

Kivalliq

Socio-Economic Monitoring Committee

2015 Annual Meeting Report

Rankin Inlet, Nunavut: October 27-28, 2015



Core samples at the Meliadine exploration camp, 2015.

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EXECUTIVE SUMMARY

The Kivalliq Socio-Economic Monitoring Committee (SEMC, or ‘the committee’) gathered in Rankin Inlet for its annual meeting on October 27-28, 2015 to discuss and review resource development activity in the Kivalliq and the subsequent socio-economic changes in surrounding communities. Despite having only three of seven hamlet representatives able to participate, the meeting was otherwise well attended by government agencies, training organizations, and industry. Further, a youth and an elder representative were in attendance to provide additional perspectives to the complex topics that were discussed during the two days.

Day one of the meeting began with a government roundtable introduction and discussion from various departments and agencies in attendance. The conversation touched on some of the different services and opportunities offered in the region with emphasis on education, training, and employment. Agnico-Eagle Mines (AEM) then provided updates on the Meadowbank and Meliadine projects, which included training and employment numbers for 2015, as well as the company’s expected activities for 2016. Much of the day was devoted to an extensive review of the draft Meadowbank Socio-Economic Monitoring Program (SEMP) report. Staff from Stratos Inc. who helped with the development the draft SEMP report went through each indicator with committee members and described the observed data trends, as well as AEM’s response and management plans. This allowed the Kivalliq SEMC to ensure that the report covered all monitoring priorities and to provide comments and feedback prior to the report’s final submission to the Nunavut Impact Review Board.

The second day of meetings included a presentation and discussion from the Nunavut Bureau of Statistics (NBS) on socio-economic indicators and data collected by government agencies. Some of this data was included in the Meadowbank draft SEMP report and was discussed earlier in the meeting, but was useful to review with added insight from NBS staff. Upon conclusion of the meeting, Agnico-Eagle arranged for a site tour of Meliadine mine for interested committee members.

A common theme throughout the two days of presentations and discussion was the significance of quality education and training opportunities for Kivalliqmiut. SEMC members routinely expressed their optimism regarding training and employment with the opportunities offered at Meadowbank but would also like to see more support for students in secondary school. These areas of interest continue to be a priority for the Kivalliq SEMC and are among the many indicators that will be monitored in the Meadowbank SEMP annual reports.

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LIST OF ACRONYMS

- AEM: Agnico-Eagle Mines, owner and operator of the Meadowbank Mine in the Kivalliq region.
- 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.
- 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 Qaujimatjuqangit, 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 impacts 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 Socio-Economic Monitoring Committees and provides the background and purpose of the committees. Chapter two summarizes the proceedings of the 2015 annual Kivalliq SEMC meeting in Rankin Inlet on October 27-28, 2015. This chapter includes the meeting agenda, participant list, and summaries of presentations and discussions. It also provides a summary of the Meadowbank-specific meeting that took place prior to the SEMC meeting on October 26. Lastly, chapter three provides some discussion on common topics that were raised during the meeting and some points for further consideration.

LETTER FROM THE CHAIRPERSON

The ninth meeting of the Kivalliq Socio-Economic Monitoring Committee was held on October 27-28, 2015 in Rankin Inlet.

I would like to thank all participants who were able to set time aside and contribute to the important work led by the Government of Nunavut to monitor socio-economic changes in the Kivalliq region. In attendance were representatives from territorial and federal governments, the communities of Rankin Inlet, Chesterfield Inlet, and Coral Harbour, Agnico-Eagle Mines, as well as other important stakeholders including Nunavut Arctic College and the Kivalliq Mine Training Society.

The SEMC meeting offers a unique venue to discuss regional issues and concerns with other stakeholders impacted by resource development. This year was no exception as committee members spent time talking about education, training, and employment.

