

Kitikmeot Socio-Economic Monitoring Committee

2015 Annual Meeting Report

Cambridge Bay, Nunavut: November 3-4, 2015



View of Cambridge Bay shoreline in summer

4/29/2016

Produced by the Government of Nunavut – Department of Economic Development and Transportation

EXECUTIVE SUMMARY

The Kitikmeot Socio-Economic Monitoring Committee (SEMC, or ‘the committee’) met for its annual meeting on November 3-4, 2015 in Cambridge Bay to discuss active resource development projects in the region and the subsequent socio-economic changes in surrounding communities. The meeting was well attended by industry and government staff, and included representatives from three of the five regional hamlets. The two-day meeting included presentations from government agencies and industry proponents, as well as much discussion of overall socio-economic benefits and impacts of major development projects in the Kitikmeot.

This was the first Kitikmeot SEMC meeting in two years after the committee was unable to gather last year. As such, the meeting began with a detailed overview of the SEMC and included a review of resource development activities and environmental assessment reviews in the region from the past two years. Although there are currently no operating mines in the Kitikmeot region, there are two major projects in the advanced stages of the environmental assessment process which could be nearing development. Industry representatives from these projects engaged the committee in discussions to explain their projects and to hear some of the expectations and concerns from nearby communities.

TMAC Resources Inc. presented results from the 2015 Doris North Socio-Economic Monitoring Program (SEMP) report, which included data from 2014 and 2015. TMAC also explained the recent changes to the Doris North SEMP, which incorporated updates to some of the indicators. Sabina Gold & Silver Corp. also attended to present the latest information on the Back River Project including upcoming steps in the environmental assessment process. Sabina recently submitted their Final Environmental Impact Statement to the Nunavut Impact Review Board, which included a draft socio-economic monitoring program that will be of significant interest to the committee as the project proceeds. Other participants included mineral exploration company Kaizen Discovery Inc., and staff from Polar Knowledge Canada and the Canadian High Arctic Research Station.

With no major mines currently in production, much of the attention during the meeting was devoted to preparing communities for the future when one or both of these major projects could be operating. Committee members emphasized the need for training for the current workforce in order to maximize benefits from the employment opportunities from these upcoming projects, and to establish support systems to reduce and cope with any potential undesired social impacts. The committee also expressed interest to learn more about how communities near the Meadowbank and Mary River projects have responded to change attributable to these developments at next year’s meeting.

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LIST OF ACRONYMS

- AEM: Agnico-Eagle Mines, owner and operator of the Meadowbank Mine in the Kivalliq region.
- CanNor: Canadian Northern Economic Development Agency.
- DEIS: Draft Environmental Impact Statement.
- DNSEMC: Doris North Socio-Economic Monitoring Committee.
- 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.
- 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.
- INAC: Indigenous and Northern Affairs Canada, previously AANDC (Aboriginal Affairs and Northern Development Canada).
- IOL: Inuit Owned Lands.
- IQ: Inuit Qaujimaqatunqangit, or Inuit Traditional Knowledge.
- KIA: Kitikmeot or Kivalliq Inuit Association (usually referred to as KtIA/KitIA and KvIA/KivIA, respectively).
- LHO: Local Housing Organization.
- 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.
- NPC: Nunavut Planning Commission.
- NTI: Nunavut Tunngavik Incorporated.
- 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 once a year in each region to monitor the socio-economic effects of major projects.
- SEMP: Socio-Economic Monitoring Program. Developed to monitor project-specific socio-economic impacts and benefits of operating mines.
- VSEC: Valued Socio-Economic Component.

REPORT FORMAT

This report is divided into three chapters. The first chapter introduces the reader to the Socio-Economic Monitoring Committees and provides a background and the purpose of the committees. Chapter two summarizes the proceedings of the eighth Kitikmeot SEMC meeting held in Cambridge Bay on November 3-4, 2015. This chapter includes the meeting's agenda, participant list, and summaries of presentations and discussions. It also provides a summary of the separate Doris North SEMP meeting that took place on November 2, 2015. Lastly, chapter three provides some discussion on common topics raised during the meeting and some points for future consideration for the next annual meeting.

LETTER FROM THE CHAIRPERSON

I am pleased to present the 2015 Kitikmeot Socio-Economic Monitoring Committee (SEMC) report on the proceedings that took place November 3-4, 2015 in Cambridge Bay.

The Kitikmeot SEMC is a unique forum to share regional ideas and concerns regarding resource development. The collaboration between impacted stakeholders of the Kitikmeot SEMC is a major step to effective regional monitoring of resource development.

Representatives from government, industry, and communities gathered at this year's meeting to talk about ways the Kitikmeot can take full advantage of the benefits of mining, while avoiding potential negative impacts.

A priority of the SEMC is ensuring communities are prepared for major projects. Currently there are no major mining projects operating in the region; however the committee's focus was on preparing for the near future when there could be one or even two major projects operating simultaneously.

