



March 10, 2014

Mr. Chad MacPherson, General Manager
Saskatchewan Stock Growers Association
PO Box 4753
REGINA SK S4P 3Y4

Dear Mr. MacPherson:

Thank you for your email of January, 23 2014, regarding the resolutions carried at the Saskatchewan Stock Growers Association's semi-annual meeting on January 23, 2014. The following responses are included for the resolutions related to the Ministry of Agriculture:

Resolution #1 – Conservation Easements

We have previously discussed the effect of conservation easements on land values with several financial institutions. There are two important factors that need to be considered in determining the effects of these easements on land values. First, a significant number of sales with lands that have conservation easements on them have not occurred and thus there is an inadequate number of comparable sales that can be used to determine a positive or negative effect. Secondly, many of the conservation easements currently in use severely restrict the agricultural use of the land. The conservation easements that the Ministry of Agriculture intends to use will not significantly impact the grazing that can occur on the land.

The Crown Conservation Easement has not been completely developed. The Ministry intends on continuing to try and accurately determine the effects of these easements on land values once a more complete draft is completed. This determination will include discussions with financial institutions and accredited private appraisers.

Resolution #2 – Surface Lease Compensation

The Ministry acknowledges the importance of revenue sharing resulting from surface lease compensation. The supervision and oversight provided by lessees is an important factor in ensuring the success of any oil or natural gas project. The Ministry's current regulations and policies balance the need for fair compensation related to this role with the public expectation for contribution of these revenues to the economic well-being of the province.

The transition of the former federal community pasture lands back to provincial control requires harmonization of two distinct oil and gas surface lease programs. This harmonization includes reviewing the Ministry's current approach to oil and gas development. Lessee consultation will be an important part of this harmonization and will occur at the appropriate time.

Resolution #3 – Irradiation

The Saskatchewan Ministry of Agriculture supports the Saskatchewan Stock Growers Association's efforts in seeking approval from Health Canada for the option to utilize irradiation in beef products.

The Ministry recognizes that for other commodities, food irradiation is a method of preserving food by using ionizing radiation in order to control foodborne pathogens, reduce microbial load and insect infestation, inhibit the germination of root crops and extend the durable life of perishable products.

Resolution #4 – Non-Reversionary Lands

The Ministry appreciates the support provided by this resolution. The permanent acquisition of non-reversionary lands continues to be a top priority for the province. Negotiations and discussions are ongoing in an attempt to find a resolution of this issue.

Resolution #6 – Forage Network

The Saskatchewan Ministry of Agriculture provides funding for forage research through the Agriculture Development Fund, demonstration project funding, and funding for Strategic Research Positions such as the new forage breeding chair.

The Saskatchewan Ministry of Agriculture recognizes the leadership of the Saskatchewan Forage Network within Saskatchewan's forage industry, and is encouraged to see industry stakeholders working together to collaborate on research initiatives.

Resolution #7 – Predation

The Saskatchewan Crop Insurance Corporation (SCIC) administers the predation compensation program. This program was introduced in 2010 and has processed about 3,000 claims annually providing approximately \$1.5 million in compensation and another \$600,000 annually in preventative measures, including costs associated with hiring predation specialists.

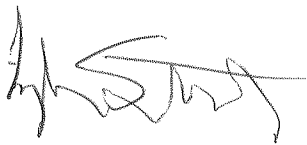
Where predation problems arise, SCIC staff may hire a predation specialist to assess the situation and take steps to address the predator problem. This is a consultative

process involving the producer and in more severe situations, the Saskatchewan Ministry of the Environment. Prevention measures are evaluated throughout this process, again in consultation, to ensure they prove to be effective.

The SCIC remains committed to working with the cattle producers of Saskatchewan and thank the Saskatchewan Stock Growers Association for the opportunity to address their predation concerns.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lyle Stewart', with a long horizontal flourish extending to the right.

Lyle Stewart
Minister of Agriculture