



STANDING COMMITTEE ON THE ECONOMY

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**STANDING COMMITTEE ON THE ECONOMY
2007**

Mr. Kevin Yates, Chair
Regina Dewdney

Mr. Randy Weekes, Deputy Chair
Biggar

Ms. Doreen Hamilton
Regina Wascana Plains

Hon. Deb Higgins
Moose Jaw Wakamow

Mr. Delbert Kirsch
Batoche

Mr. Eldon Lautermilch
Prince Albert Northcote

Mr. Lyle Stewart
Thunder Creek

[The committee met at 15:03.]

**Bill No. 50 — The Municipal Employees' Pension
Amendment Act, 2007**

Clause 1

The Chair: — Thank you very much, committee members. I'll now call the committee to order. The first item of business before the Committee of the Economy today is An Act to amend The Municipal Employees' Pension Act. Thank you very much.

We have with us the Minister of Finance. Mr. Minister, would you please introduce your officials. And if you have any opening comments, would you like to make them to the committee.

Hon. Mr. Thomson: — Thank you very much, Mr. Chair. I'm joined today by a number of officials from the Department of Finance. Seated to my right is Doug Matthies who is of course the deputy minister of Finance. Seated to my left is Brian Smith who is the assistant deputy minister responsible for the Public Employees Benefits Agency. I'm also joined today by Kirk McGregor, the assistant deputy minister of taxation and intergovernmental affairs; Arun Srinivas who's the senior tax policy analyst for taxation and intergovernmental affairs; and Scott Giroux who is the director of audit for the revenue division.

The Bill in front of us at this point is The Municipal Employees' Pension Amendment Act. This Act, this amendment Act is largely housekeeping and brings us into compliance with Canada Revenue Agency rulings. It makes a number of changes to deal with the election of a chairperson and a vice-chairperson, and undertakes other changes I guess that essentially brings us into line with other Acts.

The Chair: — Thank you very much, Mr. Minister. Mr. Cheveldayoff.

Mr. Cheveldayoff: — Thank you, Mr. Chair. Welcome to the minister and to his officials. We look forward to discussing a number of Bills today.

On Bill 50 can the minister outline the consultations that have taken place regarding this specific Bill? In the notes it mentions that it does have an impact on SUMA [Saskatchewan Urban Municipalities Association] and SARM [Saskatchewan Association of Rural Municipalities]. And can the minister outline if indeed those bodies have been consulted and what their reaction has been?

Hon. Mr. Thomson: — Perhaps Mr. Smith can explain to the committee the process.

Mr. Smith: — Mr. Chairman, the legislation, the municipal employees' pension plan Act requires a review of the composition of the commission every five years starting September 1, 2005. In 2005 the Minister of Finance retained the services of Mick Grainger to talk to all of the stakeholders involved in the plan including SUMA, SARM, school boards

association, labour unions, and so these recommendations are the result of his report in terms of consultation with the stakeholders.

The changes to the commission operation came from discussions with Mr. Grainger and the commission itself in terms of naming of the Chair and the Vice-Chair to match the plan year instead of the fiscal year. So all of the recommendations that are here, with exception of the compliance with the Income Tax Act and adding a new spouse, were result of stakeholder consultations by Mick Grainger and advice to the minister.

Mr. Cheveldayoff: — Okay. Thank you to the official. Mr. Chair, we don't have any further questions at this time.

The Chair: — Thank you very much. Clause 1, is that agreed?

[Clause 1 agreed to.]

[Clauses 2 to 10 inclusive agreed to.]

The Chair: — Thank you very much. Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: An Act to amend The Municipal Employees' Pension Act. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Thank you very much. Could I have a member move that we report the Bill without amendment?

Hon. Ms. Higgins: — I so move.

The Chair: — Thank you very much. Ms. Higgins moved we report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried.

**Bill No. 51 — The Public Employees Pension Plan
Amendment Act, 2007**

Clause 1

The Chair: — The next item before the committee is An Act to amend The Public Employees' Pension Plan Act, 2006. Mr. Minister do you have any opening comments on this Bill?

Hon. Mr. Thomson: — This Act undertakes to make six major . . . well six substantive changes.

One is to amend the composition of the board of this plan to remove the Property Management Corporation from the list as an employer that may jointly appoint a member. It allows members to contribute to the pension plan for leaves of absence that occur after the age of 65. It allows inactive members of the plan to transfer funds for registered retirement savings plan to the plan.

It provides the board with the authority to elect a variable

benefit on behalf of members who are required to by The Income Tax Act to commence receipt of their pension by the end of a calendar year in which the member turns age 69, and this is in the specific case where the plan cannot locate the member. Then in this case then, the board is able to elect for the benefit. It allows the board to pay a member's pension to the GRF [General Revenue Fund] when the member cannot be located and the plan's required to commence pension payments to the member. It allows for the making of regulations to identify the terms and conditions, the prescribed pension benefit for a member who cannot be located by the end of the calendar year in which the member turns 69.

In the second reading debate in the House, I think it was the member for Saskatoon had raised a question about why we were not at this point changing this to conform with the age 71. I'm advised the reason for that is that the federal regulations are not yet in effect. And so we are conforming with the current federal regulations. But in due course, the member's correct; we would need to come back to conform with the age 71 requirement.

The Chair: — Thank you very much, Mr. Minister. And are there any questions? Mr. Cheveldayoff.

Mr. Cheveldayoff: — Thank you, Mr. Chair. Yes, to inform the minister, I did bring that up in second reading, and I believe his explanation is sound. And we will look forward to, I guess, an amendment in due course as the legislation is passed at the federal level. Again a question regarding consultation, can the minister outline the consultation that has taken place specifically on this Bill?

Mr. Smith: — Mr. Chairman, the board of the public employees pension plan request changes to the legislation. The board is comprised of four members appointed by labour organizations: CUPE [Canadian Union of Public Employees], SGEU [Saskatchewan Government and General Employees' Union], IBEW [International Brotherhood of Electrical Workers], CEP [Communications, Energy and Paperworkers Union of Canada]. And the other members of the board are from Crown corporations and the executive government. So the eight members represent stakeholders involved in the pension plan, so they are the entity that requests the changes.

Mr. Cheveldayoff: — Were any further consultations done outside of the immediate stakeholders? Obviously this will have a large impact on the financial community of the province. Were any consultations undertaken in regards to individuals in that community?

Mr. Smith: — Mr. Chairman, there were no consultations beyond the members of the board, and they represent the stakeholders in the plan.

Mr. Cheveldayoff: — Thank you to the official. I just have a number of questions. We did undertake our own consultations as well — quite wide-ranging consultations — where we had talked to numerous stakeholders as well as the financial community. And some concerns were brought to light, and some of them I addressed in my, in my discussion of the Bill in the legislature.

Can you outline to me, Mr. Minister, have any discussions taken place with the security commission? Obviously the government is taking on some additional liabilities, and I would like to know if the security commission has been consulted or at least has been asked for its advice.

Mr. Smith: — Mr. Chairman, at the same time these changes are going on, one of the things that's happening with the pension plan is an initial investment choice is becoming available to the members in the fall of 2007. We're working closely with the Securities Commission to make sure that the operation of the pension plan is very, very close to being in compliance with the securities legislation. Offering choice to members is a brand new effort, and so we're working closely with the Securities Commission in terms of all the information that goes out to plan members.

Mr. Cheveldayoff: — Thank you to the official. Also is there indeed . . . are you expecting increased liability because of the ability then to move money from an RRSP [registered retirement savings plan] outside the plan into the plan and in effect manage the whole RRSP holdings for an individual? I would assume that that incurs increased liability, and is that part of the discussions that are taking place?

Mr. Smith: — Mr. Chairman, there may be increased liability. The last pension prospectus that went out to all pension plan members indicated that people can move their RRSPs into the pension plan. It may not be the best answer for all individuals because putting the money in the pension plan means the money is locked in, and they cannot access it until retirement age. So we think that there will be a number of people who might transfer RRSPs into the pension plan. There may be a lot who will not because the assets are then separate, and they control those assets and can make decisions on them if they wanted to cash them in and use it for other purposes. Once it goes into the pension plan, it definitely is locked in until retirement.

The board is very, very concerned about liability. In all of the exercises leading up to investment choice, the board is making it very, very clear about the choices that people can make and the responsibilities that the individuals will now have when they have investment choice. So the board is very, very concerned about liability. There are a lot of assets in pension plans in Canada, over a trillion dollars, and it will be a great subject of lawsuits in the future. So the board in all their exercises is very, very concerned about liability.

Mr. Cheveldayoff: — Thank you. Will there be specific individuals trained to help public servants make that decision whether to bring additional funds from outside into the plan or not and whether it, you know, fits their particular situation? I would see this as a very specialized area, and I would appreciate your answer.

Mr. Smith: — Mr. Chairman, we're doing the sessions right now with employees, and I did two this morning for Crown corporations and government employees. And we mentioned several, several times that individuals in the pension plan should talk to an independent financial advisor to get advice in terms of how their pension plan investment should be made and their RRSPs and talk about their retirement dates.

So it's something the pension plan cannot do. The pension plan does not know how many other assets an individual has like RRSPs, house assets, and so on. And at several times during the presentation we remind people and suggest to people they should talk to independent financial advisors. And the plan will continue to do that, suggest that every individual should talk to an independent financial advisor.

Mr. Cheveldayoff: — Thank you. So I guess that would mean individuals that . . . You know, right now the markets are doing well, and the pension plans are doing very well. But when there's a market downturn, I could see some serious concern on behalf of many employees if indeed their pension plan was losing money for a period of time.

Is the government and the department ready to take on that responsibility? Has that been thought through?

Mr. Smith: — Mr. Chairman, in the past twenty-nine and a half years the pension plan has had ups and downs. Over the last twenty-nine and a half years, the rate of return for the one fund, the balanced fund, has been 10.9 per cent which includes a high of 24 per cent and a low of minus 11 per cent. So these things are going to happen. We have experienced them in the past, and it will continue in the future.

The past returns don't indicate any . . . provide no indication of future returns, but there will be significant gains, and at times there will be losses in the pension plan. The board is very aware of that and has dealt with them in the past and will deal with them in the future.

Mr. Cheveldayoff: — Thank you. Well human nature being what it is, I'm sure you will hear very little from people when it's up 29 per cent, but when it's down 11 per cent I'm sure that you'll be hearing from people. But as long as you can give us your assurance today that you're prepared for that situation and we'll deal with it when it comes. Thank you for that.

A further concern regards the pension plan itself. And concern, I don't know the basis of this concern, but we've heard this from a number of individuals that there are plans in place from the government to widen the scope of the government pension plan to allow every individual in Saskatchewan to become part of that plan. And we are somewhat concerned. We certainly don't want to see the government competing with the private sector in more areas than they already are in this province. So could the minister outline for us if indeed that is the consideration of the Department of Finance at the present time?

Hon. Mr. Thomson: — There is no contemplation of opening up the government, the public employee pension plan, for general participation. There has been a set of discussions around the Saskatchewan Pension Plan and what should be done with that plan to make it more modern in its approach. And I know the board has been undertaking that discussion. I anticipate before they move forward and before we move forward with legislation there would be further discussion with the financial services community and indeed with the province to look at what the implications may be of doing that.

Mr. Cheveldayoff: — Thank you to the minister. That's indeed where my mind went as well when I first heard about this —

thought that it might be in that direction. I didn't think that the government wanted to be solely in the pension plan business. We have private operations that can do that very, very well. And those that manage the government fund are doing very well also.

At this time, Mr. Chair, I think that answers all my questions and all my concerns. There's a number of undertakings that the government is doing with this legislation and at this time we're able to let this go.

The Chair: — Thank you very much. Clause 1, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 9 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: An Act to amend The Public Employees Pension Plan Act. Is that agreed?

Ms. Hamilton: — I would so move the Bill without amendment.

The Chair: — First, is the Bill agreed?

Some Hon. Members: — Agreed.

The Chair: — Okay. Doreen's moved the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Okay, thank you very much. The next issue before the committee is Bill No. 60, An Act to amend The Revenue and Financial Services Act. Mr. Minister.

Bill No. 60 — The Revenue and Financial Services Amendment Act, 2007

Clause 1

Hon. Mr. Thomson: — Thank you very much, Mr. Chair. We have before us The Revenue and Financial Services Amendment Act. This Act undertakes a set of changes to deal with providing clearer authority for auditors to access tax records that are maintained in electronic format; increase the penalties for taxes that are owed that are discovered by an audit, as we are recognizing that the current penalties in place are in some cases not a particular deterrent; improve Finance's ability to share tax information with other departments and agencies; and it provides authority for us to enter into tax agreements with First Nations.

The Chair: — Thank you very much, Mr. Minister. Are there any questions? Mr. Cheveldayoff.

Mr. Cheveldayoff: — Thank you, Mr. Chair. To the minister again, can you outline the consultations that have taken place specifically regarding this Bill.

Hon. Mr. Thomson: — Mr. McGregor.

Mr. McGregor: — Thanks, Minister. In terms of the first two changes, the access to electronic records are really an internal thing where we've just basically had to update our abilities to audit so that we can access in an effective way the electronic records that a business would have.

The second provision is again just looking at our penalty provisions, looking at the extent to which we have accounts that are outstanding, and as well looking at other jurisdictions and updating those penalty provisions so that we have an effective deterrent for businesses.

The third provision, which deals with the ability to share information with departments in terms of their administration of their particular legislation, was done at the request of those agencies in order to improve their effectiveness. There has been some discussions with the Privacy Commissioner, and he expressed his concerns that we're not going too far in terms of the amount of information that we're making accessible and we've had discussions with him.

And then finally the final one is with First Nations agreements. And in that case this was initiated by a bilateral discussion with a particular First Nation, and since that time we've had extensive discussions with that First Nation and it's resulted in this legislation. And as well we've had a similar, but not nearly as detailed discussions with Federation of Saskatchewan Indian Nations.

Mr. Cheveldayoff: — Thank you to the official. So indeed you have talked to the FSIN [Federation of Saskatchewan Indian Nations] as well as the particular band that was involved. That's correct?

Hon. Mr. Thomson: — Yes, I have received correspondence from Chief Joseph regarding this. The FSIN is concerned that they were not directly consulted on it. There is a debate within the First Nations community about the role of the FSIN and indeed the tribal councils in terms of dealing with these matters. It's the position of the province that these agreements are between governments. And in this particular case it is with the individual First Nation. The discussion that needs to occur with the FSIN is one between the individual First Nations, tribal councils, and the FSIN.

The province has no direct ability to enter into a legal agreement affecting a specific First Nation by entering into an agreement with the FSIN. So this is an internal governance issue. I have written Chief Joseph about this to again reiterate that position.

Mr. Cheveldayoff: — Thank you to the minister. Mr. Chair, is it the minister's intention to continue these consultations through the development of regulations as well?

Hon. Mr. Thomson: — We have suggested that if, we have indicated that it is the province's view that we should continue to pursue this on a province of Saskatchewan to individual First Nation basis; that if the First Nations wish to pursue a different approach, whether that's grouped together as tribal councils or province-wide as the FSIN, that we would be prepared to enter

into those discussions, but that we would not initiate them.

The Chair: — Thank you to the minister. Well the First Nations have asked us — the FSIN — to ensure that consultations take place. And, you know, at the time I couldn't see a reason why consultations wouldn't indeed be of a wider scope than a narrower scope. So, you know, I had said based on that, based on getting that assurance from you, I'd be willing to let this Bill go at this time.

Hon. Mr. Thomson: — I appreciate the offer. The issue still is one in which we need to work with the individual bands. If an individual First Nation did not want to involve the FSIN or the particular tribal council, and wanted to enter into an agreement with the province, we would do so on that basis, government to government. And so it is not something that we would undertake directly.

Again the issue that needs to be resolved within the First Nations community is the consent of the First Nations banding together as FSIN to ask their leadership to move into that discussion. If that were to occur, we would oblige.

Mr. Cheveldayoff: — But just to reiterate, Mr. Minister, you are in consultations with Chief Joseph on this? You've exchanged correspondence and do you see that continuing?

Hon. Mr. Thomson: — Yes, we're prepared to continue that. I should characterize though, fairly clearly, that this is really an exchange of opinions as opposed to . . . I wouldn't describe it as a consultation per se. It is really a case where Chief Joseph, on behalf of the FSIN, has asked for their involvement. We have reiterated the province's fairly long-standing position on this matter, that this is between the individual First Nation and the province.

Now in this particular case this was brought about by a discussion with Whitecap Dakota and they were not seeking the participation of the FSIN or the Saskatoon Tribal Council. And so the discussion that went on was a bilateral discussion that did not involve the broader players. It's our view that if the individual First Nations wish to involve the FSIN they should initiate that discussion on their side.

Mr. Cheveldayoff: — Thank you. Well not being privy to the information, I'll just have to take the word of the minister and would encourage him to consult as widely as possible or as he sees necessary in this regard. Thank you, Mr. Chair. No further questions at this time.

The Chair: — Thank you very much. Mr. Minister.

Hon. Mr. Thomson: — If I can just add to this by saying that there is some merit to having a province-wide agreement structured with the FSIN on behalf of all First Nations. But what we need — just as when we undertook the gaming agreements — we need the individual First Nations to agree that the FSIN will represent them in the discussions. And this is really an internal matter that they need to resolve before we would embark on that. I don't think that's the province's role — although there may well be merit to doing it that way — to try and initiate that conversation.

So I can certainly share with the member the position that I have outlined on behalf of the province, and that may be of some help in terms of him formulating his view and his party's view on which direction to go with this.

Mr. Cheveldayoff: — Thank you to the minister. That would be helpful. So if I hear you correctly, your instructions would be to, to Chief Joseph to talk to his member councils and if he can get a majority of them to agree, that you would certainly entertain entering into an agreement with the FSIN as well. Is that correct?

Hon. Mr. Thomson: — Yes, we'd be prepared to have discussions with the FSIN. But again this is a case where the individual First Nations would need to cede their authority, their own individual jurisdiction to the larger organization and to agree then to move in that direction, whether it be the FSIN or a tribal council. We'd need to make sure we had a clear, legal understanding of how that operated but this is really a discussion within the First Nations organization themselves.

Mr. Cheveldayoff: — Thank you. Like I said earlier, we've undertaken those consultations. I haven't done them all myself. We've had staff do them and my understanding is that they are comfortable with this legislation at this time in sort of an agree-to-disagree basis. And I will try to facilitate further communications if necessary and I hope the minister would be open to that. Thank you, Mr. Chair.

The Chair: — Clause 1, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 9 inclusive agreed to.]

The Chair: — Thank you very much. Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: An Act to amend The Revenue and Financial Services Act. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Could I have a member move that we report the Bill without amendment.

Hon. Ms. Higgins: — I so move.

The Chair: — Moved by Ms. Higgins. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. Thank you. The next item before the committee is An Act to amend The Income Tax Act, 2000.

Bill No. 65 — The Income Tax Amendment Act, 2007

Clause 1

The Chair: — Mr. Minister, do you have any opening comments?

Hon. Mr. Thomson: — This Bill undertakes three changes, it appears. One is to allow the new \$10,000 graduate tax exemption to be deducted from Saskatchewan income tax. This Bill undertakes to establish automatic, annual indexation of the tax system. And it expands the eligibility for the investment tax credit for manufacturing and processing for certain types in non-renewable energy, and the energy conservation equipment used in the production of electricity for sale.

The Chair: — Thanks very much, Mr. Minister. Mr. Cheveldayoff.

Mr. Cheveldayoff: — Thank you very much, Mr. Chair. Mr. Minister, can you outline the consultations that have taken place regarding Bill 65 with stakeholders in the province.

Mr. McGregor: — To the member, the consultations have really been wide-ranging. In terms of the graduate tax credit exemption, the primary consultation was with the Department of Advanced Education and Employment. We had private consultations with businesses and individual stakeholders on the question of expanding the investment tax credit definitions. And we also had consultations clearly with many members of the public on the question of inflation protection for the brackets and exemptions under the income tax system. We also undertake in-depth consultations with the Department of Justice. And we also need to vet all of these changes by the Canada Customs and Revenue Agency in order that our legislation is consistent with their ability to administer.

Mr. Cheveldayoff: — Thank you to the official, Mr. Chair. I understand quite a lengthy debate or discussion that took place between the member from Cypress Hills and the Minister of Advanced Education and Employment. And the minister smiles, but I think they agreed on more things than they disagreed on, especially as it relates to this Bill and to the program. I think we agree on certain things, but there's areas where we see some difference as well.

Just to reiterate, it's the position of the opposition and the position of the Saskatchewan Party that indeed anything that we can do to help retain young people in Saskatchewan is a step in the right direction. We would argue that it is probably long overdue. And we would also like to put on the record that in consultations that we have undertaken, the fact of something that's tuition-based for students comes up time after time, and we would encourage the minister and his government to further strengthen this undertaking by considering something that is tuition-based.

But at this time, Mr. Speaker, we would not want to stand in the way of something that is long overdue like this. And I have no further questions at this time, unless the minister has a comment.

Hon. Mr. Thomson: — Well, Mr. Chairman, I smile because I of course enjoyed the debate between the member for Cypress Hills and the minister from Saskatoon Nutana. My comments would be obviously more closely aligned with what the Minister of Advanced Education had to say.

The issue that the member raises about tuition deductibility, the Manitoba-style plan, is biased against those who are in

shorter-term programs in the trades and in apprenticeship. And we have made a very conscious decision that we wanted a program that was equitable across all categories, whether it was in a college . . . We saw no reason why someone who was in the College of Law should get a larger benefit than someone that is taking a welding course at SIAST [Saskatchewan Institute of Applied Science and Technology] or for that matter undertaking an apprenticeship program.

So we have opted for a program that recognizes that all workers provide a value to the economy. And if anything, the area that we've got the most significant shortage tend to be the shorter program and some of the lower-cost areas. So we had wanted not to bias the program towards the university-based system. That was one of the key rationales as to why we undertook this as opposed to the Manitoba-based system.

That being said, I have certainly heard some comments from those in the university community that they would like to see something around a tuition-based system. At this time I would argue that the program we have in place is affordable and we should let it move forward as is, before considering additional changes.

Mr. Cheveldayoff: — Thank you to the minister. And I would agree with him that it's incumbent upon both of us, the government and the opposition, to consult with students and to find out how we can better help them in their ongoing concern regarding high tuition fees. At this time no further questions, Mr. Chair.

The Chair: — Thank you very much. Clause 1, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 12 inclusive agreed to.]

The Chair: — Thank you very much. Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: An Act to amend The Income Tax Act, 2000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — May I ask for one of the members to move that we report the Bill?

Ms. Hamilton: — I so move to report the Bill without amendment.

The Chair: — Ms. Hamilton has moved to report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Okay. Thank you very much, Mr. Minister. We were very pleased to have you and your officials before the committee tonight. With that, we thank you and ask that we move on to the next item of business.

Hon. Mr. Thomson: — Thank you very much, Mr. Chairman.

The Chair: — The next item of business is An Act to amend The Wildlife Habitat Protection Act. We'll take a couple of minutes to have an exchange of officials.

Bill No. 38 — The Wildlife Habitat Protection Amendment Act, 2006 (No. 2)

Clause 1

The Chair: — Thank you very much, committee members. We now have the minister of renewable resources in front of us — Environment, pardon me — in front of the committee and An Act to amend The Wildlife Habitat Protection Act.

Mr. Minister, do you have any opening comments?

Hon. Mr. Nilson: — Basically this is legislation that we bring forward on a regular basis to deal with the requests that come from various people within the community around lands that are under The Wildlife Habitat Protection Act. And our basic perspective is that we would try to accommodate requests, if that's possible, about removal of land, but we always have a goal of replacing it with other land. And so that's the basic premise of what we're doing.

I'm happy to have with me today Alan Parkinson, who is the deputy minister of Environment, and Nancy Cherney, who is executive director of lands on this particular matter.

The Chair: — Thank you very much, Mr. Minister. Do we have any questions on this Bill? As seeing none, clause 1, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 6 inclusive agreed to.]

The Chair: — Thank you very much. Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: An Act to amend The Wildlife Habitat Protection Act. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — May I ask one of the members to move the Bill without amendment?

Hon. Ms. Higgins: — I so move.

The Chair: — Ms. Higgins moved the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Thank you very much, committee members.

We will take about a five-minute break at this time prior to moving into estimates in the Department of Environment.

