

ORAL QUESTION—KEVIN O'REILLY, MLA FRAME LAKE

QUESTION 468-18(3): RESOURCE ROYALTIES REPORTING

October 26, 2018

MR. O'REILLY: Merci, Monsieur le President. My questions are for the Minister of Industry, Tourism and Investment. I referred in my statement the inability to match up the public reporting of royalties by fiscal years with the value of mineral and oil and gas production by calendar years. Since the royalty amounts of all resource products are lumped together, you can't disentangle the amounts received for individual commodities. Will the Minister commit to begin to disclose publicly the royalty figures for each resource commodity, using the consistent reporting period similar to the value of resource production as used by the NWT Stats Bureau? Mahsi, Mr. Speaker.

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

HON. WALLY SCHUMANN: Thank you, Mr. Speaker. As the Member knows, we have mirrored legislation from the federal government through devolution, and we do not currently allow this disclosure. That is what he is clearly asking for. I will note to the Member that the information is currently available on a company-by-company basis on NRCan website that was developed to support the federal excise industry transparency act. Thank you, Mr. Speaker.

MR. O'REILLY: I guess we still have to rely then on the federal mirror, whether it is ESTMA or the stuff that we have in place. That is just not good enough. Cabinet has made much of its open-government initiative, yet the most basic revenue figures for judging management of our resources can't be found. Will the Minister commit to reviewing his public reporting of resource revenues and set up a clear and accessible public record for reporting resource revenue information, yes or no?

HON. WALLY SCHUMANN: When we developed the associated regulations for the mineral resource sector, intent is to bring information required for public release in line with the federal excise industry transparency act. I think the Member is going to be quite pleased with that. Transparency on both finances and materials are signature of our oil and gas legislation review, and our "what we heard" report for that project outlines our commitment to those principles.

MR. O'REILLY: I would like to thank the Minister for that. We are getting closer. In my statement, I said that, if NWT were a country, it would be the second-richest place in the world on a GDP-per-capita basis. We certainly don't seem to lack the capacity to generate more revenues. The report that I am going to table today also says that "more aggressive fiscal and royalty rates" are something that we can do, so how does the Minister plan to work to incorporate more transparent and accountable public reporting of resource revenues in the proposed Mineral Resources Act and the amendments to our oil and gas legislation?

HON. WALLY SCHUMANN: I would say that the Government of the Northwest Territories is quite committed to that. The Member is quite aware, as I have said in this

House before, that we mirrored the regulations; we are moving forward with both of these acts to move forward with the regulations probably in the 19th Assembly, especially around the royalty regime and that and any regulations. So we are quite committed to doing these things in consultation with all residents of the Northwest Territories and our partners at intergovernmental council. We continue to work on that.

MR. SPEAKER: Masi. Oral questions. Member for Frame Lake.

MR. O'REILLY: Merci, Monsieur le President. Thanks to the Minister for that, but I am hoping we do not have to wait until the 19th Assembly. Cabinet has failed to make any substantive changes to the mirror legislation we inherited at devolution more than four years ago. Cabinet has rejected something as basic as a public review of the adequacy of resource revenues, despite making cuts to programs and services in the last three years. Can the Minister explain how our government can possibly convince the federal government that we can and should assume any further responsibilities for resource management with that kind of a track record?

HON. WALLY SCHUMANN: I want to be quite clear. Our government is on track to deliver these changes by the end of this Legislative Assembly with a number of pieces that we are working on. We believe the federal government believes in good legislation. With that being said, I think with respect to that fact, to get legislation right takes an appropriate amount of time, and we will continue to work on that, and I think that will help strengthen our case with the federal government. Thank you, Mr. Speaker.