



Drawing the Line

Defending Saskatchewan's Economic Autonomy

Saskatchewan 

Message from Premier Scott Moe



While Saskatchewan secured constitutional authority over its natural resources in 1930, the application of that control has remained a point of contention between the provincial and federal governments over the years.

The situation has been exacerbated in recent years by the current federal government's continued interference in the province's jurisdiction over natural resources under the guise of federal environmental regulation.

If this continues it will have an extremely detrimental impact, costing Saskatchewan's economy \$111 billion by 2035.

It is therefore time to defend and assert Saskatchewan's economic autonomy by "drawing the line:" taking a number of steps including the introduction of provincial legislation to clarify and protect Saskatchewan's constitutional rights.

A stylized, handwritten signature in white ink, consisting of several fluid, overlapping strokes that form a recognizable name.

- Premier Scott Moe

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Introduction

The British North America Act, 1867 (later known as the Constitution Act) which created Canada and effectively served as the Canadian Constitution until 1982 gave jurisdiction over natural resources to the provinces. However, when Manitoba entered Confederation in 1870 and when Saskatchewan and Alberta entered in 1905, the federal government reserved jurisdiction over lands and resources in those provinces.

This unequal treatment of provincial jurisdiction was a point of significant debate and contention in Saskatchewan's early years, and between 1905 and 1930, the Government of Saskatchewan fought to gain its rightful control over natural resources. This culminated in Saskatchewan and the other provinces finally gaining exclusive control through the Natural Resource Transfer Act, 1930. Exclusive provincial control of natural resources was reaffirmed when the Canadian Constitution was repatriated in 1982.

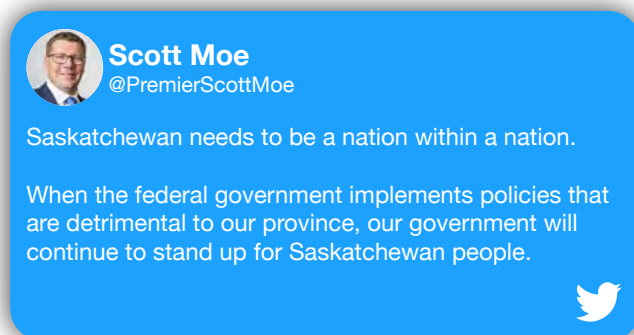
In spite of this, federal actions continued to devolve and erode that responsibility, namely through environmental and national energy policies. This has been further strained by the current government's climate agenda.

Federalism has been far from perfect in addressing challenges faced by Saskatchewan in fulfilling the province's destiny and reaching its fullest economic potential. This prompted Premier Scott Moe to proclaim that "Saskatchewan needs to be a nation within a nation," similar to how the Province of Quebec operates with broader powers within Confederation.

In light of recent federal commitments and actions, the Government of Saskatchewan is exploring all options to fully assert our existing powers, rights and privileges under the Constitution. Our objective being to protect our economic future now and into the future such that we may:

- Continue to responsibly extract and develop our natural resources
- Expand trade corridors to provide the world with what it needs, especially in a time of crisis: food, fuel, and fertilizer
- Protect our residents and businesses from harmful federal policies

From the earliest days of Saskatchewan's formation as a province until now, federal policies and actions have made the control of our natural resource rights fluid and at times unclear. The current government through back-door environmental policy, has intruded into this



space, reviving the natural resource question once again. The objective of this paper is to provide that clarity. That is, how and where we as a province can draw a line in the sand to defend and uphold Saskatchewan's economic autonomy within Confederation and by default, within the confines of the constitution.

The paper will first outline a brief history of our fight for natural resource control and current problems and challenges Saskatchewan faces to develop them, namely those new environmental mandates that encroach on that space. It will also discuss some of the comments we heard recently in discussions on how Saskatchewan can be more autonomous and what potential may exist and actions we can take to fulfill our destiny in taking our rightful, prosperous place within Confederation.

