

# Kitikmeot

## Socio-Economic Monitoring Committee



12:30PM Sunset in Cambridge Bay © 2013 Gustavo Oliveira

## Fall 2013 Report

on

Fifth Kitikmeot SEMC Meeting

Cambridge Bay, Nunavut: 20-21 November 2013

and

Kitikmeot Socio-Economic Monitoring

Produced by the Government of Nunavut  
Department of Economic Development & Transportation – December 2013

## **Executive Summary**

The Kitikmeot Socio-Economic Monitoring Committee (SEMC, 'the Committee') and the Doris North Socio-Economic Monitoring Committee met in Cambridge Bay on November 20-21, 2013.

The Regional meeting was well-attended and participants actively engaged with organizations in attendance. Governments and those companies active in the territory provided updates to the Committee on their activities and programs, followed by a discussion period for participants to ask questions on any of the presentations. Participants also engaged in a quick prioritization exercise by rating Valued Socio-Economic Components that they felt were most important based on the statistics presented at last year's meeting.

After selecting the top three areas of concern (Education, Housing, and Food Security), a second exercise was conducted to better understand the current challenges. Participants were separated into groups and asked to discuss specific topics within the areas of concern then formulate an action plan to address these challenges. The Education group wanted to further understand factors that contribute to kids leaving school. The Housing group, interested in increasing home ownership and decreasing overcrowding, wanted to know if communities have enough information and resources to understand home ownership and equity. The Food Security group was interested in looking at the connection between youth and their participation in traditional hunting activities.

The action plans that were developed are a starting point for further engagement with the organizations that have a role in addressing the Committee's concerns. In preparation for the next meeting, scheduled for March 2014 in Gjoa Haven, participants should be ready to build on the initial exercises and begin formulating a strategy to develop discussions into monitoring projects.

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# 1. Introduction

## 1.1 Letter from the chairperson

I am pleased to present the Kitikmeot's 2013 Socio-Economic Monitoring Committee report on the proceedings and action planning that took place this past November. When stakeholders are brought together to discuss real and anticipated impacts from development in our region, the resulting collaboration exhibits our continued commitment to the health of our communities.

It is an exciting time economically for the Kitikmeot. With the continued exploration of our resource potential and the construction of large scale infrastructure in our communities, we will continue to monitor and adapt our action planning to reflect the values of Inuit Qaujimagatuqangit. The indicators identified in this report provide social and economic trends for our communities, and with input from our committee members, allows us to direct our efforts to areas where we feel is our greatest challenges.

During this SEMC meeting, we were able to identify areas to improve the Committee's achievements: both in the methodology for action planning and introducing an implementation process. The dialogue between hamlets, the Kitikmeot Inuit Association, Hunters & Trappers organizations, territorial & federal governments, and industry both supported and strengthened our understanding that our path to regional prosperity must incorporate sound social and economic principles.

As we move forward, I encourage you to engage each other, as the sharing of information and knowledge is fundamental to the success of this committee. I hope to see you again at our next Socio-Economic Monitoring Committee meeting.

Koana,

Dustin Fredlund  
Chairperson, Kitikmeot Socio Economic-Monitoring Committee

## **1.2 Background and purpose of SEMCs**

Resource development in Nunavut falls under the regulatory purview of the Nunavut Impact Review Board (NIRB), an Institution of Public Government created under the Nunavut Land Claims Agreement (NLCA) to administer the environmental assessment and follow-up processes related to resource development. As part of the follow-up process, monitoring major projects is also a responsibility of the NIRB (NLCA 12.2.2e). Once a project goes through the process, it can be approved, approved with conditions, or rejected. A project certificate is issued for approved projects (conditionally or otherwise), and said certificate may contain terms and conditions that “provide for the establishment of a monitoring program for that project which may specify responsibilities for the proponent, NIRB or Government” (NLCA 12.7.1). Monitoring is necessary to identify whether predicted changes are taking place, to determine if unpredicted impacts are occurring, and to ensure that companies are mitigating any effects as legally required.

Since 2007, SEMCs have addressed project certificate requirements for project-specific monitoring programs. Through a regional approach, three SEMCs create a discussion forum and information sharing hub that supports impacted communities and interested stakeholders to take part in monitoring efforts. This approach also provides monitoring efficiency and consistency within the territory.

The Department of Economic Development & Transportation (EDT, ‘the Department’) has been the Government of Nunavut’s (GN) lead on the SEMCs. As such, the Department has been responsible for collecting socio-economic data from across GN departments and other sources, consolidating this information, and disseminating it to the Committees and other interested parties, primarily through reports such as this. Each of the three SEMCs are chaired by one of EDT’s Regional Directors of Community Operations, and coordinated by EDT’s Regional Socio-Economic Coordinator to ensure efforts are consistent, traceable, comparable, and that they feed into other programs such as the Nunavut General Monitoring Plan.

### **1.2.1 SEMC objectives**

Considering the above, SEMCs have the following objectives:

1. To ensure that major development projects comply with their permits by meeting their socio-economic monitoring requirements during the environmental assessment, approval, and monitoring processes as required by the NIRB and the Nunavut Land Claims Agreement (NLCA);
2. To bring together communities, governments, Designated Inuit Organizations, and companies in a unique forum that encourages open and engaged discussions and information-sharing among all parties;

3. To collect and disseminate data that is validated by local and traditional knowledge.

### **1.2.2 Status and next steps**

Regional SEMCs were established in 2007, and have since then met a number of times in each region. In the 2013-2014 fiscal year until the end of December 2013, one meeting has occurred in Cambridge Bay (November), one in Arviat (November), and one in Cape Dorset (December). More meetings are scheduled to take place before summer 2014.

