

MEMBER STATEMENT—KEVIN O'REILLY MLA FRAME LAKE

GIANT MINE REMEDIATION PROJECT SOCIO-ECONOMIC BENEFITS

March 12, 2018

MR. O'REILLY: [Microphone turned off] ...can top that. So, I attended a public meeting on the Giant Mine remediation project last week. This will be the largest-ever project for Yellowknife, at over \$1 billion, with up to 250 to 300 jobs for at least 10 years, then jobs in perpetual care. The federal government awarded the main construction management contract to US-based Parsons Corporation, a US company. The \$600 million contract will begin as early as 2020 and may run as long as 22 years.

While our community continues to deal with the terrible legacies of the Giant Mine, the remediation represents a very significant opportunity for major socio-economic benefits. Unfortunately, the federal government does not have strong procurement requirements for northern benefits. For example, in the main construction management contract, only 10 per cent of the total hours are targeted for Indigenous employees, with only a 2 per cent penalty if the target is not met.

The federal government wants to use Parsons to manage the remaining work and incorporate unknown northern targets. There does not appear to be any overall socio-economic benefits strategy with clear targets or binding minimum requirements: not good enough.

For the diamond mines, northern employment targets range from 30 to 60 per cent, increasing during the operational phase. Local purchase of goods and services targets range from 28 to 70 per cent, again increasing with the operational phase. There are additional requirements for literacy training, employment of women, monitoring, and reporting. None of these things seem to be in place for the Giant Mine remediation.

This project has the potential to develop world-class expert capacity in remediation management, supply, and technology. A huge amount of remediation work is still required in the North, including the more than 700 sites identified under the devolution agreement and others such as Norman Wells and Faro, in the Yukon.

There have to be better ways to ensure Northerners benefit from the remediation at Giant Mine. To get around federal restrictions, we need a formal socio-economic agreement for this project so that funds flow through GNWT as we seem to be able to incorporate more comprehensive targets than the federal government is willing to set. I will have questions for the Minister of Environment and Natural Resources about northern benefits to be gained from the Giant Mine remediation and how we can begin to develop the remediation economy. Mahsi. Mr. Speaker.