



STANDING COMMITTEE ON THE ECONOMY

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STANDING COMMITTEE ON THE ECONOMY

Mr. Gene Makowsky, Chair
Regina Dewdney

Mr. Trent Wotherspoon, Deputy Chair
Regina Rosemont

Mr. Larry Doke
Cut Knife-Turtleford

Mr. Bill Hutchinson
Regina South

Ms. Victoria Jurgens
Prince Albert Northcote

Mr. Delbert Kirsch
Batoche

Mr. Don Toth
Moosomin

[The committee met at 16:49.]

The Chair: — Welcome everyone to the Standing Committee on the Economy. Welcome members. First some housekeeping items: substituting for Mr. Wotherspoon will be Mr. Belanger.

I'm going to table a few documents, the first one being ECO 14/27 from the Ministry of the Economy: responses to questions raised at the April 14th, 2014 meeting of the committee in regard to ministerial travel expenses report and travel activity report dated September 3rd, 2014, distributed to committee members on September 8th, 2014; and the other one being ECO 15/27, Ministry of Agriculture: responses to questions raised at the April 16th, 2014 and April 29th, 2014 meetings of the committee in regard to estimated number of seasonal foreign workers, Farm Land Security Board's 2012-2013 annual report, and Growing Forward agreement dated September 17th, 2014, distributed to committee members on September 19th, 2014.

Pursuant to rule 148(1), the estimates and supplementary estimates for the following ministries and agencies were deemed referred to the committee on March 26th, 2015 and March 18, 2015 respectively: main estimates, vote 1, Agriculture; vote 23 and 174, Economy; vote 26, Environment; vote 16, Highways and Infrastructure; vote 84, Innovation Saskatchewan; vote 35, Saskatchewan Research Council; vote 86, SaskBuilds Corporation; vote 87, Water Security Agency; and supplementary estimates, vote 16, Highways and Infrastructure.

During this time, the committee will be considering the estimates for the Water Security Agency. We will now begin our consideration of vote 87, Water Security Agency, central management and services, subvote (WS01). The time is now 4:51. We got started a little late this afternoon. We will go for an hour.

Minister Moe, would you like to have any opening statements?

**General Revenue Fund
Water Security Agency
Vote 87**

Subvote (WS01)

Hon. Mr. Moe: — Well thank you very much, Mr. Chair. And I express a thank you to all committee members for, although we're starting a little late, to accommodate us to have our one hour or 60 minutes of requested estimate time here.

I'll maybe just begin with a few introductions, as we're joined here this afternoon by a number of officials from the Water Security Agency. Beginning with the president of the Water Security Agency, to my left is Mr. Wayne Dybvig. To my right is Irene Hrynkiw, the executive director of corporate services. I have behind me, just to my right is Susan Ross, the vice-president of legal, regulatory, and Aboriginal affairs. I have behind, to my just left here is Sam Ferris, the executive director of environmental and municipal management services. Behind to my far left is Dale Hjertaas, the executive director of policy and communications; and behind to my far right is Megan Griffith, chief of staff of my office.

So in our 2015-16 budget, our government has focused on making key investments that will protect Saskatchewan's water resources. We know that our water is one of our greatest resources, whether for household use, whether for industrial development or recreational purposes. We developed our budget with a focus on protecting this crucial piece of Saskatchewan's environment. There's some controlled spending to ensure that the budget was balanced, but overall investments in the Water Security Agency have increased.

Our government's goal is to ensure that we foster economic growth while ensuring that Saskatchewan's people, Saskatchewan's communities, and our natural habitat receive the protection and the support that they require and they need.

The 25-year water security plan sets out the government's agenda to ensure that water supplies will support economic growth, quality of life, and environmental well-being now as well as into the future. We've made some significant gains in implementing this plan since its release in 2012, and this budget provides the capacity to continue to improve water management in the province of Saskatchewan.

Before we start into questions, I wish to briefly mention just a couple of our key initiatives. First, with regards to drainage: in our Throne Speech last fall we committed to developing new drainage regulations for agricultural water management. Our goal is an effective regulatory system that facilitates responsible drainage and mitigates impacts during flooding, water quality, and habitat.

So starting in 2013 and '14, we engaged almost 500 people in an online forum on drainage and responsible water management. This involved online discussions, an in-person session, as well as polling of individuals. It was probably the most comprehensive public consultation ever undertaken on this particular issue.

The report that resulted from this online forum had some excellent suggestions in regards to agricultural water management across the province. In February my colleagues, the Minister of Agriculture and the Minister of Government Relations, and myself met with environmental, agricultural, and municipal stakeholders to discuss a new approach to water management in the province of Saskatchewan. Significant support was expressed from these stakeholders for the general approach, and many good ideas came as a result of these meetings. The Water Security Agency is now working on new regulations for drainage, incorporating what we have heard from all of these consultations.

With respect to flood preparation, fortunately the runoff this year so far is proceeding without too many problems thus far. Nonetheless, we expect that there may be some localized areas that have flooding issues as we move through the days and weeks ahead of us. Our government has launched the emergency flood and damage reduction program, or the EFDRP program in 2011 to help Saskatchewan citizens, municipalities and, quite frankly, families prepare for flooding in their communities and to protect their homes. Analysis of that work showed that each dollar invested in flood prevention saved 20 to \$30 in damage.

Our government has invested close to \$70 million in flood mitigation efforts to assist close to 3,000 applicants, including the construction of more than 600 permanent works that will provide long-term protection. We will be there to support Saskatchewan people again in 2015 with the emergency flood and damage reduction program.

With respect to infrastructure renewal, the Water Security budget continues the 10-year infrastructure rehabilitation plan with 18.3 million in capital investment. That's an increase from 15.56 million last year. Our government's investment in rehabilitation of the M1 canal has been increased from 9.9 million last year to \$12.5 million this year. This will allow the Water Security Agency to complete the planned improvements within our 10-year schedule. This canal is a crucial water supply for communities, irrigation, potash mines, recreation, as well as other uses.

Other major infrastructure projects include the rehabilitation of the Zelma dam and design work for the rehabilitation of the Crooked Lake and the Valeport control structures. Last year, after two years of maintenance work and removal of silt and vegetation from the upper Qu'Appelle channel, tests showed that the channel can now carry eight cubic metres per second in the summer, up significantly from less than four cubic metres, adding capacity to meet the short-term growth demands we were experiencing for water from Buffalo Pound Lake.

So, Mr. Chair, I've highlighted just a few of the initiatives that are under way to ensure secure water for the province of Saskatchewan. And I'd like to acknowledge all the staff at Water Security Agency for their commitment, especially in the recent years when we've experienced significant flooding that has threatened property, communities, and people across the province. Water Security Agency staff have often gone above and beyond to provide assistance to Saskatchewan people, and I believe this budget will continue to support the Water Security Agency and the important work that they perform.

Now, Mr. Chair, I'd welcome any questions that may come from our discussions, and I look forward to them.

The Chair: — Well thank you, Minister Moe, for those comments and thank you, officials, for being here this afternoon. Are there any questions from the committee? I recognize Mr. Belanger.

Mr. Belanger: — Well thank you very much, Mr. Chair. And just for a bit of housekeeping on my end as well, is I just want to explain to several people that are watching this particular part of what we do as MLAs [Member of the Legislative Assembly] and explain to them that the committee, the opportunity we have during committee, is to ask the ministers very specific questions about their department spending, their department plans.

And this is what we do as MLAs. Not only do we speak in the Assembly and go through question period and debate bills, but we also have the opportunity as opposition members to question the government on their spending on each individual department. And I just wanted to briefly explain that to those that are listening so they know exactly what the Committee of Finance does.

Mr. Minister, obviously we're going to be talking about flooding and some of the challenges that we are privy to. And certainly as a critic for the Saskatchewan Water Security Agency, there's a number of different departments that overlap: perhaps Environment, perhaps Agriculture. There are a number of other laws and of course different bills that impact water in general.

So I want to explain a bit to those that are listening that we have a variety of questions that we can ask on specific departments, like today, the Water Security Agency. But there may be overlapping departments or different ministers that are involved with a wide variety of the water issues facing Saskatchewan. So we're going to try and do our best to get information as it relates to the Water Security Agency.

[17:00]

So the first question I have, obviously we're going to be focusing on flooding. It's a huge, significant issue. It is a tremendous strain on families. It impacts and affects our economy, as you're well aware. And there are people out there that are really having some very, very difficult times when it comes to flooding.

As the critic for the Watershed Authority or the Water Security Agency, I've travelled east to Yorkton and I've travelled around Humboldt areas and then in southwestern Saskatchewan as well as the North. So we travel a fairly significant amount in terms of going to many corners of the province to see what flooding does and the damages that it could occur.

So I'm going to focus on the flooding aspect, if I can, for the first hour of the estimates for the committee. I noticed on the schedule that you presented to us, the spring runoff potential as of February 1st, 2015, in which there's a map of Saskatchewan that shows different sections having different colours. Can you explain to myself as well as the listeners out there how the department basically draws out a map of Saskatchewan that says, here's what the spring runoff would look like, based on all the data that we have? How do you go about doing the determination of how much moisture you're going to have versus anticipated rainfall, etc.? Can you explain that a bit?

Hon. Mr. Moe: — Well thank you very much for the question. And with regards to the spring runoff, potential maps that we release, the first map is released on February the 1st and so in the lead-up to that, the Water Security Agency officials will do quite a number of things.

First, they will be monitoring precipitation stations that Environment Canada has. What that will do will give them an indication of the snowfall and the snowpack that is out across the province in general. They then will select locations. If they see required areas or locations, they will go out and physically themselves have a look and monitor the snowpack and measure for such things as (1) the depth of the snowpack, (2) the moisture content in that snowpack in that area. And that would be in, like I say, select locations where they're looking to get a little closer or more accurate — high-risk locations, if you will.

This would then lead in to a second report that would come in March the 1st, which was the last report that came out here this

winter. As the winter goes on, you obviously would refine those reports. They then take this data that they have with the snow surveys from the Environment Canada stations as well as the snowpack surveys that they have, and they compare that to about 40 years of historical data that the Water Security Agency has with peaks and ebbs and flows, if you will, in stream flows, and compare snowpacks from those years with the resulting stream flows to help them with their forecast.

There's really three factors that go into a spring runoff potential, the first being the fall moisture conditions that are present in . . . well across the province, but in certain areas of the province. And this past year we would note that we went in, most of the province went into the fall or the freeze-up in very moist conditions.

The second factor would be the actual snowpack that accumulates over the winter months — how much snow falls, how much moisture is in that snow — that would again affect the runoff potential across the province. And again we would look at certain areas of the province more closely if we deemed them to be a higher risk area.

And then the third factor that is occurring right now as we speak in many areas of the province is the rate that that snow melts. And that is again, if it all leaves in just a few days, it really accelerates the amount of runoff that we have in certain stream flows. And this spring, for instance, we've had a few days and it looks like we may have a few this weekend where it gets colder and slows down that snow melt.

So those are the three factors that affect the amount of runoff that we have, and that's some of the forecasting data that goes into the creation of the maps that we do. So we have February 1st, March 1st; we'll have another one on April the 1st or early April or before if required in certain years.

Mr. Belanger: — And I realize that obviously, like some of the older days people would make fun of the weatherman in terms of some of the projections, but today now, you know, forecasting weather has gotten to be a significant science in the sense that they have so much data and they have traditional information patterns and so on and so forth. And it's actually an amazing science in the sense that people are able to predict weather and what happens, you know, not always within 100 per cent accuracy of course, but there's a bit more reliability given the science in the sense of trying to predict weather.

I would ask the question, and it's not a loaded question or anything, but how has the success been with the department and with the Water Security Agency using the models that we have available with us now, and saying over the last number of years if we have been fairly successful in predicting runoff and potential flood risks? Like have you been 70 per cent correct or 80 per cent? Like how would you characterize your success as a department in predicting water flows and, in this case, the runoff potential for the spring?

Hon. Mr. Moe: — Well thank you. Thank you very much for the question. And with respect to success, I guess, of forecasting runoff potential, as I said there's three factors that go into predicting runoff. The first is the soil moisture conditions going into fall. The second would be the snowpack

and the third then would be the rate at which that snow melts.

As we do these maps, we have one of those criteria in the fall. And we add to it the snowpack and the amount of moisture in that snow as we move through the winter and into the spring months, and then the rate of melt is something that we would update, as I said, February, March, and April. And then we also would update our website as needed as we go through that runoff event.

Predicting runoff, I would think that we would have a fairly certain degree of success there. What is more difficult to predict is some of the weather events that happen or occur maybe as the runoff happens, for instance if there's a rainfall event that is added to that as we had last year, if I remember correctly. And what would be even more difficult to predict is . . . For instance, in last year, our predictions on the runoff event were quite accurate. It was the rainfall event over much of the province on the July 1st weekend that proved to be very challenging when we had 7, 9, and 11 inches of rain in many areas up the east side and through the southeast corners of the province over a very short period of time. And it's that type of a weather event that becomes very difficult to quickly and accurately predict that type of runoff event although we had . . . how many on the ground?

A Member: — Fifty on the ground on the second day.

Hon. Mr. Moe: — Yes. On the second day we had — is it about 25 per cent? — about 25 per cent of our workforce right on the ground in that area on the very next day and we continue to work with those communities as we go along.

With respect to the event that happened last year with rainfall, that particular event was considered a 1 in 100 year event over vast area of the province, not a localized area by any stretch, being an area 200 kilometres long, 250 kilometres wide, and that received a 1 in 100 year rainfall event on July 1st. So the runoff forecasting, I feel we are very accurate with that. Weather forecasting and forecasting a rainfall like that proves to be more difficult.

Mr. Belanger: — Yes, we certainly, from the pragmatic perspective, we understand that there's probably a lot of merit in saying that based on the data and the history and what we can expect, that we're fairly, again from the government's perspective, that you're fairly confident that the spring runoff potential prediction, so to speak, that there is a certain degree of accuracy there as well. Obviously, you know, it would be perfect if it could predict the rainfall as well, but that's one of the unknown factors out there, and I think people understand the government can't do that with a lot of accuracy at times.

So I think the importance of anticipating some flooding issues is that there's some things that we can accurately predict, but there are other things that we cannot accurately predict, and that's one of the points that many people have expressed to me in terms of those that are impacted by flooding.

So if we have difficulty in predicting what the moisture levels could be in terms of rainfall, then we ought to have a backup plan, so to speak, to deal with the event if there is this excess rainfall that adds to the flooding of family farms and

communities and homes throughout all parts of the province. And this is where a lot of families are urging the government to pay a bit more attention to is, okay, well we can't blame you for the weather, but we can certainly encourage you to predict what the possible damage might be if we do have weather like we had last year.

[17:15]

So while the tools of anticipating the spring runoff rate are good, there's still a huge gap that many families feel that need to be addressed when it comes to the unknown or uncertainty around rainfall and other factors. And some of those other factors I want to talk a bit about would be the illegal agricultural drainage. I know that affects and certainly creates significant problems in a number of areas. We obviously saw that during some of our touring.

So I guess there is two things I would ask for your comment on as the minister, is first of all, what is being done to anticipate a bad flood season again or a series of bad flood seasons? Because some people are of the opinion — and these are not scientific or scientists by any stretch of the imagination, but they read a lot, they study a lot — and they think that we're going to see another 10, 15 years of record moisture levels, just the changing climate and the changing planet.