[The committee recessed for a period of time.]

**General Revenue Fund
Environment
Vote 26**

Subvote (ER01)

The Chair: — Thank you very much, committee members. The next item of business before the committee is vote no. 26, the estimates for the Department of the Environment. We have with us the Minister Responsible for the Department of Environment and his officials. Mr. Minister, would you like to introduce your officials and make any opening comments you'd like to make.

Hon. Mr. Nilson: — Yes, thank you. I'm pleased to be here this afternoon and this evening to answer questions. I have with me Alan Parkinson, who is the deputy minister; to my right is Bob Wynes, who is the executive director of the forest service; behind me is Dave Phillips, the assistant deputy minister conservation division; and Joe Muldoon, who is the assistant deputy minister of environmental management division; Daryl Jessop, who is the manager of the science and planning and the fire management and the forest protection; Donna Johnson, the executive director of finance and administration; Nancy Cherney, who is the . . . I guess maybe, yes, Nancy's still here. Nancy Cherney, the executive director of lands; and Everett Dorma, who is the executive assistant to the deputy minister. So I'm wide open . . .

The Chair: — Thank you very much, Mr. Minister. Do you have any opening comments or are you ready to take questions at this time?

Hon. Mr. Nilson: — I think this is a continuation of a previous time, so we're . . .

The Chair: — Mr. Kirsch, do you have questions?

Mr. Kirsch: — Thank you, Mr. Minister, for having your officials here. I appreciate your time. With the situation that's been happening, what is our undercut now as compared to the other year? How much are we . . .

Mr. Wynes: — Yes. One of the things I'd like to advise you is the numbers that I have, that I'm using to update for the last year from 2006-2007, are rough estimates at this point in time. We just have the weight information from the major mills on the FMAs and it hasn't been converted using the sample scale information yet. So these numbers will change. But for sake of discussion, I did compile these numbers for today.

And I have the numbers for the three FMAs [forest management agreement] and Pasquia/Porcupine for the softwood cut. This is the accumulation of wood that was authorized for harvesting since the approval of the last forest management plan, and to date this is the amount of wood that hasn't been cut that could have been cut, so each year added on subsequently.

For Pasquia/Porcupine FMA, Weyerhaeuser Pasquia-Porcupine, the softwood undercut is 474,151; the hardwood undercut is 2,518,120. Mr. Kirsch, would you like these numbers rounded off or do you want . . .

Mr. Kirsch: — Rounded off is just fine, yes.

Mr. Wynes: — Okay. The P.A. [Prince Albert] FMA Weyerhaeuser, Prince Albert FMA, the softwood undercut 3.775 million. The hardwood on the P.A. FMA is 2.903 million. And Mistik FMA, the softwood undercut is 1.645 million cubic metres, and the hardwood undercut on the Mistik FMA is 1.748 million. Those are the three major FMAs. And just to clarify, if this volume was cut it would be a one-time volume. It's not an increase in the annual allowable cut. This is just the accumulation from uncut annual available wood since the approval of the forest management plan.

Mr. Kirsch: — Are there any plans to do something with this that we're not getting cut now? Is something coming of this? Have we got some . . .

Mr. Wynes: — At this point in time, using the Prince Albert FMA as an example, we do not have the right — this is just like the FMA itself — we do not have the right to allocate this volume without the approval of the company. And just as an example with, in the Prince Albert FMA, Weyerhaeuser has agreed to keep some of the contractors working and in the province. They have agreed to allow us to permit the contractors over the last winter for example to use some of this volume, but it's a relatively small amount of it. The demand is not there from the mills. A lot of the mills, as you're well aware, a lot of mills are shut down and there's just no market for this wood at this point in time.

Mr. Kirsch: — Are there any plans by the government to ensure the survival of the existing forestry industry in Saskatchewan?

Hon. Mr. Nilson: — Well clearly the establishment of the forest secretariat and all of the work that's being done there in conjunction with us and Environment and also within Industry and Resources recognizes that the forest industry in Saskatchewan is part of the long-term future and long-term asset of the province. And so much work is being done around what's going to happen in Prince Albert and with that particular FMA. And then also discussion with other possible users of the resource in Saskatchewan. But we are in a situation where we have a number of initiatives that require us to wait until we could find out what happens with the Weyerhaeuser FMA.

Mr. Kirsch: — What is the status of P.A. mill with Domtar now? Do we know anything more on that?

Hon. Mr. Nilson: — Well basically the Domtar, the new Domtar, which is primarily based in the United States and is involved in a different industry than Weyerhaeuser was in many ways, in paper, is just figuring out what to do with all of the assets that it has in this new combined form. And I know that my colleague in the forest secretariat and people working with him have been in constant discussion with various players to figure out where we should go. But practically Weyerhaeuser and Domtar are still the people who have the forest management agreement and we need to work with them to either have them use this wood or turn it back and we can find some other uses for it.

Mr. Kirsch: — So Domtar officially owns the P.A. mill and the

Big River mill but the FMAs are still officially owned or under control of, they're government lands but they're under control of Weyerhaeuser.

Hon. Mr. Nilson: — Well technically that is right. Although between Weyerhaeuser and Domtar, Weyerhaeuser is in the process of transferring it to Domtar.

Mr. Kirsch: — Can they transfer without government approval?

Hon. Mr. Nilson: — No.

Mr. Kirsch: — Is there any chance of Domtar selling either-or? Is there any discussions? I've heard some rumours of that and I was wondering if there's any . . .

Hon. Mr. Nilson: — I think the answer to that is yes, there is a chance. I mean that's an asset that they have that they would like to possibly have some other group use that fits more in line with their business. So the answer to that is yes.

Mr. Kirsch: — Would the government be involved in these consultations at all?

Hon. Mr. Nilson: — Well basically as a facilitator because of the fact that there are many other aspects to this, and that is frankly the kind of work that the forest secretariat has been attempting to do, is to facilitate an orderly transition to a new industry.

Mr. Kirsch: — I'm hearing that they're starting to truck the paper-making equipment out of the P.A. mill. Do we know any on that?

Hon. Mr. Nilson: — I have no information on that. I have no information on that.

Mr. Kirsch: — Okay. What's the status with the Meadow Lake mill now?

Hon. Mr. Nilson: — Which Meadow Lake?

Mr. Kirsch: — The Asia Pulp and Paper has bought in. And are they up and running now?

Hon. Mr. Nilson: — Yes, my understanding that they're operating and working within the parameters. That was, basically the Meadow Lake operation went through the structures of reorganization that are available for companies that have financial difficulties, and that they've now come through that process with a new owner and they're moving ahead with that.

Mr. Kirsch: — And we still have 20 per cent.

Hon. Mr. Nilson: — I think that was the final arrangement that was made with the court-approved transfer.

Mr. Kirsch: — And there is a five-year, walk-away clause.

Hon. Mr. Nilson: — I'm not sure of all the details there. That matter is being obviously dealt with by the Minister of Industry

and Resources, and has the responsibility in this particular area. You know, he has more detail, and the officials with him would, from Investment Saskatchewan.

Mr. Kirsch: — Okay. If there is a five-year, walk-away clause we could end up with the whole thing back in our lap again, couldn't we?

Hon. Mr. Nilson: — I have no direct information of that particular question. But these are assets that are located in Saskatchewan. People end up signing agreements to give them the right to harvest, manage and harvest the forests. And clearly what our role is through the forest service and the Department of Environment is to make sure that they're managed well and that they continue to have a long-term value to the province. And that's why you end up with allowable cuts and all of the science of forest management that the professionals bring to us.

Mr. Kirsch: — The Asia Pulp and Paper though does not have any FMA, do they? They're just buying the product. Or do they have some?

Hon. Mr. Nilson: — They get their supply out of Mistik Management, and which basically then they have an interest in that.

Mr. Kirsch: — Okay. Who is now cutting in the Weyerhaeuser FMA?

Mr. Wynes: — As we speak right now, things are essentially shut down because of spring breakup. Over the winter there was some small operations going on. Independent operators were still cutting — third parties we refer to them as. There was also permits that were issued to those contractors I mentioned, ex-Weyerhaeuser contractors, to try to keep them in the business. As well there was wood, for example, going to Meadow Lake OSB [oriented strand board] as per other agreements, wood coming off of the FMA.

Mr. Kirsch: — I've also heard rumours, saw articles in the paper. Is the softwood lumber deal in jeopardy?

Hon. Mr. Nilson: — Well I mean, that's one that I think there'd be a fair amount of speculation around that particular deal and obviously when the present federal government came into place, they pushed pretty hard to get something which maybe has some difficulties with it, and those are starting to show up.

Mr. Kirsch: — We are no wiser now to a new deal?

Hon. Mr. Nilson: — Well we know that that deal was particularly poor for Saskatchewan, but the federal government didn't seem to care and pushed it ahead anyway. And so it's another part of the uneasiness in the whole forestry sector, to have that kind of deal that's not very helpful.

Mr. Kirsch: — What percentage of our lumber is sold offshore? Like in Japan and . . .

Mr. Wynes: — Yes, I'm sorry I don't have the exact number for that, but the majority of our lumber was going to US [United States] markets, but I don't have an exact number of that.

Mr. Kirsch: — Can you give me a ballpark figure?

Mr. Wynes: — I better not speculate on that. I don't have the information with me.

Hon. Mr. Nilson: — So just to clarify. By offshore you meant to the United States?

Mr. Kirsch: — Other than United States.

Hon. Mr. Nilson: — Oh, other than United States. I don't think there's very much of the lumber that's gone to other than the United States. From where we're located some of the transportation costs end up that we don't really compete in that international market.

Mr. Kirsch: — Do you know who these countries would be though that we're selling to then?

Mr. Wynes: — It's a very small percentage of the market. It's not on our radar screen essentially.

Mr. Kirsch: — Okay. How about pulp, different story there?

Hon. Mr. Nilson: — I don't have that particular answer, although I know that right now in the international market, China has been looking for fibre right around the world. And so that that is a place that is seeking to get fibre. But maybe Alan may be able to add more to this.

Mr. Parkinson: — We understand that some of the pulp coming out of Meadow Lake was sold on the spot market, some buyers in Asia, China, I think. But you'd have to talk to Investment Saskatchewan to confirm that. For the past 18 months Prince Albert pulp mill has been down, but I understand that they just sold their pulp when they sold pulp on to the spot market as well, but most of their paper shipments went to their established customers.

Mr. Kirsch: — Okay. Switching gears a little bit here, the lodgepole pine beetle. The infestation has crossed out of BC [British Columbia] into Alberta. Is it coming this way or is our cold weather stopping it? Or do we know any of that situation?

Hon. Mr. Nilson: — I will try that since I spent a fair bit of time learning about this. The pine beetle came over the mountains about '99 in a big windstorm basically and is now up in the northwestern part of Alberta. And talking to the Environment minister from Alberta a few weeks ago, he indicated that it was moving much faster across Alberta than they had thought and so it's starting to affect some of the supply there.

What you have to remember about the pine beetle is that cold weather does stop it, provided that it's cold weather during a two-week period which is right around reformation or October 31. And basically what happens is that during that time when the eggs are laid under the bark, they're susceptible to minus 40 weather. But if they can make it through until the middle or late November, then the egg itself and the development of the insect creates their own antifreeze. And so cold weather in January and February — if there hasn't been cold weather in late October, early November — will not finish off this insect.

And so as a result there hasn't been that kind of cold weather in that period in BC and parts of northern Alberta in that crucial time period and so that's why people are quite worried. So some people will see this as an invasive species that is related to the climate change and the changes in temperatures, and so we have our people here in Saskatchewan working very closely with Alberta and with BC to track what is happening with the pine beetle because we're concerned about it.

The Cypress Hills has had some pine beetle in that forest for quite a few years just because it's a natural part of the forest there. And what you should also remember is that it primarily affects the older trees and so — and that was everybody's plan was we'll get rid of the 70- to 120-year-old pine trees by logging them or whatever. Well once it got to as big an infestation as they have in BC, it didn't care how old the trees were. It was going after the one-year-old ones to the old ones. And one of the things about regenerating the forest when you have a forest fire is that you actually eliminate some of the prime targets for these beetles. Or the other side of it is when you do appropriate forestry — in other words harvesting of the trees — you can also provide a lot of benefit in dealing with the infestation.

Mr. Wynes: — Yes. Just a couple of other comments. The beetle generally infects lodgepole pine and the majority — other than the lodgepole pine in Cypress — the majority of the boreal is Jack pine. And one of the questions is how well that the beetle is going to utilize Jack pine as a host. So we're monitoring that very closely essentially in Alberta right now. It's in the transition zone in the Whitecourt area between lodgepole pine and Jack pine. So we're watching that with interest because it will get us a good indication of just how real the problem is for us. So that's an important part of our strategy is working closely with Alberta on that front.

Mr. Kirsch: — I'm hearing that it could be 80 per cent of the BC forest gone with this pine beetle. So if that's the case, does that put the future of Saskatchewan forest . . . If we can hold it that they can't or don't come in here?

Hon. Mr. Nilson: — Well I think what you should remember is 80 per cent of the pine forest, okay. And a lot of people don't realize that in the interior of British Columbia you have effectively coastal forests that are in pockets where there's a lot of moisture, and whereas the pine grow where there's less moisture so that there's still a lot of forestry in BC. It wouldn't be 80 per cent of BC's forestry. It would be 80 per cent of the forestry in the lodgepole pine. But all of that information and especially if you've had a chance to drive, you know, to Kamloops and then north up to Prince George or over to Bella Coola or all those parts of BC, it's a very sobering sight to see the trees.

Now one of the other problems they've got in BC is that those trees, they used to think they'd be able to harvest them for eight or nine years after they were killed, and now it appears they can't. And so they've been cutting lumber as quickly as possible which also is one of the reasons why the Canada-US agreement has gotten some challenges to it.

Mr. Kirsch: — I'm hearing about four years is the most you've got for the cutting. Now we've got some here but that's not

because they've moved in. We've always had some, right?

Hon. Mr. Nilson: — In the south part of the province, yes.

Mr. Kirsch: — Yes. Now are they moving in from the east also?

Mr. Wynes: — No, generally the problem is from the west. It's spreading from British Columbia.

Mr. Kirsch: — Do they have them in the East?

Mr. Wynes: — As far as I'm aware, there's been no problem with mountain pine beetle in the East.

Mr. Kirsch: — Well I hope we can get ahead of them. Now is there any other way of fighting them other than fire and the cold?

Hon. Mr. Nilson: — And appropriate harvesting of the older trees. And that's where maybe you would want to explain what happens when this starts to infest a forest.

Mr. Wynes: — Ideally we would like to restructure the forest to get it back to a younger age class. One of the problems is that we've been suppressing forest fires and in a lot of parts of the province, especially in the commercial forest zone, it's been quite successful and we haven't really kept up with the amount of timber harvesting that we have. We've put more out from fires than we've replaced with timber harvesting, so the forest is in many areas older than it would have been naturally had fires just been allowed to run. So that's going to increase the problem that we have with species like mountain pine beetle that might not be as big of a problem with the normal age class distribution of the forest.

So in an ideal situation we would be trying to harvest a lot of that wood to restore that age class, proper age class in the forest. But our options, quite frankly, because of the state of the industry right now, are somewhat limited on that front.

Mr. Kirsch: — I'm wondering about the let-it-burn policy and the CO₂ [carbon dioxide] emission from a giant forest fire. Is there a way off there?

Hon. Mr. Nilson: — Well let me start by saying there is no such thing as what you talk about. There's a policy that protects the values — people, homes, businesses, those kinds of things. But we also recognize the role of fire in the renewal of the boreal forest. And this is one of the areas that it's quite crucial to recognize that role in creating young, healthy trees that then have the ability to fight off pests including the mountain pine beetle. Now the bigger question about the greenhouse gases with forest fires, well that's clearly one concern. And I know that you continually try to look at these things and balance them off, but harvesting and using the wood would also be good.

Mr. Wynes: — Just from a greenhouse gas standpoint, whether the trees die from a fire or whether they die from mountain pine beetle, there will still be carbon release from those if you look at modelling that's being done by Canadian Forest Service, although the release from the soil might not be as extensive. So that's one issue but as the minister mentioned, if that wood

product could actually be harvested and tied up in wood products like furniture, moulding, construction materials, that's, you know, certainly preferable from a greenhouse gas emission standpoint.

Mr. Kirsch: — Next we'll go to cogen. Is anything going to be done at the . . . Because I understand there's, I was told the pile is big enough for 10 years of cogen, it would have been for the plant. Is there any chance of us going there?

Hon. Mr. Nilson: — I'll respond to that and say that yes, it is part of the overall solution to what happens in the forest industry in Saskatchewan and there are a number of different options, but clearly what you've identified is that in Prince Albert there is a substantial pile of material which needs to be dealt with in some fashion.

And one of the proposals is that it would be used to provide, you know, heat for turbines to create electricity with possibly then using the energies in some of the other processes as well. And so each of the different options that have been looked at by various people who are interested in buying that plant usually includes some variation of a cogeneration project. We've also had some people come with ideas about how just to use that as fuel for, you know, creating electricity as well, but that it's better if you can cogen because then you can use it twice and it's more efficient.

Mr. Kirsch: — Well seeing this big pile is rotting and using up oxygen too, are we not going to have to look at it sooner than later and is it possible that we could be cogenerating before the mill is even operating and putting it on the grid system?

Hon. Mr. Nilson: — Well any new proposals requires a new burner, a new system of generating or using the wood as a fuel, and so that's why you'd end up needing an overall proposal to deal with this. The existing facility there can generate electricity and heat provided that you're making paper. But if you're not making paper then the economics change and it has to be looked at again.

Mr. Kirsch: — In order to pump it back on to the grid system. Okay. I look at the, not the Premier's, but the minister's task force report. Is any of that going to be implemented? Are we going in that direction or . . .

Hon. Mr. Nilson: — Well I think the answer to that is yes. There are a number of suggestions and ideas that have been developed mutually by the people in the industry and others and so if you have any specific questions then we can probably go through those. And some of them though are all dependent on dealing with the overall Prince Albert FMA and getting that back on track.

Mr. Kirsch: — I realize we have to have people out there cutting before we can give them any arrangements on that. I also look when I'm driving near P.A. — in fact it would be the road from the town or the city of P.A. out to Weyerhaeuser — and I see this dwarf mistletoe sticking up all over. Are we not going to do something with this, or why do we leave it so close?

Mr. Wynes: — Yes. It's kind of a similar issue. One of the problems is because of fire suppression. Those forests have

gotten older and the level of mistletoe in those forests is higher than what you'd expect in a natural situation. And once again the solution to that is harvesting in those stands for example, or in the case of fire, it accomplishes the same thing.

One of the difficulties, a lot of those areas close to town are popular for recreation and some of it's on private land so we don't have jurisdiction over private land, for example. One of the sensitivities about it, when you're looking at Crown forest and managing mistletoe, larger harvest patches are the right answer and they're not very popular. So we certainly have an ongoing balance that we have to strike between mistletoe control and social values around size of harvesting.

As well, leaving islands of trees or individual trees within those cutovers — which is good from an ecological standpoint normally — is also counterproductive from mistletoe because if you leave live trees within the area you're trying to sanitize from mistletoe, it will reinfect from those. It will reinfect the young stands that are regenerating.

So we are kind of systematically working. We've got new standards that we're just finalizing, guidelines for industry to use when they're trying to suppress, control mistletoe in stands. We're just on the verge of signing off those standards. But it's a case of applying them as we harvest timber and being smart about the way we do it to try to reduce the amount of mistletoe in those stands.

Mr. Kirsch: — Is there any other way of controlling mistletoe other than cutting?

Mr. Wynes: — Essentially once the trees are infected the only practical solutions are harvesting the trees or allowing fire to renew the stand and killing the trees. The only way to control the mistletoe is to kill the tree. So even if trees were left standing but dead, it would control the mistletoe on those individual trees.

Mr. Kirsch: — Now the slash that's left laying on the ground after you cut, that cannot infect . . .

Mr. Wynes: — It's not a problem once the tree is dead. The mistletoe is like a parasite on the tree and once the tree is dead the mistletoe will die as well, and so the slash piles are not a problem for mistletoe.

Mr. Kirsch: — Okay. Thank you for your answers. I appreciate it.

The Chair: — Thank you very much. I'll now recognize Mr. Hart.

Mr. Hart: — Thank you, Mr. Chair. Minister, I had a look at your website, particularly the current wildfire activity report site, the forest fire site, and I noticed that the current season of forest fires is under way. According to the site, we have extreme conditions in the Prince Albert fire centre, in Waterhen, the Buffalo Narrows, and La Ronge. And the total number of fires to date is 67 — only two less than what we had last year.

Now we know that last year there was some extreme challenges with regards to forest fires in the northern part of our province

and we had called for some major reviews of the policy. You had indicated at the time last year when we discussed this, and earlier this year, that you did a departmental review and that we should look forward to some announcements. Well the only announcement that I've seen so far is that you're taking delivery of two new air tankers.

My question is, what were the results of your review, the departmental review that you had that apparently took place after the 2006 fire season?

Hon. Mr. Nilson: — Yes. The whole wildfire strategy for the provincial government includes the annual review which we talked about earlier, and that review is almost finalized. And a report of that should be available to the public very, very, very soon. And it basically builds on the things that we learned in the discussions with people right across the province, including members of the legislature who have raised a lot of questions about things that have happened. And it will reflect that there are some adjustments that will be made, but it'll also confirm that from last summer we had a couple of very intense periods that were intense also right across the West, and that those were ones that really did have many of the challenges, as you say. But that, I'm hoping very soon, hopefully by next week.

Mr. Hart: — So what you're saying is that the review isn't quite complete. Is that what I heard you say?

Hon. Mr. Nilson: — It's not quite in a final form.

Mr. Hart: — I mean, we're started a new fire season, you know. I would've thought perhaps that the review would've been complete and any new strategies or at least adjustments to the current policy would be in place to deal with, you know, the upcoming fire season. You're saying that you're not prepared to discuss any of the, or the report won't be available until next week at the earliest. Is that what . . .

Hon. Mr. Nilson: — Let me explain. Basically as I explained, last fall it's an operational review. What did you do? What things worked? What things didn't work? And I can give you a summary, but I don't have the published document for you. And if you wish I can, through the operational enhancements, if I can put it that way, for 2007, because I think that's what you really are interested in, and that's what I want to tell you. So we have a mutual agreement here.

Mr. Hart: — Okay.

Hon. Mr. Nilson: — So let me go through the list and I'll have Alan and Daryl expand further if you have some more detailed questions. But basically one of the first things that we're going to do is we're going to do more proactive training of fire crews and firefighters. And so right now we've been advertising for people to come and take the training and we're paying them, I think, to do the training. So we're paying for the training time on the successful completion of the emergency firefighter personnel course. So that's something different than we did last year just so we get more capacity there.

We've increased the aviation capacity and that's what you referred to with the new Convair 580A bombers that are now in service. So we now have three in service, and then we'll get a

fourth one by next year.

We're also looking at different kinds of funding proposals submitted by communities within the observation zones so they can carry out fire hazard risk reduction projects. So quite a number of communities are starting to come forward with things that they can do that they've identified with the professional help of the firefighting system as to how to better protect their communities. So that's a good thing.

We're continuing to improve the values-at-risk database by incorporating even more information from the northern communities. And for example, the first report on the Athabasca land use plan identified many of the traditional sites that were important to people, and we're trying to get all of that kind of information into the values-at-risk system as well as the habitat for different species that could be at risk. So that's an ongoing project. Each year we keep adding information.

But that's also the database where we have basically images of virtually all structures in the North that we know about, so that if a fire is going to a certain area, you can actually see whether it's, you know, what kind of a place is there.

We're also — based on the work we did last year — further developing the communications strategies between Environment, Corrections and Public Safety, Health, Social Services, Municipal Government, Highways and Transportation, and making sure that . . . and also then in a very direct way with First Nations. And we've had a number of discussions with the FSIN people around making sure we can improve the communication, alignment, and the cross-training of workers.

And the other thing that's being done in this year's budget — when we pass it — is to increase the compensation for northern forest protection workers. So those people in that program will have increased compensation and also the First Nation crews. And there's also an increase in wages to the emergency firefighting personnel.

So. So those are the operational enhancements and as you can hear, a number of them are based on the concerns that people raised last year, that you've raised at the senior officials meeting, with communities that have been affected by the fires have raised as well.