During this meeting, Sabina presented information on the Back River Project which is in the late stages of the environmental assessment process. TMAC also provided updates on the Doris North Project and described their Project Certificate amendment application to extend the life of the mine from two to six years and begin operating in 2017. Results from the 2015 Doris North Socio-Economic Monitoring Program were shared to give the committee a better understanding of the Project's effects on the socio-economic environment.

I would like to thank all participants that attended for sharing your knowledge, expertise, and experiences related to resource development and major projects in the Kitikmeot region. This is truly one way to support "*Sivumut Abluqta – Stepping Forward Together*" to build healthier communities. Again thank you and we look forward to working with you throughout the year.

Koana,

Wendy Bolt

A/Chairperson, Kitikmeot Socio-Economic Monitoring Committee

1. INTRODUCTION

1.1 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. At the culmination of the NIRB's assessment process, a project 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). As part of the follow-up part of the process, monitoring major projects is also a responsibility of the NIRB (NLCA 12.2.2e). 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, and comparable, and that they feed into other programs such as the Nunavut General Monitoring Plan (NGMP).

1.1.1 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;

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; and
3. To collect and share regional socio-economic data with impacted stakeholders that is validated by local and traditional knowledge.

1.1.2 STATUS AND NEXT STEPS

Regional SEMCs were established in 2007, and have since met annually in each region. The meeting in Cambridge Bay was the third regional SEMC meeting of the 2015-2016 fiscal year following the Qikiqtaaluk SEMC in April and the Kivalliq SEMC in October.

SEMC 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 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, which was launched in 2012 to more effectively communicate socio-economic information with Nunavummiut and other interested groups.

The reporting approach was further modified in 2014 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 and potentially 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 has been created to visually display over 40 different socio-economic indicators. This database can be accessed on the SEMC website.

The following goals were set by committee members for the 2015-2016 fiscal year:

- Maintain the momentum of SEMCs by continuing to hold at least one meeting in each region annually;
- 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; and
- Improve the delivery of information at the meetings.

The SEMCs continued to maintain momentum by holding meetings in both the Qikiqtaaluk and Kivalliq regions in 2014, as well as smaller focused meetings with socio-economic stakeholders in the Kitikmeot region in February, 2015; GN-wide participation has increased in most regions, and 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 have started to develop more targeted recommendations for member organizations.

Goals for this fiscal year (2015-2016) are to continue to standardize project-specific socio-economic monitoring programs of all operating projects while still accommodating the unique aspects of each project, 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 continue developing action plans that reflect the priorities of each region designed to assist Nunavummiut to respond to socio-economic change.

2. 2015 ANNUAL KITIKMEOT SEMC MEETING, CAMBRIDGE BAY

The eighth Kitikmeot SEMC meeting was held in Cambridge Bay on November 3-4, 2015. Government and industry officials presented data on a variety of socio-economic indicators to assist with monitoring the changes related to resource development. Representatives from three hamlets were in attendance to supplement this information with observations and experiences from their communities, creating a dynamic discussion forum for reflection on quantitative and qualitative data. In addition to the regional SEMC, the smaller project-specific Doris North Socio-Economic Monitoring Committee met on November 2, 2015 to review the 2015 Doris North Socio-Economic Monitoring Program report in accordance with Term and Condition 28 of the Doris North Project Certificate [003] as issued by the NIRB.

2.2 AGENDA AND PARTICIPANTS

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

Dates:

Tuesday November 3, 2015;
Wednesday November 4, 2015

Location:

Arctic Islands Lodge – Cambridge Bay, NU

Chair:

Wendy Bolt, A/Director of Community Operations, Kitikmeot
Government of Nunavut, Department of Economic Development and Transportation

Schedule:

DAY 1 – NOVEMBER 3, 2015

**Morning session
9:00 AM – 11:45 AM**

1. General Opening	
GN-EDT • Wendy Bolt	Opening Remarks by the Chairperson

SEMC	Participant introductions
GN-EDT <ul style="list-style-type: none"> • Clayton Lloyd AANDC <ul style="list-style-type: none"> • Tamara Fast 	Purpose of the SEMC and objectives of this meeting <ul style="list-style-type: none"> • Review Agenda • What has happened since the last SEMC? • Kitikmeot SEMC overview • Project-specific Working Groups • Meeting objectives
2. Socio-Economic Monitoring	
Government Roundtable <ul style="list-style-type: none"> • Government of Nunavut • Government of Canada 	Updates from Regional GN Departments and government agencies <ul style="list-style-type: none"> • Relevant programs • General observations
Community Roundtable <ul style="list-style-type: none"> • Hamlet representatives 	Open floor discussion to introduce communities <ul style="list-style-type: none"> • Benefits and impacts of current major development projects • General observations
Nunavut Bureau of Statistics <ul style="list-style-type: none"> • Ryan Mazan 	Socio-economic indicators of well-being <ul style="list-style-type: none"> • Statistics and analysis
<i>Discussion</i>	<ul style="list-style-type: none"> • Are the results as expected? • Interesting or surprising trends?

