does the ministry have a plan to protect pollinators? How much money is allocated to that plan and where does that fall in the estimates? And I guess I should mention, the pollinators I'm specifically concerned about and asking about is native pollinators, some of which species are actually threatened or species at risk.

Mr. Murphy: — Hello. Kevin Murphy, assistant deputy minister for resource management and compliance division of Environment.

We do not have a specific allocation for pollinator protection. As you referenced, if there are pollinators that are listed under the *Species at Risk Act*, we would use our endangered species programming to protect those specific animals and work with the federal government on any listing of critical habitat, for example. The federal government typically gives a definition and provides a recovery strategy that the province needs to comply with in terms of the actions.

From a broader perspective, our conservation programming — protected-areas strategies and our general conservation protected programming — are intended to embrace the entirety of the diversity of species that are within Saskatchewan and rely on those protected habitat types. It's one of the reasons why the protected-areas program is considered to be a representative areas network program intended to find representation in the different eco-districts ensuring that we are finding habitat that to the broadest possible manner, protects the assemblage that's associated with that — pollinators being a part of that.

Mr. Pedersen: — So has the ministry actually given any consideration to native pollinators in doing that work? Is it on the ministry's radar?

Mr. Murphy: — The ministry employs . . . One of our wildlife biologists actually has a background in entomology and includes those considerations in the development of the protection program and our habitat-management plan.

Mr. Pedersen: — Switching topics, is it the government's position that sequestration of greenhouse gas emissions that happens on land in a natural state, that the government or the province should get credit, offset credit, for those emissions when it comes to national and international negotiations?

Hon. Mr. Duncan: — I'll just maybe start by maybe more of a

broader statement, to say that certainly the government does support the concept that Saskatchewan does sequester, both naturally as well as through different processes, carbon dioxide. If there's an opportunity, and we certainly hope so through the Paris Agreement, to gain recognition and some form of credit to that, then we certainly encourage the federal government to champion that for Saskatchewan. And we certainly would do that with the federal government.

It's certainly my view that I'm hopeful that the federal government has not signed us onto an international agreement that leaves Saskatchewan out of that conversation. Particularly I'm referring to the ITMOs [internationally transferred mitigation outcomes] or the transferable mitigation outcomes chapter. I understand the federal minister and the ministry and signatories to the Paris Agreement are still working on the rule book, so to speak, as it relates to that article. I believe it's 6 of the Paris Agreement.

[16:00]

There was some hope that that rule book was going to be finalized prior to now and it has not been, but I know there's been work between the COP [conference of the parties] conferences to finalize that work.

So again I would just say in a broad sense, I think that there are things that can be accounted for — sequestration — that can be accounted for that certainly Saskatchewan can bring to the table.

Mr. Pedersen: — When it comes to the federal government's plan, the price on carbon there, has this ministry done any calculations of how much the farm, either a typical farm or the agricultural sector, is paying in terms of the price on carbon that the federal government has set?

Hon. Mr. Duncan: — The Ministry of Environment has not done that work although we understand that that work has been undertaken by a number of organizations in Saskatchewan and across the country. I think APAS [Agricultural Producers Association of Saskatchewan], I would certainly refer you to some of the work that they've done to survey members across the province that, in some cases, have found that the carbon tax can be as high as \$10,000 for producers in the province.

That certainly is not congruent with what the federal Minister of Agriculture has in the last couple of weeks indicated, that in the view of the federal government, it's been less than \$1,000 for the average Canadian farm, although there have been some, my understanding, some discrepancies in terms of where the federal minister would've been driving that information from that maybe didn't take into account the full picture across the country. And certainly a farm in Saskatchewan is maybe not the same as a farm in PEI [Prince Edward Island] or New Brunswick or Newfoundland or in other places. So we have not directly done that survey work but know that others have.

Mr. Pedersen: — Have you, Minister, asked the federal government to exempt farmers from the price on carbon when it comes to electricity, natural gas, and propane?

Hon. Mr. Duncan: — Thank you for the question. Well I would say that certainly I have taken a significant amount of time and

opportunity to encourage the federal government to exempt all Saskatchewan people from the carbon tax, including farmers.

Mr. Pedersen: — So I'm taking it that's a no in terms of a specific ask when it comes to farmers and those three items.

Hon. Mr. Duncan: — No, I wouldn't say that that's a no. I would say that our general position as a province has been that the carbon tax should not apply to, be imposed on the province of Saskatchewan, including all of our residents, whether they be on the farm or off the farm.

I have raised the specific issue of . . . especially in light of the last harvest that we had in Saskatchewan and the significant costs that we were expecting farmers to be paying, particularly as it relates to their natural gas. I raised that with Minister Wilkinson at the first opportunity that I had to speak to him after he was reappointed to cabinet as the new Minister of Environment.

But this is something that I think I first flagged not far from here — just, I think, behind us in the radio room in October of 2018 — the fact that the carbon tax was going to have a much broader reach into the farm community than the then federal minister Ralph Goodale was suggesting to the public. So I don't think our position on this has been a secret, and certainly mine has not.

Mr. Pedersen: — So are you able to point me to any document where you've sent a letter to, or specifically requested an exemption for the carbon price for farmers on electricity, natural gas, or propane, either before or after this last harvest?

Hon. Mr. Duncan: — Thank you for the question. So I certainly could refer you to a number of letters that have . . . correspondence that has taken place in 2018 and certainly 2019 as well, as it related to the position of the province with respect to the application of federal regulations on electricity, as well as the potential application of the output-based performance system, the federal system as well.

I would just say in short, we exchanged a number of letters with then Minister McKenna on these issues. I had an opportunity, as I mentioned, to speak directly to Minister Wilkinson and raise this very specific concern with him. And I think I would also note that we also took the federal government to court. And we are awaiting a decision at the Supreme Court, a hearing and a decision at the Supreme Court. So I think we've raised it a significant number of times.

Mr. Pedersen: — So I guess that's not overly specific, but I guess what I'm hearing you say is that it's well known that this government is opposed to the price on carbon. You've let the federal government know on many occasions, but there was never a specific ask that the price on carbon that applies to farmers on those three types of fuel be exempted or returned to farmers.

Hon. Mr. Duncan: — Well I would just say that I've sat in the radio room of this building in October of 2018 and specifically said that the carbon tax should not apply to the agricultural community. That event was broadcast in various forms, a number of media figures attended it. And I don't think it was a secret that the position of the government is that the carbon tax should not apply to any sector in this province, including the farm sector as

far back . . . well even previous to that, but certainly I think we made our views known with respect specifically to agriculture as early as October 2018, if not before then.

Mr. Pedersen: — I'm well aware, Minister, the province came up with its own carbon pricing plan for heavy emitters, fertilizer plants, potash mines, refineries, so on. Why didn't the provincial government, if the price on carbon is a big problem for agriculture — and I think we agree on that — why didn't the provincial government come up with a plan for agriculture to make sure that the price on carbon paid by them was returned to them, that they were protected from it?

Hon. Mr. Duncan: — Well I think the regulated community in this province understood the ramifications of the federal output-based performance system being imposed on them as well as the possibility of double exposure through the carbon tax. And it was certainly the view of the majority of the regulated community that if they were going to be regulated, they'd much rather be regulated by the provincial government, who they already have a relationship with in terms of being a regulated community. And so I think that certainly there was a call from the regulated community that if this was going to be the case, they would rather it be regulations by the province.

Not a lot of farmers were calling the province to slap a carbon tax on their farms. And I think it's the view of the agricultural community that the carbon tax in itself just makes their business uncompetitive in a global competitive marketplace and would not do anything to reduce emissions in Saskatchewan.

Mr. Pedersen: — So I think we can say it's pretty well known that, you know, a lot of farm organizations in the province have some pretty positive things to say about the current government. Obviously the majority of the members elected from the current government come from rural areas. Don't you think the farm sector would have been happier to see carbon pricing regulated by the province rather than by the federal government?

Hon. Mr. Duncan: — Well I would just say that I think by and large . . . and again I can't speak for everybody, but I think there has been broad support across the province, including the farm sector, of the province's decision to take the Government of Canada to court over the application and imposition of the part A carbon tax. It's our view again that . . . and it goes back to why the province of Saskatchewan signed on to the Vancouver Declaration. We want to be a part of this conversation in this country. We support the goals of trying to reduce emissions.

But we also think that one part of this country is not like another. And rather than take I think a broad-based approach to this issue, the federal government needed to continue to work with provinces to develop a plan that took into account the uniqueness of each province, the economies of the province, how the people live in those provinces.