One of the highlights of this meeting was an extensive review of the draft Meadowbank Socio-Economic Monitoring Program report that AEM and consultants from Stratos presented to the SEMC. The review allowed committee members to gain a thorough understanding of the socio-economic changes that have occurred in Kivalliq communities since the mine opened in 2010. The Meadowbank SEMP report is the product of hard work by committee members, and especially AEM. The report is an important step to monitoring the socio-economic benefits and impacts of Meadowbank on surrounding communities.

As mining projects continue to develop in the Kivalliq region there is a great need for training prospective employees. The SEMC will continue to support and foster this need and will ensure that we all work as partners to ensure that the Kivalliqmiut are active participants in the workforce.

Once again I would like to thank the participants of the Kivalliq SEMC and I look forward to following up on our discussions at next year's meeting.

Sincerely,

Laura Mackenzie

Chairperson, Kivalliq 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 Rankin Inlet was the second regional SEMC meeting of the 2015-2016 fiscal year (the Qikiqtaaluk SEMC met in April). The third regional meeting took place in the Cambridge Bay in November, 2015.

Regional 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 B 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 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, 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 KIVALLIQ SEMC MEETING, RANKIN INLET

The ninth Kivalliq SEMC meeting was held in Rankin Inlet on October 27-28, 2015. Representatives from three hamlets were in attendance to share experiences and information regarding socio-economic changes experienced in their home communities. Participants also heard from Government of Nunavut regional staff, the Government of Canada, and Agnico-Eagle Mines. In addition to the regional SEMC, the project-specific Meadowbank Socio-Economic Monitoring Committee met on October 26, 2015 to review the draft Meadowbank Socio-Economic Monitoring Program report that was near completion in accordance with project certificate terms and conditions.

2.1 AGENDA AND PARTICIPANTS

This section reflects the intention of the meeting and 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 October 27, 2015;
Wednesday October 28, 2015

Location: Turaarvik Hotel – Rankin Inlet, NU

Chair: Laura Mackenzie, Director of Community Operations, Kivalliq, GN-EDT

Schedule:

DAY 1 – OCTOBER 27, 2015

Morning session

9:00 AM – 11:45 AM

1. General Opening	
GN-EDT • Laura Mackenzie	Opening Remarks by the Chairperson
SEMC	Participant introductions
GN-EDT • Clayton Lloyd AANDC • Tamara Fast	Purpose of the SEMC and objectives of this meeting • Review Agenda • What has happened since the last SEMC? • Kivalliq SEMC overview • Meadowbank Socio-Economic Monitoring Working Group • Meeting objectives

2. Socio-Economic Monitoring	
Government Roundtable <ul style="list-style-type: none"> • Education • Finance • Family Services • Arctic College 	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 • KMTS 	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"> • Vincent Gosselin 	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 unexpected trends?

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

3. Proponent Updates	
Agnico-Eagle Mines <ul style="list-style-type: none"> • Graeme Dargo 	Meadowbank Gold Mine <ul style="list-style-type: none"> • Update on 2015 project activities • Employment and Training • Baker Lake Wellness Study update • Planned work for 2016
<i>Discussion</i>	<ul style="list-style-type: none"> • Are the results as expected? • Interesting or unexpected trends?
Stratos Inc. <ul style="list-style-type: none"> • Stefan Reinecke • Adam Fryer 	Draft Meadowbank Socio-Economic Monitoring Program <ul style="list-style-type: none"> • Review draft monitoring program • Discussion of indicators
<i>Discussion</i>	<ul style="list-style-type: none"> • Comments or input? • Interesting or unexpected trends?