**Afternoon session
1:15 PM – 4:30 PM**

3. Project Updates	
Kaizen Discovery <ul style="list-style-type: none"> • Sarah Clay 	Project description <ul style="list-style-type: none"> • Anticipated socio-economic benefits and impacts
Sabina Gold & Silver Corp. <ul style="list-style-type: none"> • Jason Prno 	Proposed Back River Gold Project <ul style="list-style-type: none"> • Update on 2014/2015 activities • Socio-economic benefits and impacts
TMAC Resources Inc. <ul style="list-style-type: none"> • Kent Gustavson 	The Doris North Gold Project <ul style="list-style-type: none"> • 2014/2015 project updates • Proposed amendments to the Doris North Project • Results from the Doris North SEMP • Amendments to the Doris North SEMP
<i>Discussion</i>	<ul style="list-style-type: none"> • Are the results as expected? • Interesting or surprising trends?
POLAR/CHARS <ul style="list-style-type: none"> • Dwayne Beattie 	Canadian High Arctic Research Station <ul style="list-style-type: none"> • Project updates

<ul style="list-style-type: none"> • Crystal Quamariaq 	<ul style="list-style-type: none"> • Project and training opportunities
<p>CRI</p> <ul style="list-style-type: none"> • Tyler Angulalik 	<p>Community Readiness Initiative</p> <ul style="list-style-type: none"> • Project overview • Anticipated results and timelines

DAY 2 – NOVEMBER 4, 2015

**Morning session
9:00 AM – 11:45 AM**

1. Kitikmeot SEMC Priorities	
Kitikmeot SEMC	<p>Discussion of SEMC priorities</p> <ul style="list-style-type: none"> • Review Day 1 • Other priority areas? • Introduction to the proposed SEMC Toolkit project • Review SEMC objectives

Participants of the 2015 Kitikmeot Socio-Economic Monitoring Committee

November 3-4 Cambridge Bay

Group	Organization	Name	Position	Community
GN	EDT	Wendy Bolt	A/Director, Kitikmeot Community Operations	Kugluktuk
	NBS	Ryan Mazan	Director	Pangnirtung
	FS	Brenda Jancke	Regional Director, Kitikmeot	Cambridge Bay
	H	Clara Evalik	Executive Director, Kitikmeot	Cambridge Bay
	NAC	Fiona Buchan-Corey	Campus Dean	Cambridge Bay
	EDT	Hugh MacIsaac	Resident Geologist	Cambridge Bay
	EDT	Clayton Lloyd	Regional Socio-Economic Coordinator	Iqaluit
	EDT	Lou Kamermans	Manager, Environmental Assessment and Regulation	Iqaluit
Industry	TMAC	Ikey Evalik	IIBA Coordinator	Cambridge Bay
	TMAC	Keith Morrison	Land Tenure Administrator	Cambridge Bay
	ERM (TMAC)	Kent Gustavson	Consultant	-
	Sabina	Jason Prno	Community Relations Advisor	-
	Sabina	John Kaiyogana	Community Liaison Officer	Cambridge Bay
	Kaizen	Sarah Clay	Project Geologist	-
GoC	AANDC	Tamara Fast	Regional Socio-Economic Analyst	Iqaluit
	CanNor	Seth Reinhart	Senior Official, Socio-Economic Assessment	Iqaluit
Hamlets	Cambridge Bay	Tyler Angulalik	Community Readiness Coordinator	Cambridge Bay
	Gjoa Haven	Helen Tungilik	Career Advisor	Gjoa Haven
	Kugaaruk	Stephane Inaksajak	Mayor	Kugaaruk
	Kugluktuk	-	-	-
	Talayoak	-	-	-

RIA	KIA	-	-	-
Other Interested Stakeholders	CHARS/Polar Knowledge	Dwayne Beattie	Manager of Science Operations	Rankin Inlet
	CHARS/Polar Knowledge	Crystal Quamariaq	Engagement Officer	Cambridge Bay
Observers	NIRB	Kristina Benoit	Technical Advisor	Cambridge Bay
	NIRB	Heather Rasmussen	Technical Advisor	Cambridge Bay
	Media	Helen Tologanak	Nunavut News North	Cambridge Bay

2.3 SUMMARY OF MEETINGS

Following the Government of Nunavut's introduction and background of the SEMC, an overview of resource development activities in the Kitikmeot region over the past two years was provided. This included general information on exploration projects as well as those currently more advanced in the environmental assessment process. Staff from the Government of Nunavut (GN) and Indigenous Affairs and Northern Development Canada (INAC) then presented information on their respective roles in socio-economic monitoring and environmental assessment across all three regions in Nunavut.