And that was not the road, the path that the federal government took. Rather than that, the Prime Minister stood up in the House of Commons and announced that provinces basically had a take-it-or-leave-it approach, and the federal government was going to impose a carbon tax on provinces that didn't do essentially what the federal government wanted. So I think it goes without saying that that's kind of how we got to today,

where we're in court with the federal government along with a number of other provinces. And that's been I think by and large supported by the people of the province, including the agricultural community.

Mr. Pedersen: — So I mean, the federal government did exempt some agricultural-use fuel from the price on carbon, and I think we can both agree that that approach was not broad enough. There is a lot of farm use of fuel that isn't covered by that, and so the federal government's approach is flawed. Couldn't the province have figured out a way to exempt farm fuels, to have a plan that would meet the federal requirements but would exempt all farm fuels from a price on carbon? Or was that discussion ever had with the federal government?

Hon. Mr. Duncan: — Well I think this predates when I came back to this position, in terms of the discussions that would have been had with the federal government. But you know, I think it's fair to say that a carbon tax on fuels associated with agricultural production . . . And you're right, and it wasn't without some missteps by the federal government because they did have to change the way the exemption was allowed for in terms of bulk fuel versus . . . well bulk fuel was the main issue when it was first announced.

[16:15]

Again it's our view that the imposition, whether it's by the province or the federal government, on those that use fuel for transportation, including on the farm, that user of the fuel is going to have a hard time changing their behaviour. If that's what a carbon tax is for, they're going to have a hard time changing their behaviour to reduce their consumption of fuel and therefore their tax that they're being charged.

So I think that's the basis for the decision of the province to not essentially be coerced in doing to the people of Saskatchewan what the federal government, we believe, can't do constitutionally.

Mr. Pedersen: — You know, I mean that inability to change behaviour and inability to pass the cost in is, I think, why we largely agree that agricultural use should be exempted. But I don't think I heard you answer the question: couldn't the province have come up with a plan that did exempt farmers from a price on carbon that was better than the federal government's exemptions?

Hon. Mr. Duncan: — But again I'm just saying I don't think . . . the federal government has not completely exempted farmers, but I think the federal government would say they . . . I can't speak for them, but I think based on the discussions that I've had, the exemption on farm fuel would only go so far in terms of the application of the carbon tax that the federal government would like.

So my view would be we would exempt everything. We would exempt on-farm. We would exempt off-farm. We would exempt fuel for the locomotives that are hauling the grain. We would exempt the natural gas for drying the grain, et cetera, et cetera. Obviously we have a difference of opinion with the federal government, because they have chosen not to exempt all uses of fuel.

Mr. Pedersen: — So did the ministry come up with a plan that would have exempted all those things, as you said you would have liked? And so did it come up with a plan like that, or did it run that idea past the federal government to see whether that would meet the federal government's requirements?

Hon. Mr. Duncan: — I'll just confer with officials for a few moments here. Any of those discussions or deliberations would have predated me being here.

Thank you for the question, Mr. Pedersen. So I'll maybe just say that in terms of the . . . I'll maybe just start by saying the comparison between . . . And it kind of goes back to one of your previous questions about, you know, we were able to design a program for output-based performance that covered facilities in Saskatchewan. Why not do so for agriculture? So a little bit of a different context for you, I guess.

So the ag sector is not a covered facility, as opposed to the OBPS [output-based pricing system]. OBPS would be, those would be actual facilities that would be covering. That definition would have been too broad to be extended to the agriculture sector. In terms of the, you know, why we . . . I guess in terms of your question, in terms of regulations for agriculture, both as a sector as well as the electricity or natural gas based on that sector, when you add in all of the emissions associated with agriculture and electricity, that gets us to about 53 per cent of our overall emissions profile in the province.

In order to meet the benchmark for the federal government, you needed to get to 80 per cent. So even if we added in agriculture, provided the exemptions as you say, that was never going to get us even close to that 80 per cent coverage in terms of being, I guess, the threshold to achieve what the federal government was trying to mandate.

And I would also, I think, add that at no time, certainly in the discussions that I was a part of and I think the officials would say this as well, at no time did the federal government ever present this as a negotiation. There have been, and I would say to . . . I would say not necessarily surprise, because I understand. Certainly Ontario, there was a change in government. The new government of Ontario decided to move away from the existing cap-and-trade program. But you know, so there have been along the way discussions with provinces and the federal government to get recognition of what provinces were putting forward, but certainly this was not a negotiation at the beginning.

Mr. Pedersen: — Fair enough. But I mean I think I heard it from you that there were discussions between the province and the federal government to make sure that what the province did design, you know, for the heavy emitters, that that would meet the federal government's requirements in a way that they wouldn't apply the backstop. So there were discussions happening.

Hon. Mr. Duncan: — I think there would have been discussions happening to get an understanding of, for example, that 80 per cent, kind of knowing, again, keeping in mind . . . The carbon tax, if you think about it, there's two parts. There's the part A, which is the fuel, the tax on fuel; the part B, which is essentially the output-based performance system. So there would have been discussions in terms of having an understanding of what part B

was going to look like, what the federal government was going to be covering under the part B, and kind of how would we respond to that.

But I can say, and I remember this very well, when we announced publicly the Prairie Resilience plan, which was essentially our response to the national conversation on the climate change issue and carbon tax specific, I stressed repeatedly that we were not . . . We were announcing it to the public. You know, I would have to check to see . . . You know, I'm not even sure we gave an advance copy to the federal government or, if we did, it was, you know, it was very close to the time that we were launching Prairie Resilience. But it was done to inform the federal government, not to get their permission, not to get their advice, not to get their consent. It was done so in a way to inform them.

Mr. Pedersen: — Has the ministry come up with any contingency plans for what a provincially designed carbon pricing plan might look like if the province loses the court case?

Hon. Mr. Duncan: — I know you're the ag critic as well and you had an opportunity to ask Minister Marit about this. And you know, I would just say that I'm as resolute in my belief that the province is going to be successful as Minister Marit is. I would say that, you know, our focus is on going forward in the event that there is a carbon tax imposed in Saskatchewan. We are continuing to work to get a better understanding of what the costs of the carbon tax are going to be. So that's on the part A, the fuel tax part.

I would say that on the part B, which is the output-based performance, I would say it's fair that particularly on the . . . What ultimately could be paid for by the customers of SaskPower that are in the federal output-based performance system and what that cost could mean for the customers at SaskPower for the next 10 years, it's a significant amount of money that could be leaving the province. We do not yet know how those dollars are supposed to be returned to the province. That system is in place until at least 2022.

But I would say that, you know, there is some . . . I'm certainly thinking about whether or not that's the best way for those dollars to be collected and returned to the province. Again, it apparently is not changeable until 2022, but we've seen some other provinces that have submitted plans that have been subsequently accepted by the federal government prior to that date. So I would just say that we're still committed to the Supreme Court case, and we'll see how that goes.

Mr. Pedersen: — So you're betting the farm on it?

Hon. Mr. Duncan: — Well, I don't think it's a matter of betting the farm. I think it's a matter of developing good public policy like Prairie Resilience is, having a strong argument to give to the federal government as to why their plan is not effective for Saskatchewan from both an economic and an environmental perspective, making our best arguments that we can at the courts. And ultimately the courts and the court of public opinion will decide whether or not Saskatchewan took the right position.

Mr. Pedersen: — Changing topics, I'm assuming you'd agree with me that the ministry and the government has a duty to reconcile with First Nations and Métis peoples to address some

of the historic harms and wrongs done to them. And I note that in the (EN01) for central management and services, it says that the ministry is responsible for:

. . . policies and procedures to support ministry engagement with First Nations and Métis communities to enhance environmental management outcomes and provides direct support on ministry initiatives regarding First Nations and Métis interests and rights.

Which branch is responsible for that?

[16:30]

Ms. Harrison: — Thank you for the question. Sarah Harrison, deputy minister. I think we'd say, in government, one of our core principles is that we're a one-team organization. And I think that's true for how we approach our engagement with the First Nations, Métis, and Inuit communities across our ministry. We of course have field staff that are distributed throughout the province who would engage more directly with our First Nations, Métis communities, but I don't think we'd say that there's any one division in the ministry that owns responsibility. I think that's a responsibility that is set by the leadership team and that is carried through and across the entire ministry.

