

MEMBER STATEMENT—KEVIN O'REILLY MLA FRAME LAKE

EXTENSION OF MINING WORK CREDIT PROGRAM

March 10, 2017

MR. O'REILLY: Merci, Monsieur le President. On March 8th our government issued the media release "GNWT Extends Key Mineral Exploration Support Program." The release describes the extension of the Work Credit Program, which sets the value of exploration work required to keep mineral claims in good standing. Claim holders are now credited \$1.50 for every eligible dollar spent. The release says the program originally "arose from recommendations made by the Ministry Industry Advisory Board."

I fully recognize that mining is important here, so we want to protect the integrity of our decision-making on this section. This move to extend the program was made with no consultation with Standing Committee; part of a troubling pattern by Cabinet. This is not consistent our process conventions, which state:

"Except under extraordinary circumstances Members of the Legislative Assembly should be made aware of and have opportunity to discuss significant announcements, changes, consultations or initiatives before they are released to the public or introduced in the Legislative Assembly."

During the 17th Assembly, standing committee expressed concern about the non-inclusive nature of the board that recommended this measure and the potential for regulatory capture and potential conflicts of interests when mining company representatives give advice to the Minister responsible for Mining.

Several of the board members are from firms that hold active mineral claims in the Northwest Territories. There is a potential for those firms to directly benefit from any cutting costs of keeping their mineral claims in good standing, rather than having some lapse and open up for others.

The terms of reference of the board state that part of its objectives is reducing constraints "including regulatory constraints." The problem here is that the people advising the Minister are giving advice that may place them in a conflict of interest on occasion. There does not appear to be any requirement for disclosure of financial interests, and the board's recommendations are not made public. In fact, the terms of reference say that all communications are confidential except by mutual consent of the Minister and the board.

It's a far cry from the model of a similar board in the Yukon, which was established by regulation under their Economic Development Act, with publicly posted terms of reference and annual reports containing summaries of recommendations published since 2003. I will have questions for the Minister of Mining later today. Mahsi, Mr. Speaker