DAY 2 – OCTOBER 28, 2015

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

4. Kivalliq SEMC Priorities	
Kivalliq SEMC	Discussion of SEMC priorities <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 Kivalliq Socio-Economic Monitoring Committee

October 27-28 Rankin Inlet

Group	Organization	Name	Position	Community
GN	EDT	Laura Mackenzie	Director, Kivalliq Community Operations	Rankin Inlet
	NBS	Meeka Mearns	Information Officer/Analyst	Pangnirtung
	NBS	Vincent Gosselin	Senior Analyst/Project Manager	Pangnirtung
	EDU	Shelly Pepler	Executive Director, Kivalliq	Baker Lake
	NAC	Susan Enuaraq	Dean, Kivalliq Campus	Iqaluit
	FIN	Bill Neish	Director of Kivalliq Operations	Rankin Inlet
	EDT	Clayton Lloyd	Regional Socio-Economic Coordinator	Iqaluit
	EDT	Lou Kamermans	Manager, Environmental Assessment and Regulation	Iqaluit
Industry	Agnico-Eagle	Graeme Dargo	Superintendent – Communications and Community Affairs (Nunavut)	Yellowknife
	Stratos Inc.	Stefan Reinecke	Consultant	Ottawa
	Stratos Inc.	Adam Fryer	Consultant	Ottawa
GoC	AANDC	Tamara Fast	Regional Socio-Economic Analyst	Iqaluit
Hamlets	Arviat	-	-	-
	Baker Lake	-	-	-
	Chesterfield Inlet	Jimmy Karko	Deputy Mayor	Chesterfield Inlet
	Coral Harbour	Jackie Netser	Mayor	Coral Harbour
	Naujaat	-	-	-
	Rankin Inlet	Joyce Ayaruak	Hamlet Council	Rankin Inlet
	Whale Cove	-	-	-
RIA	KIA	-	-	-

Other Interested Stakeholders	KMTS	Evan Morrison	Manager of Programs	Rankin Inlet
	Participant	Hannah Benoit	Elder Representative	Rankin Inlet
	Participant	Katheryn Misheralak	Youth Representative	Rankin Inlet
Observers	NIRB	Sophia Granchinho	Senior Technical Advisor	Arviat

2.2 SUMMARY OF MEETINGS

The Government of Nunavut (GN) first provided a brief overview of resource development activities in the Kivalliq region that have occurred since the last annual meeting, which included information on the current stage of development or review of each significant project. Government staff from the GN and Indigenous and Northern Affairs Canada (INAC) then presented information on their respective roles in socio-economic monitoring across all three regions in Nunavut. This provided context for committee members to assist with discussion topics over the course of the meeting.

Similar to last year's meeting, the roundtable discussion was largely focused on education and training issues within the region. Committee members tend to be most interested in these areas in order to take advantage of the economic benefits offered by mining projects. The Department of Education talked about different partnership opportunities with Agnico-Eagle Mines in addition to some internal reviews currently ongoing that will improve the quality of education delivered to students in the future. Additionally, the Kivalliq Mine Training Society (KMTS) described the organization's background as well as the training programs that are offered in collaboration with AEM to develop a strong and skilled labour force.

The meeting proceeded with a presentation from AEM to highlight the company's 2015 activities and socio-economic monitoring efforts at Meadowbank and Meliadine projects. AEM presented employment and training numbers and talked about the recent progress in further developing the Baker Lake Community Wellness Study, which is a requirement of the Meadowbank Inuit Impact Benefit Agreement. Following the AEM discussion was an extensive review of the draft Meadowbank SEMP by staff from Stratos Inc. The presentation outlined each indicator in the draft SEMP followed by an explanation of observed data trends from 2010 to 2014.

The Nunavut Bureau of Statistics shared monitoring information from all seven Kivalliq communities. The committee looked at statistics on population, education, health, income, crime, and food prices, and discussed differences between the statistics and what is commonly experienced and observed in the communities.

The format of this meeting was similar to the most recent Qikiqtaaluk SEMC meeting where there were deliberately fewer PowerPoint presentations, placing more emphasis on community roundtable discussions. This style of meeting has been requested in the past by the SEMC and proved to be quite successful. The committee was regularly engaged in thoughtful discussions and was 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 Rankin Inlet. Subsection 2.2.2 briefly provides an overview of the project-specific Meadowbank Socio-Economic Monitoring Committee meeting that took place on October 26, 2015.