The Promise of Saskatchewan and our Natural Resources Fight

“Hail Province of Saskatchewan!” read the banner on front page of The Leader newspaper in Regina on the morning of September 6th, 1905, five days after the province officially entered Confederation. The nameplate had not yet changed from its previous location, still denoting the location as the Northwest Territories. The inauguration was a spectacular affair that welcomed one of the latest additions to the Dominion of Canada, along with Alberta to the west. The mayor of Regina in his address commented that “in both city and country you will find a happy, contented and prosperous people, who have successfully grappled with the problems and difficulties which usually arise in a new land...”

One of those seminal difficulties and problems that would span over the coming decades would be the question arising out of the ownership, and by extension control, of natural resources. This section will briefly outline some of that history before illustrating some of today’s current challenges against achieving that potential.

Despite the glorious occasion arising from Saskatchewan’s entry into provincehood, we still had not received equal treatment relative to other provinces in Confederation. At the center of that question of equality was who did the natural resources of the land belong to – the federal government or the province? “The natural resources question” would be heavily debated for two and a half decades before the issue was seemingly settled, only to resurface decades later when new federal Liberal governments devolved power and control of resources away from the province.

Why did it all matter? As perceived by Saskatchewan’s earliest leaders, such as Fredrick Haultain, the last Premier of the Northwest Territories before Saskatchewan became a province, said “all of our public revenues go to swell the Consolidated Revenue Fund of Canada, our public domain is exploited for purely federal purposes, and we are not permitted to draw on our future.”ⁱ The ambition was to build and develop the province as a place people wanted to flock too, as set out in Premier Walter Scott’s vision, another early leader and visionary for Saskatchewan. The potential for Saskatchewan to be more than a territory within Canada was not lost on future commentators and politicians.

In 1911, a then member of the Saskatchewan Legislature and future Member of Parliament (MP) and Premier of Saskatchewan, the Honourable C.A. Dunning argued that the main reason that Saskatchewan should have control of natural resources is “that after years of control of Saskatchewan resources by the Dominion Government, there had been practically no industrial development of them.”ⁱⁱ

Later, J.G. Gardiner, also a future Premier of our province and MP, would argue the following, citing notes from a conference: ⁱⁱⁱ

“The fact that [the lands and natural resources] were not turned over to the province in 1905 has placed us in a position of inferiority in Confederation as compared with all other provinces excepting Alberta and Manitoba. The fact that we are in that position of inferiority would suggest that we have never been given full autonomy. We would suggest that Canadian unity can only be established and maintained on the basis of equality.”

The position and the potential of Saskatchewan was being stymied. Many resolutions were debated in the Saskatchewan Legislature on the natural resources question, and it was a featured topic at conferences where Premier's gathered. Federal legislators too put forward and debated motions calling on the federal government to transfer natural resources to the provinces. Much of the debate also pressured the government by asking what the reason for the delay was?^{iv} The long road to receiving control over our natural resources would eventually come to a close, for the time being, when the “Natural Resources Agreement” was signed on March 24, 1930.^v

Carrying through the air the most important documents affecting Saskatchewan since the province was formed, an aeroplane arrived in Regina Monday. The documents that came from Ottawa by air mail carried the basis of agreement under which Saskatchewan receives control of its natural resources.

- The Regina Leader, March 25, 1930.

The agreement affirmed Saskatchewan as an equal province in Confederation by vesting authority for our province to administer and control natural resources for the benefit of our residents, and declared that Saskatchewan would be entitled to the financial benefits of developing our natural resources.^{vi}

Years later, resource politics would continue with subsequent federal governments looking to impose federal policy over provincial rights. Such was the case with Prime Minister Pierre

Elliot Trudeau's National Energy Policy. With the signing of the Constitution in 1982, the division of powers with respect to resource development was enshrined. Section 92A in part states that provinces "may make laws in relation to the export from the province to another part of Canada of the primary production from non-renewable natural resources and forestry resources in the province and the production from facilities in the province for the generation of electrical energy..."

Despite the entrenchment of provincial natural resource rights in the Constitution, the production, use and marketing or export of resource products remains an issue between federal and provincial governments. Today, we are still grappling with that age-old question as new types of federal policy threaten that previously achieved equality and creep into eroding the natural resource rights endowed to Saskatchewan back in the 1930s.

