



# **STANDING COMMITTEE ON THE ECONOMY**

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## STANDING COMMITTEE ON THE ECONOMY

Mr. Gene Makowsky, Chair  
Regina Gardiner Park

Mr. Buckley Belanger, Deputy Chair  
Athabasca

Mr. Steven Bonk  
Moosomin

Mr. Bill Boyd  
Kindersley

Ms. Lori Carr  
Estevan

Mr. Delbert Kirsch  
Batoche

Ms. Laura Ross  
Regina Rochdale

[The committee met at 19:01.]

**The Chair:** — Good evening, committee members. Welcome to the Economy Committee. For those that may be watching on television, all the members are here. We do have one substitution. Ms. Sproule is here for Mr. Belanger.

Tonight we are examining four bills. Before that, I will mention and advise the committee that pursuant to rule 148(1), the supplementary estimates for the following ministry was committed to the committee on November 22nd of 2016, and that was vote 1, Agriculture.

I mentioned four bills will be considered tonight. The first will be Bill No. 14, *The Horned Cattle Purchases Repeal Act, 2016*. Following that, Bill No. 34, *The Provincial Lands Act, 2016*, and then Bill No. 10, *The Forest Resources Management Amendment Act, 2016*, Bill No. 11, *The Forestry Professions Amendment Act, 2016*. I believe we'll have another minister join us for those ones after Bill No. 14.

**Bill No. 14 — *The Horned Cattle Purchases Repeal Act, 2016***

**Clause 1**

**The Chair:** — To begin, we will now begin consideration of Bill No. 14, *The Horned Cattle Purchases Repeal Act, 2016*, clause 1, short title. The minister is here with some officials. I will turn it over to you. You can have a few minutes to have some opening comments and introduce your officials, etc.

**Hon. Mr. Stewart:** — Mr. Chair, Ms. Sproule, tonight I have with me Ashley Anderson, chief of staff; Rick Burton, deputy minister; Bill Greuel, assistant deputy minister; Lee Auten, assistant deputy minister; and Grant Zalinko, acting executive director, livestock branch.

I'm pleased to be here, Mr. Chair, and I will have a brief few remarks before we open the floor to questions, if I may. I am pleased to be here to discuss the repeal of *The Horned Cattle Purchases Act*. Before I get started, I'd like to . . .

*The Horned Cattle Purchases Act* was established in 1939. The intention of the Act was to reduce the number of cattle with horns being marketed. The deduction was set at that time at \$1 per head. In 1940, more than 40,000 cattle were penalized, representing 19 per cent of cattle marketed that year. The Act was amended in 1949 to increase the penalty to \$2 per head. Almost 80,000 cattle were penalized, representing 19.2 per cent of the cattle market that year. At its peak in 1977 and '78, nearly 180,000 cattle were penalized for horns. But a lot has changed in the industry over the last 40 years. Now only 15,000 to 17,000 head of cattle are penalized each year for being marketed with horns, and that's just over 1 per cent of cattle marketings these days.

This is due to a number of reasons, including an increase in the use of polled or hornless genetics in common breeds of cattle, marketing price signals, and more diligent dehorning. In addition, the industry has developed and adheres to codes of practice that recommend dehorning cattle to decrease the risk of injury to workers and other animals, and to minimize economic

losses due to carcass bruising. The code of practice for the care and handling of beef cattle are nationally developed guidelines. These codes did not exist in 1939 so industry asked government to intervene with legislation, legislation that is no longer required in 2016.

We don't enact legislation that penalizes producers for failing to do other important management tasks such as vaccinating against disease, so why would we continue to focus on horns? Saskatchewan is not the only province to repeal horned cattle legislation. Alberta and Manitoba repealed similar legislation several years ago. In fact British Columbia is the only other province in the country with horned cattle legislation at this time.

Continuing *The Horned Cattle Purchases Act* doesn't make sense from an economic perspective. It only generates 30 to \$35,000 of revenue per year and this revenue no longer covers the cost of inspecting, collecting, and administering the penalty. The Horned Cattle Fund is nearly depleted. If the government were to subsidize the collection and administration of the penalty, it would represent a new and additional cost for government and our taxpayers.

In April the Ministry of Agriculture met with industry representatives to discuss the possible repeal of the Act. There were some concerns but most agreed that the existing legislation is outdated and a new approach should be considered. The first step in modernizing means repealing the existing legislation. The Ministry of Agriculture is already working with the cattle sector to explore industry-led options. Industry supports this approach. The Saskatchewan Cattlemen's Association, for example, has already requested information related to administration costs and is prepared to lead discussion around penalizing horned cattle within the industry.

If the cattle sector decides that producers marketing horned cattle need to be penalized, then we will work with them to develop an industry-led solution. I am confident that a viable solution can be found. However, I'd like to stress that the solution has to be industry led. It's worth repeating with less than 1.5 per cent of cattle being marketed with horns compared to 19 per cent in 1940. Our neighbouring provinces of Alberta and Manitoba have repealed similar legislation and have not seen an increase in cattle marketed with horns.

Many of our cattle producers see this as being unnecessary regulation and that the marketplace will determine the value of these animals. *The Horned Cattle Purchases Act* is outdated and a fresh, modern industry-led approach should be explored.

Mr. Chair, this concludes my preliminary remarks and I'd be happy to take any questions from the committee.

**The Chair:** — Thank you very much, Minister, for that information. I'm sure members found it informative. Before we get into questions from members, I'll remind particularly for new members that haven't been on the committee before, we are considering the bills, the specific bills. It's not an estimate situation where there's sort of wide-ranging questions about everything in the ministry. We want to keep questions precise to this Bill No. 14. So having said that, I will open the floor to any

questions.

I recognize Ms. Sproule.

**Ms. Sproule:** — Thank you very much, Mr. Chair, and good evening, Mr. Minister, and officials. I'm very pleased to be here this evening to conduct the business of the committee and I guess my first . . . I just have a number, a few questions about this fund and the whole situation I guess.

I guess the numbers right now of horned cattle are in the range of 15,000 to 17,000 per year. Is there any chance that these numbers would go up in the future or do you think it will keep going downward?

**Hon. Mr. Stewart:** — I think, you know, I think the market penalizes horns more effectively than, you know, an Act of the legislature. I think it is doing its job. The existing \$2 fine, if you like, is pretty insignificant in any event and since Manitoba and Alberta repealed their legislation some years ago, they've seen numbers of cattle marketed with horns continue to drop. So I don't think that is likely to be the case.

**Ms. Sproule:** — All right, thank you. I'm wondering if you could share with the committee why the \$10 fee that was passed I guess but not given Royal Assent, why wasn't that put into force? That would have dealt with some of the costs that you alluded to.

**Hon. Mr. Stewart:** — The legislation was developed nearly 15 years ago. I can't speculate on why the previous government did not move forward with it. From our perspective, like the original legislation, the amendment Act is outdated. The membership of *The Horned Cattle Purchases Act* advisory committee is established in the legislation. The Saskatchewan Cattlemen's Association did not exist at this time and proclamation of this Act would not recognize the largest organization representing beef cattle producers in the province or have given them any representation on the advisory committee. So those are the reasons that we didn't introduce that 15-year-old Act.

**Ms. Sproule:** — And I guess back when your government took over here — that would be 2008, 2007 — was there any consideration at that time? I mean that was shortly after the bill . . . I know it had been sitting for a few years under the previous government. But did you establish the Cattlemen's Association early in your tenure as government?

**Hon. Mr. Stewart:** — I'm not sure when it started. They came into being in 2009, I'm informed.

**Ms. Sproule:** — So it was fairly soon into your government's tenure. All right. I read somewhere that there were some concerns on the part of the stock growers. I think that was in your original comments on May 30th when you introduced the bill, or gave it second reading. And they had actually supported proclaiming the amendment Act, I suppose obviously with maybe some changes to the advisory committee makeup. Can you explain to the committee what their concerns were, and how the Saskatchewan Cattlemen's Association ties into that as well. But what were the concerns specifically of the stock growers?

**Hon. Mr. Stewart:** — We had consulted the industry for several years about the need to continue with this legislation. One association particularly, the Saskatchewan Stock Growers, believed that horned cattle need to be penalized. All of the cattle organizations realize the current legislation is outdated and can be replaced with an alternative should industry reach consensus that some form of penalty needs to continue. So repealing this Act does not rule out, you know, a different industry-led penalty for horns if the industry can agree on that.

**Ms. Sproule:** — Why would you repeal this now when that industry-led system isn't in place yet?

**Hon. Mr. Stewart:** — Well this Act is so outdated that without changing the \$2 charge, the thing is losing money fairly rapidly. There has been a Horned Cattle Fund that is being depleted at a rapid pace, and we don't think that taxpayers of the province would be very interested in subsidizing government to penalize horned cattle.

**Ms. Sproule:** — Certainly not, Mr. Minister. I guess the idea is that if you increase the fees, then there wouldn't be a subsidy needed. I mean the fund should be self-sustaining and could be if the fees were increased, and also I guess it would allow for proper inspection as well. I know that's one of the concerns, is the ability to enforce, and I read somewhere that the inspectors weren't penalizing producers with visible horns and that also caused the fund to dwindle. Can you inform the committee why they weren't actually doing the penalty?

[19:15]

**Hon. Mr. Stewart:** — I don't know that that's the case. I've been a cattleman for a long time and I've very rarely ever marketed animals with horns but I believe in every single occasion that I have, they've been penalized. And they've mostly been what we call scurs or maybe larger than normal scurs but I don't ever remember marketing an animal with a real horn, and I still got penalized for the scurs. I've heard that allegation. Maybe some are missed — I'm not sure — but as far as I know, they're penalized.

**Ms. Sproule:** — And could you share with the committee what a scur is?

**Hon. Mr. Stewart:** — Oh a scur is when an animal is dehorned and there's a bit of regrowth, usually about 2 inches long or something like that, quite often not even firmly attached to the head.

**Ms. Sproule:** — Okay. I know the member from Batoche is a bit of an expert in this area, so he shared some information with me prior to committee. But interesting for sure.

So how much is in the fund? I think it was around 170,000 the last I could find.

**Hon. Mr. Stewart:** — The most current information we have, and it sounds like it's pretty current, is the fund would be right around 50,000 now, including revenue that's been collected this year to right up to pretty much the current date.

