

Kivalliq

Socio-Economic Monitoring Committee



SEMC members on a site tour of Meadowbank

Fall 2014 Report

Eighth Kivalliq SEMC Meeting
and
Kivalliq Socio-Economic Monitoring

Baker Lake, Nunavut: October 7-9, 2014

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Executive Summary

Members of the Kivalliq Socio-Economic Monitoring Committee (SEMC, ‘the Committee’) and the Meadowbank Socio-Economic Monitoring Committee met on October 7-9, 2014 in Baker Lake to discuss regional socio-economic impacts and benefits from major development projects. A wide range of impacted stakeholders were in attendance including representatives from six of the seven regional hamlets. Also in attendance were representatives from territorial and federal government agencies, the Kivalliq Inuit Association (KIA), the Kivalliq Mine Training Society (KMTS), and industry proponents.

The first day of the meeting featured information sessions on territorial socio-economic monitoring from various federal government agencies including Aboriginal Affairs and Northern Development Canada (AANDC), Nunavut General Monitoring Plan (NGMP), and the Canadian Economic Development Agency (CanNor). The day concluded following a project update from AREVA on the proposed Kiggavik Uranium Mine. AREVA recently submitted their final environmental impact statement (FEIS) to the Nunavut Impact Review Board (NIRB) and presented information on all of the predicted socio-economic impacts and benefits of the Kiggavik project.

The Eighth Kivalliq SEMC meeting was highlighted by a day trip to the Meadowbank Gold Mine on Day 2 of the meeting. The mine, owned and operated by Agnico-Eagle Mines (AEM), is located 110 km north of Baker Lake. AEM staff at Meadowbank provided plenty of information on the mine’s facilities and mining operations. The Committee reconvened in the Meadowbank boardroom throughout the day as AEM staff presented information on socio-economic impacts and benefits of Meadowbank as well as details regarding AEMs other project, the proposed Meliadine gold mine, situated 25 km North of Rankin Inlet. The presentations were followed by engaged discussion periods, enabling the SEMC to share monitoring concerns and direct questions to specialized AEM staff.

The final day of the meeting featured presentations from the Nunavut Bureau of Statistics (NBS), the GN - Department of Family Services (FS), Nunavut Arctic College (NAC), and KMTS. With Meadowbank already four years into operation, and both Meliadine and Kiggavik well into the environmental assessment review process, there is potential for a significant demand on labour supply for years to come in the Kivalliq region. The Kivalliq SEMC focused this meeting on developing a better understanding of the current labour market as well as different education and training programs available in the region to take advantage of current and future employment opportunities.

The next Kivalliq SEMC is tentatively scheduled to take place in fall of 2015 and Rankin Inlet.

Report Format

This report is divided into three chapters. The first chapter introduces the reader to the Kivalliq SEMC Chair, Laura Mackenzie, and provides a background of SEMCs as a whole to those who are new to the Committee. Chapter two summarizes the proceedings of the Eighth Kivalliq SEMC meeting held in Baker Lake October 7-9, 2014. This chapter includes the meeting's agenda, participant list, and summaries of presentations and discussions. It also provides a summary of the Meadowbank-specific meeting that took place following Day 1 of the SEMC on October 7, 2014. Lastly, chapter three provides some discussion on this and previous meetings, and some points for further consideration.

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1. Introduction

1.1 Letter from the Chairperson

The eighth meeting of the Kivalliq Socio-Economic Monitoring Committee was held October 7-9, 2014 in Baker Lake. This year's meeting focused largely on Meadowbank, the region's only active project, owned and operated by Agnico Eagle. The Committee heard about how the company has focused on retaining Inuit employees through various training programs and subsequent promotions. The Committee also discussed the recent report from Pauktuutit on "The Impact of Resource Extraction on Inuit Women and Families in Qamani'tuaq, Nunavut Territory." AEM noted that the company is aware of this report and will continue to have an open discussion with Pauktuutit and work to resolve any ongoing concerns. AEM first and foremost wants to ensure a safe workplace for female employees and wants to eliminate any perceived barriers that may come across to women in the workforce.

Agnico Eagle was also able to provide an update on the development plans for the Meliadine Gold project located near Rankin Inlet. The company was issued a Project Certificate on February 26, 2015 enabling them to move forward with the project.

AREVA Resources provided the Committee with information and updates on the proposed Kiggavik Project. This project is likely several years away from commencing but the Final Hearing will be held in March, 2015 in Baker Lake. If approved this would be yet another major project in the already active Kivalliq region, therefore the Committee has great interest in keeping up with this project's developments.

With so much mining development taking place there is a great need for training prospective mining employees in the Kivalliq region. The Kivalliq Mine Training Society, Nunavut Arctic College and the Department of Family Services were all able to participate at the SEMC and will continue to work together to ensure that the people of the Kivalliq region will be ready to take advantage of current and future labour market demands.

The Kivalliq Socio-Economic Monitoring Committee would like to thank Agnico Eagle for their exceptional hospitality during the site visit to Meadowbank. This trip provided a memorable experience and enabled the Committee to see daily mining operations up close.

Sincerely,

Laura Mackenzie

Chairperson, Kivalliq Socio-Economic Monitoring Committee

1.2 Background and purpose of the SEMC

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 environmental assessment and follow-up processes. As part of the follow-up part of the 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 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 negative 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 GN’s 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 (NGMP).

