



# **STANDING COMMITTEE ON THE ECONOMY**

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## STANDING COMMITTEE ON THE ECONOMY

Mr. Don Toth, Chair  
Moosomin

Mr. Trent Wotherspoon, Deputy Chair  
Regina Rosemont

Mr. Fred Bradshaw  
Carrot River Valley

Ms. Jennifer Campeau  
Saskatoon Fairview

Mr. Larry Doke  
Cut Knife-Turtleford

Mr. Bill Hutchinson  
Regina South

Ms. Victoria Jurgens  
Prince Albert Northcote

[The committee met at 15:00.]

**The Chair:** — Being now 3 p.m., we'll call the Economy committee to order. I'm Don Toth, the Chair of the committee. We're joined today by Cathy Sproule, who is filling in for Trent Wotherspoon; other committee members Fred Bradshaw, Jennifer Campeau, Larry Doke, Bill Hutchinson, and Victoria Jurgens.

This afternoon we will be considering the estimates for the Ministry of the Environment. And we will begin with the consideration of vote 26, Environment, subvote (EN01), central management and services.

**General Revenue Fund  
Environment  
Vote 26**

**Subvote (EN01)**

**The Chair:** — I will invite the minister responsible to introduce his officials and make his opening remarks. I recognize the Minister of the Environment.

**Hon. Mr. Cheveldayoff:** — Thank you very much, Mr. Chair, and good afternoon to all committee members. Joining me this afternoon from the Ministry of Environment: Cam Swan, deputy minister; Lori Uhersky, assistant deputy minister and environmental support; Kevin Murphy, assistant deputy minister of resource management and compliance; Erika Ritchie, assistant deputy minister, environmental protection and audit; Laurel Welsh, executive director, finance and administration; Steve Roberts, executive director, wildfire management; Bob Wynes, executive director, forest services; Jennifer McKillop, executive director of landscape stewardship; Wes Kotyk, executive director, environmental protection; Kevin McCullum, chief engineer technical resources; Ed Dean, acting director of climate change; Thon Phommavong, executive director of RBR [results-based regulation] and code management; and Sharla Hordenchuk, director, environmental assessment.

I want to start off, Mr. Chair, by thanking the committee for all the great questions that they asked last session. In my opinion, they'd be hard pressed to do any better than they did last time around. So we'll see if that happens or not. But with that, Mr. Chair, I look forward to our hour together.

**The Chair:** — Okay, the floor is now open for questions to the ministry. I recognize Ms. Sproule.

**Ms. Sproule:** — Thank you very much, Mr. Chair, and thank you, Mr. Minister, for those comments. And certainly hope we can rise to the challenge again. Certainly have appreciated the forthrightness of you and your officials in terms of the questions that we've asked.

And don't have a lot of time here today, but I do want to follow up on some of the discussion we had on March 31st regarding landfills and the Environmental Code, in particular in light of some further comments that were made in Public Accounts when the auditor was providing comments as well in terms of

the auditor's recommendations.

But just a general question on landfills to begin with is, what is your ministry doing in regards to methane emissions from landfills?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. It's an area of importance. Methane emissions are something that we look at very seriously in the province.

What we are doing is primarily working with the city of Saskatoon. It's the largest landfill and it is, the methane is in excess of 50 000 tonnes of CO<sub>2</sub>. So we're working with them to develop voluntary performance agreements.

We are furthest along with the city of Saskatoon. There are some preliminary discussions with the city of Regina, with the purpose being to establish offset credits to contribute to reducing overall emissions. So we're working very closely with Saskatoon, some preliminary discussions with Regina, and certainly learning all we can to further this.

**Ms. Sproule:** — I thank you for that. In terms of these voluntary performance agreements and the Environmental Code that's coming forward, will these be located in the landfill chapter in the code, or in any chapter as far as that goes?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. It is indeed, the monitoring of it is indeed part of the proposed landfill code chapter that is part of the proposed Environmental Code.

**Ms. Sproule:** — Thank you for that confirmation. I know there's been some discussions recently in Public Accounts Committee on April 30th. And as well when we met last on March 31st, we were talking a little bit about the auditor's recommendations found in, I believe it was chapter 29 of 2013 volume 2.

And I know the minister indicated there's a number of balls in the air, and I think Mr. Kotyk as well indicated that in committee. One of the things Mr. Kotyk said in Public Accounts Committee last week was that this is an evaluation year and hopefully we have enough resources.

We know the code was supposed to be in place in 2012, and then it was supposed to be in place in 2013. We're now into 2014, and it appears you're at a point of evaluation. So the first question I want to follow up with that is, why is it taking so long and why don't you know whether you have enough resources in place to go forward with the recommendations under the auditor's chapter?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. The question regards discussions that took place in Public Accounts.

Unfortunately I wasn't able to attend the Public Accounts meeting, but recommendations and discussion that took place there . . . The particular comment that the member asks a question about, it was taken in the context of the creation of the new unit that will deal with landfill chapters. And I just want to

be clear though that the Ministry of Environment and the new unit that has this responsibility will be addressing all nine of the auditor's recommendations. And the comments made about prioritizing and priority would be to just rank them from the highest to lowest priority. But indeed the undertaking is to address all nine recommendations from the auditor.

**Ms. Sproule:** — And maybe if you could provide a little background information on why this is taking as long as it's taking.

**Hon. Mr. Cheveldayoff:** — Well I think we got into it last time about the Environmental Code and the time that it is taking. It's all about consultation. It's all about asking people if they have any concerns and taking the time necessary to answer each and every concern.

They're very complicated chapters, they're very . . . the chapters have not been updated for a long, long period of time and, in our consultations, there have been concerns expressed. And we want to take the time to deal with each and every one of those concerns so we can be confident, when the document is presented to the legislature, that it's done so in a fashion that will represent the concerns of Saskatchewan residents and will have the confidence of the government going forward as well.

**Ms. Sproule:** — Thank you, Mr. Minister. I do want to focus specifically on landfills at this point in time. And I know you mentioned last time, there was I think 19 chapters that you're looking for in the code and some are in varying statuses of development, as far as the Environmental Code goes.

As far as monitoring comments from the auditor, we're looking at a period from two years ago. So that's the concern I'm raising, is why is that taking so long to respond to when we see you establishing your landfill unit only this year, where these comments came at least a year ago? Okay, I'll leave it at that, and then I have other questions in addition to that on the landfill chapter.

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. And the member will know that the Ministry of Environment and the Water Security Agency undertook a formal reorganization back in October of 2012. It was a vast undertaking where individuals moved from the ministry to the Water Security Agency, and it was designed to complement the 25-year water security plan. So that was indeed a top priority at the time and continues to be today.

The formal auditor's recommendations came in December of 2013. And so in the middle of this reorganization that was taking place, recommendations came from the auditor, and of course those are taken very seriously. So within that, decisions were made to come up with the unit that would be dedicated to landfills. And now the next step is to prioritize the recommendations and to task that unit with addressing all the recommendations.

