

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

MR. O'REILLY: I want to turn now to a couple of other areas, if I can. Given that the Minister himself yesterday said that there is no prospect of any oil and gas development here for another 10 years, is the department still working on this oil and gas strategy and, if so, why? Thanks, Mr. Chair.

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

HON. WALLY SCHUMANN: Thank you, Mr. Chair. Yes, we are still working on this moving forward. We have drafted a strategy that offers a viable balance and a made-in-the-NWT approach to advancing oil and gas development in the Northwest Territories. I don't know if the Member has any more questions on it, but we are working on it. Thank you, Mr. Chair.

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

MR. O'REILLY: Thanks, Mr. Chair. So why do we continue to work on this strategy if there is no prospect of any oil and gas development in the next 10 years? I am just quoting from what the Minister said yesterday in the House.

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

HON. WALLY SCHUMANN: Thank you, Mr. Chair. As I said yesterday, there is probably no probability of anything happening in the next 10 years, but the truth is that we don't control the commodities markets. We don't know what is going to happen. It is no different than the previous question, why we have employees in the petroleum division. We have to work on a number of things, our legislative proposals and such. We might as well be working on a strategy at this time, as well, when things are in a downturn, so it just makes sense to continue moving that forward. Thank you, Mr. Chair.

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

MR. O'REILLY: Thanks, Mr. Chair. Yes, I guess I would suggest to the Minister that he divert the resources that are going into this strategy into economic diversification, as one of my colleagues mentioned a few minutes ago. I have some other questions, though, Mr. Chair. I would like to get back onto your list, if I could. I do appreciate the time with the Minister, and I will have more questions for him. Thank you.

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

HON. WALLY SCHUMANN: Thank you, Mr. Chair. I would just like to remind the Members that this is also a mandate commitment in the mandate of the 18th Legislative Assembly. Thank you, Mr. Chair.

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

MR. O'REILLY: Thanks, Mr. Chair. Yes, I guess I will go on record as expressing some concern about regulatory capture here. Given that all of Cabinet goes down to mining conferences, I want to make sure that the consultation around this is inclusive, that it includes all the interests across the Northwest Territories. I look forward to the Minister bringing forward some kind of a plan to the standing committee to make sure that that happens. Is he prepared to bring such a plan forward to the standing committee? Thank you, Mr. Chair.

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

HON. WALLY SCHUMANN: Thank you, Mr. Chair. ITI has begun its work on research and review legislation from other jurisdictions on this exact policy coming forward. Then we have to process the approach we will be taking, so that is what we are going to do. We are going to look at other jurisdictions before we proceed, and then we are going to develop policy intention papers and have discussions around those papers with Aboriginal governments, regulators, industry representatives, and other stakeholders. The papers are anticipated to facilitate feedback on the GNWT policy intentions with respect to legislation review and any proposed amendments. Once we do that, I am sure we are going to have a lot of input from committee on making sure we are doing this right. Thank you, Mr. Chair.

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

MR. O'REILLY: Thanks, Mr. Chair. Yes, I look forward to the Minister coming forward to the standing committee with a plan for doing all of that. I do want to move on to one other thing here. Our government has publicly supported the UN Declaration of Rights for Indigenous Peoples. Within there, there are some requirements for free, prior, and informed consent, and I am sure our government supports those, as well. Can the Minister tell me how the Mineral Resources Act is going to incorporate the concept of free, prior, and informed consent? Thank you, Mr. Chair.

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

HON. WALLY SCHUMANN: Thank you, Mr. Chair. I think the UN declaration is probably pretty much recognized by all governments in Canada now, but as we move forward, that is one of the reasons why we are going to have a legal and specialist person drafting this moving forward, to ensure all these things are met. Thank you, Mr. Chair.

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

MR. O'REILLY: Thanks, Mr. Chair. In the department's business plan, there is a discussion of a regulatory roadmap that is being developed for mineral development. Can the Minister commit to me, this House, and the public that, again, our government will incorporate free, prior, and informed consent requirements into that regulatory roadmap? Thank you, Mr. Chair.

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

HON. WALLY SCHUMANN: Thank you, Mr. Chair. I can't commit to that right now, but we will have a look at it and see how we are going to move this forward. Thank you, Mr. Chair.

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

MR. O'REILLY: Thanks, Mr. Chair. I look forward to the Minister getting back to me on that. Our government has publicly endorsed the declaration, and free, prior, and informed consent is an integral part of that, so we want to make sure that our communities are fully informed and that they have the ability to say no where they desire to do so.