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 resource development companies in a unique forum that encourages open and engaged discussions and information-sharing among all parties;
3. To collect and publicly disseminate regional socio-economic 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 met a number of times in each region. As of November 2014, two meetings have occurred for the 2014-2015 fiscal year, which took place in Iqaluit (May) and Baker Lake (October). Another regional meeting is scheduled to take place in Cambridge Bay by March 2015.

Reports from the 2012-2013 fiscal year 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 forty different indicators. These numbers exclude VSECs and indicators that are project-specific. These reports are available for download on our website, www.NunavutSEMC.com. This website was launched in 2012 to more effectively communicate socio-economic information with Nunavummiut and other interested groups.

The reporting approach has been further modified to better serve the Committees. The reports for 2012-2013 were composed largely of tables and graphs containing statistical figures for the region, making these reports large. 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 has been created to visually display over forty different socio-economic indicators. This database can be accessed on the SEMC website and will soon be hosted on the NBS website, www.stats.gov.nu.ca as well. All data within the database will be maintained by the Nunavut Bureau of Statistics.

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 in 2013; GN-wide participation has increased in most regions; Committee members have continued to work 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 Members have started to develop more targeted recommendations for member organizations.

Goals for this 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.

2. Eighth Kivalliq SEMC Meeting, Fall 2014 Baker Lake

The Eighth Kivalliq SEMC meeting was held in Baker Lake October 7-9, 2014. The meeting was well-attended and included participants from the Government of Nunavut, Government of Canada, the Kivalliq Inuit Association, Agnico-Eagle Mines, AREVA, the Kivalliq Mine Training Society, and representatives from six of seven Kivalliq hamlets. The Meadowbank SEMC also met in Baker Lake in the evening of October 7, 2014 to discuss Meadowbank-specific socio-economic monitoring.

2.1 Agenda and participants

This section reflects the intention of the meeting and the agenda that was sent out to participants. This section also lists those who were in attendance. The proceedings of the meeting are reported in section 2.2.

Dates:

Tuesday October 7, 2014 14:00-17:00

Wednesday October 8, 2014 7:30-22:00 (Meadowbank site tour)

Thursday October 9, 2014 9:00-12:00

Location: Iglu Hotel – Baker Lake, NU

Chair: Laura Mackenzie, Director of Community Operations, Kivalliq ED&T

Schedule:

Kivalliq Socio-Economic Monitoring Committee Baker Lake, Nunavut Tuesday October 7, 2014		
Time	Presenter	Item
1. Welcome and Summary of Meeting Purpose		
14:00	GN-EDT: • Laura Mackenzie	Meeting opening and introductions
14:15	GN-EDT: • Clayton Lloyd	SEMCs: Summary, purpose and past meeting
14:30	GC-AANDC: • Tamara Fast	AANDC's role in monitoring and environmental assessment
14:45	GC-NGMP • David Abernethy	NGMP's role in socio-economic and ecosystemic monitoring in Nunavut
15:00	GC-CanNor: • Seth Reinhart	Socio-economic assessment
2. Proponent Updates and Monitoring		
15:15	AREVA: • Barry McCallum	Update on Kiggavik: • Environmental impact assessment • Predicted socio-economic impacts and benefits
17:00	<i>End of first day</i>	

Kivalliq Socio-Economic Monitoring Committee Baker Lake, Nunavut Wednesday October 8, 2014		
Time	Item	Details
2. Proponent Updates and Monitoring (continued from day 1) Meadowbank Site Tour		
7:30	Meet at Iglu Hotel	Tea, coffee, and light breakfast
8:00	Depart for Meadowbank	Transportation provided
11:00	Arrive at Meadowbank	Meet tour leaders
11:15	Presentation #1 <ul style="list-style-type: none"> • Jean Beliveau 	AEM operations <ul style="list-style-type: none"> • Meadowbank expansion • Meliadine gold project
12:15	Tour and Simulator	Members see and try out the simulator
12:45	<i>Lunch (provided by Agnico Eagle)</i>	
13:30	Site tour <ul style="list-style-type: none"> • Volt Pit, ERT, gym 	Led by various AEM staff
16:30	Presentation #2 <ul style="list-style-type: none"> • Jimmy Fournier • Charlie Tautuajuk 	Meadowbank operations <ul style="list-style-type: none"> • Employee programs • Socio-economic monitoring
18:30	<i>Dinner (provided by Agnico Eagle)</i>	
19:30	Depart for Baker Lake	Transportation provided
22:00	<i>Arrive at Iglu Hotel – End of second day</i>	

Kivalliq Socio-Economic Monitoring Committee Baker Lake, Nunavut Thursday October 9, 2014		
Time	Presenter	Item
9:00	GN-EDT <ul style="list-style-type: none"> • Laura Mackenzie 	Brief recap of meeting to date
3. Labour Force and Career Development		
9:10	GN-NBS <ul style="list-style-type: none"> • Meeka Mearns 	Socio-economic indicators <ul style="list-style-type: none"> • Statistics and analysis
9:45	GN-FS <ul style="list-style-type: none"> • Deatra Walsh 	Labour market analysis and Career development <ul style="list-style-type: none"> • Programs offered through the Department of Family Services
10:15	<i>Break (snacks provided)</i>	
10:30	GN-NAC <ul style="list-style-type: none"> • Dan Page (telephone) 	Adult Basic Education Program <ul style="list-style-type: none"> • Program highlights
10:45	Kivalliq Mine Training Society <ul style="list-style-type: none"> • Kenneth Kerr 	Programs and opportunities offered through KMTS
11:30	GN-EDT <ul style="list-style-type: none"> • Clayton Lloyd 	Discussion of meeting <ul style="list-style-type: none"> • Prioritized concerns • Next meeting – date and location
12:00	<i>Closing remarks</i>	