So I don't know if . . . Daryl, is there anything else that I've forgotten there?

Mr. Jessop: — Not really as far as new enhancements. I could just mention that we do have 38 fire towers in operation this spring. With the rebuilding of the fire tower system after the dismantling due to the engineers' reports and the OH&S [occupational health and safety] concerns, we have 38 towers out of the original 50. And we're working towards future plans with future budgets to rebuild the entire system. But we do have 38 towers in operation this spring.

Mr. Hart: — Thank you for that. You know, I think the enhancements and adjustments that you mentioned I think, you know, certainly are things that I would hope would lead to more effective fighting of forest fires.

But one thing that I didn't hear, and perhaps, Minister, you'd like to comment on it, is it seemed to me last year that part of the problem that communities ran into, and particularly going back to the Stony Rapids fire, I think it was made abundantly clear — both to myself and to my colleague when we were up there — by the residents of Stony Rapids and Fond-du-Lac and Black Lake, the issue in their minds, and I think I have to agree with them, is that adherence to that 20-kilometre radius around communities before there was response to the fire didn't work. The fire had gotten out of hand.

And as I had mentioned — and we discussed this last November — the people of the North and the people of Stony Rapids in particular felt very strongly that if that fire had been attacked much earlier, we wouldn't have been in the situation that we were, where we almost lost that community. And what their recommendation is — and I'm not sure whether you have heard that or not from those people — is that there needs to be some flexibility. That when people of the North who are experienced with forest fires, when your own staff are on the ground there saying, look we need to attack this fire earlier, I think that has to be part of the policy, that we need to have that flexibility.

It seems to me last year that we didn't have that flexibility and that caused a near disaster. And I think, you know, I don't know whether in your policy part of the discussions as part of the 2007 program whether you've addressed that but I would certainly like your comments in that area.

Hon. Mr. Nilson: — Okay. Well I guess what I would say to all of the public in Saskatchewan that when a fire, a forest fire, is going to create a risk for a community it will be fought whether it's 20 kilometres or 50 kilometres. But the risk will be assessed. And so I think that that flexibility that you talk about has been part of this but it will receive more emphasis as a result of what was learned in that particular fire because of how rapidly the fire moved once it started moving. And I might turn it over here to Daryl in a minute to actually talk a bit more about that.

But I want to assure you and assure all the people in Saskatchewan that the whole goal of the wildfire management policy is to protect people and their homes and their communities and businesses and do it by assessing the risk. And there's no, no limit on whether the risk is 100 kilometres away or 50 or 20 or 10. If it's a risk to that community then somebody's going to be working at it and monitoring it. And on top of that then we're getting more and more sophisticated too in also assessing the risk and I think that's, that's a key point where I might turn it over to Daryl.

Mr. Jessop: — The 20-kilometre full-response zone is one of a suite of the response zones that we have in the fire management strategy. And the fire management strategy is nothing more than what it actually is. And it is an operational guideline, it's a written guideline. So it's an operational guideline. And what it's designed to do is help with decision making at the provincial basis, to throw up red flags with respect to when we get the situations like we often get with multiple fires and fires anywhere, we have to determine where we're going to be able to move our scarcity of resources. And we move resources all across the province — aircraft, personnel, equipment, and so

on. So it's a guideline so that it falls within the fire, insect, and disease management policy which the public has identified the high priorities — people, community, commercial forest, and that kind of thing.

So when we get those multiple fires we start moving, we can move the, we move aircraft and so on to . . . Particularly with the communities when we now have this, an actual circle, that really throws up a red flag to people if there's a fire within the circle. Then we really have to assess closely what's happening. Is there a threat to that community? Are there other communities potentially being threatened? So it's an operational guideline for decision making.

But we do assess every fire and we monitor every fire. We take initial attack where we need to take initial attack and we monitor the fires that do not pose threats. But anything that is a threat, it is a guideline. We've been reinforcing it; we're ensuring that we're reinforcing it with all staff in that we will fight fires that are a threat to communities.

And we're also using a satellite detection system as well. It's run out of the United States. We have access to this satellite detection system where we can monitor larger fires that are at least a kilometre in size. We were even using that last year when it was smoked in around La Ronge and we couldn't fly any aircraft for a day. We were able at least to have some sense of where the fires were and the threat that was being posed to the communities and structures and cabins and the like.

Mr. Hart: — Well I'm glad to hear you say that it's a guideline and I think the impression was last year that it was a rigid guideline. And I feel very strongly that we need to have some flexibility there and, you know, certainly with all the tools that you mentioned that you have available to you to monitor and to first, you know, to first become aware of a forest fire and those sorts of things, you still, I think you must, I think it's imperative that you also put into the mix of all the tools you have, the advice from the people that are on the ground and use their experience and their knowledge also.

I mean we can have all the nice tools, the satellites and all those kind of things, but none of that negates the experience and the advice of people who live in those areas and, you know, have many years of experience. And that's what I would strongly urge. You know, we've never taken the position that fire doesn't play a role, because we certainly accept that. I think the science is there and those sorts of things. It's just the implementation of the current policy and those sorts of things.

Mr. Jessop: — I just want to reassure that we do use the local staff knowledge as well. We use local people's knowledge because we recognize that computer models and all the science that you have can't give you everything perfect because there are local situations. There's local wind and that kind of thing. So we certainly do use local knowledge as well.

Mr. Hart: — Last November, Minister, when we discussed the new air tankers, the 580s, you and your officials said that during the 2006 fire season that those aircraft could only be loaded at La Ronge and Prince Albert. But you said that there was some work or some consideration and perhaps some work being done to have some other locations where these tankers could be

loaded. Has anything changed since last fall for the 2007 season?

Hon. Mr. Nilson: — Well I'll say I'll let Daryl go on with the other parts. But it's important for everybody to know that in Regina and in Saskatoon, we've worked out very good arrangements with the local firefighting people there at the airports so that they have now been trained to load the tankers so that they can be actually be used for fires in the southern part of the province. And I'll let Daryl go and deal with the northern ones.

Mr. Jessop: — And with the capital we have been able to finish all that we needed to finish with the aprons on all of the airstrips where we can actually land tankers. So we are operating out of Prince Albert, La Ronge, Buffalo Narrows, Meadow Lake, and Hudson Bay. And as the minister said, we've worked with Saskatoon and Regina so we can actually come into the southern area as well. And we operate out of Flin Flon as well with the CL-215 water tankers, can operate out of Flin Flon as well.

Mr. Hart: — So the 580s for 2007, you'll be able to reload them in Meadow Lake and Buffalo Narrows, and Hudson Bay as you mentioned.

Mr. Jessop: — And Hudson Bay as well, yes.

Mr. Hart: — So that gives them more . . . Are you looking at . . . You still don't have a base in the Far North and that's where the area where we ran into problems. I'm no expert in airstrips and those sorts of things, but it seems to me just from personal experience, Stony Rapids seems to have an airstrip that if it's not completely suitable then it would seem to me it could be made suitable. What is the situation in Stony Rapids?

Mr. Jessop: — We have assessed all of those areas up there and right now we cannot operate out of them. There is not room to operate these huge planes out of, at Stony Rapids where there are other planes coming into the hangar area. There is no space.

It is in our long-term plans, to our capital plans, for our next phase, the phase 3 is to look at something like that in the North. We have some work that we need to do with respect to hangar space for maintenance of these large aircraft as well as looking at that northern situation. But right now we would not be able to operate out of Stony Rapids.

However at Stony Rapids we can, with special permission there is just enough room that we can at times site the CL-215 water bombers, and we have in the past had the CL-215 water bombers there. They have to put them off to the edge of the apron, and there's just barely enough room to do it. So we can make special arrangements to do that, and we do.

And also with the 580's now for response time up to Stony Rapids, Uranium City, Black Lake, wheels up off of the airstrip at La Ronge, it's a 55-minute flight loaded, whereas with the trackers it was around an hour 45 to two hours. So we've got 55 minutes there. We have out of Prince Albert an hour to Cypress. Out of anywhere in the central part of the province — Prince Albert, La Ronge, Saskatoon, Regina — would be 30 minutes to east, west — either side of the province.

So with this large-capacity aircraft that drops eight and a half tonnes, one and a half times, or one and a half Tracker loads, we have the speed that we can get up to these areas now with that aircraft as well, then can be followed behind as well with the CL-215 water bombers.

Mr. Hart: — So since what I understand you are saying then is that you feel quite confident with the current configuration of loading sites for the large 580's and their speed and ability to attack fires in the Far North, that you feel that that's an acceptable arrangement that you have. And you'll be quite effective in attacking any large fire that may threaten a community with these three large-tank 580's that you have.

Mr. Jessop: — Yes, they can be very effective. Due to the capacity that we now have with three aircraft and due to the speed — and like I say, one hour to Stony Rapids as an example — we feel fairly comfortable with how we're going to be able to respond with the capacity that we now have.

Mr. Hart: — So you're not looking in the future to making arrangements to have an emergency site in the North in case things really get out of hand? There's no need to do that. I understand that you need to get the retardant up there and well fuel, you know. I know they have aviation fuel. I'm not sure whether these planes require a special blend of aviation fuel or whatever, but whatever it is you need to have on standby in an emergency situation. You're not looking at that scenario at all then in the foreseeable future for the large 580's?

Hon. Mr. Nilson: — Well no, that's part of the plan. Yes, it is part of the plan.

Mr. Hart: — Oh, okay.

Hon. Mr. Nilson: — And so it's just we got phase 1 and phase 2.

Mr. Hart: — Okay.

Hon. Mr. Nilson: — Phase 3 will include that.

Mr. Hart: — So . . .

Hon. Mr. Nilson: — And that will include capability probably at Stony Rapids.

Mr. Wynes: — It all depends on the road. When that road is in good condition there so we can haul fuel; we can haul retardant in, because as you said we have to haul retardant in. We have to have tanks set up and all that kind of thing so . . .

Mr. Hart: — I understand that the residents of that area are bringing in supplies over the, well we won't, I don't think we could quite call it a road, but it is a passageway from Points North to Black Lake and Stony Rapids and those communities.

So that's the next phase then, looking at establishing an emergency base or something of that nature for those large tankers. I think the people of the North will be pleased to hear that.

Minister, what are the concerns — and it was an issue that

really didn't come to mind until people raised it with me last summer — is some of the effects of forest fires on trapping areas for First Nations people? I did see the after-effects of a forest fire in the area and the soil being eroded into the rivers and, you know, affecting fish habitat or at least I would imagine that all the silt that's been silted into the rivers would affect fish habitat.

And I know that particularly the First Nations people, the people at Black Lake, where this is really a serious, a major issue for them, they said no one asked us about, you know, how we felt about you allowing forest fires to devastate our natural hunting areas and trapping areas and those sorts of things. And that brings up this whole issue of duty to consult. Now is there a requirement on government, in view of some of the most recent court cases and this whole issue of duty to consult, in this whole area of fighting forest fires does the provincial government have a duty to consult with First Nations as to how they would be impacted by a change in policy?

Hon. Mr. Nilson: — Well that's an interesting speculative question. But I think the answer is that anything that we've been doing in the forest fighting in the North has to be done in conjunction with the communities, so that they understand different parts. And so when we look at our improving the mapping of the values at risk, it would include that kind of information that would, that the elders and others, the trappers and many have now brought into the Athabasca land use plan. And if you ever look at the plan, you can see the important places from historical perspective, but also you can see where the different habitat places are, and so that's the kind of information. We're trying to figure out how to get it into the values-at-risk program so at least that everybody knows what's there, and then we'll be able to talk with the communities.

So in that basis I don't think it fits technically into the Mikisew case, you know, which was from over in Wood Buffalo Park, not too far away from all of this, and that related to building of a road, which is quite a different activity than fighting forest fires. But I think the important point is that all of these discussions around different issues will raise new questions that need to be looked at carefully and thought through and responded to. And so we'll do that.

Mr. Hart: — Thank you for that. I'm just looking at a news release from your department that was in one of the local papers here this past month. And the article says that contracts with aircraft companies that are being negotiated to ensure that both helicopters and planes are available when needed to detect and suppress forest fires.

The aerial applicators of this province have, I believe, made a presentation to your department and department officials about the role that they possibly could play as do the applicators in Manitoba. Have you been in any discussions with them recently to access those planes in emergency situations? It's the single engine air tanker program that I'm referring to.

Hon. Mr. Nilson: — I think what you're referring to there relate to the helicopter contracts. And I don't think that there's been, in the last number of months, discussions with aerial applicators. But it's clearly something that department officials have talked with them over the last couple of years.

Mr. Parkinson: — We have not met with them recently. Our last meeting with them — I can't remember the specific time — but it was well over a year ago.

At that time that we talked to single engine air tanker operators, we felt that the services that they can provide could be quite useful in specific applications — urban-rural interface areas, other areas where landscape features make conventional firefighting difficult to get to. But we don't see them as being part of our overall program based on the capability of the number of aircraft that you'd have to have. And when you stack them up against the CV-580 there's significant efficiency that the 580 offers. But we do recognize that there are a specific niche of circumstances where they could come into play, particularly along the sort of forest fringe in the southern part of the provincial forest.

So we had talked to the aerial applicators about potentially entering into a contractual circumstance with them. They haven't, in my mind they haven't gotten back to us because there were some . . . I'm trying to drag the recesses of my memory here. But there were some constraints on them in terms of the available equipment that they would have to have.

At the time they were looking at Sask Environment to include funding for upfront purchase of equipment, to make that available through the fire program, whereas at the time we were more interested in putting them on contracts similar to what our helicopter contracts are. So there would be a helicopter firm with equipment available and be available for standby work. And my recollection was is that the aerial applicators weren't in that similar circumstance.

Mr. Hart: — Well I guess it's kind of a chicken and the egg situation that we have here. I think if the applicators had some indication and if there was some sort of a formalized agreement with the department, I think you would, they tell me that you would see an increase in the number of types of aircraft that could be used to fight forest fires. I know we do have some — that they do have some.

I spoke to an operator last summer at the height of the forest fire season. And this particular fellow had a plane down in Nevada or some such place fighting wildfires. And he made the statement that he'd much rather be fighting fires in his own home province. And I certainly don't profess to be an expert, but I know it just seemed to me when we had all those fires in the La Ronge area, it seems to me that that would be an area where these planes probably, if arrangements were made ahead of time, that they probably could have been used.

I'm not sure of the logistics or not. I realize they need to have their ground support and that sort of thing, but La Ronge isn't that far away from, you know, Prince Albert and those areas. But perhaps your officials would care to comment on the suitability of those type of planes, you know, in the La Ronge area.

Mr. Jessop: — Yes. The analysis that we've done and the work that we've seen that is being done in Manitoba and also Alberta where they have contracted those aircraft, they're suitable for certain situations, particularly light fuel situations. So, like was mentioned, if you're down in the forest fringe and the farm land

area where you have a lot of light fuels, you know that's the kind of equipment that could, it could potentially work in those situations. But when you get into the dense canopy, dense forest, that's where we need the heavy haulers, particularly with what we've been seeing with fire activity over the last number of years. You know the temperature's been rising and we've seen higher fire numbers in the last 8 out of 10 fire seasons. We've seen large fires in '95, '98, 2002, 2003. It seems to more reoccurring and there seems to be more difficulty in fighting them.

In the commercial forest area where we have that dense timber, you really need a huge load and we're finding that in other provinces as well. That's why BC is using heavy haulers. Alberta's using heavy haulers as well and but they're using . . . They're using them. So where the capability works there's possibility but not in a heavy forest. There's not the proper area.

Mr. Hart: — Well you mentioned that as the temperatures rise and so on that you may have more wildfires spread through a greater part of the province and that was sort of the next area I was going to go into. What type of planning are you making in this whole area of wildfire suppression? What types of plans are you looking at or at least discussing to deal with some of these effects that we may see in future years due to climate change where we can have a very active forest fire season, and also in combination with that — as we saw last summer — a number of wildfires in the southern part of our province that could severely strain the firefighting resources?

And it would seem to me that, as you mentioned, the single engine air tanker program I would think would have a fit. If they're not equipped and not built to fight forest fires in the heavy forest stands, maybe we better have some arrangement in place to have them on standby to look after some of these other emergency situations, whether it be forest fringe or out in southern Saskatchewan where you have wildfires going through community pastures and crop land and those sorts of things.

Hon. Mr. Nilson: — Well one of the things that we do in Canada is work together across the country, and so we have a Canadian wildfire strategy. Now we haven't gotten the support from the new federal government around getting the finances that were supposed to be there from before, but we've been pushing that and that's an item of discussion at the ministers' meetings — meeting with the federal minister. And so we're hopeful that they'll come forward. And basically the plan is and the agreement is that each province will develop resources which they can use locally but that also can go to another province or territory when it's necessary. And so building up our capacity in Saskatchewan is part of our agreement nationally to be ready to help if necessary, and when you go to another province, when you get compensated for it, and the rules are all clear.

We have just finished signing, or we're in the process of a similar agreement involving Northern states and Western provinces and territories which adds us into a whole mix of equipment and firefighters from the northern and western United States. And as we all know they have some pretty intense, experienced people from a number of the fires that they've had to deal with.

I think your underlying question is a really good one though, about how do you adapt to clearly what's a climate change. And we heard some similar things when we were talking about the mountain pine beetle, is that we end up having to work very carefully with the professionals, the biologists, and the climate change people as they look at and make predictions about what's changing and where the habitat and the vegetation is changing, because then that will change the nature of the fire.

One of the points you raised about some of the smaller planes that would be of assistance, many times those fires are managed by local RMs [rural municipality] and communities, and that really the forest fire fighting fleet is only brought in after there's a, you know, a really major emergency. But it's nice to know that we have in our province this capability. And we're especially pleased to get the Regina and Saskatoon bases for the CV-580As planes because that gives us much more capacity.

But I think you have to take it all into this broader context. And what happens is, and the ads for the helicopters is to line up people who are going to be willing to help on a moment's notice, depending on what the risk assessment predictions are. Well you may end up with some other people that are set up on contracts, but to have them on a sort of full contract use all the time, that's probably beyond what we would deem prudent.

Mr. Hart: — Minister, when you were talking about the agreements with the provinces and the Northern states to share firefighting resources and build capacity, this agreement, does it include just government or provincial- and state-owned resources or is it an inventory of all resources available, whether they be provincial or state owned or privately owned? Just what does that agreement encompass as far as capacity and resources available?

Mr. Jessop: — As far as the capacity, it's mostly provincial- and state-owned equipment, although they do have private contractors that work in some areas as well. It gives us access to those private contractors that they have as well. So there is some room for expansion there with private contractors there as well.

Mr. Hart: — So when you refer to private contractors, are these contractors that have ground equipment or . . .

Mr. Jessop: — Ground equipment. A lot of ground equipment with heavy equipment such as crawlers, in some cases perhaps water trucks. Sometimes we have a shortage of water trucks and that kind of thing.

Mr. Hart: — Mr. Chair, that concludes my questions.

The Chair: — Thank you very much. I'll recognize Mr. Weekes.

Mr. Weekes: — Thank you, Mr. Chair. It's good to be here today. I just have some questions about, more general questions about the forestry industry and Weyerhaeuser in particular. Could you give us an update? Your colleague from Prince Albert made some references to ongoing negotiations, discussions about the sale or the future of Weyerhaeuser. Could you just enlighten us on where are we going with Weyerhaeuser and that whole industry around P.A.?

Hon. Mr. Nilson: — I think I answered this question about 45 minutes ago when your colleague asked it before. But basically the new Domtar is the recipient of the assets of Weyerhaeuser. And effectively I think around the middle of March, the new Domtar came into effect on a worldwide basis. Most of their operations are in the southern US, southeast US, but in Canada they have a number of operations. And their main product is specialty paper or paper, and so really they're seeing, and using the assets here are not really part of their long-term plan. And so they have been attempting to find somebody else to take over those assets. Right now the FMA is still in Weyerhaeuser's name, because it's still in the process of being transferred and effectively they haven't been using that for the purposes, so that next April would be the two years that would end the FMA if they haven't found some other use for it.

So basically it's a situation where Domtar has been given the assets and they're trying to figure out what would be the best use of those assets for Saskatchewan. I think, I mean, I don't think they have any sense of not trying to do something that's of benefit to Saskatchewan. But in the long term it doesn't really fit in with the kind of assets they want for their particular business. And so our job is more a facilitator to figure out, well what are the things that we can do here in the province to assist a new operator to be involved.

Mr. Weekes: — Well that's my question about the FMA. The two years is coming up. What happens at that stage? I mean technically I assume . . . Could you explain what the process once the agreement — I don't know if breached is the right word — but I mean obviously the forest could be taken away from Weyerhaeuser if they're not utilizing it. What is your government's plan at that point if, when it comes to that?

Hon. Mr. Nilson: — Well basically it's an agreement, so it has some terms in it including the termination of the agreement. And so practically it's an agreement based in legislation because there's legislation that creates how you put these agreements together — which includes management of forests, harvesting of the forest according to rules and standards that are there.

I think that our goal as a government is to have a transition to a new operator or new operators — it's a very large area; there may be quite a number of people that would work there — in as gracious a way as possible. And so one of the difficulties has been a number of issues that your colleague raised around all of the uneasiness in the forestry industry right now, whether it's the Canada-US forest agreement, whether it's the international markets, whether it's . . . You know, there's just a whole number of issues. But the other side, there are many people who know the importance and the value of the fibre that we have here in Saskatchewan in our forests and how it can fit into the international market, and so there are people that are interested.

Now we're working with the officials at Domtar who have the responsibility of dealing with that particular FMA. We're also working with others who want to get access to some of the wood there. And ideally we'd have something happen very quickly with it.

If it ends up going to the two years, well then if you're not using the wood, well it's time for you to go and we'll sort out

and set out probably a new advertising for use of the wood. So it would be like we'll look for requests for proposals from all comers.

Mr. Weekes: — You said the two years is up next April.

Hon. Mr. Nilson: — Yes.

Mr. Weekes: — So basically almost a year then before . . .

Hon. Mr. Nilson: — Yes. Yes, it's another 11 months.

Mr. Weekes: — Yes. That's what many people have said. Now obviously if Domtar and Weyerhaeuser do something . . . But at that point if there's a number of other operators who want to get into the industry, is the government willing to basically split up the forest into smaller FMAs and utilize the forest in that manner?

Hon. Mr. Nilson: — I think the answer's yes. And I'll let Bob explain how you do it.

Mr. Wynes: — Yes. I think just . . . That's not necessarily the best way to describe what could happen. We need to be careful about splitting an FMA into a whole bunch of small pieces. There's implications to the management of the area.

We've got a forest that is essentially a landscape that's driven by large disturbances, large fires historically. And as soon as you start carving the area up into small parcels, it gives you a lot less flexibility with the age class distribution of the forest that's there. You start dividing it up into small areas and your annual allowable cut essentially will go down much lower than it would be if you've maintained it as intact FMAs.

There's a lot of implications to how you go about that. The ideal way of doing what you're describing is to develop more of a partnership kind of approach where you can have one FMA and deal with multiple harvesting interests on one FMA. That's the best from a management standpoint. And the example I would use is Mistik Management where we have two major facilities that are feeding off that one FMA under the management of Mistik Management.

Mr. Weekes: — So Domtar basically has another 11 months to put something together before your government would be in a position of giving the forest out into different agreements. Is that correct?

Hon. Mr. Nilson: — Well, I mean technically. But they're a public company that responds to shareholders and people who are investing in them. And if they have an asset that they're not using, they have to explain that to the shareholders. They also, you know, have to explain to us.

I think there's an interest in resolving this at that level, although it's not as simple or as straightforward as we would all like. But I think there's a whole number of factors besides just the term of the contract and the FMA. But for the remedies that we have available to end the contract, they don't start by agreement that was signed back in '86 until . . .

Mr. Weekes: — So is it your impression that they need a few

more months to put a deal together to analyze? And also a secondary question. What is Domtar and other industry players asking of your government to do? I'm referring to your task force on competitiveness. Are there requirements changes that the industry's insisting on and particularly Domtar insisting on before they will go ahead?

Hon. Mr. Nilson: — I'm not sure how to answer that. I don't think Domtar's really interested in doing something that's outside of their main area of work which is developing this coated paper. That's their main business. And so what has to happen is that there be some new proponents. And there are a number of people from right across the world actually that have been interested that would come forward with something that would basically deal with the Domtar-Weyerhaeuser interests and satisfy whatever their requirements are, and then move on to something new.