So their argument was that, based on what they think is going to happen, we should do our best to mitigate that as a government and prepare financially to try and do something significant to address that challenge that many people think we're going to face. And it appears that they are concerned about it; it doesn't appear that the government is concerned about that.

So on those two fronts, first of all in the likelihood of more flooding issues, what kind of financial resources do we have set aside for that, if any? And the second thing is, how bad is illegal agricultural drainage adding to the problem of flooding in certain areas? And the specific areas I'm talking about of course are around the Yorkton area, which we toured extensively, and of course around the Humboldt area which we also toured.

And we'll get more specific detail as we go down this path with both of those communities, but really I think throughout the province that there is a significant flooding risk for the future of our province. And we need to know what you're doing to anticipate that and finance a backup plan, and secondly, how illegal agricultural drainage is complicating the issue.

Hon. Mr. Moe: — Well thank you very much for the question. There's a number of things I guess with regards to your first question and the anticipation of flooding, and it began with some of the conversation we had with regards to flood forecasting. A couple of things that we're doing first of all, in a follow-up to the flood forecasting, is we've increased two positions in our flood forecasting area of the Water Security Agency and increased funding in that area to about \$400,000.

Now we've continued with our commitment to be there for communities and to be there for individuals and families when they're faced with disaster in the province of Saskatchewan. We've done that through things such as streamlining our provincial disaster assistance program to make it more

accessible to individuals and communities, which my colleague from Government Relations could speak to in more detail.

With regards to recognizing the importance of a mitigation program and the introduction of that program in 2011, being the emergency flood and disaster reduction program, and the realization that investment in mitigation can result in a 20 to sometimes \$30 savings in damage after the fact, we are over \$79 million since 2011 invested in that program, with communities across the province as well as families and individuals with mitigation works to protect their homes and their personal property. That is a program that has been available as needed since 2011, made available by the Government of Saskatchewan. With this current budget, that is a program that is now a policy of the government as we move forward, and it'll be available for communities and individuals to access if they're required.

With respect to last summer's event, if it should happen again, I think this is something that was proved to be beneficial, again for not only communities to have access to the services that they require such as the provincial disaster assistance program or the emergency flood and disaster reduction program or other charitable services such as the Red Cross that can offer some services to those that are in the face of disaster. But we joined with charitable groups such as the Red Cross and visited communities in the days after the event that hit their communities to ensure that they did have access to those services that they required with a multi-ministerial effort, if you will, across ministries: Government Relations involved, Water Security Agency involved, as well as charitable organizations.

As we move forward, as I mentioned, we have the EFDRP, or the emergency flood and disaster reduction program, in place for communities. We're in conversations with the federal government on their national flood and damage reduction program that they're coming through and have committed to, led by Government Relations at the provincial level. And we're in discussions with the federal government on just what the parameters of that program will be and how it'll work into provincial parameters and be available for, again for communities and individuals to ensure that they have protection if they're faced with events with regards to flooding.

With regards to agricultural drainage is really a conversation I think in the province of Saskatchewan that has gone on for many, many years. There's a set of regulations that was brought in 1981, if I'm not mistaken, and it's a complaints-based system that has been discussed in particular for the last number of years. We're aware of, you know, a number of reports that have been released with regards to agricultural drainage, and had conversations with many, many individuals and stakeholder groups on just this topic and where we are and where we need to go as a province when it comes to regulations.

I point to one report with respect to Dr. Pomeroy, where it's discussed that in the event of extreme moisture events such as we had this last year, many of your wetlands in turn are full and the additional moisture or water that comes in large amounts ends up spilling, regardless. So in those extreme rainfall events, the agricultural drainage is less of a percentage of a factor in runoff situations.

As we, I guess as we approach drainage regulations as the Government of Saskatchewan, in 2012 as part of our 25-year water security plan, we had committed to updating the drainage regulations that were put in place in 1981. And it was last winter that we began consultations, an online consultation process where we had just under 500 individuals take part in the online process. We had further individuals take part in an in-person meeting and have released a report on drainage consultations in the province of Saskatchewan.

We've followed that up this past February with myself and, as I mentioned in my opening statements, my colleagues the Minister of Agriculture and the Minister of Government Relations, meeting with conservation groups, meeting with agricultural groups, and meeting with municipal stakeholders and talking to them about what responsible water management and, in particular, agricultural drainage should look like as we move forward in the province of Saskatchewan.

So we feel we've done appropriate consultations on this topic, and we committed to it in our 25-year water security plan. We included that commitment or reinforced that commitment in last fall's Speech from the Throne, and we will be updating those regulations as we move forward in the next number of months.

Mr. Belanger: — Yes, one of the issues that I picked up during our visit to a number of farm homes and farm fields is the incredible level of anger and frustration. And I wanted to share with you, Mr. Minister, that people are very upset out there. And they're upset at two fronts.

The first front is they want a lasting solution to some of the crises that they faced over time. And they also want to ensure that issues that the government can control — and they understand they can't control rainfall; we all understand that — but the issues around illegal drainage, is it adding to the problem? The answer is absolutely, yes it is.

So for the record, we have an article here from May 24th, 2013, almost two years ago, where your predecessor, and I'm quoting here from the document:

Ken Cheveldayoff, minister responsible for the Water Security Agency, said consultation will take place this summer and fall . . . and through meetings and associations and individuals.

And the headline said, "Sask. to get tough on illegal drainage." That was two years ago roughly, 23 months ago.

So the two trains of thought that I'm getting from people is that, are we going to have some lasting solutions for those communities and those regions that have run into this problem time and time again? Instead of wasting a lot of money on frivolous efforts to resolve this thing, we need some lasting, long-term solutions. And I think people will be patient if those solutions are put in place because on some of our tours, you know, where we could barely get into the farmhouses or the farmyards because we had to go over a road that was flooded, this is a serious, serious problem to some of those families. And they indicate that the amount of water is from two sources — obviously the rainfall, and the continual illegal drainage issues that they're struggling with.

[17:30]

And so they're angry. They're upset. They want some resolution. They want the government to come up with a long-term solution, as opposed to simply going through the motions of sending a consultant or an engineer there — and that costs money — to talk about their specific yards when it could be a regional strategy. That's the first level, sense of anger that a lot of them have. And I emphasize that they are quite angry.

The other important thing as well is that if you look at this ongoing relationship, say for example with PDAP, the provincial disaster assistance program, is also part of it. Well when they come in and they recommend a certain mitigating effort be undertaken to save a farmyard, a lot of times that's not the solution. Because on one instance we went to visit a home and we saw the berm that was installed with PDAP, and that berm would be breached fairly soon. It wasn't a matter of whether it was or not; it was really guessing how long that berm would last before the water spilled over and actually started flooding that farmhouse. And there's a significant amount of investment in some of these farm homes. We're talking beautiful homes; we're talking a number of buildings. And I can't express to you the amount of frustration and anger people have out there because their homes are being threatened.

And in fact in one of our trips to Yorkton area, I think your colleague, the member from Saltcoats, his home was surrounded by sandbags. So it's affecting absolutely everyone. And they're saying that look, we need to have a long-term solution. We need some vision to how we're going to address the flooding issue. They don't believe it's a one-year thing. They believe it's going on for a number of years. We don't want to see money wasted on short-term band-aid solutions, because that all costs money. We don't want the government to continue dragging their feet on illegal drainage that's exacerbating the issue as well, complicating the problem. We want to be able to look at this flooding issue from the regional perspective so we're able to do a wide swath of good solid measures that'll cost money at the outset but that would save Saskatchewan families, rural families, a lot of headache. And they really protect our economy because a lot of us of course are dependent on the agricultural economy as a mainstay for Saskatchewan overall.

I think everybody understands that part. But what do you say to people out there that are saying, look we don't need to spend a whole whack of money on band-aids as it relates to the flooding issues? We need to get tough on illegal drainage. We need to have a solid plan to go forward because this is costing money and sometimes we're even wasting money on some of the PDAP commitments that are being undertaken because they don't stop the water from coming in anyway.

So all these issues are being wrestled with by many rural families. And I can tell you that the touring that took place around Yorkton . . . My colleague and I, the member or the critic for Agriculture, Cathy Sproule, the MLA from Saskatoon, her and I travelled to some of these places. And I can tell you without exaggerating that one farm land we went through, we drove through about a kilometre of water on what was their driveway. And thank goodness it was the owner that was driving us because on both sides of the driveway was a ravine

that was deep. And if we drove off that road, we were in probably 8 or 9 feet of water and there was two or three of us, vehicles going down that road to go visit that farm family. And there's other places like I said, the berm was here and the house was lower and the water had reached the top of the berm. It was only a matter of time before that water would start to flow over.

I think there's a lot of people crossing their fingers and their toes that some of these berms would hold, which is not a risk that we should take on behalf of farm families. So you see a lot of people . . . And I'm going to talk a bit about what they're trying to do. They see a massive problem coming their way. They're doing their darndest to figure out their own solutions. I've got videotapes that I want to show you, some of the places that I've toured. And they're saying, the government's got to do things right. They've got to do a good solid master plan that takes some good resources to find some lasting common sense good solutions so we're able to mitigate what we think is an ongoing problem in rural Saskatchewan, and that's flooding of farm fields and family homes.

The second thing they have to do is . . . They think the government also has to get tough on things, for example, illegal drainage. That's exacerbating the problem. That's exactly what we're hearing. In fact in some areas, people are taking matters into their own hands. As you know, a lot of rural people will not simply stand by and hope things are fixed. If the things aren't fixed the way they would like, they'll take matters into their own hands.

We have people now that are looking at doing major drainage ditches in each of these areas to drain water away so they're able to take it to some river or some lake. Now what's happening on some of these fronts is some of these lakes are not allowed to be drained and especially around the Humboldt area, and I'll get more into that detail later on. But there's not the coordinated effort to deal with this issue that people are expecting from the government.

And they don't know how to argue from which perspective is the more valuable argument, whether it's saving their family farm or retaining the strength of the agricultural economy or dealing with this as a Saskatchewan person. There's three or four fronts that they're getting a lot of . . . They're expressing a lot of their anger and getting upset that some of these issues are not resolved. So people out there, I can tell you, are very, very angry and they're very frustrated.

How would you respond to them when they say to you, we need a lasting solution? Some of these band-aid steps are costing money, and we're simply wasting that money. We need to find a long-term solution, and we need a government that's prepared to do that. What would you say to that?

Hon. Mr. Moe: — Well thank you very much for the question. When it comes to flooding incidents in communities or in rural areas or in a farmyard, on the laneway on the way in, as you mentioned, and I've seen many of those situations myself, I think the first thing to make note of is there's a number of causes when there's a flooding event, not the least which is some of what we talked about with snow melt and snow runoff. And then also in addition to that there's extreme weather events that we experienced in this province in the southeastern and of

the eastern side of the province last year, for instance, with multiple inches of rain over just a few days.

And then also there is times when you will compile some of those extreme events with a number of higher than what would be considered average snowfall events, and you compile those year after year after year in many parts of our province. And we've seen that in some areas over the last four to five years in many parts, which has left many of our areas touched at one point or another with some degree of flooding.

You had mentioned a berm around a farmyard or a farmhouse. A farmyard, quite frankly, is what they are out there. And I agree with you that those are people's personal property. That's where they conduct their business and it's to be, you know, protected whenever we can when they're faced with disasters such as rising flood waters. And there are times when the water does start to approach the height of the estimated berm, and we encourage anyone and everyone that, as it approaches that, to ensure that they are in touch with our Water Security office to heighten that berm if need be to ensure that we can keep their property safe.

What I would say is the emergency flood and disaster reduction program that was brought in in 2011 would be the funding program that built that mitigation works in the first place. And with the water that we've experienced the last number of years, it's thank goodness that it is there.

You touched a little bit on the people in communities or at home in their farmyards that are affected when these events happen, and I couldn't agree with you more. The people across Saskatchewan, whatever year or whatever moment that they are affected, I can't say enough about the effort that they give to protect their own property, protect their family's property, protect their neighbours' property, and just to really in many cases reach out and protect their community. And I know you've done some travelling around, as many of us have. You noted the member from Saltcoats, and I know he did as well. But many of us as MLAs and elected representatives, municipal representatives, have visited areas of the province, and the stories are feet deep, quite frankly, of just heroic efforts in community after community and town after town.

So with regards to multi-faceted causes of these events, whether it be, you know, rainfall compiled on a number of years of high snowfall or whatever that may be, there is a number of causes. There is no one easy solution either. So for instance, if we were to just absolutely fix the agricultural drainage piece, there is a number of other factors as well. There's no one easy solution that is just going to end flooding, if you will, across the province of Saskatchewan.

[17:45]

What we are doing with regards to water management in the province is having a look at it under the auspice, if you will, of responsible water management in a number of different facets, drainage being one of those areas that we're looking at.

The balance to some of the conversations we've had is the, you know, proper and appropriate and well-planned agricultural drainage projects, and there are many out there. And I refer for

instance to the multiple conservation and development authority projects across the province and the watershed projects, projects done by watersheds and water steward groups across the province. There's a number of responsible drainage projects that have occurred that are beneficial to communities, to individual homes and properties and farmyards, as well as the economic benefit of removing water from agricultural land across the province, which is quite often the case as well. And it's to be considered in a responsible water management plan, the positive benefits of well-planned, well-thought-out, and well-constructed drainage projects.

What we have at present and when you talk about the need for a lasting solution, we have at present the set of drainage regulations brought in in 1981 that are complaints-based and quite often have, and I won't get into the details of them, but quite often they have a tendency to pit one neighbour against another in the fact that someone has to complain about a project that has been constructed.

Some of the things that we've looked at and heard, quite frankly, through our consultations that we've had with individuals, a number of them last winter and again this winter, but also stakeholders this winter, have really kind of been around this theme, if you will, that you can't just put water on your neighbour's property without his permission. And that's really maybe the heart of the direction that we'll be heading with as we update these drainage regulations.

We've looked at and been suggested to us to consider the usage of gates, so that you're able to hold amounts of water back in years where the outlet of that water might not be deemed adequate — it may not be every year, but it would be some years most definitely; to look at the risk of projects and watersheds and assess whether or not those projects are able to get a permit depending on that risk on the outlet, on the adequacy of that outlet in any given year.

So as I said, there's a number of factors that go into flooding, if you will. We've taken a very multi-dimensional water management plan for the province of Saskatchewan that we feel will serve communities, as well as our rural residents that are looking to construct drainage works, well into the next number of decades. So I guess in a short answer to your question, we need a long-lasting solution. I couldn't agree more.

Mr. Belanger: — Okay. And my final point I would make, and just to advise those that are listening to this presentation as they find this stuff very, very important, they are arguing the fact that it's one thing to not deal with illegal drainage. They know it's creating some problems. Everybody and their dog knows that's part of the problem. They're suggesting that yes, the government needs to deal with the illegal drainage issue and be firm with it because there's some people still doing it.

But at the same time there's ways that the government could complement those that are doing the legal drainage strategy for any particular area. And say for example, Humboldt, I think they're doing some work to try and create a ditch to draw some of this water away. I understand they rebuilt a road through one of the areas that's flooded — twice — at a cost of 600,000 bucks, I believe was the figure that was used. So it's not as if they haven't got an intelligent response. So there's action and

then there is again complementary action the government needs to take.

