

April 30, 2012

HOUSE OF ASSEMBLY PROCEEDINGS

Vol. XLVII No. 23

Oral Questions

MR. SPEAKER: The Leader of the Official Opposition.

MR. BALL: Thank you, Mr. Speaker.

Nalcor has hired SNC-Lavalin for millions of dollars of work on Muskrat Falls. This same company recently had its headquarters raided by the RCMP, the CEO resigned, \$56 million is gone missing, a top executive arrested in Switzerland, and a consultant in prison in Mexico.

I ask the minister: How much money has Nalcor committed to this company, and have you brought your officials together with SNC and Nalcor to discuss these ongoing issues?

MR. SPEAKER: The hon. the Minister of Natural Resources.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Thank you, Mr. Speaker.

I can assure the member opposite that shortly after this matter came into the news that I made immediate contact with the CEO or President of Nalcor and we discussed whether or not this ongoing – what we expected to be an ongoing issue – affected the Muskrat Falls Project. He assured me that it did not, Mr. Speaker, that there was a team from SNC-Lavalin working with Nalcor on-site, doing extensive engineering. As for the actual amount, I cannot tell the member opposite the actual amount that has been spent to date, but it is part of the engineering work. That is certainly a number that I can find out and provide to him.

MR. SPEAKER: The hon. the Leader of the Official Opposition.

SOME HON. MEMBERS: Hear, hear!

MR. BALL: Thank you, Mr. Speaker.

This is a serious issue, as Nalcor signed multi-million dollar contracts with a company that is currently facing allegations of fraud and money laundering.

I ask the minister: Since the SNC vice-president under investigation was the head of the construction division, did he have any involvement with the Lower Churchill project and will you disclose which SNC officials have lobbied the provincial government?

MR. SPEAKER: The hon. the Minister of Natural Resources.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Yes, Mr. Speaker.

I am not aware of the individual in question having any involvement with the Muskrat Falls Project. As for the lobbying, Mr. Speaker, that is not the way it is done. I think, if I am correct, SNC-Lavalin would have been involved in many major projects, both Hydro and other projects throughout the world; I think they would have built the line for the Olympics that connects the airport to downtown Vancouver.

I think they are a large company, a multi-national company. Again, I am not aware of any involvement with this individual. In fact, my information is that the person did not and that the procurement, or the way that contracts are awarded, Mr. Speaker, are in line with the way government business and Nalcor business is done.

SOME HON. MEMBERS: Hear, hear!