And practically in that discussion there would be discussions around, well what kinds of roads have you got? What kind of . . . Are there enough workers around here? Are there railways? Things like that. And so those are infrastructure questions that would continue to be there.

But I think practically what we're dealing with is getting the right mix of partners, as Mr. Wynes has said, who can use all of the mixed assets that are in that FMA. Because we've got both hardwood and softwood and they have to be harvested in a way that's efficient and that uses the material. And that's the long-term goal of the government and I'm sure of the people of Saskatchewan.

Mr. Weekes: — Am I reading this right that you're suggesting that Domtar is not likely going to be starting the facility up? It's more likely that they will sell it to another, you say, a number of interests, Would that be the more likely scenario?

Hon. Mr. Nilson: — I think you'd probably have to talk to them but it's not . . . I mean when the new Domtar came into existence about two months ago today, it became quite clear that running a pulp mill was not part of their long-term plan as a company. And so that was quite a change even for the people that had been working in Weyerhaeuser to accept and it's also meant a shifting of thinking about, well what are the options for this particular facility. And so I think practically what we end up having to do is work with the people who are interested in the long-term use of our forest and make sure that they can use both the hardwood and the softwood parts together.

And it's very clear in Saskatchewan that we need some place to take the chips that come from all the saw mills. And so that'll be part of the solution in the long term as well. But there's no exact solution right now and that's where my colleague has been working very hard to get all of the right people talking at the right time to get something sorted out here.

Mr. Weekes: — Well thank you.

Hon. Mr. Nilson: — But ultimately it may involve a request for a whole number of proposals about working together in partnership to make sure that we keep the forest management area whole.

Mr. Weekes: — Well thank you to you and to your officials that came down from P.A. It was very productive.

The Chair: — Thank you very much, committee members. Seeing that we have now passed the hour of 5 o'clock, this committee will stand recessed until 7 p.m. this evening. Thank you.

[The committee recessed for a period of time.]

The Chair: — Thank you very much, committee members. Mr. Minister, if you could get your officials ready, we will reconvene the Committee on the Economy with the estimates for the Department of Environment, vote 26. Committee members, if you're ready we'll open the floor for questions and I'll recognize Ms. Harpauer.

Ms. Harpauer: — Thank you very much, Mr. Chair. I want to ask a number of questions on two flooding situations that I have in the Humboldt constituency. So we will begin tonight with the Humboldt Lake and the situation that is happening there. Now my understanding — and I can be corrected if I don't have my facts right — but my understanding is that there was a conscientious decision in the 1980s to raise the lake level. And at that time there was planning done through the conservation and development branch of the Agriculture department, and plans were made.

There were three dikes constructed on the southwest end of the lake to stop any overflow if the water levels became too high in extreme years. The dike on the farthest or west was designed with a spillway, and that spillway was supposed to allow for release of water in the years of extreme water levels.

Now obviously this year and last year the dike system didn't hold back the water the way that it was meant to or, I should say, the water levels are higher than was ever anticipated. I've been told that the dike with the spillway is not functioning properly. Is that indeed the case?

Hon. Mr. Nilson: — All your questions relate to Humboldt Lake and then we'll go to Waldsea Lake and some of the others later? Okay. So this is Humboldt Lake and this is the lake where the fellow's yard is being flooded because of how some of the roads and other dikes and things have been built.

Okay. Well now that we know for sure, and I have very well etched in my mind the photographs that I've received about this, then I think we can start to answer. And I think maybe Doug will be the one to . . .

The Chair: — Mr. Minister, could you please . . .

Hon. Mr. Nilson: — Could I introduce all my officials? I'd be happy to do that. Yes. Okay. Anyway, I have sitting with me up at the table Stuart Kramer, who is the president of the Saskatchewan Watershed Authority, and Doug Johnson, who is the director of basin operations — so how the water flows. Also from the Watershed Authority I have with me tonight Margaret Anderson, who is the executive director of corporate and human services; Dale Hjertaas, who is the executive director of policy and communications; Bob Carles, who is the vice president of the stewardship division; Wayne Dybvig, who is the vice-

president of the operations division; and Bryan Ireland, who is the director of regional operations.

And I also have with me the Environment officials. And I can introduce them now or I can . . . We'll do that a little later. Okay. Thanks. So, Mr. Johnson.

Mr. Johnson: — Thanks very much. I think there were a number of questions in there, and if I don't completely answer all the questions asked, maybe I can answer, further answer them.

First of all the west dike and the spillway at Humboldt Lake, it was functioning this year. The water was going over the spillway and it was functioning. I know that there was a problem at one of the dikes, and locally there was a breach in it. The local officials put hay bales in there, and as soon as we had an opportunity we went back and Watershed Authority staff went back in to look at the work to make sure it would hold. So that work was done over a weekend, and water levels continued to rise after that.

I think some of the issue associated with Humboldt Lake is the fact that the peak water level estimates that are normally done for most lakes were not done for that lake or they weren't followed through on that lake. So we do have flooding issues on the lake because people built too low, either through not following the elevations they were given or no enforcement through the rural municipalities.

Ms. Harpauer: — Well okay. We'll have to accept that you're saying the spillway's working as it should. But I don't accept your suggestion that people built too low. We have a farmer who was there, I mean two actually — well-established farmyards. One is an island. He's been forced to move off his farm because the only way to get to his house is by boat. I'm not familiar, I'm assuming his machinery is also on the island so he will not be able to farm whatever land he has that's open. The second farmer did a great deal of work on his own and at his own expense to, in essence, save his yard and his house, but has lost a great deal of land of his that are under water. Now these people didn't establish at levels that were low. They were there and the dikes were established to prevent this from happening and they're not working.

So if this spillway is working as it should then I must make an assumption perhaps that we have too much water coming into the lake and not a good enough release to let it go.

Mr. Johnson: — It could be in fact that the spillway was designed for a particular flow or a particular event and we could have exceeded that particular flow or that particular event this year. And in that way the lake would have gotten higher than would have been forecast or would have been predicted based on the flood event this spillway was designed for.

You know, in some cases such as Lake Diefenbaker, we've had the spillway designed to handle the worse possible event. On the other hand some of the other smaller dikes and smaller dams would not be designed to the same kind of level of protection, therefore this spillway might have been exceeded in terms of the design frequency.

Ms. Harpauer: — Was there no monitoring on this lake? Because most are being told that there're seven systems coming into this lake. The water levels have been raising over the years, over time, so that the situation that's now arisen — and it didn't just happen this year; the level was too high last year already — there's only one outlet. There's only one way this water is getting out.

So it bottlenecks at the Humboldt Lake itself. Then we have a bottleneck further down the line after Wolverine Lake because of course it feeds into the control ditch. And the second bottleneck happens at the Dellwood reservoir because we can't have too much water going through that canal or it overflows into the reservoir and contaminates the water supply.

So there's two bottlenecks that we were aware of last year. And I know they dredged the ditch through the summer from Wolverine Lake, and I'm aware of that to try to alleviate the problem somewhat. But I think everyone was aware that that was not going to solve the problem, and it's certainly not a long-term solution. What are we looking at for a long-term solution? Because this is totally out of control.

Mr. Johnson: — In part the long-term solution is something that the local watershed association will have to look at. They will seek technical help to arrive at that solution, but it's a situation . . .

I mean, we looked at last fall, looked at the precipitation that occurred last fall, and it was very high. We went into the winter very wet, and we had runoff in a lot of areas in the northeast region right into spring runoff. It was flowing all winter so that water levels were high in the fall and on many lakes and many marshes in that area so that when we moved into spring runoff we saw very high runoffs.

And it was a situation where, you know, back to back there were no marshes that could contain any more water. We just had straight runoff. The design may have to be worked on, and it may have to be done with the local watershed association. It's their structure at Wolverine Lake and the ditches downstream.

Ms. Harpauer: — But even if . . . okay, this water's going to flow all summer — and I'm well aware of that; it did all last summer — it's not going to bring these lakes down enough that even a normal runoff in another spring is going to be another disaster. It's not going to handle a normal runoff, let alone an excessive runoff.

We have a farmer who can no longer access his yard, his home. We have another farmer whose yard is in jeopardy, and his home is in jeopardy. We have farm land that's under water.

I'm also being told that that particular pocket of water that has spilled over past the dikes is also lower so therefore, even if the water recedes, that water's going to be trapped so that there needs to come a solution. And it needs to come this summer as to how we're going to drain that water out of there.

Now one suggestion — but I don't know how sound it is or how seriously it's being taken — is to structure another canal that will access a natural run. And I don't have a name for that particular system. I would like to call it the Burke Creek, but

I'm not sure that's what it's called. It'll enter a natural run that goes directly to the Dellwood reservoir, bypassing the Wolverine Lake which is of course a problem because of the alkaline content of that lake. How seriously is that going to be considered? And how expediently will you be working on that consideration?

Hon. Mr. Nilson: — So your first question relates to Humboldt Lake flowing around Wolverine Lake through some other draw to have a local solution. Now if I understand this correctly, the Watershed Authority's job is to provide technical assistance to the local people that are there that run the conservation association — the RMs and others that are there. And so I'm not sure what the . . . I think if the questions are, well what is the technical advice about how to do some of these things, I think that we can provide some of those answers. But a lot of the structures I think are owned locally by the local conservation district there. I think that's correct.

So it's, I mean, it's difficult because there are certain structures that the Watershed Authority runs and operates, like Gardiner dam or Rafferty dam or some of those kinds of things. But there are many dams, like structures in the province that they don't own or control, but they do keep track of the flows because they need it when they are operating the bigger structures where a lot of this water flows.

Ms. Harpauer: — Well technical advice is all well and fine and I'm sure appreciated, but they're going to need some financial help here. They have at their own expense right now — the cabin owners which is on the other side of the lake — the cabin owners at their own expense for the last two years have done their own diking and sandbagging and so forth, all at their own expense. We have the farmer saving his own yard at his own expense.

None of these individuals can afford to build a drainage ditch that's going to access another waterway. I mean that's just not going to be in the realm of possibility, and yet we have a number of water systems that's been allowed to come into this lake to raise the level of the water. We only have one outlet to drain it. So who takes responsibility not just for the technical advice but for the finances of the devastation that's being caused here not just this year but last year? And it will be again next year if we continue to stick our heads in the sand and ignore it.

Hon. Mr. Nilson: — Well I think that what you have to recognize is that the Watershed Authority is set up to assist the watershed associations and the various districts that are developed across the province, and they do provide technical assistance, but there are many structures and many things that they do not directly operate. And so it sounds to me like some of these questions relate to the interplay between what the rural municipality is doing versus some of the other conservation districts.

And, I mean, basically the engineers who work with the Watershed Authority are problem solvers. They'll be invited in to help sort out different things; perhaps work with professional engineers who design structures. It's much like an RM hires a professional engineering company to design a road for them. The Department of Highways might provide some technical

assistance.

So I think if your questions are, well what is the Watershed Authority going to do for that particular problem, well they're going to be involved in helping find the solution. But ultimately it might be a local ratepayers' group that decides, this is what we're going to do and this is how we're going to pay to get it done.

Ms. Harpauer: — So if I'm understanding you correctly, and in this particular situation we're probably . . . Well I know we're looking at more than one rural municipality. The lake itself is located in the rural municipality of Humboldt. Where it drains out of the lake is the rural municipality of Wolverine. By the time we get to Dellwood, I'm thinking that's the rural municipality of Osborne. You were expecting these rural municipalities to coordinate all this and finance it?

Hon. Mr. Nilson: — Well no, what we have, we have conservation and development associations. We call them C&D associations. So one of their things that they do together as an association under the legislation is work with water flows and deal with assessing the landowners and getting the work done that might fix the problem.

And then we also have watershed associations that are working on even a bigger area, and they'll often, you know, cover a whole river or a whole creek or a whole lake area. And so those are the places where a lot of these local decisions are made. And so the things that the Saskatchewan Watershed Authority is responsible for is looking at the whole picture of how water flows in the province, and then they also have a task of maintaining a number of major dams throughout the system. But a lot of the local works that are there have all been developed by the conservation and development associations. So I don't know if . . . did you want . . . maybe I could let the president to explain a little more how they interact with these local groups.

Mr. Kramer: — As the minister has explained, the legislation that the province would have would work in that fashion, where the Watershed Authority has responsibility for 45 dams so they're the . . . starting with Gardiner as the largest, Rafferty-Alameda. But in a Saskatchewan context, that is relatively small.

The vast majority of the water management activity, the drainage projects that would have taken place over many decades in Saskatchewan would be organized and managed by conservation and development associations or by watershed associations. So they are set up as legal, local entities. They have the powers to collect revenues. Most do it on a check-off basis per acre for the drainage basins that they manage. And then they're involved in construction and involved in maintenance of those activities as well.

So we would have a role of dealing with the watershed associations and the conservation and development associations in terms of providing them with expertise, providing them with advice. But the province's overall approach in terms of responsibility would have local organizations dealing with the local issues and the Watershed Authority being responsible to manage the main provincial structures and to provide advice in

terms of water flows and provide some expertise to the local organizations to assist them in their work. But it would have been the approach over many decades that conservation and development associations would be leads in terms of assessing their needs and developing proposals for dealing with local drainage issues.

The Chair: — Thank you.

Hon. Mr. Nilson: — If I could just add that on this particular one that you're working with, I think the official title of the group that's involved in managing this is the Lanigan Creek Dellwood Brook Watershed Association. And so they're the ones that are . . .

The Chair: — Thank you very much. I'll recognize Ms. Draude.

Ms. Draude: — Thank you. I'm just going to ask a couple of questions for clarification. And I know that there's at least a couple of the officials in the room that know that before I was elected I spent 26 years as secretary-treasurer for C&Ds [conservation and development area authority]. I had six C&D associations, and I was also secretary for Lanigan Creek Dellwood Brook Watershed Association. So at that time, I know that — I think it was called SaskWater at that time, the responsibility when there was a flooding problem — the landowners would get together. They knew there had to be a drainage project. They knew they had to alleviate the flooding in an area. So they would get together and go to government and say, okay we need the authority to establish a C&D association or a watershed drainage basin. We need to be able to . . . the right to tax the land so that we can have a legal drainage outlet. They had to be able to build the private drainage into the legal outlet.

There was often control structures on there that would allow for a water level levelling at a certain time and actually a control structure. So different years depending on the runoff, they would be able to lower or raise the control structures. At the same time, the government had responsibility to help cost share in the construction. At that time, I believe, it was 66 per cent and I'm not sure what it is today and also administration or maintenance was about the same amount.

Government also helped them get the easement so that they could build the ditch on the land where it was designed when there was a legal proposal put forward that the ditch could actually be constructed on that land. And there was a local board that would help make decisions and would sign the contracts, but they actually had to answer to government because at the time they were told that the government overall had responsibility for the drainage.

So when I'm listening to my colleagues trying to get an answer, telling that she has landowners who are saying that Dellwood Creek watershed is not actually fulfilling the needs anymore because of excessive moisture in the last few years, and they are saying . . . and I don't know the situation anymore, but obviously either the control structure is at a level that isn't appropriate, or there has to be a bigger ditch dug or a new bypass as she is suggesting. They're asking for support in some way.

So, I guess, the question is, has things changed in the last 10 years that this isn't the same expectation we can get from government that we were a decade ago? Or where do landowners go to? Because I will have further questions down the road when you know what my bugaboo will be.

Hon. Mr. Nilson: — Well I think the answer is that there aren't the same kinds of dollars available for construction of waterworks that there were 5 years ago or longer and so that there aren't the same programs.

Ms. Draude: — What is the program? And why isn't it the same dollars?

Mr. Kramer: — The portion of the program, the relationship you described is intact in the sense of the role of the local organizations, the role of the authority. They would come to us. They would talk about their needs. They would look for technical advice. We haven't had significant activity in terms of new construction in recent years and don't have dollars for new projects at this point. We continue to fund the maintenance activities, and the C&D associations have told us as well that maintenance is highest priority for them. But at this point, we don't have dollars for new construction. But we continue our role, and we continue with maintenance dollars for structures which exist.

Ms. Draude: — I think the reason why there isn't dollars for construction is it doesn't take a lot to know that in the last 10 years it's been basically dry. So the government has had the opportunity to be able to cut back on the amount of funding that they did have for constructing drainage ditches, and there wasn't really an outcry from people because there wasn't a need.

But in the last couple of years, especially in our area where there's been excessive moisture and flooding, there has got to have been knowledge that there is a pending disaster, not just in Fishing Lake but in the whole northeast area. So when the government is talking about having extra money right now — and we hear that every day — there had to have been some idea that there was going to be a disaster.

So I guess our first question is going to be, how much money does your government have ready to alleviate the flooding problems that we have now? And it's going to be even worse next spring if something isn't done this year.

Hon. Mr. Nilson: — Well in this year's budget, we don't have specific amounts for that, but it's like many things where the needs arise, and there's an assessment of what needs to be done. And then you look to figure out how you can get the dollars.

And I think your assessment of the situation of the last 10 years is pretty accurate in that there were budgets that responded to the continual nagging water problems and so that happened. Well then when there were a lot of dry years, there's money spent on maintaining a lot of the dams, the big structures. A lot of good work was done. I mean there's dollars spent every year in fixing up the capital assets that we have. But to actually have money for new projects, there hasn't been a lot of pressure on that.

Now I've been up to see all of the challenges or many of the challenges that you have around Humboldt and Fishing Lake, and there's no question in my mind that we're having to figure out how to get the kinds of resources to help people with some new projects that are going to be very quickly identified that will alleviate water concerns at — I haven't been to Humboldt Lake — but at, you know, around Waldsea Lake and around Fishing Lake. And I'm assuming from the photographs that I've seen of Humboldt Lake, that there are just some things that aren't working right there. And so on that basis, I mean, I understand your question, and it's actually helpful to have you explain from your long experience with the C&D district about probably what you saw the ebb and flow of these kind of dollars that are there.

And I mean, what other changes? Obviously we have the Watershed Authority that is managing all of these kinds of issues, and then the water, SaskWater still exists as a utility providing out of these same places the drinking water for different communities.

And so there's another aspect of this where there is money that's available to go in and help a community spread the cost of a major waterworks over 20 or 30 years which is a real benefit for the community. So we do have money for that kind of work. I think that it's quite clear from what we're seeing here that we have to rejuvenate some of the dollars that we had, you know — how many years ago? — when it was wet. It's a while ago.

Ms. Draude: — Mr. Minister, my colleague wants to go back to Humboldt Lake, but I guess we just had to set the stage knowing that somehow this year the government has to come up with enough money to build some of the outlets and construct some of the ditches so that we don't have to spend money on damage control next year.

We know that through the provincial disaster assistance program the government, both federally and provincially, are going to be spending tens and hundreds of thousands of dollars. A small portion of that spent a few years ago could've alleviated the problem.

My colleague and I are going to be giving you many examples tonight, knowing that if we don't do that this year in a time frame that's going to work — so we know that there's going to be an outlet, so the water is not at the same level this fall as it is right now — or else there's going to be, the damage we have this year is going to be miniscule to what's going to happen next year even with a normal rainfall and runoff.

So I'm sure my . . . I just have to get this story clear in my mind. And I'm feeling a little more optimistic knowing and hear the minister say that there has to be dollars found so that we can . . . What is that? An inch in time, whatever that is. But we are going to solve that . . . a stitch in time saves nine. So we have to do something this fall. So if we're on the same page knowing that there's going to have to be some dollars, then maybe we can ask some more questions to help our constituents. So thank you.

Hon. Mr. Nilson: — I'll just make a further comment. There was an announcement that we made today, the Premier and

Minister McCall and I, around Fishing Lake and getting, an example there of getting somebody to help coordinate all of the different groups, including the C&D districts, the RMs, the provincial government departments to figure out what are the kinds of projects that we need to do. And so that announcement, I think, shows quite clearly that the provincial government's going to come and figure out what to do. Sometimes it's not as clear as we'd all would like. You know, in that case we'd either send the water down or send it east or west or whatever, but there are some things.

And clearly on this Humboldt one, there people that have been looking at it and working at it. And now we need to figure out, well what is it that's going to give more surge capacity, if I can put it that way, for next spring when all those snowmelts and it all arrives at this place at the same time. There is no space for it whereas in previous years there were. And that includes marshes or it includes the lakes.

So anyway I am happy to answer the questions and go through a number of other areas because it's very helpful for us to actually get the perspective that you have because then we can feed it into the people who are trying to come with the solutions.

The Chair: — Thank you very much. I recognize Ms. Harpauer.

Ms. Harpauer: — Thank you, Mr. Chair. That's the frustration that we're seeing out there is that this wasn't year one, and I can't express that loudly enough. This is not year one. This isn't a surprise; this was predictable. And absolutely nothing's been done, and the disaster from this year is worse than what was last year, and next year will be worse again because the runoff this year wasn't as high as the level of the runoff last year. But the lake levels are high, and they didn't go down significantly. So we can't just keep passing the buck and the responsibility.

There was a conscientious decision at one point in time by government to raise the level of the Humboldt Lake. It cannot accommodate the fact that we have had higher levels of moisture. And yes, we did have the luxury of years where there was a drought. In a sense it was a luxury for the lake at any rate, and it was a luxury for the government because they didn't have to spend dollars.

The system that was designed by the government is not working, and we can't do year after year of this kind of disasters because each and every year it's worse, and each and every year it's more costly. We need something designed this year. We need something immediate for example for the farmer that is in jeopardy, the farmer that is an island. How's that water going to be drained off and how can they afford to when they can't even farm their land? And we need the long-term solution that's going to address next year and the year following that and the year following that.

So I want to move on the Waldsea Lake and again the frustration there is, this is not a surprise. When I go through the documentation of the history of Waldsea Lake and the concerns that have been expressed . . . we're going back to the 1980s. And there was concerns at that time of no control of water being drained into Waldsea Lake which is a closed basin. It's a

closed basin. And the minister has been there. I know he's been to Waldsea Lake and toured it, as well as the Minister of Corrections and Public Safety, as well as the Premier and the Premier's wife have all gone to Waldsea Lake and seen the absolute devastation that's there.

But in the 1980s the concerns were raised with the government of the day at that time, saying that too much water is being allowed to be drained into the lake; it's a closed basin. There's no way for it to drain out, nor do we want it to drain out because it's a salt water lake. And I have all of the letters and the documentation of concerns being raised with the government at the time.

In 1987 again there was concerns raised about this not being addressed. There was a formal complaint filed at that time. In 1995 we're going through another series of complaints. And I'm pretty sure the minister has copies of all of these letters. And if not, I'll be more than happy to supply them at any time. But it just documents that over time these concerns have been raised again and again and again, and nothing has been done to address the issue. And now we're looking at a total disaster, and next year will be worse because this lake is at an all-time high.

We're looking at 1997 where there was a plea for help, where the member from Kelvington-Wadena was involved at that point in time and so was the then member from Humboldt, Arlene Julé, and nothing was done.

In 1999, there was a hydrology study done. I don't know what the results of that hydrology study is, but I'm assuming it was done for a reason because there was concerns raised year after year after year. And yet there isn't a lot of action to address the problem.

So let's go to 2006. And again there's letters sent. There's concerns raised. There was suggestions of what could be done as a solution. There was maps provided with the letters and the documentation sent to say, okay, this is where we could look at a solution. And the response was from — and this is a response dated December 20, 2006 — a letter from the Saskatchewan Watershed Authority signed by Dwayne Rowlett saying that "I would advise at this time, the Authority's role in this matter is that of an advisory and regulatory nature."

Where do these people turn to? They've been told, okay we'll advise you. Yes the water level's going up. We've regulated. It goes on to say that, we'll provide survey benchmarks so the cabin owners can more easily determine the elevation of their cabins or property.

So we'll tell you the water is coming up. We'll tell you that you've got a problem. We'll tell you that you're heading for disaster. Where do they go to get it addressed? To get certain water dams put in place, where do they go? What do they do?

And now we've got how many cabins under water? We've financially devastated a number of families. This is their dreams. Some of these cabins were constructed for retirement homes. We've got a park, a regional park that has had damage to roadways, to their equipment. There's going to be debris everywhere, and this is year 2. So are we going to sit back and ignore it and head into year 3 and 4? Or are we going to

actually take action and address the fact that this is an ongoing problem?