[15:15]

**Ms. Sproule:** — Thank you very much. In terms then of the chapter on the landfill, and I would assume the liquid domestic waste disposal chapter as well, I know you indicated when we

last discussed this that there was some chapters that are requiring more consultation than others. And can you identify whether the landfill chapter and the liquid domestic waste disposal chapter would be two of the ones that are either . . . Well, what status is the consultation at on those two particular chapters? Are there more consultation taking place or is that complete?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. And in a general sense, the landfill chapter and the liquid domestic waste would be ones that we have experienced more dialogue with communities around the province and organizations around the province. So they would be at the higher end of the scale, as far as the work that we're doing and the consultations that are taking place.

**Ms. Sproule:** — Can you provide the committee with some examples of some of the, I don't know if the word's contentious or more difficult issues that these chapters are presenting to your ministry?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. Certainly some of the contentious issues or issues that we go back and forth on are understanding the costs and the liability and compliance issues as well. So communities naturally have recommendations in place and, you know, have been looking at the information that they have before them, and some of it goes back to the 1980s. Some communities have been following the information closer than others. But we certainly have some explaining to do as far as the costs go and liability and compliance. And oftentimes we are able to relax the fears of communities once we get into the details.

Another thing that communities ask us for is time to adhere to the compliance issues as well, so compliance timelines. Of course communities want us to be as generous and flexible as we can on those timelines. And certainly that is our undertaking as well, realizing that this can be a large undertaking for an RM [rural municipality], or a town, village, or city.

**Ms. Sproule:** — Thank you very much. For those timelines are there any . . . I'm just wondering how long you've extended them into the future then? Like what is the latest that you would extend a timeline in order to bring the chapter into existence?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. And it really depends on the community, and it is a function of the complexity of the additional responsibility for that community. And that would have a direct reflect on the compliance timelines.

It's important to note that during this period of time, it's not only compliance issues that they're talking about, but certainly there's an education process that is taking place as well, educating RMs and towns and villages and cities about the current requirements that are in place and what the code would do. And in fact, in many instances the code wouldn't change a lot of things. It would just codify regulations that are in place, and that would take time to adapt to.

So compliance timelines, an example, you know, would be like, say a community of 2,500, it could take several years to comply with a change or something that is quite complex. You know,

on the smaller side or the less complex side, it could be a number of months as well. So it's really a range of the community itself and their capabilities, and then the complexity of what's being done.

**Ms. Sproule:** — I understand that a lot of communities feel like they're in limbo right now because they don't know where they're headed, what the code will look like, and how it will be different than the existing regulations. So there's a lot of concern about where this is all going. And so based on what you're telling us now, it seems like there's a bit of, well, I'd say confusion. Maybe that's too harsh a term, but certainly a lot of uncertainty out there right now, and I'm hearing that from communities as well. And I think, you know, based on your response it appears that that uncertainty will continue into the future. That's of concern to communities as well. I think people are looking for finalization on this chapter.

And one of the things that you just said is that the code will codify regulations that are in place, but I don't understand how you can codify regulations because regulations are actually a higher level of order than a code. So could you explain what you mean when you say you will codify regulations that are in place?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the opportunity to clarify. What we're actually codifying is the standards that currently are in place in current regulations. And on the other part of the question, certainly that education part of it is, we feel, very important. And if a community is expressing some frustration on the time that it's taking, we're certainly willing to discuss things with them. And we find that's time that is well spent because educating communities about current regulations and what the code would possibly entail, we find at the end of that discussion there's a much greater understanding on behalf of communities.

But we feel, you know, it is time to bring the Environmental Code forward. And we're just in the finishing processes of doing that and hope to see it here very shortly.

**Ms. Sproule:** — Thank you. I have time for a couple of more questions. My colleague from Athabasca is going to be asking some questions as well in our short time together. It's always too short.

I'd like to ask a couple of questions about shale gas. There was a recent report done by the Council of Canadian Academies which states that there's a profound lack of data about shale gas extraction, which makes it very difficult to form an informed, science-based, objective conclusion about its impact on the environment. And I'm just curious what your government's doing in response to this report. Have you taken any steps to make sure that adequate research, data collection and assessments and monitoring is done to mitigate any environmental damage as a result of shale gas extraction?

[15:30]

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. And indeed the report that the member references is something that Ministry of Environment is looking at currently and continues to work with colleagues from across the country.

Canadian Council of Ministers of the Environment is an organization that I'm quite involved with. It involves all the ministers from across the country. And from that, it was a topic of discussion in our last face-to-face meetings that we had in Alberta, and from that, committees of officials are sharing information.

Right now New Brunswick is the lead province on it. They are doing the vast amount of the research, and we're certainly sharing information with them as the lead. The report that the member references, getting into the details of it, it really talks about some concern regarding shallow gas fracking and shale gas that's in a shallow area.

And really in Saskatchewan we've been fracking and looking at shale gas for the last 40, 50 years in the province. And we're fortunate in that most of it is in a deep situation here in the province, so we tend to have less concern of what's happening in Saskatchewan, as opposed to what the report is talking about. But nevertheless, we're trying to learn as much as we can from the report and from colleagues in other jurisdictions as well.

**Ms. Sproule:** — Thank you. One more quick question from me. I understand that during oil development activities there's a considerable amount of flaring of natural gas and also venting of methane gas, both of which are contributing quite heavily to emissions of greenhouse gases.

Is the minister doing any research in this area and looking at any regulations or laws that will, you know, mitigate the impact that this venting and flaring is having on our greenhouse gas emissions?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. Indeed it's something that again we're taking very serious. And we're working with other ministries; others are involved as well.

But with the specific question about methane, we're working on voluntary performance agreements with companies in the province. And we're also working closely with the federal government on the . . . It's called BLIERs [base level industrial emission requirements]. It's the base level emission requirements that we want to monitor and want to understand. And certainly that's something that we're working towards.

But you know, thinking back to my time when I was SaskEnergy minister as well, and I know SaskEnergy takes great pride in the work that they do to lessen the flaring that takes place and to undertake the best outcomes for the environment possible. So right now we're working on voluntary performance agreements, working with the federal government and continuing to enunciate our concern about this method of releasing gas into the atmosphere.

**The Chair:** — I recognize Mr. Belanger.

**Mr. Belanger:** — Thank you very much, Mr. Chair. I just want to, if I can, just quickly make a statement in reference to a property in my constituency. And then we have about five or six questions, quickly. I'll do it as quickly as we can because of time constraints.

But the property in question is the former Gulf bulk plant, which is referred to as outlet A73, or 77311. And it's actually on the property, I think it's referred to as section A at Beauval forest. But in general, people know that it was a Gulf bulk oil and gas plant.

Now over the years this plant of course stored tanks, and in those tanks were a number of fuels. And over time of course there was contamination. And this property was eventually sold to a gentleman by the name of Mr. Don Lay. And for the record, Mr. Lay has been working with the province to try and get the site cleaned up. And ConocoPhillips is the parent company of the company that actually had those storage facilities, including those storage tanks on site.