A government roundtable discussion enabled various departments and agencies the opportunity to address concerns and interests related to resource development, and to share any relevant programs that might be of interest to the committee. Education and training programs available through the Department of Family Services and Nunavut Arctic College (NAC) are designed to improve personal skills and qualifications, and assist with professional development. Further, health and financial support services can be accessed through Family Services and the Department of Health. The available training and support programs give Kitikmeot residents access to quality resources to take advantage of employment benefits and cope with potential socio-economic changes from future mining projects.

TMAC presented an update on Hope Bay development and 2014 and 2015 data findings from the annual Doris North Socio-Economic Monitoring Program, which included indicators on employment, economy, education and training, and business expenditure opportunities. The committee reviewed all indicators within the SEMP and did not identify any major concerns regarding indirect socio-economic impacts of the Doris North Project on surrounding communities at this time.

Sabina representatives updated the committee on the Back River Project and explained the company's upcoming steps in the environmental assessment process. Back River is not yet licensed nor has an established SEMP like Doris North, but Sabina did present the committee with a proposed draft SEMP that would be implemented upon construction of the mine if the project is approved. Many members of the committee were pleased with the company's commitment to socio-economic monitoring and will continue to work with the proponent in developing a final monitoring program that captures all socio-economic concerns and priorities.

The format of the meeting was similar to the recent Qikiqtaaluk and Kivalliq SEMC meetings where there were deliberately fewer PowerPoint presentations and more emphasis on community roundtable discussions. This style of meeting was requested in the

past by SEMC members as a way to encourage more discussion from hamlet representatives. Committee members were regularly engaged in thoughtful discussions throughout the meeting and were able to hear directly from hamlet representatives about socio-economic changes occurring in the region.

Subsection 2.2.1 of this report summarizes the presentations and discussions that took place during the two day SEMC meeting in Cambridge Bay. Subsection 2.2.2 briefly provides an overview of the project-specific Doris North Socio-Economic Monitoring Committee meeting that took place on November 2, 2015.

2.3.1 PRESENTATIONS AND DISCUSSION

GOVERNMENT ROUNDTABLE

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

The GN provided an introduction to the committee that summarized the overall purpose and goals of the SEMC as well as the importance of meeting. This served as a refresher for participants who had previously attended the Kitikmeot SEMC as well as a brief overview of the committee for those who had not. The presentation offered an overview of the legal obligation and purpose of socio-economic monitoring in Nunavut and highlighted the roles and responsibilities of interested stakeholders at the SEMC. A review of regional resource development activities from the past year was also provided to give participants some background information ahead of the meeting's discussions.

Nunavut Arctic College, presented by Fiona Buchan-Corey – Campus Dean, Cambridge Bay

Regional enrollment applications in 2015 were the highest ever recorded by Nunavut Arctic College. In the Kitikmeot, over 60 students were accepted at the beginning of the year, 55 of whom enrolled. Currently, there are 50 students on campus between six different programs, which include Office Administration, Social Services, Culinary Arts, Trades Access, Adult Basic Education, and the Environmental Technology Program. The high number of students enrolled in classes is a positive sign for the region and an indication that residents are looking to further develop their personal and professional skills and abilities in order to take advantage of the current and upcoming labour demand.

Although this year's figures indicate a positive trend in post-secondary enrollment, NAC staff note the potential for improvement. Five students withdrew from their programs in the first two months of classes for non-academic related reasons. Personal and financial

challenges were raised anecdotally as the main reasons for student withdrawals, but this was only speculative. This year could have been particularly challenging for students requiring financial assistance because with such a high enrollment rate this year, the student financial assistance funds are more heavily used. Staffs from NAC and Family Services are working on solutions to reduce these obstacles for students.

NAC also briefly talked about the proposed Mine Training Centre that is expected to be constructed within the next few years. Money has been set aside for this project and the preliminary grounds assessment is completed but important discussions are still required to decide on program funding and delivery. Much of these operational costs will need to come from partners. TMAC noted that their labour requirements may differ from other mines in Nunavut because of the geology, mine design, and subsequent specialized positions required for mining. Some meeting participants suggested that a localized mine training facility to support the regional labour force. Discussions amongst relevant agencies and partners regarding the Mine Training Centre are ongoing and will be updated at the next annual meeting.

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

The Canadian Northern Economic Development Agency (CanNor) operates across all three Canadian territories to ensure that government policies and programs are aligned to meet the needs of Northern residents. CanNor has provided the funding for Community Readiness Initiative (CRI) projects, which have been completed in Kugluktuk and are ongoing in Cambridge Bay. CRI is a strategic and collaborative approach to empowering communities as a way to maximize the benefits associated with nearby major resource development projects.

CanNor affirmed the importance of the SEMC in relation to the 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 meaningful discussions and collaborate with partners where possible.

