

## ORAL QUESTION—KEVIN O'REILLY, MLA FRAME LAKE

### QUESTION 92-18(3): MINERAL RESOURCES ACT

FEBRUARY 13, 2018

**MR. O'REILLY:** Merci, Monsieur le President. The report on the Mineral Resources Act public engagement exercise is a "what we believe" document from ITI, rather than "what was said." Can the Minister explain why he promised that there would be more information made available from ITI's "cross-jurisdictional reviews and expensive policy research," in this report, yet there's nothing on that subject in the document? Mahsi, Mr. Speaker.

**MR. SPEAKER:** Minister of Industry, Tourism and Investment.

**HON. WALLY SCHUMANN:** Thank you, Mr. Speaker. We have moved into the legislative drafting process on the MRA, Mineral Resources Act. What we heard during the public engagement along with consideration of other key elements, the resulting of the scoping exercise across jurisdictional review on policy research, that is what we take now. It is going to guide us to help us develop the Mineral Resource Act. Because that specifically may not have been in the "what we heard" report doesn't mean we haven't taken those things into consideration.

Our policy rationale for the proposed act will be provided to standing committee as part of our legislative process. When we get there, we can explain that. As we enter the next phase of the legislative process, we are talking about necessary steps to ensure the role of standing committee and Cabinet as legislators are not fettered. We need to continue moving this forward. We need to be able to carry out the drafting policy development moving forward. Thank you, Mr. Speaker.

**MR. O'REILLY:** Thanks to the Minister for that response. He promised to give more information on how this is dealt with in other jurisdictions in the report. It is not there. On October 19<sup>th</sup>, when he did appear before the standing committee, he promised there would be targeted public engagement on this report. Yesterday, he repeated that promise in the House. Can the Minister explain what this targeted engagement is and who is going to be consulted and when?

**HON. WALLY SCHUMANN:** The public engagement plan was provided to standing committee and stated that the second round of engagement could occur based on the expression of interest of community and feedback that we have. In fact, this is already happening. We have already met with the Chamber of Mines. We have received the request to meet with Alternative North and expect to meet with them also moving forward. We will also continue to meet with the Intergovernmental Council going forward with the drafting process.

**MR. O'REILLY:** Thanks again to the Minister for that. Unfortunately, the "what we heard" report doesn't even invite any further comments or public engagement. Glad to hear it is happening, though. It might just be advertised a little bit better. In the House yesterday, the Minister said that a review on mining revenues would not likely take

place during this Assembly. It is my view ITI cannot be left in charge of this review due to its conflict of interest as mining promoter and the obvious regulatory capture that has taken place. Many other jurisdictions like Alberta have conducted independent reviews of economic rent from non-renewable resources. Will the Minister commit to an independent, evidence-based review of economic rent from mining, including taxes and royalties, during the life of this Assembly?

**HON. WALLY SCHUMANN:** The Member knows he is asking a question that can't be answered. How can we know what we are losing out on if we don't know what the royalty regime will be in the future? We know that, as an interim, the mines will continue to provide jobs for residents in the Northwest Territories, business opportunities. They will continue to pay their fees and maintain their mineral tenure, pay their land, tenure fees, royalties, property taxes, payroll taxes, and corporate taxes, as well as abiding by the socio-economic agreements and the IDAs that they have signed into.

**MR. SPEAKER:** Masi. Oral questions. Member from Frame Lake.

**MR. O'REILLY:** Mahsi, Mr. Speaker. I don't think I actually heard a response to my question. I will try it again. I think he has leapt ahead to the next one I was going to ask. I was looking for a commitment from the Minister to an independent, evidence-based review of economic rent from mining, including taxes and royalties, during the life of this Assembly. Mahsi, Mr. Speaker.

**HON. WALLY SCHUMANN:** As I stated in the House yesterday, we are not prepared to do that in the life of this Assembly. In our discussions with the Intergovernmental Council, we have made the decision to park this review of royalties moving forward until such time as the MRA is done and we will continue to move towards that. When we do come forward with the mineral resource royalties review, I can assure this House that we will have meaningful participation no different than what we have done on the MRA. We will have reached out to all the regions, all the stakeholders, all the residents of the Northwest Territories online, in person, what we need to do to make sure we get this Mineral Resource Act right and the royalties moving forward. Thank you, Mr. Speaker.