The debate though has shifted from the resource itself to federal regulation and control over the byproducts thereof, namely emissions from the resources, and how the resources get to market. Over the past 15 years, Saskatchewan has grown in population as well as economic activity in part thanks to unleashing the potential and wealth found in our resource sectors. The struggle, however, over our natural resources and production continues, whether it is how much oil we can produce, how we generate electricity or how we get product to market. It is the revival of that debate which has the Government of Saskatchewan considering how we maintain and assert our rights under the Constitution to take our rightful and prosperous place within Canada.

The Problem: A Federal Problem for Everything and the Guise of Environmental Regulation

A defining feature of the current federal government is the creation of many new forms of environmentally laden standards and regulations. While the names sound well-meaning and well-intentioned, the effects disproportionately target western Canadian and Saskatchewan specific business, industries and people. Saskatchewan has always been about producing and exporting food, fuel and fertilizer to the world. Yet new policies seem to target all three of those Saskatchewan mainstays.

Currently, the federal government has incoming and proposed standards and caps for fuel, fertilizer, oil and gas emissions, and electricity. This is in addition to the carbon pricing regime, also known as the Output Based Pricing System.

Prime Minister Justin Trudeau promised a national price on carbon in his 2015 election campaign. The national price on carbon essentially evolved to become a part of a complex array of policies that outline various stringencies and mechanisms to place a cost on emissions from emitters, meaning various industrial sectors from oil and gas facilities such as refineries to mines and manufacturing plants. When the plan was announced in 2018 without and prior to any consultation with the provinces, the Government of Saskatchewan began exploring various legal and policy options to mitigate and avoid negative impacts on the province's economy.

The earliest iteration of “the pan-Canadian approach for pricing carbon pollution” sought to set the carbon price at \$10 per tonne, steadily raising the price \$10 every year until it reached \$50 per tonne in 2022. One of the claims was that the carbon price would “reduce the pollution that threatens our clean air and oceans, and the health of Canadians.”^{vii} Currently, the federal government has signaled a much higher carbon price, rising to \$65 dollars in 2023, increasing to \$170 per tonne by 2030. The federal government in that announcement reiterated its view that “the price on pollution is the most efficient way to reduce emissions...”^{viii} Despite the claim, recent research suggests that carbon taxes and pricing systems do not significantly reduce emissions.^{ix} The problem aside from the efficacy, or lack thereof, of such a policy comes with the impacts of the carbon tax and other federally imposed standards or policies.

The federal proposal which would mandate the oil and gas industry to cap emissions is one such policy that in name suggests the energy sector must curb its environmental impact, but in practice will impede the production of the actual resource. Announced in the 2021 Liberal campaign, the policy seeks to cut and cap emissions from oil and gas companies with the view to achieve net-zero by 2050.^x

The discussion paper recently released by the federal government outlines two options for how such a policy could be designed: introduce a cap and trade system consisting of emission allowances one could purchase at auction, or design and place the oil and gas industry under its own separate, and stringent, carbon price.

In analyzing the impact of the policy on Canadian energy output, Eric Nuttall, Partner and Senior Portfolio Manager with Ninepoint Partners LP and a frequent energy market commentator, noted that the policy would in effect mean the sector would have to reduce its emissions to 1992 levels when the nation as a whole was producing roughly half of what it is now. Nuttall went on to say that “at best, it’s a cap on Canadian oil production and at worst, it’s going to force production declines...From a producer’s perspective... there’s nothing in the short term to meaningfully reduce emissions intensity other than CCUS, which is beyond 2030.”^{xi}

Cutting the production and putting up further barriers to investment or bringing more oil onto production will materially impact Saskatchewan. Saskatchewan produced 444,000 barrels per day of oil in 2021 and the sector accounts for approximately 15 per cent of provincial GDP, being responsible for employing over 30,000 people. Larger than the economic impact of the agricultural sector in GDP terms, the oil and gas sector remains squarely in the sights of the federal government seeking to extract its pound of flesh. While the cut and cap policy focuses on emissions as opposed to the resource itself, the causal effect puts into question the control and jurisdictional territory over natural resource production and development.