Reports from the previous fiscal year (2012-2013) were the first with comprehensive, standardized reporting on nine standard Valued Socio-Economic Components (VSECs; e.g. demographics, health and well-being, education, etc.), and over 40 different indicators. These numbers exclude VSECs and indicators that are project-specific. These reports are available for download on our website, [www.NunavutSEMC.com](http://www.NunavutSEMC.com). This website was launched in 2012 to more effectively communicate with Nunavummiut and other interested groups.

The reporting approach is being modified to better serve the Committee. The reports for 2012-2013 were composed largely of tables and graphs containing statistical information for the region, making them long and difficult to read. The statistical data has been removed from the main report and attached as an appendix (Appendix C of this report) so that readers can still have a reference point when looking at trends. In addition, an interactive database is being created and will be hosted on the SEMC and Nunavut Bureau of Statistics (NBS) websites. This database is expected to be completed by the end of March 2014 and will be maintained by NBS.

These were the goals set for the 2013-2014 fiscal year:

- Maintain the momentum of SEMCs by continuing to hold regional meetings, aiming for two per region per year (spring and fall);
- Augment and align GN-wide participation, especially through regional office support, and consistent participation of other organizations;
- Report on project-specific indicators in a more comprehensive manner;
- Develop recommendations for policy-makers based on participant input;
- Research case studies of impacts of major projects in similar Northern communities for discussion at the meetings;
- Improve the delivery of information at the meetings.

The SEMCs continued to maintain momentum by holding at least one meeting per region this year; GN-wide participation has dramatically increased in most regions; Committee members have been working with proponents (e.g. Doris North, Meadowbank, and Mary River projects/mines) in order to ensure their compliance with NIRB socio-economic monitoring

requirements; and started to develop more targeted recommendations for member organizations.

Goals for the next fiscal year (2014-2015) are to continue to standardize reporting in all three regions, further consolidate currently available data from different sources into one place to allow for monitoring continuity, directly address issues raised at meetings with concrete, accurate, and relevant data, and to start developing action plans that reflect the priorities of each region.

### **1.3 Report format**

This report is divided into three chapters. The first chapter introduces the reader to the Kitikmeot SEMC Chair, Dustin Fredlund, and provides a background of SEMCs. Chapter two summarizes the proceedings of the Fifth Kitikmeot SEMC Meeting, held in Cambridge Bay on 20-21 November 2012. This chapter includes the meeting's agenda, participant list, and summaries of the presentations and discussions. Chapter three presents a discussion on some of the next steps in terms of developing an action plan for Committee members after having prioritized three Valued Socio-Economic Components. It is expected that these action plans will begin to be formalized into something more concrete by the next meeting.

## **2. Fifth Kitikmeot SEMC Meeting, Fall 2013 Cambridge Bay**

The Fifth Kitikmeot SEMC Meeting took place on 20-21 November 2013 with participants from the Government of Nunavut, Government of Canada, Kitikmeot Hamlets, Kitikmeot Inuit Association, Royal Canadian Mounted Police, and some of the industry proponents in the region (TMAC Resources, Glencore Xstrata, MMG, Sabina Gold and Silver Corp.).

### **2.1 Agenda and participants**

This section reflects the intention of the meeting and the agenda that was sent out to participants. The actual proceedings of the meeting are reported in section 2.2.

#### **Dates:**

- Wednesday, 20 November 2013 9AM-5PM
- Thursday, 21 November 2013 9AM-12PM

**Location:** Arctic Island Lodge, Cambridge Bay, NU (MST)

**Chair:** Dustin Fredlund, Director of Community Operations, Kitikmeot ED&T

#### **Schedules:**

**Kitikmeot Socio-Economic Monitoring Committee  
Cambridge Bay, Nunavut  
Wednesday, 20 November 2013**

<b>Time</b>	<b>Presenter</b>	<b>Item</b>
<b>1. Welcome and Summary of Meeting Purpose</b>		
9:00	GN-EDT: • Dustin Fredlund	Meeting opening and introductions
9:15	GN-EDT: • Gustavo Oliveira	SEMCs: Summary of purpose and past meetings
9:30	GC-AANDC: • Tamara Fast	AANDC's role in monitoring and environmental assessment
9:45	GC-NGMP: • Justin Hack	Nunavut General Monitoring Plan: Current activities and projects, future opportunities
10:00	<i>Break</i>	
<b>2. Proponent Updates and Monitoring</b>		
10:15	Sabina: • Matthew Pickard • Kent Gustavson	Update on Back River Project: Current environmental assessment stage, summer activities, project's next steps
11:00	BIPR: • Brad Ryder • Matthew Pickard	Update on project status in light of Back River and Hackett River, environmental review stage
11:30	MMG: • Heidi Klein • Scott Trusler	Update on Izok Corridor Project: Current environmental assessment stage, summer activities, project's next steps
12:00	<i>Lunch</i>	
13:15	TMAC: • Alex Buchan • Kent Gustavson	Update on Doris North: Summer activities, project's next steps
14:00	Glencore: • Brad Ryder • Denis Hamel	Update on Hackett River Project: Current environmental assessment stage, summer activities, project's next steps
14:45	GC-CanNor: • Seth Reinhart	Community Readiness Programs
15:00	<i>Break</i>	
<b>3. Looking Forward: Regional Monitoring</b>		
15:15	CHARS: • Meaghan Bennett	Update on Canadian High Arctic Research Station
15:35	GN-EDT: • Gustavo Oliveira	Reporting changes and new database
15:45	All	Determining community priorities and goals regarding socio-economic monitoring
17:00	End of first day	

The Government of Nunavut, Government of Canada, the Kitikmeot Inuit Association, and TMAC also met on 20 November 2013 as part of the Doris North Socio-Economic Monitoring Program set out in the Doris North Project Certificate, Condition 28. During this



meeting, the 41 indicators identified on the Doris North Socio-Economic Monitoring Program were discussed (see section 2.2.2).