Hon. Mr. Nilson: — Well I will attempt to respond to some of those comments. The history of that area includes the fact that this is really the bottom of the big inland sea, the big lake that was here on the prairies. So it's one of the lower spots and it doesn't have drainage out of that area, as you know.

And so one of the things that I noted, and in talking to people that were around the lake, was that the amount of the flow from neighbouring areas into the lake has increased quite dramatically. There were quite a number of marshy areas and others that stored water and let it flow out over the summer, I guess in a less . . . It didn't come all of a sudden at one part of the year.

Now it appears that that particular flow of the water into Waldsea Lake was appreciated in the low-water years, because there wasn't as much water. And in fact at some point they even tried to, well they did build a ditch to drain more water into the lake to bring the lake levels up.

So we're in this situation. Depending on the decade, it makes a difference on where the water is now. Right now to get the water out of that lake, it is the bottom of the basin and so there is no place for it to flow out. But I think that one of the points that you're raising relates to the surrounding agricultural land where we may have to look at a number of the ditching projects that have been done in that area to see whether there just hasn't been too much of the flow coming in off the agricultural land into the lake so it can't hold it any more.

And so that ends up then meaning the people have to work together with, obviously, the local RMs and others to see, on a regional basis, where is all the extra flow coming from. But at this point it becomes I think quite a challenge to get that water out unless we can slow down the flow of the water into Waldsea Lake. I think there are some things maybe can be done but it'll take the co-operation of all the people around the lake.

And I've seen the RM maps that show all of the ditches that have been built since the '70s that flow directly into Waldsea Lake, and that water gets there as soon as the snow melts. That's not how it was prior to all of that, that kind of ditching.

So there's a balance here between the agricultural use of the land and the drainage. And that's often not an easy thing to solve because you end up then having the interests of the cottage owners along the lake being set up against the interests of the farmers in the local area.

The Chair: — Thank you very much. I recognize Ms. Harpauer.

Ms. Harpauer: — Thank you. And, Mr. Minister, I guess maybe you do need all these years worth of documentation because it absolutely outlines the fact that yes indeed, it is the water coming into the lake that's causing problems. And there's ditches that have been allowed that come into this lake. We're well aware that the lake can't drain, that it's a closed basin and it's salt water. That the people around that area are aware of.

The concern is, who takes authority to stop unnecessary or illegal draining? Is there alternative places for the people that are draining water? Is there alternative routes? We're looking at I believe it's called Deadmoose Lake — I could be corrected on that.

Hon. Mr. Nilson: — Yes that's the right name.

Ms. Harpauer: — There's Houghton Lake. Now Waldsea spilled. It destroyed pasture land and the livelihood of producers that had cattle. It's contaminated water supplies for cattle. It's gone into Deadmoose Lake, into Houghton Lake. Now there's concerns of Lake Lenore and the fish that are there because of the salt content of this water. Because nothing was addressed for decades, knowing that more and more water is being drained into a closed-basin, saltwater lake.

And there's letter after letter saying, we have a ditch; why isn't the ditch being controlled? Why are we allowing this water to drain into Waldsea Lake when we know it can't drain out? They know it can't drain out. So now we have a disaster. We've got how many cabins that are in water. We've got infrastructure within the park that's been destroyed. And you're saying, well maybe, maybe we have to look at the drainage that's going into the lake. We better start looking very quickly.

Hon. Mr. Nilson: — I'll just respond briefly, and then I'll let Mr. Johnson add some more. I think that it's very clear that some of the drainage as you've indicated — and I don't disagree with you at all — has gone into this lake much more quickly than it should have and that there's been some other drainage that's happened.

And one of the remedies is to go back and basically stop all of that. And there'll be a lot of water sitting in fields and farmers won't be able to use those fields that they have now. But, but, but traditionally they haven't used them anyway. They were always ones that were relatively marshy. So I think that there are some ways that you can go in and do that. Now usually you don't want to go in as an authority and just end up disrupting the local communities and how they've worked at doing some of these things.

But I'm hearing your comments here that say, as the MLA [Member of the Legislative Assembly] representing that area, I strongly recommend that the Watershed Authority go in and re-examine all the ditching that's happened around these lakes. That was my reaction when I saw the place. Same way at Fishing Lake. There's a whole lot of drainage that's going into Fishing Lake that wasn't there 20 years ago.

But I have to tell you that I know that there's really strong reaction from some of the RMs [rural municipality] around there that will challenge us on that. But I think I'm willing to go with you and participate with you in addressing that.

And I know that the Watershed Authority officials have spent a lot of time trying to explain to people why some of these things need to be done. In fact, I know around Waldsea, they tried to get a watershed association together to do some of that. I know, for example, when we went to Fishing Lake, it was quite clear that the watershed associations was often was a place where you went to present your position about your RM or your lake

or your lakefront resort. But when a crisis comes like this, everybody starts thinking about how to work together and hopefully we can switch that. But maybe, Doug, I'll let you expand on that.

Mr. Johnson:— One of the things that you mentioned is that water levels were high in '97, and they were. And in '97 and '98 and '99 there was a concerted effort to go out and close ditches. And some of them were closed based on complaints, and some of them were simply closed because the ditches got reported and staff from Nipawin went out and followed through and ordered the closure of those ditches.

There was a hydrology study done in 1999 and one of the recommendations was that a block be put in from Brockman slough, closing the ditch that was built by people on Waldsea Lake, taking water from Brockman slough into Waldsea Lake. That was the recommendation that was put into place and that sufficed through until about 2006 when that ditch block eroded through and a significant amount of water that shouldn't have gone into Waldsea Lake got in there. That ditch block was one that was ordered to be put in by the Nipawin office and was followed through and was put in.

In 1999-2000 there was a concerted effort to get, as the minister said, a watershed association in place. And that was working; we were making some progress there. And then we moved into a drought of 2000, 2001, and into 2002, and the interest in that disappeared locally. It just fell by the wayside.

And the other problem was that the Water Corporation at that time was working on the drought issues and the dry water conditions in the Humboldt area. So we moved a little away from that picture. Then we moved back into the situation where in 2005, the fall of 2005 we saw more water coming, and mostly in the fall and the runoff from last year.

Again, I mean, once water gets into a dead basin it doesn't get out unless it spills out somehow. It has not yet spilled out of Waldsea Lake into Deadmoose. It has not spilled out into Houghton Lake. It has not gone overland. The water that has gotten . . . The ditch block for the road northward out of Brockman slough was breached this year and that water moved northward but the water from Waldsea Lake has not left Waldsea Lake. The spill point is much higher than the current water level is.

Ms. Harpauer:— So you're telling me that the cattle producers that are being flooded and the water supply in their pasture has been flooded from Houghton Lake. That is not salt water.

Mr. Johnson:— No. Deadmoose and Houghton Lake are definitely salt water, and they're almost of the same. But it's not water from Waldsea Lake spilling out northward. It is the water that's coming from the rest of the basin into that area.

Ms. Harpauer:— Well I find it interesting in your answer. It sort of confirms in my mind that it's always crisis management. I mean we were working on a long-term solution, but the minute that the problem went away then we just quit working on it and worked on to the next crisis which was drought. And then now that we're in a flooding crisis, let's go back there

instead of ever actually designing a long-term solution. When the Brockman block deteriorated, has it been repaired?

Mr. Johnson:— My understanding is it was repaired, yes.

Ms. Harpauer:— And in response to the minister, yes, I think unfortunately . . . And it does cause hard feelings. I've lived in rural Saskatchewan the majority of my life, and rural Saskatchewan has conflicts over water all the time. However we can't have this kind of disaster in a regional park and a resort that is extremely valuable. It's devastated . . . Like homeowners, cottage owners — it's devastated families. And so that if we have to actually take some teeth into this, I think we need to. And we need to address this for the long term, not just for the crisis of today. We need some security for this park in the long run. So I thank you for all those answers.

Hon. Mr. Nilson:— And I thank you for your last comment because you can be of great assistance as we go in and try to make sure that we . . . This year we probably can't stop all the water that's been drained into these places, but for next year you're exactly right that we need to be out and checking this, working with the local people, obviously. And they, I think, probably again need to go back and revisit the concept of a watershed management area around this whole area because they don't have it like they do south of Humboldt, so.

The Chair:— Thank you very much, Mr. Minister. I'll recognize Ms. Draude.

Ms. Draude:— Thank you very much, Mr. Minister. I appreciate the fact that my colleague from Humboldt outlined very well the present circumstances and the fact that no one believes, everyone knows it can't happen again.

Fishing Lake is not a closed basin. It's not in the same situation as Waldsea Lake. There is an outlet. It's just that it's not being constructed. We can't go back 20 years and shut down all the ditches that have been dug. The farmers know that and the resort owners know that as well. But there is a viable, there are actually two viable, two options. I know that we looked at, in 1997, two proposals.

So the only hope that the people in Fishing Lake have right now is the announcement made by the Premier and the two ministers that led them to believe that there's going to be a solution this year. And that's what everybody is holding on to at the moment. So I just want to start by asking, I know that your department, with the engineers and the people that have been looking at the situation, must have known that this disaster was going to happen. It wasn't a surprise to anyone. So can you tell me when your department started preparing for this disaster?

Hon. Mr. Nilson:— Well I'll give a simple answer. I think there was a recognition that the water levels were coming up in Fishing Lake. I don't think anybody anticipated the amount of rainfall last fall, and then the amount of snow. And so that that ended up being more than was anticipated.

But I think that looking at various solutions here started, well a number but for sure in '97, and a lot of adjustments and adaptations were made, including moving a whole row of cottages up on to higher ground at Leslie Beach for example,

and other places people made some changes.

But what also then happened at that time was they were looking at, well what are the solutions? And obviously one of them is to go downstream through Hazel Lake and all the way down, I guess, to White Swan. And when that proposal was brought forward, it was clear that there needed to be an environmental impact statement, you know, assessment done of that whole area. And it included a number of different things. Some of it related to the landowners along that area that would get flooded and the suggestion was that we'll dig a ditch so that the water goes through a ditch; it doesn't spread out into the flat pasture area.

Also in '97 there was a concern because the town of Canora was using water out of this Whitesand Lake for their drinking water. That's since changed and they've got well water and I think they won the award for best water in Canada recently because of that . . . [inaudible] . . . well water, which is great. But also there are a lot of questions and concerns as the water flows all the way into Manitoba and it relates to some of the same questions around the salinity of the water, although it's much less of an issue.

At the same time there was also some other discussion about sending some of the water to the west into Milligan Creek which then flows into Crowe Lake which doesn't have a concern about water quality there, and there's actually lots of space for water in the end.

So those are some of the things that are being looked at. Now if what . . . I think what we're all concerned about — and I know that you've spent many days out there with the people and looking at different things — is the fact that if we can't get the water levels down out of houses and other places, if it freezes they're just going to be totally wrecked with no ability to retrieve them.

So the announcement made today was that Mr. Bernie Churko who is a professional engineer, a senior civil servant, is that he's going to be working together with the people in the Watershed Authority, people in Environment, people in Highways, and you know all the different departments, and as well working with the watershed association which includes the RMs and all the different beaches.

And I would have to say that when Mr. McCall and I were there and met with the people, there was . . . I mean you could just feel the frustration because — you know what? — it was very hard to figure out what to do. But there was also a sense of well, we're all in this together. And I don't know if that had been always the sense, that well some people would try to do one thing that would protect their area, but it might cause some trouble somewhere else.

And so what we're really looking at in this whole Fishing Lake area is that it's not a closed basin, but it's a semi-closed basin. It's almost closed because there's not enough outflow from that lake to deal with all the inflow, and so the projects all relate to that.

Now I know that they . . . Mr. Churko met with the people up there last week, and he also has met with a number of the

people in the civil service and that I might at some point get Mr. Kramer to explain some of the things that have been happening. And I think both of these gentlemen have been working on this project in a very close way. So they'll be able to . . . if you have some very specific questions, he can answer it.

But I think the point is that this is something that people have been working at and recognize something was going to happen here. But how to get everybody to work together wasn't always that simple. And we still end up with a fair number of people saying, well don't send the water down to where we are. And that's exactly what's being looked at with the local people and with the engineers, the hydrologists, as we speak.

Ms. Draude: — Okay. I thank you for some of the details, and I have a number of questions. One of them was who the gentleman was that the Premier had spoken about last week when he said he was going to appoint one person. You've given me the answer and I'm pleased. I know the people will be pleased as well.

And I do know that a lot of the frustration in '97 . . . because it started to become dry, people found the little problems they had didn't unite them any more because it was everybody's individual issues came up. Now they're not there; they have a common goal again. And I did hear you say that it was just about a closed basin, but it can't be. We have to make sure it's not. And as long as you start the construction at the far end, normally and naturally it will be done. We can solve the problem.

So I am going to ask some details and then for the people that are not only listening tonight but will be waiting with bated breath to read it tomorrow when this exciting conversation comes online. So I want to know first of all if I can get a copy of the two proposals that were done in 1997 for the outlet. I understand that they were both done, and I don't need them right now but if the minister could provide them, it would be interesting information for a background.

Hon. Mr. Nilson: — Yes, we have that kind of information, and actually they're being looked at again. I think what is quite clear is that the information that was available in '97 is actually different than now because the levels that are within the realm of possibility are quite dramatically higher, and so some of the things that have happened . . . like I mean I think last week they breached a road in the RM because at that stage they'd put in a culvert that was supposed to handle the flow going west, but the net effect is that it was blocking the flow going east. And so there's a number of things that might have been part of the plans in '97 that probably aren't that helpful. And I think probably what will be important as this rolls out is that everybody will see what kinds of things are going to be developed in 2007 so that we can look at the different end.

And maybe I'll just explain briefly, one option is to have water flow into Hazel Lake and go down where they cleared a lot of the brush out this year, and then keep going into the lakes and eventually down to Whitesand. But that one has a number of issues with it. But — but — they're all going to be looked at very carefully.

The other one is to actually go over a ridge on the west side of

the lake and create a ditch that would go into Milligan Creek. And so it would take flow out to the west, and it would flow over past the highway there into Quill Lakes. And that one has maybe fewer of the environmental concerns and fewer of the downstream-neighbour concerns — if I can put it that way — and so those are the two main ones that are being looked at right now.

Ms. Draude: — Okay. That was another one of my questions. So right now it's not fair to ask you which direction the department is leaning. Is it possible that you're going to work on both, or is it going to be one or the other?

Hon. Mr. Nilson: — Well we were just having this conversation a little earlier today. And my sense is that one of them won't take all the water out of there that we need, so we might have to work on both. But one may be more feasible than the other in the shorter term versus the longer term. But maybe I'll let one of these gentlemen explain from a more technical basis.

Mr. Kramer: — Yes, I would make this comment, that in the next days and weeks, we would actively work on both in terms of design work, in terms of understanding and discussing with the regulatory agencies like Department of Fisheries and Oceans and provincial agencies as well so that we can assess the design challenge, the environmental impact. And then with that information known, we expect some time before we would tender we would then make a choice.

But as opposed to make it now, we need to have better information on design, better information on environmental requirements. And then before we would move to have a tender, we would likely choose . . . But as the minister describes as well, depending on volumes it's not impossible that one might choose east and west.

Ms. Draude: — There would be one question that I have to ask right now is, I imagine at the same time you're looking at the costs of both of them, and that will be something that will be brought up. And just to put on record right now, if the local money isn't there this fall, is the government willing to take on the total expense right now and allow the ratepayers or those involved to come through in some way as either a watershed association or C&D association or some way to pay back but rather than being hamstrung right now because they can't? They won't have time to tax anybody this year. And most of the taxing for C&D associations has to be done by May 1, and that's not going to be possible.

But there's still going to be people who say, do it and we'll make it happen. In fact I had more than one landowner or cabin owner at Fishing Lake tell me, we'll do it with a shovel. Give us the permits and make it happen. Give us the plan, and we can make it happen.

So I just need to hear you say that yes, cost will not be the impediment to making the outlet happen this year.

Hon. Mr. Nilson: — Well you've asked a question, you know, that the Finance minister doesn't like me to answer, but I think the answer is that we're going to sort out how to do this, and we'll figure out how we get the amounts of money needed to do

this.

I mean, clearly one of the factors for all of those communities is that people won't be able to use them in the same way. And you know, it'll affect the values, and so then the taxing ability is a difficulty as well. I know that there's a lot of pressure on the local credit union who's lent money. They've lent money to these different places, and so we're working on that at the same time.

But practically, we know that we need to get this work done in a way that gets that water out of those buildings before the freeze up, and so we won't get the whole plan up and then be stymied.

And I think if anybody questions that kind of a response from me, I encourage them to take a little drive up there to take a look and see. I describe it personally as a regional economic disaster. And it's a situation where you have a whole town that's kind of spread out — because it's a nice place to live — that's underwater. And if there was a flood in Lumsden or there's a flood in Gravelbourg or somewhere else, well we'd get in there and try to help everybody. And so that's kind of how I see it. I know that my colleague, the Minister of Corrections and Public Safety, he sees it that way. The Premier sees it that way.

And we end up then having to be the facilitators once we can figure out, you know, what the costs are and what's going on. So you know, our goal here is to get this immediate issue dealt with, look at some of the longer term issues.

And I mean, as much as it's often, you know, hard to say, but we're in this adaptation stage to weird and wonderful weather occurrences. And we may have some other things that happened in our province that never happened before, and we're going to have to say, okay now what do we do? But I mean when, you know, there's nobody who lived out there that's planned on what's happened this year for that lake. I mean it just wasn't within, sort of, the realm of possibility.

Ms. Draude: — The people are frustrated and upset. They want to believe that somebody at sometime, some people should have known. And there probably is some, some right thinking . . . that would believe that it should have been looked at in some way. But it's not . . . It doesn't matter now, water under the bridge. And what the people . . . No, water's still in the lake.

But the people that I'm representing right now are just very, very thankful that the government is looking at it this way. They're thankful for the ministers coming out there, the Premier coming out there and taking the responsibility on. And I'm going only say this once: I'm really glad you travelled Highway 310 to get there.

But I also want to know . . . And when I did deal a lot with the construction of the ditches, the timelines were very important. And I do know that by the time we get the actual proposal together and we get it to the affected landowners and cabin owners, and then we get the actual approval from the department, we have to get approval from Fisheries and Oceans, and we have to get the easements drawn up. And in some cases, there may even have to be somebody encouraged to sign an

easement. And then we're going to have to . . . we'll have to get . . . I know that we've got the First Nations approval. I've spoken to the chief myself, and I think you may even have a copy of that letter. But that'll be something that has to be done as well. And in the middle of that, we've hit summer holidays. And then we know that if we don't have the tender let by the end of September, the work won't get done this year.

So the people . . . the timelines for me, I will be watching it because that's what my job is. And I'm very concerned. And I know you are too.

So I'm concerned also that I know the number of contractors that actually do this work has decreased in this province. In the last 10 years, a number of them have left the province. And I don't even know how many there are that would be capable of taking on a project of this magnitude because I don't know how big the project is. But we also have to make sure that those who would have the capability of doing it are aware this one is coming up.

So that's something . . . Looking at the timelines and some of the issues that I see could even be a problem, is there something I'm overlooking? And do you see that I'm wrong somewhere, or do you agree?

Hon. Mr. Nilson: — No. All I would say is that the timelines are tighter than September and that people actually . . . That's what they've been working on over the last couple of weeks, but even with more, sort of common effort in the last week to see all of the different steps that need to be taken and to make sure that none of them will trip up the whole process, because we need to get the contractors out there working on whatever is decided to be the most appropriate thing. And the timelines as they're developed over the next, you know, week — if that long — will all be shared with the local people because they're all going to have to help as well.

And I agree with you there may be some landowners that don't totally like the whole project, and we'll have to figure out how to deal with them. But I'm hoping that there's more unanimity in the community at all levels than there has been just because of they see the magnitude of the damage.

So I appreciate your comment. It's very helpful that you have that experience from your previous job because you understand exactly where the different difficulties are as you proceed with these projects. But this is one that there's a concerted effort, I think willing local people too. And so hopefully these things will move even faster than we think they will.

Ms. Draude: — The one other fact I believe is, if there's going to be less people opposed to the project, the sooner we can get people working on it because the memories are there, and the pictures are still there in their mind. And it's easy in August if we have a hot, dry summer, which it could happen, it's easier to forget about water in your basement. And so the sooner we can get at the proposal and get the signatures and get the plan put forward, the better it will be for everybody in the long run. And I know you're aware of that.

I also wonder . . . I heard the Premier speak about it and I know you've mentioned it yourself this evening. There is an

estimation of regional economic loss because . . . not only for businesses but the personal losses. I heard you state that the government would come up with the financing for it, but I think that it's important to — when they're doing the work — to recognize or keep track of what the estimated loss is this year so when it comes time to actually justify how government is spending their money, it's easier to do it, to state it. I can't even imagine how many millions of dollars are going to be lost this year because of this — the actual asset loss and capital loss, but the potential for tourism and the rest of it.

So I'm also asking if your department or if one of the government departments will keep an eye on that as well, because it's good for the future. When we're looking at the possibility of other projects of this type, we can say again, if we do it we may be able to save these millions of dollars. So is that something your government is looking at as well?

Hon. Mr. Nilson: — Yes, I would say that we are. And what I would also point out is that the provincial disaster assistance plan that is run from the Corrections and Public Safety department is looking at making sure that the process will move much more quickly than it has in some of the really heavy years of expenditure — the last few years — because people need the assistance right away. And so I know that that's also part of the task that people are working out. So it's assessing what the situation is, figuring out what a plan might be, and then also dealing with the kind of damage claims that are there, and then I think also keeping track of what the cost is.

And I mean this is not dissimilar to floods in other places, like for example the city of Winnipeg, where eventually they now have some quite dramatic control structures that deal with that sort of surge of water that hits the Red River. But as Canadians we've all helped pay for that because I guess we feel that it's important that that protection is there. But that's been developed over probably 60 years at least.

But in this particular case we're dealing with an immediate problem and we're working on that right away. And the timelines of how all these things will happen I think will go very, very well. Do you want to add a little bit more on . . . because Stuart's been working with some of the people.

Mr. Kramer: — Yes. One of the observations I'd make, comments I'd make is that some of the significant work we're doing over the next few weeks is assessing how quickly the lake will go down by natural causes over the course of summer. We recognize that's not the only solution by any means. But as we assess how quickly we have to have water moving this fall to get it below the level where it will freeze up in cottages, we need to have a good assessment of just how much natural reduction there will be.

And it'll be different this year than some past years. There's been breached roads, other things that will move the water differently this year. So there is significant work that the authority is doing and we'll be communicating that to the local individuals on a regular basis.

I believe it's Bernie Churko's intention, in the discussions we've had with him to this point, to meet on a weekly basis with the local individuals. We've encouraged him to do that and

this kind of information about when they can see the water begin to drop from natural reasons before we have a structure in place, that's one of the things that they've pressed us for and that we will be providing that information just as quickly as we can.

I think there's also been a fair bit of discussion locally and we're looking at that, about some of the groundwater effects around the lake. There's been a rise in lake levels over the course of winter that people hadn't expected. So I think as we assess, even as the minister has talked about assessing drainage patterns for Waldsea and Fishing Lake, one of the things that we need to look at is any potential impacts from groundwater that are in Fishing Lake that can have a significant impact. Because some of the local individuals tell us that the rise in the lake over winter is something that they saw in a significant fashion and hadn't particularly made note of before.

Ms. Draude: — Thank you. I just have a couple of comments. For the last, just about a month now, the locals have met every day at 9 o'clock in the morning. So I'm not sure if it's still happening every day but I'm fairly sure that you wouldn't be going far wrong if you tried to contact them out there. The provincial disaster assistance program is going to be paramount in helping people determine how much they can rebuild, how quickly they can rebuild, and I'm looking forward to speaking with the minister. He was helpful last year or two years ago in the flooding in Porcupine area and had some changes made to that program, and there is some significant changes that have to be made again this year. So it's good to see the two departments working together because in order to save some people's entire lives, there's going to have to be some real pressure put on, not just the federal government but put on recognition of some of the things that we have to be dealing with.

And then the last item — and my colleagues will be happy to hear that — the water level itself from 1997. The department had indicated what they considered to be a safe water level and most of the people that have constructed since that time built well above that, and many of those places are under water today. So I think what people don't . . . I don't think they're in the mood to hear the word safe water level any more; they're in the mood to hear the word controlled water level. They can bank on, this is what it's going to be and the control structure and the outlet is there so that they know what it's going to be. And if the cost of it is something that's important, but at the same time we've got to know for the future where the water is going to be.