In the earlier years of considering carbon taxes, the main targets of emissions reductions for the federal government seemed to be focused on heavy industry and sectors such as oil and gas and mining operations. Recently though, the agriculture sector is also being closely evaluated through a Fertilizer Emission Reduction Target.

The target seeks to reduce Canada’s absolute emissions from fertilizer 30 per cent below 2020 levels by 2030. In practical terms, this is likely a target that amounts to an outright reduction in fertilizer use by farmers. The effects of which translate into lower crop yields and lower profitability for farmers. The former effect has further implications with respect to food security globally and would amount to a marked reversal in Saskatchewan’s ability to produce more food using less land, as we have steadily done over many years of enhanced agricultural stewardship.

For example, in Saskatchewan, Statistics Canada data illustrates that crop production has outpaced land being brought into crop production.

Furthermore, land used for harvested acres increased from 2012 to 2020 by only six per cent, while production over that same period increased by 45 per cent.^{xii} The data clearly highlights the increased efficiency of agricultural stewardship and resource management in Saskatchewan. Much of this growth can be attributed to better farm practices, innovations and agri-science, and importantly, fertilizer use.

The trend though of being able to feed more people and produce more food with fewer acres of land is threatened if federal mandates use environmental policy to place restrictions on such farming practices.

Early analysis by MNP estimates that the federal fertilizer emission reduction policy would mean Canada exports 14 million metric tonnes fewer of canola and spring wheat by 2030. MNP's analysis further illustrates that the cost by 2030 from the policy of reducing fertilizer use will be \$10.4 billion in value of lost production for Canadian farmers.¹ Broken down further, that means a \$4.61 billion loss in those crops for Saskatchewan at its highest estimate.^{xiii}

Effect of Federal Fertilizer Reduction Policy:

\$10.4 billion
in lost production for Canadian farmers
14 million metric tonnes
fewer canola and spring wheat
by 2023

Source: MNP

With 40 per cent of Canada's agriculturally productive land, Saskatchewan stands to be significantly impacted by yet another policy that seemingly focuses on mitigating emissions through the guise of environmental regulation, but invariably and directly impacts farmers' ability to grow and produce.

Adding to the problem is the lack of data on the actual emissions reductions themselves. In discussions with agriculture industry stakeholders, it was suggested that the current policy relied heavily if not exclusively on measurements using fertilizer sales, whereas the rest of the projections on emissions were done via modelling.

The persistence and habit of the federal government relying on models that are either national in scope, non-transparent, lack sufficient or relevant data (hence the need for crude modelling) or a combination of all or some of the above has further hampered a cooperative approach to federalism and implementing reasonable policy. In contrast, Saskatchewan provincially has measured tangible reductions in emissions, such as around reducing methane from the oil and gas industry by 60 percent since 2015.

¹ Fertilizer Canada also indicated that 18% of the mandated target could be reached by implementing 4R practices in agriculture. Subsequent analysis by the Ministry of Finance shows that costs associated with the targets could be much higher.

This has been one way the province, as opposed to the federal government, has quantified our contribution to emissions reduction whilst still developing our industry.

It is worthwhile noting that Saskatchewan accounts for ten per cent of Canada's emissions while Canada as a whole only accounts for two percent of global emissions.^{xiv} Saskatchewan's share of worldwide emissions is therefore a fraction of that. It remains unclear then how certain federal policy will achieve meaningful emissions reductions, despite a disproportionate impact to economies regionally. The lack of clarity on those objectives, and at what cost, from the federal government remains an issue.