Mr. Pedersen: — So is there any spending related to that? Are conservation officers, for instance, or other people that are in the field interacting with the public, are they given training on what their interactions with Indigenous people should look like?

Ms. Harrison: — Thank you. In fact I'll add that, yes, it's a mandatory course that all civil servants are required to take — so this would include our conservation officers and other field staff with that engagement — and an Aboriginal awareness program, which I have recently completed and can tell you that it's quite comprehensive in its content and has been I think considered to be a value-add for many of our staff who have completed the program. And it is something that we are endeavouring to ensure that all of our staff have completed.

Mr. Pedersen: — So there's been a relatively recent incident involving the relocation of a Métis person's cabin. He says it was in an area that was traditionally used by him as part of his traditional Métis hunting and harvesting rights. Can you describe how an issue like that would take place if everybody is doing their job to be aware of and sensitive to reconciliation obligations?

Hon. Mr. Duncan: — Thank you for the question, Mr. Pedersen. So I can say that in, I think there's . . . Certainly in the last couple of years, there's been about a dozen cases where we've had to deal with unauthorized structures. Most of those have been resolved voluntarily. There have been two though where compliance action, I believe, has had to be taken. I think in both cases the ministry attempted to work with the cabin owners since 2016. This involves a number of discussions, emails, and letters regarding the unauthorized cabins — discussions with both individuals about relocating their cabins to what would be a mutually acceptable approved location. I think in at least one case, staff actually offered to help move the cabin.

So when a cabin is seized and moved, it is certainly not without

a significant amount of consultation with the individuals, as well as other users of the land. I think in these cases there was concern raised by other users that the cabins were infringing on areas that the public . . . certainly in one case, I can't speak specifically to the other one.

But applications, when they're denied, the ministry works very hard to find a suitable location that would be suitable for both. Alternative sites can be selected. And in this case, unfortunately, going back to when the applications were first made in 2016, an agreement could not be met and so action was taken to remove the cabins.

Mr. Pedersen: — So I note that the Government of Alberta and the Métis have been working at basically, I guess you could say, defining some harvesting areas and identifying who's, in terms of Métis, who's able to harvest in those areas. Is the ministry doing any work like that?

Hon. Mr. Duncan: — Yes we are.

Mr. Pedersen: — Could you describe that in more detail?

Mr. Murphy: — With respect to working with the Métis Nation of Saskatchewan on harvest rights and harvest areas, we have entered into preliminary discussions at the request of the Métis Nation of Saskatchewan to explore an opportunity to define a harvest rights framework with the Métis Nation. They have agreed that they would provide the identification of who a Métis harvester is, using their registry, and they would work with the Government of Saskatchewan, Minister Duncan, to create a harvest framework, to an extent based on the harvest framework for licensed hunters, looking at conservation for their peoples as one of the paramount parts of that overall framework.

We've had some preliminary meetings with the Métis Nation of Saskatchewan that includes representatives from our Government Relations and Ministry of Environment and Ministry of Justice.

Mr. Pedersen: — When it comes to leases of Crown land in the North, are those all done through the Ministry of Environment, or are there other ministries involved?

Hon. Mr. Duncan: — They would be all the Ministry of Environment.

Mr. Pedersen: — So I'm assuming the ministry has some sort of database where it keeps track of all those leases. Is that public?

Hon. Mr. Duncan: — So we are transitioning to a more modern system and database, so currently most of that information is paper-based, and once the transition is complete, then that database would be available to the public.

Mr. Pedersen: — Does the ministry track the number of leases that are issued to people who live outside of the northern administration district or leases of land in the northern administration district to people who live outside of the northern administration district?

Hon. Mr. Duncan: — So the information, I think it's fair to say, would be available based on the lessee providing their mailing

address, and we could verify that it's outside of the district. But the database isn't kept in a way where it would be . . . manually we'd have to make that determination whether or not the lessee is from outside of the district or not.

Mr. Pedersen: — Has the ministry sold any lands in the northern administration district to users, or is everything done through leases?

Hon. Mr. Duncan: — It's not frequent, but there have been sales to lessees, both commercial and recreational.

Mr. Pedersen: — Is there a policy in terms of when the ministry would look at selling as opposed to just renewing another long-term lease?

Hon. Mr. Duncan: — So we look to see, to ensure that, I guess, the end use of the land is in keeping with our land use policies for that particular parcel of land. Typically it's application based, and generally speaking, it's the existing lessee that will approach the ministry and perhaps have had a lease for a number of years and would like to purchase it.

Mr. Pedersen: — And when there is a sale, does there have to be an order in council made, or . . .

Hon. Mr. Duncan: — Yes, that's correct, order in council.

Mr. Pedersen: — Is the ministry doing anything with the rising water levels at Meeting Lake, and budgeting anything, I mean, including consultations with people?

Hon. Mr. Duncan: — I would refer you to the Water Security Agency. Their officials would be able to, if there's anything, they would be able to inform you. That's not an area that would be under Environment.

Mr. Pedersen: — Maybe this is the same answer, but is it the government's position that basically any waterway that the federal government considers navigable or for fisheries, that that's outside of provincial jurisdiction, the province is completely hands-off? Or does the province still have some regulatory power over those water bodies?

[16:45]

Mr. Murphy: — With regard to the administration of waters and waterways, the bed, bank, boundary, and water itself, as part of the constitutional arrangement with Canada, are administered by the province. The navigation on those waterways, the overall management of the fishery habitat are administered by the federal government, but the fishery in itself is also transferred to the right of the province.

So the bed, bank, boundary, water question is generally administered through the Water Security Agency unless there is a specific provision in some circumstances, like on the Saskatchewan River system as an example. Through an artifact of history, some people actually own . . . there is private parcels that own parts of that land. But that's not common. It's generally administered through WSA [Water Security Agency].

Mr. Pedersen: — So when it comes to things like water quality

and the protection of, you know, aquatic ecosystems, that would be something the province regulates?

Mr. Murphy: — So the power to regulate the water quality comes through two aspects. If it impacts fishery through deposition of a deleterious substance, it's actually Environment Canada that administers that. But if it's water quality for potable purposes, etc., that would be the Water Security Agency.

Mr. Pedersen: — Well surely we're concerned about other organisms than just fish and people.

Mr. Murphy: — Absolutely.

Mr. Pedersen: — So what if there's a quality issue affecting other organisms that aren't fish or people?

Mr. Murphy: — So to be clear, the *Fisheries Act* Canada defines aquatic organisms as fishes. It's an artifact of that. So that deposition of deleterious substance aspect of the *Fisheries Act* makes Environment Canada responsible for that complete suite of impacts on all organisms in the water.

Mr. Pedersen: — So for instance an oil spill in a water body, the province takes the view that that's completely a federal issue?

Mr. Murphy: — We have capacity to administer under *The Environmental Management and Protection Act*, and that's a shared responsibility between Environment and the Water Security Agency. In waters where it's being deposited, typically our administration of that would be pointed towards impacts on human beings or our lands and waters and waterways in general. If it's a specific impact on an aquatic organism other than human beings, Environment Canada will take over from us. So there's a bit of a joint administration in situations like that.

Mr. Pedersen: — So what is the ministry doing when it comes to the recent spill or release from the refinery into the Qu'Appelle system?

Mr. Kotyk: — Hi, Wes Kotyk, ADM [assistant deputy minister], environmental protection division. So with the incident that occurred at the refinery with the oil release, it's a shared responsibility. The Ministry of Environment regulates the refinery and the operations on the site. The Water Security Agency regulates any of the sewage and the wastewater treatment facility. So they would regulate the city of Regina's wastewater treatment and any discharges from that plant into the creek and into the system. And the actual amount or the quality of water that can be discharged into the sanitary system is managed through an agreement between the refinery and the city of Regina.

Mr. Pedersen: — So who would be responsible for actually measuring how much escaped from the city's sewage treatment? And who would be responsible for actually levying a fine or prosecuting an offence?

Mr. Kotyk: — So in this situation, it would be through the city's agreement with the refinery. They have the ability to levy fines for industrial operations that discharge an excess of what they've agreed to that they can put into the system. They base it on whether or not their system can handle certain levels of

concentration of materials in that water.

Mr. Pedersen: — Who would be responsible for measuring how much of that got into Wascana Creek downstream from the city's facility and prosecuting for that release into Wascana Creek?

Mr. Kotyk: — Well I mean like I said, it's a shared responsibility. The Water Security Agency would have an interest of the quality of water that's discharged from the city of Regina wastewater treatment facility. So they regulate the city of Regina and what they discharge. It's up to the city of Regina, through their agreement and penalty system that they have with the refinery, as to whether or not they want to impose any fines or take any other action on what they're putting into their system as a user.

