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SEVENTY-FIVE MINUTE DEBATE

Hydraulic Fracturing in the Saskatchewan Energy Sector

Mr. Forbes: Thank you very much, Mr. Speaker. It is a pleasure to enter into this debate on fracking. Of course it is an important one. And it's interesting we talk about these issues that are clearly so important to the economy of Saskatchewan and the energy sector, which we know is a major, major driver of the economy in Saskatchewan.

And I appreciate the comments that the member had made earlier about the work around royalties and the good work that the former Premier Calvert did around that, recognizing that we have to use the resources that we have in this province to make sure we get out of being a have-not province and become a have province that we truly should be.

And we have the resources to do that. We truly do have the resources to do that. And he was quoting from an article. And I've read the article, and I found it a very informative article, talking about the history of hydraulic fracking in Saskatchewan over the past 50 years and the relative safety of it and the work that we've done to make sure it is safe. And so in preparing for this debate, I do want to review some of the comments that have been made about this.

But I do want to say that one thing about the energy sector and people in the mining sector, in large I can say business or entrepreneurial sector — I would say it in the education and health, right across the board — we have people who, in this province, who are clear innovators, who see the challenges that lay before them and say, we can do this better. We can do this better. And there's a lot of reasons why they say that, a lot of reasons. And one of it is profit. If you can do it more cheaply and more effectively, the bottom line improves. And that's a good thing.

But also I know in this sector, the energy sector, there is a lot of

pressure to improve because of the issues around the environment. And I do want to talk

a little bit about what CAPP, the Canadian Association of Petroleum Producers, have released in terms of making sure that they're environmentally responsible.

Now the member before had talked about David Suzuki and some of the fearmongers. I don't want to use that kind of language. I think what we need to do is think about having a responsible way, a sustainable way of making sure we make full use of our resources in this province.

And I just want to quote . . . I wasn't here for the speech, but I was interested in hearing the Minister of Environment's comments about the Environmental Code that he's about to release in the next few weeks. And I think this is going to be very interesting, and I am really looking forward to it. I know they've been working on this for several years, and I think that we're anxious to see it.

I do want to say, what's interesting about the work that the Ministry of Environment has been doing, we have not heard nearly the concerns, the clamour from different stakeholders like we have in labour, particularly last year when Bill 85 was introduced, people talking about, whoa, why are we going so fast? I see Environment taking a much more responsible approach to it. We have not heard the same level of concerns. We've not seen the letters in the newspaper that we did around the Environmental Code that we did around the new employment code.

And I wonder, why does this government have two ways of approaching issues that drive our economy to such an extent? We know the workers here . . . You know, when we left the have-not status of the past, it was because of the good work the people who work in this province do to drive the economy.

We also used the resources. And that also, to a huge extent — whether it was potash, oil, uranium, natural gas — that drove us out of that have-not status. And we're really glad to see that.

But I want to just quote from the member from Silver Springs, Saskatoon, the Minister of Environment. And he said:

We don't see it as black and white, Mr. Speaker. It's not mutually exclusive. We can't have one without the other. We want to respect the environment, and we want to ensure that industries and businesses will provide jobs and economic stability for our province.

So he's recognizing that we can both have environmental protection in Saskatchewan and a strong economic growth. And we think that can happen in oil and gas as well. And we look at the strong drivers of innovation that we have in oil and gas, particularly when it comes to fracking and doing it in the right way so we don't have catastrophes. And so I think it's going to be interesting to hear what the Minister of Environment puts before us.

So he says, Mr. Speaker, and I quote, this is from November 4th:

. . . another area that we're leading the way in is the Environmental Code. It's

something that we're going to be introducing in the legislature very quickly. The code is being developed as a collaborative and a consensus model. It's based on an unprecedented level of stakeholder involvement and leadership. We are working with industry, and we are working with environmentalists — those that value the environment — to come together with a creative, innovative, results-based regulation that allow for greater flexibility for industry while requiring very high environmental standards, Mr. Speaker.

And if this is the case, this is going to be good work — if this is the case. So we're looking forward to it. And we think maybe we should be having this debate today after seeing the Environmental Code, but I know sometimes that timing can't quite work out. But we want to see that this happens, that you can have economic development and environmental sustainability at the same time.

Mr. Speaker, you would have remembered we had a green strategy that we were trying to release before the election in 2007 that really built on that. And I'm really hoping that that continues on with this.