In a report on Transparency and Federal Climate Actions by the Canada West Foundation (CWF), the CWF noted that the models used by the federal government lack transparency and fail to account of regional or provincial differences in their population and economy. Moreover, further analysis of the federal government's model reveal that it lacks sufficient understanding or accounting for economic impacts from climate policies on varying provincial economies, meaning the policies as designed or "modelled" do not do a very good job at providing information on how a province like Saskatchewan will be harmed by federal environmental policy.^{xv}

Lack of consultation on federal policy has not been helpful either. This has added to the distrust and lack of transparency and accessibility of determining how harmful federal environmental policy is on provincial resource economies. As a recent example, the Government of Alberta issued a request for proposals to model the effects and impacts of the federal Clean Electricity Standard (CES) on its province, citing that "Alberta has Canada's only fully deregulated electricity market, a nuance that federal policy may not take into account in developing the CES."^{xvi}

While Saskatchewan does not have a deregulated electricity market, SaskPower's ability to generate electricity would be significantly impacted by such a policy. The draft terms of the CES would effectively prohibit the use of fossil-fuel related electricity generation, including natural gas to power facilities. According to SaskPower, that means the federal standard, if implemented, will effectively turn off 65 per cent of Saskatchewan's electricity supply.

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As the province attempts to navigate and pursue net zero targets by 2050 through using new technologies like Small Modular Reactors (SMRs) and carbon capture utilization and storage (CCUS), the affordability, reliability and sustainability of Saskatchewan electrical crown corporation and electricity grid remain at stake. Despite the availability of clean, local and reliable resources for power, the CES would mandate less affordable approaches to our own power generation.

Yet again, we see the policy focus on the emissions, attempting to skirt around the natural resource question, but hampering our ability to develop resources and use them, even for our own power production.

"Pipeline delays cost Canadian heavy crude producers US\$14 billion [CAD\$18 billion] since 2015."

~IHS Markit, December 2020

All of the above policy streams from the Government of Canada seemingly rely on environmental regulation or standards to make sweeping changes and impose stringent requirements on emissions; however, the end result undermines the development and production of natural resources, be it grain for food, or oil for gasoline, or even natural gas for electricity.

The various federal policies that focus on emissions should not discount the many efforts Saskatchewan has done to achieve meaningful, sustainable solutions to our emission challenges. The issue, however, is that a failed approach to working with provinces and imposing top-down federal policies remain incompatible with the sustainable growth Saskatchewan is trying to achieve. At its core, it has been and is a conflict whereby the federal government views our province's natural resource industries as a problem related to greenhouse gases. And the current federal government's perceived solutions disregard economic and human consequences at the expense of our energy and agricultural sectors.

There have been other policies and laws even that have had negative consequences on Saskatchewan and Canada as a whole with respect to natural resources. Undermining their development as well as transportation and marketing, laws such as the Impact Assessment Act (i.e. Bill C-69) and the Oil Tanker Moratorium Act (i.e. Bill C-48) are two clear examples that have failed to improve and in fact hindered the effective movement and marketing of things like oil products.

Cost of Federal Policies:

Nine federal climate change policies are estimated to cost Saskatchewan households and industries \$111 billion between 2023 and 2035.

~Saskatchewan Ministry of Finance

Such laws have also been tested and questioned against their constitutional validity. Alberta Chief Justice Catherine Fraser commented as part of a decision regarding Bill C-69 that the law “is a clear and present danger and existential threat to Canada’s Constitution and the country.”^{xvii}

While the tanker ban law might seem to only impact the area around the Port of Prince Rupert, the law in reality targets oil producing provinces by providing less options to ship product. The financial consequences are significant. IHS Markit found in 2020 that the lack of pipelines to tidewater has cost Canadian heavy crude producers US\$14 billion since 2015 [about CAD\$18 billion].^{xviii} We have failed to see significant new pipelines built with Bill C-69, often dubbed “The no-more-pipelines” bill. Overall, the foregone royalties for Canadian people from these losses would be significant, especially for a province like Saskatchewan.

Internal costing analysis by the Saskatchewan Ministry of Finance reveals even more shocking figures. As mentioned, every new regulation bears a cost in order to meet the minimum requirements imposed. The Ministry of Finance reviewed nine different federal environmental regulations.² The various regulations and mandates are expected to cost Saskatchewan households \$24 billion from 2023 to 2035. In total, the nine federal climate change policies are estimated to have a cumulative direct compliance cost to Saskatchewan households and industries of \$111 billion between 2023 and 2035.