So I want to tell these individuals that are listening to this tonight is that this is our first hour of our committee hearings on this. We're going to have other times to talk to the minister about a myriad of issues that they want to ask questions on, everything from how many staff work on enforcement; has this number changed; how many complaints do you have on record in terms of illegal drainage; who negotiates conflicts with landowners; what's the process for them; how many people are devoted to conflict resolution? There are tons of questions that they have as it relates to water management.

My final comment of this particular initial session is that I was underimpressed when Minister Cheveldayoff at the time announced the water strategy for the next 25 years. We know that this water issue is going to be a significant challenge, not only for Saskatchewan's agricultural economy, but for things like the potash industry and many other industries, and the need to ensure that we look after our water supply well.

I sat, I think it was at the riverbank in Saskatoon. I listened to the presentation. And there was not enough resourcing, not enough long-term planning, not enough foresight into ensuring that the water security for all is something that drives the agenda each and every single day. And the two places I went and visited that showed some interest in trying to provide solutions to the government, I sensed a lot of frustration and anger.

So again, Mr. Minister, I thank you for your input today and your advice. But there is a whole whack of people, a whole pile of people that are really frustrated, angry, and are trying their darndest to provide a solution. The last thing they want the government to do is to be in their way when they're trying to do things legally, orderly, and methodically and with a lot of intelligence. And that's one of the messages I want to share with you tonight.

The Chair: — Well, committee members, we've reached our agreed-upon time allotment for this segment of examination of witnesses. Mr. Minister, I'll give you a chance to say a few final words. We'll recess for supper after you do that, if you wish to.

Hon. Mr. Moe: — Well thank you very much to the committee members and to Mr. Belanger for his questions. They're appreciated. And I would just, in a little response to his final comments with regards to illegal drainage, it's our hope that the discussion around illegal drainage in the next number of months and years will become a conversation of what used to be, as we are actively, as we speak, moving towards, moving down a path through appropriate consultation and discussions with many of those involved, to what will be a responsible water management plan for the province of Saskatchewan. And that will include the permitting of drainage works, responsible drainage works in the province of Saskatchewan.

I think we share the same goals there. As I said, this was announced and committed to in our 25-year water security plan and it was reinforced in our Speech from the Throne here last fall.

So just in closing, I would very much like to thank you, Mr. Chair, as well as all committee members for sitting here this evening and the good discussion that we had.

The Chair: — Again, thank you, committee members. As I mentioned, we stand recessed until 7 p.m.

[The committee recessed from 17:53 until 19:00.]

The Chair: — Well good evening members. We're back from our supper break. One substitution this evening: in place of Trent Wotherspoon we have Cathy Sproule as a substitute. The committee will be considering the estimates for the Ministry of the Environment as we continue here with the Standing Committee on the Economy.

**General Revenue Fund
Environment
Vote 26**

Subvote (EN01)

The Chair: — We will now begin our consideration of vote 26, Environment, central management and services, subvote (EN01). I invite the minister if he would like to introduce officials and say any opening comments.

Hon. Mr. Moe: — Well thank you very much, Mr. Chair. I would just first off like to open with thanking yourself and your fellow committee members for taking the time to sit here this evening, and I'm sure we'll have active dialogue and good discussion and exchange of information as the evening goes on. So thank you very much for your consideration of this work before us.

Here with me this evening I have, to my right, our deputy minister of Environment, Mr. Cam Swan. I have behind me — I maybe won't point them all out — just in no particular order we have Lori Uhersky, the assistant deputy minister of environmental support. We have Kevin Murphy who is the assistant deputy minister of resource management and compliance. We have Erika Ritchie who is the assistant deputy minister of environmental protection and audit. We have Laurel Welsh who is the executive director of finance and administration. We have Steve Roberts who is the executive director of wildfire management. We have David Stevenson who is our acting executive director of the forest service branch. We have Lyle Saigeon who is our executive director of the fish and wildlife branch.

We have Wes Kotyk who is our executive director of the environmental protection, and we have Scott Pittendrigh who is our director of climate change. We have Thon Phommavong who is our executive director of RBR [results-based regulation] and code management. And last but most certainly not least, we have Brady Pollock, our acting director of environmental assessment, and from my office we have Megan Griffith who is my chief of staff.

Mr. Chair and fellow committee members, the theme of Saskatchewan's 2015-16 provincial budget is keeping Saskatchewan strong, and while this budget saw some controlled spending as a result of lower than expected resource

revenues, our government is making important investments in both infrastructure as well as Saskatchewan people.

The Ministry of Environment's 2015-16 budget demonstrates a continued commitment to the Saskatchewan plan for growth while simultaneously protecting the environment and promoting the sustainable use of our natural resources.

The 2015-16 budget represents an investment of \$163 million to promote protection and stewardship of the province's environment: the air, the land, the water, and the wild plants and animals and their supporting habitats. Effective environmental stewardship requires shared responsibility between government, stakeholders, and the public to ensure that decisions made and actions taken are in the best interests of the people of Saskatchewan.

The 2015-16 budget includes funding to continue to establish and administer a results-based regulatory framework. Adopting a results-based regulatory model encourages innovation, and it provides a greater emphasis on tangible results by government. This change in environmental regulation supports the government's growth plan by balancing environmental protection with the well-being of the people of Saskatchewan while ensuring better clarity for the proponents.

One of the key components in making this shift to a results-based regulatory model is the transformation of information management systems. The 2015-16 budget includes \$2.67 million in capital funding to continue the implementation of the results-based regulatory framework designed to enhance customer service, to generate greater efficiencies, and to improve transparency and accountability.

Some of the projects that will be funded in 2015-16 to help support implementation of the new Saskatchewan Environmental Code include revising the online SaskSpills website; enhancing the online inquiries function for the Ministry of Environment website; continuing to implement an information management system to support responsibilities related to Crown resource lands; enhancing online citizen-centred services such as applications processing; and continuing to integrate geographic information systems or GIS information with business transactions for Crown lands, spills reports, code notifications, and forest scaling information. Funding is established for this information management and information technology transformation work to the end of 2016-17 fiscal.

The 2015-16 budget includes \$2.731 million for the climate change branch to contribute towards the development and the delivery of our provincial climate change plan. This investment will continue to support the government's efforts to mitigate and adapt to the impacts that greenhouse gas emissions have on our environment. The 2015-16 budget includes \$25.26 million funding for Sarcan to support the operation of the beverage container collection and recycling program. This aligns with the current four-year agreement, and is an increase of \$1.54 million from '14-15 funding levels.

This year we will invest \$3 million to begin the process of purchasing and converting an additional CL-215 aircraft. This measure will enhance our aerial fleet ability to protect

communities, to protect properties, and to protect our forest resources in the North.

The 2015-16 budget recognizes the elimination of one-time funding in the following areas: \$500,000 in infrastructure funding for the multi-material recycling program or the MMRP program. In 2015-16 we will continue to educate stakeholders and the public on implementing the new program and work with industry stewards to ensure that they fulfill their obligations. \$1.25 million to collect site assessment information from six abandoned mine sites that will inform potential actions required to enhance environmental protection. This assessment was required to comply with the new public sector accounting standards, where government must account for the environmental liability associated with contaminated sites. In 2015-16 the ministry will identify opportunities for future decommission and reclamation or long-term management work.

In addition, the 2015-16 budget will experience a reduction in the variable fire budget of 1.424 million as well as 1.2 million in the reforestation budget. The 2015-16 budget includes 200,000 in new annual funding to help support dispatch and information services provided by the provincial emergency control centre, including access to the Canadian Police Information Centre or CPIC. The provincial emergency control centre provides dispatch information services to the Ministry of Highways, Justice, Finance, Government Relations, and Environment.

This budget will also provide dollars to establish an industry-led outfitting commission. The commission will be responsible for developing strategies and programs that will improve the profile and processes of that important industry. This budget includes \$248,000 in transition funding to support the start-up costs for this initiative.

This budget includes \$250,000 for continued monitoring and maintenance of the boreal caribou populations and the habitat in the province while enabling sustainable economic development and growth in the North. This is the third year of funding for the boreal caribou program and is part of a five-year plan.

The Ministry of Environment's 2015-16 budget also includes \$200,000 to leverage federal funds and support implementation of recovery measures as part of south of the divide, or the SOD action plan. This is the third year of funding under the four-year plan. The south of the divide initiative is a collaborative multi-species action plan for recovery of species at risk in southwestern Saskatchewan which was initially launched by the province and the federal government to move away from costly recovery action plans for individual species.

In conclusion, this year's allocation of \$163 million for the Ministry of Environment will enable us to continue to manage Saskatchewan's environment in a respectful, responsible, and enforceable manner that balances growth with sustainable development.

Mr. Chair, I thank you and the committee members for this time this evening. And, as I said, I look forward to some good discussion here this evening, and we look forward to any questions that may arise.

The Chair: — Thank you, Minister Moe. I was negligent earlier in mentioning that we started promptly at 7 o'clock, just for the record. I would now open it to any questions from members of the committee. I recognize Ms. Sproule.

Ms. Sproule: — Thank you very much, Mr. Chair. Thank you, Mr. Minister, and to all the officials for joining us this evening. We may as well settle in. I think we have a long evening ahead of us, but I'm sure it will go by quickly. I look forward to the discussion as well.

A year ago today we were here, March 31st, 2014. Some of the comments that you made tonight are sort of tied in with what was mentioned last year as well, and so I think that's where I'll start. It was Minister Cheveldayoff last year, but I have some questions about some of his comments in his opening remarks, and I think you touched on some of them tonight. Last year he indicated that the budget included funding to implement the results-based regulation, and I'm just wondering if you can indicate how those dollars were spent.

[19:15]

Hon. Mr. Moe: — Okay, just looking at this past year's budget, which I think the reference to the question was with regards to that, the total budget amount with regards to results-based regulation and code management or RBR was \$6.41 million. Of that amount, 1.028 million was for salaries for development of the code chapters that are there, education upon the implementation of those code chapters that have been implemented, as well as the actual implementation of those code chapters. Those are salaries within the Ministry of Environment.

This \$1.382 million was to suppliers and other payments, and these would be consultants that we have employed for code and system development with regards to the Saskatchewan Environmental Code.

And lastly would be a capital investment. A capital investment would be \$4 million in this past year and that was an investment in actual computers, in web portals and online services, and in information management systems all to do with RBR, with results-based regulation, and with the implementation of the Saskatchewan Environmental Code.

Ms. Sproule: — Thank you. One of the things they identified and one of the important components in making the shift to RBR was a cultural realignment. Can you describe what that cultural realignment included?

Hon. Mr. Moe: — Thank you very much for the question. I appreciate it. With respect to culture realignment with the introduction of the results-based or the outcome-based Saskatchewan Environmental Code, really it's coming from two avenues, if you will, with regards to culture realignment. One would be from the proponent view of operating within the code versus the existing system. And the second would be from the ministry or the regulator's view of operating under the Saskatchewan Environmental Code versus the existing system.

So first of all, the code is moving from a prescriptive-based set of regulations to one that is much more focused on the results or

the outcomes of the proposed work. So from a proponent-based perspective operating within the Saskatchewan Environmental Code or this results-based system, the shift really is they now have an opportunity to really utilize things such as innovation. They have the opportunity to utilize the best practices in whatever their works is. They have the opportunity to utilize the very latest technology that's available to enhance the work that they're proposing to do.

So from the proponent side, moving from the prescriptive-based regulatory model to the outcomes-based model allows them to use some of the tools that are available to them, whether that be a municipality, whether it be an industry, whether it be a conservation group. Whatever that may be, they're able to use the very latest innovation and technology to get to the result that they desire.

From the regulatory or the ministry point of view, that same move from that prescriptive-based system that we now work within to a results- or an outcome-based system also will be somewhat of a cultural realignment, if you will, on how we regulate and work with those proponents to ensure that we are coming to the outcomes that we require and that Saskatchewan people require.

There is one note on this with the formation of the code and the diversity of the code development committee that put together the chapters that we have in this initial introduction of the Saskatchewan Environmental Code. They range from a broad spectrum, from industry to ENGOs [environmental non-governmental organization] to municipal representation to engineering to legal, really across the board on the diversity of the people and the experience that they bring to that committee that has been involved in the formation of the first edition of the Saskatchewan Environmental Code.

Ms. Sproule: — Thank you. I think it would be fair to say though that in the old system, there was nothing prohibiting proponents from utilizing innovation and best practice and the latest technologies. So could you give an example of how the code is creating change in the use? Like everyone is using latest technologies when they can. Everyone uses innovation. That's not a new thought under this type of regulation. And people always have practised best practices. So we now have the code. A number of chapters have been in place for several months at least — I think there's 16 chapters that are now in place — so I was wondering if there's any examples of how proponents have actually changed the way they do their business under this code and have come forward with something that they wouldn't have done in the old system.

Secondly, in terms of the ministry, obviously you said it was the change that's involved is how they're going to work with proponents, but again I would wonder if you could provide the committee with some examples of that and how your staff have changed their work practices as well in order to meet the stated goals of this new style of regulation.

Hon. Mr. Moe: — Okay. There's two parts to that question. For the first part I'd like to give the floor to David Stevenson to tell an example in the forestry sector of precisely how a proponent is able to use the very latest in technology and innovation to perform some of the recording and data

submissions that are required when it comes to reforestation of our forests. And this fits so very well into our whole implementation of forest management agreements and the work that we do with foresting companies when it comes to reforestation. So with that, I give it to David Stevenson for the first question that you had there.

Mr. Stevenson: — Thank you. I can give the example of the reforestation survey techniques that have been used over the past few years. Under the old standard before the code, there were two acceptable techniques, one involving aerial flights with a helicopter and the other with ground surveys, people wandering around in the forest and surveying the sites by foot. The costs of those types of surveys range from about \$23 per hectare for the ground surveys and to about \$18 per hectare for the helicopter surveys, helicopter time being quite expensive, and delivered pretty much the same results. With the advent of the code, the companies have proposed and have been using a technique whereby they use low-level 3-D [three-dimensional] imagery taken from airplanes and now take that imagery back to the computers and interpret many of this stuff on the computer directly into the database. The cost of that is roughly half. It ranges from about \$7 to \$10 per hectare, and it delivers the same result to the forest service, namely whether the area being surveyed is sufficiently regenerated or whether it has failed the regeneration standards. So it's a pretty good example of one of the ways that the code has been implemented.

Ms. Sproule: — I actually was fortunate to do some of that ground surveying back in the '80s, but are you telling me that without the code changes they would never have used this low-level 3-D imagery? I understand that's been in use for a number of years in a number of applications. So why wouldn't that have been available without the code? I don't understand what the code has to do with use of the technology. Could you not have just changed your regulations to allow this type of reporting?

Mr. Stevenson: — The code allows for the opportunity to companies to bring this forward and test run it, essentially. It allows the companies to provide an example of how it could be used in advance of actually incorporating it into regulations.

Ms. Sproule: — I understand that, but why could that have not been done under the old system? Why did you need a new code?

Hon. Mr. Moe: — With regards to that, the Saskatchewan Environmental Code allows a number of . . . allows for, as I said, the implementation of best practices and innovation, and a number of different paths, if you will, to get to the desired result or outcome.