Government of Nunavut Department of Family Services, presented by Brenda Jancke – Regional Director, Kitikmeot

The Department of Family Services (FS) provided the Kitikmeot SEMC with an extensive overview of the available programs offered by FS. Of all the programs that are offered, those within the Career Development Division are of particular interest to the committee due to their relevance to education and training. The Financial Assistance for Nunavut

Students (FANS) program was increased this year in response to the higher number of applications. Demand has also increased for the Adult Learning Training Supports (ALTS) program which had 65 student files this past year. Further the Labour Market Agreement for Persons with Disabilities (LMAPD) is joint-funded by the Government of Canada and the Government of Nunavut. LMAPD has \$1.3 Million of available funding but is greatly underutilized each year. Lastly, the Apprenticeship Program had eight registered apprentices this past year. Three were working at mines in the Northwest Territories while four others were looking for placements.

Government of Nunavut Department of Health, presented by Clara Evalik – Executive Director, Kitikmeot

A brief update on the Department of Health was offered to SEMC members. A new health centre was opened in Taloyoak in 2015 to replace outdated infrastructure. The new facility is a large welcome addition in the community. The Cambridge Bay health centre is the largest in the Kitikmeot region and is the only centre to provide the major services like X-rays and ultrasounds. The Department of Health highlighted their ongoing challenge to hire and retain qualified nurses. Health is currently working with Nunavut Arctic College to train 20 students as Personal Care Assistants. So far the biggest challenge for the students in training has been adjusting to shiftwork, which demands working long hours throughout the night.

Canadian High Arctic Research Station – Polar Knowledge Canada, presented by Dwayne Beattie and Crystal Quamariaq

The construction of CHARS began in 2014 and is on schedule to be completed in 2017. The facility gives Polar Knowledge Canada staff and other Arctic researchers a base for year-round studies, contributing to the Government of Canada's Northern Strategy. Polar Knowledge Canada has identified a list of research priorities for the first five years of operations, starting with the collection of environmental baseline information that will be used to inform northern development. The research team plans to have a greater presence in nearby communities to deliver outreach and capacity building programs in the summer of 2016.

REGIONAL SOCIO-ECONOMIC MONITORING

Nunavut Bureau of Statistics, presented by Ryan Mazan – Director/Territorial Statistician

To assist with monitoring regional socio-economic change, the Nunavut Bureau of Statistics presented government collected socio-economic data from 2013 and 2014. A more

complete and comprehensive overview of socio-economic statistics of all Nunavut communities can be found attached to this report (Appendix B). Below is a brief narrative of the indicators discussed with the committee:

Population:

Despite a minor population decrease in Cambridge Bay in 2012, populations have increased each year since 2008 in all five Kitikmeot communities. The Kitikmeot region however, has the slowest population growth rate in Nunavut. Cambridge Bay has the highest population (1,684) in 2014 followed by Kugluktuk (1,591), Gjoa Haven (1,370), Taloyoak (998), and Kugaaruk (953). Although Kugaaruk has the lowest population in Kitikmeot, it experienced the greatest increase in 2014.

Education:

Each Kitikmeot community aside from Cambridge Bay had an increase in public school enrollment in 2014. Cambridge Bay had the highest number of graduates (12) followed by Kugluktuk (8) Gjoa Haven and Kugaaruk (5), and Taloyoak (4). The graduation rate increased greatly from 16% in 2013 to 27% in 2014 but remains below the Nunavut average (32%). It was mentioned by the committee that graduation rate is not always representative of the education levels because many residents go back to school as adults and are not captured in this statistic.

Health:

Community health centre visits per capita remained similar from 2012 to 2013 with only slight increases in Taloyoak, Kugluktuk, and Kugaaruk. A committee member asked if the increasing health centre visits in Taloyoak influenced the construction of their new health centre. The Nunavut Bureau of Statistics replied that aging infrastructure was likely the primary reason but that high use of the centre may have also been considered.

Income:

The median employment income decreased slightly in all communities with the exception of Taloyoak. Median employment income was significantly highest in Cambridge Bay as it has the greatest number of government jobs. The percentage of tax filers with employment income decreased in each community and overall in the Kitikmeot region from 84% in 2012 to 81% in 2013. Various factors can influence this statistic such as demographic change, but it does indicate that a considerable proportion of the Kitikmeot population do not earn income from employment. The SEMC will continue to track this statistic as mining projects advance and offer more employment opportunities in the Kitikmeot region.

Crime:

The total number of violations and the number of violations per 100,000 persons

decreased in each community except Kugluktuk, where both increased in 2013. Kugluktuk had the highest number of violations per 100,000 persons, while Kugaaruk had the fewest. The committee discussed that alcohol may be a factor in the high crime rates in Kugluktuk and Cambridge Bay, while noting that Kugaaruk is a dry community.