**Ms. Sproule:** — So when this bill is repealed or when this Act

is repealed, where does that money go?

**Hon. Mr. Stewart:** — Yes, it's evidently been agreed. The advisory committee made the recommendation that any money left in the fund would go to the research facility at Swift Current, but it's expected that the 50,000 will be depleted by the end of this fiscal year or very, very close to it.

**Ms. Sproule:** — And the reason for that is the cost of administration of the fund?

**Hon. Mr. Stewart:** — Yes, the inspection itself and so on. It's costing much more than the \$2 fee brings in.

**Ms. Sproule:** — I guess then the next question for me is if I have cattle in a feedlot and someone else has cattle with horns there and my cattle are damaged, what would happen to my . . . Like who could I go after for damages to my property?

**Hon. Mr. Stewart:** — I suppose the feedlot operator, but probably 99 per cent of the time, those horns would be taken off before the cattle coming into the feedlot were, you know, let run with other cattle.

**Ms. Sproule:** — So okay. So of the, let's say most recently, any penalties that were assessed, are you saying that they may have just had scurs and not actual horns?

**Hon. Mr. Stewart:** — Well you know, I'm speculating, but I haven't marketed any cattle and I've had the occasional charge so . . . I haven't marketed cattle with real horns, I mean. And so I can't say in every case, but that's a possibility.

**Ms. Sproule:** — So by and large, today you would not find horned cattle in a feedlot, with horns still in place.

**Hon. Mr. Stewart:** — No. Generally speaking, they come off when the animals are put into the feedlot.

**Ms. Sproule:** — Okay. I guess in terms of the advisory committee, who sits on that right now?

**Hon. Mr. Stewart:** — We have representation on that committee from Saskatchewan Stock Growers, cattle breeders' association, SARM [Saskatchewan Association of Rural Municipalities], and the NFU [National Farmers Union].

**Ms. Sproule:** — Okay. So that would be defunct once the bill is repealed, right, like that advisory . . . Okay, it would no longer exist.

You were talking about an industry-led approach, and I think you're suggesting that the Cattlemen's Association would be the lead on this particular process. Are you anticipating, if they do set up some sort of fund or penalty system so that they can do the inspections or that the industry can lead the inspections, are you thinking it would lose money as well?

**Hon. Mr. Stewart:** — No. I think that if a fresh approach were taken of this, charges would have to be considerably higher than the \$2 that they're at right now. And as far as the Cattlemen's Association leading, I think that would be a matter for the industry to work out.

**Ms. Sproule:** — So how do you anticipate that will be sorted out?

**Hon. Mr. Stewart:** — Well, industry would have to come to some consensus before anything would happen. They'd have to come to a consensus on a number of things, like which organization is going to be the lead and do the administrative part of this business, and what the penalties are going to be, what the rules are around charging the penalties. Then we get back to the scur debate again and things of that nature. The industry would have to agree on these things if they want to move forward.

**Ms. Sproule:** — I guess it just seems that this is something that government is particularly well suited to do in terms of inspection and regulation and fine collection, and the government has been doing it for decades now. And it would be a lot less work for the government just to take a fresh approach, increase the fees, and do what you're hoping the industry will have to start from scratch on. So what in your mind makes you think that this is better to do it through the industry-led approach rather than taking up the expertise that you have within your own ministry?

**Hon. Mr. Stewart:** — We just don't think this is a core function of government. And you know, other provinces don't either. BC [British Columbia] is the only province that still has a provincially administered program of this nature, and of course their cattle numbers are much smaller than ours.

And the industry is better suited to do this, to keep their rules up to date with the current expectations of the industry and the public than government is. They're much more fleet of foot. And you know, as long as government does this, it puts some taxpayers' dollars at risk. And it's just, you know, we don't fine cattle producers for not vaccinating or for not trimming feet properly or for things of that nature. It's just, it seems absurd in this day and age for the heavy hand of government to be regulating and penalizing producers for not dehorning properly. It's just, that's not what we think the core function of government should be.

**Ms. Sproule:** — What other types of inspections does your ministry do at this time?

**Hon. Mr. Stewart:** — Brand inspections. We inspect cattle generally in sales rings and stockyards and so on to see that the brands either match up with the people who are selling them or at least haven't been reported as stolen and things of that nature. Oh yes, outside of the cattle industry there's the inspectors also deal with game farm animals and things of that nature.

**Ms. Sproule:** — And Crop Insurance would have a number of inspectors as well? Crop inspectors?

**Hon. Mr. Stewart:** — Crop adjusters, yes. Yes.

**Ms. Sproule:** — Are you anticipating that those roles are also outside the core competencies of government, and would you be moving to remove them as well from the ministry?

**Hon. Mr. Stewart:** — No. We're running an insurance program there and you really can't, you know, run an insurance

program without adjusters. Now I guess the only question would be, could they be adjusters from the private sector or should we continue to hire them internally? That's the only question, and I don't think that's a question that's come up.

**Ms. Sproule:** — So that would be the same for brand inspections, stockyard, you know, inspecting the brands, and the game farm inspectors. Have you done an analysis of whether those fit within the core — I think, what did you say? — core competency, core functions of your ministry?

**Hon. Mr. Stewart:** — Our LSS [Livestock Services of Saskatchewan Corp.] inspectors are private-industry employees, not government employees like brand inspectors are. You know, the only organization, only cattle organization that has any questions at all about inspecting and penalizing for horns is the Stock Growers Association. The other organizations clearly don't.

We're just waiting for, you know, this round of winter meetings and if that bears out to be still true, you know, I think we'll be very comfortable that there's no interest in this. And the industry, even Stock Growers, although they might like a privately run system that penalizes horns, I don't think there's any real interest there to have us continue this.

**Ms. Sproule:** — When you made the analysis of whether this fit in within the core functions of your ministry, was that a formal process? Is that something you have designed as a formal process to examine all the functions of your ministry, or is this more maybe a bit of an ad hoc review where you just specifically looked at this program? And I guess I'm thinking in context of what we've heard your government talk about in relation to transformational change. Is this part of that? Are you doing it on a larger scale, or is it just a one-off with this program?

**Hon. Mr. Stewart:** — This wouldn't be, I wouldn't consider this to be part of transformational change. This is just, you know, looking at some of our older Acts. This one originates in the 1930s and it's clearly outdated. We do look at our older legislation from time to time, and this one is just clearly one that needed to have a look.

**Ms. Sproule:** — So there's no formal core function analysis that you do when you're administering?

**Hon. Mr. Stewart:** — Well among the things we look at is the language in the Act. Is it up to date? Is the Act required as a core function of government? Yes, we've been working with the industry on this initiative for over four years now and consulting all along the way. But transformational change is something that is quite different and much more recent than that.

**Ms. Sproule:** — All right. Thank you. That's the extent of my questions on this bill, Mr. Chair.

**The Chair:** — Thank you very much for those questions, Ms. Sproule. Is there any others? Seeing none, we will move to look at the clauses and vote those off. So if all members could participate in the five clauses we have here. We'll look at clause 1, short title. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is agreed. I think I heard an agreed. That is carried.

[Clause 1 agreed to.]

[Clauses 2 to 5 inclusive agreed to.]

**The Chair:** — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Horned Cattle Purchases Repeal Act, 2016*.

I would ask a member to move that we report Bill No. 14, *The Horned Cattle Purchases Repeal Act, 2016* without amendment.

**Ms. Ross:** — I so move.

**The Chair:** — Ms. Ross has moved. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

Thank you, Mr. Minister. I believe now we'll have the Ministry of the Environment join us for the next bill under consideration. We thank the officials that will no longer be here. I thank them for their time this evening and your answers. And we will move onto Bill No. 34 as quickly as possible.

[19:30]

### Bill No. 34 — *The Provincial Lands Act, 2016*

#### Clause 1-1

**Hon. Mr. Stewart:** — Thank you, Mr. Chair. I have joining me the Minister of Environment as this bill is joint between our two ministries, and that is *The Provincial Lands Act*, Bill 34, I believe. The officials joining me this evening are Rick Burton, deputy minister; Bill Greuel, assistant deputy minister; Lee Auten, assistant deputy minister; Wally Hoehn, sitting to my right, who is executive director, lands branch; and Ashley Anderson, chief of staff. Minister Moe has some officials.

**Hon. Mr. Moe:** — Yes, thank you very much. Members of the committee, I have with me the executive director of our fish, wildlife, and lands branch, Brant Kirychuk.

**Hon. Mr. Stewart:** — Thank you, Minister Moe. Mr. Chair, if I may proceed with some preliminary remarks, our second bill that we bring forward this evening is to make amendments to *The Provincial Lands Act*. This is being done jointly with the Ministry of Environment.

Our province spans 161 million acres. More than 100 million of those acres are Crown land and either located in the agriculturally productive areas or in the forest and resource-rich parts of Saskatchewan. It's our responsibility, through the ministries of Agriculture and Environment, to take care of this land with proper legislation. With changes to *The Provincial Lands Act*, or PLA, we will ensure Crown land is protected and productive for generations to come.

The entire PLA is largely unchanged from 1978, with clauses and language dating back to the 1930s. Portions of it are no longer used and some are inconsistent with other legislation. The new Act clarifies language and standards. Across government, we are committed to modernizing legislation for the people of Saskatchewan. It is just good government.

We need the PLA to reflect today's uses of Crown land. We need it to be efficient and accountable and to protect the land for generations. Revising the PLA will allow our province to benefit from an improved investment climate. The legislation will have the potential to increase investment and economic development in Saskatchewan.

Where appropriate, longer term leases would be allowed on Crown land. This would ensure potential investors — whether in oil and gas, potash, wind farms, etc. — have the opportunity to create long-term projects. Modern development on Crown land is important. We want Saskatchewan to be an appealing place for investment.

When a new use such as wind turbines is identified, the Act was silent on how that development could occur. That creates difficulties for industry to reach agreements on projects and puts opportunities for development at risk. We want to ensure this land is available for long-term investments. We want to make sure Saskatchewan does not miss out on any opportunities. We recognize some projects require long-term tenure of land to secure financing or to justify the economic investment required by offering longer leases. And potentially, increased access to Crown land, businesses will be more willing to make investments in Saskatchewan.