So Don, being a businessman, was really trying to get the site cleaned up. And he was under the premise or the knowledge that in general when you look at the environmental integrity, or integrity of our province, that there's basically a principle of polluter pays. If you have property and you pollute your property, and then you should pay the cost.

Don understood that particular value of Saskatchewan overall. So he worked with ConocoPhillips, and ConocoPhillips and the province worked together. And they begin to put in a corrective action plan which I'll refer to as CAP. And this corrective action plan was actually . . . I think it was paid for by ConocoPhillips. And ConocoPhillips did an environmental study of the actual property. They hired a company called WorleyParsons.

And WorleyParsons, which I'm assuming is a resources and energy consulting firm, but basically what the report indicated of WorleyParsons is they used a number of methods to report what was actually creating stress on the environment there. But one section, page 6 of section 15, I think really, really hits home the notion of what ConocoPhillips wanted to do here. And I quote:

#### 6.1 Stakeholder Engagement.

Based on the current site assessment and land . . . [site] search information, the stakeholders are believed to be: Her Majesty the Queen . . . [which in this case is Saskatchewan], Saskatchewan Department of Roads and Highways, Western Canada Fuel Ltd., [which is Mr. Lay, that's his company], Northern Village of Beauval Forks and the Saskatchewan Ministry of Environment.

Those who the consultant identified were the stakeholders. And this is the part that is really important:

ConocoPhillips is prepared to work cooperatively with these stakeholders and will need to engage with them during the further development and implementation of the corrective action plan pertaining to petroleum hydrocarbon impacts on the Site.

And the reason why I've dug that particular section out of the information presented to me by Mr. Lay is that, to me, that insinuates that they wanted to do something with the site. Now since 2010, the government has had this corrective action plan. And the question Mr. Lay has, the first question is, why hasn't

the 2010 corrective action plan been implemented since information's in front of the ministry?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. The member opposite will know that I just became aware of this area of questioning a number of hours ago, and certainly as always, we will undertake to provide as much information that we can. Unfortunately in this situation, there are extenuating circumstances because Mr. Donald Lay, owner of Western Canada Fuel Ltd., has begun litigation against the province in certain areas.

The Ministry of Environment is not privy to that litigation, so I don't know the details nor would it be appropriate for me to get into that. You know, a couple of information points that I can share with the member is that when litigation action was initiated, Conoco initially suspended further action and were awaiting additional information on the site.

And then in 2014 ConocoPhillips will be completing additional drilling in an attempt to delineate the impacted areas and further assess the site. So to get a better understanding of the area and the depth and the concerns of the site, ConocoPhillips is undertaking additional work. But the Ministry of Environment as well is a regulator in this area, not privy to the litigation. And that's really all the information I have right now.

[15:45]

**Mr. Belanger:** — Okay, and this is for the record. What I want to do is, I think Mr. Lay, probably out of frustration and not being advised on an update as to what is happening, because he invested significantly into this property. And over the years of course, when you invest in a property and then you can't use the property because it's contaminated, it costs you further opportunity and further loss of business revenues or business opportunity. He wanted to make sure that you understood that, that the province should have concern about a person that's invested significantly into a certain piece of property. And that property was contaminated prior to him assuming ownership.

And some of the other residual questions that he had was the concern around drinking water because obviously, I mean, you have a contaminated area from fuels and hydrocarbons and so on and so forth, that there is water usage in that area. There is a motel there. There's a lounge. There's a business. There's a bunch of other places that use water from that area. And he wants to make sure that the concern that people drinking from these water wells that are close to these properties are also understood by yourself.

He wanted to make sure that the province needs to know his concern as a businessman or business investor, that he has lost not only significant revenues and dollars but business opportunity as well. And he questions and he gets frustrated with the situation in terms of would a major fuel spill or contaminated site like this, had it been located anywhere else, would that be acceptable? And I think the answer should be no.

And one of the most important things that he wanted to stress is that, can we expect the province to enforce the corrective action plan in 2014? And if so, when would you start? Because obviously ConocoPhillips are the party that provided fuel to that

area. So he wants to know, can you, amongst all those other questions, can you enforce ConocoPhillips to work with your department to remediate the site and fix the site up so he's able to pursue business opportunities and work with the community of Beauval or other potential business people in that area, so they're able to stimulate the economy in that region and do many, many good things with that site?

So that's the big question, is can you enforce ConocoPhillips to remediate that site, and how soon can you start so they will be able to exercise their opportunity to run this business?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. The corrective action plan that ConocoPhillips was required to develop was first submitted in September of 2010 and was incomplete and more work needed to be done. And so it's been a process back and forth of requiring that corrective action plan to provide more information.

We certainly require the responsible party to come up with a plan. If they don't do that, we have enforcement actions that we can initiate. Right now that there is a risk assessment plan in place on the facility, but we continue to require a full and complete corrective action plan. The undertaking from ConocoPhillips in 2014 was to complete additional drilling in an attempt to delineate the impacted area and further assess the site. So they're committed to doing further work, but I will certainly look at the Ministry of Environment making sure that they do all they can to have this completed in a timely fashion.

**Mr. Belanger:** — Yes, that's exactly his frustration because obviously, as you would understand, you know, time is money. He's losing opportunity on his property. And I want to, for the record, do three things here before we finish off. Number one is to share his cell information or his contact numbers. He wanted me to make sure that was there, and it's all part of the letter. We have his report here that he's provided to me, and I'll give that to the minister if the minister needs that.

And he wants to be able to have a definitive time frame. When can you get back to him to say, look ConocoPhillips, we're giving them six months more to do this report and get this place cleaned up? He wants some specific information, specific timelines, and some leadership because all these questions that he has are getting him frustrated, and it's all costing him money.

But for the record, I want to read out his letter here if I can. And it's addressed from him, Western Canada Fuel. And it's to Ministry of the Environment, attention Mr. Mark Adams, dated May 9th, 2011:

Dear Sir:

In reference to our recent telephone discussions re corrective action plan for a service station in Beauval, Saskatchewan, in the November 2nd, 2010 letter with respect to winter work that ConocoPhillips proposed to the Ministry of Environment, it is apparent that it did not happen.

Telephone calls to Mr. Masten Brolsma, ConocoPhillips, this past week, it appears that this work is in progress.

However it appears ConocoPhillips default could be time lost. In discussion with my brother, Duane Lay, we feel very strongly that the Ministry of Environment, Mr. Mark Adams, did an excellent job with the decommissioning of the underground storage tanks and piping.

It would be very encouraging to know that the Ministry of Environment, and Mr. Mark Adams, environmental project officer, would continue to take the lead in the decommissioning of this project. We are very convinced that this project would get to its completion. I am sure the province of Saskatchewan would be very pleased to see the decommissioning finally put to bed.

The northern village of Beauval has been damaged by carrying the unpaid taxes for all these years, and I intend to deal with that payable as a top priority upon completion of the remediation process.

We get continued calls in reference to said property for lease or rent . . . [They] may say in each case they're interested in the business venture; however under its present state, it is unusable. I believe the oil companies responsible should be in fact held responsible.