NBS concluded their presentation with a high level overview of current projects to obtain new data. There will be an occupational supply and demand model available in the future that will project the labour supply and demand annually. The supply projections are expected in 2016 while the demand model is currently being developed. This model will give the labour force a better understanding of jobs that are in demand and will guide agencies in developing training initiatives. Also, new employment surveys are currently being developed with Nunavut Tungavik Incorporated and Statistics Canada as per Article 23 of the Nunavut Land Claims Agreement. These surveys will provide valuable information to fill data gaps and connect Nunavummiut with jobs.

INDUSTRY UPDATE

Kaizen Discovery Inc., presented by Sarah Clay – Project Geologist

Kaizen is a Vancouver-based exploration company with early to mid-stage base metal projects in British Columbia and Nunavut, as well as overseas in Australia and Peru. Kaizen, which operates in Nunavut under the subsidiary Tundra Copper Corp., acquired the Coppermine Copper-Silver Project in November of 2014, located in western Kitikmeot southwest of Kugluktuk.

This was the first Kitikmeot SEMC meeting attended by Kaizen and a good opportunity for committee members to learn about the Coppermine Project. Kaizen completed a successful drilling summer in 2015 and plans to return in 2016. Five Inuit employees from Kugluktuk were hired as wildlife monitors, core-cutters, and community liaison officers during the eight-week exploration program, earning more than \$57,000 in gross payroll. The company also worked closely with the Kugluktuk Hunters and Trappers Organization (HTO) to ensure sound wildlife monitoring was conducted. Looking ahead, Kaizen is considering options to deliver training programs for Inuit employees for upcoming field seasons.

Lastly, Kaizen made a note of their positive relationship with the HTO and the community of Kugluktuk. The company completed an archeological study of the area and drafted a Wildlife and Environmental Mitigation Plan with the assistance of the Kugluktuk HTO. Community consultations took place just prior to the summer field season in April and May, 2015.

At the conclusion of the presentation, a few committee members urged Kaizen to strongly consider investing some money for mine training in Kugluktuk to support the individuals who are interested in mining. Support could be in the form of hosting their own training events or to provide funding to the Nunavut Arctic College for specific mine related training. The representative from Kaizen acknowledged this concern and ensured those comments will be brought back to headquarters for further consideration.

Sabina Gold & Silver Corp., presented by Jason Prno – Community Relations Advisor

Sabina is a Vancouver-based precious metals company on track to become a mid-tier gold producer. The company is focused on the Back River Project located south of Bathurst Inlet. Exploration at this location began in 1982 and after several different owners was acquired by Sabina in 2009. Sabina submitted their Final Environmental Impact Statement in November 2015 and continues to advance the Project through the permitting process.

Sabina had originally included a second property, the George Property, in their draft environmental impact statement but have since dropped it from their final project description. The proposed Project is a ten year mine life at a milling rate of 6,000 tonnes/day. Feasibility studies were conducted in May and September 2015 and issued positive results and the potential to be a profitable project. The company has initiated talks with the Kitikmeot Inuit Association on an Inuit Impact and Benefit Agreement (IIBA) but negotiations have not been finalized.

The proposed Back River project has much to offer to the socio-economic environment. Sabina will offer hiring preferences for individuals in Kitikmeot communities and provide training opportunities to northern hires to further develop personal and professional work skills. Further, contracting and business opportunities will be made available with preference given to Kitikmeot and Nunavut-based companies. Sabina employed 58 Inuit during the 2013 field season for a gross payroll of over \$1.6 million. Despite a decrease in project activities and employment 2014, Sabina was able to maintain 50% Inuit employment content and a gross payroll of nearly \$340,000.

If the Back River Project is approved, approximately 650 positions will be required for four years of construction, then approximately 800 positions for the 10 years of operations. These numbers represent annual averages and will likely peak at another ~350 employees during busy periods of both construction and operation.

A valuable conversation was had on the proposed Back River Socio-Economic Monitoring Program (SEMP) that is presented in the Back River FEIS. Project-specific SEMPs are a major component of the regional committee meetings as they provide communities and impacted stakeholders a resource to gain a comprehensive understanding of the socio-

economic environment throughout the life of the mine. A collection of indicators designed to monitor the predicted impacts within the Back River FEIS were presented to the committee and discussed in detail. Data collection for the proposed indicators will be a shared responsibility of Sabina and government agencies to ensure proper monitoring of economic development, employment, business opportunities, education and training, health and wellbeing, as well as subsistence economy and land use.

A few questions were raised by committee members following Sabina's presentation, most regarding the employment and training opportunities that will be offered. Sabina spoke about their ongoing efforts to engage communities at Career Fairs and Trade Shows, and talked about how specific efforts are often placed on attracting youth to mine work through high school presentations. Employment options for summer students will be considered by the company but will be restricted to students over the age of 18 due to mining regulations. Sabina is committed to continuing their community outreach programs as the mine advances into the construction and operation phases.

