

MEMBER STATEMENT—KEVIN O'REILLY, MLA FRAME LAKE

DEPARTMENT OF LANDS LIABILITIES AND FINANCIAL ASSURANCES DIVISION

February 23, 2016

MR. O'REILLY: Mr. Speaker, the Minister of Lands announced the establishment of the Liabilities and Financial Assurances Division in a news release dated September 12, 2014. This was in response to our newly inherited authority over lands and waters acquired through devolution. These are very significant new responsibilities and require careful management to ensure that we do not repeat the legacies and disasters left behind from the poor policies and legislation of the federal government.

It is critically important that we get our financial security management system in order to prevent further public liabilities and contaminated sites. This government agreed in March 2005 to contribute \$23 million to the remediation of the Giant Mine because of the liability we incurred for a surface lease where no security was required of the mine owner. More recently, this government had to issue a special warrant for \$4.5 million to allow the Cantung mine to be transferred back to the federal government. Through devolution, we have now inherited responsibility for the Prairie Creek site where we hold a surface lease that does not require full reclamation. This needs to be changed before we incur more millions of dollars of environmental liabilities.

These liabilities occurred under our watch and we can, and we must, do much better. We cannot afford to mismanage our resources. Future generations will not forgive us. According to the Minister of Land's statement in this House on November 6, 2014, the Liabilities and Financial Assurances Division was established to develop "strong and effective collaboration between departments with legislated responsibilities for security deposits, as well as central agencies such as the departments of Finance and Justice." He said "This division will also lead and coordinate short and longer-term policy development concerning the government's management of securities."

I am very concerned with the slow progress of this work to date, especially in light of the looming liabilities from the Prairie Creek site. I do not believe the division has ever achieved its full complement of staff, senior staff positions are now vacant, and there has been no public policy of guidelines to ensure sound financial security systems. In this time of fiscal challenges, we need to get this critical work back on track. I will have questions later today for the Minister of Lands