I'm going to let our deputy minister, Cam Swan, speak a little bit to precisely how the code is necessary in order to allow those different pathways for different proponents on different projects to achieve the desired outcome, as opposed to the prescriptive regulatory base, how that may be challenging for that in some instances.

Cam can then also answer the second part of the original question on the view from the ministry and the cultural realignment that we had talked about from the ministry

perspective.

Mr. Swan: — Yes. Thank you. I'll try to actually knit those two together because in my mind they're related. So essentially today, well pre-Environmental Code, what we do is we issue permits saying what you can and can't do.

With the Environmental Code, through some of the technology that we've adopted through online portals, for example, how we deal with the proponents is we set standards and needs we have, and then there's allowances for alternative solutions. So provided it's a qualified person, they can put forward a proposal that says, I want to do something alternatively that I feel will meet that outcome that we've predefined. So provided, we'll look at it and we'll say yes or no, and we may say yes, it will meet that outcome. So we're not prescribing exactly how they need to do things. Technology and innovation will come into play around alternative ways in order to meet that.

[19:30]

Ms. Sproule: — I guess I just want to go back to the example because I'm not sure I got the answer I was asking. How is it that low-level 3-D imagery could not have been used in the previous world in order to save money for the reporting that was required to your forestry people by people doing the surveys? Like why was that prohibited under the previous system?

Hon. Mr. Moe: — So first of all with regards to low-level 3-D imagery, what the Saskatchewan Environmental Code has done is allowed flexibility in our view for proponents to utilize, as I said earlier, best practices and the latest technologies and innovations. Under the existing prescriptive system, in order to change to utilize in this case low-level 3-D imagery legally, first of all you couldn't do it. It would not be allowed.

In order to change the regs, you would require the ground truthing and all of the proof that goes along with that before a government changes the regs to ensure that the regulation change are adequate and, like I said, ground truth really to what will work for the environmental . . . for the reforestation in this case. It's quite likely in this situation in Saskatchewan that industry would not have actively pursued this with government because of the ground truthing that would be required in order to convince government to change the regulations when it comes to low-level 3-D imagery in this example.

What the Saskatchewan Environmental Code has done was allowed the utilization of best practices, and these practices are being used now in other jurisdictions, as you'd mentioned, and it allows the utilization of those best practices to become part of the outcome or the goal that we're all looking for in this case. And again this is just one example within the Saskatchewan Environmental Code where this best practice can now be shared among jurisdictions or industries or whatever that might be.

This particular practice, the use of low-level 3-D imagery, it's quite likely that it would not have been pursued in Saskatchewan under the . . . just the environment that the forestry industry is coming and it's recovering, if you will, from a number of years of downturn in the industry.

It's also in Saskatchewan a smaller industry than what British Columbia or Alberta for instance would have with their forestry industries. So it could quite possibly be that's something that industry would not pursue in this example, and again this is one example. For instance if they were to invest a lot of effort and research in ground truthing low-level 3-D imagery in Saskatchewan, maybe the regulation changes wouldn't come from the government of the time in a timely manner.

So you say we could've changed the regulations, and that is true in this case. In many of the other cases, there are examples that are there. For each one then, before you change regulations, there would be a process that would go through with regards to proving the type of, you know, best practice or method that that particular proponent wanted to use, and then it would be convincing the government of the day to change the regulations pertaining to that method of use.

The code allows the sharing and accepted usage of any of those best practices, providing they meet the outcomes that we all are looking for. As I said, if there was only one example that we were concerned with when it comes to the Saskatchewan Environmental Code, yes, regulation changes could happen. When you encompass all of the proposed methods and systems that will come as the Saskatchewan Environmental Code comes into full effect, this is really I think the cultural realignment from all sides that we had talked about earlier.

Ms. Sproule: — I'm finding this somewhat frustrating because I think the level of rhetoric that you're using, Mr. Minister, is quite high and that the simple fact is that it's called a pilot project. You could've done this as a pilot project previously, and I'm not going to take as much time to talk about it as I should because I'm somewhat frustrated here, and I think I better move on to some other areas.

But I think the idea that there's absolutely no flexibility in what you called the prescriptive style of regulations is somewhat part of the rhetorical myth that's been created around this results-based regulation approach. Certainly it's early and I think, given that many of the chapters were finally only released in October, we are going to have to wait and see whether this is in fact proving out to be true.

But I think that it's sort of an insult to the people that came before, including some of your own officials, to say that there wasn't flexibility within the previous system. But I think the rhetoric's here and the new style, however you want to classify it, is now here. And you know using phrases like flexibility for proponents to use best practice innovations is rhetoric, and I think the proof will be in the pudding.

I think at this point I would like to move on to discuss some of the other items, and there's a number of them, and we're already 40 minutes into this. So the next question I guess — where do I want to start here? — you indicated that in '15-16 you're putting an additional 2.6 million into capital funding to continue to implement this new framework. That 2.6 million in capital funding. Can you break that down? Is that for more computers and information management systems? A yes or no would be fine.

Hon. Mr. Moe: — Yes.

Ms. Sproule: — Thank you. In terms of the 2.815 million that was spent last year for climate change — and this year I think it's slightly down, 2.637 — could you give me a breakdown of where that funding is being allocated? To further clarify, if you could just give me the project and the amount.

[19:45]

Hon. Mr. Moe: — So with regards to the '15-16 budget total of \$2.637 million and the breakdown of projects, and I guess programs if you will, more so where that money is being allocated, the first section of money, the salaries are 985,000 in this year's budget. That effort is going towards . . . as we know the federal government has come with sector-by-sector regulations with respect to greenhouse gas emissions. Some of that effort is to do with efforts around equivalency agreements, and that'll be beginning with the coal-fired electricity sector. And there's obviously a number of FTEs [full-time equivalent] that are working on negotiating the equivalency agreement with the federal government on that sector first of all, and then on subsequent sectors as they come on stream from the federal government.

There's also efforts with regards to the salaries around economic analysis, looking at current opportunities that we have with greenhouse gas emission reductions in the province: what those opportunities are, what some challenges may be in achieving some of those opportunities around, and where those reductions reside within the province of Saskatchewan, as well as doing some work around offsets and performance agreements with greenhouse gas emissions reductions and offsets that may be available within the province of Saskatchewan.

The transfer of public services . . . or, pardon me, the suppliers and other payments, the 511,000 has to do with some day-to-day operations, some office operations, some minor contracts that may fall into that, for example, with regards to policy work or some legal work would fall into the 511,000, the suppliers and other payments.

The transfer for public services of 1.14 million would be any consultants that we employ on this file would be in there. Any other contracts that we have related to the file would fall into the transfer for public services. As well as any of our remaining Go Green funding projects would also be in that slot as well.

Ms. Sproule: — The Go Green, could you be a little more specific on those projects?

[20:00]

Hon. Mr. Moe: — The money's left in that amount. The transfer for public services with respect to the Go Green funding is \$100,000. For the remaining, for the completion of the Aquistore project, that money will be released. It's contingent on receiving a final report once CO₂ has actually been injected into the facility.

The Go Green funding from 2008 until 2013 has funded a number of different projects, including a high-level wind energy storage project with Cowessess First Nation, a wood biomass base energy system and wood pellet manufacturing facility

within the Meadow Lake Tribal Council. There's funding to the city of Saskatoon, SGI [Saskatchewan Government Insurance], to the provincial climate change program, to a number of green energy programs including solar heating initiative for today or the SHIFT, and municipal energy efficiency as well as a number of others.

But the amount remaining in there, as I said, is to do with, contingent on receiving a final report with respect to the Aquistore project.

Ms. Sproule: — So I may have missed something here: 985,000 for salaries, 511,000 for suppliers, and then 100,000 for the Aquistore final report, which is about 1.5 million. And is the rest just the miscellaneous Go Green projects that you just referred to?

Hon. Mr. Moe: — Yes, the \$1.14 million that we are discussing, the \$100,000 is the portion of the Go Green Fund. The other portion of that fund is available for different modelling projects, some legal work, as well as purchasing of data sets too. And all of that is to, you know, better help the staff that are involved with modelling or looking at reduction gains that can be had and what impacts that those may have on the economics of the situation.

Ms. Sproule: — Okay, so basically the only funds of the climate change budget that are going outside of the ministry to outside projects would be the 100,000 for the Aquistore final report?

Hon. Mr. Moe: — Although we will go outside to obtain information, such as I mentioned, with data sets and whatnot, as well as go outside to access expertise when we need it. The project money is the 100,000 in the Go Green funding. Yes.

Ms. Sproule: — Okay. You mentioned legal work. Are you contracting lawyers outside of the Ministry of Justice to do this work?

Hon. Mr. Moe: — As I said, we will look for expertise outside the Ministry of Environment when it's required. With respect to legal counsel, we have went outside the Ministry of Justice. This is done on the advisement of Justice and is done . . . The legal counsel that we have retained is an individual that has extensive expertise on this particular file. So we have sought that counsel outside of the Ministry of Justice under their advisement, and our intent is to continue to do so in this coming year.

Ms. Sproule: — Could you tell the committee the name of this lawyer or their firm and how much you intend to spend on these legal expenses in this fiscal year?

Mr. Chair, I guess this is a way more difficult question than I thought it would be and in the interest of time I think I'd like to move on. If I could just ask another question, would that be all right? I didn't expect this to be a massive discussion. I thought it was a really simple one. I'm trying to find simple questions here so we can get some answers.

The next question I want to ask is public accounts '13-14. There's a description there: the former deputy minister of the

ministry, Elizabeth Quarshie, and her pay for the year was \$393,575. That seems unusually high. I'm just wondering if the ministry could confirm for us how much of that is salary, how much of that is severance pay, and whether she was let go with cause or without cause. I'll time this response.

[20:15]

Hon. Mr. Moe: — \$393,575. \$300,000 was severance pay. Termination was without cause so the remainder would be salary, 93,575.

Ms. Sproule: — Okay. Thank you very much. If you look at the description of the climate change vote which was (EN06) in this budget, and I'm just going to find it, and it was (EN06) in previous years, the objective in the past was to implement programs and initiatives that reduced greenhouse gas emissions, increase our ability to respond to the impacts of climate change, and promote investment in low-carbon technologies and innovative solutions.

Now that has completely changed this year. It's:

Engages in economic modelling and scientific and legal analysis of both regulated and non-regulated emitters. Conducts industry and stakeholder consultation and interacts with leading authorities and other jurisdictions to identify cutting-edge solutions that address the unique challenges meeting the goals of Saskatchewan's climate change plan in the province's unique ecology, growing economy and population.

First question: why such a radical change in this particular vote? And secondly, what are the goals of the climate change plan? I know previously, a couple of ministers before you, actually three ministers before you, the goal was to reduce greenhouse gases by 32 per cent by 2020. And then it was to reduce it by 20 per cent by 2020 on the 2006 basis. Is that still your goal? As of last year it was, according to the minister. And if so, I'm just wondering how you intend to achieve that goal.

Hon. Mr. Moe: — The changes in estimate no. (EN06) really are . . . They're not as large a change as they may appear at first glance, and they do, the updating wording really reflects the direction of the ministry or this branch of the ministry with regards to meeting our targets of a 20 per cent reduction by 2020.

We are now in year 2015 in our effort to meet those. Those efforts are going to continue, as I mentioned earlier, with some of the effort that we're doing around the work with the federal government on working towards equivalency agreements on the sector-by-sector basis, again beginning with the coal-fired electricity sector, of which the intent is to meet the emissions targets that will be set through the equivalency agreement with the introduction of the carbon capture and storage. Now I could go into that project deeper, but I know that the member knows all about it, so I will leave it at that in the essence of time.

But this wording that we have here more accurately, we feel, reflects the direction of this branch of the Ministry of Environment.

Ms. Sproule: — The carbon capture project represents I think less than 2 per cent of Saskatchewan's greenhouse emissions. We know that they went up again last year overall despite different ways of describing them. I think it was the *State of the Environment Report* that came out yesterday that indicates that greenhouse gas emissions are still going up in Saskatchewan, so we have five years to get to the reduction of 20 per cent. So could you maybe describe what percentage you hope to reduce in the remaining five years?

Hon. Mr. Moe: — So with regards to the carbon capture and storage project, as we have discussed, it is a reduction of 1 million tonnes annually of carbon dioxide from the atmosphere. It is the first of its kind in the world, and it will be an exciting project as we move forward with that project of what it can do in regards to greenhouse gas emissions. You're correct in the percentage of the greenhouse gas emissions that it reduces, but it is a reduction and that does need to be acknowledged. And I'm reminded . . . Well I'll leave that at that.

But with regards to moving forward and the targets that have been set, the 20 per cent by 2020, the last number of years in Saskatchewan there's been a decoupling of the economy and the greenhouse gas emissions that come with a growing economy and a growing population. That is starting to show up when we monitor things like the 8 per cent decrease in greenhouse gas emissions on an intensity basis.

So per unit of output in Saskatchewan, we are reducing our greenhouse gas emissions, which is a positive step. Through continued, you know, innovation, as I said, with carbon capture and storage; through, on the power generation side, through continued efforts with regards to SaskPower and some of the efforts that SaskPower has with regards to renewable sources of power generation, we will continue to endeavour to reach our goal of 20 per cent by 2020.

Ms. Sproule: — So are you planning any particular numbers at all in the next five years? So is it going to be 1 per cent in 2016? And 2 per cent . . . Because this year it went up another 2 million megatonnes, I believe. It was 74.8 this year or in the last available figures in 2012, that is.

So what is your anticipation with the advent of CCS [carbon capture and storage] in terms of the number of megatonnes that will be produced this year? And as I note, electricity is only 21 per cent of the carbon greenhouse gas emissions that are emitted in Saskatchewan, so what are your targets in the other areas?

I just want to share a quote with your predecessor last year who said that your ministry plans to work with different emitters to try to encourage them to reduce their emissions. Perhaps you could describe for the committee what it is you're doing to encourage people to reduce their emissions. That's a second question. I guess there's two questions there.

So the first question is, what are your specific targets to reach your goal of 20 per cent by 2020? And secondly, what are you doing in the other areas? You've talked about electricity, but what are your goals for reducing emissions in the other areas? And thirdly, what are you doing with the different emitters to try, this is a quote, “. . . to try to encourage them to reduce their

emissions.”

Hon. Mr. Moe: — So with regards to the first question and the specific targets to reach the 20 per cent reduction by 2020, that is our goal, and that is our goal in light of the growth of the population that we have here and the growth of the economy that we have in Saskatchewan. We are encouraged to see a decoupling of the growth of that economy with the rate of increase of the greenhouse gas emissions in the province of Saskatchewan, and we’ll continue to endeavour to work on that.

With regards to emissions in other areas outside of coal-fired electricity and power generation I suppose, which the coal-fired electricity generation is the first sector that we are working on with the federal government, but with regards to emissions from other areas, as I mentioned with some of the overview of our budget, some of the opportunities that we’re looking at with regards to the performance agreements — the potential for offsets, opportunities for sector-specific reduction in greenhouse gases — those conversations are ongoing, which I guess ties into the third question or what are we doing with other emitters as we’re actively discussing with them where the opportunities are, and how we would be able to achieve a reduction of those opportunities as we move forward?

[20:30]

Ms. Sproule: — How many performance agreements have you entered into?