We will continue to press forward with our mission. With the co-operation from all parties involved, we will get to where we want to go. I'll always been a northern Saskatchewan boy, and it is home forever. I wish to take this opportunity to thank you all for your involvement in this project.

My summer . . . [home] number is 234-2131. [His] cell number is 403-581-4822.

So he wanted me to share with that and the report is here. His contact information is here. The history is here. But again as I close on this final point: Mr. Lay wants to work with the region. He wants to work with the folks in the Beauval area, which is really . . . it's a strong connecting piece to all of northwestern Saskatchewan.

If we look at all the impacted parties, the town of Beauval, which could sure use some of the tax revenues that have been piling up on this property, its location is really advantageous for a business, but there's just been no movement. No leadership in terms of forcing ConocoPhillips to actually do the work.

And it appears from one of their own persons that they've employed, WorleyParsons, that there is, to a certain extent, willingness from ConocoPhillips to get involved with the remediation. That's what I interpret from reading this document. Well Mr. Lay says we should put pressure on ConocoPhillips to remediate that site ASAP [as soon as possible].

I think all the movements and all the questions and all the non-answers are probably the result of the legal process that he's undertaking. He's probably very frustrated. So I just want him to know, by way of the committee work today, that you are fully apprised of what's going on. You know the situation. You know the file, and as minister that you'd undertake to take some immediate action to pressure ConocoPhillips to get this

property fixed up, so it can be used for a business opportunity and pay debts back.

**Hon. Mr. Cheveldayoff:** — Again thank you very much to the member for the question and the reading of information into the record. Certainly I'll undertake to make this a priority and to provide all of the information that we can within the legal limitations to Mr. Lay and to ensure that the Ministry of Environment is doing all we can to ensure that the proper procedures are followed.

The Government of Saskatchewan of course is committed to ensuring the health and well-being of all citizens of Beauval and area in this particular case, as we do to individuals across the province. So I thank the member for bringing this to our attention, and again we'll continue to do all we can to help expedite the process here. Thank you.

**The Chair:** — Thank you, Minister. Are there any further questions of the Minister of the Environment? I recognize Mr. Belanger.

**Mr. Belanger:** — Just for the record I want to ensure that the minister received the full document from Mr. Lay, outlining in a number of sections the history of the project. And I'll gladly share with the minister, unless they have copies of their own. But I'll share with him today, and once he gets his own copy, then I'll ask for this copy back for my records.

**Hon. Mr. Cheveldayoff:** — Absolutely. We appreciate all information that the member can share with us at this time. So we'll undertake to copy it and return it. Thanks.

**The Chair:** — Seeing no further questions, we will vote Environment before we move to Water Security Agency.

The amount to be voted for central management and services (EN01) is 16,521,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. For climate change (EN06), 2,815,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Landscape stewardship (EN15), 4,006,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Environmental support (EN14), 3,253,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Fish and wildlife (EN07) for 10,429,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Compliance and field services (EN08), 17,030,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Environmental protection (EN11), 41,110,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Forest services (EN09) of 12,319,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Wildfire management (EN10) of 54,074,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. And non-appropriated expense adjustment of 9,061,000. Non-appropriated expense adjustments are non-cash adjustments presented for informational purposes only.

Environment, vote 26, \$161,557,000, is that agreed?

**Some Hon. Members:** — Agreed.

[16:00]

**The Chair:** — Carried. I'll now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2015, the following sums for Environment in the amount of \$161,557,000.

Do we have a mover? Ms. Jurgens. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I thank the minister and his officials from Environment for their time with us, and committee members. And we will recess for a brief moment as we move to Water Security management officials. Thank you.

### General Revenue Fund Water Security Agency Vote 87

#### Subvote (WS01)

**The Chair:** — I will call the committee back to order. We have with us officials from the Water Security Agency and Minister Cheveldayoff. And I will invite Minister Cheveldayoff to introduce his officials and to make any opening remarks he'd like to make at this time.

**Hon. Mr. Cheveldayoff:** — Thank you very much, Mr. Chair. And again good afternoon to everyone, to all committee members present. I'm joined this afternoon by Water Security Agency officials. To my right is Wayne Dybvig, president. To my left is Irene Hrynkiw, executive director of corporate services. To the far left is Dale Hjertaas, executive director, policy and communications. Also joining us is Susan Ross,



vice-president of legal, regulatory and Aboriginal affairs; and Sam Ferris, executive director, environmental and municipal management services.

Mr. Chair, our population has reached a record high and more companies are choosing to do business here. There's one essential component to ensuring we can support this growth. It is, indeed, water. That is why, as part of the Saskatchewan plan for growth, securing our water future is a major part of growing our province. This is why we have created the Water Security Agency, along with the 25-year Saskatchewan water security plan.

We have been able to improve water management capacity and service to individuals, businesses, and communities across Saskatchewan. I would like to highlight a few things from last year's budget that show how the Water Security Agency is supporting our government's plan for growth.

Investing in our water management infrastructure is very important to ensure we are able to provide water to communities and businesses that need it. We continue to implement the 10-year water management infrastructure renewal plan. This includes: \$9.9 million for continued rehabilitation and expansion of the M1 canal, this will support irrigation, municipalities, and potash mines along the Saskatchewan southeast water supply system; \$1.4 million to improve the upper Qu'Appelle and ensure water supply for the growth in Regina, Belle Plaine, and Moose Jaw areas; and \$4.3 million for rehabilitation at Gardiner dam, the Rafferty diversion channel, and other structures.

The last few years have seen some of the worst flooding in Saskatchewan's history. Our government is committed to improving our forecasting tools. This year we are investing some \$438,000 to improve flow and flood forecasting. This is following through with the commitment that we made in the 25-year plan.

As part of our efforts to assist the people of Saskatchewan with flooding issues, we again are delivering the emergency flood damage reduction program. This has been an extremely valuable program. The program has helped many, many families in our province. An independent analysis was done in 2011 of the program, and it showed that for every dollar we invest, we were able to save \$20 in damages.

We have an increase of \$93,000 in grants for watershed stewardship groups. We have committed \$146 million to support local government water management initiatives by maintaining the water control program for channel maintenance and channel clearing. We are negotiating the Saskatchewan-Alberta Bilateral Water Management Agreement to fulfill the obligations of the Mackenzie River Basin Transboundary Waters Master Agreement. The agreement will set out measures to share and protect water supply in the watershed. These highlights and initiatives give a good indication of our commitment to securing our water future and in ensuring our future growth as a province.

Mr. Chair, I would like to acknowledge all the staff at the Water Security Agency for their commitment — day and night sometimes, especially during this busy time of spring runoff —

as we continue to support the people of this province.

Now, Mr. Chair, I understand our time is somewhat limited. I would complete my remarks and would welcome any questions that you or any members of the committee may have. Thank you.

**The Chair:** — Thank you, Mr. Minister. We're joined this afternoon for a debate on Water Security Agency by Mr. Belanger, sitting in for Mr. Wotherspoon. And I invite Mr. Belanger to place his questions.