Participants of the eighth Kivalliq SEMC:

Kivalliq Socio-Economic Monitoring Committee

Participant list - 7-9 October 2014 - Baker Lake

Group	Organization	Name	Position	Community
GN	EDT	Laura Mackenzie	Director, Kivalliq Community Operations	Rankin Inlet
	NBS	Meeka Mearns	Information Officer/Analyst	Pangnirtung
	FS	Deatra Walsh	A/Manager Labour Market Programs	Iqaluit
	EDU	Bill Cooper	Executive Director, Kivalliq	Baker Lake
	NAC	Daniel Page	Manager, Adult Basic Education Programs	Iqaluit
	EDT	Lou Kamermans	A/Manger Environmental Assessment	Iqaluit
	EDT	Clayton Lloyd	Regional Socio-Economic Coordinator	Iqaluit
Industry	Agnico Eagle Mines	Charlie Tautuajuk	IIBA Coordinator	Baker Lake
	Agnico Eagle Mines	Graeme Dargo	Superintendent, Community Engagement - Nunavut	Nunavut
	AREVA	Barry McCallum	Manager, Nunavut Affairs	Nunavut
GoC	AANDC	Tamara Fast	Regional Socio-Economic Analyst	Iqaluit
	NGMP	David Abernethy	Socio-Economic Monitoring Analyst	Iqaluit
	CanNor	Seth Reinhart	Senior Official, Socio-Economic Assessment	Iqaluit
KMTS		Kenneth Kerr	Executive Director	Rankin Inlet
		Evan Morrison	Manager of Program Delivery	Rankin Inlet
Hamlets	Arviat	Bob Leonard	Mayor	Arviat
	Baker Lake	-	-	-
	Chesterfield Inlet	Jimmy Karko	Hamlet Councilor	Chesterfield Inlet
	Coral Harbour	Willie Nakoolak	Mayor	Coral Harbour
	Rankin Inlet	Joyce Ayaruak	Hamlet Councilor/ ECE Coordinator	Rankin Inlet
	Repulse Bay	Solomon Malliki	Mayor	Repulse Bay
	Whale Cove	Stanley Adjuk	Mayor	Whale Cove
KIA		Lorraine Niego	IIBA Coordinator	Baker Lake
		Jeff Hart	Water & Marine Environment	Baker Lake

2.2 Summary of meetings

The meeting began with presentations from government agencies outlining their respective roles in socio-economic monitoring in Nunavut. The focus then shifted to project proponent updates and monitoring, beginning with AREVA. The conclusion of this presentation was the end of day 1.

The meetings continued with proponent updates on day 2 in a unique way. The Kivalliq SEMC had the fortunate opportunity to visit the Meadowbank gold mine on a site-tour arranged by AEM. The Committee was shown around site by specialized staff and was able to see operations up close including the mining pits, the haul truck simulator, the gym facility, and the Emergency Response Team garage. The SEMC heard presentations from several experienced AEM staff on information regarding Meadowbank operations, onsite socio-economic monitoring efforts, and the Meliadine project.

Day 3 was an opportunity for the Committee to better understand future labour force needs in the Kivalliq region as well as education and training opportunities that exist to help meet that demand. The day began with a presentation from NBS on socio-economic information to get a sense of the state of health in Kivalliq communities as seen through statistics. The Department of Family Services presented information on current work being done to monitor the labour market demand as well as the programs and services that are available to connect Nunavummiut to those jobs. The meeting finished with presentations from NAC and KMTS, both providing valuable information on the numerous educational and training programs that are offered in the region.

The Meadowbank Socio-Economic Monitoring Committee met on October 7, 2014 to discuss the implementation of a project-specific socio-economic monitoring program. This focused working group is made up of members from the Government of Nunavut, Government of Canada, Kivalliq Inuit Association, and AEM and supports the fulfillment of Terms and Conditions that relate to socio-economic monitoring as set out in the Meadowbank Project Certificate¹.

Subsection 2.2.1 of this report summarizes the presentations and discussions that took place during the Kivalliq SEMC meetings and Meadowbank site tour and subsection 2.2.2 briefly outlines what was discussed at the project-specific Meadowbank Socio-Economic Monitoring Committee meeting.

¹ Meadowbank Project Certificate can be found on the NIRB's public registry: ftp://ftp.nirb.ca/02-REVIEWS/COMPLETED%20REVIEWS/03MN107-MEADOWBANK%20GOLD%20MINE/02-REVIEW/15-PROJECT%20CERTIFICATE/389_061230-NIRB-MB-Final%20Project%20Certificate%20w%20App-OTAE.pdf

2.2.1 Presentations and discussion

This section summarizes the presentations from the Kivalliq SEMC meeting and the discussions that ensued.

