



Ottawa, Canada
K1A 0A6

OCT 26 2018

Dr. Kathleen Racher
Chair
Giant Mine Oversight Board
5014 – 50 Avenue
PO Box 1602
YELLOWKNIFE NT X1A 2P2

Dear Dr. Racher,

I am writing in response to your letter of May 24, 2018, addressed to the Honourable Carolyn Bennett, outlining recommendations for the Giant Mine Remediation Project's approach to providing socioeconomic benefits to the North.

Canada recognizes the potential impact of the Giant Mine remediation on the northern economy and the local Indigenous community, particularly as the Project moves closer to implementation of the remediation. The remediation project is expected to take up to ten years, resulting in many opportunities to contribute to economic growth. Maximizing Indigenous employment and business opportunities, as a visible demonstration of reconciliation, is a key consideration as we plan the Project's implementation approach. The Department welcomes ideas and support at this critical time as the project team continues to work with Indigenous organizations and other stakeholders to enable maximization of Indigenous and local benefits.

The Giant Mine Remediation Project is working to maximize Indigenous benefits through the use of tools such as Aboriginal opportunity considerations as procurement evaluation criteria (where bidders must outline and meet targets for how they will maximize local and Indigenous training, employment, and contracting) and the Procurement Strategy for Aboriginal Business. Both of these provide tangible support to broader Government of Canada reconciliation efforts. These procurement approaches have successfully worked in previous contracting processes, for example, under the Interim Construction Manager between 2012 and 2018, 18 of 23 contracts were awarded to northern firms, and of the \$356 million in contracts that have been awarded to date for the Project, approximately \$169 million were awarded to Indigenous businesses.

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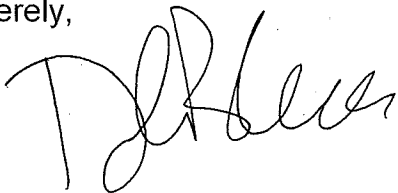
The main construction contractor, Parsons Inc., will continue this practice going forward. Parsons Inc. also recently issued seven work packages for proponents to bid in April 2018, all with an Aboriginal opportunity considerations requirement and two set aside for Aboriginal businesses under the Procurement Strategy for Aboriginal Business. I am pleased to see that of the six contracts that have been awarded to date, four of these contracts have been awarded to joint ventures with the Det'on Cho Corporation, the business arm of the Yellowknife Dene, including the two largest contracts for surface and underground care and maintenance, with a combined value of over \$24 million. Another contract has been awarded to a northern company, and the one contract awarded to a company from the South included an Aboriginal opportunity considerations commitment of over 8,000 training hours, 83% Indigenous labour, and 72% Indigenous sub-contractors. All of these statistics indicate that our efforts to create socioeconomic benefits are generating positive, measurable results.

Although the Project has a good track record, it is agreed that it is important to identify and engage on specific opportunities, targets and strategies to be adopted by the Project as it moves closer to implementation. To this end, the Project is developing a socioeconomic benefits approach. This approach provides an overarching framework to guide the Project's actions to maximize economic opportunities for Northerners and local Indigenous people and address socioeconomic impacts.

I will continue to encourage all levels of the Department to work with their colleagues in other federal departments, Indigenous organizations, the Government of the Northwest Territories, the City of Yellowknife, and other stakeholders to continue the dialogue and progressive planning on future Giant Mine procurement practices.

On behalf of the Giant Mine Remediation Project, I would like to thank the Giant Mine Oversight Board for your observations and feedback, and I look forward to continuing our engagement on the topic of socioeconomic benefits over the course of the project.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. LeBlanc', written in a cursive style.

Dominic LeBlanc, P.C., Q.C., M.P.

c.c.: The Honourable Wally Schumann, M.L.A.