

MEMBER STATEMENT—KEVIN O'REILLY MLA FRAME LAKE
GOVERNMENT OF THE NORTHWEST TERRITORIES LIABILITIES FOR EKATI
MINE February 3, 2021

MR. O'REILLY: Merci, Monsieur le President. The ongoing saga of creditor protection for the owners of the Ekati Mine seems to have drawn to a close last Friday without so much as a peep from our government. On that date, the mine appears to have been sold to a group of lenders who will own and operate the mine. That's good news. The new owners are called Arctic Canadian Diamond Company Limited, or ACDC.

I could never get a consolidated list of all of the outstanding amounts owed to this government at any point during the proceeding despite repeated requests. I was given partial lists, told that some of the amounts, such as royalties or taxes, could not be disclosed to me as a Regular MLA, even in confidence, or that amounts were still being determined. That is not a good reflection of our consensus government conventions or publicly stated commitments to openness and transparency.

In addition to what was likely over \$15 million in outstanding accounts owed to the GNWT, this government also holds very significant amounts of financial security to hopefully ensure that the property is properly remediated. The \$282 million in financial security covers environmental management and reclamation liabilities found in the water licence, land use permits, and an environmental agreement. Most of it is held in a new and untested form of security called a surety bond, backed by insurance companies.

GNWT had the ability and legal obligation to review the viability and stability of the new owners and the form of financial security as part of the sale of the property. The assignment of the licence, permits, and agreement to the new owner requires the consent of this government. This was an opportunity to ensure that the public interest was truly served, the polluter-pays principle was applied, and the securities are truly irrevocable, unconditional, and easily cashed.

I will have questions later today for the Premier as this matter cuts across several portfolios. Mahsi, Mr. Speaker.