

**KEVIN O'REILLY—MLA FRAME LAKE**  
**Negotiations with Federal Government—Offshore Oil and Gas**  
**Committee of the Whole—2017-2018 Operating Budget Review**  
**Dept. of Industry, Tourism and Investment—February 16, 2017**

**MR. O'REILLY:** Thanks, Mr. Chair. I believe the Minister or his staff mentioned the offshore negotiations that are possible under the devolution agreement. Given that the federal government has prohibited exploration in the offshore area, what is the status of these negotiations? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Deputy Jensen.

**MR. JENSEN:** Certainly, the ban on offshore exploration has changed the context for those discussions, but we have put forward notice to the federal government that we want to continue to be involved in those negotiations and discussions, particularly around the issue that they have identified, that there will be a five-year review. We want to have discussions with them about what that means and what that means in terms of what the ultimate commitment to negotiate co-management in the offshore as part of the devolution agreement. So we continue to try to keep the federal government at the table to meet those commitments.

**CHAIRPERSON (Mr. Blake):** Thank you, Deputy Jensen. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. So I guess I have asked this question before. I am just trying understand. There have actually been no formal negotiations. People have not sat at a table together to talk about this. It is us just asking for these negotiations to begin. Is that where we are at? Because that is where I understood things were at. We can't even get the federal government to the table. Is that the case, or what is going on? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Minister Schumann.

**HON. WALLY SCHUMANN:** Thank you, Mr. Chair. There has been some discussion at the official level, but I wouldn't exactly call it a negotiation at this point. With that announcement, one of the things that we have to have a good look at is, our devolution agreement with Canada includes a provision to negotiate and manage our offshore and gas resources. So they have signed on to that, and then they have come along and announced that they intend to put a five-year moratorium on there. We need to find out what Canada's signal is on this whole file. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister Schumann. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. So we can't get the federal government to the table to talk about this because there is a period, whether there was a prohibition in place or not, so why would we continue to devote resources to this? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Minister Schumann.

**HON. WALLY SCHUMANN:** Thank you, Mr. Chair. First of all, this is a part of the devolution agreement, like I just said, and it is something that we are very interested in

pursuing. It is also part of the IRC's land claim agreement. As we are all tri-parties to that agreement, we have to pursue any opportunities that are available to Northerners, be it resource development or mineral activities or such, but it is our obligation to uphold our end of the bargain. Thank you, Mr. Chair.