Hon. Mr. Moe: — Currently we have . . . We do not have any performance agreements signed. We have two that are in draft stages, one of those being from the oil and gas sector.

Ms. Sproule: — Could you describe the one with the oil and gas sector? What type of agreement is it?

Hon. Mr. Moe: — The performance agreement that we have is with regards to venting and flaring and capturing of methane gas emissions.

Ms. Sproule: — Now I know that in 2011 the Ministry of the Economy passed Directive S-10 and S-20 in relation to venting and flaring and conservation, and those took effect in July of 2012. Are these agreements you’re talking about different than what the Ministry of the Economy is engaged in?

Hon. Mr. Moe: — So with regards to the draft performance agreement that is in the works and how they’re related to S-10 and S-20, there are some interrelations that are there, although there are a number of differences as well. It’s quite a technical agreement from my understanding, and it’s not one that we have all the information with us at this time.

Ms. Sproule: — Thank you. When do you anticipate this agreement will be completed and executed?

Hon. Mr. Moe: — Although we currently endeavour to continue to work on this particular performance agreement, we currently cannot provide a date when it will be active.

Ms. Sproule: — When you say the oil and gas sector, is this with individual companies that you’re negotiating this with or is

it with representatives of the industry as a whole?

Hon. Mr. Moe: — Individual companies.

Ms. Sproule: — How many are you working with right now?

Hon. Mr. Moe: — Two.

Ms. Sproule: — Two companies in the oil and gas sector. What percentage of emissions are those two companies responsible for?

Hon. Mr. Moe: — We won’t have that information available here this evening.

Ms. Sproule: — Would it be like half or less than half of the oil and gas emissions, greenhouse gas emissions by the oil and gas sector? If you don’t have that, that’s fine. I’m just getting a sense to know.

Okay. In terms of, you mentioned there’s two performance agreements in draft, one with the oil and gas sector. Who is the other performance agreement in draft with?

Hon. Mr. Moe: — Apparently — I apologize; I was mistaken — both of the performance agreements that are in draft stage are from the oil and gas sector. Yes. Pardon me.

Ms. Sproule: — Sorry about that, I misunderstood.

Hon. Mr. Moe: — I think I misspoke.

Ms. Sproule: — That’s okay. We’ll get to it. You also mentioned sector specifics. Could you be a little more clear about what that includes in terms of the activities your ministry is engaged in?

Hon. Mr. Moe: — So with regards to the sector approach, first is I suppose the federal government with their sector-by-sector approach to greenhouse gas emission reductions, which I mentioned. I know the member knows the first is coal-fired electricity, of which we’ve been actively engaged with the federal government to work towards an equivalency agreement in that sector, followed by sectors after that. I believe the next sector is the oil — is it the oil and gas? — followed by sectors after that that will be determined by the federal government. Natural gas I guess is the next sector.

With regards to the sectors in Saskatchewan, as I mentioned in the outset with some of the funding that’s being utilized by our climate change branch and some of the work that’s going on identifying some of the economic analysis, first of all, some of the emissions reduction opportunities that we have in specific sectors . . . And we’ve talked a little bit about some of those reduction opportunities in the electricity sector, in particular the coal-fired portion of it, but also on some of the other opportunities that our power generation is utilizing in the way of renewable such as hydro, wind, and potential biomass.

And so what we are doing in the other sectors — whether it be business, transportation, agriculture, oil and gas, and mining industries — is looking where our emission reduction opportunities are in those sectors, what the economic analysis

of each of those opportunities is, how it affects the economy of that sector and so on. And so we continue to work with each of those sectors as we move forward.

Ms. Sproule: — Obviously in terms of the electrical generation sector, that's pretty much controlled entirely by SaskPower in this province. That is their bailiwick, I guess. And in terms of the mix of wind and biomass, it's certainly something that's pretty much entirely determined by SaskPower, as they've demonstrated in the past. When you say you're working with them, are you working on specific agreements, or what are the sector specifics when it comes to the electrical sector? I know you mentioned the carbon capture project for sure. What is happening in terms of natural gas? When do you expect to have results on those?

I guess if you could just be a little more specific in terms of the actuals, the actual deliverables and not what you're hoping to achieve in the future. What has been accomplished in that area?

There's so many questions I have here. In terms of the emission reduction opportunities in the other sectors, what have you identified, and are any of those other sectors agreeable to deal with those emission reduction opportunities? The economic analysis that you referred to, how many economic studies have you done? How many are completed, and what are the results of those studies? I know there's a whole bunch of questions there. Maybe take a stab at it, and then I'll pick up from there.

[20:45]

Hon. Mr. Moe: — So with regards to the first question, I think, which was with power generation and some of the . . . Again, we've alluded to the efforts and the successes of carbon capture and storage project at Boundary dam 3 and the opportunities that has for the coal-fired electricity sector. And I won't speak too much for SaskPower with regards to some of the opportunities around cogeneration, around wind, and around hydro, as well as we discussed biomass.

With regards to some of the other sector-by-sector efforts that are happening, first of all I'd just say that we are in mid-discussion, if you will, or mid-stroke on the discussions that we are having with a number of different participants in industries. But some of the . . . looking at some opportunities for greenhouse gas emission reductions within specific companies, but also within the industry, but also looking at offset opportunities that are available in industries as well.

Some of the offset protocols that are being identified and looked at to reduce emissions and have began to be developed to date are things such as conservation cropping and no-till practices across the province of Saskatchewan, nitrous oxide emission reductions coming from improved farm fertilizer use, landfill gas capture and combustion, the inclusion of biofuels in fuel blends above mandated levels, the enhanced oil recovery which we talked about in conjunction with the carbon capture, and the association gas conservation, our improved management of waste gas during oil extraction.

Ms. Sproule: — Can you identify on each of those examples that you just gave — for example the conservation cropping, nitrous oxide emissions, landfill, biofuels, enhanced oil

recovery, and waste gas — what percentage of greenhouse gas emissions you anticipate will be reduced by these opportunities?

Hon. Mr. Moe: — That's precisely what some of this current budget year's allocation is for, is to look for some of those answers that you've just asked. Whether we have those in four months, eight months, fifteen months, I won't commit to exactly when we'll have those answers. But we'll continue to work with industries and stakeholders in each sector to identify opportunities and utilize those opportunities as we approach our method of achieving our goal on a sector-by-sector basis with the federal government.

Ms. Sproule: — Much of what you have said talks about prospective activity. I know you're hopeful that some of these will provide results. Sadly, outside of the carbon capture program in Estevan, I don't think you've demonstrated that any of these have results yet. Obviously continuous cropping has an effect of carbon reduction just by keeping it in the ground, and we've know that for a long time. Maybe there are some numbers available on that type of thing.

What I want to talk about is a statement on page 25 of the *State of the Environment Report* that was just released, and it's saying, "What actions are being taken?" And you've indicated there, "The provincial Climate Change Plan will promote emission reductions in all sectors of the economy through . . ." and there's a number of things there I want to talk about.

First of all, the regulation of large emitters. Right now you've talked about the coal-fired regs that are being worked on, and hopefully we'll see some results at the end of this year. Are there other regulations? We still haven't seen the chapter in the code for other greenhouse gas emitters. So when will we see further regulation of the large emitters?

Hon. Mr. Moe: — At present, as I said, we are working with the federal government on the first sector that they have identified, being the coal-fired electricity sector. We have been working with them on equivalency agreements for that sector although, as we mentioned, we continue to consult and work with other sectors. The active equivalency agreement and effort that we have at this moment is with regards to that first sector, which is the coal-fired electricity sector.

Ms. Sproule: — So there's nothing else that's in the foreseeable future in terms of other regulations?

Hon. Mr. Moe: — Thank you. As I said, with regards to the sector-by-sector efforts that have been put forward by the federal government, the first one that we're dealing with is the coal-fired electricity sector. We're actively . . . and have been in discussion in working with the federal government to come to an equivalency agreement on that sector. That's the one we're focused on, although we are having discussions and consultations with other sectors. As I mentioned, the one that we're focused on at this point in time is the coal-fired electricity sector, and we'll be working on subsequent sectors post that.

Ms. Sproule: — Mr. Minister, on April 22nd, 2008, on Earth Day, your predecessor Minister Heppner announced that this government would reduce greenhouse gas emissions in

Saskatchewan by 32 per cent by the year 2020. A year later on May 11th, 2009 she changed that. She said it's now going to be a target of a 20 per cent hard cap, so they dropped the goal by 20 per cent on emissions reductions by 2020. At that time Minister Heppner said, "The time for talk is over." And then she went on to say, "Our government is taking real action to reduce greenhouse gas emissions." I'll end the quote there. Other than carbon capture and sequestration, I think all you've been able to tell me tonight is that you continue to talk despite the fact that she said the time for talk is over.

The introduction of the bill in 2009, *The Management and Reduction of Greenhouse Gases Act* was introduced in 2009. That's six years ago, and it promised the establishment of a Saskatchewan Technology Fund that is still not in place. It also promised the establishment of a Climate Change Foundation that is still not in place. It also announced new parameters for the Go Green Fund, and all that's happened there is that's been completely wiped out. There is no more Go Green Fund, other than the final report of Aquistore.

Since then, in 2013 you had to amend the legislation to bring it within the *Canadian Environmental Protection Act*, so that's been done. We're all set to go, but now we see the federal government dragging their heels on greenhouse gas emissions. We know that in Alberta, at least in Alberta they've gone ahead and they've implemented their version of the technology fund. So I want to know what it will take for this government to go forward — stop waiting for the federal government, stop the discussions, stop the talks, stop the economic analysis, stop the equivalency agreement negotiations, stop the offset opportunities. I mean, we know what needs to be done.

My question is: when will you introduce that chapter in your Environmental Code? And when will we see the technology fund introduced? And when will we see actual change in terms of this government's promises to reduce greenhouse gas emissions by 20 per cent in 2020?

Hon. Mr. Moe: — So with regards to the technology fund, it's the intent to work on these equivalency agreements on a sector-by-sector approach with the federal government so that there are mechanisms in place so that the technology fund can actually be contributed to.

As far as moving forward with a plan and action, that's a little bit about what we've been discussing here this evening. And we're encouraged by the fact that as we go along in this province of Saskatchewan with the growth in population that we've had, the growth in the economy that we've had, that we've actually been able to decouple the growth in greenhouse gas emissions on an intensity basis from that growth in the province of Saskatchewan, and that encourages us as we move forward with attaining the goals that we have set out.

[21:00]

In Saskatchewan there has been activity and action with public and private investment in excess of \$5 billion in low-carbon initiatives across the province. And that includes things that have been discussed here tonight that have real reductions in carbon CO₂ emissions in the province of Saskatchewan, such as the carbon capture and storage project at Boundary dam 3,

which we are all aware removes 1 million tonnes of carbon or CO₂ from the atmosphere each and every year, which is equivalent to removing 250,000 vehicles a year off the road in the province of Saskatchewan. This includes investments in the power generation allocation in the province of Saskatchewan coming 25 per cent from renewable sources, sources such as hydro power as well as wind power.

It includes investments in . . . Just hold on here. Where did I go here? Oh yes. These are mechanisms that are real results in the province of Saskatchewan that have allowed us, like I said, to decouple that economic growth and population growth that we have in the province of Saskatchewan with . . . decouple that from the growth of greenhouse gas emissions that we have been experiencing up until just a short time ago. So it's that effort that encourages us moving forward, and it's those actions that are beginning for the, I might say, the first time really in the history of the province where we are seeing real results on the lowering on an intensity base or output base of greenhouse gas emissions in the province.

Ms. Sproule: — Thanks, Mr. Minister. Obviously you're quite taken with the notion of decoupling, and I applaud your enthusiasm for that. But the fact of the matter is that we remain the highest emitter per capita in the country; that, based on the international panel for climate change, the time for rhetoric is over and the time for action is now. In fact it may have passed, and so the dangerousness of this situation seems to be somehow frozen in the ongoing rhetoric that we're hearing. I think your predecessor had it right in 2008 and the time was for action, but unfortunately I think we see a lot more talk than action.

So I'm going to move on. One of the things we put together today was an analysis of the federal funding for your ministry. In 2013-14 in the Public Accounts, it indicates that federal transfers were to the tune of 3.3 million, I guess, \$3.342 million. We took a look at transfers from the federal government over the past eight years — one, two, three, four . . . eight years — starting in 2006-2007 at which point the transfer that year was \$4.471 million which in today's dollars would be 5.191 million. So if you put that together over the past eight years, we've seen a decline in federal support for your ministry to the tune of 35 per cent. This appears to be a trend and so I would like first of all your comment on this trend and what your ministry is doing to reverse it and see that we're getting more federal dollars to help us deal with our environmental issues. And secondly, what is the use of that money? For what purposes were we given that 3.3 million for example in 2013-14?

Hon. Mr. Moe: — So just with regards to comparing years, I'm going back to 2006-2007 to this past year, 2013-14, and I believe my officials will endeavour to find what the 3.3 million in the past year went to, and I'll provide that to you as soon as I can here. But it's a difficult comparison for a number of reasons.

First of all, it doesn't include the investment of the federal government in real projects that are going a long ways, as we've discussed, to actual reductions in greenhouse gas emissions in the province of Saskatchewan. And I'm referring to the project, the carbon capture and storage project of which the federal government had a significant investment in, which

was not put through our ministry, does not include that.

Since 2006-2007 and in comparison, there's been a significant change in the structure of this ministry. In 2006-07 . . . Water Security Agency is no longer part of this ministry but it was under this ministry at that point in time, I believe, as the Sask Watershed, as well as Parks was under this ministry as well. So to compare dollar for dollar and then to take into account inflation values is not a true comparison when the ministry has morphed and changed quite some degree in those years. And I will try to endeavour to answer the first piece of your question with regards to last year's 3.3 million.

Ms. Sproule: — While you're doing that — and it's on the same page of Public Accounts; I think it's page 11 — it also shows revenues of the ministry, and I'm curious about what those revenues are. I don't have that page in front of me. I think it was 55 million or something like that. So just a general breakdown of those revenues as well.

Hon. Mr. Moe: — Just to clarify, the 3.3 million, was that '13-14 budget year?

Ms. Sproule: — Yes, as far as I believe. I don't have the Public Accounts with me. 3.342, page 11, Public Accounts.

Hon. Mr. Moe: — We will try to find that and we'll get that as soon as we can. With regards to the revenue line, I would ask our deputy minister, Cam Swan, to speak to that.

Mr. Swan: — Just to clarify on that, which year are you talking about for the revenues?

Ms. Sproule: — The most recent figures I have is '13-14.

Mr. Swan: — '13-14. Okay. So just to give you a sense of the areas we're talking about . . . Fisheries, so that's fishing licences is close to \$6 million revenue. Game licences is a little bit more than 6 million. Those are two of the larger items. But by far and away the most significant item is for Sarcan, for bottle deposits that come in. Our ministry . . . Well not just bottle deposits.

There is a few other . . . Forestry dues would be another significant item, a little bit over 2 million, 2.3 million roughly. Lands, that's land leases, about \$1 million. And then there's a number of other areas that are smaller in nature but add up totally to 50 . . .

Ms. Sproule: — And what was the figure for Sarcan?

Mr. Swan: — For '13-14 the figure from Sarcan was 24.4 million.

