

April 29, 2024

Hon. Christine Tell
Minister of the Environment
Government of Saskatchewan
Via Email: env.minister@gov.sk.ca

Improving Scrap Tire Stewardship in Saskatchewan

Dear Minister Tell,

Questions continue to surface around the short-sighted decisions taken by Tire Stewardship Saskatchewan (TSS) to regulate a once “free market” for tire processing in Saskatchewan and undermine the operation of Saskatoon-based processor, Shercom Industries. Decisions taken by TSS forced the closure of Shercom’s processing facilities by redirecting the supply of recyclable tires to make way for an American processor eager to set up operations in Moose Jaw.

To their good credit, Premier Moe and former Minister Skoropad responded to our initial concerns and enlisted a formal review of the TSS procurement process that led to these decisions.

However, we are convinced that there are wider issues with the current structure, mandate and direction of TSS that need to be addressed. We believe that there continues to be a lack of accountability and meaningful oversight over the decisions and actions taken by this agency which has failed to steward the industry in the best interests of Saskatchewan’s environment and economy.

Quoting from the Ministry of Environment’s directives to TSS: “The program operator [TSS] must build positive working relationships for collection, transportation and recycling of scrap tires in the province to bring the most benefit for Saskatchewan consumers and businesses.” By any measure, TSS has clearly failed to meet this expectation. Changes need to be made.

To remedy the current situation, and safeguard Saskatchewan’s environment and economy, we propose the following:

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1. Guarantee Supply

Establish a minimum, guaranteed supply of scrap tires to processors to inform their business plans, expansions, and investments in jobs and equipment. Although it has not been shared publicly, we understand TSS and the Ministry possess a feasibility study that determined two processors could thrive in Saskatchewan based on current volumes. Base the supply guarantee on the findings of this report – which will make Shercom Industries whole and ensure that it is not forced to buy crumb rubber from Alberta, BC or Manitoba for its manufacturing facility.

2. Fix the Board

We recommend changes to the composition of the TSS board to enhance representation, improve accountability, and better fulfill its mandate. Specifically:

- Two independent representatives from the business sector with no affiliation to the industry;
- A seat for the Deputy Minister (or designate) of either the Ministry of Environment or Ministry of Trade and Export Development to provide a wider policy lens on TSS regulatory decisions and ensure TSS actions align with Saskatchewan's Growth Plan; and,
- Seats for representatives of tire processors on the TSS advisory board.

In addition to changes at the board level, we further recommend a fulsome review of TSS management and operations as a provincial agency. There is growing evidence to suggest that TSS is out-of-step with the vision and pro-growth agenda of the government.

3. Release the Report

To re-establish trust among all stakeholders – and restore the credibility of TSS as an agency working in the best interests of Saskatchewan's economy, environment, consumers and businesses – we urge the Ministry to release the market feasibility study at the heart of the issues and questions raised over the last year. While we appreciate that some of the report's market intelligence may be sensitive (and therefore require redaction) it seems plausible that the rest of the report could be made publicly available. In the same spirit, we would urge the release of the procurement review of TSS conducted by former Deputy Minister Cam Swan last year.

Minister Tell, we appreciate your efforts – and those of the Premier and former Minister Skoropad – to address the ongoing questions and issues associated with this file.

Thank you for your leadership. We hope our recommendations are helpful.

Sincerely,



Jason Aebig, CEO
Greater Saskatoon Chamber of Commerce

cc: Hon. Scott Moe, Premier of Saskatchewan
Hon. Gordon Wyant, MLA for Saskatoon Northwest
Hon. Paul Merriman, MLA for Saskatoon Silverspring-Sutherland
Hon. Bronwyn Eyre, MLA for Saskatoon-Stonebridge-Dakota
Hon. Don Morgan, MLA for Saskatoon Southeast
Hon. Jeremy Harrison, MLA for Meadow Lake
Mr. Ken Cheveldayoff, MLA for Saskatoon Willowgrove
Mr. Marv Friesen, MLA for Saskatoon Riversdale
Ms. Lisa Lambert, MLA for Saskatoon Churchill-Wildwood
Mr. David Buckingham, MLA for Saskatoon Westview
Kenneth Cotterill, Chief of Staff to the Minister of Environment