

**Backgrounder**  
**Implementation of Revised Saskatchewan Timber Dues**  
**Ministry of the Economy**

- The Ministry of the Economy and the Ministry of Environment will be amending *The Forest Resources Management Regulations* to streamline the timber dues in Saskatchewan effective July 1, 2014. Dues are paid to the Crown for each cubic metre of timber harvested from Saskatchewan's Crown forests.
- In response to requests from the forest industry in the fall of 2010, the Government of Saskatchewan committed to a review of the current timber dues systems.
- A government-forest industry working group was formed in 2011 to establish timber dues review principles, identify the issues in the current dues systems and review timber dues systems in other provinces.
- Objectives of the review included: one standardized dues system for Saskatchewan; responsiveness to forest product markets; remaining competitive with other provinces; providing a fair return to Saskatchewan; and honouring related commitments in the Canada-U.S. Softwood Lumber Agreement (2006).
- The Ministry of the Economy completed a review of the province's current timber dues systems in January 2014, working in collaboration with the Ministry of Environment, the Ministry of Justice and Executive Council - Intergovernmental Affairs, including comprehensive consultations with the forest industry.
- The new streamlined system is more market-based and will replace five different systems currently in four forest management agreements and *The Forest Resources Management Regulations*. Currently dues rates are not consistent between companies producing the same forest products.
- The new streamlined system will be universally applied, which will level the playing field for all forestry companies operating in Saskatchewan.
- The Ministry of Environment administers *The Forest Resources Management Regulations*, including collection of timber dues, and is leading the amendment of the regulations required to implement the streamlined system.
- The streamlined dues system builds on several important commitments of the government:
  - commitment to economic growth;
  - commitment to provide a competitive business environment for the forestry sector; and,
  - commitment to the sustainable management and long-term health of Saskatchewan's provincial forests.

- The streamlined dues system provides an incentive to use smaller diameter timber, lower quality tree species, and underutilized remote timber.