Participants of this fifth Kitikmeot SEMC are listed below.

### Kitikmeot Regional SEMC

#### Participant list - November 2013 - Cambridge Bay

Group	Organization	Name	Position	Community
GN	NBS	Ryan Mazan	Director	Pangnirtung
	NHC	Dave Crockatt	District Director	Cambridge Bay
	EDT	Gustavo Oliveira	Regional Socio-Economic Coordinator	Iqaluit
	EDT	Wendy Bolt	Manager, Community Economic Development	Kugluktuk
	EDT	Dustin Fredlund	Regional Director	Kugluktuk
	NAC	Fiona Buchan-Corey	Kitikmeot Dean	Cambridge Bay
	HSS	Clara Evalik	Regional Director	Cambridge Bay
	FS	Brenda Jancke	Regional Director	Cambridge Bay
HTO	Gjoa Haven HTO	Willie Aglukkaq	Manager	Gjoa Haven
Industry	Sabina Gold & Silver	Matthew Pickard	Vice President, Environment & Sustainability	Vancouver
	MMG	Donald Havioyak		Kugluktuk
	ERM Rescan	Kent Gustavson	Manager, Social and Economic Sciences	Saskatoon
	TMAC	Ikey Evalik	IIBA Coordinator	Cambridge Bay
	TMAC	Alex Buchan	Director of External and Community Relations	Cambridge Bay
	Glencore	Denis Hamel		St. Laurent
Hamlets	Cambridge Bay	Jamie Maghagak	Economic Development Officer	Cambridge Bay
	Kugaaruk	Beatrix Apsaktaun	Economic Development Officer	Kugaaruk
	Cambridge Bay	Sterling Firlotte	HR Manager	Cambridge Bay
GoC	ANND	Tamara Fast	Regional Socio-Economic Analyst	Iqaluit
	CanNor	Seth Reinhart	Sr. Official, Socio-Economic Assessment	Iqaluit
	CHARS	Meaghan Bennett	Manager (Socio-Economic)	Cambridge Bay

	CHARS	Donald McLennan	Head Monitoring Science	Ottawa
<b>RCMP</b>	RCMP	Kristine Wood	Sergeant NCO i/c Cambridge Bay Detachment	Cambridge Bay
<b>NIRB</b>	NIRB	Kelli Gillard	Technical Advisor	Cambridge Bay
	NIRB	Tara Arko	Technical Advisor	Cambridge Bay

## 2.2 Summary of meeting

The SEMC meeting started in the morning of November 20<sup>th</sup> with a brief update on the purpose of SEMCs and what happened at the last meeting. Industry proponents then provided an update on their respective projects including an assessment of both current and predicted socio-economic impacts. The Canadian Northern Development Agency (CanNor) and the Canadian High Arctic Research Station (CHARS) were active participants this year and presented to the Committee an explanation of their activities in Cambridge Bay and the Kitikmeot region.

Subsection 2.2.1 summarizes the presentations and discussions that took place on the first day of the meeting. Subsection 2.2.2 briefly outlines what was discussed at the more technical Doris North Socio-Economic Monitoring Program meeting that took place in the evening of Nov 20<sup>th</sup> at TMAC's office in Cambridge Bay.

### 2.2.1 Presentations and discussion

This subsection focuses primarily on the discussions following the presentations. Full presentations can be found in Appendix B.

#### *Government of Nunavut, presented by Gustavo Oliveira*

The first presentation by the GN focused on summarizing the purpose of the SEMCs: why we meet, and what has been done in the past. This serves as a refresher for participants who have previously attended the Kitikmeot SEMC as well as an introduction to the Committee for those participants who have not. This presentation raised no questions.

#### *Aboriginal Affairs and Northern Development Canada, presented by Tamara Fast*

Tamara briefly discussed the role that AANDC plays as a NIRB intervener and its role in participating at SEMCs. Tamara also provided a brief update on the Jericho site. At this time, Shear Diamonds has not been in contact with government officials nor has the mine been properly closed. AANDC has gone in 3-4 times in the past year and will continue to send inspectors at least once a year now that the site is stabilized. The Committee asked if the costs of sending crews to inspect the site are being charged back to the company. AANDC stated that this type of activity is covered as part of the securities bonding which the company provides, but that the company is past due on these payments.

*Back River, presented by Matthew Pickard (Sabina Gold & Silver Corp.)*

Matthew provided an overview of the current stage of Sabina's Back River project (figure 1). Matthew emphasized that Sabina is fully backed by investors and intends on operating the proposed mine after the regulatory and construction phases. This was illustrated by recent spending figures and the company's current financial situation. Matthew explained that \$60 million was spent this year, \$75 million the year before, and the company still has \$60 million in the bank.

