



saskatchewan
chamber of
commerce

The Future of Uranium in Saskatchewan

Public Consultation Process

Submission by
The Saskatchewan Chamber of Commerce

June 23, 2009

Introduction

The Saskatchewan Chamber of Commerce is *The Voice of Business* in Saskatchewan. The Chamber, which is funded by provincial businesses and local Chambers of Commerce, advocates for policies that increase the competitiveness and attractiveness of operating a business in Saskatchewan.

As the 'Voice of Business' in Saskatchewan, the Saskatchewan Chamber of Commerce created "*A Sustainable Growth Strategy for the New Saskatchewan*". The economy and population of Saskatchewan are going to continue to grow and it's important we maximize the positive effect and mitigate the challenges. Therefore the Growth Strategy was designed to provide targets that when met, would provide a balanced or strategic result. These targets will help governments and businesses make decisions today that will position them strongly in the future.

The Strategy projects that by the year 2030 Saskatchewan will have a provincial population of 1.5 million, which represents an annual growth rate of 1.75%. This rate of growth is possible and indeed this number of people is required to offer the tax base to sustain this province into the future.

The Saskatchewan Chamber of Commerce believe our targets are legitimate and achievable. Since 2007, the Chamber has been encouraging the provincial government to ensure the necessary infrastructure is in place to support this scale of development and to avoid the 'growing pains' that have plagued other jurisdictions.

One clear observation we've made in the Growth Strategy process is that our province's electrical supply is in need of enhancement and so are the power transmission capacities. To serve the new businesses, light the new homes and provide replacement capacity for retiring generators; we need to get serious and move forward and fast on this issue.

It is from this belief in our provinces growth potential and our understanding of the need for new energy supply combined with the need to add value to our resources that we welcomed the in-depth review undertaken by the Uranium Development Partnership.

The membership of the Saskatchewan Chamber supports the Uranium Development Partnership's (UDP) recommendation to include nuclear as part of the Province's long-range energy mix. When the targets laid out in the Saskatchewan Chamber's Growth Strategy are achieved, the province will need significantly more electricity and nuclear power offers a clean, stable, accessible supply.

Across the province's Chamber network, consisting of the Provincial Chamber and 80 local chambers, strong support for nuclear power has been expressed. In a recent survey conducted by the Regina and District Chamber of Commerce, approximately 80% of survey respondents either strongly agreed or agreed with the development of a nuclear power plant.

While the details are presented below our summary position is as follows:

The Saskatchewan Chamber of Commerce recommends that the Province of Saskatchewan;

- 1. Accept the recommendations of the Uranium Development Partnership and initiate actions as appropriate to turn them into action.**
- 2. Facilitate a process to address the lack of fact based information on Uranium sector expansion and nuclear opportunities; and further that this process use several communications vehicles.**
- 3. Evaluate the opportunity to enhance the research, production and use of renewable energy in Saskatchewan.**
- 4. Prepare a comprehensive energy plan that includes consideration of and use of all appropriate energy sources to provide this province with abundant, reliable, clean and affordable power to 2030. Given the long lead times for some sources of energy, it is important to complete this plan in a timely manner.**

Exploration and Mining

The Saskatchewan Chamber of Commerce is supportive of all 7 UDP recommendations related to exploration and mining.

Particularly in relation to Recommendation 4, “undertake a review of the competitiveness of the royalty system in relation to other jurisdictions”, the Saskatchewan Chamber would like to see the Province eliminate resource based capital taxes in Saskatchewan, not only for uranium but for potash and coal as well.

Overall, the Provincial Chamber is very supportive of initiatives designed to address Saskatchewan’s infrastructure deficit. Therefore as per Recommendation 7, the Chamber encourages the Province to immediately start working with industry to prioritize and facilitate the development of key infrastructure in relation to both new uranium mine development and all other major projects occurring in Saskatchewan.

The Saskatchewan Chamber supports the expansion of uranium exploration and mining and recommends that the Province of Saskatchewan and the Federal Government streamline the regulatory and licensing requirements as they pertain to the uranium industry, with the goal of increasing the efficiency of the licensing process and reducing timeframes to facilitate the expansion of the mining sector

Upgrading

In the early 2000's, the Saskatchewan Chamber of Commerce encouraged the Government of Saskatchewan to create a welcoming jurisdiction, through a variety of initiatives, to facilitate the building of a new uranium refinery in Saskatchewan. However, the Provincial Chamber agrees with the UDP report that current market conditions do not support the development of a facility. Nevertheless, as per its earlier recommendation to government, the Chamber believes that the Province should still remove or reduce inhibitors to uranium value-added development, and accelerate the approval processes for mines and refineries.

In relation to Recommendation 8: "work with the Federal Government to clarify the framework under which an enrichment facility could be established in the Province in accordance with all international non-proliferation agreements and obligations", the Provincial Chamber supports the UDP. However, the Chamber feels this recommendation should not be acted upon to the detriment of more prominent uranium development opportunities.

Research, Development, and Training

The Saskatchewan Chamber of Commerce has long held the position that the provincial government should support research related to uranium. Saskatchewan should be a centre of excellence for nuclear research and training as the uranium industry has such a significant impact on the provincial economy.

Nuclear medicine is an essential part of our health care. The Saskatchewan Chamber of Commerce strongly supports the UDP's Recommendation 20, "Partner with the Federal Government to pursue the construction of a research reactor in the Province as a complement to synergies with existing research infrastructure and capabilities, and to better position the Province to participate in multiple areas of study. Pursue medical isotope production as part of the reactor's mandate."

Having such a research reactor here would attract high quality researchers to Saskatchewan, creating new opportunities, diversifying our economy and possibly stabilize the supply of medical isotopes for the entire country, and indeed the world.

We believe this recommendation offers great opportunity for Saskatchewan.

Power Generation

Members of our organization toured the Bruce Power facilities in Kincardine and met with local Chambers. We have met with Sask Power officials and talked at length of the current and future realities of supply and transmission. We believe the health, safety and security and scientific elements of this type of power generation are well in hand. We

look forward to discussions on the location , project cost, partnership model and power supply agreements but see there are many levels of analysis to be done before this can become more than speculation.

We support the use of nuclear power as part of Saskatchewan energy mix.

Used Fuel Management

This area is one where no immediate action is required and we endorse the recommendation as stated.

Conclusion

For too many years Saskatchewan has missed out on the economic and social benefits associated with adding value to the province's natural resources. Saskatchewan has the opportunity to add value to many of its resources based on a thorough evaluation such as was undertaken by the Uranium Development Partnership. The Provincial Chamber would welcome similar sector specific studies in the future.

We participated at several of the public sessions and appreciate that many of the participants at these sessions were not in support of the UDP report or an expansion of the sector. These people voiced a minority position and would benefit from the type of information session we recommended earlier.

We represent the business community and can state without hesitation the Saskatchewan business community is fully onside with strategic and careful advancement of the recommendations. Our members were keen observers of the public consultations but knew their perspective was carried forward in the public consultation process by the Saskatchewan Chamber.

Saskatchewan is leading the country in growth and will do so for the foreseeable future. This is not by simple luck but largely due to the fact we have to offer what the world needs and wants to buy. Our resources, products and services all serve different markets across the globe and their demand is growing. The global demand matched with strategic moves in building Saskatchewan's economy will bode well for continued growth for this and future generations. We must encourage strong leadership to move the economy forward. To fail to listen to the majority would be an insult to democracy and risk losing the opportunity to position this province on a solid and sustainable economic and social basis for the next generation.