In 2035, the cost to comply with federal policies will be \$16 billion equivalent to about 14 per cent of Saskatchewan’s Gross Domestic Product – this represents a cost of roughly \$11,000 per resident.

Unfortunately, without a federal government willing to champion Saskatchewan’s sustainable growth and development, our province needs to continue charting its own path to market our products and our story to the world.

It is in this context that Saskatchewan faces the problem head on. Since the early days of our province’s history, our natural resources and land have been instrumental in providing prosperity. Despite a much greater degree of economic diversity, that fact remains true.

What Saskatchewan is Doing to Combat Emissions

**Developing Small Modular Reactor
Technology for clean power**

**SaskPower reducing emissions
by 50 percent by developing
renewable power**

**Reducing methane emissions in
our oil industry by 60 percent
since 2015**

**Pioneering Carbon Capture
Utilization and Storage technology**

Net zero targets by 2050

² The nine regulations reviewed were: the federal carbon tax on fuel, upstream oil and gas methane regulations, oil and gas production/emission cap mandate, fertilizer emission reduction mandate, clean fuel regulations, zero emission vehicle mandate, federal OBPS, agriculture methane mandate, and landfill methane mandate.

They are critical to supporting our economy and a way of life for thousands of Saskatchewan people. Saskatchewan relies on finding export markets for its products too.

Despite our province's strides to develop and grow more sustainably, responsibly and cleanly, we are faced with challenges to our provincial authority and ability to produce and sell what we do best: namely, food, fuel and fertilizer. In the context of growing discussions around food and energy security, Saskatchewan has the opportunity to play a larger role in supporting the world. Ensuring federal intrusion does not obstruct or compete with these goals requires some maneuvering. Without a cooperative federal government that recognizes our strengths, we need a more autonomous approach to be stronger province in Confederation.

What we Heard

Federal policies have been a long-standing concern among Saskatchewan residents. Members of the Legislative Assembly (MLAs) routinely hear these concerns across Saskatchewan during meetings with constituents, stakeholders, and local organizations; autonomy and standing up for Saskatchewan's interests are among the most prominent issues raised by individuals and industry.

Over the course of the summer, Premier Scott Moe held public town hall meetings throughout the province. The town halls provided an open forum to listen to and hear from constituents, Chambers of Commerce, and other local community leaders, stakeholders and organizations.

In addition, small focus group meetings were held across Saskatchewan. The focus and aim was to engage with community and business leaders and discuss the economic future in light of the various federal policy challenges Saskatchewan is facing.

These meetings were conducted by the Provincial Secretary responsible for Autonomy, MLA for Lumsden-Morse Lyle Stewart and former MLA, Allan Kerpan. The consultations took place in many communities, both urban and rural, beginning in Estevan and visiting: Saskatoon, Paradise Hill, Kindersley, Moose Jaw, Shaunavon, Yorkton, Weyburn and Carlyle.

Local MLAs invited a cross-section of their constituents who experience or undergo firsthand some challenges from new federal policy. They include farmers, ranchers, miners, oil and gas workers, small business owners, municipal councillors, reeves and mayors, academics, chamber of commerce representatives and other community leaders.

In general, the consensus and overarching theme was a resounding desire for the Saskatchewan to take more action to assert and achieve a greater level of autonomy in areas of provincial jurisdiction. There was also an overwhelming desire to tell Saskatchewan's story more passionately and broadly throughout Canada. The impacts of federal policies on some residents have already been felt and are real. This has also triggered a desire to be bolder in how we position ourselves in the face of challenges to our autonomy and control of natural resources.

In discussing autonomy specifically, participants often highlighted an ask for the province to act more like the Province of Quebec. Namely, a government and province that acts instead of asks permission to defend its interests.

A recent example of Saskatchewan action to achieve the same authority as Quebec is in relation to immigration. In July, the Government of Saskatchewan put forward a proposal that would give Saskatchewan similar authorities over immigration that have been enjoyed to date by Quebec.