Mr. Pedersen: — No, I appreciate that, but presumably the city of Regina's ability to do anything ends once it leaves the city of Regina. And obviously it did leave the city of Regina and some went into Wascana Creek. And at that point the city of Regina has no ability to enforce or prosecute offences for getting into a creek beyond their jurisdiction. So it seems to me that's the provincial jurisdiction. So whose . . . is it Environment or is it Water Security Agency?

Mr. Kotyk: — It's Water Security Agency. Water Security Agency would regulate the discharge from the city.

Mr. Pedersen: — Environment manages the Sask Spills database, right?

Mr. Kotyk: — That's correct.

Mr. Pedersen: — On the Sask Spills database search there, it says, "The database is updated nightly. Data includes information from January 1, 1998 to present." But when I did a search of Regina, the most recent incident was February 15th of 2020. So can you tell me why there wouldn't be more recent incidents showing up in that database, for instance, this spill from the refinery?

Mr. Kotyk: — So there is a limitation to the technology that we have. The database is an older database. I guess, it doesn't automatically update like some of our other technologies do. It's on a different platform, so it requires some manual conversion and verification of that information before it's posted publicly. So there is a lag from when the actual spill occurred to when it's posted publicly.

Mr. Pedersen: — And how long is that?

Mr. Kotyk: — I think it just depends on the time of year. We're hoping, I think recently we're up to 30 to 60 days behind. We've caught up from where we were previously.

Mr. Pedersen: — So again looking at that database, there's a number of releases there involving the refinery that I didn't notice listed there: February 2nd, February 28th, March 16th, and then of course the more recent one that we were just talking about on May 22nd into the storm sewer. And then there was another incident May 31st. So none of those are showing up there, and I'm wondering why that is.

Mr. Kotyk: — I would have to check to see how the branch is doing on managing those. If they were reported spills, they would make it into the system if we're past that date. We have to keep in mind too that some incidents aren't always considered spills. If the volume wasn't high enough, it wouldn't get recorded as a spill. If it was an operational discharge — some of the air items — if the monitors pick up an exceedance, it's not necessarily classified as a spill. It is an upset condition of their operating approval, and then they would include that information in their reporting to the ministry. So there may be some of those situations. I'd have to look at the specifics of each incident.

Mr. Pedersen: — How frequent is that reporting?

Mr. Kotyk: — Well there's a number of reports. The refinery has some conditions in their operating approval where they're required to report certain items as they happen to ministry staff. There are other items that may be quarterly. And then there's always the annual report that they're required to submit to the ministry and it's quite comprehensive.

Mr. Pedersen: — So would you be able to determine whether the refinery has reported the February 2nd and February 28th releases of catalyst into the air? Is that something you can track down and let me know about?

Mr. Kotyk: — We would be able to find out either through our inspection reports or through reporting that has occurred to the ministry. There again depending on what it was . . . I know there was a catalyst . . . something that we followed up on with an inspection and identified that there are some improvements that they need to do for better handling of the catalyst. But I don't recall if that would have qualified as an actual discharge. But we are aware of the challenges regarding the catalyst.

Mr. Pedersen: — And similarly, I gather there was a vapour release and fire involving the sulphur incinerator on March 16th. You'd be able to tell me . . . Are you able to figure out whether that would have been reported to the ministry?

Mr. Kotyk: — If we look into the details, we would be able to determine what has been notified to the ministry or identified either on inspections or reports. So if they have reported it, we would have the information in some form.

Mr. Pedersen: — What does the ministry do to make sure that the THC, or total hydrocarbon analyzers at the refinery are actually operational and working?

Mr. Kotyk: — Well I'm not exactly sure on the location of those. But basically for any requirement, if there's any monitoring requirement, there's a number of ways we would check on that. We would either look for records to ensure that they've maintained them appropriately. We would look at the monitoring results and sign-off by a qualified person. They would look to determine whether or not the equipment is working properly. We do inspections; we do audits. So there's a number of compliance activities that we take to identify if there are any problems with that type of situation or any other area where there is some monitoring or compliance requirements.

Mr. Pedersen: — It's been reported publicly that when it comes to well pads and other types of surface leases, in the oil and gas

industry in particular but I'm sure it's not limited to them, that even once a site has been reclaimed, that it's I guess less than, you know . . . The productive capacity, if it's agricultural land, is not restored. Is monitoring that and regulating that, does that fall under the ministry's purview?

Mr. Kotyk: — No.

Mr. Pedersen: — So that'd be Energy and Resources?

I'm going to go back to reconciliation and some of the ministry's obligations there. I'm sure you're aware that there's been some, a fair bit of recent protests and so ongoing to do with police treatment of minorities, mostly in the States but there's been some concerns raised here as well. Conservation officers fall under the ministry, right?

A Member: — That's correct.

Mr. Pedersen: — Has the ministry looked at some of the calls that have been made for reforming how law enforcement officers interact with minorities? And has the ministry looked at that and if so, what changes are being considered?

[17:00]

Ms. Harrison: — I think it's fair to characterize this that the ministry is supportive but follows the lead of the Ministry of Justice in terms of the policing and what requirements that they would set for us. So I don't think that it's something that we specifically are undertaking ourselves. We certainly are very aware and conscious, you know, and certainly see it as a journey in terms of supporting our staff, providing the tools and the resources to provide them with the learning and the training that's required. That's something that we'll remain firmly committed to. But in terms of setting the standards and exploring that, we're following the lead of Justice in terms of police requirements.

Mr. Pedersen: — So has there been any discussions with Justice then on that?

Ms. Harrison: — We've had ongoing conversations with the ministry, and including body cameras and the potential use of those in the force. So I think it's fair to say that it's a conversation that is active and one that we are continuing with.

Mr. Pedersen: — So right now conservation officers don't wear body cameras. Is that right?

Ms. Harrison: — That's correct.

Mr. Pedersen: — One of the calls has been for law enforcement officers to not actually carry weapons with them as a regular occurrence but to actually store them securely in the vehicle. Is that a discussion that's been taking place at all?

Ms. Harrison: — There has been no active conversation about carrying. Our conservation officers are equipped with a sidearm that they carry, and the carbine is secured in the vehicle.

Mr. Pedersen: — And so there's no discussions about changing that right now?

Ms. Harrison: — At this time.

Mr. Pedersen: — Have there been any discussions about doing things like banning chokeholds or other, I guess, type of holds that, you know, could be lethal?

Ms. Harrison: — As I responded earlier that we follow the lead of Justice, so the use of force and techniques are set for us that we comply with, but we're not in any discussion about the appropriate use of . . .

Mr. Pedersen: — Who's responsible for oversight of the conservation officers? Is that the ministry or would that be the Police Commission?

Hon. Mr. Duncan: — So all of the rules around how a conservation officer, how they guide themselves in terms of their daily work is set by Justice, but the conservation officers themselves do fall under the Ministry of Environment.

Mr. Pedersen: — So if somebody had a complaint about how they were exercising their duties, who would that go to?

Hon. Mr. Duncan: — So currently a complaint would be handled by the ministry. But with the introduction of the bill by, I believe, the Minister of Justice, conservation officers — assuming that bill, it does pass — conservation officers, those types of situations would be handled by the commission.

Mr. Pedersen: — How many complaints have been filed about conservation officers' activities over the last few years?

Hon. Mr. Duncan: — We'll endeavour to provide you, Mr. Pedersen and the committee, with that number. We don't have it handy. Perhaps we'll say five years, just for . . .

Mr. Pedersen: — Sure.

Hon. Mr. Duncan: — Give you an actual number.

Mr. Pedersen: — So I was just introduced to your deputy minister, who's joined the team here in the last year. I'm wondering if you can describe, I guess, the process for hiring senior officials within the ministry and what qualifications are required.

Hon. Mr. Duncan: — Thank you for the question. So it was a competitive process that ultimately Deputy Minister Harrison was appointed. In terms of qualifications, I'm not involved with that so, you know, I can't speak to exactly what would have gone into drafting up the terms of the competition, the characteristics, attributes, education that the deputy minister to the Premier ultimately would have been looking for. But it's a process that runs through the Public Service Commission, and that's the extent that I can speak to it. I'm not involved.