Matthew expects the Draft Environmental Impact Statement (DEIS) to be submitted to the NIRB and the Nunavut Water Board in January/February 2014. The project is expected to employ a maximum of 700 people during construction and roughly 350 during operation, providing \$3.5 billion for all of

Canada throughout the life of the project. While Sabina continues to employ the most from Gjoa Haven in 2014, all Kitikmeot communities had people working at the site. In total there was about \$1.6 million in payroll value for Nunavut in 2014. Cambridge Bay and Kugluktuk will act as direct points of hire when the mine reaches construction/operation. Other Kitikmeot communities may also act as direct points of hire depending on the number of people; otherwise they will likely be channeled through Cambridge Bay. All Kitikmeot communities will have a first opportunity at jobs.



Figure 1 Matthew Pickard presenting for Sabina

After the presentation, the Committee had the opportunity to ask questions related to Sabina's project. When asked about the general theme that comes out of Sabina's community meetings, Matthew stated that job creation is the overwhelming question asked by communities. Matthew contrasted this to his past experience with Baffinland Iron Mines' Mary River Project, where the principal concern was the environment. For Sabina's Back River project, usually the concerns raised with respect to the environment are related to terms of closure and reclamation.

In terms of job creation, Sabina had about 30% Inuit hires for their seasonal work this year. Recent improvements to the on-site airstrip have eliminated many challenges that Sabina had been experiencing. Employees who previously had to be flown through Yellowknife are now

flown through Cambridge Bay, and then to the site. This change in flight path from Yellowknife to Cambridge Bay has also resulted in other socio-economic benefits to the community (hotels, flights, local purchasing).

When asked about the types of jobs taken up by Inuit, Matthew stated that most of them are trades, some cooks, drill helpers, and one on the management team. Nunavut Bureau of Statistics stated that they are doing a labour analysis and that it would be good to know what the industry is looking for. Matthew said they created a simulation of a standard 500-employee mine as an example and they are using this model to show people what would be needed in a typical mine.

In terms of expenditures, there is a total of \$9.5 million going to Nunavut businesses. John Main with the Kitikmeot Inuit Association is producing a list of businesses that exist in the region and is sending this around to active proponents in the region. This is a good way for the companies to know what's available and what can be used.

*Bathurst Inlet Port and Road (BIPR), presented by Denis Hamel (Glencore)*

Denis Hamel began by discussing the basic infrastructure of the BIPR project. The project consists of a road and a port that would support shipping year round. BIPR is needed to enable Glencore's Hackett River project to occur, and assuming only Hackett uses BIPR's infrastructure, there should be 10-12 vessels per year coming in and out of the port. BIPR and Hackett are expected to produce roughly 300 jobs total per year during construction, then reduced to 220 full-time jobs at Hackett during operation. The operational phase of BIPR is estimated to be 17 years, which amounts to 29 full-time equivalent jobs. This seems small because the trucking activities are part of the mining project, not the port. BIPR would only manage the port site where almost all these 29 jobs are stationed.

BIPR is not submitting an updated Environmental Impact Statement at this time because technical data on the facility's location is still being collected. All engineering has to be reviewed from last spring, summer, and winter, then findings have to be integrated into the design and only then the company would be able to provide a DEIS. It is estimated that this submission will not happen until the end of 2014

The company plans on integrating the data obtained from the studies mentioned above into their 2014 work plan. BIPR is also working on getting new permits in order to do the next round of field work. In 2013 the logistics were complicated because BIPR was not allowed to set up accommodations on site, forcing employees to be flown in and out.

Most of the community concerns from consultations are related to the logistics of shipping year round. These concerns are covered under the Hackett River project.

*Hackett River, presented by Denis Hamel (Glencore)*

Denis gave an overview of the Hackett River project (fig. 2). Hackett is about three times as large as Sabina's Back River project, and 3 out of 6 pits will be running at any one time. Other onsite infrastructure are the concentrator, camp accommodations, maintenance facilities, aerodrome, and power plant. Hackett will have a longer construction timeframe as it is associated with BIPR. The project first needs a port before it can begin operation to make it economically viable. BIPR will start first but construction will be simultaneous with the project.

When asked about concerns regarding on-ice travel disruption by shipping vessels (e.g. Taloyoak is near the route), Denis drew from his experience at the Raglan Mine in Nunavik (owned by the same company). At Raglan, the company collaborated with the local communities to build an ice bridge within hours of a vessel movement so that snowmobiles can cross. The vessels they use are also designed to cut through their own path and move the ice underneath the vessel, unlike the typical ice breaker that pushes ice away.



**Figure 2 Denis presenting for Glencore**

Denis was asked about feedback from Hunters and Trappers Organizations concerning the project. He explained that they are worried about the shipping, but he assured that the company will be going back to talk to everyone to develop a long-term solution that works for all.

In 2013, Glencore did 38km of drilling, mostly to determine what kind of mining will be done. In

2014, new minerals resource estimates will be released, and the only field work planned for 2014 is an airborne survey to improve geology targeting for the next round of drilling.

Considering the company's experience operating in the Arctic, the Committee asked if Glencore had any observations or predictions about how bringing a mining project in to the Kitikmeot region can subsequently bring training, employment, infrastructure, and construction in to the rest of Nunavut. Denis discussed his experience with Raglan, where they've had long-term employees, and noted it is important to have a mutual understanding of expectations from both sides and have constant communication with nearby communities. Denis noted that residents in Nain, Newfoundland were particularly impacted as they are only 10km from the shipping lane. Glencore has used experience at the Raglan in terms of

training, in order to build on best practices in Nunavut, but acknowledged it is a challenge for everyone.