Government of Nunavut, presented by Clayton Lloyd, Regional Socio-Economic Coordinator

The presentation by the GN provided a general overview of the SEMC. This included the importance of meeting, what has been done at past SEMCs, and what to expect at this meeting. This served as a refresher for participants who have previously attended the Kivalliq SEMC as well as an introduction to the Committee for those who have not. The presentation offered an overview of the legal obligation and purpose of socio-economic monitoring in Nunavut and highlighted the roles of interested stakeholders at the SEMC.

Aboriginal Affairs and Northern Development Canada, presented by Tamara Fast, Regional Socio-Economic Analyst

AANDC participates in socio-economic monitoring as a NIRB intervener for individual projects as well as territorial monitoring through the Nunavut General Monitoring Plan. AANDC strongly supports the SEMC as a positive venue for collaborative socio-economic monitoring efforts and meaningful discussions amongst all regional impacted stakeholders. AANDC's active presence in the Kivalliq region includes ongoing participation with partners in developing a socio-economic monitoring program for the Meadowbank and Meliadine mines, and preparing input into the Kiggavik FEIS.

In addition to socio-economic monitoring, AANDC offers several different grants and programs to assist with socio-economic development. These include professional and institutional development programs, artist grants, cultural education centre funding, and various monitoring activities offered through NGMP. All programs are proposal driven therefore applications can be submitted on an on-going basis.

Aboriginal Affairs and Northern Development Canada – Nunavut General Monitoring Plan, presented by David Abernethy, Socio-Economic Monitoring Analyst

AANDC also provided committee members with a quick overview of the Nunavut General Monitoring Plan, highlighting its legal obligation to develop and implement a plan, in cooperation with the Nunavut Planning Commission, for monitoring the long-term state and health of the ecosystem and socio-economic environment in Nunavut. AANDC described the different Valued Ecosystem and Socio-Economic Components being monitored under NGMP and touched on the total number of monitoring projects that have been funded by NGMP.

Canadian Northern Economic Development Agency, presented by Seth Reinhart, Senior Official Socio-Economic Assessment

CanNor introduced the Committee to the Community Readiness Initiative (CRI). CRI is a strategic and collaborative approach to empowering communities in Nunavut as a way to maximize the benefits associated with major resource development. The initiatives require lasting partnerships between government agencies, communities, Regional Inuit Associations, and industry. CRI aims to link data information with the concerns and interests expressed in communities, and develop a Community Readiness Map. The Map is a plan designed to link existing knowledge with tangible action to strengthen communities through a collaborative approach.

CanNor affirmed the importance of the SEMC in relation to Community Readiness Initiative. The SEMC provides a forum for community representatives to discuss concerns and interests with government agencies and other interested parties. This gives CanNor the opportunity to engage in these discussions and collaborate with partners where possible.

AREVA Resources and the proposed Kiggavik Project, presented by Barry McCallum

Kiggavik is a proposed uranium project located 80 km west of Baker Lake. AREVA submitted their Kiggavik FEIS in October, 2014. Exploration continued in 2014 as the company seeks to increase the resource and extend the mine life. Camp operations were open from June to August with approximately 35 people onsite each day. Currently, the expected mine life is 12 years (not including construction and decommissioning) and will consist of 4 open pits, 1 underground pit, and 3 in-pit tailings management facilities. The proposed project is expected to employ approximately 750 people during construction and 400-600 during operations.

Kivalliq residents will have priority for employment opportunities at Kiggavik with pickup points in all Kivalliq communities. AREVA conducted a labour market analysis in 2014 and believe 50% Inuit employment rate is achievable so long as turnover rates are not excessive. To date, exploration at Kiggavik has employed 10-30 workers each year (since 2007) from Kivalliq communities, paying over \$2 million in wages to those employees. \$20 million has been spent on northern contracts since 2006, which represents 27% of all contract expenditures. The company plans to design bidding packages to help facilitate and encourage Kivalliq business participation. AREVA estimates that over \$1 billion will be spent on northern contracts over the life of the mine.

Within the FEIS are numerous predictions made by the proponent on socio-economic impacts and benefits of the proposed project. To maximize the benefits of the project AREVA will have policies in place for preferential hiring of Nunavummiut, and will provide pre-employment training for prospective employees as well as training for existing employees who seek

promotions. The proponent will continue preferential contracting, targeting 30% of all contracts throughout the life of the project to be awarded to Inuit owned businesses.

In addition to the financial benefits of the project, AREVA also predicts there to be positive social impacts generated through specific policies and programs. The company will offer cross cultural training for long term employees and will accommodate Inuit diet preferences through provision of storage and facilities for consumption of country foods. There will also be an Employee Family Assistance Program (EFAP) offered for employees and their families to help prepare for life at the mine and teach ways to balance work with family and personal health.

With regards to monitoring predicted impacts, AREVA is committed to both operations and collaborative socio-economic monitoring. Operations monitoring consists of internal management and human resources to track socio-economic data through employee records. AREVA will also continue collaborative monitoring with government agencies and other impacted stakeholders through participation in the Kivalliq SEMC. This entails disseminating proponent gathered data to the SEMC to complement regional socio-economic data presented by governments and other stakeholders.

Agnico Eagle Mines and the Meadowbank Gold Mine, presented by Jean Béliveau and Jimmy Fournier

With the eighth Kivalliq SEMC taking place in Baker Lake, AEM invited committee members to tour the Meadowbank mine site. This was a unique experience for the Committee and a great opportunity to see the mining operations first hand. The site visit began with a welcome from AEM staff and a quick introduction to the company and the mine site.