Mr. Pedersen: — That's interesting, the things you learn. So you're not actually involved in that. Okay. So you're not aware of whether you actually need qualifications that, in this case, would relate to Environment then, whether that's one of the criteria that would be asked for in the competition.

Hon. Mr. Duncan: — I guess I just, in being informed that the

former deputy minister was retiring and that a search would be conducted, I just assumed that government, whether it be the Public Service Commission or the office of the deputy minister to the Premier, have been through these types of processes before and know what they're looking for in terms of a candidate and the qualifications of a candidate. So that's not really my purview or my wheelhouse, so I kind of just leave it to the professionals to go through the process and ultimately ensure that I'm going to be well served in my capacity as the minister with whoever is selected.

Mr. Pedersen: — Does the deputy minister have any background or qualifications in the areas that Environment administers?

Hon. Mr. Duncan: — Well if we want to . . . If she has a copy of her CV [curriculum vitae] on hand, we can go through that. I believe she most recently was the deputy minister of Environment in Manitoba, so I think that that's helpful. I don't know, Deputy Minister, if you want to speak to your own qualifications?

Ms. Harrison: — Thank you, Minister. I don't know if this is a second interview. What I can say is that, you know, as a hiring manager in the public service and having hired many senior public servants in my career, that there are a number of attributes and qualifications, competencies and skills, experience, some of which is about experience in the public service writ large, whether or not it's prescribed to a particular ministry.

I think one thing that we find in Saskatchewan which I think I have experience in, this is now the fourth province that I have worked in as a public servant, is that there is a certain premium that's placed on the ability to port skills across ministries, that some specialization is often appreciated and encouraged in particular ministries where . . . I'll use the example of Justice, as we've been speaking about them earlier, where perhaps being a member of the bar is an asset.

But for many of the deputy minister portfolios, not to speak on behalf of the deputy minister to the Premier, but I think the position of this government has been that there are a number of skills that are beyond the specific content knowledge of the ministry that aid a deputy minister in that role. And I think that's perhaps as much as I could offer to his decision making.

Mr. Pedersen: — Thank you. Well we'll move off of that topic. When it comes to the pandemic that we're in the middle of here right now, my understanding is that there have been a number of regulations and enforcement measures that have been basically postponed or suspended. Are you able to outline what those are?

Mr. Kotyk: — So basically, primarily it's *The Environmental Management and Protection Act*. So we've identified a number of activities under EMPA [*The Environmental Management and Protection Act*] as well as some in programs of the climate change area, as well as environmental assessment and stewardship. Basically what we've done is we've put a . . . I guess we haven't called it an exemption; we've called it more of a modified guideline or areas where we would take some discretion on enforcement.

My colleague's also identified here that there are some aspects

of the waste stewardship regulations, *The Wildlife Act* and regulations, *Provincial Lands Act*, and *The Management and Reduction of Greenhouse Gases Act*, in addition to EMPA and the Environmental Code.

But as I was saying, we've established some discretion in some of the activities that we regulate, and we've put it into three tiers.

So tier 1 would be some of the low-risk activities where we've allowed maybe a deferral in reporting if, because of COVID situation, where they're working to work out their procedures on site, getting staff working from home, and finding out what the minimum requirements are. So there's things like that. Maybe some monitoring could be deferred or some reporting, but we're not allowing wholesale exemptions saying that they don't have to do it.

[17:15]

And we're also requiring that if they do that, they have to demonstrate that the reason they're doing it is because of COVID impacts to the operation. So maybe they couldn't get a third party to come in and sample, because they come in from out of province, and they couldn't fly for a while because of the restrictions. So those are the kind of things that would qualify that.

And then we also had a second tier. Those are more . . . Instead of identifying what those activities are, we kind of have a category where they would have to come to us on a case-by-case basis. And we could look at the situation, and together we could determine whether or not something needed to be postponed.

The third tier are things where we've identified basically some things that cannot be exempted. And those are things like potable water systems or spill reporting.

One of the other things that we did just to help out the industry and the regulated community was we suspended, for a period of time, on-site inspections and audits. And the purpose was so that our regulated community could have some time to figure out what they need to do and how they're going to manage. That also gave the ministry and staff an opportunity to identify what do we need to change in our procedures so that we can safely operate in this situation.

Mr. Pedersen: — January 9th we got a letter from Mr. Kotyk. We had requested copies of the environmental impact assessments related to the Regina bypass project, and we were informed that that hadn't been done. The ministry had determined that there was nothing that was considered a development.

And I gathered that was at least partially met because it said the project would not substantially utilize a provincial resource. But I gather that there was quite a bit of use of provincial sand and gravel deposits. So I'm wondering why . . . That does seem to be a provincial resource. Why wasn't an environmental impact assessment done?

Ms. Harrison: — So in the case of the Regina bypass, a determination was made about the quantity and the concentration of the resources that were to be used and where those resources

were to be sourced from. And based on the specs of the project, the determination was that it was not a substantial quantity from the supplying areas and that it didn't necessitate the assessment study.

Mr. Pedersen: — So what quantity would be required before, in your view, you know, an impact assessment would be required? What's the cut-off quantity?

Ms. Harrison: — There is not a finite number that would drive that. It is a bit of an analysis based on a proportion and availability of resources. So I think that there is some evaluation and assessment that's made on a case-by-case project basis to determine what the impact would be.

Mr. Pedersen: — So as I read this, there's two sections of land involved where there was gravel or sand removed. Isn't that a very good-sized chunk of land?

Ms. Harrison: — Thank you for the question. In the case of the Regina bypass, the assessment was made that the sand and gravel that was being used to support the project was being sourced from the locations that you've noted, but that it wasn't an exhaustive use of those resources such that it would preclude other projects from being able to use . . . or the resources being available for other uses. So there is a scarcity test of sorts that's placed on this as part of our analysis.

Mr. Pedersen: — The sites where sand and gravel was removed, were those existing gravel pits before the bypass project or were they new gravel pits?

Ms. Harrison: — Yes, I think we couldn't speak to the full details on this without some further review of our information. But my understanding from the project is that they were existing resources, also on private land.

Mr. Pedersen: — Does the requirement to do an impact assessment only apply to Crown land? Or why did you mention the fact that it was private land?

Ms. Harrison: — I made the comment about private land . . . No, the impact assessment would apply to both private and Crown. More just the point that the private land that . . . I believe it was a private land use previously in existence, not on Crown land. That was a new use.

Mr. Pedersen: — On page 52 of the Estimates, I note that the minister is getting a \$1,000 raise, and it's noted that that is statutory. I'm just curious as to why that stayed in place since the estimates in March, when we're now looking at a \$2.4 billion deficit.

Hon. Mr. Duncan: — So this is just the statutory increase across the board that I think you'll see in all the estimates.

Mr. Pedersen: — I'm aware of that. I'm just wondering, like, when we're . . . Obviously the government has the power to change legislation. And if the government is projecting a \$2.4 billion deficit, which I suspect we're going to be facing some pretty severe measures at some point to try to deal with that deficit, so I'm just curious as to why. Did the ministry give any consideration to changing that?

Hon. Mr. Duncan: — No, I don't believe individual ministries can give consideration to that. I suspect as a member of the legislature, you wouldn't want the ministry to arbitrarily give an increase to a minister as they would have the ability to give a decrease to a minister. I believe this was as a result of decisions made by both parties that the cost-of-living increase for MLAs [Member of the Legislative Assembly] would go forward, which you would have received as an MLA, and that would be applied across the board.

Mr. Pedersen: — But this is a ministerial salary, not an MLA salary.

Hon. Mr. Duncan: — And I would, I guess I would just repeat my comments. When the decision was made by MLAs on both sides of the House not to change the directive with respect to MLA remuneration, that that would carry across to all House positions, including ministers, House leaders, Whips, opposition leaders, etc.

Mr. Pedersen: — The line item for central services has gone up by 300,000 or so, and I see that that's partly salaries, partly goods and services. I'm wondering if you can provide me with a little bit of breakdown as to what that money is going towards.

Ms. Harrison: — So the changes that are outlined are 222,000 for an increase resulting from a transfer of Environmental Code development from the business support services; 391,000 increase to address IT enterprise and central service accommodation billings; 53,000 increase for additional client service position to manage the increase of public inquiries related to new and evolving ministry programs and services; and 102,000 net decrease for various adjustments for operational and salary pressures and efficiencies.

Mr. Pedersen: — So that's more than just central services though, right? Or is that?

Ms. Harrison: — This is for central management and services.