Revisions to the PLA would also allow government to manage Crown land in a way that is more responsive to the people using the Crown land. For example, this would let us adjust rates and lease terms to create different categories of leaseholders such as grazing, cultivation, or wind farms.

The PLA would also provide clarification around the use of Crown land leases as collateral when our lessees try to secure financing. Updates to the PLA would allow the value of the lease to be used as security. That would give farmers and ranchers more opportunities to access funding to expand their operations. With the updated Act, it may become an option to use Crown land leases as security when applying for financing; something that the Ministry of Agriculture has not been able to do in the past. This would encourage growth in the agriculture industry and lead to economic benefits for both agriculture and the province as a whole.

We also recognize the importance of Saskatchewan's land base for our future and the need to protect it. Changes to the Act would give the government the ability to respond and take action when land is being misused. If there is an issue jeopardizing the land, such as illegal drainage, the government could step in immediately and issue a stop work order. Without changes to the Act, action would be delayed as only a court order or cancellation of a lease are available as remedies. Both of those options take time and could create a situation where the land is misused for weeks or months before action can be taken. Amendments to the Act would let the government immediately step in to ensure the land is respected and protected for the

future.

While the government is focused on protecting the land, we also recognize its importance to the many people of Saskatchewan and, in particular, our First Nations and Métis communities. Revisions to the Act will not impact those communities and their ability to exercise treaty or aboriginal rights or carry out traditional uses. The duty to consult was triggered in relation to these proposed amendments and the province met its legal duty to consult and accommodate. The Treaty Land Entitlement Agreement remains unchanged. Amendments to the Act will not affect that agreement or have any effect on its process. The government will continue to meet obligations and commitments under the Treaty Land Entitlement Agreement.

A revised PLA would create more opportunities for the industrial and recreational use of Crown land. There will be the option to create special management zones of land. This allows for specific policies to be put in place for certain lands while still allowing portions to be open for public use and development. Vacant Crown land could be categorized to allow for different uses on the same piece of land. For example, the public and local communities could benefit from the ability to use a portion of non-occupied Crown land for activities like camping, snowmobile rallies, or quadding while the rest of the parcel of Crown land could remain under restrictions for things such as caribou management, for example.

Without the creation of these special management zones, decisions are made by creating land use plans that apply to very large parcels of land. Land use plans can be time consuming and restricting. We also recognize the diversity of Saskatchewan's Crown land base. No portion of Crown land is completely the same; it's inefficient to treat land like it is. These special management zones would allow us to be specific and accurate. They would ensure the best possible direction for diverse parcels of land.

Changes to the PLA would also remove some of the administration burden for small land transfers between ministries. These small parcels of land could include decommissioned roadside campgrounds or rest sites, for example. The owner of that quarter of land may be interested in purchasing that small parcel. But before that can happen the land must be transferred to the Ministry of Agriculture, and the ministry can then sell to the owner directly. Without these amendments, an order in council is required to transfer land between the Ministries of Environment and Agriculture.

The PLA would now have a clause allowing transfers of up to one section of land — 640 acres or less — between ministries without an OC [order in council]. That is a more efficient process and would reduce red tape and government process. The PLA would also provide a modern avenue to transfer forested lands with no agricultural potential to the Ministry of the Environment.

Before we proposed these revisions, we completed an extensive consultation process. It started in 2013. Throughout the process we have met with and engaged with key stakeholders, including the public, lessees, and First Nations and Métis groups. During these in-depth consultations, we had a lot of feedback. Many of our stakeholders told us they were concerned about

environmental issues like the care and conservation of the land. They needed clarity on who to contact for administration of Crown land, and they wanted to eliminate red tape and confusing language in the Act.

We took everything we heard seriously when working on the amendments. Then this spring, we returned to those who previously had provided feedback and again connected with lessees, stakeholders, and First Nations and Métis groups. All the information we heard was taken into consideration when updating the legislation.

The revisions to the PLA will bring this document into the present day. We know the people of Saskatchewan want to update legislation that keeps our land protected and productive now and in the future. Both the Ministries of Agriculture and Environment support modernizing the PLA. We do not want outdated language open to misinterpretation. We do not want legislation that is silent on key issues. We want legislation that is accurate and modern. With these changes, the PLA will better represent how the Government of Saskatchewan does business.

Updating *The Provincial Lands Act* would result in economic benefits for the province, public benefits for Saskatchewan people, and a more efficient government process. The alternative would leave the province with outdated legislation that is not forward-looking and does not reflect the current and future needs of Crown land management. I'll now turn over to Minister Moe, if he has further comments.

**Hon. Mr. Moe:** — Thank you very much. And as Minister Stewart, the Minister of Agriculture, mentioned, this is an Act that has been worked on between the two departments. And we're making changes to *The Provincial Lands Act*, to the PLA, to ensure that Saskatchewan people can continue to use Crown land while keeping this land protected and productive for generations to come. And today I would just quickly highlight a couple of those changes.

Modernizing *The Provincial Lands Act* will help address shortcomings of the current Act with respect to inflexibility, outdated language, inconsistent interpretation, as well as some other issues. And some of the key benefits from the environmental perspective include enhanced compliance tools modelled after other current legislation, such as *The Forest Resources Management Act*, where at present the only tool available, as the Minister of Agriculture mentioned, was disposition of the lease. Clarity, consistency, and flexibility provided by modern drafting language and eliminating provisions that are no longer required, as well as greater efficiency for administration related to confirming land administration and transfer between the ministries of Agriculture and Environment, as well as a reduction of the number of Acts dealing with *The Provincial Lands Act* through the inclusion of *The Ecological Reserves Act* in this.

[19:45]

These changes prepare government for more effective and efficient client services related to the future management of provincial land, and we do not anticipate that any changes to the Act will impact any existing agreements with lessees and other users of the Crown land. We do not anticipate that these

changes will impact First Nations and Métis communities' ability to exercise treaty or Aboriginal rights or carry out any traditional uses. The treaty land entitlement, or the TLE agreements, are separate agreements, and the new Act does not have any impact on these agreements or these processes. Environment stakeholders have generally been supportive of modernizing this piece of legislation. And if there's no further comments, I believe both our officials would be available to answer any questions that may arise.

**The Chair:** — Thank you very much to both ministers for your opening comments. We will begin consideration of Bill No. 34, as mentioned before, *The Provincial Lands Act, 2016*.

Clause 1, short title. I would just ask officials, the first time you do, if you do speak, to introduce yourselves and what ministry you're with just for the written record. So with that I will turn it over to committee members who may have any questions for the witnesses present. Ms. Sproule.

**Ms. Sproule:** — Thank you very much, Mr. Chair. And good evening, Minister Moe, and Environment officials, and Mr. Hoehn as well. This is a fairly substantial undertaking, and I know it's been under way for some time now, and certainly no doubt that the existing bill needs revisions. So I will have a number of questions for you, and I apologize because they're going to bounce around a little bit. But I'm just going to work from different aspects, and I'll jump right in.

So first of all, just in terms of the comments that you made, Minister Stewart, I just want to find out the actual clause numbers for some of the things you indicated because they're not identified in your comments.

And even before I do that, I just wondered, was there any consideration given to providing an annotated version of the old Act so we knew what clauses were preserved and which ones were actually taken out? Because it makes it really difficult when you don't have explanatory notes and you don't have side-by-side analysis of what's still in and what's been removed. Is that something that is available?

**Hon. Mr. Stewart:** — I guess we don't have anything of that nature, Ms. Sproule. I know this Act is a little more complex than some, but we generally don't, as a matter of fact. But hopefully we can work our way through this.

**Ms. Sproule:** — I was assuming you didn't have such a tool and just . . . It's way easier. I know when you do amendments to Acts, you provide explanatory notes, and I don't know who prepares those in the government. But in this case, there are no explanatory notes at all because it's a new Act. But I see that many of the provisions in the new Act are actually found in the old Act, but I haven't been able to sort of do a side-by-side comparison.

Okay. Well then let's just look . . . You indicated that there would be “. . . clarification around the use of Crown land leases as collateral when . . . lessees try to secure financing.” Can you point us, either minister or officials, to the clauses in the bill that provide that ability to secure financing?

**Mr. Hoehn:** — Wally Hoehn, Ministry of Agriculture lands



branch, executive director. I guess the first reference would be right at the beginning of the legislation where we define “security.” It wasn’t in the previous old legislation; it’s just in the new one. And so that would be the first point, where we define what we consider “security.”

The other place would be in 49.1 of the old Act and in 2-26 of the new Act; 49.1 specifically identifies the minister, meaning the minister of Environment and Resource Management. The new provision just says subject to the ministers, so that expands it to include the Minister of Agriculture then as well.

**Ms. Sproule:** — Okay. I’m just looking at clause 2-26 right now, and this talks about the minister’s consent being needed before security can be granted, or I guess assignment or sublease as well. Is that a direct copy of section 49.1? Was that in the previous Act as well? I could look.

**Mr. Hoehn:** — I would say this clarifies that. I mean that’s part of the modernization of the wording. There’s several sections — in section 50 as well — dealing with registration. And I think 2-26 tries to roll those all into one, provides for the authority of the minister to grant security. We talk about the assignment and sublease of dispositions so 2-26(1) deals specifically with that; (2), (3), and . . . I guess that all takes into account 50, 52, and 53 in the current Act. So that’s part of the attempt to modernize this, trying to make the language clear and to make it more concise and shorten it up to make it more readable for the public.

**Ms. Sproule:** — In order to modernize, I’m thinking of . . . We hold the lease right now on parks land which is not necessarily provincial lands because it’s under a different Act, but we were able to secure financing with our lease to do improvements to our leasehold. And I’m just wondering, under this clause, (2) says “The minister may impose terms or conditions on a consent . . .” Wouldn’t that make this more difficult for the lessee, the leaseholder? And what sort of terms or conditions would you think the ministry would impose on a consent to get a security, to use the leasehold as a security for financing?

**Mr. Hoehn:** — If I recall correctly, those would be in terms of registration and notification to the security holders. Part of what’s in the existing one, it just talks about “. . . may cause books to be kept for registering of assignments . . .” So the terms and conditions most likely would be that the registration may be at ISC [Information Services Corporation of Saskatchewan] or it would be more . . . I guess it would protect both the government and whatever financial institution is holding that security. So it’s an attempt to formalize that.