2.2.1 PRESENTATIONS AND DISCUSSION

GOVERNMENT ROUNDTABLE

Department of Economic Development and Transportation, presented by Clayton Lloyd, Regional Socio-Economic Monitoring 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 have previously attended the Kivalliq SEMC as well as a brief overview of 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 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.

Department of Education, presented by Shelly Pepler, Executive Director (Kivalliq)

The Department of Education's (EDU) ongoing partnership with Agnico-Eagle developed through a Memorandum of Understanding (MOU) has helped generate a greater awareness on trades certifications and career opportunities for students in the Kivalliq region. EDU is currently reviewing the *Education Act* and placing specific emphasis on English and Inuktitut literacy skills. Many students have struggled to gain employment upon graduating from high school and with the trades entrance exam. Therefore, EDU is working to ensure a more rigorous literacy standard is set for students. EDU is also committed to providing more support for teachers. Learning Coaches have been contracted and trained in several communities to assist teachers in dealing with sensitive subjects with their students.

The committee had several questions and comments following the presentation, many regarding the need for a higher English and Inuktitut literacy standard for students. The committee was pleased to see all the work and resources going into addressing this issue. A question was asked if elders could be hired as Learning Coaches, despite not having formal teaching certificates. The representative replied that some schools across the territory do offer teaching certificates for anyone interested in counseling and encourage elders to get involved if they wish.

Department of Finance, presented by Bill Neish, Director of Kivalliq Operations

The Department of Finance (FIN) reiterated the message from EDU and stressed the need for quality education and also the need for teaching personable skills to help with interviewing. FIN has noticed interviewing skills have been a barrier for many people who could potentially fill vacant positions. FIN currently has a 93% Inuit employment rate within the department but recognizes this number could still be higher. FIN also asked if there would be any interest from Nunavut Arctic College (NAC) to offer finance and accounting programs, adding that these are well paying jobs that are always in demand. NAC will discuss the idea with headquarters to determine if there would be enough demand.

Kivalliq Mine Training Society, presented by Evan Morrison, Manager of Programs

The Kivalliq Mine Training Society (KMTS) is a joint funded training organization that works closely with government and industry to find and train local residents for mining jobs in high demand. KMTS has successfully trained many current employees at Meadowbank and continues to develop new programs to encourage greater labour force participation.

One of the latest programs launched by KMTS is Make It Work – a spousal support program designed to help with financial management and to demystify the mine site. The need for stronger family support at home has been voiced by employees as a major challenge of mine work. KMTS and AEM hope that bringing spouses to the mine site to see first-hand what goes on during a regular shift will increase transparency and ease some of the undesired impacts. Make It Work was successfully delivered four times in 2015. Program officials intend to train three Inuit facilitators to ensure its continued success.

Committee members expressed appreciation for the programs offered by KMTS as this aligns with one of the committee's top priorities. The only question asked following the presentation was regarding cross cultural training for new hires. It was mentioned that Inuit workers may feel that they are discriminated against onsite, which can cause some to want to quite their job. AEM helped answer this question by providing details of the cross cultural orientation that is mandatory for all new hires and reaffirmed that racism is not tolerated onsite. Employees are encouraged to file complaints to the training committee rather than their supervisors if they prefer.

Nunavut Arctic College, presented by Susan Enuaraq, Dean — Kivalliq Campus

The Nunavut Arctic College (NAC) representative provided a brief summary of offered programs applicable to the mining industry. The Heavy Truck Training course located in

Rankin Inlet is very well attended by students interested in mine work. Other courses include the Pathway to Adult Secondary School (PASS) and Getting Ready for Employment and Training (GREAT) programs that help individuals with standard basic education for those who did not complete high school. These programs provide graduates with the necessary skills to succeed and excel in the workforce. NAC is also focusing on improving the delivery of all programs in Inuktitut as well as English.