*Izok Corridor, presented by Donald Havioyak (MMG)*

Donald began by describing the Izok Corridor project location. As it is geographically positioned very close to the Northwest Territories border, MMG conducted community consultations in three Inuvialuit communities in the weeks prior to the SEMC meeting. MMG was to continue consultations with all Kitikmeot communities the week after the meeting.



**Figure 3 Donald presenting for MMG**

Donald updated the Committee on the current standing of the project proposal. The submission of their DEIS has been delayed by a year due to the proposal at the time not being economically profitable (fig. 3). Alternative economic strategies are now being examined to find solutions and advance the project proposal forward. For example, Izok is re-assessing the road designs and considering moving the processing mill closer to Greys Bay instead of being at Izok Lake. The project at Izok Lake is proposed to start first, while High Lake would commence 5-7 years after. This could make the project's life about 15-16 years.

In terms of employment, this year provided only four jobs for people in the Kitikmeot region in a camp of about 25 people. Compared to last year, which saw roughly 60 people in the Kitikmeot region employed, this was a very slow summer for the Izok project.

*Doris North, presented by Alex Buchan and Kent Gustavson (TMAC Resources)*

Alex began the presentation by providing a brief overview on the Doris North project, focusing on the recent takeover of the project by TMAC Resources from Newmont (fig. 4). TMAC is a new company, unlike Newmont which has been operating for over 100 years. TMAC has experience in other jurisdictions but their current focus is the Hope Bay Belt. Newmont still retains interest in the project by owning over 70% of TMAC.

A brief recap on the project's development: In 2006 NIRB granted a project certificate to Miramar, who then sold the project to Newmont in 2007. Construction of the project began in



2009, and by 2011 nearly all infrastructure was put in place except the processing plant. Since 2012 the project has been under care and maintenance. There were three barriers at the time that resulted in Newmont putting the project on hold:

1. The geology of the area was challenging;
2. Economic reasons; and
3. Land tenure issues.

TMAC has looked at these three challenges and has made progress in addressing them. A positive preliminary economic assessment was announced the day before this presentation and TMAC expects to bring a mill from South Africa next year, put it into commission in 2015, and have the project operational in 2016.



Figure 4 Alex presenting for TMAC

Kent then detailed some of the project-specific indicators identified in the Doris North Socio-Economic Monitoring Program established in 2007. For full information, please refer to their presentation in Appendix B. Some observations:

- Indicator 4 - Number of Employees Who Utilize the Project Employee and Family Assistance

Program (EFAP): EFAP does not yet exist under TMAC;

- Indicator 9 - Number of Summer Students Hired by the Project: chances for summer students have been limited this year due to a transient workforce with exploration and construction phases happening. Once the project is in a more stable phase (i.e. operation), summer students can be considered in collaboration with training partners;
- Indicator 12 - Percentage of Person-days of Inuit from Kitikmeot Communities: TAMC reported losing many workers to Sabina and Glencore after shut down (care and maintenance), and there are not a lot of Inuit that possess the multiple skills they were trained on when at Doris North. Percentage of Kitikmeot Inuit at Doris North was 16%, calculated based on the number of people working at the mine throughout the year, for both construction and care/maintenance.
  - The Annual Inuit employment target is set by KIA and TMAC pursuant to the IIBA. The last target was 25% Inuit employment set in 2011.

- Indicator 15 – Total Payroll: This is estimated. Some of the contracts are confidential and financial information cannot be disclosed. Direct TMAC payroll was around \$800 thousand;
- Indicator 16 - Payroll per Community: Due to confidentiality reasons, the company cannot disclose this information on a per community basis. There were 11 beneficiaries directly employed by TMAC and their total payroll was \$321 thousand;
- Indicator 17 - Value of Contracts Awarded to Inuit-owned Businesses by Community: There were about 12 Inuit businesses that represented the reported \$5.6 million in contracts to Inuit-owned businesses;

Inuit retention this year was also high, so there was a low turnover. Almost everyone stayed with the project.

One Committee member asked what companies look for when they go to the communities to hire local Inuit for technical positions, as well as what positions are being offered for people in the south. The same person stated that Diavik (a diamond mine in the Northwest Territories) invites people from high school to come to the site once a year as a way of getting kids intrigued about the industry and start thinking about specialized schooling programs. Bringing students to the work site and teaching them a bit about the industry is a possibility in the future. However, the project is just getting re-started and needs some time to develop before such projects can be implemented.

*Canadian Northern Economic Development Agency, presented by Seth Reinhart*

Seth presented briefly on CanNor’s community readiness initiative, a program developed to help communities plan for the future in light of resource development (fig. 5). One question asked referred to the targeted communities (Cambridge Bay, Kugluktuk in the Kitikmeot region). Seth stated that over time other communities will be targeted but for now the focus of the program is on the most impacted communities.



Figure 5 Seth discussing CanNor's initiatives





**Figure 6 Donald explaining the strategic location of Cambridge Bay for CHARS**

Meaghan introduced CHARS to the Committee by describing what the facility itself is going to look like, and the current stage of the development. Meaghan explained that the station is at the tail end of the design phase, with construction to begin shortly after. Donald then went into detail on the selection of Cambridge Bay as a prime location for the station and what types of programs, research, and partnerships are expected to be housed within CHARS (fig. 6). There were no questions following this presentation.