**Mr. Belanger:** — Thank you very much. The questions that I'll be placing this afternoon are going to be around the potash needs for of course the water, because obviously potash mines need a lot of water; issues around the illegal draining; the flooding preparedness issues; and of course the tripartite water agreement between ourselves, Manitoba, and Alberta.

And you know, I noticed one document here talked about a 25-year Saskatchewan water security plan. And as admirable as that objective is, I want to just point out at the outset that I think the department has a \$17 million budget — is that correct? — and if so, that there's going to be mounting challenges in terms of water security over the next four or five years. So obviously we need to have questions around that particular aspiration that we have as a province.

There's no question that, as everybody would know, that fresh water is in rapid decline in terms of providing all the needs of the world, you know. And right now with flooding being so apparent, one wouldn't think that. But obviously there's a lot of scientific support and acknowledgement that, you know, fresh water is going to be in short supply very quickly unless we start managing it a heck of a lot better than we have been. So at the outset, the first critique is that \$17 million per year is not a lot of money for water security. I mentioned a few things that stress our current water needs and our system right now, but obviously we have to make those balances, as we all like to say, to make sure that Saskatchewan continues to move forward.

So in terms of the potash industry themselves create a lot of jobs, pay a lot of resources and fees, create great opportunity for our province. But of all the potash companies or mines that are operating now, how much do we use now for our potash industry? And how much more demand for fresh water or water in general does the industry need in the upcoming years?

**Hon. Mr. Cheveldayoff:** — Thanks very much to the member for his question. It kind of gets to the heart of what we do at Water Security, so we're certainly very pleased to talk about it. The member began by talking about the \$17 million budget. Of course that's only a portion of the budget for the Water Security Agency. The \$17 million is what the agency receives from the GRF or the General Revenue Fund. We also are recipients of funds through *The Water Power Act*, and industrial uses as well. So the total budget for the Water Security Agency is in the neighbourhood of \$43 million.

And the member went on to talk a little bit about fresh water and the importance of fresh water. And I know members have heard me talk about this before, about how blessed we are in Saskatchewan to be able to have an abundance of fresh water

and to also have the dam and canal system that we do have in the province: you know, starting with Lake Diefenbaker, and as we move through the canals into Buffalo Pound and through the Qu'Appelle chain. We are very, very fortunate in Saskatchewan that we are able to regulate the flow of water and to regulate the use of water and to use it to our advantage.

Number one of course is for the human consumption of cities, towns, and villages in our province. But very importantly as well, as members know, our economy is the fastest growing economy in the country, and in order to do a lot of the work that is necessary and to meet the needs of business, the supply of water is very important.

[16:15]

The member specifically asked about the potash industry in Saskatchewan and how much is currently used. Right now we have 25 000 cubic decametres that are used in the potash industry in Saskatchewan. Many of our existing mines or in situ mines that don't use as much water as solution mines.

We have had requests from four additional companies regarding new potash mines in the province, and we've certainly been modelling and scaling and looking at what those requests would mean for the province. They would mean an additional 45 000 cubic decametres of water that would be supplied to these new solution mines in the province. So a vast amount, a substantial amount, but the good news is of course, is that we have adequate water supply to again meet all the human consumption needs of our province and also to meet the possible needs of the potash industry and others.

The water from this additional request would be largely supplied through the Qu'Appelle chains. So I hope that answers the member's question.

**Mr. Belanger:** — Yes, I guess, obviously 25 000 cubic decametres, would you be able to give us a reference to what kind of volume that is for the average person because obviously it's a bit confusing. You say cubic decametres. Let's use an example. I don't know if a swimming pool would be appropriate to use that . . . something that the layperson could understand as to what a decametre or cubic decametre of water is.

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. And certainly I've had some of the same questions when I do my briefings with officials — you know, how much is a cubic decametre. And when you start talking about the thousands . . .

What I find is helpful to relate it to the uses of a city, for example. Let's take Saskatoon, our largest city. Saskatoon would use 50 000 cubic decametres on a yearly basis. So roughly what we're supplying here now is about half of what the consumption would be for the city of Saskatoon, the 25 decametres but, you know, rounding . . . the additional ask would be close to what Saskatoon uses on a particular year. So again it is a vast, vast request. It's a vast amount of water. When you equate the amount of water used by our largest city to one industry in our province, it's a very large undertaking. But again the good news is that the water is there to supply if

indeed it is necessary.

**Mr. Belanger:** — So just to summarize for the average layperson that might be watching this on a Monday afternoon, the fact that right now the demand for fresh water from our potash companies is half the amount that Saskatoon consumes in one year. And all the requests that we're currently assessing as a province, that if we meet all those requests, it would match what Saskatoon uses in water on an annual basis. Is that fair?

**Hon. Mr. Cheveldayoff:** — That's correct. Referring specifically to the potash industry and the questions that you've asked, that is indeed right. And you know, another example is that a family of four uses about one cubic decametre a year. So that would be indeed what a family of four would use. And that helps put it in perspective for an individual or somebody who may be watching or somebody has a specific question about the quantity of that water.

**Mr. Belanger:** — I know it's a difficult question to answer but, you know, it's never a silly question in this business because obviously you learn quite a bit. But where would you attribute our water needs being supplied to us in percentage terms, say for example aquifers or natural rainfall or the river flow, water flow from Alberta? How would you characterize the breakdown of where we get our fresh water from?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question, and happy to provide the answer. The breakdown would be about 60 per cent of our population would receive the water directly from Lake Diefenbaker, 25 per cent of the population or about 75 per cent of communities would get the water from groundwater, and about 15 per cent would be from miscellaneous reservoirs. So a long list of miscellaneous reservoirs would account for the final 15 per cent. So that gives a very rough breakdown of where water supplies are obtained from.

**Mr. Belanger:** — Yes, in a perfect world one would be able to store water, and then when the water is needed, to release it. But that's a huge undertaking, even for Saskatchewan, given all the things that we have to balance and we have to anticipate in terms of cost and so on and so forth.

But given Alberta's obviously is paying a lot of attention to their water security needs, and we have a three-way partnership agreement between Alberta, Manitoba, and Saskatchewan, have you heard of Alberta doing anything more to, for example, build a different reservoir system or enhance protection of the water supply that they have? Obviously not in the last couple of years because you obviously have a lot of water coming down. Almost like the perfect storm in terms of just the sheer volume of water.

But in later years, 10, 15, 20 years from now, we could have another drought. And I'm sure you remember Saskatoon with the Saskatchewan River coming through there, there was a few dry spots on the actual river itself.

So how current is our . . . well the agreement's obviously current, but how quick are we to sit down with our two other partners to talk about this water agreement that we have? Do we have continual discussions with them? Do they share some of

their aspirations with you? It's kind of a confusing partnership because I'm sure Manitoba doesn't want any more of our water. But it seems like Alberta wants to retain more of the water. I think that at one time they were trying to redo the agreement or redraft the agreement. But the last couple of years we haven't heard nothing of that.