**Ms. Sproule:** — If I understand correctly, these lands aren’t actually within the registry system but in the abstract register because they likely would have never been titled. Is that correct?

**Mr. Hoehn:** — I don’t think we can generalize like that. The security will actually be the lease, not the land. So it’s the lease that provides the security, so you’d be registering that interest in the lease. So some of the land could be unpatented or ungranted. Some of it could be patented land as well. It’s the lease that provides the security.

**Ms. Sproule:** — I understand that. I was just wondering how you would register a lease in the abstract registry. Is ISC willing to accept leases in the abstract registry?

**Mr. Hoehn:** — I think we had that conversation, as I understand, and I believe it can be registered on an abstract. An interest can be registered there.

**Ms. Sproule:** — Thank you. One other question before I forget is, is the numbering in this particular bill is quite unusual. And was there any particular reason why you chose to use the hyphenation system and not just a straight numerical system? Don’t know? Okay.

**Mr. Hoehn:** — I believe, yes, that’s how Justice now drafts them.

**Ms. Sproule:** — Okay. I just haven’t seen any other bills like that, but I could have missed it in this round, so okay. I don’t like it, for the record. Not that that matters. Going back to your comments, Minister Stewart, I was wondering where we could find the clauses that deal with the stop-work orders, where you can step in immediately now and issue a stop-work order.

**Mr. Hoehn:** — That would be in division 3.

**Ms. Sproule:** — Of which part?

**Mr. Hoehn:** — Of the new Act.

**Ms. Sproule:** — Which part of the new Act?

**Mr. Hoehn:** — Oh, 4-6.

**Ms. Sproule:** — Part IV . . . division 3 . . . Enforcement orders?

**Mr. Hoehn:** — Correct.

**Ms. Sproule:** — So these are all new clauses then; they didn’t exist in the old provincial lands Act?

**Mr. Hoehn:** — Correct. There was no provision in the Act.

**Ms. Sproule:** — Did you ever put provisions in your leases that would have allowed for the stop-work orders?

**Mr. Hoehn:** — Typically, we would . . . No, we didn’t have provisions in there. That’s where our only option was to cancel, which usually requires 30 days notice for the breach of the contract. As well, in the odd case, we did rely on Ministry of Environment conservation officers who could issue stop-work orders to come in and issue those if there was a violation of their regulations or Act.

So this will allow us to immediately, once we come across an infraction, to issue a stop-work order as opposed to having to apply to the courts for one.

**Ms. Sproule:** — Yes. I’m referring back to my work with the federal government where, in every lease, we would have an emergency . . . We could step in and shut down things on an emergency basis. But you’re saying you weren’t able to do that?

**Mr. Hoehn:** — We didn't have that in our lease agreements, no.

**Ms. Sproule:** — It's not necessarily in the legislation, but you can put in whatever terms in a lease that you would want. But that wasn't something you ever did, is what you're saying?

Okay. All right. Another area I'm really . . . Sorry.

**Mr. Hoehn:** — Just one other comment on that. I think it's important that in order to do this, we have to define some of our staff as officers. And so that's why they're defined under the new legislation as well.

**Ms. Sproule:** — I'm just going to look for the clause. Is that under the definitions?

**Mr. Hoehn:** — That would be I think under the definitions and . . .

**Ms. Sproule:** — Yes. Yes, it's been amended according to my notes.

**Mr. Hoehn:** — Yes.

**Ms. Sproule:** — Okay. All right. I'm very interested in these special management zones that you talk about. And I'm just wondering where in the Act those are referred to, because I did a search and I couldn't find it.

**Mr. Hoehn:** — Section 2-7.

**Ms. Sproule:** —

The minister may establish categories of vacant provincial land and permissible uses for those categories . . . including restricting the activities that may be conducted on any identified parcel of vacant provincial land or any category of vacant provincial land.

So this is specifically vacant provincial land, which I think is a term as well.

If the minister, in exercising the authority . . . restricts the activities that may be conducted . . . the minister shall issue an order that specifies the nature of the restriction and the land to which the restriction applies.

[And] If the minister issues an order . . . [he] shall cause the order to be made public in any manner that the minister considers appropriate, including posting the order on the website of the ministry.

Can you walk us through how this will work? Like would it be at the request of an individual that you would establish this, or what's your plan for the establishment of these?

[20:00]

**Mr. Hoehn:** — So I guess the example that we did discuss would be in the case of, as I understand it, there are some lands in the Ministry of Environment where they've been identified specifically for caribou management. And so then, when a

group comes . . . And they're very restrictive in terms of what can and can't be done on there. And so then, when a group comes along that, you know, wants to look at a potential alternative use of those lands, maybe a cross-country ski trail or a snowmobile trail, the broad brush right now is to just say those lands are exclusively used for caribou management. And so this would allow us to define a category of land that would take into account the caribou management, but that would also offer some alternative use of that land as well.

**Ms. Sproule:** — When you identify lands as caribou management lands, is that done through an order right now, a ministerial order, or is it through your regulations? Or how do you establish caribou management lands at this point in time?

**Mr. Kirychuk:** — Brant Kirychuk, Ministry of Environment. We don't identify specifically caribou lands. It was used as an example. There would be the potential to do so, but under old legislation, you have to broad brush it across a large area. This would allow us to specifically target areas and then maybe allow other alternative uses within specific areas in there. It gives us more ability to either totally restrict or allow certain activities.

**Ms. Sproule:** — I guess in terms of vacant provincial land, of the 161 million acres that we have in the province, how much would each respective ministry . . . How much of your Crown land is vacant? And you can broad brush this as well. Is it half, or would you have any in Agriculture that would be vacant?

**Mr. Hoehn:** — I guess what we show on our books is right around 1 million acres. But the major portion . . . And that's just from the top of my head, but it is a large amount. But the majority of that is because we administer the beds and banks and shores of lakes and rivers. So of course, you know, that figures quite significantly in there. You know, in terms of upland outside of that, I think it's 1 or 200,000 acres that we would have vacant.

**Ms. Sproule:** — For Agriculture?

**Mr. Hoehn:** — For Agriculture, correct.

**Ms. Sproule:** — And Environment?

**Mr. Kirychuk:** — There's 93 million acres of Crown resource land. I don't have how much of it would be vacant. It would be more than half because the majority is in the North.

**Ms. Sproule:** — A lot of that would be disposed for mineral exploration, correct?

**Mr. Kirychuk:** — Some for mineral exploration, some under forest resource management plan, some under cabin leases, yes.

**Ms. Sproule:** — Would those still be considered vacant lands for the purposes of this Act?

**Mr. Kirychuk:** — When there's a disposition on them such as a lease, permit, or licence, no, they would not be considered vacant.

**Ms. Sproule:** — I'm thinking of mineral dispositions which

haven't yet been . . . I mean there may have been some exploration, but there's no activity. Would those be vacant Crown lands?

**Mr. Kirychuk:** — Correct, yes, until there's a surface disposition put on them.

**Ms. Sproule:** — All right. So how will you as ministries establish those categories? Do you feel you will be putting this on a web page? I know you indicated in the third section that you could post these orders on the website of the ministry.

I'm just wondering how the public will be notified or be able to determine what the specific uses might be for, you know, for say a snowmobiling expedition or snowshoeing or some sort of outdoor use. How will the public know whether these lands have been designated or not?

**Mr. Hoehn:** — I would think in most instances they would be proponent driven, where a group would come to us and want to look at them. We've had that occur in the past where there's large groups of lands in certain RMs [rural municipality], and so the RM will be the proponent saying, you know, we want to sit down with the Ministry of Environment, the Snowmobile Association, the Trappers Association, lands branch, and let's look at . . . We have a large block of vacant land here, both ourselves and the Ministry of Environment, and let's sit down and say what is allowed on here, what's not allowed on here.

**Ms. Sproule:** — And you mentioned the parcel could be as large as one section of land, which is one square mile. And you seem to suggest that's considered a small parcel of land.

**Mr. Hoehn:** — I don't think I said one section. I mean there's a portion . . . There's an amendment in here that allows us to transfer land between our two ministries, the Ministry of Environment and the Ministry of Agriculture, of one section or 640 acres or less. Is that what it is?

**Ms. Sproule:** — Yes, I'm mistaken. I moved on to that, the transfer between ministries. So there, one section would be considered a small amount of land in terms of . . . Like to me, a square mile is a big chunk of land. But I guess when you're talking about 161 million acres, it's not so big . . . [inaudible interjection] . . . Okay. All right. I just want to make sure I understood that.

Now I'm going to go back here. I don't know if any of you had an opportunity to hear a bit of my comments in adjourned debates, but one of the things I'm surprised by and I guess concerned about in this bill is really the absence of a recognition of the Truth and Reconciliation Commission and the work that's been done there. And I did point out in my comments a number of the call to actions that identify land use. I'm just wondering, to start off, if you could identify for the committee what discussions you may have had when reviewing this Act in relation to the Truth and Reconciliation Commission.

**Hon. Mr. Stewart:** — Our government has committed to working towards reconciliation with Aboriginal people and Métis people as set out in the Truth and Reconciliation Commission recommendations. This will be done by building

on successes and adopting, you know, practical solutions to address the legacy of residential schools and so on. But it wasn't seen by our ministry as being a part of this consultation as far as this particular Act goes.

**Ms. Sproule:** — I know that it was identified in your correspondence with the FSIN [Federation of Sovereign Indigenous Nations] at the time, particularly in 2013 when the bill was first brought forward for consultation processes, and I believe that the FSIN chief wrote back and had a number of concerns that were identified. I'm trying to think when the Truth and Reconciliation Commission released its final report but that was probably in 2014. So since this exchange with the FSIN, the TRC [Truth and Reconciliation Commission] has come out, and I think, you know, the whole notion of land and the relationship to land is fundamental to First Nations presence here. And was there any discussion after 2013 about meeting with First Nations to discuss this?

**Hon. Mr. Stewart:** — Yes, true. And at the time of our first round of consultations in 2013, we hadn't heard anything from the Truth and Reconciliation as far as conclusions. But in 2016 we asked for further comments, and I don't think there was any reference to Truth and Reconciliation in responses that we received, and that would include First Nations and Métis people.