Lastly, NAC highlighted that many pre-apprentice graduates have had trouble in the past gaining employment with mining companies and asked if Agnico-Eagle could provide insight as to why this might be. AEM responded by explaining that the company has actually hired on many more apprentices this year compared to previous years. However, the challenges currently experienced by the NAC pre-trades graduates are a result of the apprenticeship positions are currently low in demand at Meadowbank. Unlike when the Project was in the construction phase and required electricians, plumbers, and carpenters, the Project now requires specialized industrial tradespeople. However, when Meliadine goes ahead, more opportunities will open up for the NAC apprentices.

INDUSTRY UPDATE

Agnico-Eagle Mines, presented by Graeme Dargo, Superintendent — Communications & Community Affairs (Nunavut)

AEM is the most well-known mining company in the Kivalliq and has operated the Meadowbank mine since 2010. Despite a sluggish gold market, Meadowbank is expected to continue gold production through to 2018. The company is also currently exploring a satellite deposit located 50 km north of Meadowbank called Amaruq that would use all Meadowbank facilities including the mill, camp, airstrip, and maintenance shops. Permitting is not expected to be complete until 2019, although AEM is asking regulatory agencies to consider a more expedient regulatory process to avoid a 12-month gap between the closing of Meadowbank and potential opening of Amaruq.

Agnico-Eagle's other major project, Meliadine, is one of the company's largest and highest grade mineral resources. AEM was issued a Project Certificate for Meliadine in February 2015 and later signed an Inuit Impact and Benefit Agreement (IIBA) in August 2015. Meliadine is located near Rankin Inlet and will provide significant economic benefits to the surrounding communities when the decision is made to construct the mine.

At Meadowbank, 2015 Inuit employee content remained stable at roughly 35% with a total of 297 Inuit employees as of October 1, 2015. Baker Lake supplies the majority of those employees (156) followed by Arviat (56) and Rankin Inlet (42). The Kivalliq SEMC was impressed to learn that \$5.6 million dollars was invested in the training of Inuit employees

at Meadowbank in 2014. Eighty-five per cent of that total was dedicated to upward mobility programs, which enable Inuit staff to take on greater workplace responsibility and be compensated accordingly. Perhaps the most impressive statistic regarding training was the 16 active apprentices at Meadowbank in 2015.

Agnico-Eagle concluded with an update on the Baker Lake Wellness Study, which is a requirement of the Meadowbank IIBA. Stratos Inc. has taken over the project from the University of Guelph after progress on the project slowed. The next steps for the Baker Lake Wellness Study are to work with the previously identified priority areas and compile a report outlining their connection to the Meadowbank Mine, assess programs and resources currently available to assist with the issue, identify any gaps and challenges, and discuss potential opportunities for improving community health and wellness in Baker Lake. An update on this project will be provided to the SEMC at next year's annual meeting.

Meadowbank Socio-Economic Monitoring Program, presented by Stefan Reinecke and Adam Fryer, Stratos Inc.

Staff from Stratos Inc. (Stratos) attended the Kivalliq SEMC to review in great detail the latest draft Meadowbank SEMP report with members of the committee. Stratos went through each indicator within the SEMP and discussed the baseline data, the predicted impact, and the monitoring results since operations began in 2010. Also discussed were the management plans that have been implemented by AEM to mitigate any negative socio-economic impacts as well as to further enhance the positive benefits. Kivalliq SEMC members had an opportunity to ask questions and provide input into the SEMP prior to its submission to the Nunavut Impact Review Board.

Employment:

There were 269 Nunavummiut employed (34% of total workforce) at Meadowbank in 2014, an increase from 244 (32% of workforce) in 2013. Female employment was 15% of the total workforce in 2014, an increase from 10% in 2013. The majority of Nunavummiut employees live in Baker Lake (155) followed by Rankin inlet (44) and Arviat (38). In 2014 there was at least one employee from each community in the Kivalliq. The employee turnover rate in 2014 was 26% for Inuit employees compared to 7% for non-Inuit.

