

15th Legislative Assembly

Fourth Session February 1 - March 2, 2006

FEB 22, 2006

Tax Arrears On The Former Giant Mine Site

MR. RAMSAY: Thank you, Mr. Speaker. Today I would like to use my Member's statement to discuss an ongoing issue that involves the City of Yellowknife, the Government of the Northwest Territories, the federal government, namely INAC and Public Works and Government Services.

The issue is the tax arrears on the former Giant Mine site. The total arrears are close to \$100,000 and there is just not any indication or responsibility for who is going to pay these arrears. The federal government is taking a position that it's not responsible for paying the outstanding amount due on the property by way of a payment in lieu of taxes or otherwise. The rationale is that it is not the Crown's intention to own the site in any way, shape or form.

The site in question is contained entirely within the municipal boundaries of the city of Yellowknife and the city also continues to service this property. It would be completely unfair if the city was not duly compensated, given this reality. It is my understanding, Mr. Speaker, that pursuant to the cooperation agreement between the Government of the Northwest Territories and INAC, that INAC is indeed occupying the site.

The site was previously managed by Miramar Giant Mines Limited under a care and maintenance agreement with INAC up until June 5, 2005. Under the terms and conditions of the care and maintenance agreement, Miramar was to pay the interim tax levy, which they have done, but was not required to pay the final tax levy. Hence, the \$96,727 that remains unpaid.

In section 10.1(h) of the cooperation agreement, it states that the Government of the Northwest Territories would provide INAC with an appropriate tenure instrument for the site. In addition, INAC would also assume the management charge and direction for all improvements on the site, and be provided unrestricted surface access and occupancy of the site.

Now that Miramar has left the site, the federal government has a legal, and I believe a moral, obligation to pay the city the taxes that are owing. Mr. Speaker, I will have questions for the Minister of Municipal and Community Affairs at the appropriate time. Thank you.

---Applause