I know you've seen pictures and I have pictures of people whose lakefront 15 years ago was 3 or 400 feet from . . . they have that much sand before they get to the water. It's a pretty level basin so it does, when water started coming, it came up. But they didn't build right at the front of the walk, they built 3 and 400 or 500 feet away.

I have one picture of a guy who had a, there was a bush in front of his place and just 10 years ago people could go by in a boat and couldn't see his cabin. That's not true. It's not 10 years ago, it's 15 years ago. But they couldn't see the cabin and so the water has continued to crawl up.

So I guess what people are asking for is what the water level is

going to be. And I know you're working on all these but I just wanted to let you know that this is what people are looking for. I do appreciate your time and your effort and your concern. I look forward to speaking to the minister on the provincial disaster assistance program, and I thank you for all your help.

Hon. Mr. Nilson: — And I just point out that last Thursday the Prime Minister went out to the Fraser River, Mission city, and announced sixteen and one-half million dollars for flood prevention work, because their flood comes later because it's snow from the interior mountains. So we'd be appreciative too if we ended up getting some help on this one. Because I think it has the same kind of impact as what's happened on, you know, on the big rivers east, west. And so this is something that we will also be requesting. So any assistance you can provide in that area would be helpful.

The Chair: — Thank you very much. I'll recognize Mr. Krawetz.

Mr. Krawetz: — Thank you very much, Mr. Chairman, and Mr. Minister, welcome. I was intrigued by your responses for the last, I guess, hour on this project. As you are very well aware, this area was in my constituency in 1997 — '95, '96, '97 — until realignment. And it was something that was very important and I thought we were very close to constructing something in 1997 and then it fell by the wayside. And I'm very pleased to hear that Mr. Churko is going to be involved and that you're talking about a timeline. That's necessary.

But I'm going to move on to a different area, if I might, Mr. Minister — two areas. As you are aware, the heavy snowfall not only contributed to a large amount of water, but it also contributed to some problems with wildlife in my constituency, especially in the Preeceville area and the like. And I'm sure there'll be another official that will join you to talk about wildlife. And I have some questions that have come from many of my constituents regarding what your department does to get an understanding of the number of animals that are in the area and what zone will determine what type of hunting occurs.

And I'm going to begin by telling you just a little bit of an anecdote. In the village of Preeceville or the town of Preeceville I guess — it's not a village, it's a town — in the town of Preeceville there were many times that during the winter you could find herds of white-tailed deer actually on streets right in downtown Preeceville.

A lady who has brought this to my office's attention has had a professional individual come from Young's Plant World and do an assessment of the damage to all of her beautiful trees and everything else. And the damage is in excess of \$7,500 that was done to her trees.

So, Mr. Minister, my first question then is: does the department do a head count in the zones, and very specifically of course Preeceville, north? North part of the zone, north of Preeceville is zone 48 and below Preeceville, of course is zone 39. And it affects other animals as well and I'll get to those questions. But do you have a count that occurs on an annual basis or on a periodic basis for both zones 48 and 39 for both white-tail and moose and elk?

Mr. Phillips: — Yes, I can just speak generally about how we track populations. There's really three main methods, one of which is aerial surveys. And those are done dependent on a couple of variables, whether or not there's snow cover so that the animals are visible, and also what the population management issues of the day are. So that's an estimate not every year, but every three to four years typically in most parts of the province and especially for moose which has been a species of concern lately.

The other two sources are a hunter survey questionnaire, which is an estimate of hunter success, and hunter success often tracks animal populations. And then the third is observational information. Our officers respond to public complaints. Our biologists track comments from local fish and wildlife clubs and so on. This past winter we did extensive aerial survey work, not so much for white-tailed deer in the forest fringe, the area around Preeceville. It was primarily for moose and for deer populations in the chronic wasting disease control areas.

Officers have advised us that the Preeceville area was a particular problem for deer moving in to cause damage in yards. We know — you didn't really ask it but I'll mention that — we know there was significant deer mortality due to snow depths through the forest. We don't have an estimate yet of what that might actually translate to in terms of the population reduction. But to put it in perspective, we've had growing populations in the southern forest for at least the last 10 or 15 years. They're at levels much higher now than they would have been historically.

The main variable that determines the population is overwinter mortality. Hunting and predation doesn't really control the numbers. It's typically winter mortality. So we expect to see lower populations this year but we're still just gathering, you know, what information is available.

Mr. Krawetz: — That's very interesting to hear you say that winter mortality may have affected the populations because as I travel through my constituency, there's herds of hundreds and hundreds of white-tailed deer now that are visible everywhere. And as you've indicated, the population has risen. And I've heard from many people of course that as the cost of a hunting licence has risen, as the cost of even the purchasing of ammunition and the rifle and the permitting and then the cost of fuel to of course occur means that there seems to be — and I say, seems to be — less and less hunters that are active, actively taking deer out of the population. Is that something that you track?

Mr. Phillips: — Yes, we do follow hunters' success through our harvest survey. We've generally had growing big game populations throughout the province. The only species that's really not flourishing is woodland caribou, which is not really influenced by hunting at all.

We've liberalized seasons in a number of different ways, typically using antlerless licences — those are a young of the year or a female animal — directed at trying to reduce the breeding population to the extent we can. We've found that, you know, the availability of hunting opportunities is growing past, you know, the demand by hunters.

We continue to take new measures to try and increase the

interest, especially in antlerless licences. One change for the year that we're in relates to mule deer. This year the bag limit on an antlerless mule deer licence is two antlerless deer as opposed to one. But we would expect, based on history, that in a course of periodic winter severity we could expect population declines. But in the last five or ten years we certainly haven't seen it except for this past winter.

Mr. Krawetz: — One of the concerns that a farmer brought to my attention was that he had a large pile of bales brought into his yard and of course because of the large snowfall the deer were able to actually walk right up on top of the bales. And a large amount of feed — he claims about 96 bales, round bales of hay — were basically destroyed. I mean he did put in his claim through Crop Insurance, and there is a dispute about what it's worth and whether or not it's 100 per cent damaged or whether it's 60 per cent damaged. And if you know domesticated animals, cattle will not touch the hay that of course has been urinated on by the deer and defecated on. So it has caused a major problem.

But his concern was that the department was issuing him permits to shoot two deer . . . offered him two deer tags. And basically he was told that he could dispose of two animals, but he had to in fact have the carcasses dressed. And they had to be dealt with in that fashion, and of course that's at his cost. And he's not a hunter. So he said, number one, I don't have a licence. I don't have a gun. And I've been told, okay I can have two deer tags when in fact the herd that was going on to his bales numbered any night from 30 to 50 deer per night. And it wasn't like one or two deer was going to suddenly affect that population.

So I'm wondering if, in these areas where you have obviously tracked the kinds of accumulations of deer population, what other procedures are we going to be looking at this year? Unless of course you're very accurate in saying that the winterkill has taken care of that. But from talking to the farmers in the last month and a half, the winterkill is long over, and they're very concerned. So what kind of procedures will be implemented by the department to see that we can reduce this population growth?

Mr. Phillips: — Well I'll just comment a bit about the winter mortality too. Typically this'd be, like, through the forested zone, so animals that'll be living, you know, adjacent to farm land typically would have a higher-quality food supply. We'd expect to see less mortality in those portions of the population that are actually foraging on the farm land.

And with respect to kill permits for people experiencing serious damage, it's not necessarily limited to two in particular cases where, you know, someone is experiencing damage to shrubs and it's causing havoc in their yards. We've continued to apply this condition though — that the animal needs to be salvaged, not just left behind.

There are other services that are offered to landowners to try and control the problem. Our officers will distribute scare cannons. We've had a permanent fencing program for a number of years. And in fact we distributed 23 fencing packages free of charge to the landowners this year, but there's a long waiting list to get a fence in. As this problem crops up in new areas,

we're typically trying to catch up.

A very effective technique that's not available to us any more is the use of blood meal. This is a product made from offal from slaughtered and processed livestock. With the concerns over prion diseases, there's new restrictions, and it's removed what was quite a valuable tool. We still are using residual supplies of blood meal in applications where it's for shrubs in someone's yard — it's not in contact with livestock feed. We'll continue to work with our officers and with local communities to try and find solutions.

Another thing that we are in conversation with the Federation of Saskatchewan Indian Nations about is working to try and establish a contact system such that where a landowner is having problems and wants people to come in and take deer, and we have First Nations hunters that are anxious to find a place to harvest animals for food, we're trying to figure the way to connect those two for a possible solution as well.

Mr. Krawetz: — While that might be a short-term solution, I think clearly what people are saying is that there needs to be a program in place that allows, you know, avid hunters, who are spending the money to hunt for one animal, to be provided with a free tag to in fact take a second one if the population is such that it requires a lowering. And that's something that I've heard from so many people. And they're saying, you know, like I love to hunt, and I could provide the food to someone else if in fact you need to reduce that population. So I'm glad to hear that you're looking at this because this is a serious problem.

And I would not like to see the situation where on a given night there is, you know, there is the slaughter of 50 animals because they have all accumulated, and it's easy hunting. That's not in anyone's best interest. So clearly I think we need to address that.

You've raised one other concern that has been brought to my attention around wildlife damage and the funding. And it is my understanding that Crop Insurance administers the wildlife damage program, but in fact the money that is needed to compensate people who have a wildlife claim comes through the Department of the Environment. Is that correct?

Mr. Phillips: — The waterfowl crop damage agreement is the funding for that program. It's cost shared federally and provincially. But for the damage prevention program, that funding is through our department. But for big game damage, it's not in our department. I believe it's with Crop Insurance.

Mr. Krawetz: — It's with Crop Insurance because I looked at the explanation in the Department of the Environment, and I'll tell you the dilemma, Mr. Minister. As we've had some farmers who have contacted Crop Insurance and Crop Insurance says, well we don't have the program. Just because you've had 35 elk come in and destroy your bales that were out in the field — okay, so it's still crop as such and they haven't actually hauled the bales in — and the Crop Insurance says that's not our program because it's a wildlife program. And that's my question is, who provides the funding?

Because I'll tell you one other situation that has occurred. A farmer was in to my office last week, and he basically stated

that due to wanting a dry crop last fall, he did not complete his harvest, and he had some oats left and some flax left. And there's been a large amount of wildlife damage — deer, elk, moose, all of it. And when he has asked for this crop to be adjusted by Crop Insurance adjusters who say, well we're just servicing the program, the response is that the wildlife program has ended and that SERM [Saskatchewan Environment and Resource Management] has indicated that because a large percentage of farmers completed their harvest by a certain date last year that the wildlife crop damage is not in existence for this spring for any damage. Who do I find out if this is in fact true?

Hon. Mr. Nilson: — Let me try to answer. I think that this whole program is run through Saskatchewan Crop Insurance. And you don't have to own crop insurance to get it; just you have to be a producer.

So my sense is that it's one that should be dealt with through Saskatchewan Ag and Food. And you've raised this one. Let me see if we could do a little tracking down to find out a direct answer to that rather than us try to stumble around now to figure out. But my sense is that they run this program they have. And they on the waterfowl side, as Mr. Phillips says, that's something that they just run the costs through to the Canada-Saskatchewan agreement. But as it relates to wildlife, that's a whole different issue.

Mr. Krawetz: — Well the reason I raise this is in Agriculture within the Estimates booklet it clearly says that under Crop Insurance (AG10):

It also delivers programs which compensate producers for crop damage caused by big game and migratory waterfowl.

And when I've talked to adjusters, they say, yes we administer it, but we don't provide the money. The money comes from SERM. So that's what we need to have checked out because . . .

And then the other question, Mr. Minister — when you're seeking this information — is, if it's not you, then who makes the decision then that damage by wildlife to bales out on the field which are not then a crop situation or to some lady's yard and the shrubs, who makes the decision then whether or not that is something that is to be compensated? Okay.

Hon. Mr. Nilson: — I think the program does work for agricultural products that are damaged. Okay. So if the next question is, well what happens with the shrubs in somebody's yard? I don't think it would be covered under crop insurance, and I don't think there is a government insurance program in that way. But we'll see what . . . It would seem to me that there may be just regular insurance that you could buy to protect your property.

Mr. Krawetz: — Thank you very much, Mr. Minister. Mr. Minister, my final set of questions deals with zone 39. And you've already mentioned that there are additional hunting seasons that have been put on. It is my understanding that zone 39, according to the wildlife management zone booklet that was circulated very recently, is that zone 39 is actually going to have a moose season.

And I think there will be many, many farmers who are going to be pleased. There'll probably be many automobile drivers who are also going to be pleased because I know of a number of instances where there have been collision with moose in areas where there just . . . hasn't been happening. Could you indicate how many moose tags? It seems to indicate that there are 25. How will these 25 be distributed? Will they be under draw? Who is eligible? Is it anyone in the province? How does that system work? As you can tell, I'm not a hunter.

Mr. Phillips: — The answer is yes. The licences will be allocated through the big game draw, and that's a program that's open to eligible, resident hunters, residents of Saskatchewan on a province-wide basis. And there's a priority system in the pool such that when you apply for a particular licence type, like moose, if you were to apply in the first year and were unsuccessful, you advance to a higher priority pool so the odds of your being successful in the draw increase.

For the very small quota zones like zone 34, 39 with just 25 licences, you know, the number of applicants will far exceed the number of licences that are available. But the procedures for application are laid out in the annual, in the hunting and trapping guide. People should apply by May 31. Most apply online now; about 70 per cent is online. And we have announced an intention to move fully to an online system away from the paper system by 2010.

Mr. Krawetz: — You mentioned that there has been tracking of the population count of especially big game, moose. In zone 39 you determined that there needs to be approximately 25, and now whether or not 25 will be in fact successfully hunted, what is the population count? Has it risen dramatically? And could you explain how 25 was the number that was arrived at?

Mr. Phillips: — The number 25 will be a best estimate based largely on information from local landowners and from our conservation officers. It won't be an arithmetic calculation based on a population survey based on zone 34 and 39, but there will be observational data that tell us that there's that kind of a opportunity available. We had a similar season in a couple of other zones in the Diefenbaker Lake area last year — so the area west of Craik also with 25 licences. Success rate's very high there because there's not an awful lot of cover for the animals.

To your question about population surveys, we've generally found that populations of moose are doing well. The numbers of bulls in the population is up, and so we're expecting we can return to a slightly more . . . We use the word liberal season, but it means hunt closer to the time the animals are in breeding condition and they tend to be more effectively hunted, the time when people prefer to moose hunt.

Mr. Krawetz: — And my final question. Could you tell me then from this booklet what the elk hunting will be allowed in zone 39 as well.

Mr. Phillips: — I can look it up for you. There'll be a draw season, an either-sex draw season in zone 39. That's for archery, muzzleloader, and rifle — two periods, October 29 to November 3 and December 10 to December 15. That's for one antlerless elk. And in the regular elk season . . .

Mr. Krawetz: — So is it limitless? Or are you talking about 25 elk licences to be given as well?

Mr. Phillips: — This is through the draw, and the quota in zone 39 is 25 antlerless elk for zone 39.

Mr. Krawetz: — Thank you very much for those answers to your staff, Mr. Minister.

The Chair: — Thank you very much, committee members. We are now going to take a 10-minute recess, and we'll reconvene at 9 p.m.

[The committee recessed for a period of time.]

The Chair: — Thank you very much, committee members. At this time we'll reconvene the committee. We're dealing with the estimates of the Department of the Environment, vote 26 at this time. I will recognize Mr. D'Autremont.

Mr. D'Autremont: — Thank you, Mr. Chairman. I'd like to welcome the minister and his officials here this evening. I want to carry on a little bit with the hunting where my colleague left off, but a more generalized discussion.

I'm wondering what the department's and the government's philosophy is on policies related to hunting by outfitters and the allocation of zones.

Hon. Mr. Nilson: — So general policies. I'll give a general perspective, and then I think I'll let Mr. Phillips respond to some of the specific questions.

I think that this is an important industry in Saskatchewan. And we know from some of the work that we've done that the outfitting industry, expenditures have increased from 25 million in 1990 to 85 million in 2006, and that includes both the hunting and the fishing side of that. And so it's an important part of what happens in the province.

We've had a number of interesting issues — if I can put it that way — related to outfitting. Many people who have grown up in Saskatchewan are quite capable of going out and hunting by themselves. And that's kind of the tradition that's here. There are some areas of the province and some types of game where outfitters are crucial to what happens.

Over the last year that I've been in this portfolio, I've received many, many letters about outfitting for waterfowl — which seems a bit strange for those of us who live in Saskatchewan, that you'd actually need an outfitter to go with you to go and shoot ducks or geese. And it was something that we were looking at because there were a lot of people that were saying that this was something that we should do. But after a review and looking at what the economic effects are right across the province, we are not planning to implement any kind of forced outfitting for waterfowl.

So that's, if you're asking about what kind of policy decisions have been made this year that affirm sort of the tradition here, that, I think, that's one that has received the most attention in my office and I think across sort of the policy side.

Outfitters in general and the allocation of outfitting licences is . . . I'll, maybe if you wish, have Mr. Phillips explain the process. There are always discussions about that and how they can be transferred to another owner or how it does fit. And it obviously relates to the amount or the number of the animals that are in any particular place, but I'll let Mr. Phillips . . .

Mr. Phillips: — The minister has already spoken about waterfowl hunting. Big game outfitting has gone through a number of years of change in the province. It grew rapidly in the 1980s when the large white-tails were killed, and it attracted a lot of interest from American hunters. The business potential rose.

We went through an exercise of an overlap elimination. At one time our outfitters didn't have exclusive operating areas. We went through an overlap elimination process, such that individual outfitters now operate within a unique area that's for their exclusive use. They have an allocation based on population estimates for the zones.

The present policy is that all non-residents hunting big game need to be outfitted, and they're limited to essentially the forest fringe and forested zones. Outfitters pay an annual licence fee, but they also pay a fee for each of their white-tailed deer allocations, their individual licence allocations.

We have a close working relationship with the Saskatchewan Outfitters Association, and we work together on a commonly agreed work plan. And almost always it's matters related to policy that they wish to work with us on. The mandatory outfitting for waterfowl is one of the items on that common work plan last year; that one was completed.

Looking forward, some of the issues the outfitters are wanting to work with us on are a self-accreditation system, something similar to what the realtors association has. And we, you know, we pick up a few important problems to work in common with them on each year and that's . . . Actually there was a meeting in fact today with the Saskatchewan Outfitters Association. The outfitters association represents something around half or less of the outfitters; it's not all of the outfitters.

Mr. D'Autremont: — Okay thank you. I know that in the past number of years there's been a split in the outfitting, and there's been more than one organization representing outfitters. And as I remember correctly, it was more of a north-south split at the one point in time with the big game hunters sort of being in one grouping, and the waterfowl particularly and some of the upland game being in the other group. And it would be nice to see them operate under one umbrella, but that's their free choice, I guess, to make that decision how they want to operate.

One of the concerns that has been ongoing though, particularly dealing with in this case more the waterfowl and upland game, is the illegal outfitting that takes place or the means by which some landowners utilize to capture some revenues from the hunting. What has the department been doing along that line? And has the department . . . You say that the allocation of the hunting outfitters' zone or his allocation is based on the big game, on the big game numbers. But how is that allocated on when it comes to waterfowl?

Mr. Phillips: — Well it's handled a little differently. We have a maximum of 10 waterfowl outfitters per wildlife management zone, and this policy goes back 10 or 15 years. An outfitter, a licensed outfitter is also able to . . . a number of guides operating under the authority of their licence, so in fact the number of people actively involved in the business varies or is actually larger.

We see though issues of concentration of waterfowl outfitting activity even within a game management zone, for example along the Saskatchewan River valley west of Swift Current. Although there's a big zone, all of the goose hunting activity happens within the daily flight distance off the river. We believe that we need to revisit that policy. It's not something that we've worked on in the last couple of years.

There's also issues related to upland game bird hunting pressure from visiting, non-resident waterfowl hunters. They often like to hunt upland birds in the afternoon. Most of those concerns have gone away since we've implemented the seasonal bag limit, for example for Hungarian partridge, such that a hunter has a maximum — I think it's 24 birds. And there's tags actually used to identify the birds such that once they reach their season limit, that's all they can take.

Mr. D'Autremont: — So you haven't spent any time looking at perhaps increasing the number of outfitters available within a zone in some of those areas where there is concentrations, like around the Swift Current area. And if you head down towards the Southeast — and I don't know if there's outfitters there — but you see huge numbers of snow geese in the spring and the fall. And I know local people hunt them, but I don't know if there's any outfitter hunting taking place. So you know, in some areas there seems to be outfitters, and in other areas, people have the outfitting authorization but may not be utilizing it when others may want it.

Mr. Phillips: — Yes, there's a couple of things. That sort of use-it-or-lose-it idea is something that we're talking with the Saskatchewan Outfitters Association about. We had committed to them that we would first resolve the matter of whether or not there should be a policy of mandatory outfitting for non-resident hunters. And that's just recently been put to bed.

The other thing that we do is conduct enforcement operations where information comes to us that there's someone abusing . . . they come and stay in a house in Fillmore and they're supposedly just a visitor, but they bring a steady traffic of friends over the course of the whole hunting season. We've had some successful cases. I mention Fillmore, because that was one area where we did have a successful prosecution of an illegal outfitting operation.

But we know we need to revisit the allocation system for waterfowl outfitting. But as I say, you know, we work on a commonly agreed set of priorities with the SOA [Saskatchewan Outfitters Association], and I don't think it's on the list right now.

Mr. D'Autremont: — One of the areas that I do hear complaints about is people don't seem to be utilizing it. And so somebody, a landowner gets an offer and becomes an illegal outfitter and may not charge for the hunting, but charges for

digging pits, and it becomes a backdoor way of outfitting. And if the outfitting was available in the area, you know, the person may want to do it legally — they may not — but they may do it properly if given the opportunity.

Mr. Phillips: — One thing I should have mentioned, we collaborate closely with Manitoba and Alberta because, you know, whatever is done here for non-resident waterfowl hunters tends to have an impact in the adjacent province. If there's a new restriction in Manitoba, it'll displace people. It could just as easily come to Saskatchewan.

Alberta recently implemented a season, like, a restricted season. Visiting hunters can buy a licence for week only, as opposed to just an open-ended licence for the full season. They modified their approach with some, in the face of some significant opposition, such that non-residents can buy more than one weekly licence. But that's one of the things that we're, you know, we're watching how it's working for Alberta. It would be another way of managing, you know, the concentration of non-residents and impact on landowners.

Mr. D'Autremont: — This was years ago; I know in Alberta that a resident could get a . . . I don't know if you'd call it a temporary guiding permit, but could take one out-of-province friend hunting once in the season. So it, to my knowledge, wasn't abused because it was quite restrictive in that sense, but it allowed your friend from wherever to come and visit and to go hunting.

I don't believe there's anything like that in Saskatchewan, so a non-resident coming here would have to hunt with an official outfitter to be legal and proper. So that's one of the other areas that, you know, might be given some consideration.

On the big game side, the outfitting all takes place along the forest fringe. Has there been any consideration given to expanding that outfitting opportunity since we see large numbers of white-tailed deer across the province? We see an expansion of the other big game species as well other than antelope. The others are spreading out across the province.

I understand the economic argument that some of the outfitters would put forward that they want to keep it all in that one area, but if it was perhaps allowed to expand on a very slow basis so that it wouldn't dislocate the operations that are already taken place. Has any consideration been given to that?

Mr. Phillips: — Well a couple of parts to the answer I'd say. We've worked closely with the SOA for the last three years analyzing population levels, habitat capability, and present allocations to outfitting to see if there's room for increasing the allocation.

What we've seen is on the east side of the province — just about almost from Prince Albert east — when the original outfitters were grandfathered and given exclusive operating areas, we actually are close to the limit, or there's really no room for additional outfitting licences.

On the west of that line though, over towards Meadow Lake, there is room to increase the allocations. And we've been working with the outfitters association to try and find a way to

provide that additional opportunity on the west side within the biological limits of the population. So far we haven't been able to find a successful way to do it that won't cause a lot of difficulty for the east side residents.