AEM is a Canadian company based in Quebec, currently operating 3 projects in Canada, including Meadowbank, and 1 in both Finland and Mexico. Declining gold prices have forced the company to adopt new business strategies in order to continue growth and production. This includes a shift from high growth to moderate growth, postponing capital expenditures, and increased focus on exploration activities. With these adjustments AEM will confidently protect their operations, preserve jobs, and remain in a position for long-term prosperity in Nunavut.

The Meadowbank site consists of 3 open pits; Goose, Portage, and Vault. The 3 pits are currently expected to be depleted by 2017. However, the company is looking to expand the Vault pit, which would continue production into 2018. A more significant expansion is the Amaruq site located 50 km northwest of Meadowbank. AEM has been actively exploring Amaruq (investing \$20 million in 2014) because of the promising high grade sample results. The samples from Amaruq range between 8 and 27 g/t, compared to Meadowbank's average of 3 g/t.

The Committee began the site tour and was shown the haul truck simulator (figure 1). The simulator is a key component of AEM’s Career Path program, intended to support the upward mobility of Inuit employees at Meadowbank. Employees are presented with a career path appropriate to their current position as well as the corresponding amount of time it will take to advance to new positions of greater pay. There has not been any external hiring for heavy equipment operators since 2012, as 100% of opened positions have been filled by existing AEM employees. The company has been so pleased with the results of this program they have expanded it to other fields and now offer Career Paths for maintenance trades and specialized underground mining in preparation for Meliadine. AEM is also considering further Career Path expansion to kitchen and housekeeping departments.



Figure 1: SEMC member tests the haul truck simulator with assistance from AEM instructor

The site tour continued with a bus ride out to one of the mine pits. The bus drove alongside Haul trucks in operation enabling SEMC members to take photos (figure 2). Driving into the pit alongside heavy equipment operators gave the SEMC a great appreciation for the skill required to do this type of work. The tour finished with visits to the Emergency Response Team station, the gym facility, then back to the boardroom for a second presentation on operations at Meadowbank (figure 3).



Figure 2: Haul truck in operation

AEM started with an overview of Meadowbank’s workforce. Of the current 765 permanent employees, 268 (or 35%) of them are Inuit from Nunavut. Further, 93% of the Inuit workforce resides in the Kivalliq region. The position with highest Inuit content is Heavy Equipment Operator (90), followed by Janitor (70), Helper (30), Dishwasher (20), Labourer (14), Apprentice (7), and Driller (3). AEM strongly supports training opportunities and upward mobility for all employees as demonstrated through programs such as Career Path. AEM

invested \$3 million on training for Inuit employees and greatly exceed their targeted 40 employee promotions in 2013 with a total of 96 promotions.

In continuing efforts to increase Kivalliq's labour force capacity, AEM is currently working with the Nunavut Literacy Council (NLC) to embed literacy training in the Career Path Program. The two groups began working together in 2013 to develop a workplace needs assessment designed to better understand the learning and training needs of Meadowbank



Figure 3: SEMC members meet in the Meadowbank boardroom

employees. Through private interviews and focused

discussion groups, the needs assessment identified literacy as a major barrier at the workplace. The goal is to now develop a program providing support to Inuit employees with leadership skills that will enable upward mobility into supervisory positions, which can be difficult positions to fill because of the increased pressure and stress that come with the added responsibilities. The future of this program has potential to leave lasting positive impacts on the employees and it will be important for the Committee to monitor its progress.

AEM shifted the conversation to discuss some of the challenges at Meadowbank with specific attention to those concerning the families of employees at the mine. Families have experienced some trouble when the employee comes home after a two week shift. It was mentioned that sometimes employees are too tired from work to contribute at home, or perhaps frustration from work carries over to the family life. Another problem identified was that rumors and jealousy spreads while employees are away causing tension between an employee and their spouse. AEM has taken steps to try and mitigate these challenges by including family members in recruitment processes and through the implementation of a family support network for mine families (such as community-based sewing groups). Further, a new training module is expected to begin in January 2015 to assist employees and their families cope with these stresses. The company is also considering different methods of support including babysitting services, bingo nights, a special mail service for families to stay in touch, and a men's support group onsite. The SEMC will be monitoring the progress of these new potential programs and provide input where appropriate.

A brief discussion carried on between committee members after AEM's presentation. A representative from the GN Department of Education commented on the current work being done between AEM and the Nunavut Literacy Council. The representative was pleased with the efforts being put in by both groups involved and added that the Department of Education will soon be working towards better understanding English and Inuktitut reading comprehension levels of all students through a more consistent and thorough evaluation process. This will hopefully give industry proponents a better baseline understanding of reading and writing levels of the future workforce, which will be useful in designing employee training programs.

Nunavut Bureau of Statistics, presented by Meeka Mearns, Information Officer/Analyst

After spending the day at Meadowbank learning of project-specific socio-economic impacts, the Committee discussed socio-economic impacts at a regional level as NBS presented the most recent data available for each socio-economic indicator. A more comprehensive overview of socio-economic statistics can be found attached to this report (Appendix C). Below is a brief narrative of the indicators discussed with the Committee:

Population: The largest population growth in the past year occurred in Arviat and Rankin Inlet with an increase of roughly 90 people in both communities. Other Kivalliq communities ranged from no increase at all to roughly 50 people. Arviat and Rankin Inlet are expected to have the most significant population increase over the next 20 years while Chesterfield Inlet and Whale Cove are expected to increase only slightly.