So how is the relationship with your two other partners as it relates to water security and water needs and the overabundance of waters from time to time?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. We operate under the Master Agreement on Water Apportionment, and it is an agreement that seems to work very well for the province. We have the Prairie Province Water Board that administers the agreement. We've got Alberta, Saskatchewan, Manitoba — we see how important water is, as I lose my voice here a little bit — we've got Alberta, Saskatchewan, Manitoba and two representatives from the federal government. That group meets twice a year.

The Alberta water for life strategy, we work very closely with them. And certainly meeting the needs of the agreement is a priority for them. They have told us directly that they will undertake to do that, but directly that they mentioned that in their priority documents as well, that meeting the needs of the Prairie Province Water Board will be a responsibility of theirs and certainly something that they will undertake to do.

The meetings that take place twice a year, the last one was about a month ago. And they had not mentioned any plans for any additional reservoirs. We believe that it would be difficult for them to do that, but again the lines of communication with the province of Manitoba, province of Alberta are quite opened. We feel that this Prairie Province Water Board is a good way to share information from each of the provinces and with the federal government as well. The Master Agreement on Apportionment is working well, so we see this continuing to work in a very positive manner going forward.

**Mr. Belanger:** — Now is the principle with this master agreement, is the basic principle that Alberta has to let through 50 per cent of their waters and we have to let 50 per cent of our waters through to Manitoba unless it's negotiated differently? Is that how it works? Because obviously one would assume, given all the flooding fears we hear about in Manitoba, at this stage of the water cycle is too much water.

But they haven't come back to you and say, can you hold back more water in Saskatchewan, and are we able to do that? They haven't approached that particular premise to us at all?

[16:30]

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. And the member is largely correct. Alberta must supply us with 50 per cent of their water intakes, and then Saskatchewan must pass on 50 per cent of what we take in from Alberta to Manitoba.

So neither Alberta or Manitoba have made a request to change this at all. Certainly you know, we're aware of challenges that Alberta had last year and challenges that Manitoba has when we

have a very wet year. And we work very closely and communicate very well, but there's been no formal request to change any of those global agreements.

**Mr. Belanger:** — Yes, and the interesting scenario that we just spoke about in terms of us retaining more of the water, has the security agency ever . . . *Blue Sky* had about putting in more holding facilities for more water, as an example. Manitoba, if you told them in the last couple of years we could hold back 25 000 cubic decametres of water, you know, more than likely would've said yes.

But is there any plans and within the department in terms of a long-term vision to try and find ways and means we can hold more water back, even in the southeast corner where there is an abundance of water? But obviously as you retain more water, it should work to our advantage in the future years where there isn't that rich flow. None of those discussions or any scenario has been thought up by the ministry in terms of building more holding facilities for the fresh water that's flowing through the North and South Saskatchewan rivers particularly?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. And we're not currently looking at any storage undertakings or additional storage reservoirs or undertakings.

Most recently the North Saskatchewan watershed stewards' association undertook a study to look at the possibility of Highgate dam that would've been northwest of North Battleford. And we know that the member for Cut Knife-Turtleford's here for a reason because he has an interest. And here's something that's very interesting to him, I'm sure. But I remember from my time in Economic Development that study being undertaken, but it's certainly . . . Nothing has come to fruition in that particular circumstance.

And then going back further, Alberta and Saskatchewan looked at the Meridian dam, locating a dam closer to the Alberta-Saskatchewan border on the South Saskatchewan River. That's about 15 years ago, so I'm not sure if the member has a recollection of that or not. But that's something that was studied and undertaken, but finally the decision was made not to pursue it. So nothing at the present time, but a couple of studies that have taken place in the last 15 years.

**Mr. Belanger:** — Okay. And how do we . . . Have we improved the manner in which we monitor the water flow? Like we obviously . . . I think at one time there was five particular rivers that were monitored, and that was the basis of us qualifying the 50 per cent flow through and the 50 per cent that we get to keep. Have we improved the way in which we measure the volume of water coming across the border?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. And indeed with the advent of technology and the type of information that is available to us, we have made great improvements into the way that we monitor the province-wide flow. There's some 300 stations in the province now that monitor this flow and contribute to giving us a very accurate undertaking.

And in addition to that, this budget, the budget that I can't remember for sure if the member supported or not, but it was a

very good budget, and it added an additional \$400,000 to three more . . . I know he was in favour of many aspects of the budget. I'm not sure if this was a particular one. But I'm sure if he knew about the \$400,000 for the three new hydroelectric monitoring stations, he probably would have. That probably would have swung his vote. But in all seriousness, it's an area that we have made vast improvements upon and continue to put more resources towards.

**Mr. Belanger:** — I just want to touch base on what you announced in terms of the 25-year Saskatchewan water security plan. The reason why I want to focus on that is, like I said at the outset, 25 years is probably the basic minimum time one has to undertake to do a thorough assessment of what we need into the future and what the challenges and the risks might be.

That being said, you know, we had the opportunity to tour a few places where the sheer volume of water that came through a couple of years ago, in northern Saskatchewan in particular where you see lakes, very, very big lakes go up by 2 or 3 feet. It was actually an amazing thing to see, the sheer volume of water, where almost every lake in my constituency rose by 2 or 3 feet. And to see that kind of volume of water for all the lakes was actually an amazing, amazing thing to see.

So that being said, that being said, how accurate are we in predicting years down the road? Has the ministry predicted that flood of two years ago, not necessarily the flood, but the sheer volume coming through? And if so, what are some of the modelling that we use to predict the next 25 years? Because obviously you have some dry periods, and you've got some extremely wet periods. What kind of data did you use or historical information did you use as the basis of your 25-year Saskatchewan water security plan?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the opportunity to talk about the water security plan. And as we've referenced before, it's a 25-year plan, but the basis to it is that it's updated every five years. So it becomes a rolling plan, and we continue to have different priorities that are put in place. But the overall goal and scope is to look forward 25 years out.

And as I mentioned in my opening remarks, we have, you know, capital plans that are very aggressive as well, looking at 10-year capital plans and ensuring that we renew the capital necessary in our plans for dams and other structures.

You know, the modelling we do, the member talks about the historic information. And I certainly come to appreciate . . . And I know last year when we were facing the challenges, you start looking back on an historical aspect. And in fact I remember a group meeting with me and talking about the great flood of '76. And they mentioned it again, the '76, and I kept thinking, well I just don't remember a real flood in 1976. And they said, no, 1876 was the flood. So it wasn't, my time of reference wasn't quite complete. It was, you know, going back, and certainly we have records in Manitoba going back to before Saskatchewan was a province.

But what we're looking at not so much is our ability to predict future floods, because there are so many variables that come into play that it's a bit of a mug's game to try to do that. But what we try to do is understand, based on the science and the

knowledge we have today, on what changes we might be seeing or experiencing. And that's why, you know, we're trying to understand the whole climate change file and trying to use the information that we have to try to see what impact that may have on the province. And that's something that Water Security does together with Ministry of Environment and shares that information with other provinces as well.