**Ms. Sproule:** — Yes, if I understand correctly, the First Nations basically rejected your replies in 2013, so felt they hadn't been consulted properly. And so I think, if I understand correctly, that's why they didn't proceed with further commentary this spring because they felt that they hadn't received adequate response.

**Hon. Mr. Stewart:** — Well they did receive adequate response according to Justice and according to the requirements that are required of the province of Saskatchewan under the consultation with First Nations and Métis people. And you know, they chose not to fully engage, but they were certainly invited to. And a number of them actually attended meetings in 2013 and were re-invited again, if you can get your head around that word, to engage in 2016. And we didn't receive any input.

**Ms. Sproule:** — I think, as you know, under the framework for duty to consult and beyond that, the honour of the Crown when it comes to dealing with First Nations people, it doesn't always require the First Nations to bring forward the initiatives. And I just want to refer you to, I think it's from the Roger William case that was in the Supreme Court a couple years ago. And they say that:

Neither level of government [federal or provincial] is permitted to legislate in a way that results in a meaningful diminution of an Aboriginal or treaty right, unless . . . [it] is justified in the broader public interest.

And I think one of the most important functions that we see identified, not just from the Truth and Reconciliation Commission but also from the Supreme Court, is to look for opportunities for reconciliation. And I just . . . Was that discussed at all within the context of modernizing this bill? Did you discuss looking for opportunities for reconciliation? Or was it the reaching out in 2013 and then your reply, I think, of July

30th, 2013, where you replied to the First Nations? Was there any discussion at the table about how can we achieve reconciliation through this bill?

**Hon. Mr. Stewart:** — We were at the table with Aboriginal people. There was no truth and reconciliation requirements, and when we asked them to engage again, they didn't. They didn't. And so you know as far as affecting treaty rights or anything of that nature, under the duty to consult, this Act doesn't change anything in that regard.

**Ms. Sproule:** — I know that in your reply of July 30th, 2013, you told the First Nations that in your opinion — and I assume you had legal advice — the duty to consult was triggered at a low level, whether or not they responded. I guess my concern is that I think, from what I understand from the duty to consult at least within the legal framework, is that there's much in this bill that could affect treaty rights, depending on how you classify these vacant Crown lands which also are subject to treaty rights even if there's a mineral disposition but there's been no surface rights issued. And I think this is an ongoing discussion I know you've had with First Nations over the years.

They certainly do not accept your policy framework for consultation. You know, that's been rejected by the FSIN. And I think there's opportunities in this modernization to also modernize maybe some of the language around, you know, building that reconciliatory framework. And I don't think we needed the TRC to do that either. I think the First Nations have been pretty clear about that right from the get-go. So I understand that the FSIN is quite frustrated with the process, starting with the premise that they don't accept the consultation policy framework because they feel it doesn't meet the requirements. Do you anticipate, or are you in any lawsuits right now with First Nations as a result of this framework? Are there any litigation?

[20:15]

**Hon. Mr. Stewart:** — Throughout this process, we followed the advice of Justice, and we believe that we're totally in compliance with our requirements under duty to consult, treaty land entitlement, and the findings of the truth and reconciliation. And you know, we've made it clear that if at any time, on a case-by-case basis, that there may be conflicts or concern over potential conflicts, then we'll be more than willing to consult on those individual cases as they arise.

**Ms. Sproule:** — I guess we have the framework now, the Truth and Reconciliation Commission work, and I think what we're being encouraged to do is to look for opportunities for reconciliation. So I assume that will be the framework that you'll take forward.

Specifically on the Treaty Land Entitlement Agreement, I noticed that, I think the only place it shows up in the new Act is in section 2-5, which is the sale or transfer of provincial land. And Mr. Hoehn and I go way back on this, but throughout the implementation of the treaty land framework agreement which was signed in '92, — so what are we, 20, 30, almost 30 years now — one of the biggest problems for First Nations in successfully selecting land and getting it added to reserve, particularly provincial Crown land, is the existence of third

party interests. And Mr. Hoehn is familiar with this and I assume Environment officials are as well. Quite often First Nations are prohibited from moving forward because they cannot reach an agreement with the third party interest holder. In some cases, I would assert that these objections of the third party interest holder were unreasonable.

And I can tell you there's one situation in western Saskatchewan where an individual had a grazing lease on some Crown land. The First Nation offered this individual the same position going into federal jurisdiction, because as you know Indian reserve lands leave the provincial jurisdiction. They go forward into the federal jurisdiction. Every effort was made to put him in the same place when the land was added to reserve that he would have been previously, and there was a lot of work that went into that. He said no, unless he got money, and this gentleman got \$800,000 out of the First Nation's money to be put in the same place that he had before.

And the director of lands, or the director of the First Nations Métis Relations group at the time, we said, you have the ability under *The Provincial Lands Act* to stop that lease. The minister had two years where you could give notice and say your lease will be ended, and the province wasn't willing to do that. So my question is, is why didn't you use this opportunity to fix that because right now third party interest holders can be entirely unreasonable, and yet the province is not able to do anything about that. And this has cost First Nations hundreds and hundreds of thousands of dollars. It has caused a lot of work on the part of government officials that I can speak to personally, and it has been a barrier to reserve creation.

So when you say it won't impact those communities . . . And you said, "The Treaty Land Entitlement Agreement remains unchanged. Amendments to the Act will not affect that agreement or have any effect on its process." That's exactly right; it's continuing the same problem that exists now under the Act.

And was there any discussion or any notion of fixing that problem and making those third party interests . . . I mean, essentially holding a veto power because they had an economic veto where they could demand large amounts of money almost as ransom in order to get them put in the same position they would be after reserve creation. So I'm interested in sort of why this isn't reflected in this particular version of *The Provincial Lands Act*.

**Mr. Hoehn:** — I guess, you know, from our understanding on the point that you've raised, the requirement regarding third party interest is something that's in the treaty land entitlement framework agreement. It's not in *The Provincial Lands Act*. So my understanding is that they would have taken an amendment in the TLE agreement as opposed to the lands Act to look at that kind of thing where we would arbitrarily make that decision.

**Ms. Sproule:** — I think I would have to disagree with you on that one, Wally. The place for . . . The jurisdiction is established under *The Provincial Lands Act*. The minister can do what he can do based on *The Provincial Lands Act*. And if there was a clause added in *The Provincial Lands Act* that said the minister could end a lease if in the opinion of the minister the lessee is being unreasonable in terms of a TLE implementation, that's

something that belongs in *The Provincial Lands Act*. But I assume we're going to have to agree to disagree on this one. All right.

I'm going to move on because time is ticking away. As you know, Public Pastures—Public Interest is a non-profit group that is very interested in particularly pasture land and the ecological values that they represent and also, like I think, the values of public land vis-à-vis the public and not just lessees or individual users of the land. They've, I know, provided you with a number of comments. I'm looking at some from July of 2013 and also some after the 2016 revisit or re-invite, as the minister called it . . . [inaudible interjection] . . . No, it's a good word, I like it.

One of the things they said is: "We hope that the revised legislation should do a better job of recognizing and valuing the conservation of biodiversity and protecting the land should be the priority." Now I know you paid attention to that in your comments, Mr. Minister, in terms of hearing stakeholders, but can you describe where you would say those values are protected within the legislation?

**Mr. Hoehn:** — I guess, first and foremost would be . . . The ability to issue immediate stop-work orders would be one of the . . . we see as one of the critical things, especially when we come across, you know, things that are impacting land in a negative way, whether that be over-grazing or illegal drainage or any other activity.

The other area that we've strengthened is written consent of the minister to make any improvements to the land, and that would include breaking of native prairie. And so specifically, they would require written permission before doing that, so in addition to the protection already afforded on a lot of the land through *The Wildlife Habitat Protection Act*.

**Ms. Sproule:** — One of the things that they indicated a concern with was the fact that there should be a greater presence . . . It's not a fact, but they've identified this as a need. They thought there should be a greater presence of the Minister of the Environment in managing public lands in southern Saskatchewan. And in their view, they have these lands. And I would think if you're thinking of pasture lands with all the species at risk that inhabit it, that the lands have far more to offer society than grazing opportunities or oil and gas development.

So was there any consideration given to having the Minister of the Environment play a more active role in the lands under the, in terms of the environmental aspect, under the lands under the Ministry of Agriculture?

**Hon. Mr. Stewart:** — I know that PPPI [Public Pastures—Public Interest] have certain views, but they are not in alignment with the leases that we provide to lessees in southern Saskatchewan for grazing purposes. The public does not have general access to those lands, and that's never been the case that they did. The only access that is permitted without specific permission of the lessees is hunting, and that's after the cattle are out in the fall.

**Ms. Sproule:** — I don't think they were talking about having

access, but it was more about protection of the biodiversity and that's typically a role that's fulfilled by the Minister of the Environment. So were there any discussions around that?

**Hon. Mr. Stewart:** — No. The biodiversity of the grassland plains in southern Saskatchewan and the south part of the Western provinces generally has been protected by none other than the cattle industry since the 1880s. And it is in pristine condition for the most part. And it's a matter of, you know, agreements and the formulation of our leases between Agriculture and lessees. And we certainly work with Environment on issues where we think we need Environment's expertise. But the southern grassland plains are, generally speaking — not altogether but generally speaking — under Agriculture, and Environment has almost complete control over the northern forested lands in the province.

**Ms. Sproule:** — Minister Moe?

**Hon. Mr. Stewart:** — Minister Moe reminds me that the WHPA [*The Wildlife Habitat Protection Act*] regulations, the categorization of lands under, you know, a low, moderate, and high ecological value is another factor that is an agreement that's worked out with Environment and Agriculture. And that part of it is supervised largely by Environment.

**Ms. Sproule:** — Another concern that was raised by PPPI was exactly what you're talking about, is the CLEAT [Crown land ecological assessment tool] designation, and the definition of what is considered of important ecological value. And in their view, that discussion should include some form of public discussion.

When you are assessing lands under CLEAT — which is the Crown land ecological assessment tool for Hansard — and it's very difficult to find out the CLEAT designation, so has there been any consideration to allow the public to ascertain what the CLEAT assessment is of any particular land? And are you going to be including public discussion on what is the definition of important ecological value?