TMAC Resources, presented by Kent Gustavson – Consultant with ERM

Miramar Mining was issued a project certificate for the Doris North Gold Mine Project in 2006 before selling the Project to Newmont in 2007. Newmont subsequently upgraded the infrastructure onsite minus a processing mill before placing the Project in care and maintenance in 2011. The Project was later acquired by TMAC Resources in 2013, who have recently taken the permitted Doris North Project out of care and maintenance, and into construction for the start of gold production in early 2017.

TMAC has applied to amend the Doris North Project Certificate, the most notable change being an extended mine life from two to six years. As per the new project description the Doris North Project will employ approximately 280 onsite workers beginning in 2018 and leading to an estimated 1,822 person years of work up until 2022. A prefeasibility study was completed in April 2015 that provided updated and increased resource estimates for Doris North. TMAC also successfully raised \$130 million and secured a loan for an additional \$150 million to get the Project through the environmental assessment phase and up and running. A new 20-year agreement with the Kitikmeot Inuit Association (KIA) was reached as part of the IIBA which permits TMAC land access in exchange for water and wildlife compensation, royalties, and annual implementation payments.

TMAC is required to monitor the relevant effects of the Doris North Project on the socio-economic environment in the surrounding area. This is accomplished through the Doris North SEMP that was initially developed in 2007, and has since been modified to best serve the monitoring priorities of the Kitikmeot SEMC and relevant agencies. TMAC presented

the most recent data from the 2015 annual report. Below is a brief summary of the presented results. The full report can be accessed on the SEMC website.

Health Care Services:

The Project has not resulted in an increased demand on health care services in Kitikmeot communities as medical aid was not required by any employees in 2015.

Community Well-Being and Delivery of Social Services:

For the past three years no Project employees have relocated to other communities within the Kitikmeot region to work at the mine. TMAC maintains points of hire throughout the Kitikmeot and provides fly-in/fly-out to site to minimize this potential impact. With regards to the percentage of employees who have resigned due to stress and homesickness, TMAC considered this number to be too small to report in order to protect confidentiality. Although there appears to be no evidence yet of stress-related terminations, the committee will continue to closely monitor this indicator due to its effect at other mining operations in Nunavut.

Employment:

The number of onsite workers increased in 2014 due to a larger exploration program, then increased again in 2015 as the focus shifted to further construction activities for planned production in 2017. Employment levels peaked in September 2015 with an average of 90 employees at site, with a maximum of 244 (including contractors) at one point. The percentage of person-days worked by Kitikmeot Inuit employed by TMAC was 41% in 2015. When including contractors this percentage was 8% in 2015. Inuit employment is expected to further increase in coming years.

After exceeding the Canadian mining industry average of female participation in 2013 and 2014, TMAC's female employment fell in 2015 to 8.1% of the total person-days worked. However, TMAC expects to have the opportunity to hire more women as the Project moves towards operation.

Economy:

Increased activity onsite requires more employees and has led to a higher payroll in recent years. In 2015, the total TMAC payroll was \$6.1 million, with \$1.3 million of that going to employees in Kitikmeot communities. The Project has resulted in substantial business opportunities for Inuit-owned businesses. In 2014, TMAC awarded \$17.5 million in contracts to Kitikmeot-based or Inuit-owned businesses, or 40% of total contract expenditures. Cambridge Bay serves as the logistics hub and has been the recipient of most contracts. Estimates for 2015 are currently unavailable.

Education and Training:

No scholarships or apprenticeships have been awarded by TMAC since 2013. However, as part of the IIBA, TMAC will create an Education and Training Fund in 2017 to support scholarship opportunities. On the job training has increased annually since 2013 to correspond with increasing employment onsite. Three hundred and fourteen workers received training in 2015, compared to 138 workers in 2014, and 118 individuals in 2013.

2.3.2 DORIS NORTH SOCIO-ECONOMIC MONITORING COMMITTEE

A Project Certificate for the Doris North Gold Mine Project was awarded on September 15, 2006. Project Certificate Term and Condition 28 outline how socio-economic monitoring of the Project will take place:

Condition Number	Doris North Gold Mine Project Certificate Terms and Conditions
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 accordance with Term and Condition 28 the Doris North Socio-Economic Monitoring Committee (the Working Group) met on November 2, 2015 to review results from the 2015 annual Doris North SEMP. The Working Group went through each of the 39 indicators to ensure that the collected data has not deviated from the predicted impacts outlined in the Final Environmental Impact Statement. The Working Group also discussed areas to improve the Doris North SEMP so that monitoring priorities of each member organization are captured and that areas of mutual interest are fully incorporated. A list of ideas and recommendations were compiled and will now be a priority of the Working Group to apply where possible. The recommendations put forward by members of the Working Group include, but are not limited to, the following:

- For government data at the community level, also report rate (per capita) statistics along with totals where appropriate (e.g., health center utilization).
- Confirm with the Nunavut Housing Corporation their interpretation of the main reason behind the recent increase in number of applicants for public housing (our information is that it is primarily due to the new rate structure and recent initiatives to encourage individuals to apply).
- For the next report (2016), consider adding TMAC staff turn-over rate statistics along with number of resignations. The Working Group would also like to have further information on the type of data that is collected to document the reason behind resignations (i.e., topics for exit survey questions).
- Also, as the TMAC workforce increases, consider adding statistic on number of relocations out of the Kitikmeot region (e.g., residents moving to Yellowknife or further south).
- As the project and human resource planning advances, consider including workforce classification information by NOC (at least high level – A, B, C, D, etc.).
- Reconsider the reporting for employment data (e.g. Full Time Equivalents rather than person-years)
- Again for subsequent reports, consider providing data on median size and range of the value of contracts, in addition to total value of contracts.

2.3.3 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 two days of meeting. Any outstanding items should be reviewed at the next meeting in order to discuss solutions or plans moving forward.

Item	Organization(s)	Timeframe
Request to distribute a presentation template and agenda topics prior to next year’s meeting	GN – EDT	Next SEMC
Consider breakout groups throughout meeting to generate more discussion	SEMC	Next SEMC
Hear about other regional SEMC meetings and the topics that are discussed	GN – EDT	Next SEMC
Strong interest to hear of main findings from other project-specific SEMP reports	GN – EDT	Next SEMC

Implement comments and suggestions into future Doris North SEMP reports	GN INAC TMAC KIA	Ongoing
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3. DISCUSSION

This section briefly summarizes the main topics of discussion at the eighth Kitikmeot SEMC meeting in Cambridge Bay.

3.1 KITIKMEOT SEMC AND PROJECT-SPECIFIC MONITORING

Members of the Kitikmeot SEMC gathered in Cambridge Bay to talk about the current and potential effects of resource development on the socio-economic environment. The committee also discussed the various resources that are available to Nunavummiut to take advantage of the benefits that mining has to offer and to cope with any potential undesired impacts that may occur. Project updates were provided by Kaizen, Sabina, and TMAC. The committee also provided a thorough review of the Doris North Socio-Economic Monitoring Program report.

As the Back River Project moves forward in the environmental assessment process and TMAC advances with their Doris North Project Certificate amendment application, it is possible that two major projects will be active in the Kitikmeot in the near future. Doris North has most infrastructure already in place and is in a position to be in production by early 2017, while Sabina and the Back River Project will require several years of construction prior to operations. Nonetheless, there will be employment and training opportunities for residents interested in mining in the Kitikmeot region should these projects advance.

The committee's focus now is preparing communities to fully realize the benefits of mining while ensuring proper support programs are in place to assist with any potential negative impacts. Nunavut Arctic College and the Department of Family Services offer courses, programs, and financial support that promote skills development and access to mine related employment. Further, onsite job-specific training opportunities that currently exist at Doris North and Back River projects will become more available should operations pick up over the next few years.

The Doris North SEMP provided valuable information for the committee to discuss. Onsite activity increased after the Doris North Project was taken out of care and maintenance, which led to increased employment, payroll, training, and business contracts in 2015. These numbers can be expected to further increase as the Project transitions to operations. Results from the Doris North SEMP so far do not indicate any significant impacts on health care services, housing, or social services. The Doris North Working Group is working to refine some of the current indicators which may add new insight to the Project's overall

effects. This will be area of interest to the wider Kitikmeot SEMC and will be updated along with 2016 data at next year's annual meeting.

Members of the Kitikmeot SEMC made suggestions for consideration at the next annual meeting. Most notably, members would like to hear highlights from other project-specific SEMP's across Nunavut. Communities in the Kitikmeot are interested to learn in greater detail how Kivalliq communities have responded to the Meadowbank mine and if North Baffin communities have changed since the Mary River Project began operating. Kitikmeot communities want to gain an understanding of other major mine projects in Nunavut to have a better idea of what opportunities and impacts may be expected.

In addition to updates on other major projects in Nunavut, the committee will review any changes made to the Doris North SEMP at the next annual meeting. The Kitikmeot SEMC will continue to monitor the socio-economic environment and engage in open dialogue with industry proponents and government officials to share ideas of ways to maximize benefits and minimize impacts of resource development across the region.

APPENDIX A: PRESENTATIONS

Appendix A is in a separate document that contains the Power Point slide presentations discussed within this report in the order they were discussed and scheduled in the agenda:

1. Government of Nunavut
2. Nunavut Bureau of Statistics
3. Polar Knowledge Canada / CHARS
4. Kaizen Discovery Inc.
5. Sabina Gold & Silver Corp.
6. TMAC Resources

APPENDIX B: STATISTICS

Appendix B is in a separate document that 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)