With respect to, you know, big game outfitting in the southern part of the province, we've historically encountered significant concerns from . . . especially organized sportsmen in the province, the Saskatchewan Wildlife Federation being their most notable representatives, and it's a matter of continued discussion at the minister's wildlife advisory committee. But to this point we haven't been recommending it.

Mr. D'Autremont: — One of the answers you gave to my colleague, you mention that, you talked about the pooling and the A pools and the super A pool. How do you track that to determine which people are in the super A and which are not, etc.?

Mr. Phillips: — It's managed based on the health services information card number; that's the identifier for a person. And I'm not familiar with the software and how it works, but there is a continuous record of a person's standing in the pool.

I haven't applied for years. But if I applied, it would recognize me as a new applicant, and I would go into the A pool. If I'd been drawn last year, it would recognize me by my health number and put me in the appropriate priority, probably to a C pool if I'd had a licence before.

And for people who apply together — you can have as many as four individuals can make application to the draw — the pool status for the whole group is determined by the lowest status of any of the four people on the application.

Mr. D'Autremont: — This leads me to another question. My area at home is one of those areas that was new moose hunting season, zone 32, which is called zone 16. Only in hunting do you get the zones changed around even though the numbers don't. The question always arises when people get drawn: how did this person get drawn or so many people from away get drawn, and nobody locally ever gets drawn? Well I know of a circumstance where two different applications, where local people got drawn, but the person putting in their name on the draw to be the contact person was from out of the area.

And so the question always comes from local people: does the department look at the addresses of the people who the contact is so that you get people from outside of the area; therefore it's good for tourism? You get the gasoline back and forth, the hotel rooms. It makes it difficult for local people to get drawn. So does the department track individuals by addresses?

Mr. Phillips: — No, the identifier is just the health information number, just to confirm that they're a Saskatchewan resident. There's no screen that has residence or land location or anything on it.

Mr. D'Autremont: — It's always a concern whenever the draws are taking place and local people feel that they are somehow passed over when the selections are made. And I know the moose in the area, everybody would know exactly which bush they were in so the take would be rather high in that

particular case, especially in the case of a new zone such as ours was or my colleague was talking about, 39 and 40. Those animals have never been hunted, are not very cognizant of the procedure that you need to go through when being hunted, and the take gets rather high for a few years there until the learning curve is a bit improved — which is fine when you're the one hunting. But otherwise it's a good method of control in those areas though.

The snow geese population is significant, exceedingly significant. What kind of an uptake is the department getting on the spring hunt?

Mr. Phillips: — Very limited. I wouldn't have . . . I could estimate maybe a hundred or so hunters. There's several problems. The behaviour of the geese in the spring is far more unpredictable than in the fall. They come and they stage, and they move through quickly. Unlike when they come back in the fall — they stay and fatten up, and they get a fairly predictable pattern of migration.

Also issues around access to farm land are more difficult in the spring. The fields are wet, and landowners are less inclined to give permission. But like I said, I don't have an estimate. But despite the liberal seasons and your use of electronic calls and, you know, all the advantages, it's not . . . and I think also the time of year. It's not that traditional to hunt in the spring.

Mr. D'Autremont — Yes, it's a relatively new thing, and most people it's not topmost in their head at that particular point in time.

The Hungarian partridge limits I noticed were fairly high, the bag limits. Are the numbers of Hungarian partridge that significant across the province? I know in my area, if I think back a few years, there was significantly more numbers around at that time in my observations compared to now. So I don't know what it's like across the rest of the province, but are the numbers that significant?

Mr. Phillips: — Hungarian partridge generally are driven by winter severity and the quality of the habitat that they live in, and that can be very spotty from place to place in the province. We've had this generous bag limit for a number of years now, and the population doesn't seem to be, you know, depressed as a result. Success rates are still good.

And I would predict that the area that's experiencing drought now — sort of Ponteix area and down through there — should have especially high Hungarian partridge. You also see, you know, over a period of mild winters the distributional range and the numbers expanding northward so Saskatoon country gets bigger numbers with generous winters, and then they'll shrink back again afterwards.

Mr. D'Autremont: — One of the programs that the department is running is tracking CWD [chronic wasting disease], and you have the CWD tags, etc. What kind of kill numbers are you getting, and what kind of test results are you getting from those animals?

Mr. Phillips: — In 2006 we had just over 2,600 mule deer, 1,800 white-tailed deer, and 150 elk heads submitted for testing.

Of those, 27 mule deer and 20 white-tailed deer tested positive. And I have to date in total since 1997, we've analyzed a total of 32,000 animals. That includes 954 elk, about 18,000 mule deer, and about 13,000 white-tailed — I'm adding two columns here that may not exactly add up — and the total tests positive to this point are 113 mule deer and 32 white-tailed deer, and no elk.

Mr. D'Autremont: — That's good to know since I got an elk last year.

The one last question that I have, it deals with the draw applications. I believe there's a \$4 application fee online and \$5 if you . . . \$7 you mail it in. What's the rationale behind that? I mean that if the department needed to increase its fee take, why isn't it just simply doing it on the license fees? Why is it . . . It seems to be a penalty for applying and not getting drawn.

Mr. Phillips: — Well non-refundable application fees are used in other jurisdictions, and for any fee of that kind it needs to reflect the cost of providing the service, and it's our best estimate of what it costs to actually receive and process the application. If it were more than our costs, then it would be construed to be an actual tax, and it's not. The rationale is to cover the department's expense, and it's gauged to be at that level.

Hon. Mr. Nilson: — And it's also designed to encourage people to apply online. So that's, I think, the difference there. And frankly, as I think we've said before, to get all of this online sooner rather than later assists everybody. But we know that some people, you know, can't do that. So it will always be another option. But the more that we have applying online the less it costs the whole system.

Mr. D'Autremont: — Well the wildlife in this province is one of our resources that we need to husband properly, but we also need to utilize to our best advantage.

We obviously see a number of incidents with motor vehicles where wildlife is a problem. And it used to be very common in my area of the province to see a dead white-tailed deer for every mile of road. Unfortunately now we're still seeing that, but now we're starting to see the occasional moose as well. And anybody who hits a moose with a vehicle, you're apt to end up with them sitting on your lap, whereas a white-tailed deer damages your vehicle but generally doesn't cause any physical harm.

But I think that we need to take those resources and utilize them to the best of our ability to generate the economic revenues that we can. And they're a wonderful tourist resource, and we need to utilize them to the maximum potential while preserving the resources as well. So thank you.

The Chair: — Thank you very much, Mr. D'Autremont. I recognize Ms. Heppner.

Ms. Heppner: — Thank you, Mr. Chair. I just have a few questions tonight about the Office of Energy Conservation. And I'm wondering what the total cost of the office is currently in this fiscal year?

Hon. Mr. Nilson: — Okay. Well I'm the minister that has this

information. They actually . . . All of their financial information is located with the Saskatchewan Research Council. Okay, so if you want to ask me some of these questions I can get the information, but they don't actually report through the financial books and estimates of the Department of the Environment.

Ms. Heppner: — Are you able to answer questions on the, just not the financial side?

Hon. Mr. Nilson: — Yes. I just don't have all that information with me and I'll do the best I can on questions and explain how it works. I guess what I can say is the Office of Energy Conservation is a way to have a number of different organizations and departments work together and so they coordinate work, and they're housed in the Saskatchewan Research Council so they can manage the books there. They're actually located in different, they have different offices.

They end up with the deputy ministers of a few different departments as their board that manage that. They then have the CEO [chief executive officer] of the Saskatchewan Research Council also work with their director on how they report things. They also work very closely with the Crown corporations on a number of the programs that are out there — the EnerGuide programs and things like that — and so it's in many ways a clearing house for information. Also a place where people with expertise can go and interact with the federal government because there end up being quite a number of different programs and then they can figure out where they fit into the provincial system.

Ms. Heppner: — That kind of leads into my next question, and I was wondering if the office has partnerships outside of government. I'm thinking like schools, hospitals, other kind of public facilities where they would be able to offer advice or . . . I'm not sure if they do funding for retrofits to ensure energy efficiency, that sort of thing. Do they partner with outside facilities, public facilities?

Hon. Mr. Nilson: — Well I'll try to answer this one. They wouldn't necessarily do it themselves but, for example, on energy audits and refits are done by SaskPower Corporation who work in a partnership with Honeywell and so, and they then will work together on doing some kind of audits in commercial situations.

The Office of Energy Conservation has all of the information about the various EnerGuide programs that might be worked out of SaskEnergy and worked from that perspective. One of the reasons that the office is separate from departments as well is that there are situations where they can enter into contracts with the federal government in a slightly different way to allow for this broad partnership.

And so it's very much a facilitative organization, a place where the connections are made but when the programs are actually developed the money actually will flow to some other place within a Crown corporation or within a department. You know, some of their projects for example relate to housing so they could be with the housing portfolio. Some of them relate to different community grants and things like that that we . . . in the Government Relations municipal government portion.

Ms. Heppner: — You had mentioned contracts or partnering with the federal government. Do you have examples of what those sorts of contracts or partnerships would be?

Hon. Mr. Nilson: — Well some of them include things like assessing building codes, for example. And so I know some of the staff from the Office of Energy Conservation actually would be members of national bodies that design some of the standards we use in Canada. So that would be an example of something like that. But most of the time it's working as a facilitator for a whole number of things.

Ms. Heppner: — Outside the Office of Energy Conservation, I'm wondering how much funding, if any, does the Department of Environment receive in federal funding. I know that there was an announcement earlier this spring of the \$44 million through the ecoTrust. Well I guess we can't call it ecoTrust any more, there's an issue with that. But they've kind of changed the name. I'm not sure what they changed it to.

Hon. Mr. Nilson: — Well they did change it already . . .

Ms. Heppner: — Anyway aside from that \$44 million through the ecoTrust Fund, are there any other funding arrangements to fund environmental initiatives with the provincial Department of Environment?

Hon. Mr. Nilson: — Well okay, I'll try. And this is Lin Gallagher who's with me, and she'll help me answer some of these questions. But basically the Office of Energy Conservation, as I said, facilitates different programs. And so some of the national programs or the federal programs include the EnerGuide and the Energy Star — EnerGuide for housing and Energy Star for appliances.

And so there's money that then comes, flows through to the provincial organizations. In this case I think most of that's run out of SaskEnergy. And so the Office of Energy Conservation would see that come that way. As far as monies that come directly into Environment, I'm not sure that . . .

Mr. Parkinson: — We have some small programs like air quality monitoring stations set up in the Northwest and that kind of thing. But overall there's not a lot of joint funding arrangements with the Government of Canada.

Ms. Heppner: — The other question I wanted to ask, there was news reports today that — I'm not sure if these have been substantiated or not, but — there was news reports today that indicate that the federal government is exempting oil sands from meeting certain requirements in the reduction of pollutants. I'm wondering if you have any information about that, if the provincial government's onside with the possible exemptions that are being offered. I think they were actually allowing certain levels to increase, like nitrous oxide and volatile organic compounds.

Like I said, I'm not sure if that was just a media report. It just kind of struck me as odd that some things would be allowed to actually increase under the plan. And I'm wondering if you heard anything about that.

Hon. Mr. Nilson: — I saw the media report as well, and we

don't have any information at all about this. A lot of these factors are ones that are part of the ongoing discussions between provincial and territorial officials and the federal government. And we had briefings, I guess it was a number of days ago, trying to understand what it was that they were doing with this new legislation. But it was clear there were many more questions than answers. I think this one was a bit of a surprise to many people that there was actually an exemption like that because it didn't seem to be part of the original announcement.

So I think we'll have to watch and see because practically, if it's related to air and what happens going up into the sky, it's all going to come over to Saskatchewan. That's the way the natural flow of the wind is. So it's an issue that we will be watching very carefully.

Ms. Heppner: — I was kind of intrigued because the reports didn't mention Alberta specifically, although most of the exploration of the oil sands is happening in Alberta. They just said oil sands. So considering that there's exploration hopefully going to be going on in Saskatchewan as well, I was just, it just struck me as a little bit curious. I just wanted to ask you about that.

I had one other question on the centennial wind project and what its current status is. I understand that it was, when it's finally complete or fully operational, it's supposed to generate 150 megawatts. And I'm just wondering what the status of that is today, what it's generating today.

Hon. Mr. Nilson: — Now this is not in the Department of Environment at all, but I'm the Minister for SaskPower so I think I know that. I think I know the answer.

Basically all of the windmills have been commissioned and are operating. However there are a number of the windmills where they put the wrong generator in there according to the contract and it was one that's not as good a quality as what was purchased. And so they're in a process of replacing all of those generators and that's happening right now. I think it's supposed to be completed by the end of May or into June.

But then basically the whole centennial wind field will be commissioned and be in operation. Then what's happening though is that we're now evaluating what the, how steady the power is because any wind field has obviously days when there's not as much wind and you end up having to complement it with other sources of energy. And so that's the kind of work that's going on now.

There are some other projects that are wind projects that are possibly coming, one at Moosomin that has some proponents that they're working on that. But as far as the overall project, all of the towers are up and all of the windmills are functioning, but they are replacing these turbines that were inappropriately placed in the towers.

Ms. Heppner: — Well I appreciate your answering my question even though you're not required to this evening. Like I said, I thought I'd try and sneak it in. I think that's all I have. I'll pass it over to my colleagues. Thank you.

The Chair: — Thank you very much. I'll recognize Mr. Allchurch.

Mr. Allchurch: — Thank you, Mr. Chair. Welcome, Minister, and welcome to your officials here tonight. I have a few questions as I always do when it comes to Environment. I would like to start off with the predator problems in my area. You probably knew that was coming anyway.

In regards to the predator problems, has there been an update in regards to the problems that have been in that area for the last two or three years and in regards to our meeting that we had in Mayfair, where there was talk about looking at some kind of a compensation package for the predator problems, especially wolves, bears, and cougars? Has anything come out of that?

Mr. Phillips: — We're in receipt of information from the RM of Mayfair, so far, on predation reports. We're looking at the level of reporting, and we'll use that as a basis for a recommendation. We don't have anything in place by way of recommendation right now.

Mr. Allchurch: — In regards to the compensation package, that's what you're referring to when you have nothing yet? Okay. Will you still be pursuing a compensation package or some kind of a compensation package as was talked about in Mayfair?

Mr. Phillips: — The commitment that we made to the municipalities was that we continue to work with them, and we'll gather their information and use that as a basis to develop, you know, a recommendation on whether, you know, a compensation program would be warranted. But we don't have that recommendation tonight.

Hon. Mr. Nilson: — I think just to add a little more to that is that when you develop a policy like this which is obviously new, we need to know the numbers of animals that have been affected — because it affects some of these, the cattle herds obviously — and then where and how often and then look at what are the other places that might provide compensation for some of these things and then see what kind of complementary work we need to do.

But until you actually have the facts of what's happened . . . And that's why we just have the information from one of the RMs so far. And so if you're talking to some of the people up in that area, encourage them to keep, you know, give us the information. I know some of the, you know, the photographs and things that they had, that was very helpful. But as we gather more information, then it's easier to justify on a broader policy basis the kinds of things they're talking about.

Mr. Allchurch: — Well thank you, Mr. Minister. I know the death tolls to the livestock, area farmers, this year was considerably down as compared to the last three years. That's simply because of the snowfall.

The last three years we've had virtually no snowfall, so the predators couldn't rely on the deer that they were supposed to eat because they could get away. Well then they started relying on the domestic animals for food. This year with the amount of snowfall and the amount of deer in the area, the deer were easy

game for the predators, and they lived high on the hog on the deer. We saw just numerous amount of carcasses where the wolves and the predators have been feeding on. So this year the numbers are definitely going to be down as far as kills to livestock.

In our talks at Mayfair and other talks, we looked at the predator problem mostly in the wolves, the bears, the coyotes, and stuff, but we didn't want to go anywhere near the problem with cougars. Has the department looked at this? And have they come up with any recommendations regarding the cougar problems in the area? And there is cougar problems.

Mr. Phillips: — And I'm not right up to date on the last month or so of work that may have gone on, but Mike Gollop, our fur specialist who is working with the communities up there, there was a trapping training session held about a month ago. And I know that he was providing information on . . . There's at least one person that has dogs, like cougar dogs that can be brought in to . . . And we'll make those contacts, make those arrangements where there's a report of a cougar in the area. But I don't have any current information on, you know, recent cougar reports in the area. Be helpful to have that information if there is, you know, more occurrences.

Hon. Mr. Nilson: — I'll just add that if you look at the *Hunters' and Trappers' Guide* on page 5, there's a picture of a cougar. So it's a recognition that they're here.

Also, I would point out to you and to all the people who are watching this evening that one of the additions to the hunter and trapper guide this year is a whole page on "Have A Heart-Healthy Hunt." In other words, make sure that you prepare, train to go hunting because many people who are out hunting go and get involved in strenuous exercise without thinking through how much of a challenge it will be to their body. And the Heart and Stroke Foundation of Saskatchewan has been quite helpful in providing that information for us. So just encourage people to take a look at that if they're going to go hunting.

Mr. Allchurch: — Thank you, Mr. Minister. Well just in regard to the cougar issue, just a mile south of my farm — I only live two and a half miles west of Spiritwood — just a mile south of my farm, my neighbour and his kid were out quadding and they seen a cougar with two cubs. And these people are avid hunters so they know what they're looking at. It's a four-legged cougar and it is a cougar and it has two cubs. The farmers in my area now are a little concerned, but with the amount of deer that's in the area, hopefully they will stay eating the deer and they will leave the domestic wildlife alone. And hopefully, they'll leave mine alone. If not, I may have to bring you one to show you exactly what they look like really.

In regards to the meeting that took place in Spiritwood — I believe it was end of January where there was a demonstration and a meeting — and I want to say to you, Mr. Minister, and the officials, that everybody that took in the demonstration appreciated it. They would like to see it done again but if they do it again, if they would look at doing it in end of November, first part of December.

The reason is, is because in end of January, people are calving

cows already, and they're trapping also. So to have this information before the trapping season starts, it would be advisable to have it earlier in the year rather than later. But I just want to say on behalf of the people attended that meeting, it was a very, very good meeting. They all enjoyed it very much. And thanks to whoever set it up. It was great.

Under hunting regulations, especially big game regulations, I didn't know that this was a problem — I've heard some people talk about the problem with boundaries — until I experienced it myself this year. I got drawn for antlerless elk, and I went hunting. And I got lucky and fortunate, and I took a cow. And it tasted real good.

But some of the experiences I went through trying to . . . [inaudible] . . . what boundary versus another one. The finding of the zones is not marked properly. In other words they're not using grid roads or boundary roads for some areas. They are using an imaginary line in the bush. And it's kind of hard to . . . [inaudible] . . . where that boundary starts, and when it doesn't start.

I would recommend that the department look at the different zones, and I'm speaking of zone 67. And it's an area north of St. Walburg. The yellow there, if you're going by the map, the yellow is the area where the farmers are, where the land is privately owned, and the green is the forest boundary lines. Well if you go to the north end along the highway going north from St. Walburg to Loon Lake, you go along that highway, there's a grid road there. So most people in that zone were using that road allowance as the boundary. Well that's not the boundary. The boundary is a half a mile into the bush, on the south.

So we were fortunate that we went down into that area where we took our elk, but we were very close to the borderline. So when the COs [conservation officer] come up to talk to us about this, I made mention that I was going to raise this in estimates with the minister regarding where the boundary lines are. They're not shown. And when I brought out the synopsis, because I had the synopsis with me, it doesn't really give you an idea where that line is.

And one of the comments from the COs was, well get an RM map. Well an RM map does not . . . [inaudible] . . . where that zone is. That's an RM map. So the problem that's arising with a lot of hunters is somewhere along the line there has to be signs put up as to . . . [inaudible] . . . where that boundary is or they use a simple figure as boundary roads. It makes it very simple.

Hon. Mr. Nilson: — Thanks for the suggestion. I think we'll take a look at it and figure out if there are other problem areas. But clearly you've identified one that could cause some troubles. And I think practically the roads would probably be one of the best. Kind of roads and creeks and rivers are probably the best boundaries.

Mr. Allchurch: — Also to that, Mr. Minister, is when the ministry changes the boundaries. In other words, they'll move a boundary 2 or 3 kilometres to one area or not and they do make the changes. A lot of people that have hunted the area still think that the old boundaries are the ones, without checking. And then they find out — sometimes in a tough way by the

pocketbook — that they're in the wrong zone. And yes, they're guilty because they never looked at the zone to see where it was moved.

But when they move the boundaries back and forth, surely we should set up some kind of a signage program to . . . [inaudible] . . . where those boundaries change. And it's not just me but I experienced it this year — and it's the first time I've hunted for many years — and I can see where some of the area hunters get a little frustrated with when they go hunting simply because they don't know where they're hunting and they don't have time to spend checking to see where their boundaries are. They feel that the boundaries are close to that area and they go and they hunt and it could cause maybe problems down the road.

It's just one area that I thought that the ministry may want to look at to change that policy because I talked quite extensively with the COs from Loon Lake that day in regards to this. So if you need any information, you can also phone them.

Another problem I have with the big game synopsis and that's in regards to when hunters take their game. After they shoot it and it's down, the first thing they do is they want to skin it and remove the stomach and stuff. According to people that have phoned me that if a CO comes upon you and you're doing that — field dressing an animal — if the tag is not in place, you're charged. And I know a few cases where this exactly happened.

I just find that ironic and I find it gone way too far. Surely to goodness the most important thing on a hunter is to remove the stomach and stuff. That's part of field dressing. I think every hunter that we know has been taught that, even from an early age. But to have it that the first thing you have to do — and I believe in the synopsis it states that the first thing you have to do is tag the animal — I just believe that's just going too far.

Now I don't know if it's just a problem with a certain CO with the hunters, or maybe it's the hunters. Maybe they got off to a bad foot at the start. I just think if it's in the synopsis — and I was told it was — that I think we're going just a little too far and there needs to be some changes made to address that issue.

Mr. Phillips: — As a hunter myself, I usually field dress my animal before I attach the tags because you put it to the rib cage and you need to open the animal to get to it. So you know, that sounds to me like it's taking it a little far, unless there's some other information would suggest something illegal was going on.

Mr. Allchurch: — Well like I say, I don't know if it's in the synopsis. I can't find it but maybe it's in there. I don't know.

Mr. Phillips: — Well there is a page that's mainly directed to explain to hunters how they use the adhesive tags and it shows the meat tag going through the tendon on the back of a leg as opposed to the rib cage where most hunters prefer to put it. But it describes how to attach the tag. It doesn't give the specific instruction as to it must be immediately tagged before you field dress your animal.

Mr. Allchurch: — Like I know they follow that when they put the tags on. The problem is though, if they don't tag the animal first off then they can be charged. And I just think they're going

a little too far.

Mr. Phillips: — We normally rely on our conservation officers to exercise good discretion because, you know, every circumstance is different and they need to make an evaluation of whether something funny is going on or if it's just people that are making a mistake or if there's, you know, how it's going on. And if there is overzealous enforcement activities, we appreciate hearing about that and we can coach and instruct our officers.

Mr. Allchurch: — I think that if this though is in the synopsis . . . Like I say maybe I'm wrong. I can't find it but I was told it was in the synopsis. If it is maybe the minister, you may want to look at that because I just think if it's stating in the synopsis that it's got to be tagged first and foremost before you start field dressing the animal, I just believe that's just going a little too far.

Hon. Mr. Nilson: — Well I think it's on page 9 in the book there, at the bottom. But I think the point you're making is that it's important to follow the rules but also to do it in a reasonable way. And so I think that's the intention of anybody who works in this field as well. So if there have been some problems then I'm sure Mr. Phillips will ask about it and something can be talked about when they get together as officers.

Mr. Allchurch: — Thank you for that, Mr. Minister. Another line of questioning I have is in regards to something my colleague, Dan D'Autremont, brought up and that's with CWD, and I notice in the synopsis that the counts, and you made mention of the number of counts with CWD to Mr. D'Autremont. But I notice in 2006 there was 47 new positive cases that were found in five different areas of the province. That is a fairly large increase in the number, is it not? What is the department doing other than having herd management hunts? What is the department doing in regards to CWD in trying to control the disease that we have in Saskatchewan?

Mr. Phillips: — Well the number, the proportion in the animals sampled is about similar to what we've had in past years. What was most troublesome was two new areas of occurrence; one south of Saskatoon by Dundurn, the other was closer to the other areas. So it's telling us that, you know, the occurrence of the disease is perhaps spreading.

