

**THE HONOURABLE ROBERT R. MCLEOD
MINISTER OF EXECUTIVE AND INDIGENOUS AFFAIRS**

Offshore Oil and Gas Negotiations

Mr. Speaker, I am pleased to update this Assembly on negotiations toward the shared management of oil and gas resources in the Northwest Territories offshore.

Mr. Speaker, beginning in the late 1980s, the Government of Canada committed to negotiating a Government of the Northwest Territories role in the management of oil and gas in the NWT offshore. More recently, the Devolution Agreement of 2013 committed Canada and the GNWT, with the participation of the Inuvialuit Regional Corporation, to commence negotiations within 60 days for the management of oil and gas resources and the sharing of revenues in the offshore. Suffice it to say, the NWT has been waiting a long time, more than a generation, for these negotiations to start.

Despite previous commitments for negotiations, in 2016, Canada's unilateral federal moratorium on offshore oil and gas activity was imposed without any consultation. This action underscored the importance of the GNWT seizing a role in decisions about NWT offshore oil and gas resources.

Mr. Speaker, the shared management regime that will result from these negotiations will ensure that decisions about offshore oil and gas are no longer made unilaterally. It will ensure that unilateral decisions like the one made in 2016 become a thing of the past. The negotiation of the management of offshore oil and gas resources and the sharing of revenues will also ensure important decisions that directly impact the lives of NWT residents will include NWT decision-makers who have direct knowledge of northern circumstances.

Offshore agreements elsewhere in Canada have ensured these decisions are no longer driven solely by federal politics. These negotiations will provide the jurisdictional authority for the Northwest Territories to have a say in how and when offshore development will occur.

Mr. Speaker, I am happy to report that earlier this year, all four parties, Canada, the GNWT, the IRC, and the Government of Yukon identified negotiators and readied themselves to begin negotiations.

On April 12-14th, the first negotiating session occurred in Inuvik.

Mr. Speaker, it is both significant and appropriate that negotiations began in Inuvik. Historically, Inuvik has been a service center for oil and gas activity in the Beaufort Sea. Many residents of Inuvik have a great deal of experience in the oil and gas sector, and have also worked alongside industry to ensure that our Arctic coast and waters aren't put at risk. They have experienced the benefits, and born the impacts, particularly, as is the case now, during periods of low activity. It is important to remember that oil and gas activity in the NWT offshore is not new – these activities have been occurring in the Beaufort offshore for more than forty years.

An offshore agreement is one of the final missing pieces from the complete devolution of province-like authority over natural resources. It will give us decision-making authority with respect to the offshore comparable to what our fellow Canadians in Nova Scotia and Newfoundland and Labrador have been enjoying for decades. Further, that these negotiations include the Inuvialuit Regional Corporation, as a party at the table is certainly a first for this kind of negotiations in Canada.

Mr. Speaker we are in the very early stages of these negotiations, but that they have commenced is important and we are committed to keeping the Assembly up to date as progress occurs. Thank you, Mr. Speaker.