Ms. Sproule: — 24.4 million. Thank you. I just have in front of me Sarcan's financial statement for March 31st, 2014 and just had some questions. I'm not sure I understand how the arrangement is with yourselves. I don't know if you have a copy of it handy because I'd like to refer to it specifically if possible.

You do have a copy? Okay great. On the third . . . Well it's page 13 I guess. I don't have the entire annual report, but on

page 13 under the Sarcan statement of operations year-end on March 31st, 2014, there's two columns. There's Sarcan legislated and then Sarcan non-legislated, and I was wondering if you could explain that.

Hon. Mr. Moe: — Yes. The legislated component would be those products such as pop bottles, pop cans that have a deposit that are paid on them. The non-legislated component would be those that do not have a deposit paid on them, for example milk cartons.

Ms. Sproule: — Okay. Thank you. So when you're talking about the figure you gave me I guess, that the government gets 24 million in 2014, would that be on the legislated side? Is that what they have to remit to the ministry then?

Hon. Mr. Moe: — Essentially on the legislated products, it's a flow-through amount. It's money that we collect via being collected on deposit and flows through our ministry and to Sarcan.

Ms. Sproule: — So that's an expense on your ministry side, but you said there's also revenues on your ministry's side from Sarcan. Let me try this again. If you collect that 55 million, you then remit it to Sarcan? Is that how it works?

[21:15]

Hon. Mr. Moe: — Yes. We collect it, and then it is remitted two years later, that same amount.

Ms. Sproule: — Or 24 million. Okay. All right. In terms of the SARC [Saskatchewan Association of Rehabilitation Centres] statement of operations, on the top of that page in the revenue line they have government grants for \$1.68 million in 2014 and 2.265 million in 2013. Are those provincial grants or are they federal grants?

Hon. Mr. Moe: — I can't speak to the origin of that grant. There are other grants that SARC does apply for and receive from time to time from other ministries and other levels of government, but the Ministry of Environment is not able to speak to that, as we work on the flow-through grant that we discussed in the last question.

Ms. Sproule: — Okay. If you look at page 11 of the report, it indicates under SARC revenues that:

On an annual basis, SARC receives some government funding to be applied to our various initiatives and projects. Government grant revenues decreased by 25.84% from the prior year which was a result of decreased funding for the Paper and Cardboard Bridge Funding Program as the province moves to the multi-material recycling programs [they said] (\$786,000 to \$440,000), and a decrease of \$235,029 in funding as the 440 Waitlist Initiative came to a close.

So I have two questions there. First might be easier is, what is the 440 wait-list initiative? And then secondly, I guess with the meltdown in December with the Multi-Material Stewardship Western basically bailing on their waste packaging and paper program because of changes your government made without

giving them any notice, how is that affecting SARC this year? Are you going to re-increase the money until the MMSW [Multi-Material Stewardship Western] and MMRP, multi-material recycling program, is straightened out?

Hon. Mr. Moe: — The grant money that SARC received was part of the transition money that came through this ministry and was disbursed to SUMA [Saskatchewan Urban Municipalities Association], RMAAS [Rural Municipal Administrators' Association of Saskatchewan], and SARC. Since 2009 that number has been \$7.5 million. So with regards . . . That's where the money flowed from.

The 440 wait-list, I'm uncertain as to what you're referring to there.

Ms. Sproule: — It's indicated on that page 11 of the SARC financial report. My colleague suggested that it may be something the Ministry of Social Services was involved in. I see some heads nodding in the back.

Hon. Mr. Moe: — Clearly we may be in agreement with that, but as I said we're uncertain.

Ms. Sproule: — It may be another ministry then, so I'm happy to move on. In terms of the announcement on January 6th regarding Multi-Material Stewardship Western's announcement that they are postponing the launch of the packaging and paper program, I know, Mr. Minister, you had a number of questions about this at SUMA. Obviously urban municipalities are quite concerned about these delays, and I heard your plea for them to go out and talk to business people and try and talk them into the program. Obviously if they were interested, they would already have been signing up. So I'm just wondering if you have any update for the committee in terms of whether the new program launch date is indeed going to be July 1st of this year and whether or not you've come to an agreement with MMSW that will allow this program to move forward.

Hon. Mr. Moe: — With regards to the July 1st date, I'm uncertain where that date came from. But with regards to where the Ministry of Environment is on the MMRP and that funding mechanism for municipalities to help fund a portion of their municipal recycling programs, we do continue to work with Multi-Material Stewardship Western to re-engage Multi-Material Stewardship Western with our municipalities in a contract moving forward.

We have moved forward with the advisory group, the formation of the advisory group to, as you'd said, engage businesses and extol the virtues, or I guess to engage businesses in the program, in particular that mid-size business. As we mentioned, this program is not a government subsidy in any way. This is an extended producer responsibility program, and in order for it to be sustainable, we do need engagement not only on the municipal side, but we need engagement on the stewardship side. And that is precisely the effort and the goals of that advisory group is to come up with methods to increase that engagement on the business or the stewardship side.

Ms. Sproule: — Just to explain where I got the date, there was a report that said that they had requested an extension of 180 days, which would mean that, if you accepted the extension,

July 1st would be the rollout date.

I'm just wondering about, if the engagement doesn't work and if these mid-size businesses don't become engaged, what will happen to the program?

Hon. Mr. Moe: — Our intent with this funding mechanism for municipal recycling programs has been to engage all stakeholders across the board, whether they be municipalities, whether they be the stewards, or the business entities. We fully intend to continue on that path to ensure that this program will become a viable program as we move forward.

Ms. Sproule: — I get that. I guess you haven't really answered my question though. If they choose not to engage, if engagement in your sense of engagement, which is encouragement, isn't going to work, will there have to be maybe a more stronger version of compliance or engagement, engagement in the sense of the government saying, you will be involved? It kind of reminds me of my kids. Sometimes engaging them in getting their room clean may involve some rather forceful measures or coercion of some sort. I'm just joking of course, but you know what I mean.

Hon. Mr. Moe: — I have children as well. But in saying that, as I said, this is a program based on that extended producer responsibility. There's a number of stakeholders in this program, first being the producer or the business person, business entity, or the steward. And it involves engagement as equal partners of that stakeholder group, as it does of the municipalities, as it does of the waste, the recycling community, or ARWMAS [Association of Regional Waste Management Authorities of Saskatchewan] is the group that we have worked with as a stakeholder through this. It's our intent to move forward in close consultation with those groups that we are able to provide some level of funding to municipal recycling programs. That is our full intent.

I suppose with any initiative, not specifically this one, that was not able to move forward, the very first thing I think we would all do as responsible elected people is to sit down with precisely those stakeholders and discuss with them what the next moves would be. But at this point, as I said, it's our full intent to move forward with discussions with MMSW with regards to the contracts around municipalities. It's our full intent. We have moved forward with the advisory group to look at parameters around engagement, you know, a made-in-Saskatchewan or solution from within, if you will. And we're excited about that, and we'll continue to support and work with that group as we move forward.

Ms. Sproule: — Thank you. Are there any deadlines or any sort of hoped-for dates when this will be complete?

Hon. Mr. Moe: — I think it's always good to put dates down, as everyone knows, and then try to achieve those targets. Our goal is as soon as possible, you might say. Our goal is to work with, as I said, all of the stakeholders involved to ensure that this program can move forward in a sustainable fashion. I think we'd be in strong agreement around this table on that.

One encouraging thing through the point of note I guess, if you will, through the discussions that we had with all the

stakeholders involved. There is a desire from the business community to move forward with this program, but they do feel they need to get it right and they do have some questions around things such as administration costs and whatnot. And we are hopeful and positive that when you get a number of the people involved in the program themselves in the same room from this province, such as we've done with this advisory group, we're hopeful for a real positive outcome. And as far as a date goes, as soon as we're able to get it right, we'll move forward.

Ms. Sproule: — Thank you. Changing gears, I would like to talk now about the conservation and sustainability action plan that was put in place in 2012 I believe by your government, and the representative areas network program that is in place.

I spoke to the minister about it last year. I know that we had a biodiversity action plan that was started in 2004, wrapped up in 2009. What he indicated last year was that you guys put in a plan, the conservation and sustainability action plan, in 2012. I think at that point he referred to the . . . I don't know how you say this word, but aichi targets, a-i-c-h-i or aichi targets? Aichi? I believe that . . . and for Hansard that's a-i-c-h-i. The target was 12 per cent when the plan I think was first put into place, and I understand that recently it was raised to 17 per cent. I think target 1 under the national targets — this is an international convention — says, “. . . at least 17 percent of terrestrial areas and inland water, and 10 percent of coastal and marine areas, are conserved through networks of protected areas and other effective area-based conservation measures.”

Now I've been told that we still are not at the 12 per cent commitment, and maybe the minister can tell us where we are at on that. Last year the minister indicated that you had this plan and were waiting for ratification from the federal government, so I'm wondering if that has happened, and then we can go from there.

[21:30]

Hon. Mr. Moe: — So with regards to where we're at now with our . . . We are 9 per cent. The plan that we have put forward is actually, has been accepted by the federal government. I could read out the parameters of that plan or I could just provide it to you after if that's all right. And the only . . . as we go through the plan from the federal biodiversity goals and targets . . . Is that correct? The only discussion that we've had with the federal government is around the recognition of good stewardship of property, for instance . . . and good stewardship by all, whether it be a Crown property, whether it be through an easement on property or privately owned property that we know in many areas of the province have excellent stewardship, whether it be by ranchers or whoever may be the owner of that property.

Ms. Sproule: — And what is the status of that discussion with the federal government? Have they accepted your position?

Hon. Mr. Moe: — That'll be an ongoing discussion. Most recently Kevin Murphy and I had that discussion just weeks, months ago now I suppose, but it continues today and will continue.

Ms. Sproule: — Could you give us an indication of some of the concerns the federal government are expressing with the thought of including privately held lands within this calculation?

Hon. Mr. Moe: — I'll just turn it over to Kevin. It's more to do with the recognition of good stewardship as opposed to who owns the land or what the land is. I just used that as an example. But it's more the discussions around what's classified as good stewardship for the property. And I'll let Kevin Murphy just clarify that a little bit if you don't mind.

Mr. Murphy: — So the biodiversity steering group is looking for measures, performance measures and ways of quantifying that good stewardship. Previously they have only included legislative protection measures, and what we're looking at now is how to quantify stewardship and create performance measures that will be accepted across the country. And the biodiversity steering group, which reports to the ministers, continues to work on what those performance measures will be to ensure that there's consistency across the nation.

Ms. Sproule: — So just so I understand, the biodiversity steering group, is that a national group with provincial representation?

Mr. Murphy: — Correct. It's a federal-provincial-territorial council.

Ms. Sproule: — And in terms of the legislative measures that exist right now, would you be talking about conservation easements on privately held land or is it just currently, it's strictly only federal and provincial Crown land that's recognized?

Mr. Murphy: — It does include conservation easements as well on private land.

Ms. Sproule: — It does?

Mr. Murphy: — That's correct.

Ms. Sproule: — Any other legislative types of mechanisms that are recognized?

Mr. Murphy: — Parks, representative areas, ecological reserves, a number of different legislative tools across the country that are recognized both by the international union of conservation networks and by the federal government.

Ms. Sproule: — The former PFRA [Prairie Farm Rehabilitation Administration] pastures or the current, still remaining PFRA pastures, are they included as well?

Mr. Murphy: — So the PFRA pastures were included in the program and will continue to be included in the program. That is the intent.

Ms. Sproule: — Is there any discussion about whether or not they should be included? I'm understanding that some groups feel that they should not be included, the PFRA pastures.

Hon. Mr. Moe: — The easements that went on PFRA

properties have been put on at the request of the Ministry of Agriculture and put on by the Ministry of Environment. With regards to that request, that's a question that would best be posed for the Minister of Agriculture.

Ms. Sproule: — I think I'm just . . . in terms of how you calculate the numbers of acres that are within the representative area networks, I think that's the discussion that I'm hearing is that they shouldn't be included because there's oil and gas development on those lands. There's all kinds of activity that could be seen as not . . . Well why do they describe a reservoir as a biological diversity? I mean there's certainly a number of concerns about the types of activities that take place. So I guess my question is, you know, you're indicating, Mr. Murphy, that the PFRA pastures have been included in that calculation of the 9 per cent to date and you have no intention of removing them.

Hon. Mr. Moe: — That's precisely . . . You've touched on something that is precisely, as Kevin has alluded, has indicated to me the discussions that we're having with the federal government is when you have a property that's a Crown-owned property and it has for instance an oil well on it, whether the entire property should or shouldn't be represented in the representative area network when only a small portion of it has a development of some type on it, whatever that development might be. So those are precisely the discussions that we're having with the federal government at this point in time. We'll continue with those.

Ms. Sproule: — Thank you. Is the intention then if you're successful in these discussions you will be able to find enough land that's properly being managed to reach that 17 per cent, or are you intending on adding other Crown lands to the designation?

Hon. Mr. Moe: — Yes, as we said with those particular discussions, and we're at 9 per cent identified at the moment, it's precisely those discussions about, you know, what establishes good stewardship in properties to enter that representative area network and what criteria would eliminate properties from entering that representative area network. So I guess that's why it makes these conversations and this . . . and this is how good policy comes to fruition hopefully. With regards to representative area networks is that if we can have appropriate good stewardship practices identified, the goal is to get to 17 per cent.

Ms. Sproule: — All right, thank you. I wish you luck in those discussions.

On page 40 of the *State of the Environment Report*, there's a discussion — that's where the land use and RANs [representative area network] are as well — but there's also a discussion about your recent initiative to offer agricultural lessees the opportunity to purchase eligible parcels of Crown land that were designated WHPA [*The Wildlife Habitat Protection Act*] lands. I'm just wondering if you could report back to the committee how much land has been sold to date under that new initiative, or I guess how much land is in the process of being sold.

Hon. Mr. Moe: — So with regards to the WHPA properties, the amount of acres that have been sold would be a question

best posed for the Minister of Agriculture. The amount of acres that have been processed through the process for removal of the easements, or to be looked at for removal of the easements — this is the removal — has been 11 790 hectares or 29,134 acres have had the easement, the WHPA status, removed. Those properties go through a process known as CLEAT, which is Crown land ecological assessment tool, plus a visual inspection by our ministry. And this is a process that has really been formed through the work and consultation of, I'll say Kevin Murphy and his branch with the help of the stakeholders involved, and I would say that it has broad-based support by the stakeholders as we move forward on this.

The outcome of those properties after it comes through that process is it'll either be deemed as a high ecological value and will not be available for sale or it'd be deemed of a moderate ecological value and could be available for sale with an easement that has been created for this property going through the WHPA process itself. Or it would be deemed to have a low ecological value and it would be sold without an easement.

Ms. Sproule: — So the 11 000 and odd hectares that have been removed from the Act, are those ones that are deemed to have low ecological value?

Hon. Mr. Moe: — I'm sorry. That is of January 26th of this year. And by far the vast majority of those hectares or acres were of a low designation, although there are a few moderates in there.

Ms. Sproule: — I note on that page that there's an indication a portion of the revenue of sales of these lands will support programs and conservation projects through the Fish and Wildlife Development Fund. What portion of the revenues will be diverted to those projects?