### **2.2.2 Doris North project-specific technical meeting**

As a fully permitted project, operators of Doris North must comply with specific Project Certificate Terms and Conditions. One of these conditions, Condition 28, explicitly dictates how socio-economic monitoring will take place:

28. Within six (6) months of the issuance of a Project Certificate, a Hope Bay Belt Socio-Economic Monitoring Committee (“SEMC”) shall be formed to supplement, not duplicate areas covered by the Inuit Impact Benefit Agreement negotiated for this project. In order to ensure consistent data collection and tracking of data trends in a comparable form to be shared at the regional level and to minimize the duplication of efforts, the composition of the SEMC should include the same membership as the Kitikmeot Socio-Economic Monitoring Committee approved by the Minister. Additionally, the SEMC must engage the affected communities of Cambridge Bay, Kugluktuk, Gjoa Haven, Taloyoak, and NIRB’s Monitoring Officer, and consider concerns from Bathurst Inlet and Omingmaktok. In consultation with these parties and immediately upon the SEMC’s formation, MHBL shall provide the terms of reference for a socio-economic monitoring program to the SEMC for review and subsequent direction by NIRB. The terms of reference are to include the role of MHBL in data collection and analysis; the key socio-economic indicators to be monitored; the reporting requirements; and the funding formula.

In order to continue to fulfill this condition, TMAC resources met with representatives from the GN (EDT, NBS), GoC (AANDC), and KIA to discuss project-specific socio-economic monitoring of the project. TMAC described in detail all 41 indicators identified in their 2007 socio-economic monitoring program which includes predictions on socio-economic impacts made in the FEIS. TMAC presented the data collected for up until June 2013, and an interpretation of the data according to the prediction. It is expected that the company will finalize a report on 2013 indicators and submit it to the NIRB in the coming months.

### 3. Future Steps

Sections 3.1 and 3.2 describe the two activities at the end of day one and in the morning of day two. These activities involve the prioritization of issues by participants, and the development of action plans for the Committee. Finally, section 3.3 provides some discussion points in light of the presentations as well as the two activities

#### 3.1 Prioritization of issues

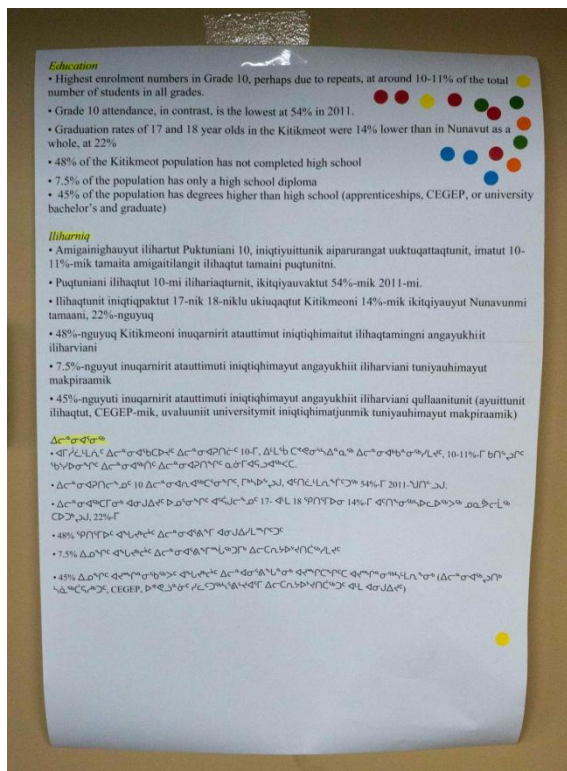


Figure 7 Prioritization exercise showing one of the most important themes as decided by the Committee

Following the presentations and questions, the Committee engaged in prioritizing some of the topics they felt were most important. (fig. 7). To accomplish this, the summary of the most important statistics concerning the eight valued socio-economic components (VSECs) as highlighted in 2012’s SEMC Executive Summary were extracted and printed on posters that were displayed on the walls of the meeting room. These posters were available in English, Inuktitut and Inuinnaqtun.

Committee members were each given three stickers and asked to place the stickers on the three topics they felt were most important to them. After all participants had a chance to read the brief statistical trends on each of the eight VSECs, the stickers were tallied up. The top three topics of concern were Education (16 stickers), Housing (13 stickers), and Food Security (8 stickers). These three topics formed the basis of our next exercise – to start taking action on priority issues.

#### 3.2 Action plan

Committee members were asked to split into three groups, choosing from one of the three topics that they had prioritized. Within each group, members were asked to identify one particular concern or knowledge gap within that topic that they would like to see addressed. Each group was provided with a poster, again in three languages, with the following spaces to be filled out by the group:

1. *Goal:* This essentially outlines what the issue or knowledge gap is;
2. *Description of goal:* Provides a short description on the issue or knowledge gap;

3. *Background information*: Provides a rationale for the goal in reference to the issues and/or knowledge gaps identified in 1 and 2;
4. *Description of tasks*: Outlines the tasks to be performed to achieve the goal;
5. *Responsibility*: Identifies potential organizations that would take the lead and participate in the project;
6. *Timeframe*: Assigns timelines to each of the tasks;
7. *Comment/follow-up*: Any comments pertaining to the project and any follow-up needed.

Participants were given about one hour to discuss an action plan for each of the three priority areas, and then the groups reconvened to explain what they had come up with to the rest of the Committee (fig. 8). Below are the highlights of the discussion. These are not meant to be definitive comments, rather they are meant to serve as a record of what was discussed in order to keep the conversation going.