**Hon. Mr. Stewart:** — CLEAT designation doesn't really come into play in any practical fashion until somebody expresses an intention to purchase the land. And so, you know, if members of the general public are interested in purchasing the land, then it gets put through the CLEAT process. And if talks progress to the serious stage, there is often some ground truthing done as well.

**Ms. Sproule:** — I think that that is the critical point though, is when a certain individual express interests in purchasing Crown land, is there any way for the public that may have a different view on whether that land should be made private because of certain heritage values or cultural values . . . And that's what the CLEAT assessment tool is designed to do. But how will they know that the purchase is going through and the assessment's being done? Is there a public notice provision or is there . . . I think what they're looking for is some sort of public advisory panel that would be notified and part of the decision.

**Hon. Mr. Stewart:** — The major environmental groups in the province have been engaged in that process and have been following up on the designations of land that's actually been

sold, and I don't think there have been any conflicts with CLEAT and the environmental groups. So you know, that's kind of the safeguard. And we wanted those environmental groups involved in this process with us so that the public could have confidence in the CLEAT process.

[20:30]

**Hon. Mr. Moe:** — Just on the CLEAT process leading into the wildlife habitat protection classifications that come out of that process, and then what triggers that is when someone's interested in purchasing that property. That entire process was a consultation on its own with, as we know, a number of agricultural stakeholders as well as a number of environmental stakeholders. And it was a process that, at the end of that consultation, was agreed to by many, many, if not all, on where we landed on the actual process.

As we went through the first number of properties that went through that process, we were in touch as well with those stakeholders as they chose to be involved. And as we got comfortable with the first number of properties that went through that process, we worked with them. And it wasn't until everyone was comfortable with the process itself that we moved on and have just continued with this.

So the public piece that you speak to was very much done in an in-depth way on the process itself. And most if not all stakeholders — if I remember correctly and I'm going strictly off memory — were quite supportive of that process which doesn't require, which didn't require at the time that we went through it to have what you're asking for. So we didn't do that, but the process itself was widely, I would say widely accepted and widely supported by stakeholders in the agricultural field as well as the environmental field. And I think it was the two of us that did some of that.

**Ms. Sproule:** — Thank you very much to both ministers. I mean many of the comments that Public Pastures-Public Interest has provided are more on a policy level because they obviously hadn't seen the bill at the time that their comments were provided. Seeing the time, I do have a couple of more specific questions on the bill and can pursue some of these discussions maybe in estimates in the spring.

I'm interested in the repeal of *The Ecological Reserves Act*. I know that most of the clauses have been incorporated into this bill. And two things, two questions I have for that is, what is the status of the ecological reserves fund at this point in time? And then secondly, why did you only include the Great Sand Hills as an ecological reserve in this bill? As I understand there are other ecological reserves in Saskatchewan.

**Hon. Mr. Moe:** — With respect to the first question with the ecological reserves fund, it was enabled under *The Ecological Reserves Act*. And to date the fund has not been established, and the ability for establishing such a fund is continued and carried forward in this Act, *The Provincial Lands Act*.

With respect to the Great Sand Hills ecological reserve under this Act, *The Provincial Lands Act*, the Great Sand Hills representative area ecological reserve was established in such a way that no activity restrictions or land designation may be

revised without approval of the Assembly. Government established the reserve in this way to illustrate the ecological significance and the importance of the Great Sand Hills. As such, when the provisions of *The Ecological Reserves Act* were drafted to move into this proposed provincial lands Act, 2016, the clauses directly relating to the activity restrictions and land designation of the Great Sand Hills were placed directly into this bill. And that is the only ecological reserve that has been established in that particular way.

So there are, you're right, there are 38 other ecological reserves covering 970 000 hectares in Saskatchewan, and these ecological reserves will continue to be designated and managed under regulations that will transition to *The Provincial Lands Act*.

**Ms. Sproule:** — So you're saying when you draft the new regulations, I'm assuming you're already doing that, but that those would be included through the regulatory process? Is that the plan? The other representative areas?

**Hon. Mr. Moe:** — Yes, that's correct.

**Ms. Sproule:** — When do you anticipate the regs will be completed and public?

**Hon. Mr. Moe:** — We're aiming to have those regulations done by the end of this year or very early in 2017 when the Act is proclaimed.

**Ms. Sproule:** — Will you be doing any further consultations on the regulations? Much of the meat of this is to be found in the regulations.

**Mr. Hoehn:** — I guess the Act is joint; the regulations are separate. So we did consultations on our regulations already. We did them over the summer. We had a meeting in Saskatoon and a meeting in Regina.

**Ms. Sproule:** — But at that point there was no distribution of the proposed regulations. That's kind of the problem, is it's hard to consult on something that you can't see. And then once we see them, they're public and they're already passed. So is there any process for public consultation after they're passed to revisit them if necessary?

**Hon. Mr. Moe:** — If I could, with respect to Environment, which has a separate set of regulations than Agriculture, we set out ... Obviously you can't set out precisely what the regulations would be, but we did set out a couple page summary of some of the key changes that would occur to our stakeholders. And we received some of those responses back, and we're in the process of reviewing those responses now.

**Ms. Sproule:** — Thank you. And just one more question on the fund, the ecological reserves fund. Do you have any knowledge as to why it hasn't been established and whether you intend to establish it in the future?

**Mr. Kirychuk:** — No, don't have any knowledge why it wasn't used in the past. We don't have any immediate plans to use it in the immediate future, but we want to leave it as a tool that's available to us to use.

**Ms. Sproule:** — Thank you very much. One last question. I keep finding interesting tidbits, but the one I am very interested in section 2-11. And this is . . . I'll just read it for you:

Out of every disposition of provincial land extending to the boundary line between Canada and the United States of America there is reserved to the Crown a strip of land one chain in width measured from the boundary line.

Is this a new clause, or was it in the old one?

**Mr. Hoehn:** — It was in the old one.

**Ms. Sproule:** — Okay, thank you. Yes, just with a view to the time, Mr. Chair, I guess one last question. In terms of sale of Crown lands — and this is for both ministries — do you have any plans to sort of change the program for sales or are there any new sale programs coming up? I don't think the Ministry of Environment sells much land. I think it was something like 40 — let me check and get it on the record — there was 15 transactions with the Ministry of Environment last year, and the total number of acres sold there was 207. So that's a very minimal amount of land.

Of course Agriculture, it's a much higher number. We had 43 transactions completed through the incentive program that was announced in November of 2015, and the Minister of Agriculture sold 63,000 acres of land in '15-16. And under the special program, about 23 per cent of the lands were under that program. Again a substantive amount of funds were raised: \$29 million I believe, or just over that for the Crown land sales for the Ministry of Agriculture.

Obviously sale of Crown land is an important issue. And I'm just wondering where, other than section 2-5 is the clause, it says you can, "The minister may sell . . ." Where could we find the minister's parameters around that discretionary sale? Is there a program on your website, or is this something that again is just ad hoc and depending on interest from an individual?

**Hon. Mr. Stewart:** — That would be found in the regulations currently.

**Ms. Sproule:** — Are you anticipating that there would be a fairly large section of the regulations devoted to that, or a very descriptive part of the regulations?

**Mr. Hoehn:** — I guess in order . . . Because there will be some sales carried over from the sale program because the application date is what locks in the discount, the wording will be in the transitional part of the regulations to deal with that.

**Ms. Sproule:** — All right. I want to thank the minister and the officials for the good discussion tonight. This is a topic very near and dear to me, and I do appreciate the efforts for modernization. I think that will be important to lessees and disposition holders, and certainly I think in the long run the general public will have a better understanding of what your intentions are with respect to provincial lands.

Obviously, you know, the inclusion of First Nations in a nation-to-nation discussion and giving full opportunities for the Crown to exercise its honour by engaging in those

reconciliatory discussions would be, I think, fruitful. And despite what the letter of the law may say in terms of duty to consult, I know there's lots more opportunity for the Crown to engage in a meaningful consultation beyond that.

And when I look at the symbols of our relationships with First Nations here in this room, it is infinitely connected to land, and that's what this bill is about. And I certainly hope that that's taken forward with that spirit in mind as this modernization goes forward. So, Mr. Chair, I again want to thank the officials and don't have any further questions on this particular bill.

**The Chair:** — Well thank you very much, Ms. Sproule, for your questions. Are there any other questions from any other members? If not, just before we get to voting off the clauses, rather than have Ag officials stick around — there's quite a few to go through here — do you have any concluding comments, Minister? And then maybe after that we could get the Environment folks to move in if there's any new officials while we're reading the clauses, just to save on a little bit of time. Minister Stewart.

**Hon. Mr. Stewart:** — Thank you, Mr. Chair. I'd like to take this opportunity to thank both officials from Ag and Environment as well for their help with particularly the drafting details of the bill. We've got some real experts here, of which I would not be one. And so thank you for your help. And thank you, Ms. Sproule, for your usual insightful questions.

**The Chair:** — Thank you very much, Minister and officials. Committee members, we will now proceed to vote off the clauses. Again, as I mentioned, there's quite a few of them, so we'll get at it here. So here we go. Clause 1-1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Clause 1-1 agreed to.]

[20:45]

[Clauses 1-2 to 11-8 inclusive agreed to.]

#### Clause 11-9

**The Chair:** — Clause 11-9. I recognize Mr. Bonk.

**Mr. Bonk:** — Mr. Chair, I propose that we vote down clause 11-9 because I plan to move new clause 11-9 after all the clauses have been read.

**The Chair:** — All right. Thank you, Mr. Bonk. Clause 11-9. Is that agreed?

**Some Hon. Members:** — No.

**The Chair:** — No. It has been voted clause 11-9 is not agreed. The clause is defeated.

[Clause 11-9 not agreed to.]

[Clauses 11-10 to 12-1 inclusive agreed to.]

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

**Clause 11-9**

**Mr. Bonk:** — Mr. Chair:

**New clause 11-9 of the printed Bill**

Add the following clause after Clause 11-8 of the printed Bill:

**Section 99 amended**

**11-9 Subsection 99(1) is amended:**

(a) by repealing clauses (c) and (e); and

(b) in clause (u) by striking out ‘integrated forest land use plans,’

**The Chair:** — Mr. Bonk has moved:

**New clause 11-9 of the printed Bill**

Add the following clause after Clause 11-8 of the printed Bill:

**Section 99 amended**

**11-9 Subsection 99(1) is amended:**

(a) by repealing clauses (c) and (e); and

(b) in clause (u) by striking out ‘integrated forest land use plans,’

Do committee members agree with the amendment as read?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Is the new clause 11-9 agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Clause 11-9 agreed to.]