Education: Public school enrolment numbers remained relatively low with little increase this year across all grades. The lowest enrolment numbers tend to be Grade 12 suggesting that students are not even commencing their final year of high school. The graduation rate in the Kivalliq decreased from 46% in 2012 to 39% in 2013.

Health: The number of health centre visits increased gradually in all Kivalliq communities except Whale Cove, which experienced a decrease. The most significant increase in 2013 was in Arviat. It is interesting to note that the number of visits significantly decreased in Baker Lake during the time of construction and early operation of Meadowbank (2008-2010). In each community the majority of visits are categorized as 'Other' to protect individual privacy.

Income: Rankin Inlet has the highest number of Taxfilers who reported employment income in 2012. Baker Lake had the second highest number despite being third in population estimates, which could be a result of increased employment opportunities at Meadowbank.

Crime: The number of criminal violations in Kivalliq communities follows a very similar pattern to employment income. This same trend was discussed at the previous Qikiqtaaluk SEMC

meeting when an RCMP officer explained that criminal activity can increase when more people are employed in town spending money and there is more stuff to steal.

Housing: The total number of private dwellings in 2011 in Kivalliq communities follows the same pattern as employment income. Rankin Inlet has the most private dwellings followed by Baker Lake, then Arviat at 708, 629, and 558 units, respectively. Whale Cove had the fewest private dwellings with 104 units.

Government of Nunavut Department of Family Services, presented by Deatra Walsh, Labor Market Programs

Career Development is a division within the Department of Family Services that was formed in 2012 in response to recommendations from the 2009 Nunavut Adult Learning Strategy. Career Development facilitates labour market participation and connects Nunavummiut with jobs through promotion of education and training. Achieving this requires routine consolidation of information on labour supply and labour demand to create occupational forecasting models. In addition, the department offers a suite of programs to Nunavummiut who wish to further their education and training for professional development and employment.

The Kivalliq region has been most active in utilizing the programs offered by Family Services. Compared to the rest of Nunavut, the Kivalliq has the highest enrolment in the Employment Assistance Services, and Adult Learning and Training Services programs, and is second in Training on the Job participation. Further, the Kivalliq region has the most registered apprentices. It's uncertain if students in these programs are preparing specifically for mine employment but it is indicative of a labour force looking to strengthen their personal skillset.

The only questions following this presentation were regarding the Financial Assistance for Nunavut Students (FANS) program. Some committee members expressed their concern with the amount of money that is allocated to students, claiming it is often too low, and that it takes too long for students to receive money. The Family Services representative was unable to provide an answer as she does not handle any of the financial processing but did say she will look into the financial distribution process and see if any changes could be made to better serve applicants.

Nunavut Arctic College – Adult Basic Education Programs, Dan Page, Manager

NAC joined the Kivalliq SEMC by conference call to talk about the Adult Basic Education (ABE) Programs offered across the territory. NAC was granted \$11 million from the Federal government three years ago as part of Canada's Economic Development Action Plan. This money has been used to develop new programs that will enhance the skills of those in the workforce. Programs focus on project-based learning and include the use of modern learning technologies such as various computer software and tablets.

The ABE Essential Skills Program targets the development of fundamental skills required in the workforce. This includes reading, writing, numeracy, thinking skills, computer use, and oral communication. Teachers use authentic and customized workplace documents as instruction focuses on tasks that learners will face on the job. The Essential Skills course material is also tailored to Nunavut by incorporating Inuit language and culture, land survival skills, and Inuit history. More information including a full course description can be accessed on the NAC website.

The questions following NAC’s presentation were regarding daycare services and financial grants for NAC students. Due to the nature of the questions NAC requested to follow up on each question individually.

Kivalliq Mine Training Society, presented by Kenneth Kerr and Evan Morrison

Several committee members were already at least partially familiar of KMTS and its success in training Nunavummiut for mine employment. KMTS is a not-for-profit, Inuit-private sector partnership located in Rankin Inlet. KMTS receives funding from the Government of Nunavut, the Government of Canada, and Agnico Eagle to deliver mine training programs. To date, of the 749 participants who have enrolled in a KMTS program, 547 completed their program and 247 of those are now working, back at school, or furthering their training.

KMTS remains actively involved in a wide variety of work including job awareness, pre-employment training, academic upgrading (pre-trades), and skills training such as diamond drilling. The financial resources allocated to each category may change from time to time as programs adapt to current circumstances and opportunities. KMTS has been a big success in the Kivalliq region and remains committed to working with hamlets, governments, and employers to strengthen the labour force and develop a mine culture in the Kivalliq.