This includes the selection of immigrants to ensure the policy responds adequately to local needs.^{xix} This sentiment was shared by a local community leader in Yorkton who commented how “the province wants us here and Yorkton needs people, but the federal government is out of touch with local community needs...Saskatchewan needs to fight for itself so people move here and stay here to keep Saskatchewan safe and care for our people, including newcomers so we retain them.” While not related to natural resources specifically, the current state of national immigration policy and community sentiment demonstrates a misalignment with Saskatchewan’s Plan for Growth and fulfilling goals in the local, provincial interest.

The attitude that the province understands and can respond best to local needs, interests and issues was prevalent. This was not unsimilar to notion that Saskatchewan is best positioned to develop our resources sustainably and not have them be so much under the control of the federal government, as was the feeling in the original “Natural Resources Question” debated long ago. So too was there a desire for us to tell our story, our Saskatchewan story, to convey and to help others understand our interests better. Positive feedback was received regarding Saskatchewan’s international trade offices as a way to both market Saskatchewan’s products and resources globally, but also position us as a leader in the products we produce independent of the federal government.

An example few local ranchers raised on the effectiveness of telling our story to the rest of Canada was around the proposed, and eventually withdrawn, Health Canada rules on beef labelling. The public outcry from local producers in western Canada culminated in cattle raisers sharing their narrative on how devastating such federal rules and requirements would be on local operations but also how responsible and beneficial their products are for Canadians. The feeling was that this needs to continue more to assert our autonomy and express how sustainably our oil and gas and agri-food products are made to the rest of Canada to highlight Saskatchewan’s position and defend our local interests, economy and the livelihoods of our residents.

The stakes of not defending our interests were apparent as some policies have already negatively impacted local businesses and communities. One local oil and gas worker commented that millions of dollars are being paid towards the carbon tax by his company, saying “that’s [millions] that doesn’t go to employees, to the hockey rink, community event. It’s a ripple effect.”

“Saskatchewan needs to fight for itself so people move here and stay here to keep Saskatchewan safe and care for our people, including newcomers so we retain them.”

~A Community Leader in Yorkton

Farmers and small business owners too noted how the carbon tax increased their operating costs, making it harder to remain in business and provide for their families.

Farmers particularly expressed concern about how they may not be able to remain profitable or stay in the business of farming with the proposed fertilizer emission reduction mandates, on top of other federal policies around electricity and carbon taxes.

With all policies and proposals currently under consideration by the federal government, the people who attended these consultations desired some form of action. One attendee expressed that she felt the province should take measures financially and legally to simply assert our existing authority in the constitution, in particular section 92A, more authoritatively. This included exploring how the province collects and remits taxes to the federal government, both corporate and personal, immigration policy, and policing. That also means using all available tools to position Saskatchewan in a way where we can still responsibly develop and produce our natural resources, expand our trade corridors and opportunities to sell the food, fuel and fertilizer the world needs, all while protecting Saskatchewan from federal policies that undermine those aims.

Part of the goal is looking at how to achieve positive, economic autonomy for a better Saskatchewan and Canada. As one meeting participant said, “asserting economic autonomy in Saskatchewan will make Canada better. We can do this.”

Putting Saskatchewan First: Achieving Greater Economic Autonomy

In 1927, there was a resolution moved in the Saskatchewan Legislature that read in part that “the question of the ownership of our Lands and Natural Resources has now become a crucial and urgent problem for this province.”^{xx} While ownership may not be the problem today, the extent to which we control and are able or enabled to develop these resources is.

As Saskatchewan grapples with federal environmental policies, regulations, standards and mandates, options considered to mitigate their impacts need to be explored. With respect to principles of federalism and division of powers and responsibilities, the Supreme Court of Canada stated that “a progressive interpretation [of the constitution] cannot, however, be used to justify Parliament in encroaching on a field of provincial jurisdiction... The task of maintaining the balance between federal and provincial powers falls primarily to governments.”^{xxi} For Saskatchewan, that duty means defending and upholding our constitutional jurisdiction appropriately.