Income:

Total annual income paid to Meadowbank Inuit employees has remained stable throughout the mine's operation phase. \$18.2 million was paid to Inuit employees in 2014, a slight increase from 2013. An additional \$2 million was paid to employees of contractors at Meadowbank in 2014. Most communities in the Kivalliq have experienced a positive

increase in median employment income since 2010, which can be partly attributed to employment at Meadowbank.

Contracting and Business Opportunities:

Baker Lake and other Nunavut businesses have benefited from Meadowbank contract expenditures. Although numbers decreased in 2014, Baker Lake businesses received \$38 million worth of contracts, while other Nunavut based businesses received \$67 million in contracts. Although Meadowbank contract expenditures have been declining in recent years because of project phase and the global gold market, the overall proportion of contract expenditures to NTI registered businesses increased in 2014 and represented 37% of total Meadowbank contract expenditures.

Education and Training:

AEM offers access to a number of programs designed to improve general education and skills attainment of Kivalliq residents as well as job training and career development for existing employees. AEM offers a Work Readiness Training program, a summer student employment program, haul truck driver training, and the Career Path Program, which has successfully supported Meadowbank employees develop new skills and move upward in the workforce.

Migration:

According to AEM data, 12 Inuit employees moved from Nunavut to southern provinces in 2014 after taking up employment at Meadowbank. This is a slight increase from the 10 employees that moved south in 2013 but remains below 5% of the total Inuit workforce.

Individual and Community Wellness:

Monitoring of individual and community wellness will be further improved when the Baker Lake Wellness Study is complete. Until then the Meadowbank SEMP uses various relevant indicators to capture trends. Criminal violations significantly increased in Baker Lake in 2009 and 2010 but have since leveled off and even have begun to decrease in recent years. Onsite, AEM offers many support programs and counselling for employees who struggle with the working environment at the mine. Support programs include Employee Family Assistance, onsite councilors, elder visits, Family Network Program, and the aforementioned Making It Work program in partnership with KMTS.

Community Infrastructure and Services:

There has been a significant increase in Meadowbank employees referred to community health care centres in recent years. However, per capita visits remain relatively stable with the exception of Naujaat and Chersterfield Inlet, in which per capita visits have increased at

a higher rate. Additional information from the Department of Health is required in order to draw conclusions or explanations of this observed trend.

A complete and more comprehensive assessment of the benefits and impacts of the Meadowbank Project on the socio-economic environment can be found in the final version of the Meadowbank SEMP annual report, which was submitted to the NIRB in December 2015 and can be located at www.NunavutSEMC.com.

REGIONAL SOCIO-ECONOMIC MONITORING

Nunavut Bureau of Statistics, presented by Vincent Gosselin, Senior Analyst/ Project Manager

To assist with monitoring regional socio-economic change, the Nunavut Bureau of Statistics (NBS) presented government collected socio-economic data. NBS shared and discussed data from all seven Kivalliq communities and compared statistics from 2014 and 2013. A complete overview of socio-economic statistics of all Nunavut communities is attached as an appendix to this report (Appendix B). Below is a brief narrative of the indicators discussed with the Committee:

Population:

Very small increases in population were observed across Kivalliq communities in 2014. The largest increases occurred in Rankin Inlet and Arviat, which experienced increases of 90 and 81 persons, respectively. These numbers are estimates only.

Education:

2014 public school enrolment increased or remained relatively similar from the year prior in all Kivalliq communities, with the largest increase occurring in Arviat. The highest number of high school graduates was observed in Rankin Inlet (40) followed by Baker Lake (14) and Arviat (13). The graduation rate was highest in Kivalliq compared to the rest of Nunavut at 43.1%, increasing from 38.6% in 2013.

Health:

Health centre visits per capita in Kivalliq communities vary between roughly 5 in Arviat to nearly 12 in Chesterfield Inlet. Committee member noted that population demographics play a significant role in this statistic. Generally, communities with more elders and youth will likely see more health centre visits whereas communities with a higher proportion of working age residents will observe fewer visits. Chesterfield Inlet stands out with the highest per capita visits (11.7) in 2014. The hamlet representative explained this might be high because of the Naja Isabelle Home located in the community; a care facility for

individuals with disabilities that take in patients from across Nunavut, thereby increasing its statistics.

