

Background – Title to Soldier Settlement Board Minerals

- The Government of Saskatchewan launched a legal action in August 2003 claiming ownership of minerals acquired by the Government of Canada under the provisions of the *Soldier Settlement Act, 1917*. The soldier settlement minerals listed in the Statement of Claim are administered by the federal Department of Natural Resources (NRCan).
- The Soldier Settlement program, which operated after World War 1, was an agricultural loan program for returning soldiers seeking to take up farming or improve their existing operations. The Soldier Settlement Board, which ran the program, would often acquire ownership of minerals as part of its land acquisition activities. These minerals were reserved by the Government of Canada from any sale of land to a soldier settler.
- The lawsuit filed in 2003 dealt with the issue of whether these Soldier Settlement Board minerals were transferred to the Government of Saskatchewan under the provisions of the 1930 *Natural Resources Transfer Agreement* (NRTA). The federal government has maintained since the 1930s that the transfer provisions of the NRTA did not apply to Soldier Settlement Board minerals.
- The decision by the province to launch the lawsuit was based on a 1991 Supreme Court of Canada decision that appeared to support the province's view on the ownership question. Since 2004, the Ministry of Energy and Resources and NRCan have been working to resolve this matter through negotiations.
- The settlement agreement announced today is the result of these negotiations. It provides the Government of Saskatchewan with:
 - an immediate cash payment of \$32.9 million;
 - title to 34,000 hectares of federally-owned minerals administered by Natural Resources Canada; and
 - a commitment for a further 18-month review of federal mineral holdings to identify other mineral titles that can be transferred under the terms of the settlement.
- The titles to be transferred to Saskatchewan include 29,500 hectares of Soldier Settlement Board minerals located outside surrendered Indian reserves and 4,500 hectares of other minerals acquired by the federal government over the years under other programs.
- In return for these considerations, the Government of Saskatchewan will:
 - provide the Government of Canada with a full and complete release from its lawsuit;
 - quit its claim to 24,000 hectares of Soldier Settlement Board minerals within the boundaries of surrendered Indian reserves to assist the Government of Canada to honour its commitments to Saskatchewan First Nations; and
 - honour any federal mineral dispositions or treaty land entitlement selections encumbering the transferred titles.