



Government
— of —
Saskatchewan

Minister of Environment

Legislative Building
Regina, Canada S4S 0B3

MAY 05 2025

2025-171

Roger Petry and Margret Asmuss
RCE-SK Co-coordinators
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Dear Roger Petry and Margret Asmuss:

Thank you for your April 7, 2025, letter to the Honourable Scott Moe, Premier of Saskatchewan, regarding the industrial tax removal in Saskatchewan. Premier Moe asked me to respond on his behalf.

Effective April 1, 2025, the Government of Saskatchewan paused industrial carbon pricing under the province's Output-based Performance Standards (OBPS) Program. This decision provides immediate financial relief to families, farms and businesses and supports Saskatchewan's competitiveness amid global tariffs and economic uncertainty. It follows the federal government's March 14, 2025, decision to eliminate the federal carbon tax – an acknowledgment that carbon pricing is ineffective and harmful to households and businesses.

Saskatchewan is now the first carbon-tax-free jurisdiction in Canada.

Our government recognizes the importance of sustainable economic growth. We are committed to achieving this without a carbon tax through a practical, innovation-focused approach. Since 2017, our Prairie Resilience strategy has guided our efforts to reduce emissions and build resilience using natural systems and technology. For example:

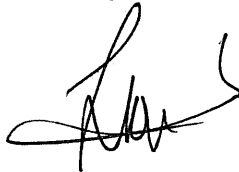
- The emissions intensity of Saskatchewan's economy, which measures the number of emissions per dollar of Gross Domestic Product, has decreased by 26 per cent since 2005.
- The province's Methane Action Plan has reduced greenhouse gas emissions from the oil and gas sector by 67 per cent since 2015.

- Saskatchewan is a world leader in enhanced oil recovery (EOR) carbon capture, which results in 82 per cent lower emissions than traditional extraction methods. Over the last 25 years, Saskatchewan's EOR projects have sequestered more than 40 million tonnes of CO₂.
- Since 2005, Saskatchewan's agricultural producers have sequestered an average 15 million tonnes of carbon each year through various agriculture and soil management practices, including zero and low tillage, 4R nutrient stewardship, cover crops, crop rotation, and novel feedstock composition.
- Saskatchewan agricultural producers are responsible for over half of Canada's total natural sequestration. Additionally, 95 per cent of land seeded to annual crops in Saskatchewan is farmed using either minimum or zero tillage, which is the highest percentage in Canada.
- Research commissioned by the Global Institute for Food Security found that Saskatchewan's net carbon footprint for crop production is significantly lower than competing jurisdictions.
- SaskPower has rapidly increased its share of renewable energy generation, growing from 25.2 per cent in 2017 to 35 per cent in 2023. SaskPower captured over 6.5 million tonnes of CO₂ at its Boundary Dam 3 power station.
- Saskatchewan's clean uranium exports which fuel nuclear power plants around the world, help avoid 459 million tonnes of CO₂ emissions.
- Saskatchewan is actively exploring small modular reactors to provide clean, reliable power and meet the province's future electricity needs.

Saskatchewan is taking a balanced, practical approach. We believe addressing a changing climate requires a strong, competitive economy – not carbon taxes.

Thank you for your inquiry.

Sincerely,



Travis Keisig
Minister of Environment

cc: Honourable Scott Moe, Premier of Saskatchewan