What we think may happen is more frequent floods and major water events in the province. And we've seen some of that recently, and we have to be prepared for that in the future. And so what the Water Security Agency does is, when we have an event like we had last year, we are quite willing to put monetary resources into better protecting our province and better helping communities be prepared.

And that's why the emergency flood damage reduction program is so important. I feel not only is it good money spent as far as mitigation goes, but it does indeed help our province going forward to be more prepared for whatever the future may bring. And that, you know, to sum up is the reason why we're spending more money on improving flow forecasting and understanding that flow a lot better.

So you know, from my personal experience, what we've seen with technology, with satellite imagery to better understand snowpack and the effect on the province, I think we're in a much better place than we were before to understand the impact. As far as predicting goes, we're still not there. We don't really have the means to predict because of all the variables that take place, but I think we're in a very good place overall.

[16:45]

**Mr. Belanger:** — I think it's important to note that when you look at just the general thrust of your answer when you said we can expect more flooding, and obviously probably a lot of historical data and probably new trends and a whole bunch of, as you mentioned, technical supports such as satellite imagery and all that, is it safe to say that there are a number of communities that are at risk as a result of the changing water world, so to speak? Because obviously there's more flooding happening.

If we anticipate there'll be more flooding happening, is there a percentage of Saskatchewan communities at risk as a result? And the reason why I say that is, one has to appreciate . . . I'm not sure if you went North during the water challenge, you know, that we had. I'm not over-emphasizing it, but the sheer volume of water that it took to raise the lake levels three or four feet was an amazing thing to see. And there's nothing that could have stopped if they wanted. The water came to flood a number of towns. It'd be flooded overnight. Nothing could have stopped that except maybe the highest hill in some of these communities.

So people started thinking, like how many communities would be at risk of a major influx of water like we had last year? Probably I would almost guess another foot, you probably have one more foot of room in some of these northern communities in terms of water levels coming up and them being flooded right out. So is there a number of communities at risk right now? And if there is, how many are at risk that may be close to the flood

waters or in lower lying areas of Saskatchewan, or are you able to take a guess of that?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. And it's very difficult to quantify the number of communities that . . . We don't, you know, say a particular community is at risk, but we look at the risk rating of 1 in 50 years, 1 in 100 years, 1 in 500 years.

And back in 1977, the provincial government undertook that new communities would have to be at a 1-in-500-year precaution level as far as new areas of those communities go. So naturally we have a lot of communities, the vast majority of course that were here before 1977. And you know, those would be at risk. But for any new developments within communities since 1977, we've made great strides. Again you know, to reiterate, we've invested some \$35 million just in the last few years for individuals and farmyards and communities to help them identify risks that we do see.

The member asked if I had an opportunity to go up into northern Saskatchewan, and I did last year. And certainly going to Cumberland House and seeing it first-hand and the challenges that they faced, you know, it really changes your whole mindset there when you look at the plain that is Cumberland House and the flood plain, and how just an increase of some water can have a devastating effect on that community and how an increase of substantial water could totally devastate that community.

So that was a real educational experience for me, both seeing it first-hand and interacting with the elders and other community members and learning about the challenges that they face. But of course that was one of our first communities in the province in Western Canada, Cumberland House, and they chose there because of, you know, the beautiful area and the wide open spaces, but it is susceptible to flooding.

So there are communities that are susceptible, and we're well aware of which ones they are. They're communities that we have worked with and put in berms and tried to mitigate all that we can, and we'll continue to work with those communities. And I guess from a ministerial perspective, the most positive for me is going back to those communities a couple years after we've made the investment, and community leaders telling me that they feel that they are more prepared for whatever the future may bring. So I think we are doing some good work. We're identifying where the risks are and trying to help mitigate them, but we again know that there are some communities that will face this challenge going forward.

**Mr. Belanger:** — The other perspective I think probably adds to the problem is drainage. You know, we had that trouble when I occupied the same seat you occupy, in the sense that people were draining land and certain landowners are getting all the water because people are draining their water off their land and, of course, water has to go somewhere, so it ends up on other people's property. And that really created a lot of stress amongst neighbours and of course RMs and so on and so forth, landowners.

How is the problem of draining, illegal drainage? Is it still a problem today, and what are you doing to address it? Because

obviously I think it still is a problem, especially we have more water out there.

**Hon. Mr. Cheveldayoff:** — Thanks very much, and a very timely question from the member because, you know, drainage continues to be a concern for us. And what we have undertaken, and again using technology, is an online drainage forum where we've asked people from across the province — we've asked watershed associations, cities, towns, and villages; we've asked individuals with a particular concern — to participate in this online forum where they give us their ideas, and it's a forum that was led as well by individuals who would prompt those participating in it. And I believe we had some 450 people participating in the online forum.

They gave us some very good ideas, and right now where we are at is compiling that information. It recently just completed the online portion, and we'll be taking that information and making recommendations on how we can improve the situation. It continues to be a concern as the average farm size gets bigger, machinery gets bigger. The ability to make those substantial changes are certainly very great.

We want to impress upon people the importance of acting in a responsible way. We feel that that is the way to do it. Certainly the Water Security Agency or Ministry of Environment wouldn't be able to police all that happens in the province, but we feel education is the best way to do it. So we're undertaking some innovative things, using latest technology and working with communities to help provide a guideline going forward, and understanding the challenges that take place. The member is right that, you know, it sometimes pits community against community. It pits neighbour against neighbour, and we have a responsibility to try to put guidelines in place that are responsible in that regard.

**Mr. Belanger:** — So has there been anybody charged with illegal drainage? Because obviously there'd be certain areas where the problem would be much more advanced than other areas. So obviously you've had some complaints, but has there been any charges being laid under the environmental laws and regulations?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. And as the member will know, as being a former minister, and all members will know, that it's our last resort to look at the legal system. But in certain cases it is indeed necessary. So the member asked, you know, do you make convictions? Do you operate under the authority of the Act when it is warranted? And certainly, you know, I could get into details, but I just want to generally say, I'm looking at a conviction here that was handed down by a judge on April the 4th, 2014. An individual from the community of Lestock was convicted under *The Water Security Agency Act* for failing to comply with an order to construct and maintain ditch blocks.

So certainly we have the legal authority to move in, and we will usually begin by closing those works ourselves and assessing the costs involved as it moves through the court proceedings. But certainly we have a very strong Act. We are able to order compliance with the Act. And if indeed that is ignored or not followed up on, we have the opportunity under the laws to begin legal proceedings.

So again it's not something that we do without caution, but at the same time we, where it's quite clear that this is the last order of being able to do something to change the way operations are being undertaken, we're not hesitant to do it. And this is one example of a very recent conviction; there are others as well. But again we feel that education and communication is the best way to do it. But the law is there as well for the protection of others, and we wouldn't hesitate to use it if necessary.

**The Chair:** — Any further questions? Seeing none, we will vote Water Security Agency (WS01) of \$17,544,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. And Water Security Agency, vote 87, of \$17,544,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I will now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2015, the following sums for Water Security Agency in the amount of \$17,544,000.

