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Giant Mine Remediation Project
Indigenous Affairs and Northern Development Canada

October 31, 2018

Measure 6 Deloitte

Thank you for the opportunity to review the latest Deloitte Report entitled Development of Options for Consideration for Long Term Funding for Giant Mine (Report).

This report was a step forward in responding to the Measure 6 requirements, however we did have concerns and questions about some of the assumptions and conclusions. But rather than providing a detailed listing of these, we would rather highlight a larger issue.

As we outlined in our memo dated October 10, 2017, we agree with the Pembina Report that fundamentally, there is a direct linkage between the viability of a given funding model (e.g. trust funds) and the delivery model used to implement a project. As we reviewed the Deloitte report, it became abundantly clear that the question of a delivery/management model needs to be answered before settling on the funding model.

It cannot be assumed that the current management structure that exists will continue to remain in place to oversee the GMRP in the long-term (100 years). A number of factors need to be taken into account including but not limited to the following:

1. At this time, the funding source is coming from the Federal Contaminated Sites Action Plan (FCSAP).
2. The FCSAP is currently scheduled to end in 2020.
3. Even if FCSAP is extended, it will likely continue to have a sunset clause.
4. The Northern Contaminated Sites Branch (NCSB) of Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) is relying on funding from FCSAP to operate.

5. The majority of stakeholders do not have the confidence that many of their serious concerns can be satisfactorily resolved by the status quo structure into the future.
6. Stakeholders have made it clear that they are looking for a management and funding model that brings decision making back to the community.

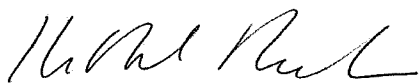
The GMOB firmly believes that with some creative thinking, an appropriate management structure can be found that will satisfy the responsibilities, needs and concerns of all stakeholders, including the federal government. As an example, there are several cases where the federal government has established an agency that represents the federal government and receives contribution or grant funding appropriated through a federal department to operate. The governance of the agency is performed by federally appointed individuals whom accept fiduciary responsibility as well as management and financial accountability to the federal government as part of their role.

That is only one possibility for a different management option. We have listed others in our 2017 memo. Finding a creative solution to the long term management of the GMRP will no doubt require consultation, adjustments and effort, even possible legislative amendments.

However with a project of this magnitude, the GMOB believes this work is essential to ensure the appropriate structure is established now to not only satisfy concerns of stakeholders but also mitigate safety, health, environmental, and financial risks.

Thank you for your consideration of our comments and we look forward to more discussions in this regard.

Sincerely,



Dr. Kathy Racher
Chair, Giant Mine Oversight Board

cc. Parties