And I just want to quote from the Petroleum Services Association of Canada when they released their hydraulic fracturing code of conduct for the Canadian oil and gas sector. And, Mr. Speaker, this was released October 30th, 2013. So that is just about, just eight days ago, just before Halloween, October 30th, 2013. So they have a code of conduct for industry when it comes to using fracturing, a fracturing code of conduct. But what he says, and I think this important, and I quote . . . This is Mark Salkeld, president and CEO of PSAC [Petroleum Services Association of Canada]. He says:

Working closely with stakeholders is critical to building trust in oil and gas operations. We've seen public concern surrounding hydraulic fracturing operations increase over the past years.

It was definitely time to address that in a proactive and positive way, but we knew talking to community members wasn't going to be enough. We had to act. That's why we created the hydraulic fracturing code . . .”

And so industry is being proactive and understanding that there is concerns, you know, in the public. When you see things that happen like we've seen . . . Because we're so busy doing work, we're seeing different things that happen to cause people to have concerns. We saw this summer the horrific train accident in Mégantic, and we're understanding now that part of it might be related to the contents of the oil, what was in the oil when it was being brought up, the fracturing contents. So you understand where people are getting the concern.

So I really appreciate it when the organizations like PSAC here can take a proactive lead and say, we're going to take . . . We're going to get in front of this. We're going to acknowledge that people have concerns. They have concerns, but we're very proud of the work that we've done and the work we're going to do. And they're going to do it even better, Mr. Speaker. And I think this is really, really important.

And so some of the things that they're going to do better. And I just, I see I'm running out of time. And this is the guiding principles for hydraulic fracturing from CAPP:

3. We will support the development of fracturing . . . additives with the least environmental risks.
4. We will support the disclosure of fracturing fluid additives.
5. We will continue to advance, collaborate on and communicate technologies and best practices that reduce the potential environmental risks of hydraulic fracturing.

So I think these folks are on the right track. This is good stuff. So we have a record that we can be proud of in Saskatchewan when it comes to hydraulic fracturing. We feel that's an important piece of work. The member has talked about the number of people working in it. We think that's a good thing, but we want to talk more about the environmental codes to make sure we can continue with this.

...

Mr. Forbes: Thank you very much. Thank you very much, Mr. Speaker. It's a pleasure to ask the first question here and it's a question I want to ask the member from Nipawin. You know, I find this resolution . . . [inaudible interjection] . . . Carrot River. My mistake, my mistake. I want to ask him, this resolution seems to be a bit of a Trojan Horse. You know, it says a lot of things that we have an agreement on, but what really lies beneath the resolution? I want to know if he can guarantee us, guarantee this House that this government will not water down or weaken any regulations when it comes to fracking in our province.

The Deputy Speaker: I recognize the member from Carrot River Valley.

Mr. Bradshaw: I thank the member for the question. Mr. Speaker, this government takes environment very seriously, and we believe in doing the best possible job and having the best rules put forward as we can possibly have to ensure that we can continue on producing our oil and gas in this province in a safe, in a very safe manner.

I guess what we are concerned about, we're concerned about the NDP and are they going to support their cousins on their so-called Dutch disease and try and send . . . put on a carbon tax on our oil and send it back down east to help out their cousins in Eastern Canada? Thank you.

...

Mr. Forbes: Thank you very much, Mr. Speaker. This government seems only focused on the non-renewable resources, and we can tell that from the debate today. And of course we value the 34,000 jobs it creates, but we have to think about expanding into other areas in our economy. And so I have a question for Cut Knife-Turtleford: why won't this government take steps to really diversify this economy?

The Deputy Speaker: I recognize the member from Cut Knife-Turtleford.

Mr. Doke: Mr. Speaker, I'd like to thank the member for the question. Anyway it just seems a little silly that he would ask that question. However there's more people working in Saskatchewan now than there ever has been.

And also in reference to the member from Athabasca about fracturing being 50 years or whatever, the difference is nobody came here to use it. We're using it now. We're producing more oil and gas than we ever have. That's the difference. Thank you.

The Deputy Speaker: I recognize the member from Regina Dewdney.

Mr. Makowsky: Thank you, Mr. Speaker. The member from Saskatoon Centre in his address mentioned the reference to the Canadian Association of Petroleum Producers. Last year, Mr. Speaker, Thomas Mulcair said that CAPP was "pulling a con job" in regards to hydraulic fracturing. Does that member agree with his federal leader?

The Deputy Speaker: I recognize the member from Saskatoon Centre.

Mr. Forbes: Mr. Speaker, I'd like to see the quote that he's referencing. I can tell you that I have worked with CAPP as a former minister of Environment and had a good relationship. When we were in government we had a great working relationship with CAPP. So I look at the principles and I think that they're strong and there's something we can work with.

But the question we really have is, why have we not seen the Environmental Code from this government yet? The minister talked about this a couple of days ago. We need to see this before we really start talking about whether we can accept the guarantees about watering down or strengthening the regulations around fracturing. Thank you.