

**KEVIN O'REILLY—MLA FRAME LAKE**  
**Inuvialuit Water Board**  
**Committee of the Whole—2018-2019 Operating Budget Review**  
**Dept. of Executive and Indigenous Affairs—February 27, 2018**

**MR. O'REILLY:** Thanks, Mr. Chair. It's on page 96, the Inuvialuit Water Board. I think I know the answer, but why is the Government of the Northwest Territories paying the operating expenses for this board and not the other land and water boards? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. McNeely):** Thank you, Mr. O'Reilly. Ms. Craig.

**MS. CRAIG:** Thank you, Mr. Chair. This board operates a little differently because it was established under the Waters Act, and we are required through that act to provide the funding to the Inuvialuit Water Board. As well, the employees are to be employees of the public service. This was carried over from devolution from Indian and Northern Affairs, where they were within corporate management, and that is where they remain within ENR. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. McNeely):** Thank you, Ms. Craig. Mr. O'Reilly.

**MR. O'REILLY:** Thank you, Mr. Chair. Yes, that is what I thought I was going to hear.

We received funding under the devolution agreement, then, from the federal government to actually help us pay for this. This was part of the devolution agreement, so we are using the funds that we got to help pay for the board. Is that correct? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. McNeely):** Thank you, Mr. O'Reilly. Minister McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, that's correct.

**CHAIRPERSON (Mr. McNeely):** Thank you, Minister McLeod. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. The employees, are they employees of the Water Board or of ENR? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. McNeely):** Thank you, Mr. O'Reilly. Minister McLeod.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. As Ms. Craig pointed out, they are employees of the public service, so ENR. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. McNeely):** Thank you, Minister McLeod. Mr. O'Reilly.

**MR. O'REILLY:** Thank you, Mr. Chair. I can see where this could lead to some potential difficulties. If our government comes before the Inuvialuit Water Board seeking a water licence at some point, it puts those staff in a really difficult situation. Has there been any discussion with the Water Board in terms of transferring the staff to the administration of the board itself as is the case for the other land and water boards? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Ms. Craig.

**MS. CRAIG:** Thank you, Mr. Chair. The employees are within corporate management to remove that perceived or real conflict of interest within the water resources divisions or the water resource officers in the regions. That keeps them separate from the operational side.

They report to corporate management for all administration, human resources, and financial matters. They report to the chair of the Water Board for the business of the board. The department does not get involved in the business of the board. As for transferring them to their own entities, such as other boards, as the Member knows, we are currently looking at the Waters Act through our legislative initiatives. It is one topic that was discussed. At this point in time, due to economies of scale, really, the Inuvialuit Water Board is not interested in creating their own entity where they would have to get their own payroll system; they'd have to have their own overhead, and they're currently in GNWT leased space. If they had an increased cost, which we estimate they would, they would simply come back to the GNWT for additional resources. As the Member said, we received money through devolution for the funding of the board, but if there are increased costs, those would be costs to the GNWT. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Ms. Craig. Mr. O'Reilly.

**MR. O'REILLY:** I think I understand some of that. I'm not sure I necessarily agree with it all, but is there an MOU or some formal agreement between GNWT and the Water Board over reporting of the staff and who is responsible for what? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Ms. Craig.

**MS. CRAIG:** Thank you, Mr. Chair. We have an annual contribution agreement with the Inuvialuit Water Board, which is the mechanism for flowing their funding to them. They are members of the public service; therefore they are on our system where there's an annual performance appraisals and goals and objectives are recorded and documented in performance management. Evaluations are done on an annual basis. The board has a set of operating procedures as well that are reviewed both by the board and by corporate management so that all considerations under the Financial Administrations Act and our Procurement Shared Services, as well as the business of the board, are all encompassed in those operating procedures. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Ms. Craig. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. Has the department thought about whether there's any value in having an MOU that sets out rules and responsibilities with regards to the staffing arrangements? Has there been any consideration of an MOU or some kind of an agreement that would set out roles and responsibilities more clearly than an annual contribution agreement? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Ms. Craig.

**MS. CRAIG:** Thank you, Mr. Chair. We do not have a formal memorandum of understanding with the board. However, there are operating procedures that have been approved by both the board and the GNWT. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Ms. Craig. Mr. O'Reilly.

**MR. O'REILLY:** Well, I may be the only one in the room who thinks that there may be some value to this, but I'm going to leave this alone. It's a very particular sort of arrangement. I'm not suggesting that there's anything untoward about any of this. I've worked with some of those staff in the past. They work hard. They do their jobs, but it does put them perhaps in an awkward situation when they're GNWT employees and they have to report to the board, especially if our government comes forward looking for a water licence at some point before the Water Board. I think that's going to put them in an even more difficult position.

I've made my comment and my suggestion. I don't think I'm getting a very good reception, but I'll just leave it at that. I'll probably raise it again next year. Thanks, Mr. Chair.