

**MEMBER STATEMENT—KEVIN O'REILLY MLA FRAME LAKE**

**2015 NORTHWEST TERRITORIES ENVIRONMENTAL AUDIT**

**June 28, 2016**

**MR. O'REILLY:** Merci, Monsieur le President. The Minister of Environment and Natural Resources released the 2015 Environmental Audit yesterday. The GNWT is to be congratulated for coordinating the responses to the audit, which are found in the document itself.

As Members of this House know, I have made several statements about the need to get our financial security system in order to prevent further public liabilities. Here are a few quotes from the 2015 Environmental Audit carried out by an independent third party. "We found significant unresolved challenges with the management of security deposits which existed prior to devolution and were recognized in the fall 2012 report of the Commissioner on Environment and Sustainable Development ... There does not appear to be a robust information management system to address the handling and processing of securities and to support sufficiency analyses and risk assessment for the GNWT. We were unable to confirm that all security established in land use permits and water licences had been collected by the responsible departments."

The audit goes on to say, "GNWT has recognized these challenges. It has established the Liabilities and Financial Assurances Division within the Lands Department," but most importantly, "documentation outlining the Division's vision and implementation strategy were not available." The audit recommended that "GNWT-Lands should develop policy documents outlining its approach to and timeline for establishing a structured approach to securities management within the NWT."

Unfortunately, the GNWT response is rather light and noncommittal, stating, "The GNWT supports the intent of this recommendation. The Department of Lands will work with other GNWT departments as required." These are shocking findings at a time of fiscal restraint and after more than two years of GNWT managing financial securities. There is still no timetable or plan to avoid large liabilities and manage our resources gained under devolution in a financially responsible manner. I will have questions for the Minister of Lands on our management of financial securities later today. Masi, Mr. Speaker.