A reassertion of our autonomy, constitutional rights and the powers over natural resources granted to us under the Constitution is in order. With conflicting policies flowing from Ottawa, it is incumbent that we as a province ensure that the legal boundaries between our jurisdictions are clearly drawn and identified. The doctrine of

interjurisdictional immunity could apply here: the doctrine that one level of government (i.e. the federal government) cannot impair the other level of government (i.e. the provincial government of Saskatchewan). Our province therefore possesses exclusivity in managing the core affairs within our constitutional rights which need to be reclarified.

The Constitution Act, 1982

Laws respecting non-renewable natural resources, forestry resources and electrical energy

92A (1) In each province, the legislature may exclusively make laws in relation to

- (a) exploration for non-renewable natural resources in the province;
- (b) development, conservation and management of non-renewable natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom; and
- (c) development, conservation and management of sites and facilities in the province for the generation and production of electrical energy

Part of defining the legal boundaries also means further establishing if not entrenching decision making within the province.

Until now, much of the policy making has been reactive to federal mandates and decisions; whereas now there may exist opportunities to stake what claims we have within our existing authority. The authority and opportunities may allow us to be more active than reactive when producing policy to defend and retain rightful control over natural resources, our lands and electricity generating capacity.

This would not be different in some respects to how the Province of Quebec operates. It would mean taking action without asking permission and unapologetically asserting ourselves where Saskatchewan has^{xix} jurisdiction. This may take the form of simple action or operating in the spaces where we have existing claims to authority under the Constitution, or as was said by Prime Minister Justin Trudeau, may take the form of unilaterally modifying part of the Constitution as Quebec can. This type of maneuver would further align us with acting like Quebec who has had much success in retaining and gaining control for the benefit of its province and residents.

By taking more overt action within our existing authorities we may begin to see the federal government respond to us, our movements and our policy direction. By being the agents that act as opposed to asking permission, the province could reasonably wield more control instead of exclusively being reactionary to federal movements.

Legislative mechanisms or changes may need to be sought and considered to establish or reestablish and reaffirm some or all of the above possibilities.

Regardless of the direction we take, the stakes of doing nothing means surrendering our Constitutional authority and our control of natural resources to another level of government, that by all accounts fail to understand or appreciate the unique way our lands have brought us growth and prosperity, whether the perspectives are from our forebearers in the early 1900s or from ordinary citizens in the recent consultations.

Conclusion and Next Steps

While our land and province may no longer be considered new, you can still find the prosperous people in both urban and rural communities as the mayor of Regina said over a century ago. Such was the case in all communities visited by Lyle Stewart, Provincial Secretary for Autonomy, and Mr. Allan Kerpan. There remains, however, discontent over attitudes towards our way of life and how we produce our products.

Much of our shared prosperity is owed to the abundance of natural resources Saskatchewan is home to: our oil and gas, our mines and our agricultural lands. It was the reason the question about control and development of our lands and resources became so pivotal. That we, as an equal province in Confederation, could own and develop our resources, and by extension protect our opportunity to grow.

The new federal mandates slowly are encroaching on provincial autonomy and threaten to erode Saskatchewan's rights to develop and manage our resources. It has been a topic of conversation amongst farmers, oil and gas workers and everyday citizens who call Saskatchewan, Canada home. To be a nation within a nation and to enjoy more autonomy within Confederation, more action is required if we are to be a strong Saskatchewan within a strong Canada.

In light of the discussion, below are some next steps and ways in which the province could conceivably defend and act to assert greater autonomy in Confederation:

- Provincial legislation to clarify and protect constitutional rights belonging to the province.
- Pursue greater autonomy over immigration policy to ensure Saskatchewan has the people it needs.
- Better recognize Saskatchewan industry contributions to sustainable growth – for example, develop a carbon credit market to support our natural resource industries.
- Prepare to take legal actions, legislative or otherwise, to maintain control of electricity, fertilizer emission/use targets and oil and gas emissions/production.

It's time to draw the line and defend it by affirming and advancing Saskatchewan's constitutional authority and autonomy within Canada.

Endnotes

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