The suicide rate in Nunavut is at crisis levels, thirteen times higher than in the rest of Canada. The total number of suicides decreased in all regions in 2014 compared to 2013. The Kivalliq region ranked second out of Nunavut’s three regions for number of suicides in 2014 with seven (7).

Income:

The median employment income across Kivalliq communities was highest in Rankin Inlet in 2013 and 2014. This is expected given the number of government jobs and businesses located in the community. Naujaat ranked the lowest in terms of median employment income and dropped in 2013 to \$9,900 from \$15,900 in 2012. Hamlet representatives could not provide reasons why this might be the case but expressed concern and interest to continue monitoring this indicator and see up-to-date statistics at next year’s meeting.

Crime:

The number of actual violations per 100,000 persons was highest in Rankin Inlet and Baker Lake in 2014. However, in both communities those numbers were lower than in 2013. Chesterfield Inlet and Whale Cove were the only two communities to experience an increase in violations from the year prior.

2.2.2 MEADOWBANK SOCIO-ECONOMIC MONITORING WORKING GROUP

As a fully permitted and operating project, Agnico-Eagle Mines 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 Meadowbank Socio-Economic Monitoring Working Group developed a Terms of Reference for a Meadowbank Socio-Economic Monitoring Program in 2007 but had encountered several challenges in developing an annual report as Program Framework Requirement 6 (see June 29, 2007 correspondence between AEM and the NIRB for the full Meadowbank SEMP ToR¹). The Terms of Reference was modified in 2012 to better serve the Working Group and is included in the final Meadowbank SEMP report.

A socio-economic monitoring outline was discussed and agreed in principle by AEM, the GN, INAC, and KIA at the 2014 Kivalliq SEMC meeting to serve as a starting point for the development of the Meadowbank SEMP. AEM contracted Stratos to complete the report, and in July 2015 Stratos circulated the first draft to the Working Group organizations. The Working Group further developed the report collaboratively up until its submission to the NIRB on December 19, 2015.

The Meadowbank Working Group met on October 26, 2015 to discuss the latest draft SEMP before it would be presented to the Kivalliq SEMC. The discussion was largely focused on the adequacy of indicators that were used. The challenge is to select indicators that best represent the socio-economic environment most likely to be changed by the presence of the Meadowbank mine, while giving consideration to the quality, reliability, privacy, and

¹ 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>

frequency of collection of data of those indicators. The Working Group talked about the possibility of removing indicators on the use of GN services, traditional activities, and population, as well as adding indicators on apprenticeships, liquor permits, and data from the Department of Health. Also discussed, was the desire to see contract expenditures reported in greater detail to better understand if expenditures are going to only a few large businesses or if medium or smaller businesses are able to capitalize as well.

It was agreed that further discussions with the appropriate AEM and government officials will need to take place to effectively refine the indicators in the SEMP. This will be a priority for the Working Group during the development of next year’s annual report.

2.2.3 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 day meeting. Any outstanding items should be reviewed at the next meeting in order to discuss solutions or plans moving forward.

Item	Organization(s)	Timeframe
Explore options to offer a finance/ accounting program at Nunavut Arctic College, giving consideration to the logistics and potential demand	GN - Finance Nunavut Arctic College	Ongoing
Interest in the development of the Baker Lake Wellness Study	Agnico-Eagle Mines	Update at next Kivalliq SEMC
Share more data and analysis from the department of Health	Nunavut Bureau of Statistics GN – Health	Next SEMC
Concerns with the standard of education in Nunavut. Would like to see education data from other provinces in Canada or a national average in order to compare against Nunavut	Nunavut Bureau of Statistics	Next SEMC
Would like to see socio-economic data from earlier than the year prior to help identify trends.	Nunavut Bureau of Statistics	Next SEMC

<p>Discuss possible modifications to the Meadowbank Socio-Economic Monitoring Program with emphasis on the following areas:</p> <ul style="list-style-type: none"> • Apprenticeships • Liquor permits • Health • Business expenditures 	<p>GN INAC AEM</p>	<p>Ongoing</p>
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3. DISCUSSION

This section briefly summarizes the main topics of discussion at the annual Kivalliq SEMC meeting in Rankin Inlet.