Hon. Mr. Moe: — So as per the agreement that has been supported by the stakeholders, 7 per cent of the sale revenue will go to the Fish and Wildlife Development Fund at which time the stakeholders involved will have the ability to utilize that money for management, enhancement of existing properties, as well as they could choose to utilize those funds for purchase of existing properties as well to be managed by our third party stakeholders that are involved with the Fish and Wildlife Development Fund.

Ms. Sproule: — And the remaining 93 per cent, are those revenues earmarked for any of your programs or Agriculture's programs?

[21:45]

Hon. Mr. Moe: — We work on the easements portion and the easement classifications through our CLEAT-plus model. The properties themselves are owned by the Ministry of Agriculture, and part of the agreement is 7 per cent of those property sales go into the Fish and Wildlife Development Fund for usage as we discussed. The other 93 per cent would be a question for the Minister of Agriculture.

Ms. Sproule: — Okay. I get to ask him in the estimates. I know that the Ministry of Agriculture owns a lot of the southern land. Are any of the Ministry of Environment lands also encumbered

by WHPA protection, or is that a different classification altogether? Okay, I see Mr. Murphy shaking his head no.

Hon. Mr. Moe: — As Mr. Murphy has informed me, as he always does, the Ministry of Environment lands are not under WHPA designation. They have a different designation altogether.

Ms. Sproule: — Okay. Thank you. I'm going to shift gears here right now. I'd like to talk a little bit about biomedical waste disposal. I believe your ministry is responsible for the regulation of that, and I just first of all would like to know how many companies in Saskatchewan right now are licensed to deal with biomedical waste.

Hon. Mr. Moe: — Thank you. Right now we have two companies that work with biomedical waste disposal. We do have a set of guidelines for the transport and handling of biomedical waste, but they are governed through regulation under Transport Canada, although we do have regulations around the storage and processing of such waste. But to your question, two companies.

Ms. Sproule: — Thank you. And as far as the storage and processing goes, what exactly is the name of the regulations that they're subject to?

Hon. Mr. Moe: — So with regards to storage, it is under the HSWDG, the hazardous substance waste dangerous goods, and with regards to processing, it's under EMPA or *The Environmental Management and Protection Act*.

Ms. Sproule: — Okay. So under both of those . . . Oh if I could just back up. Where are these companies located? And if you could give the name as well, but more particularly the location of these companies, the two companies.

Hon. Mr. Moe: — One of the companies is Biomed, based out of Aberdeen, and the second is Sanitec, based out of Regina.

Ms. Sproule: — Sanitec?

Hon. Mr. Moe: — San . . . S-a-n-i-t-e-c-h.

A Member: — No "h."

Hon. Mr. Moe: — No "h." Just a "c."

Ms. Sproule: — Just a "c." Okay, a modern name. Out of Regina. Do these include incinerators? Are any of them incinerators?

Hon. Mr. Moe: — No, they're not incinerators. They have a thermal processing procedure, and then the waste will go to a landfill after that.

Ms. Sproule: — And so where is waste that requires incineration taken?

Hon. Mr. Moe: — To our knowledge, there is not incineration that happens in the province of Saskatchewan so any incineration would be leaving Saskatchewan.

Ms. Sproule: — I understand that there is a company in Alberta that has done some incineration for Saskatchewan, but it was broken down. And so where were the wastes incinerated, or where were they dealt with at the time that the one in Alberta was out of commission?

Hon. Mr. Moe: — I'm going to just allow Wes to answer this one because it's getting quite technical.

Mr. Kotyk: — Okay. For the facilities in Saskatchewan, we are responsible for permitting their processing and storage activities here and that it's being transported appropriately. Once it leaves the province, what we would do with the facilities, they're required to ensure that they take it to a facility that's approved in the province where they're taking it to. So ultimately when it goes to that facility outside of Saskatchewan, it would then be that province's regulatory program that would cover that.

Ms. Sproule: — Okay. What I understand happened is when the incinerator was not available in Alberta, that some of the local companies were being asked to hydroclave some of this material, and that that goes against the regulations. So there's a lot of concern about the, you know, the materials that are being burned or through the hydroclave, that there's dangerous materials being released that should have been incinerated. So I guess the next question I have is, how often do your officials inspect these operations to make sure they're actually in compliance, actually in compliance with the terms of their disposal licence?

Mr. Kotyk: — All right. So basically that, the facilities, the frequency of inspections is based on the level of risk of the facility. High-risk facilities we will inspect once or more per year depending on the findings of that initial inspection. Lower risk facilities may be done every other year and then there again also depends on the findings. The facilities, I don't recall exactly what level of risk they've come out at but I anticipate it would likely fit into the annual category or if not, you know, every second year.

In addition to that we also have annual reporting requirements for all of our facilities. So even if it wasn't inspected in any given year, they would have to submit an annual report which we would look at that information as well. Or if any complaints come in we would also then follow up accordingly.

Ms. Sproule: — As far as you know, have you had any complaints about materials being hydroclaved when they should have been incinerated?

Mr. Kotyk: — This is one complaint I haven't heard about.

Ms. Sproule: — Okay. I know that it's a sensitive issue because staff are involved so I just perhaps want to highlight that for you, that there is some concern, and we want to make sure that these wastes are being properly disposed of. In terms of the annual reports and the annual reporting requirements, can you give me a sort of a sense of the essence of the information that has to be reported out?

Mr. Kotyk: — Typically in most annual reports they would have requirements for any monitoring that we ask them to do. If there is a facility that requires groundwater or air monitoring, it

would include those results. In a facility such as the biomedical waste facilities, we would look to see volumes of material that is stored and processed at their site, explanation of tonnage and material and the end location of where that went, and some records to verify that.

Ms. Sproule: — Okay. Now these are the companies that process it. Are there storage sites as well in addition to these two companies where biomedical waste would be stored?

Mr. Kotyk: — Not that I'm aware of. If there are, they would require to meet the same storage requirements. Both of these processing facilities have collection and storage facilities as well.

Ms. Sproule: — All right. Okay, I think for now that's as far as I'll go on that topic. I want to move back to, I'm sorry I'm jumping all over the place, but I want to go back to the *State of the Environment Report* on page 45. This is going back to the Environmental Code, and I just sort of want to talk about the audit, compliance audit program that you're initiating and perhaps get an update on how that's going, how many staff are involved in this compliance audit program.

Apparently you had a pilot phase in 2014 where you have this unit, compliance audit unit that is collaborating with other branches in the ministry to identify potential auditees and to assemble and train a pool of auditors. So have these auditors been engaged? Are they now actively looking through the . . . I'm not even sure how the process works in terms of auditing, but how do they engage the activities of the people that are doing these environmental activities?

[22:00]

Hon. Mr. Moe: — Thank you very much for the question. With regards to the first part of the question, there's four dedicated auditors that will be working on these audits. They're supported further by a pool of auditors across ministries, for instance auditors would be supported from the Water Security Agency for instance on audits that pertain to that ministry and etc. as we go to other ministries and potential further chapters as we move forward.

The pilot phase, we just completed the first year of our pilot phase of which we conducted 16 audits across the province of Saskatchewan. And this was just that, a real, I think, educational pilot phase for all those involved. And I think this maybe circles back to one of the earlier questions you had this evening on the cultural realignment of the Saskatchewan Environmental Code.

And really these audits were not only looking at the results of the audits but also looking at the process of the audits and testing that process of the audits, both for us as auditors and as regulators and as the Ministry of Environment, to test the protocol of those audits and how that unrolls at the ground level, if you will, through an audit, but also for the proponents that were involved in the audits, for them to experience the protocol of the audit, what's involved with the audit, and to test the process from their perspective as well.

So as we said, we've just completed that first year of the pilot

phase of those audits. We've completed 16 audits. We have four dedicated auditors to that supported by a pool of auditors across government.

Ms. Sproule: — Thank you very much. I had another series of questions related to that, but it's not jumping out at me with all my sticky tabs here. So I'm going to carry on. If I find it later, I'll come back to that.

All right. I'll skip that one too. This is a bit of a random question, but I noticed I just flagged it. It's also in the *State of the Environment Report*. It's page 78. It's just some actions on water. This is the water section. There was a reference to a 2007 campaign by the Water Security Agency, which was the Watershed Authority at the time, a public awareness campaign with the theme, The Number 1 Water Saving Device is You. Just my question, is that campaign still ongoing, or was that just in 2007?

Hon. Mr. Moe: — If you would allow, that would be a question best posed for the Water Security Agency. I could ask that question and I would provide that answer to you, if that would be fair.

Ms. Sproule: — I realize they were here earlier in the day. All right. Another question in relation to that is in the water loss control. This is a page that describes the three actions your ministry is taking. The third one is water loss control. As we know, we lose a lot of water through old pipes and things. There's a reference to a water audit there. Is that something that the ministry does or that the Watershed would do, Watershed Authority? Okay, or the Security Agency, I guess they are. And is this something, do you know — you may not know this — but is this something that people can ask for and is provided, or is there a fee associated with that? And you can get back to me if you want.

Hon. Mr. Moe: — Again we would take those questions down, and I will have the Water Security Agency provide you with those answers.

Ms. Sproule: — Okay. Just carrying on, the next page, one of the items I wanted to ask you about was there's a number of research projects that are highlighted here in terms of the boreal watershed management strategy. Is this Watershed as well, or would this be individuals here tonight?

Hon. Mr. Moe: — It's here.

Ms. Sproule: — It's here. Okay. A lot of these, the research that you've highlighted, it doesn't appear that it's completed yet. But the one that I was interested in was the completed snowpack survey to assess the impact of airborne pollutants. And the indication there is that subtle changes in chemistry may be attributable to developments in Alberta. I'm just wondering if you could perhaps explain that a little bit more and whether, you know, it says, may be attributable. Have you determined that it is attributable and, if so, what actions are being taken as a result of that?

Hon. Mr. Moe: — I've been informed that that study has been initiated, and it says it's completed. Although it is an ongoing study, the classification at this point would still be May.

Ms. Sproule: — Thank you. I think the next report I want to ask a few questions on is the annual report from the ministry for '13-14. That's the most recent one that we have. The first thing is the — again back to results-based regulation — is the establishment of a client service office. And I'm just wondering whether that's been established, how much it cost to establish it, how many staff are involved, and what kind of services. That may overlap with some things we discussed earlier, but how is this client service office operating?

Mr. Swan: — Thanks for the question. The first question around has it been established, yes it has been established. There is 18 FTEs within that particular unit of our organization. They work on several things. Basically they work on things like transactional files dealing with things like leases, whether that's sand and gravel leases, outfitter camps, recreational lots, those types of issues — docks, boathouses, for example.

They also deal with general inquiries. They serve as a general inquiries function for the ministry. So people wanting to contact the ministry by, whether it's phone, email, or fax, that would be one of their first avenues of contact if they're not sure specifically who to contact. So they serve that as well and have played an increasing role as part of the overall results-based approach.

Ms. Sproule: — Okay. I was thinking this is more in terms of the environmental regulation, but you're talking about some of the services that you provide as well.

Mr. Swan: — Yes, they provide more than the results-based regulation, but they do play a key component around the results-based regulation where, you know, they're the in, if you will, for clients to contact. And they also provide basic educational pieces, communication pieces to those that we regulate.

Ms. Sproule: — Could you talk a little bit more about that? For example, how many calls has the client service office received in terms of questions about the new results-based regulation approach? Since it's been opened, do you have any sort of tracking numbers of types of calls that they're getting?

Mr. Swan: — Unfortunately I don't have a breakdown of how many calls were specific to results-based regulation, but I do have some numbers on levels of activity overall. In '14-15, the office received over 15,000 inquiries. So they're busy people.

Ms. Sproule: — Yes. It could be about the dock or the boathouse though, so we're not sure. In terms of basic education on results-based regulation, can you sort of describe for the committee the types of education programs that you have engaged in, in the last year?

Hon. Mr. Moe: — Okay. With regards to education on specifically the results-based regulations or the Saskatchewan Environmental Code, we've had a number of technical sessions as well as educational sessions with a number of different entities. I'll list off a few of those and just note that this is a work in progress and, as we move along with the chapters that we have as well as expansion of the Saskatchewan Environmental Code, this will be an ongoing effort on all of those involved.

But we've met with the Saskatchewan Environmental Industry and Managers Association or SELMA, the Saskatchewan mining institute, the potash producers, the Association of Professional Engineers and Geoscientists of Saskatchewan, the Saskatchewan Applied Science Technologists and Technicians, the Saskatchewan Association of Rural Municipalities, the Saskatchewan Environmental Industry and Managers Association, the Saskatchewan Institute of Aerologists, and the Saskatchewan Urban Municipalities Association. And as I said, as we move forward we'll continue to meet with all of those involved with the results-based regulation.

[22:15]

Ms. Sproule: — Thank you. Moving on. On page 7 of the '13-14 progress report, you referred to, "A draft performance agreement was negotiated to help quantify and report emissions in non-regulated sectors." I was wondering, is it possible for you to table that draft performance agreement?

Hon. Mr. Moe: — The fact that the agreement is in draft form, we would not be able to table it at this time.

Ms. Sproule: — Okay. The way it read, it looks like it was completed as a draft agreement that could be circulated. That was my understanding because it said it was negotiated. So it's not complete?

Hon. Mr. Moe: — It's still in draft form.

Ms. Sproule: — Now let's talk about non-regulated sectors, but it talks about flaring and venting of associated gas. I always assumed that oil and gas operations were regulated sectors. Are they non-regulated?

Hon. Mr. Moe: — So with respect to greenhouse gas emissions exclusively, when we refer to a regulated entity, what that's referring to is an entity that is producing in excess of 50 000 tonnes of greenhouse gas emissions. A non-regulated entity would be someone that is lower than that. So many of our emitters across the province do fall into the category lower than that. That does not mean they have absolutely no regulations on them, but with respect to greenhouse gas emissions, when we refer to a regulated entity, it's that larger entity.

Ms. Sproule: — Okay. That makes sense then. In terms of an offset protocol, what are some of the items you might be working at in these negotiations? What would an example of an offset protocol be?

Hon. Mr. Moe: — So offset protocols would be identified as changes in practices that would I guess enhance or increase the reduction of greenhouse gases. I'm using kind of a number of words there together, but for example, and I mentioned these earlier, but conservation cropping or no-till agricultural products or practices are some offset protocols that we're looking at.

Collecting landfill gases are again an offset protocol that could be looked at, as they would be a reduction in greenhouse gas emissions; nitrous oxide emissions reductions, as I mentioned earlier, with regards to or pertaining to improved farm fertilizer use. Biofuels would be an offset protocol. Enhanced oil

recovery, associated gas conservation such as the improved management of waste gas during oil extraction would all be examples of what an offset protocol would be considered or ones that we are looking at.

Ms. Sproule: — So on this particular, on page seven, you've said:

The draft agreement includes reduction of flaring and venting of associated gas at upstream oil and gas facilities through measurement and reporting of GHEG emissions, co-ordinated industry and government planning and development of an offset protocol to encourage associated gas conservation.

In this context, we're dealing with flaring and venting. So are you saying that they could arrange for biofuels as part . . . Like would this oil and gas company be involved then in biofuels? Is that the offsets we're talking about?

Hon. Mr. Moe: — It wouldn't be. The offset protocols with what we're discussing within the oil and gas sector wouldn't be through the usage or of biofuels or that. It would be more through reducing their base level of flaring and venting emissions, reducing that level below what would be best business practices in that industry for instance.