**The Chair:** — Is the appendix of the bill agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Appendix agreed to.]

**The Chair:** — All right. Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Provincial Lands Act, 2016*. I ask a member to move that we report to the Assembly Bill No. 34, *The Provincial Lands Act, 2016* with amendment.

**Mr. Bonk:** — I so move.

**The Chair:** — Mr. Bonk, thank you, moves. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried. Thank you very much. We are moving on. Thank you for your patience as we got through, as I mentioned, those several clauses of that bill. And we are moving on as quickly as possible. The time is 8:54.

**Bill No. 10 — *The Forest Resources Management Amendment Act, 2016***

**Clause 1**

**The Chair:** — We begin consideration of Bill 10, *The Forest Resources Management Amendment Act, 2016*, clause 1, short title. Minister Moe, thank you for switching out your officials. I'm sure we gave you plenty of time to do that with our business. But, Minister, if you wouldn't mind introducing your officials, any introductory comments, and then we'll turn it over to members for questions.

**Hon. Mr. Moe:** — Thank you very much, Mr. Chair. And thank you, members of the committee here today. We are here today to talk about *The Forest Resources Management Act*. And I have with me to my left, Bob Wynes, the director of landscape integrity branch, and while Mr. Murphy is away this particular week, Bob is also serving in a capacity as our acting ADM [assistant deputy minister]. To my far right, I have Earl Bourlon, forest practices coordinator from our forest services branch; and to my immediate right, I have Mr. David Stevenson, the manager of forest practices and science, also in our forest services branch.

So the proposed amendments being discussed here today address a variety of subjects focusing on improving government's ability to make sure that forests are sustainably managed and the environment is protected. The amendments also bring the legislation into line with other provincial resource management legislation, and the amendment provides more flexible processes to adjust the fees collected to renew and manage our public forests. This will help make sure that the forest management fees reflect actual forest management costs and help ensure that Saskatchewan's forest industry remains competitive.

As well the amendments provide a mechanism for the ministry to form partnerships to address long-standing issues such as abandoned roads and trails on our provincial forest lands. These roads can pose both public safety and environmental risks, and making legislative changes to help address these issues is necessary and it's also timely at this point.

The proposed amendments also include several provisions to make forest companies more accountable as they operate in our publicly owned forests. These include requiring long-term forest management planning for term supply licences, holding licensees accountable for actions of contractors working on their behalf, and enabling long-term licence prohibitions for those who break the rules.

We believe these proposed amendments will help foster a competitive business environment for the forestry sector while



reinforcing public confidence in our commitment to ensure that Saskatchewan forests are being sustainably managed.

So now if the committee chooses, my colleagues and I would be available to answer any questions that we may have.

**The Chair:** — Oh, I'm sure there will be. I'll just remind the officials the first time you speak, just for the written record, if you could say who you are. I know you were already introduced, but just so we can straighten that out. So at this point we'll open up to members of the committee for questions. I recognize Ms. Sproule.

**Ms. Sproule:** — Thank you very much, Mr. Chair, and kudos on the successful passing on the previous bill with all that work. You did a great job.

There aren't a lot of particular sections that are being amended here, so I thought maybe tonight we could just go through each one and you could identify what the changes are and why they're being made. And my first question before we get into those particular clauses is, this bill has been before the legislature many times and most recently in 2013 and 2014. Why weren't these changes addressed when this was before the House in 2013 and 2014?

**Hon. Mr. Moe:** — With respect to . . . Just a couple of examples of a couple of items that have transpired since '13-14 would be first some recommendations made by the Provincial Auditor to ensure that our forest management fee rates are sufficient to cover the costs of reforestation on non-forest management agreement areas. So it's to comply with recommendations that have been made by the Provincial Auditor.

Another example of why this bill is back before the legislature is there's been a few issues crop up, I think, over the last number of years and months, but the ability to enable long-term licence prohibitions for those that may have histories of non-compliance with the Act.

[21:00]

**Ms. Sproule:** — Thank you very much. Another preliminary question I have for you is, who was consulted by the ministry? Obviously the auditor's recommendations are there, but did you do any consulting before these changes were brought forward?

**Hon. Mr. Moe:** — The individual committees that were consulted would be . . . First of all the forest competitiveness committee was consulted, as well as a portion of the code committee known as the linear corridor committee — is that correct? — yes, linear corridor committee within the code committee the consultations that took place.

**Ms. Sproule:** — Who were the members of these committees? Are they foresters or . . .

**Hon. Mr. Moe:** — So with respect to the forest competitiveness committee, those would be industry stakeholders. With respect to the members of the linear corridor committee, which is part of the code committee, there's a number, a pretty broad diversity of members of the code

committee, you know, extending into all industries across the province, including the forestry industries, including . . . Ducks Unlimited would be part of that committee as well.

And I'm just informed, one further consultation that they did outside of those two committees was with the Saskatchewan Environmental Society who provided comments on this as well.

**Ms. Sproule:** — When you say linear corridor, is that to encompass these roads and road allowances and cutlines? Or what is a linear corridor? Is that that kind of thing?

**Mr. Stevenson:** — David Stevenson, manager of forest practices and science with the forest service. The linear corridor code committee is set up to help develop a new code chapter, Environmental Code chapter, around linear corridor development. This includes things such as resource roads, seismic lines, any kind of linear feature that you might find within the forest. So that's the intent. It's a regulatory development group, and because the Act talks to things such as dealing with abandoned roads, that's why that group were consulted with.

**Ms. Sproule:** — In particular then, we're looking now at clause . . . an amendment to section 7, clause 7(1)(i), and what we see is I think an expansion of the definition or the description of the types of roads that are going to be subject to these agreements. The only real question I guess I have here . . . You've definitely expanded it to go further than roads. You have road allowances and rights-of-way, so that's an expanded definition and you're adding words like develop, improve, maintain, and manage. Those are new words that are being added. Interestingly, clearing has been deleted, and I'm just curious as to why clearing of these roads is now deleted from this section.

**Mr. Stevenson:** — David Stevenson. The reason clearing was taken out and the meaning was expanded, so that we could have a broader suite of tools that we can give permits for. So clearing is just one sort of restrictive activity, whereas development, improvement, maintenance, those are all kind of activities that would be covered under the scope of clearing, but are a bit more specific as to what you might be doing on a road.

**Ms. Sproule:** — Once this change is made, what types of agreements do you anticipate you will be entering into that you cannot right now?

**Mr. Bourlon:** — Earl Bourlon. With respect to the agreements, the provision already exists. What we're looking for is an opportunity I guess to enter into an agreement that would add some clarity to what the expectations of that proponent are. So it would carry through right from the initial development or the upgrade or improvement of that corridor right through to the reclamation. So it would be a little bit more comprehensive than just associated with clearing and then jumping right to reclamation. A lot of proponents would like to upgrade a road or a corridor for a certain period of time, and then we would set the parameters as to what would be the requirements for reclamation.

**Ms. Sproule:** — Will seismic lines be included in this definition? Would that be considered a right-of-way, or is that something entirely different?

**Mr. Bourlon:** — The intent is that that would include all of the rights-of-way and the corridors from Crown utilities right through to seismic and mineral exploration.

**Ms. Sproule:** — What sort of considerations are being given to liability, Crown liability, in terms of use of these corridors? I just think there's the potential for accidents that could occur when, you know, recreational users are maybe developing one of these legacy roads for recreational use and, you know, a tree falls and somebody is injured as a result of that. Like is there not liabilities that the Crown takes on when entering into these agreements, and how do you deal with that liability?

**Mr. Bourlon:** — This is something that the linear content committee is working on as well, but the intent is to reduce the amount of liability carried by government because currently these features aren't being maintained at all. There's nobody that has a responsibility for it. So the idea is that if a club or an association or an individual takes over that right-of-way, then they would carry that obligation to make sure that it's maintained, the crossings are functioning properly and . . .

**Ms. Sproule:** — I'm going to move on now. I think the changes being made to section 21(1) are fairly straightforward. If I understand correctly, and you can confirm this, these dues that are currently described in the provision are now just being . . . There's a regulation that establishes a dues system, so this clause is really no longer necessary in its length. It looks like you are indicating in the new clause that these dues are under the regulations and they're a debt due and recoverable by the Crown and that all property in forest products remain in the Crown until the dues have been paid. Is that a good characterization of that clause?

**Mr. Stevenson:** — Yes.

**Ms. Sproule:** — Thank you. Moving on to section 22(6) amendment, I believe it's being repealed and substituted. And if I understand correctly under your explanatory notes, this is the clause that addresses the Provincial Auditor's findings asking that reforestation fees be set at a level sufficient to cover the costs on non-forest-management-agreement areas. I guess the first question I have is, how much reforestation is done on non-forest-management-agreement areas?

**Mr. Stevenson:** — I'm sorry, in terms of number of trees or money spent or area covered or . . .

**Ms. Sproule:** — I would say vis-à-vis forest management areas.

**Mr. Stevenson:** — About 95 per cent, just throwing that number out there. The vast majority's done on the FMA [forest management agreement] areas because that's where the vast majority of the harvesting is. So very little of the reforestation is done outside of that.

**Ms. Sproule:** — So the concern of the auditor — and I'm not familiar with the report; I apologize — was that on these non-forest-management areas, the fees weren't high enough? Was that the concern?

**Mr. Stevenson:** — The concern was, yes, that in some areas the fees were not high enough and in other areas the fees were too

high. So it would really depend on the non-FMA [forest management agreement] area, mainly the TSLs [term supply licence] and the Island Forests area. In some cases, your fees would be in excess of what you'd need. If you are treating, for example, a pine site, the fee in regulations is too high. But in other areas where you're treating white spruce, it's probably not high enough.

**Ms. Sproule:** — So if I understand correctly . . . And this provision now is an alternative to set the amount of these fees in a licence. Why wouldn't you do that in regulations like you did with the other fees?

**Mr. Stevenson:** — The fees in FMAs can be set in the licence itself. So this provision actually just mimics what we can do in the FMAs to allow for that flexibility.