Figure 8 Discussing an action plan for the three chosen priority issues

Education	
Goal	<ul style="list-style-type: none"> <li>● To determine what is causing absenteeism at all grade levels – attendance is lower in the Kitikmeot than in Nunavut as a whole</li> </ul>
Description of goal	<ul style="list-style-type: none"> <li>● What limits the efficacy of our education system a lot of the time is attendance</li> <li>● There is information on attendance by grades, but we need more information from children and parents on why kids don't go to school</li> </ul>
Background information	<ul style="list-style-type: none"> <li>● There was a study done by a Taloyoak teacher on students, and Laval University has been involved in one of the studies too</li> </ul>
Description of tasks	<ul style="list-style-type: none"> <li>● Getting quantitative study design and determine what has been done before: the schools are collecting some attendance data, how can we supplement it? Design a survey to be delivered in schools and then collect data</li> </ul>
Responsibility	<ul style="list-style-type: none"> <li>● Parents, schools, students, Coalition of Nunavut DEAs, local DEAs, GN-EDU, past graduates</li> </ul>

Timeframe	<ul style="list-style-type: none"> <li>• The sooner the better</li> </ul>
Comment/follow-up	<ul style="list-style-type: none"> <li>• We need to add incentives to parents who keep their kids in school; like letters of support. Positive reinforcement should extend beyond only the classroom</li> <li>• Vocational school is a good example on how to get students interested. After two years of regular classes they can go to a vocational school</li> <li>• Industry could support this vocational training in the communities. For example, Diavik 15 years ago came in every other month to see what needed to be done – does the community or the mine need carpenters, or electricians? What they were taught was transferred to the communities</li> </ul>

Housing	
Goal	<ul style="list-style-type: none"> <li>• To increase home ownership and decrease overcrowding</li> </ul>
Description of goal	<ul style="list-style-type: none"> <li>• To do a survey and determine if people know the steps, the resources about home ownership</li> </ul>
Background information	<ul style="list-style-type: none"> <li>• There is already information about overcrowding, we want to know more about home ownership. We feel that there is not enough information out there in the communities on what it takes to own a home.</li> </ul>
Description of tasks	<ul style="list-style-type: none"> <li>• Design survey, administer survey, analyze results and report back to SEMC</li> </ul>
Responsibility	<ul style="list-style-type: none"> <li>• NHC</li> </ul>
Timeframe	<ul style="list-style-type: none"> <li>• Survey could be done by next SEMC, maybe March 2014</li> </ul>
Comment/follow-up	<ul style="list-style-type: none"> <li>• People think that as soon as their partner starts working the rent will increase. Maybe we can provide more information for people who want to work. This is not really true, but the rent is measured against income</li> <li>• Waitlist data could also be useful, and it is collected by housing authorities but not readily available</li> <li>• We need to know if people understand equity - for instance the difference between GN housing and equity. There could also be a workshop on home ownership depending on the survey results</li> </ul>

Food Security	
Goal	<ul style="list-style-type: none"> <li>• To understand youth and their relationship with traditional harvesting</li> </ul>
Description of goal	<ul style="list-style-type: none"> <li>• One of the things that I am really interested in doing is that there's a feeling that when we create a miner we take away a hunter. The link between mining and hunting needs to be researched in Nunavut. I really wonder if we have someone who's working two</li> </ul>

	<p>or three weeks out and previously they were unemployed, how much more or less they are hunting and providing country food for their families and communities. We could get some numbers around that. We have people who have three weeks off and they could hunt a lot, or maybe they can spend time with their families.</p> <ul style="list-style-type: none"> <li>• Is there a financial barrier that prevents people from going out on the land? They can't afford a snowmachine – can employment help with that?</li> <li>• You're not either working <i>or</i> hunting, you could be doing both</li> </ul>
Background information	<ul style="list-style-type: none"> <li>• The GNWT Dept. of Industry Tourism and Investment has gone to the diamond mines and asked their employees and are doing a survey.</li> <li>• Sabina has been thinking of doing this with their employees, maybe once a year</li> </ul>
Description of tasks	<ul style="list-style-type: none"> <li>• Design survey but tailor it to schools. It has been done in the NWT before and can be adapted to Nunavut – the teacher administers the survey. We could also use the youth centre to do this</li> </ul>
Responsibility	<ul style="list-style-type: none"> <li>• Government, HTOs, Inuit organizations, communities, industry</li> </ul>
Timeframe	<ul style="list-style-type: none"> <li>• The survey could be done in 3 or 4 months</li> </ul>
Comment/follow-up	<ul style="list-style-type: none"> <li>• When the hunters support program (NHSP) from NTI runs out, how is that going to impact the food production in the region?</li> </ul>

### 3.3 Discussion

This year's SEMC meeting was well attended. The Committee had a chance to hear updates from the most active companies in the territory and to ask any questions related to their projects. Governments and other organizations also updated the Committee on their programs and roles related to resource development in Nunavut. Considering recent changes in the region, such as the selling of Doris North to TMAC, the renaming of Xstrata to Glencore, this meeting provided a venue where these changes could be discussed and concerns clarified.

Based on the majority of the comments expressed by Committee members, one of the key areas of interest was job creation and all other factors that contribute to employment. It is worth noting that although employment itself was not raised as an issue in the prioritization exercise, education, a key factor in personal development that prepares people for jobs, was identified as the number one priority issue. Further developing projects like this could assist in filling knowledge gaps and help to better understand the causes of lower-than-average graduation and high truancy rates in Nunavut.