3.1 KIVALLIQ SEMC AND PROJECT-SPECIFIC MONITORING

The discussions that took place during the annual Kivalliq SEMC meeting centered on the socio-economic environment and its potential links to the Meadowbank Project. The committee conducted an extensive review of the most recent draft Meadowbank Socio-Economic Monitoring Program to get a better understanding of the socio-economic changes that have occurred since the mine began operating in 2010. The SEMP is a collection of 10 Valued Socio-Economic Components that reflect the monitoring priorities and concerns of the Kivalliq SEMC.

The committee reviewed the information presented by Agnico-Eagle then engaged in a positive dialogue with the company. Total employment levels to date have exceeded the levels predicted in the final environmental impact statement with Kivalliq residents accounting for 34% of the workforce in 2014 – an employment rate that has remained steady over the past three years. Additionally, AEM and its employees have enjoyed the success of the Career Path Program, which has helped employees progress personally and professionally to higher skilled positions onsite. Career Path has successfully trained Inuit employees to occupy every haul truck driver position at Meadowbank, thereby eliminating the need to bring in southern haul truck hires.

The turnover rate for Inuit employees in 2014 was again higher than it was for non-Inuit employees. However, the average length of employment has increased since 2011, which could be attributed to employees adapting to the two-week rotation schedule of mine work. AEM has implemented various programs in the past to address high Inuit turnover but have not yet seen the desired results. AEM remains committed to eliminating this issue, and have partnered with the Kivalliq Mine Training Society to develop the Making It Work program. Making It Work is designed to eliminate the challenges repeatedly identified on exit surveys of former employees. The program was successfully launched in 2015 and delivered four times throughout the year. The Kivalliq SEMC will continue monitor the program's success and overall impact on employee turnover rates.

Similar to the 2014 annual meeting, the committee spent a considerable amount of time talking about education, specifically K-12. The major concern raised by committee members is the need to raise the accepted standard of education across all grades so that students who graduate can compete in the workforce or continue their education into

college or university. The Kivalliq region does currently have the highest high school graduation rate in Nunavut, but the concern has to do with the quality of education. The committee agreed that too often students are graduating from high school without the necessary skillset to successfully enter the workforce. The department of Education is aware of these concerns and is working to improve standards. Despite this concern, the committee was excited to hear of the 16 apprentices employed at Meadowbank in 2015, 9 of whom are Kivalliqmiut. The Kivalliq SEMC will continue to monitor trends in education attainment and quality as well as the success of various training programs through the Meadowbank Socio-Economic Monitoring Program.

The quantitative assessment of the Meadowbank SEMP together with the qualitative analysis of the committee's discussions provides a thorough understanding of the benefits and impacts associated with the Meadowbank mine. The committee is encouraged by the positive employment and training numbers at Meadowbank but reiterated their desire to see these numbers continue to increase. AEM shares this sentiment and expressed their commitment to improve the delivery of programs to create lasting benefits for its employees. The annual SEMC meeting is an optimal venue for impacted stakeholders to raise concerns and voice suggestions to AEM so that the company can look to modify programs in a way that best meets the needs of Kivalliqmiut.

The committee talked about possible indicators that could be added to the Meadowbank SEMP, which will be further considered by Working Group organizations and incorporated where possible into future reports. The committee will continue to monitor the socio-economic environment and engage in open dialogue with AEM 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 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. Agnico-Eagle Mines
3. Nunavut Bureau of Statistics

APPENDIX B: STATISTICS

Appendix B is 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)