2.2.2 Meadowbank project-specific technical meeting

As a fully permitted and operating project, Meadowbank must comply with specific Project Certificate Terms and Conditions. There are four conditions that relate to socio-economic monitoring and the SEMCs. These are conditions 63, 64, 65, and 68:

Condition Number	Meadowbank Project Certificate Terms and Conditions
63	Within six (6) months of the issuance of a Project Certificate, the GN and INAC shall form a Meadowbank Gold Mine Socio-Economic Monitoring Committee (“Meadowbank SEMC”) to monitor the socio-economic impacts of the Project and the effectiveness of the Project’s mitigation strategies. The monitoring shall supplement, not duplicate, the monitoring required pursuant to the IIBA negotiated for the Project, and on the request of Government or NPC, could assist in the coordination of data collection and tracking data trends in a comparable form to facilitate the analysis of cumulative effects. The terms of reference shall focus on the Project, include a plan for

	ongoing consultation with KivIA and affected local governments and a funding formula jointly submitted by GN, INAC and Cumberland. The terms of reference shall be submitted to NIRB for review and subsequent direction within six (6) months of the issuance of a Project Certificate. Cumberland is entitled to be included in the Meadowbank SEMC.
64	Cumberland shall work with the GN and INAC to develop the terms of reference for a socio-economic monitoring program for the Meadowbank Project, including the carrying out of monitoring and research activities in a manner which will provide project specific data which will be useful in cumulative effects monitoring (upon request of Government or NPC) and consulting and cooperating with agencies undertaking such programs. Cumberland shall submit draft terms of reference for the socio-economic monitoring program to the Meadowbank SEMC for review and comment within six (6) months of the issuance of a Project Certificate, with a copy to NIRB's Monitoring Officer.
65	Cumberland shall include in its socio-economic monitoring program for the Meadowbank Project the collection and reporting of data of community of origin of hired Nunavummiut.
68	Cumberland shall, in consultation with Elders, local HTOs and the Meadowbank Gold Mine SEMC, demonstrate that they are working toward incorporating Inuit societal values into mine operation policies.

The Working Group has experienced various challenges over the years to develop and agree on a socio-economic monitoring program framework. Consequently, AEM has been unable to produce an annual socio-economic monitoring report as per Program Framework Requirement number 6 (see June 29, 2007 correspondence between AEM and the NIRB for the full Meadowbank SEMP ToR²). AEM met with representatives from the GN, AANDC, and KIA after day 1 of the SEMC meeting on October 7, 2014 to discuss the most recently proposed draft monitoring program. This draft was developed by the GN and AEM in the months prior to the SEMC meeting. The draft is composed of indicators collected by Working Group members including AEM, the GN-NBS, and Statistics Canada.

One of the main goals of the proposed draft monitoring program was to identify which member organizations will be responsible for providing data for each indicator in the program. The indicators were selected based on their effectiveness to enable Working Group members and the wider Kivalliq SEMC to sufficiently monitor the predicted socio-economic impacts outlined in the Meadowbank Final Environmental Impact Statement. It was also important to ensure that all indicators are actively collected and contain existing data in order to avoid duplication of efforts by Working Group member organizations.

Working Group members looked through the draft monitoring program to discuss the expected outcomes of the Meadowbank socio-economic monitoring program. Each member has an interest in better understanding the impacts of Meadowbank and will be able to utilize the information that comes from the monitoring program effectively. It was agreed by Working Group members that the presented draft version will serve as a starting point for the Meadowbank socio-economic monitoring program but that further work is required to effectively monitor impacts.

² The letter between AEM and the NIRB that contains the Meadowbank SEMP ToR can be found on the NIRB website: <ftp://ftp.nirb.ca/03-MONITORING/03MN107-MEADOWBANK%20GOLD%20MINE/05-SEMC/01-CORRESPONDENCE/070629-AEM%20Ltr%20to%20NIRB%20re%20SEMP%20Draft%20ToR-IT4E.pdf>

2.2.3 Meadowbank Socio-Economic Monitoring Program and report

The following provides an update on the draft Meadowbank socio-economic monitoring report that has taken place since the SEMC meeting in October and during the writing of this report.

With the a draft monitoring program in place AEM has moved forward and engaged Stratos Inc. to develop the 1st Meadowbank Socio-Economic Monitoring Report. Stratos Inc. is engaged by AEM's Corporate Office in a range of socio-economic activities, including research, analysis, measurement and reports. Stratos Inc. has also provided similar services to the Mining Association of Canada and Conference Board of Canada and they bring the specialized skills and experience required in this complex area.

Stratos Inc. will prepare a Socio-Economic Monitoring Report for the Meadowbank Gold Mine while considering the following:

- AEM has agreed to prepare a report that aligns with the template of other socio-economic monitoring reports in Nunavut adopted by the Government of Nunavut and use the SEMC Monitoring Program agreed to by the SEMC working committee in October 2014.
- The AEM report will include annual data since the start of AEM's operation activities in 2010.
- SEMC officials will be invited to participate in a review of an annotated outline of the report as well as the first draft of the SEMC report for their comment and input.
- AEM will present a final draft report to the full SEMC for review in October, 2015.
- Over time, AEM is supportive of modifying the report, in consultation with the SEMC, so that it more directly informs and identifies practical steps to enhance the socio-economic benefits and address emerging impacts. Monitoring, managing, and reporting on socio-economic impacts and benefits of resource projects is a rapidly evolving area of practice, and the report's evolution should be informed by emerging best practice, applied in a practical manner.

2.2.4 SEMC Action Item Work Plan

The following table highlights specific items that were discussed throughout the SEMC meeting that require follow up. This provides a way to track commitments made by SEMC members during the 3 days of meetings. Any outstanding items should be reviewed at the next meeting in order to discuss solutions or plans moving forward.