Mr. Pedersen: — Okay. Thank you. Under climate change and adaptation, the allocation for climate change has gone up by 44 per cent, and I'm guessing that the majority of that seems to be transfers to individuals and also salaries. Is that new positions?

[17:30]

Mr. Brock: — Thank you, Member, for the question. David Brock, assistant deputy minister for climate change and adaptation division.

The increase is representative essentially in two areas, and that is approximately 3.5 million to cover off remaining payments for the net metering program, and an increase of just under 500,000 to cover increased pressures on the output-based performance system, and specifically for engineers to process those baseline reviews in the ongoing regulatory requirements. There's also a decrease of approximately just over \$200,000 from consulting services. So increase for net metering, increase for emissions engineers for the output-based performance standards program, and a decrease for consulting services.

Mr. Pedersen: — So that's specifically the line item, transfers

to individuals?

Mr. Brock: — The individuals would be related to those positions for the OBPS program.

Mr. Pedersen: — So on the net metering, does that include then the actual payments to the people with the solar panels and so on?

Mr. Brock: — Yes, that's correct. That's the reimbursement, so the rebate under the program paid directly to individuals and businesses. Yes.

Mr. Pedersen: — So the total cost of the net metering program is therefore less than 3.5 million, is projected.

Mr. Brock: — The projected remaining payments under that program is 3.5 million.

Mr. Pedersen: — And now the ministry replaced that with a different program. I forget the name of it off the top of my head, but you put something in place after that. Did you not? Or is it still called net metering?

Hon. Mr. Duncan: — There still is, and it's still through SaskPower. It's just in the past year, the administration of the grant, on the rebate, had been paid out through the Ministry of Environment, but there is a continuation of a rooftop solar program through SaskPower.

Mr. Pedersen: — And is the payment for that, is that coming through Environment or is that through SaskPower?

Hon. Mr. Duncan: — No. No, there's no payment. There's no rebate any longer. Essentially what we needed in our budget this year was, when the program parameters changed and the former program wound down that contained a rebate within it, any applications that came in prior to that, the applicant has essentially a year to get their system installed, do the paperwork, submit it for a rebate.

So presuming that some of that work would still take place through this year . . . They have until November of this year so we need money in our budget this year. After November of last year though, any new applicants going forward, there wouldn't be a rebate to apply for.

Mr. Pedersen: — So those potential applicants who, you know, might still qualify for a rebate and why this line item's there, will they be getting credit for the power produced at the new rates or under the old program still, at old program rates?

Hon. Mr. Duncan: — No. If they had their application in before the program wound down when we hit the cap on that program late last year, even if they . . . So there's obviously a time lag between when you get your application in. You're acknowledged through SaskPower that you have your application in. Then you obviously have to have the system built out and then connected to the grid. So the customers that had their application in prior to that November date, they would be receiving the old rate in terms of the excess power that they generate. Anybody beyond the deadline — and it's a late October or early November date; I'm not sure exactly what the date was — they would apply under the

new program.

Mr. Pedersen: — Why wasn't the industry consulted in advance of that decision being made to cut out the old program?

Hon. Mr. Duncan: — Thank you, Mr. Pedersen, for the question, and I'm sure we could probably get into this on Wednesday when SaskPower is here. But you know, I can say that there had been several conversations with industry players, companies, and SaskPower, myself as well, prior to when we hit the 16 megawatt cap. I can say that that is the case.

Obviously when they received notification that the old program would be ending at 16 megawatts, obviously they were concerned about that news. But I think that the rate at which the applications came in and the fact that even in conversations that I had with the industry where there was a lot of discussion about whether or not the time is now to go forward without, for instance, having rebates, there was . . . Again there was a lot of conversation with the industry before the announcement was made.

Mr. Pedersen: — Page 54 of the Estimates, under environmental protection, there is a \$500,000 cut under the environmental protection program. I wonder if you could explain that in a little more detail.

Hon. Mr. Duncan: — Sorry, Mr. Pedersen. Could you repeat the question?

Mr. Pedersen: — Yes, just it looks like there's about a \$500,000 cut on the environmental protection program line item. I was just wondering what that related to. What's actually being cut or what's the reason for that cut?

Hon. Mr. Duncan: — Thank you for the question. So there's a couple of moving parts in terms of the budget for environmental protection. We are adding a position for the landfill program. There is a small reduction in some of the, I guess, acid rain testing that had been done in the past. It's about a \$50,000 reduction. We have a couple of positions within the ministry that we've eliminated and a one-time landfill funding reduction of about 250,000. So all told that brings us to about 469,000 under last year.

Mr. Pedersen: — I'm curious about the acid rain testing because I'm guessing that that would be in the North, and my understanding is that one of the issues with our northern lakes is that there wasn't sufficient baseline data for monitoring acid rain. So it sounds like we should be doing more monitoring of acid rain, not less. But maybe you could talk about what is actually happening there.

Hon. Mr. Duncan: — So we have been doing this work for the last number of years to establish a baseline. That's going to continue, and WSA does do monitoring of lakes, the water in the lakes. I believe though, the . . . Sorry, just one second.

Ms. Harrison: — Thank you. So there is some funding in our budget that we continue to do some monitoring, but it's more episodic across locations rather than in this particular area.

Mr. Pedersen: — Sorry, what was the word you said?

Ms. Harrison: — Episodic.

Mr. Pedersen: — Episodic, okay.

Ms. Harrison: — Yeah, rather than consistent.

[17:45]

Mr. Pedersen: — Okay, thank you. Back, I think it was 2007, 2008, the ministry requested Imperial Oil do some environmental audits and testing of the former refinery site in Regina. And I've been told that really nothing has happened since that time, and I'm wondering what . . . You know, is the ministry still . . . Is this an active file, an active investigation? Obviously the site hasn't been cleaned up, but what is the ministry doing with the old Imperial Oil refinery site in Regina?

Mr. Kotyk: — Wes Kotyk. So for the former Imperial Oil site in Regina, they have undertaken the site assessment work and have submitted that to the ministry. But what that has done, it has identified that the site is being appropriately managed, that there is no reason to escalate or to require any urgent action on the site. Imperial Oil is still managing the site appropriately and any contaminants associated with that.

We will be having further conversations with them as we would with any site that still has impacts remaining, but we tend to look at the higher risk sites and ensure that we address those first where there is potential for off-site impacts or potential for impacting individuals or environmental systems. So while it's being appropriately managed, it wouldn't make the highest risk that we need to address.

Mr. Pedersen: — I just want to talk quickly about forests. I know that the forestry companies are required to notify the public of their five-year harvesting plans and to do public consultations there. Having attended some of them, it doesn't seem like either the notices or the attendance is that . . . They're not that great.

And I'm wondering why the ministry doesn't require companies to actually post a sign at the sites that they are proposing to harvest so that people in the area who are using that land would actually see that hey, this is the site that's proposed to be cut. It kind of seems like that would be a logical place to post, you know, a notice, and if you actually wanted to get feedback from the public about harvesting the lands.

Hon. Mr. Duncan: — I'm informed that that was a practice in the past. What the companies and what the ministry found is that oftentimes those signs would be vandalized, so they've moved to other types of forums — social media, other types of media — to try to get the word out. It's something that we could look at again, but it's a practice that had been tried with some mixed success in the past.

Mr. Pedersen: — I'm sure your office is getting a number of these concerns about clear-cutting near Ness Creek recreational site and Nesslin Lake. Has the ministry had any discussions with the forestry companies involved about changing their plans for harvesting in that area?

Hon. Mr. Duncan: — So I'd say that obviously the ministry is aware of the proposal to harvest in the Nesslin Lake area. This is

a part of the forest licence holder, Sakâw's, their licence and their plan for the timber. So we're obviously aware of it and the ministry, as one of their stakeholders, is in I think pretty regular contact, but not in terms of changing their plans. But we're aware of the concerns that have been raised.

Mr. Pedersen: — So one final question here before we run out of time. Why does the ministry feel it is, I guess, important that First Nations hunters and I guess non-First Nations hunters and fishers, that they can't go out together. You know, if I want to fish with my friend Mitchell Anderson, who's a treaty rights holder, you know, one of us is going to get charged. Either somebody for fishing with him as he's harvesting food, or him fishing without a licence because we're just, you know, doing the regular thing. What's the rationale for that?