**Ms. Sproule:** — Right. Who is responsible for reforestation in the non-forest-management-agreement areas?

**Mr. Stevenson:** — In the non-forest-management-agreement areas. So the FMA areas, as you mentioned, they're responsible for. In the area-based TSL areas, they're also responsible. So that's another form of licence, but the fee rate's set in regulation, so it's uniform across the province. So that's kind of the problem. In other areas where we don't have either a TSL or an FMA, such as the Island Forests, we have a management agreement with Saskatchewan Research Council to do the reforestation work.

[21:15]

**Ms. Sproule:** — All right. And TSL, just for the record, is a timber supply licence?

**Mr. Stevenson:** — A term supply licence.

**Ms. Sproule:** — Term supply licence. Okay. So those would be . . . Can you describe what that would be?

**Mr. Stevenson:** — Sure. A term supply licence is a licence that lasts five years. In terms of the renewal obligations, they are obliged to renew to the level of the trust fund but no higher, as opposed to an FMA, which is a multi-year agreement that they are obliged to do the renewal regardless of what the trust fund is.

The intent with the TSLs is that they would then move into an FMA once they get to a sufficient level of activity.

**Ms. Sproule:** — That kind of moves us into section 38 then. And I want to make sure I understand the intent here. So you're repealing 38(1) and then substituting it. Can you explain to the committee what the intention is with the changes under this proposed amendment?

**Mr. Wynes:** — Yes. Bob Wynes. The change that's contemplated here relates to having to have a forest management plan established before timber harvesting can occur, under an FMA. The change in this provision allows some flexibility for the ministry in terms of the time frame of preparation of that forest management plan related to the issuance. Right now the way it's set up is actually a deterrent

for companies moving to that higher standard of forest management or an FMA because of kind of that inefficiency in terms of the time frame around the forest management plan development.

**Ms. Sproule:** — The only concern I have is, what's the purpose of a plan if you're allowed to start harvesting before you have one? And what are the concerns that would come out of that? Like certainly the purpose of having a plan is to have the plan. And I understand it can take up to two years, according to your notes, and considerable investment. But why would that be a deterrent for a company when they should be making those plans anyways? Correct?

**Mr. Wynes:** — Yes. So actually those plans are in development, and this just gives flexibility for the ministry in terms of the time frames that are set so that it can be more specific to the circumstances around that FMA.

**Ms. Sproule:** — What would be some potential consequences of agreeing to commence prior to the plan being established?

**Mr. Wynes:** — So essentially harvesting can occur right now in the term supply licence areas without a forest management plan. So this is an incentive we're trying to create for the companies to move into the FMAs by providing some flexibility to transition into the FMA process.

**Ms. Sproule:** — So although it's a very small percentage of the work that's done, you're still wanting them to move into the FMA arrangement. All right.

**Mr. Wynes:** — Correct. Yes. So as they transition into fuller utilization of the available timber in those areas, we expect a forest management plan to be developed.

**Ms. Sproule:** — Right. I think that is also connected in section 45(1), which you are also amending, is actually being repealed, and you have a more intense or more descriptive clause, particularly in (1.1). So could you explain to the committee, I assume this is similar, but maybe just give us a little more explanation.

**Mr. Wynes:** — Yes. This is actually a good opportunity to explain this more fully. So the way the process was contemplated is that an area-based term supply licence, the company would have that as a development opportunity as they're getting familiar with the area, doing inventory, and getting their harvesting wrapped up. But we want them to transition into an FMA. But the difficulty is that because of some of the difficulty moving into an FMA, they tend . . . have stalled out in continuing renewal of term supply licences.

So what we're trying to do is make it an obligation. The intention here is to make it an obligation that, at the minister's discretion, if the wood supply is being utilized in that term supply area, that following the second renewal of a term supply licence, as the company's wrapping up, they'd have to do a forest management plan even if it stays as a term supply licence. So it removes that incentive to stay as an ongoing term supply licence by making the requirement similar to what they'd have to do in an FMA anyway.

**Ms. Sproule:** — So it's a gentle encouraging to move into the FMA, a carrot rather than a stick perhaps. All right. Thank you.

And then I think we have one other change, substantive change where you're adding a new section 79.1. And I believe these are some punitive clauses. What are you trying to achieve here?

**Mr. Stevenson:** — So the intent here is to, where a proponent has a long history of non-compliances, rather than not issuing them a licence, which is one of the options we currently have, is to actually prohibit them from getting a licence. So it's a punitive measure when we have a case of someone who has repeatedly, you know, had non-compliances and shows no intent really to change behaviour.

**Ms. Sproule:** — And what is the punishment?

**Mr. Stevenson:** — The punishment establishes the authority to prohibit a person from obtaining a licence for up to five years.

**Ms. Sproule:** — All right. I think, Mr. Chair, that would be the extent of my questions on this particular bill.

**The Chair:** — Thank you very much, Ms. Sproule. Are there any other questions from members? Seeing none, we will proceed as quickly as we can to vote off the clauses. There's not quite as many in this bill. So here we go. Clause 1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Clause 1 agreed to.]

[Clauses 2 to 11 inclusive agreed to.]

**The Chair:** — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Forest Resources Management Amendment Act, 2016*.

I ask a member to move that we report Bill No. 10, *The Forest Resources Management Amendment Act, 2016* without amendment.

**Mr. Bonk:** — I so move.

**The Chair:** — Mr. Bonk, thank you. He moves it. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried. Excellent. Thank you very much.

**Bill No. 11 — *The Forestry Professions Amendment Act, 2016***

**Clause 1**

**The Chair:** — It is 9:23 p.m. We have one more bill. And we will have the same minister with his officials begin consideration of Bill 11, *The Forestry Professions Amendment*

*Act, 2016*, clause 1, short title. As always, Mr. Moe, I'll give you an opportunity to have some brief opening remarks and then we can begin the Q & A [question and answer].

**Hon. Mr. Moe:** — Thank you very much, Mr. Chair. And I have the same bunch of esteemed officials with me for this Act as well. Again as I said, Mr. Bob Wynes to my left, Earl Bourlon to my extreme right, and David Stevenson to my immediate right.

These proposed amendments before us will ensure that financial penalties can be applied to individuals who unlawfully engage in the professional practice of forestry. They'll also ensure that legislation respecting the professional practice of forestry in Saskatchewan is consistent with our New West Partnership members and with other Canadian provinces. And the amended legislation will continue to build on our government's commitment to economic growth to support a competitive business environment for the forestry sector and to the sustainable management and long-term health of our Saskatchewan forests.

The amendments will also enhance public confidence in our commitment to ensure that our invaluable forest resources are being well managed by skilled, nationally recognized professionals. The ability to assess financial penalties will act as a deterrent and, failing that, a consequence for anyone who unlawfully engages in the professional practice of forestry.

Similar financial penalties are already established in law for other professions in Saskatchewan, including agrologists, engineers, geoscientists, and land surveyors. And they are also included in legislation regulating the practice of forestry in other Canadian provinces, including our New West partners.

The Association of Saskatchewan Forestry Professionals support these amendments before us here today, and these proposed amendments demonstrate the government's confidence in our province's forestry professionals and their association and acknowledge their key role in sustainable forest management here in the province of Saskatchewan. And we'd entertain any questions that may arise from these amendments.

**The Chair:** — Thank you, Minister Moe, and we'll open up the floor to any questions the members may have. I recognize Ms. Sproule.

**Ms. Sproule:** — Thank you very much, Mr. Chair. If I understand this correctly, this is a very minor change to the bill. I do appreciate the length of the minister's second reading comments back in November — sorry, I believe it was introduced on May 30th — but if I understand correctly, there are two existing clauses now: one is section 40 which establishes the fines, and section 41 is the limitation for the prosecution.

It looks like when these sections were first established, they only applied to section 23 itself, which was the protection of the title. If I understand correctly, in 2013 there was an amendment made to the bill also. It's described as prohibited practice and exceptions. So it provided a little more detail, and I actually remember this bill when it came in three years ago. So protection of title and then now there's prohibited practice and

exceptions. If I understand correctly, you want these two provisions, 41 and 40, to apply to section 23.01 as well. Is that correct?

And that was just missed in 2013, as far as you know?

**Hon. Mr. Moe:** — Yes.

**Ms. Sproule:** — Okay. That's it, Mr. Chair. I have no further questions.

**The Chair:** — Thank you very much, Ms. Sproule. Brevity is not always a part of government, but in this bill it is. Assuming there's no other questions? Seeing none, we will move to vote off these clauses. So on Bill No. 11, clause 1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Clause 1 agreed to.]

[Clauses 2 to 5 inclusive agreed to.]

**The Chair:** — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Forestry Professions Amendment Act, 2016*. I'd ask a member to move that we report Bill No. 11, *The Forestry Professions Amendment Act, 2016* without amendment.

**Ms. Carr:** — I so move.

**The Chair:** — Ms. Carr, thank you very much. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I'll give Mr. Moe just some brief remarks to wrap up the evening's examination of his bills.

**Hon. Mr. Moe:** — Thank you very much, Mr. Chair, and I'd like to thank the officials that joined us earlier this evening from Agriculture, and of course our officials from forestry services and the lands branch in the Ministry of Environment.

I also want to thank all committee members for their participation here this evening, and I want to thank Ms. Sproule for her questions here this evening. They're greatly appreciated and very much an important part of the process of how we make laws here in the province of Saskatchewan. So thank you, Mr. Chair, and with that I'll turn it back to you.

**The Chair:** — Thank you very much. Ms. Sproule, go ahead.

**Ms. Sproule:** — I would like to take this opportunity to thank the members of the committee, Mr. Chair, our Clerk, and obviously the minister and the officials for the fine work. And I appreciate you providing the answers you did tonight and the good work you do. Thank you.

**The Chair:** — Thank you very much. Again, thanks to committee members for their attention and the important work that was done this evening. And I believe we've concluded all

our business required tonight. Thank you for officials for being here. I'd ask a member move that we adjourn this evening.

**Mr. Kirsch:** — I so move.

**The Chair:** — Mr. Kirsch has moved that we do now adjourn. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — All right. That's carried. This committee stands adjourned to the call of the Chair.

[The committee adjourned at 21:30.]