We are doing a few things. We're co-operating with Alberta in a research study, looking at deer dispersion and movements so we can get a better idea of patterns of movement of animals. We've also assisted in some depopulation efforts in various areas — not this past winter but the winter before assisted Alberta in the Empress-Leader area with depopulation.

To answer your question, where are we going with this in the future — we're doing an evaluation now of these results. And we've done this each year, typically in discussion with landowners and RMs in the affected areas as to what should be the next thing that's done.

Alberta launched a very aggressive depopulation effort this past February and March, just west of the Saskatchewan boundary and north of the Saskatchewan River. Their circumstance is a little different though because it's right on the very edge of

what's known as the Canadian distribution of this disease. And much like rat control, I think they're trying to keep it from moving in.

Our circumstance is different. We're also working closely with the CFIA, Canadian Food Inspection Agency, and Saskatchewan Agriculture and Food on an animal health program that's taking shape that would deal with wild animal health as well as livestock health. These prion diseases increasingly are of concern to the livestock industry, not that there's any knowledge that CWD is transmittable to livestock, but the federal government is interested in it as well.

And there's further research going on at the University of Saskatchewan on prion disease to get a better understanding of diagnosis techniques and, potentially in time, some kind of a vaccination system. This would be more for domestic animals. Obviously we wouldn't be necessarily vaccinating wild animals. But there's a lot of research going on and we're adapting the program year to year to accommodate what are changing circumstances.

In the United States and in Wisconsin, they've undertaken a massive effort to try and decrease their white-tailed deer population. We're not seeing evidence that it's, you know, it's eradicating the disease from their population so we need to find other ways to think about this, I think.

Mr. Allchurch: — Thank you for that. I noticed in the numbers that the mule deer, seems like there's more mule deer getting CWD than white-tail. And I know it's probably in the white-tail but the 47 new positive cases, is that just white-tail or is that white-tail and mule deer?

Mr. Phillips: — There was 27 were mule deer and 20 were white-tailed deer and we have white-tailed deer occurrences . . . I'll back up a little bit. The first detection was in the Saskatchewan River Valley near Sask Landing Park. Predominantly a mule deer population in that river valley and that's where we were picking up the majority of the early cases although there were white-tailed deer cases there as well. In the Love area, northeast, northwest of Nipawin, it's I think it might be 100 per cent white-tail actually at that location so the disease will go in either species.

I think it's more a reflection of, you know, where the disease first occurred and what deer were in the area as to the proportion. So we're seeing more white-tailed deer in the forested zones where it occurs and more mule deer in the South and a higher, longer period of occurrence in the southern part of the province where the mule deer samples have been generally coming from.

Mr. Allchurch: — In this new area west of Dundurn, zone 29, is there any game ranches in that area that you know of?

Mr. Phillips: — I don't know. I don't know the answer to that as we speak tonight. It would be a question of, are there game farms in the area? And also, where have the occurrence areas been for the chronic wasting disease outbreak that occurred in domestic farmed elk a number of years ago? We're looking at that. I don't know the answer tonight.

Mr. Allchurch: — Well if you could get back to me, I'd appreciate that. The reason I bring this up is because for a number of years they always contribute CWD and the spread of CWD as a result of game ranches. Being that this area, Dundurn, west of Dundurn, is a new area where CWD is prevalent now, if there's a game ranch in the area or game ranches in the area, it would be a good case to test to see if it is transported through game ranches. That's been the myth for some time and there's never been any proof to prove that. If there's no game ranches in the whole area, then how does CWD spread?

Mr. Phillips: — The science on this is continuing to evolve. There's some suggestion that it's either by nose-to-nose contact or potentially through surface water sources, you know, so if an infected animal drinks from it.

But it's also the case that under some circumstances, deer do travel a long distance. As an example, mule deer in the Missouri River Breaks south of the province, there was 49 of them tagged about 8 or 10 years ago. All but one of them travelled up to Grasslands National Park to fawn in the spring and that would be a distance of, you know, well it'd be 120 kilometres anyways. That's one reason why this deer movement study is important because it, you know, if an animal could, if two animals moved 120 kilometres and contacted each other, that's a long distance between their two source areas. So animal to animal, but also migration of animals could have an effect.

Mr. Allchurch: — It's good to know. I thank you for that. Another area that has reported CWD is zone 47 south of Thickwood Hills. And I look on the map. Zone 47 I'm sure . . . Is not Thickwood Hills in 54?

Mr. Phillips: — Was the zone 57?

Mr. Allchurch: — No. It's says zone 47.

Mr. Phillips: — Okay.

Mr. Allchurch: — Thickwood Hills . . . The way they've got the zone, 47 is Thickwood Hills area. To my knowledge Thickwood Hills is in zone 54.

Mr. Phillips: — Okay.

Mr. Allchurch: — You know that's just a new area also that's just been cited up as a new area for CWD and it's not very far from home.

Mr. Phillips: — We do have maps that identify the locations of all the samples dating right back to first occurrence. We could certainly provide those, even electronically. It's a file that, you know, it's updated periodically as we get new results. That is something you could commit to sending.

Mr. Allchurch: — If I could get a copy of that, I would appreciate it. Thank you. In regards to the CWD problems and also the problems with illegal, trafficking of illegal horns. And I know I've talked to many COs and the illegal trafficking of horns out of Saskatchewan to well basically United States is becoming a huge, huge problem and I think the ministry knows that.

Another point I want to make is the fact that Saskatchewan is one province that has CWD. Alberta has a little bit along the fringe of the border. To my knowledge, Manitoba has no CWD other than one case that was just announced not that long ago in Manitoba. But I believe the animals that were affected came from the Yorkton area, to my knowledge. Is that correct?

Mr. Phillips: — It's actually closer to the provincial boundary than Yorkton. It was just right on the boundary essentially.

Mr. Allchurch: — So with that, Manitoba is CWD free. Alberta is potentially CWD free. Saskatchewan is definitely not. And of course the United States is not.

In regards to the illegal trafficking of horns . . . And I know the COs, when they're talking about this, said that they have a great difficulty controlling it. And so I thought, well if the COs are having a great deal of difficulty, if every animal that wants to go across the border into the United States — and I made mention of this in Bill 52 — why couldn't the department test every animal that goes across the border to the United States for CWD? It's a fair test for every head that wants to be taken across. And I'm sure if everybody gets the animal tested that wants to take it across, they will give up the time to get the head tested. Any other horns taken across the border then become illegal horns.

So you narrow it down. But at least you have something that is fair to everybody — not just certain people, everybody — that every head taken out of the province has to be CWD tested. And talking to COs they said, you know, that's a help. It would give us some control of the amount of heads going out, that then we know that the more heads that are going out, those will be illegal horns.

It's just something that I thought about. I've talked with the wildlife federation regarding it, and I've talked to many COs about it. And now I want to present it to you because I think the COs need all the help they can, and your department needs all the help they can to curb the trafficking of horns out of the province because we know it is huge.

Mr. Phillips: — Manitoba has implemented that very policy that any animal coming in, you know, head coming back into Manitoba needs to be tested. And that's common practice for, like, receiving jurisdictions to set the conditions under which animals or animal parts can come into the province. In our case we have responsibility for import protocols, disease testing, and so on for animals that would be coming from Alberta or from wherever. I'm not describing this well, but like the recipient of the incoming product is traditionally the one who sets the conditions on what can come in, as opposed to, you know, what's leaving the province, from a disease point of view. I understand your point about antlers.

Mr. Allchurch: — Well I just think, now if you just said Manitoba's utilizing that now or working on something similar to that, wouldn't it be in the best interests of the province of Saskatchewan through this department to try and piggyback with Manitoba in regards to this? It would definitely be a help and a benefit to your officials in the field to give them some more lever to control the illegal sale of horns across the border.

Hon. Mr. Nilson: — I think I should point out though that the Manitoba program is for heads coming into Manitoba, not ones going out of Manitoba. So that's where they put up their protection. So I mean, we could have that kind of a policy here in Saskatchewan, but it wouldn't accomplish what you're talking about. But I appreciate the thought that you've given around some of these policy issues, and I know that you talk with a lot of local people about what are some of the things that can help.

And so this idea will be worked at to see if there's some way to deal with some of this. But it's not as simple as it sounds, I think, and we've had a number of, you know, very difficult issues arise around the antlers going to the States for example. But I appreciate the thought you've given to this, and we'll look at that specific idea that you've raised.

Mr. Allchurch: — Well thank you, Mr. Minister. Being that Manitoba has that policy in place with incoming heads, Saskatchewan, I think, could look at a policy very similar to that as at least a starting point, but then they could go further with the sale of horns out of the province and tie that into it. And it would sure, I think, it would be a great benefit to not only to your department here but especially the COs out in the work area that have to put up with this because it is our resource, and we're losing big time in this resource.

Because when you start looking at the horns in Saskatchewan — whether it be mule deer, especially white-tailed — we are number one in the world. There's no question about it. And I experience that with the land that I own and the amount of hunters coming in. It's nothing in hunting season to just see an enormous amount of people from British Columbia, Quebec, and all over in our area hunting. And now we see numerous amount of people on our land just looking for sheds. They don't get permission; they just go. And there's a numerous amount of people from the States up doing the same thing. They know that Saskatchewan is a haven for big horns, especially around the Spiritwood area. And we're having a lot of problems.

But anyway I just want to pass those comments on to you. That's all the questions I have for the minister and his officials tonight, and I thank you for your answers.

The Chair: — Thank you very much, Mr. Allchurch. I'll recognize Mr. Hart.

Mr. Hart: — Thank you, Mr. Chair. Minister, I just have a few questions on a couple of topics. The hour is late, and we'll try not to stay here too much longer.

The first issue that I'd like to raise with you — and I did raise this issue with you briefly the past number of months; I believe it was last fall — it has to do with the Brightsand Lake area. I'm looking at an email letter that was sent to you from Karen Albert of Edmonton. I believe this individual is a spokesperson for cottage owners on the south end of Brightsand Lake.

And briefly just to summarize, the issue is apparently the shoreline has receded, and a sand berm has developed and established a new shoreline. But there is a depressed area on the south end of the lake where stagnant water collects, and various weeds and foxtail grass and those sorts of things have grown

up. And the residents, the cabin owners in that area would like to go and clean that area up, take very similar action to what took place on the north end of Brightsand Lake by the regional park people. And apparently they are being prevented in doing so.

And Ms. Albert has written to you dated February 13 of this year outlining the situation and asking for your assistance. She states in her letter that they are having some problems with local conservation officers in the Lloydminster region, and they aren't being helpful, and so that's why they're running into some problems.

And I wonder if you or your officials could address this issue as to why these people are being prevented from taking some action similar to what the regional park did on the north end of the lake.

Hon. Mr. Nilson: — Well I don't have all of the information with me tonight, but I know some of the facts around this particular case. But basically when you start dealing with the shorelines of lakes and streams, you get into fish habitat area which means then that it's co-operative work with the federal government, Department of Fisheries and Oceans, around any kind of alteration to the shoreline.

Now I think normally mowing some weeds or something wouldn't be a particular problem. But sometimes there's much more that ends up happening, and that's when the Fisheries officers who are federal government employees start raising questions. Then some of our Environment people get caught into that particular situation as well.

I know we had similar questions on Good Spirit Lake a couple of years ago that were resolved when the water level came up. And as we've heard earlier this evening, we've got too much water in quite a few of our lakes. And this is probably one lake that has a little less water than it used to, so it's got weeds growing on the edge.

But I think, well you know, if we have the letter — which I know we do because I've seen it — we'll look at responding. And I might let Mr. Phillips add a little more about some of the processes involved here. And I just say, we have a memorandum of understanding with the federal government where we worked closely with Fisheries and Oceans people. We've worked at that for a while because we've had a lot of discord, if I can put it that way, but I don't think this is quite that.

Mr. Phillips: — Yes. If for a circumstance like you described, where it's a receded lake bed and there's weeds growing up and it's, you know, impeding the view or foot traffic down to the lake, normal procedure would be to contact the local office. Conservation officer would probably be the most convenient. And for routine mowing or, you know, raking up of debris and moving it out of the road, typically that's not a problem.

The issues that come up is when there's, you know, like cultivation of the lake bed or moving rocks out of the lake. That begins to infringe on the federal Fisheries Act prohibitions against fish habitat alterations. So usually simple cleanup and maintenance is not an issue; it's the permanent alteration that's

of concern under the federal Fisheries Act.

Mr. Hart: — Well just for the record I guess, in her letter Ms. Albert says that "We've had a terribly difficult time having the conservation officers in this area even discuss compromise to their very firm attitudes." So my interpretation of that would be that they just can't seem to get anywhere with the local officials as far as, you know, some compromise in this area. I guess also Brightsand Lake is a highly alkaline lake, and so the fish numbers are quite limited and that sort of thing, and however I guess there still are fish there.

I guess very briefly if you could just explain the protocol or the relationship between the federal department of oceans and fisheries. I know they have caused quite a number of problems throughout Saskatchewan, and it just, you know, I think the people of the province are wondering well, why oceans? We don't have oceans in Saskatchewan. And you know why . . . and this is I think a fairly . . . within the last 10 years I'm guessing that, you know, where did this all start? It's fairly recent in terms of relationships between the province and the federal government. And so could you just give us a chronology of where this all started and try and attempt to provide some rationale for this whole relationship.

Mr. Phillips: — I'll try and make a short story out of it because it could be a long story. Our federal colleagues always say with pride that the federal Fisheries Act was one of the earliest pieces of legislation that still lasts today. But in 1994 the province brought in a new provincial fisheries Act and argued successfully with the federal government that fish are an interest in water which is a responsibility of the province.

The federal government accepted that argument and withdrew all of their regulations pertaining to management of fish populations except for two important areas — one, fish habitat and the other, fisheries matters related to the treaty Indian and Métis people. So we're a little different in Saskatchewan than any other province. We have more of an ability to manage fish directly, but the federal government still retains their authority for fish habitat.

We're in the process of finalizing an administrative agreement with Fisheries and Oceans to better distinguish between which project types or which types of developments would naturally require a federal fisheries officer review and which could be completely handled by the province by referral to us. And typically it's by class of development so there's a series of . . . I think they're called best practices for culvert design or for things like we just finished talking about, shoreline maintenance, where that would be quite routinely handled by referral to our department.

The other projects that have more significant implications for fish habitat, there'll be a joint review required. So the intent is to make it more predictable for an applicant who they're dealing with and to sort out more clearly who has which responsibilities.

The other part of what you asked was, what happened with DFO [Department of Fisheries and Oceans] — all of a sudden they showed up. The federal government made a very deliberate decision to begin to exercise their fisheries mandate on inland

waters. I think it was about eight years ago or so. And they hired a number of fisheries enforcement officers, fisheries biologists, and so on who moved into prairie Canada.

Prior to that, we had no federal fisheries officers in Saskatchewan. They all were quartered out of Winnipeg. I think part of the initial difficulties were that they weren't acquainted with the way business is done inland. Their tradition is marine, and even the coast guard is part of their organization. And, you know, their style of enforcement and their approach to resolving issues was very . . . more like a military one than a collaborative one.

But they have recently realigned that inland program. They've reduced the number of federal fisheries officers significantly. I think they're down to five or six in prairie Canada. Most of their staff have either been reassigned or retooled, if you will, to be compliance helpers and biological advisors as opposed to hard-nosed law enforcement officers which the first group were.

Mr. Hart: — Good. Thank you for that. So I would take it from your comments then that we may see a somewhat less rigorous enforcement on the part of the federal department, which I think many people in the province would breathe a bit of a sigh of relief in that area. Certainly, as you stated there, I'm sure there's a legitimate role. But when they start causing problems with an RM installing a culvert between two small bodies of water where the chances of having a fish survive in those waters would be very limited, and so on. And of course, we've all heard the problems that RM councils across the province have incurred.

Just the last issue that I would like to raise this evening is a continuation of something that, an issue that I discussed with you back on April 4, and that has to do with the whole area of hunt farms and game farming and that whole issue. I guess, just to . . . I'll just briefly summarize some of our discussions that had to do with, particularly, the export of keeps and horns of foreign hunters — American hunters mostly — coming up hunting in Saskatchewan and then taking their trophies back with them. And I believe he indicated, when we had this discussion a month ago I guess, that the tag that's received when you buy a hunting license is the export document that hunters need to take their keeps and horns back.

Well what is the . . . And you also had indicated that as far as hunt farms, that your department really didn't have a lot of any responsibility in that area except that the issue of the hunters harvesting animals on hunt farms and then taking them back with them. What documentation do they require, if any? It seems to me it may fall under your jurisdiction or your department's jurisdiction.

Mr. Phillips: — I probably should've given him a more complete answer the last time we talked about it. The hunting licence constitutes sufficient authority for export of wildlife when the animal's accompanying the hunter back across the international border.

An export permit is needed if they leave their trophy behind and have it shipped at a later date. Now often people will take it to a taxidermist or something and then get it shipped. So the form that you had is a form that we've used to get the information

that's needed for that type of an export permit.

With respect to game farm animals taken on a First Nation, we've worked to try and help enable our colleagues at the international boundary to recognize what's, you know, legitimate wildlife going across the border. We had advised through the FSIN and some of the individual First Nations on the design of a licence. And we also communicated with the US Fish & Wildlife Service on the American side of the border that they could expect to see this type of tag in the future.

There were issues, there have been occasional issues of tags that aren't legitimate and we continue to work through our enforcement staff on trying to get in front of and on top of that issue. But for a person who's going home and leaving their wildlife behind, they'll need an export permit and that form is the application form for that export permit.

Mr. Hart: — That form, I believe last time when you looked at the form, you made a comment that it was a form that dated back to 2004, but it is the form that is still currently in effect to accommodate those types of situations?

Mr. Phillips: — Yes, and it's primarily used from our North Battleford office because it's mainly First Nations in that — our administrative area out in North Battleford — that the circumstances has arisen where hunters have left trophies behind to export later.

Mr. Hart: — So zeroing in on First Nations hunt farms and particularly the issue in the North Battleford area that's dealing with the Cree Nations Outfitters . . . That's the name of the business that the owner contacted me and raised these issues, Mr. Nordstrom. What I have been led to believe is that a hunt farm located on a First Nations, they — at least from their viewpoint — they feel they only need to comply with federal regulations, the CFIA regulations. Are there provincial regulations that they need to comply with? Like they have established their own, Poundmaker First Nation has established its own bylaws and apparently designed or issued tags to accommodate, you know, the hunting activities or the harvesting activities, I guess, on the hunt farm. What involvement or what responsibilities would the provincial government and your department have?

Mr. Phillips: — We have no authority on the First Nation so, you know, the activities they engage in with respect to outfitting or hunt farms is really their business. They'd be affected by federal, federal legislation.

Where we have interaction and concern is the movement of animals into, you know, across provincial lands on to a First Nation and making sure that they're properly disease tested and they adhere with import protocols to make sure that there isn't a new disease that's going to be moved into the province.

Typically hunt farms bring in trophy animals from other breeders and then their customers shoot them on the hunt farm.

We've been working with Canadian Food Inspection Agency and with Saskatchewan Agriculture and Food to try and come to grips with making sure that these import protocols are respected in the transportation of game animals. We initially

had some difficulty though because the Canadian Food Inspection Agency wasn't recognizing the interprovincial movement of animals as a matter of concern to them. Their interest is primarily a national one — in and out of the country — but we've had better progress recently.

Mr. Hart: — So just to be clear, hunt farm operators can bring animals from other provinces into Saskatchewan under the current regulations that are in effect — whether they're provincial or federal — provided they meet the health standards and those type of things.

Mr. Phillips: — Yes. And the testing protocols are different for different game animals. So for example for elk there'll be a particular regimen of tests that need to be done and a proof of those tests before the animal can be imported to the province. And likewise for white-tailed deer.

Mr. Hart: — So long as the importing parties follow all the protocols and regulations, there's nothing preventing them from bringing game farm animals in from another province into their hunt farms to be harvested by their clients.

Mr. Phillips: — That's right.

Mr. Hart: — Okay. Well I'd like to refer to a letter that we received from a Darrell Nordstrom, which is father of Carlin Nordstrom, the operator of Cree Nation Outfitters. Mr. Nordstrom, senior, lists quite a litany of problems that his son is having with officials of the department where Environment officials are posted or at least seen at the Saskatoon airport and have confiscated capes and horns from their clients. It goes on to list a litany of harassment of their customers and those sorts of things. And they don't seem to understand, you know, why this is happening.

You know, I raise this issue to . . . I'm sure you're aware of the case. And you know, I know there's always two sides to the story. And you know, you may or may not be at liberty to divulge what, you know, what the department's concerns are. But for the public record, I . . .

Hon. Mr. Nilson: — I think let's take a step back from this. Basically the issues that relate to the hunt farming are dealt with in Saskatchewan Agriculture and Food, and Saskatchewan Environment provides some advice clearly on this, and then the Canadian Food Inspection Agency. So all three parties are working together. Those three parties have been working together with the FSIN because there have been a number of these issues related to some of the First Nations.

The real issue is the health of the population, the provincial resource. And some of the activities that have been intercepted or dealt with relate to an overall concern about the transport of the animals without all of the proper protocols being followed. And there's a whole number of things there that are presently being examined quite carefully. And I think that if we just remember why it's being done — which is to protect the health of the wildlife in Saskatchewan — then we need to wait and see how these things play themselves out through the appropriate dispute resolution processes.

And so I think that we've got the people who are the

professionals in this area, whether it's biologists, research people, the enforcement people, the people working with the First Nations, with the food inspection across the country, all working on this. And I don't think it serves us well to get in the middle of this while they're trying to sort this out. I think everybody will be given an appropriate chance to tell their particular side of the story. But as long as we remember we're doing all of this because we're concerned about the overall health of the deer and elk population in Saskatchewan, and that's why we as a community, as a legislature, bring in these rules that are being enforced.

And we know that under our constitution that there are many rights that First Nations have that are regulated through the federal government, and this is a particular area where not all the rules have been entirely clear. But I think everybody has the same goal, is let's not have disease or unhealthy things happen to the overall population.

Mr. Hart: — Well Minister, you know, I certainly have to agree with you that, you know, we don't want to jeopardize, you know, the overall health of wildlife and other game farm operations and those sorts of things. And if, you know, people aren't adhering to proper rules and regulations, I mean I certainly don't condone that. I mean everyone has the . . . If you're going to be in the business you need to live up to the responsibilities.

But on the flip side of it I think we need to be also cognizant of the fact that this type of a hunt farm activity as far as an economic development activity in that region of the province — and in fact for many First Nations — has some huge potential. I've been provided with copies of support from, you know, satisfied clients who feel that, you know, that if the way they're being dealt with by provincial officials continues, you know, they just won't be coming back to Saskatchewan, period — and so on. And so, you know, we need to recognize that.

I'm not advocating that we short-circuit in any of the safeguards as far as disease and proper protocols and that sort of thing. You know, as I said I've heard the one side of the story. I thought I would, you know, raise this issue because there are always two sides of course. But I would just urge that we deal with this as quickly as we can in as fair a way as we can so that we don't negate some of the opportunities for economic gain and economic development, and particularly with that portion of our people that are really looking to develop something new for themselves that, you know, can provide some real opportunities for a number of people that wish to get involved in this industry. And that's the purpose of me bringing these issues forward.

Hon. Mr. Nilson: — No, and I appreciate that. But I think that what we need to remember is the overall purpose of legislation in this area. The hunt farms are an area where we've put in some fairly clear regulations and they need to be followed. We need to look at what happens through the Canadian Food Inspection Agency, and we need to make sure that the various protections that we have through Saskatchewan Environment are followed.

If people want to get involved in these kinds of businesses, the rules are there. And as we all know, when you understand why

the rules are there it's much easier to comply with them. So I encourage anybody that you talk to, that you should encourage them to sit down and understand why these rules are there. It's for the protection of a resource for the long term. It's not for something that's going to happen in the short term. And we won't apologize for enforcing rules that we've all brought forward because they are important for the health of this particular industry.

The Chair: — Thank you very much, committee members, Mr. Minister, and your officials. We have now reached the hour of adjournment for this evening. So on behalf of the committee, Mr. Minister, I'd like to thank you and your officials for coming this evening and providing answers to the questions asked by committee members. And, committee members, with that this committee will now stand adjourned. Thank you.

[The committee adjourned at 22:31.]