Mr. Murphy: — With respect to the practice of engaging in recreational hunting or angling with someone who is a rights-bearing person, First Nations or Métis in this province, with regards to angling, an angling party can be composed of mixed individuals. However all members of the party are asked to abide by the limits for the licensed fishers. This ensures that the non-licensed individual who's practising their rights is not being utilized to carry the catch so that members of the party who are licensed can catch above their limits and simply say it was the First Nations or Métis person that was catching these fish. It is an attempt on our part, given the system, to protect the rights of the rights-bearing individual.

It's a similar circumstance with hunting game. Unfortunately in most cases, the licensed individuals can only take one game animal for their licence. And the practice for a First Nations person is, in particular First Nations, is that they can take what they require and when they require it. So our hunting seasons are such that we just find mixed parties are a very difficult thing to administer, and we ask that they not be comprised of mixed parties unless there is direct family membership.

Mr. Pedersen: — So are you saying that . . . Like as I read *The Wildlife Act*, it seems pretty clear that I couldn't hunt with a rights-holding person. But are you saying that there is maybe some discretion exercised on the part of the conservation officers that that is okay at some point? Or like I'm not . . .

Mr. Murphy: — Sorry, only if there's a direct familial relationship. So if an individual is married to a rights-bearing person and is not themselves rights-bearing, they can participate in the harvest as a helper. And we have those situations.

The Chair: — Thank you, Mr. Pedersen. So having reached the agreed-upon time for consideration of the current item of business, this committee is going to adjourn consideration of the estimates and supplementary estimates for the Ministry of Environment.

And before I ask you for your closing remarks, I'd just like to say, Deputy Minister Harrison, based on your very impressive answer to Mr. Pedersen's questions on your hiring qualifications, I believe this minister will be well served by you within his portfolio. So, Minister, do you have any closing remarks?

Hon. Mr. Duncan: — Well after that, Madam Chair, I'm not sure there's much more I can say. Well said. I would just say that

I too would like to thank Mr. Pedersen for his questions for the committee, and you, Madam Chair, for your time. I do want to thank the folks here from the Ministry of Environment that you see. Obviously they're representing a large group behind the scenes who do a great job each and every day serving the people of Saskatchewan.

And you beat me to it. I do want to say that I'm very pleased to have Deputy Minister Harrison serving in this capacity. I've been well served in the last few months since she has come on board, and I think this province is going to be well served by this deputy minister. So thank you, Madam Chair.

The Chair: — Mr. Pedersen, any closing remarks?

Mr. Pedersen: — Yes, thank you, Madam Chair. I just want to thank the minister for his diligence on this file. I think it's apparent to a number of people, but I also am quite cognizant that he isn't carrying the ball alone and there's a very capable team behind him. And I appreciate the efforts of the people in the ministry, the officials and staff in doing that. So thank you to you all.

The Chair: — We will now recess till 6:30 p.m. before consideration of bills.

[The committee recessed from 17:56 until 18:31.]

Bill No. 183 — *The Fisheries (Saskatchewan) Act, 2019*

Clause 1

The Chair: — Welcome back everyone, and we will now begin consideration of Bill No. 183, *The Fisheries (Saskatchewan) Act, 2019*, clause 1, short title. Minister Duncan is here with his officials, and I would ask that officials please state their names when speaking at the mike. Minister, you can begin by introducing who you have here with you this evening and make your opening remarks.

Hon. Mr. Duncan: — Sure. Thank you very much, Madam Chair. With me this evening is Sarah Harrison, deputy minister, and Kevin Murphy, assistant deputy minister, resource management and compliance division.

The fisheries Act 1994 has been rewritten and modernized following a complete review, the first time that this has been done since the Act was originally passed. *The Fisheries (Saskatchewan) Act, 2019* will bring consistency and clarity to the regulation of our province's fishery resources while providing modern legislative tools to further implement the results-based regulatory model.

Among other things, the Act will support quicker response times to invasive threats, including aquatic invasive species; allow for the provincial protection of aquatic species at risk that are not currently protected under federal legislation; address inconsistencies with *The Wildlife Act, 1998*, giving resource users a clearer understanding of regulatory requirements and allowing for more consistent enforcement; expand the minister's authority regarding prohibitions for aquatic invasive species, allowing ministry staff to respond more effectively to potential threats; and allow for administrative penalties to be applied for

some offences where appropriate.

During the development of the new Act, the ministry engaged with First Nations and Métis communities, the fisheries advisory committee, and other stakeholders. Engagement will also continue as the review of the supporting regulations moves forward. With that, we'd be pleased to take your questions.

The Chair: — Thank you, Minister. I'll open the floor to questions from members, and I'll recognize Mr. Pedersen.

Mr. Pedersen: — Thank you, Madam Chair. Which First Nations groups did the ministry consult with?

Hon. Mr. Duncan: — So the ministry emailed an information package in July of 2019 to all the organizations that are represented on the fisheries advisory committee as well as the First Nations tribal councils and Métis locals to engage with stakeholders and Indigenous groups. We received feedback from the south Saskatchewan wildlife federation, the Métis Nation of Saskatchewan, and the Saskatchewan Wildlife Federation.

Mr. Pedersen: — I just find it a little curious when the government invites a consultation, sometimes of some fairly major and detailed legislation, of groups that will be impacted, of course, but then doesn't actually provide any resources to enable those groups to actually dig into things.

So it's as though stakeholders are walking around with this knowledge off the top of their heads about, you know, what the ministries have planned and what they're proposing to do. And the government just says, well tell us what you think about this. We know your budgets are strained, but you put a whole bunch of time and energy into telling us whether you think our plan is any good. And then, you know, oftentimes non-profits don't respond because they don't have those resources available to them. And you know, and then governments can say, well we consulted; we let them know what we were doing.

So has the ministry ever looked at actually giving any resources to non-profits to actually dig into, you know, when they're asked, invited to consult? Has the ministry ever looked at actually providing some resources to help a non-profit group do exactly that?

Mr. Murphy: — Thank you. Kevin Murphy, assistant deputy minister for resource management and compliance division with Environment. With regards to engagement and consultation processes, we typically work with groups at an advisory capacity as we're developing a package to go out. Subsequently in the invitation for comments, we make it clear that if an organization feels they are struggling with that commentary to advise us. Then we can provide presentation materials, meetings, etc.

Typically we only offer resources to First Nations and Métis through Government Relations. There is funding available for extended consultation where that's triggered. In this circumstance, Government Relations indicated to us that the duty to consult was low level and information only, and neither First Nations through FSIN [Federation of Sovereign Indigenous Nations] nor the Métis Nation of Saskatchewan indicated that they wished to pursue further consultation. We typically don't make funding available to NGOs [non-governmental

organization] or other groups, assuming that they have the resources to be able to do that.

Mr. Pedersen: — Thank you. So one of the things I came across was a fisheries management plan, and it looks to me like the last time that was done was 2010. Is that something that the ministry has any plans to reinstitute? Is there any provision in the legislation, the new legislation, for doing that?

Mr. Murphy: — With regards to the fisheries management plan, there aren't provisions in the legislation or regulations that are contemplated about the time frame around that. Rather, we're taking our guidance from the auditor's report that reviewed the plan and gave us some clear direction about time frames and objectives to meet in terms of maintaining both the consistency of that plan and the ongoing nature of implementing it. So there's no intent on our part to review the plan or renew it, rather to continue to implement it. And we've agreed with the auditor's findings, and we'll be conducting both implementation and revisitation of the audit over the coming two years.

Mr. Pedersen: — As I read the auditor's report, I guess reading between the lines, it seemed to indicate that the ministry didn't have the resources to do some of the activities that the plan called for. Does the ministry need more resources to catch up the items that the auditor noted? I think one was checking water bodies on an annual basis.

Mr. Murphy: — In working with the auditor, I think we would characterize it that we need to look at what we need to do with the resources that we have in order to effectively underpin the plan. The auditor is quite correct that if we followed the plan as originally stated with the number of water bodies there, we would not have been able to complete it. In working with the auditor, what we've been able to demonstrate is that that number was not an appropriate number for us to have set out to have a good management plan for the fishery resource. The number of lakes, the way that we would do it . . .

So perhaps as one specific example, the stock trout water bodies are known not to be self-reproducing. We have to restock them with some frequency. We previously had been undertaking a netting program on those lakes and they were some of the ones identified in that management plan. We've now worked to realize that anglers will tell us when the fishing starts to drop off. That is a sampling program for all intents and purposes, and when we receive that information, we'll restock those water bodies. They are no longer listed as part of the routine for our biologists to go out and sample.

Mr. Pedersen: — When it comes to I guess what I would call our major water bodies, are they being sampled on an annual basis?