Ms. Sproule: — So if I understand correctly, the Minister of the Economy through Directive S-10 is requiring conservation of associated gases. I think it's 600 cubic metres per day, and I could be wrong on the number. It seems like you're both going at the same thing, the Ministry of the Economy and your ministry, in different ways and maybe even conflicting ways. So what's your engagement with the Ministry of the Economy on this particular draft performance agreement, and how is it different from Directive S-10 and how do they fit together?

Hon. Mr. Moe: — My understanding of this is that the Ministry of Economy would set the base levels, and what we're discussing here with respect to offset protocols would be agreements that would go beyond that.

Ms. Sproule: — Okay. So would this be some sort of a financial incentive for them to enhance the conservation over and above what the directive is telling them to do? How would they be encouraged to go over and above the base levels? I'm assuming we're talking about conservation here.

Hon. Mr. Moe: — These are performance agreements voluntarily entered into by the party, so there is no financial incentive. The incentive would be around the recognition of good practice, around the recognition of social licence and such.

Ms. Sproule: — So I'm assuming then for most companies who have shareholders that they're responsible to, they wouldn't even be able to begin to look at these because the social benefits would not suit their role to their shareholders. Like without a financial incentive, these would be irresponsible in some ways for these companies to undertake.

[22:30]

Hon. Mr. Moe: — Yes, I don't think it would be for me to I

guess preclude what shareholders across Canada and North America or the world would think with regards to a social licence to operate in different jurisdictions. There may be many that are quite concerned with that social licence as they move forward to operate. The fact is that, with regards to these performance agreements, we currently have two in the draft stages.

Ms. Sproule: — I'll just move on. The next page or the next column on page 7, here it talked about the audit, environmental compliance audit program. We've talked about that a little bit earlier. It looks like it was set up in '13-14. I'm just wondering how many audits were conducted in '14-15 and how many higher risk operations have been identified that will require these audits.

Mr. Swan: — In '14-15 it was 16 audits that we had completed through our compliance audit program. As the minister had indicated through a previous answer, what we were testing out was not just the actual situations, the audits themselves, but the audit process overall. So I think it would be fair to say that the sampling from that first year was not necessarily, you know, our normal distribution of risk overall. It was probably a little bit lower risk than our normal distribution because of us wanting to test the process. So we did not find any higher risk overall. That's not to say that we didn't have particular findings in particular audits where there needed to be corrective action taken, and there were several of those situations but they were not so serious of non-compliance that they were high-risk overall.

Ms. Sproule: — Okay. Is it 16 chapters that you have now? How many more chapters are you planning to implement?

Hon. Mr. Moe: — Okay. With the current introduction of the Saskatchewan Environmental Code last fall, the 16 chapters that are there, we have one adoption of standards chapter, five forestry chapters that were introduced on January the 5th, and 10 EMPA chapters that will be introduced on June the 1st.

Our focus with regards to chapters in the Environmental Code is to ensure that those chapters are up and the change, if you will, in work and effort from the regulator or the ministry standpoint as well as the proponent's standpoint are all working fluid and everything is working along in the way that it should when it comes to the auditing process, the compliance process, and how the Saskatchewan Environmental Code is supposed to work.

With respect to new chapters, there are six new chapters that we're looking at and have been in preliminary discussions or proposals with the code development committee who will look at these chapters and then get back to us on which ones they choose to move forward with.

The code development committee, it came up a little bit earlier and I'd just like to indicate the broad scope of expertise of individuals on this committee and kind of the background of where they come from. I'll just go with maybe the background as opposed to their name, but we have a couple of members from the consulting community, a couple of members from the Saskatchewan Environmental Society. We have members from the steel industry, Canadian Natural Resources, the pulp

industry, the Saskatchewan Institute of Agrologists, environmental systems assessment, the Saskatchewan Mining Association — a couple of members. We have a number of legal members as well as some municipal membership both from communities' input but also from overarching municipal organizations such as SARM [Saskatchewan Association of Rural Municipalities] and SUMA. As well, input from the Canadian Environmental Assessment Agency, First Nations input from members such as the P.A. [Prince Albert] Grand Council, DFO [Department of Fisheries and Oceans], Métis Nation of Saskatchewan, as well as the National Research Council and Environment Canada. There's broad-based input and expertise of individuals that are on the code development committee, and that's where those six chapters are.

Ms. Sproule: — Any opportunity to say what those chapters will be on, what the subject of the chapters will be?

Hon. Mr. Moe: — Without getting into specifics on the chapters, and I'll maybe explain just why, but I will give some generalities of where the chapters are coming from. There's one or two . . . There's some work being done or recommended or put forward with probably more so from the Water Security Agency side on some of the topics on, in, and around water, one might say. There's some further work happening in forestry sector as well as some work in the wildfire sector.

The reason to just keep it a little bit in generalities is we have these recommendations at present in front of the code development committee, and we would like to receive their advice and their . . . yes, their advice as we move forward on these chapters, as they play a large role in this.

Ms. Sproule: — That's fine. Thank you for the answer. Just as a note, Mr. Chair, that was a fairly straightforward question and a fairly straightforward answer. So I'm concerned about the length of time, and I have a lot of questions that I won't be able to get to tonight, so I'm just putting that on record just to have it on record.

Moving along then. I'm looking at some comments that were made by Minister Duncan a few years ago when one of my colleagues asked about the Northern Trappers Association. And I'll just share with you what he said; it's on page 73 of committee from 2012. What he said is that . . . My colleague was asking about what sort of relationship your ministry has with the Northern Trappers Association. And I'll tell you what Mr. Duncan said. He said:

. . . we have made a number of changes over the last couple of years that have been positive . . . [The first thing] that comes to mind is we are moving towards removing royalties that trappers pay on the fur that they do sell. I think it's, in terms of the lower revenue that it means for the province, it's not a significant amount that the province doesn't gain in revenue . . . in light of the fact that fur prices are going up, it's a step that we could take to help put some additional dollars into the trappers' pockets.

So my question is, has the government made any steps towards removing those royalties? Maybe you've already done it. You have removed them?

Hon. Mr. Moe: — It was removed two years ago.

Ms. Sproule: — Two years ago. Thank you. Second question, just in terms of bringing the committee up to date, is a yearly renewal of leases on trapping cabins. He indicated that there was some discussion about moving towards a long-term lease for some of those trappers for those cabins, and at that point the minister was just talking about it. So has that happened?

Hon. Mr. Moe: — We have entered into those longer term arrangements with those trappers that have chosen to do so. There are some that have some concerns with those longer term arrangements, so they have chosen not to.

Ms. Sproule: — Okay, thank you. I've been asked by my colleague to say, are there any other further supports that you're looking at right now in order to assist these gentlemen? I think they're mostly gentlemen. But as you know, this is a proud way of life for them. It's an expression of their cultural heritage, and they use it. It's an important part of their income and just was asked to ask whether there's any further support that your ministry might be considering.

Mr. Murphy: — So we have three major initiatives with the northern trappers. The first is working with them on safe firearms use and humane trapping practices, education. The second one is an initiative that they actually started, which is a northern trappers' table, ensuring that they provide permits. And we have COs [conservation officer] able to work with those coming in from out of province, ensuring that they're able to bring their furs in if they choose to participate in that table. And the third one just escaped my silly brain.

[22:45]

Ms. Sproule: — It's late.

Mr. Murphy: — Yes, it certainly is. I'll take a moment to think about that. Sorry.

Ms. Sproule: — Okay, thank you.

Mr. Murphy: — My fish and wildlife staff member just informed me we trained 300 youth trappers this year in that program.

Ms. Sproule: — Three hundred, wow. Great. This is just moving on now to, these are random questions that I want to get in before we are finished. How has the spending freeze affected the overall number of inspections that your ministry does in oil and gas, mines, mineral exploration, transmission lines, and pipelines?

Hon. Mr. Moe: — The spending freeze has affected those inspections audits in no way whatsoever. The only effect it would have would be seasonality constraints such as weather and whatnot that we face each and every year. But the spending freeze in no way has affected any audits or inspections that have been scheduled or looked at.

Ms. Sproule: — I just have an inspection officer who has indicated their numbers were way down because of the spending freeze. And I know we've discussed this previously in

question period, but I think it's just a disconnect in terms of maybe messaging.

One other question I wanted to ask was about bison. Switching all over the place here. There's been some discussion, I understand, in terms of looking at the bison and the possibility of having them added to SARA [*Species at Risk Act*]. Now I think they're classified under SARA right now, but I just want to check and make sure I am saying this right. But is there any discussions with the federal government about moving bison into SARA, *Species at Risk Act*? Actually if I could, the question is whether or not your ministry supports the federal listing of plains bison under SARA. So they've been listed under SARA, and is that something your ministry supports?

Hon. Mr. Moe: — The plains bison has been assessed by the COSEWIC [committee on the status of endangered wildlife in Canada] group, which is an identification group for species to put forward for listing under the species-at-risk legislation. It's my understanding that that list has just been put forward with the plains bison on it, and we have until this summer to have an assessment and have a look at it.

Ms. Sproule: — Okay I will follow up after that time. Back to forestry now, sorry. I guess this was in 2013 where Mr. Wynes at the time indicated that Sakâw Askiy was going to have their forest management plan approved in April of 2015. Has that been approved? I guess I should say, is it on schedule to be approved next month?

Hon. Mr. Moe: — That's not been approved as of today, but we continue to have discussions on approval of that as we move forward.

Ms. Sproule: — Do you have any sort of estimation of the time frame you still require before it is approved?

Hon. Mr. Moe: — So it's my understanding that the actual approval date for that agreement has been extended to October 1st of this year.

Ms. Sproule: — Can you give the committee a basic reason why the extension was necessary?

Hon. Mr. Moe: — It's my understanding there's a number of different details in this forest management agreement with a number of different partners of Sakâw Askiy management group. And we are continuing to work with them with an October 31st deadline.

Ms. Sproule: — I understand that the general manager of Sakâw Askiy has now moved to Carrier Forest Products. And who is the new person that's in charge of the Sakâw Askiy group?

Hon. Mr. Moe: — Ian MacIver.

Ms. Sproule: — Like MacGyver, the TV show MacGyver?

Hon. Mr. Moe: — Right. Same guy.

Ms. Sproule: — The same guy.

Hon. Mr. Moe: — M-a-c-i-v-e-r. MacIver.

Ms. Sproule: — Oh, MacIver. Okay. Thank you.

Hon. Mr. Moe: — My misspeaking.

Ms. Sproule: — Sticking to forestry for a moment, are you still using PRT as your source for seedlings?

Hon. Mr. Moe: — Yes we are.

Ms. Sproule: — Is that tendered out every year or is that an ongoing relationship, a long-term relationship?

Hon. Mr. Moe: — We have an ongoing annual agreement that began in 1997.

Ms. Sproule: — When does that expire?

Hon. Mr. Moe: — In the year 2030.

Ms. Sproule: — And do those trees, all the trees, do they come from Henribourg in Saskatchewan, or are the seedlings all growing in British Columbia? Or what's the breakdown?

Hon. Mr. Moe: — Our production here in the province comes from Saskatchewan, Alberta, Oregon, and Alberta.

Ms. Sproule: — None from BC [British Columbia]?

Hon. Mr. Moe: — And British Columbia.

Ms. Sproule: — All right. I'm just wondering, with the announcement made by the Minister of Justice regarding procurement, will that change the relationship? Or do you have a contractual commitment with them until 2030?

Hon. Mr. Moe: — Yes, we have a contractual commitment.

Ms. Sproule: — I guess, just for the record, that's an extremely long contract to enter into and certainly may be in violation now of the new procurement arrangements. So maybe there's an exit clause that could be looked at, mainly because there are viable tree seedling operations here in Saskatchewan.

Okay. I'm just going to move on to THREATS [the healthy river ecosystem assessment system]. Back a couple years ago, the minister indicated that the science project that's the healthy river ecosystem assessment system, the data that was involved in that was taken out of province by the administrator at the time, Dr. Monique Dubé. And at that time the data was gone. So has that data been recovered, and have you completed that report or whatever it is? It's a system.

Hon. Mr. Moe: — That question again would be best served . . . And we may be able to provide you some clarification from the Water Security Agency, as they have taken over the completion of that report. But the report was through the U of S [University of Saskatchewan].

Ms. Sproule: — Yes. I understand there was a dispute between Dr. Dubé and the university, but if you could undertake to ask the Sask Water Security Agency to provide that answer. Thank

you.

In 2013 Minister Cheveldayoff said that the technology fund would be flowing in early 2015, January 2015 to be specific. I think earlier you indicated that that is certainly not the case. Do you have any estimates on the time frame for when funds will flow into the technology fund under your legislation?

Hon. Mr. Moe: — So with regards to the technology fund, I think the date may have been July 2015 not January. That was alluded to in last year's estimates. If I'm not mistaken.

Ms. Sproule: — Two years ago. Yes.

Hon. Mr. Moe: — Oh, pardon me. I think last year was alluded to as July 2015. The focus right now is to continue to work with the federal government on the equivalency agreements. And again that's sector by sector, and we're beginning with the coal-fired electricity agreements and how the technology fund will be incorporated into the agreements that stand after that. You know, so as far as a date for the technology fund, I think is as soon as we can get some of these agreements in place and get the technology fund up and operating would be the effort that would come from me.

Ms. Sproule: — Thank you very much, Mr. Minister. I think perhaps your predecessors were too willing to give dates that haven't been met, so perhaps it's better just to say, we'll see. Unfortunately it has been a long time since that bill was introduced.

And, Mr. Chair, I see there's only a couple of minutes left. I had wanted to ask questions on south of the divide, the fish culture station. There was at least three or four things like the forest management plan in the island forests and a number of other issues. But given the late hour, I think at this point, I would just say there was a lot of time taken up by the deliberations by the minister and his staff, and so I'm looking forward to more time being scheduled in the coming weeks.

But at this point in time, I could keep going if you want or we could wrap it up for now, given that it's close to the hour. And I'll just say thanks for all the work of the officials and the good work that you do. And thanks to the minister for being so very thorough tonight and forthcoming. Thank you.

The Chair: — I'd like to echo those thoughts. Thanks to the minister and the committee members. I open the floor to the minister to have any last statements before we wrap it up here.

[23:00]

Hon. Mr. Moe: — I'd like to thank you, Mr. Chair. And I'd like to thank committee members and in particular, Ms. Sproule, for your questions. I know we all run in our positions for a reason, and I know that this file is one that's near and dear to you as we've had discussions away from these official desks. And I know it is near and dear to you, and I'd like to thank you for the earnest questions and the important questions that you raise on behalf of Saskatchewan people here this evening.

And I'd like to thank all committee members for sitting here this evening. I'd also like to take a moment to thank the

legislative staff sitting here this evening and, in particular, our staff from the Ministry of Environment. I mean our staff, I thank them on behalf of all of us as elected officials to sit here this evening and provide the answers as accurately and as adequately as we can. And so I'd like to just echo a thanks on behalf of everyone to the staff and the Ministry of Environment. I'd turn it back to you, Mr. Chair.

The Chair: — Okay, thank you for that, Minister. It being 11 o'clock and the agreed-upon time limit has come, this committee stands adjourned until tomorrow, April 1st, 2015, at 3 p.m.

[The committee adjourned at 23:01.]