Ms. Jurgens. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[17:00]

**General Revenue Fund  
Supplementary Estimates — March  
Water Security Agency  
Vote 87**

**The Chair:** — We also have a supplementary under water security, Water Security Agency, subvote (WS01) in the amount of \$17,000,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Water Security Agency, vote 87, \$17,000,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. And I'll ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2014, the following sums for Water Security Agency in the amount of \$17,000,000.

Do I have a . . . Mr. Doke. Thank you. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I would like to thank the minister and

his officials from Water Security Agency for their attendance this afternoon. We will dismiss the members from the Water Security Agency and, I guess, the minister as well. And the committee will then vote off the rest of the Economy resolutions. Mr. Minister, do you want to respond?

**Hon. Mr. Cheveldayoff:** — Thank you very much, Mr. Chair. Thank you to all members. I know Mr. Belanger has asked that I pass on a thank you to all the officials present, and I would like to add my personal thank you for the good work that they do, both today and throughout the year. And thank you for the opportunity to talk about the Water Security Agency. Thank you, Mr. Chair.

**General Revenue Fund  
Agriculture  
Vote 1**

**The Chair:** — We will now move forward with the voting off of all of the resolutions under the Economy Committee. And we'll begin with the Ministry of Agriculture, central management and services (AG01). To be voted, \$11,217,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Policy and planning (AG05), \$3,005,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Research and technology (AG06), \$26,721,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Regional services (AG07), \$40,333,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Land management (AG04) for \$5,977,000, are we agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Industry assistance (AG03) of \$7,571,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Financial programs (AG09) of \$33,648,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Business risk management (AG10) of \$242,235,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Non-appropriated expense adjustment; this non-appropriated expense adjustments are non-cash

adjustments presented for information purposes only in the amount of \$2,375,000.

Agriculture, vote 1 of \$270,707,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I will now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2015, the following sums for Agriculture in the amount of \$370,707,000.

May I have a mover?

**Mr. Bradshaw:** — I so move.

**The Chair:** — Mr. Bradshaw. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

**General Revenue Fund  
Economy  
Vote 23**

**The Chair:** — We will now move to vote 23, Economy, central management and services (EC01). To be voted \$39,386,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Mineral, land and resource policy (EC06) of \$14,891,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Petroleum and natural gas (EC05) of \$11,942,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Revenue and corporate services (EC04) of \$15,593,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Economic development (EC12) of \$13,347,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Tourism Saskatchewan (EC14) of \$16,172,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Labour market development (EC13) of \$169,135,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Performance and strategic initiatives (EC20) of \$1,144,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Non-appropriated expense adjustment, 3,013,000; and this is non-appropriated expense adjustments or non-cash adjustments presented for informational purposes only.

Economy, vote 23, \$281,610,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I will now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2015, the following sums for Economy in the amount of \$281,610,000.

Is that agreed? Ms. Jurgens. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

**General Revenue Fund  
Lending and Investing Activities  
Economy  
Vote 174**

**The Chair:** — And for the Economy we have loans under the corporate development Act (EC01), 4,500,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Economy, vote 174, 4,500,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I'll now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2015, the following sums for Economy in the amount of 4,500,000.

Do I have a mover on that? Mr. Doke, thank you. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

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

**The Chair:** — We'll now move to Highways and Infrastructure, vote 16, central management and services (HI01). To be voted, \$18,346,000, are we agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Strategic municipal infrastructure (HI15) of 36,478,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Operation of transportation system (HI10) of 87,982,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Preservation of transportation system (HI04) of 144,515,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Highways and Infrastructure, transportation planning and policy (HI06), 3,262,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Custom work activity (HI09), zero dollars. This is for information purposes only. There's no vote needed.

And machinery and equipment, subvote (HI13) in the amount of zero dollars. This is for information purposes only. No vote needed.

Infrastructure and equipment capital (HI08), \$373,832,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Non-appropriated expense adjustment of 143,623,000; this non-appropriated expense adjustments are non-cash adjustments presented for information purposes only.

Highways and Infrastructure, vote 16, \$664,415,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. And I'll now ask a member to move the following resolution.

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2015, the following sums for Highways and Infrastructure in the amount of \$664,415,000.

Do I have a mover? Ms. Campeau. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

**General Revenue Fund  
Supplementary Estimates — March  
Highways and Infrastructure  
Vote 16**

**The Chair:** — We have a supplementary for Highways and Infrastructure of 12 million for (HI10), operation of transportation system of 12,600,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Highways and Infrastructure, vote 16 of 12,600,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. And I'll now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2014, the following sums for Highways and Infrastructure in the amount of 12,600,000.

Do I have a mover? Mr. Hutchinson. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

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

**The Chair:** — Vote 17, these are zero amounts: for infrastructure rehabilitation (HC01), no money; infrastructure enhancement (HC02) of zero dollars.

Highways and Infrastructure, vote 17, zero dollars.

**General Revenue Fund  
Innovation Saskatchewan  
Vote 84**

**The Chair:** — We will now vote Innovation Saskatchewan. Innovation Saskatchewan (IS01) of 11,590,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Innovation Saskatchewan, vote 84, 11,590,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I would now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2015, the following sums for Innovation Saskatchewan in the amount of 11,590,000.

**Mr. Bradshaw:** — I so move.

**The Chair:** — Mr. Bradshaw. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.



**General Revenue Fund  
Saskatchewan Research Council  
Vote 35**

**The Chair:** — We will now move to Saskatchewan Research Council. Saskatchewan Research Council (SR01) of 20,343,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. And Saskatchewan Research Council, vote 35, 20,343,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I'll ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2015, the following sums for Saskatchewan Research Council in the amount of 20,343,000.

A mover for that. Ms. Campeau. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[17:15]

**General Revenue Fund  
SaskBuilds Corporation  
Vote 86**

**The Chair:** — We will now move to SaskBuilds Corporation. SaskBuilds Corporation (SB01), \$12,075,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. SaskBuilds Corporation, vote 86, \$12,075,000, are we agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I would now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2015, the following sums for SaskBuilds Corporation in the amount of \$12,075,000.

**The Chair:** — Do we have a mover? We have a mover, Mr. Doke. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — We now need a motion to present the report to the Assembly: Standing Committee on the Economy, fifth report. Committee members, you have before you a draft of the fifth report of the Standing Committee on the Economy. We require a member to move the following motion:

That the fifth report of the Standing Committee on the Economy be adopted and presented to the Assembly.

Do I have a mover?

**The Chair:** — Ms. Campeau. Is that agreed? It's agreed to. Carried.

Could I have a member move that the committee adjourn?

**Mr. Bradshaw:** — I'll move.

**The Chair:** — Mr. Bradshaw. We're all in agreement? This committee stands adjourned to the call of the Chair. And thank you, committee members, for your patience as you went through the motions for this afternoon. Thanks so much.

[The committee adjourned at 17:17.]