The second most prioritized issue of concern was housing. An action plan was drafted to determine if communities are aware of the entire process of home ownership, with the ultimate goal being to increase home ownership and decrease overcrowding. Lastly, food

security was ranked as the third most prioritized issue of concern. An action plan was drafted to determine the extent of youth participating in hunting activities.

The action plans were designed to create a dialogue and initiate different methods to fill knowledge gaps. SEMCs are a forum for discussing impacts of development, and it is important that these impacts are linked to suggestions as to how issues of concern could start to get resolved. The goals identified for the three areas of interest should be further developed into implementable projects by relevant organizations, and discussed at SEMCs. This report only captures the basic points that were discussed, hopefully helping to further define the approach of each task and actually deliver results.

Overall this was a successful meeting. The next steps are to further engage the Committee in applying the action plans within the communities so that some deliverables can be discussed and built on. The next meeting is tentatively scheduled for March 2014 in Gjoa Haven.

## Appendix A: Acronyms and Glossary

- AANDC: Aboriginal Affairs and Northern Development Canada, previously INAC (Indian and Northern Affairs Canada) and DIAND (Department of Indian Affairs and Northern Development)
- AEM: Agnico-Eagle Mines, owner and operator of the Meadowbank Mine in the Kivalliq region.
- BIMC: Baffinland Iron Mines Corporation, owner and proponent of the Mary River Project in the Qikiqtaaluk region. BIMC is partly owned (70%) by ArcelorMittal.
- BIPR: Bathurst Inlet Port and Road.
- DEIS: Draft Environmental Impact Statement.
- EDT/ED&T: GN Department of Economic Development and Transportation, the GN Department responsible for holding SEMCs.
- EDU: GN Department of Education.
- EDO: Economic Development Officer.
- EIA: Environmental Impact Assessment, the permitting/regulatory process that major projects have to go through before construction is allowed to take place.
- EIS: Environmental Impact Statement, a comprehensive review of anticipated impacts of proposed projects, project design, and predicted operations.\
- FS: GN Department of Family Services.
- GN: Government of Nunavut
- H: Department of Health
- HBML: Hope Bay Mining Limited, owner and operator of the Doris North Project in the Kitikmeot region. HBML is owned by Newmont.
- HSS: GN Department of Health and Social Services, now split into the Department of Health, and the Department of Family Services.
- HTO: Hunter and Trapper’s Organization.
- IIBA: Inuit Impact and Benefit Agreement, a private agreement signed between a project proponent and a Designated Inuit Organization (such as QIA, KvIA, and KtIA) to ensure that Inuit interests are addressed as compensation for the impacts of a proposed project.
- Indicator: A measurable “thing” that indicates the state, level, or rate of something. E.g. an indication of population growth is the total population of a city over time.
- IQ: Inuit Qaujimagatuqangit, or Inuit Traditional Knowledge.
- KIA: Kitikmeot or Kivalliq Inuit Association (usually referred to as KtIA/KitIA and KvIA/KivIA respectively).
- NBS: Nunavut Bureau of Statistics.
- NGMP: Nunavut General Monitoring Plan, AANDC’s monitoring obligation under the NLCA.
- NHC: Nunavut Housing Corporation.

- NIRB: Nunavut Impact Review Board, an Institute of Public Governance created under the NLCA to review the proposal and development of major projects.
- NLCA: Nunavut Land Claims Agreement.
- QIA: Qikiqtani Inuit Association.
- RCMP: Royal Canadian Mounted Police.
- SAO: Senior Administrative Officer, each Hamlet has one.
- SEMC: Socio-Economic Monitoring Committee. Nunavut has three Committees, one per region. These Committees meet twice a year in each region and monitor the impacts of major projects.

## **Appendix B: Presentations**

Appendix B contains the presentations discussed within this report in the order they were discussed and scheduled in the agenda:

1. Government of Nunavut;
2. Aboriginal Affairs and Northern Development Canada;
3. Sabina;
4. BIPR;
5. MMG;
6. TMAC Resources;
7. Glencore;
8. CanNor; and
9. CHARS.

## **Appendix C: Statistics**

Appendix C contains statistical information on the following valued socio-economic components and associated indicators:

### **Demographics**

Population estimates

Population estimates by region and community

Population estimates by age group, region and community

Population mobility

Aboriginal identity

### **Health and well-being**



Life expectancy  
Infant mortality  
Teenage pregnancy  
Birth weight  
Perception of drug and alcohol abuse  
Tobacco addiction  
Alcohol addiction  
Suicide  
Number of visits to community health centres  
Children and social services: Number of children receiving services

### **Food security**

Hunger  
Consumer price index  
Cost of northern food basket  
Nutrition North: Subsidy amount and weight per community

### **Education**

Public school enrolment by grades  
Secondary school graduation rate  
Attendance by grades

### **Housing**

Total dwellings and household size  
Total rented, and public/private-owned dwellings  
Crowding  
Public housing wait list

### **Crime**

Actual violations  
Rate of police-reported incidents  
Criminal violations by type  
Economic activity  
Gross domestic product  
Retail trade  
Building permits

### **Employment**

Labour force characteristics  
Persons receiving employment insurance

Percentage of households receiving income support  
Taxfilers with employment income, and median employment income  
Social Assistance caseload  
Social Assistance expenditures

**Inuit languages**

Population by mother tongue  
Language most spoken at home

**Traditional activities and skills**

Population that hunted, fished, gathered, and/or trapped in the past 12 months  
Time spent with elders (youth)