

## ORAL QUESTION—JULIE GREEN, MLA YELLOWKNIFE CENTRE

### QUESTION 291-18(2): STATUS OF MACKENZIE VALLEY FIBRE OPTIC LINE CONSTRUCTION

June 28, 2016

**MS. GREEN:** Thank you, Mr. Speaker. On March 2<sup>nd</sup> I asked the Minister of Finance to provide information on the Mackenzie Valley fibre optic link and the reports of our principal contractor on that project, Ledcor, firing its subcontractor over deficiencies in construction of the line. At that time, on the day of the media report, I asked the Minister what impact this would have on the cost and completion of the contract. I would like an update on that information. So my first question is: has Ledcor hired another subcontractor, and is the construction going ahead on the project now? Thank you.

**MR. SPEAKER:** Masi. Minister of Finance.

**HON. ROBERT MCLEOD:** Thank you, Mr. Speaker. The issue that they faced back in March, I'd like to point out, was an issue that was identified by some of our Lands inspectors that were out, and they worked with the proponent to address those, and ultimately they let their subcontractor go. My understanding is that the main proponent, Ledcor, is doing the work themselves. I don't think there's much they can do in the summertime; it's more of a winter-type project. They have 733 km of the approximately 1,100 km done, and the plan is to carry on the work again this winter. Thank you, Mr. Speaker.

**MS. GREEN:** Thanks to the Finance Minister for that answer. When we spoke in March you said the project could be delayed into 2017, and obviously if it's a winter project, 2017 is the soonest it could be done. So is there any possibility it won't be finished next winter?

**HON. ROBERT MCLEOD:** My understanding is that the intent is to have the project completed in 2017, and we can light up the Mackenzie Valley fibre optic line.

**MS. GREEN:** I wonder now about costs. When we spoke, again, in March the Minister said that the firing of the subcontractor and the lawsuits would have no impact on the cost of the project to the GNWT. Can the Minister confirm that this is still the case?

**HON. ROBERT MCLEOD:** My understanding is that the issue is between the main contractor -- the general contractor and the sub, and as far as I know that there would be no additional cost to the GNWT.

**MR. SPEAKER:** Masi. Oral questions. Member for Yellowknife Centre.

**MS. GREEN:** Mahsi, Mr. Speaker. Ms. Speaker, as the Minister said, it was the GNWT's own staff that discovered the deficiencies. I'm wondering what kind of validation will happen when the project is complete, that it's been done properly? Thank you.

**HON. ROBERT MCLEOD:** I have to point out that it was identified by our staff actually working with the general contractor. A combination of the two parties discovered some of the issues that came up. As for the validation, I mean, we continue -- our staff continue to monitor it on an ongoing basis. We have staff from the Sahtu regional office going up towards the north and we have staff from the Beaufort Delta regional offices in Inuvik that are coming south. So they continue to monitor it, and I can assure Members that we'll do our -- we'll make sure that, when the project is completed, it's been done and it's been done in an environmentally friendly way, and to ensure that all the work has been done according to the terms of their land use permit.