Item	Organization(s)	Timeframe	Outcome
Possible expansion of employee programs offered at Meadowbank <ul style="list-style-type: none"> • Career Path for Kitchen and Housekeeping departments • Literacy training embedded in Career Path 	AEM	Company decision. Updates will be provided at next SEMC	Currently n/a
Discuss findings from the audit report on Meadowbank programs and working conditions for women that was done in response to the 2014 Pauktuutit report	AEM	Next SEMC	Currently n/a
Department of Education to provide updates to the SEMC on the changes made to the curriculum	GN – EDU	Next SEMC	Currently n/a
Discuss if certifications and qualifications achieved through training at Meadowbank can be transferred and recognized by hamlets and the GN	AEM GN – FS	Ongoing	Currently n/a
Review process of financial allocation for the FANS program. Suggest changes to improve processing time if possible	GN – FS	Ongoing. Provide update at next SEMC	Currently n/a
Further develop the Draft Meadowbank SEMP with support from GN and AANDC	AEM	June 8 th , 2015	AEM has engaged Stratos Inc. to prepare the first annual Meadowbank Socio-Economic Monitoring Report. A final draft is expected to be completed for review in time for the next SEMC

3. Discussion

This section provides a brief discussion and summarizes the question and answer period that took place with AEM officials during the Meadowbank site visit as well as a general overview of the entire SEMC meeting.

3.1 Meadowbank site visit

A lengthy and positive discussion took place following AEMs final presentation and site tour. SEMC members talked about several topics that came up throughout the day and will require follow up at the next SEMC or sooner. First, AEM provided an update on the company's response to a report produced by Pauktuutit, Inuit Women of Canada in January, 2014. The report suggests that the impacts of Meadowbank on Inuit women, either employees or family members of employees, have been negative and significant. In response to the report AEM hired an outside party to conduct an audit of all Meadowbank employee programs and onsite working conditions. A report is expected in the coming months and AEM plans to discuss the findings at the next SEMC.

Due to the ongoing success of Career Path, AEM is looking to expand this program into other fields including the Kitchen and Housekeeping. The Career Path Program offers employees a great opportunity to receive professional training and advance their mining careers. SEMC members asked if these qualifications earned through Career Path could become certifiable and recognized by hamlets and governments so that former employees can utilize their training to access jobs with the hamlets or governments. AEM expressed interest in this idea and mentioned that the company is open to exploring this idea. The representative from Career Development division within the GN – Family Services will follow up with AEM to see what partnership opportunities might exist. SEMC members were interested with this idea and requested that a follow up be provided at the next SEMC.

Lastly, AEM's recent work with the Nunavut Literacy Council generated much interest from SEMC members. If AEM is able to incorporate literacy training into other program training it could go a very long way to provide employees with the necessary skills for supervisory positions. The representative from the Department of Education was impressed to hear of this work and encouraged AEM officials that this program offering, along with the revised education curriculum, has the potential to leave long lasting impacts on AEM employees.

Despite low global gold prices AEM continues to push forward with the Meadowbank project and are looking to expand operations with Amaruq. The company is one of the major employers in the Kivalliq region and remains committed to further developing the skills of their employees as evident through the ongoing expansion of the Career Path Program. The SEMC is greatly interested in understanding the employment and training opportunities offered by AEM and will continue to monitor the success of these programs throughout the year.

3.2 General SEMC meeting

There was a lot of focus and discussion on Meadowbank as it is currently the only fully operational mine in the Kivalliq region. However, with two other proposed major mining projects (Meliadine and Kiggavik) in the late stages of the environmental assessment process, there could soon be a significant labour demand on the Kivalliq workforce. AEM plans to bring Meliadine into operation as Meadowbank begins closing down (2017-2018) and has said that current employees working at Meadowbank will have the opportunity to transfer to Meliadine when that transition begins. The proposed Kiggavik project will also provide significant employment opportunities for residents in the Kivalliq region if approved, even if it is 5-10 years away from construction and production as suggested by the proponent.

This demand for labour into the foreseeable future greatly emphasizes the importance of a prepared labour force. Education and training will be critical for those without previous mining related work experience in order to take advantage of employment opportunities. The SEMC discussed several resources and opportunities that are available in the region to assist individuals who wish to further their education and seek employment. The GN – Department of Family Services offers many programs including financial assistance for students, on the job training, and apprenticeship programs, all designed to connect Nunavummiut with jobs. The Adult Basic Education program through Nunavut Arctic College provides students with the foundational skills required to succeed in the workforce. Lastly, the Kivalliq Mine Training Society can assist with academic upgrading for pre-trades exams and offers a great opportunity to train on a diamond drill.

The Kivalliq SEMC will continue to carry out monitoring responsibilities of regional socio-economic impacts and benefits through the use of quantitative and qualitative data and information. The Committee will utilize the Action Item Work Plan in section 2.2.4 to monitor commitments made during the meeting. The next SEMC meeting is tentatively scheduled for October, 2015 in Rankin Inlet.

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 – Economic Development and Transportation;
2. Aboriginal Affairs and Northern Development Canada;
3. Aboriginal Affairs and Northern Development Canada – Nunavut General Monitoring Plan;
4. Canadian Northern Economic Development Agency;
5. AREVA Resources;
6. Agnico-Eagle Mines;
7. Nunavut Bureau of Statistics;
8. Government of Nunavut – Family Services;
9. Nunavut Arctic College;
10. Kivalliq Mine Training Society

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)