Mr. Murphy: — Typically no. Generally we'll look at a four- or five-year rotation for major water bodies. We have found that the fish population tends not to change dramatically enough to require management intervention in annual cycles.

Mr. Pedersen: — Does the Act deal with I guess what I'd call impacts to fish-bearing water bodies, so whether it's shoreline impacts or industrial activity or releases into waters? Does the Act deal with that?

Mr. Murphy: — *The Fisheries Act (Saskatchewan)* constitutionally not only does not, but cannot. The *Fisheries Act* Canada oversees the deposition of deleterious substance and habitat management aspects. Depending on the jurisdiction, there is some delegation of those responsibilities or alternatively, an expectation for the province to undertake some of that. In our particular circumstance, that would be under *The Environmental Management and Protection Act* and overseen by the Water Security Agency for those habitat aspects. This Act will not cover any of those impact-to-physical-habitat aspects.

Mr. Pedersen: — In the Act, what's the plan for dealing with non-native species of fish that may have gotten themselves into Saskatchewan's water systems?

Mr. Murphy: — So we have a list of prohibited species in the Act. The new Act provides some authorities for the minister to oversee private waters that are connected to Crown waters, and to change the manner in which those are listed to — if there's an introduction in those — put a protection order in place, which was previously I would describe as unclear legally. So it clarifies that. It allows the minister some more authority to actually list a water body as well as a species for prohibition or control measures.

So if we think of if any zebra mussel or something like that were to be introduced to a water, now through a minister's order the quarantine of that particular water body, whether private or Crown, can be undertaken with a simple minister's order. So those are some of the changes in terms of allowing us better and more reactive control to introduced invasive or problematic species.

[18:45]

Mr. Pedersen: — The Provincial Auditor pointed out that the ministry needed to develop specific management plans for key high-risk fish species and high-use water bodies. Does the legislation enable that to occur? Or was that a weakness of the legislation previously?

Mr. Murphy: — In my opinion that would not have been a weakness of the previous legislation, and we haven't contemplated those specific aspects in the revision of the Act.

Mr. Pedersen: — So the legislation doesn't specifically require that those management plans be done or any sort of frequency or anything like that. Am I understanding that right?

Mr. Murphy: — Correct.

Mr. Pedersen: — So in terms of the auditor's direction that the ministry needs to prepare timely reports, there's nothing in the legislation to require that.

Mr. Murphy: — Correct.

Mr. Pedersen: — And when the auditor's report says that the ministry needs to assess fish populations and their health using an established, risk-based interval, proven sampling techniques, and science-based protocols for field data collection, that's not specifically set out in the Act either. Is that right?

Mr. Murphy: — That's correct.

Mr. Pedersen: — The Fish and Wildlife Development Fund, is that covered by this legislation?

Mr. Murphy: — No, that would be covered by a separate piece of legislation. Enhancement of the fishery is undertaken under the Fish and Wildlife Development Fund, and of course the licences that are sold pursuant to this Act, the monies from that are what is contributed to the fund. But it's a separate piece of legislation.

Mr. Pedersen: — How does the legislation deal with the increasing pressure of climate change? Or is there anything specifically that takes that into account?

Mr. Murphy: — The only specifics in the way the Act is being changed that speak to what would be climate change or other pervasive factors would be around introduction of aquatic invasive species and their control. And then the general provisions of management of the fishery, I think that the management plan and the auditor's recommendation speak more to the kind of monitoring changes to understand those impacts that we'd really be discussing. The Act itself doesn't contemplate one pervasive risk over another.

Mr. Pedersen: — What concerns were raised by stakeholders in connection with the new legislation?

Hon. Mr. Duncan: — So we'll give the assistant deputy minister a little bit of a breather here.

There was some concerns raised on, one of the groups raised just how conservation officers, what assurances that conservation officers would have the ability to confirm the licence had been purchased. Concern was raised on how administrative penalties would be implemented and how the ministry would decide which aquatic species to protect and the process to decide how species would be added or removed from the list.

One of the groups identified a grammatical error and just some concern in terms of how the federal *Species at Risk Act*, the Department of Fisheries and Oceans, and the Water Security Agency's involvement in habitat would be integrated with the ministry's intention to regulate habitat with respect to aquatic species at risk.

There was a perceived inconsistency around things like search and seizure, for example. So those were the extent of the concerns that were raised and the feedback.

Mr. Pedersen: — What are the ministry's search and seizure powers in the new legislation? And I guess that would be acting through conservation officers. Has that changed?

Hon. Mr. Duncan: — It hasn't changed.

Mr. Pedersen: — I know that at least at one point in time in the province — even though you could buy your fishing licence online and, in fact, you were encouraged to buy your fishing licence online — that there was a requirement that you actually have a printed-out paper copy of that fishing licence. Is that still the requirement of the ministry or has that been changed?

Hon. Mr. Duncan: — That's changed with this Act.

Mr. Pedersen: — Okay. So an angler will now be able to just produce a digital copy.

Hon. Mr. Duncan: — That's correct.

Mr. Pedersen: — It did seem a little contradictory that you could buy it online but had to then print it out.

I think those are all my questions, Madam Chair.

The Chair: — Okay. Seeing that there are no further questions on this bill, I will move to moving it, and I ask you to bear with me as there are 71 clauses in this bill.

Clause 1, short title, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 1 agreed to.]

[Clauses 2 to 71 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Fisheries (Saskatchewan) Act, 2019*.

I would ask a member to move that we report Bill No. 183, *The Fisheries (Saskatchewan) Act, 2019* without amendment.

Mr. Buckingham: — I so move.

The Chair: — Mr. Buckingham so moves. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

Minister, any closing remarks on this bill before we move on to the next one?

Hon. Mr. Duncan: — No. I would just thank the committee for their consideration. I think we have just the one final bill.

The Chair: — Yes, the consequential amendment Act.

Hon. Mr. Duncan: — Okay. I'll probably deal with my closing remarks after that.

Bill No. 184 — *The Fisheries (Saskatchewan) Consequential Amendments Act, 2019/Loi de 2019 corrélative de la loi intitulée The Fisheries (Saskatchewan) Act, 2019*

Clause 1

The Chair: — All right. We will now move on to consideration of Bill No. 184, *The Fisheries (Saskatchewan) Consequential Amendments Act, 2019*. And, Minister, if you have any opening remarks on that bill.

Hon. Mr. Duncan: — Very, very quick remarks here. This is just the update, reference, and definitions in other bilingual Acts. There's no implications with the additional consequential amendment bills, as they are housekeeping in nature. And so I'd be pleased to entertain any questions.

The Chair: — Thank you, Minister. I'll open the floor to questions from members, and I'll recognize Mr. Pedersen.

Mr. Pedersen: — I assume the consultations that the ministry went through on this legislation were basically the same as the last bill we just talked about?

Hon. Mr. Duncan: — That's correct.

Mr. Pedersen: — Okay. Those are all the questions that I have.

The Chair: — Seeing no further questions on this bill, we'll move to pass it. Clause 1, short title, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 1 agreed to.]

[Clauses 2 to 4 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Fisheries (Saskatchewan) Consequential Amendments Act, 2019*.

I would ask a member to move that we report Bill No. 184 without amendment, *The Fisheries (Saskatchewan) Consequential Amendments Act, 2019*, without amendment.

Mr. Olauson: — I so move.

The Chair: — Mr. Olauson so moves. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Now, Minister, if you have any closing remarks.

Hon. Mr. Duncan: — Thank you, Madam Chair. I want to thank Mr. Pedersen for his questions, the committee for their deliberations in moving this bill back to the Assembly for final vote, and I want to thank the ministry staff, particularly the deputy minister and assistant deputy minister that are here this evening. I also want to thank and note for the record his presence for both our earlier session and our evening session, although he didn't make it into *Hansard* earlier. Ryan Clark is executive assistant to the deputy minister, and so I want to acknowledge Ryan's presence here this evening. And with that, we thank the committee for your deliberations.

The Chair: — Thank you, Minister. Mr. Pedersen, if you have any.

Mr. Pedersen: — Thank you, Madam Chair. I'd just like to thank the ministry and the officials for their work on the

legislation and managing the provincial resource. Obviously this is an important one, so appreciate their work on this. And obviously thanks to the committee members as well.

The Chair: — Thank you. I would ask a member now to move a motion of adjournment. Mr. Buckingham so moves. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. That concludes our business for this evening.

[The committee adjourned at 18:59.]