



Meadowbank Socio-Economic Monitoring Report

Presentation to Kivalliq SEMC

December 6 – 7, 2016



AGNICO EAGLE



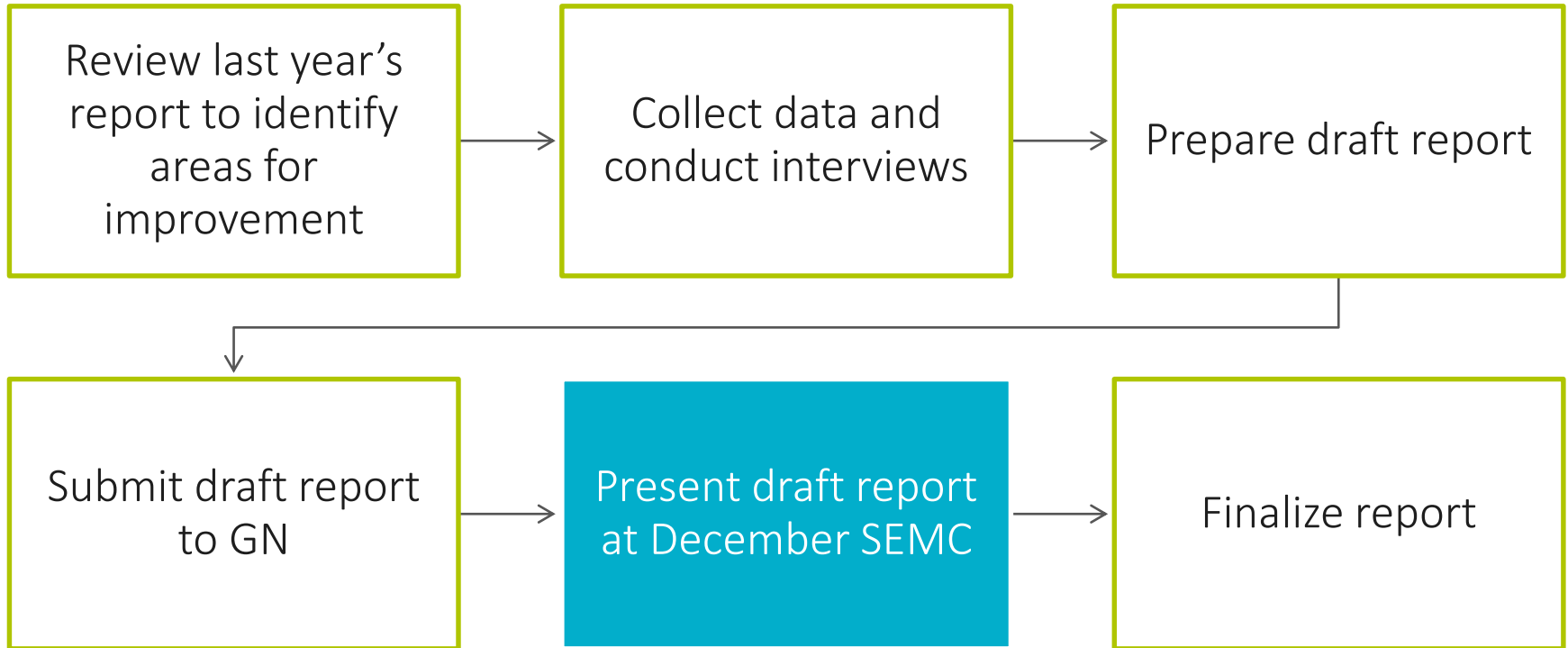
- Agnico Eagle hired Stratos to prepare the 2015 Socio-Economic Monitoring Report for the Meadowbank Gold Mine
- This is the second Socio-Economic Monitoring Report for Meadowbank
- The report describe the socio-economic impacts of the Meadowbank Mine on the Kivalliq region.
- The impacts are compared to the predictions made in the Meadowbank Final Environmental Impact Statement (FEIS)
- The report includes quantitative (statistics) and qualitative information.
- Socio-economic impacts are complex. There are limitations in establishing causal relationships between mining activity and some socio-economic indicators in this report.

Valued Socio-Economic Components (VSECs)



VSECs are the categories of socio-economic impacts we care about. We present them separately in the report, but they are interconnected.







1. Employment

2. Income

3. Contracting and Business Opportunities

4. Education and Training

5. Culture and Traditional Lifestyle

6. Migration

7. Individual and Community Wellness

8. Health and Safety

9. Community Infrastructure & Services

10. Nunavut Economy

The story on Employment is **positive**:

- *Meadowbank employs more people (813) than was predicted FEIS (370).* The total number of people employed, including Inuit workers, continues to grow.
- More than one third of employees are Inuit (302), and almost all of these workers are from the Kivalliq region. More the half are from Baker Lake. In 2015, the number of workers from Arviat grew significantly.
- There were more women employed at the mine in 2015 than in 2014 (now equal to the Canadian sector average).
- Inuit workers are staying in their jobs longer than before. Turnover (resignations and dismissals) is still higher than for non-Inuit workers, but it has been decreasing each year.



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The story on Income is **positive**:

- Meadowbank now pays \$20M of income to its Inuit employees each year (adding up all the pay cheques of Inuit employees over the year). This is much more than the \$4M* predicted in the FEIS.
- Inuit also earn income by working for contractors that do work for Meadowbank. But the amount of income paid out by Meadowbank contractors is much less than the income paid to direct mine employee**.
- On average, people in most communities earned more income between 2010 – 2014 than they did between 2004 – 2009 (except Whale Cove) – although there was a drop between 2013 – 2014.

* For Kivalliq based employees.

** total contractor payroll was about \$2M in 2015 and on average these contractors hire 10% Inuit.



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The story on Contracting and Business Opportunities is mostly **positive**:

- In 2015, Meadowbank spent over \$118M on Nunavut-based contractors, up from \$105M in 2014. However, this is much lower than contractor spending in 2012, when Meadowbank spent over \$203M on Nunavut-based contractors.
- The number of registered Inuit-owned businesses in Kivalliq region was the same in 2015 as in 2014. Since 2010, the number has ranged from 66 and 86.*
- Contractor spending continues to be significant so the impacts have been “high magnitude, positive, and long-term”, as predicted in the FEIS. However, contractor spending was higher during the early years of the mine’s operation.



Overall, the story for Education and Training is **Mixed**:

- Agnico has donated over \$1.1M to school-based initiatives so far – but donations were much less starting in 2015
- Agnico has spent over \$16M on mine training and education since 2010
- Inuit apprenticeships almost doubled in 2015
- However, most Inuit employees are still in unskilled and semi-skilled positions.

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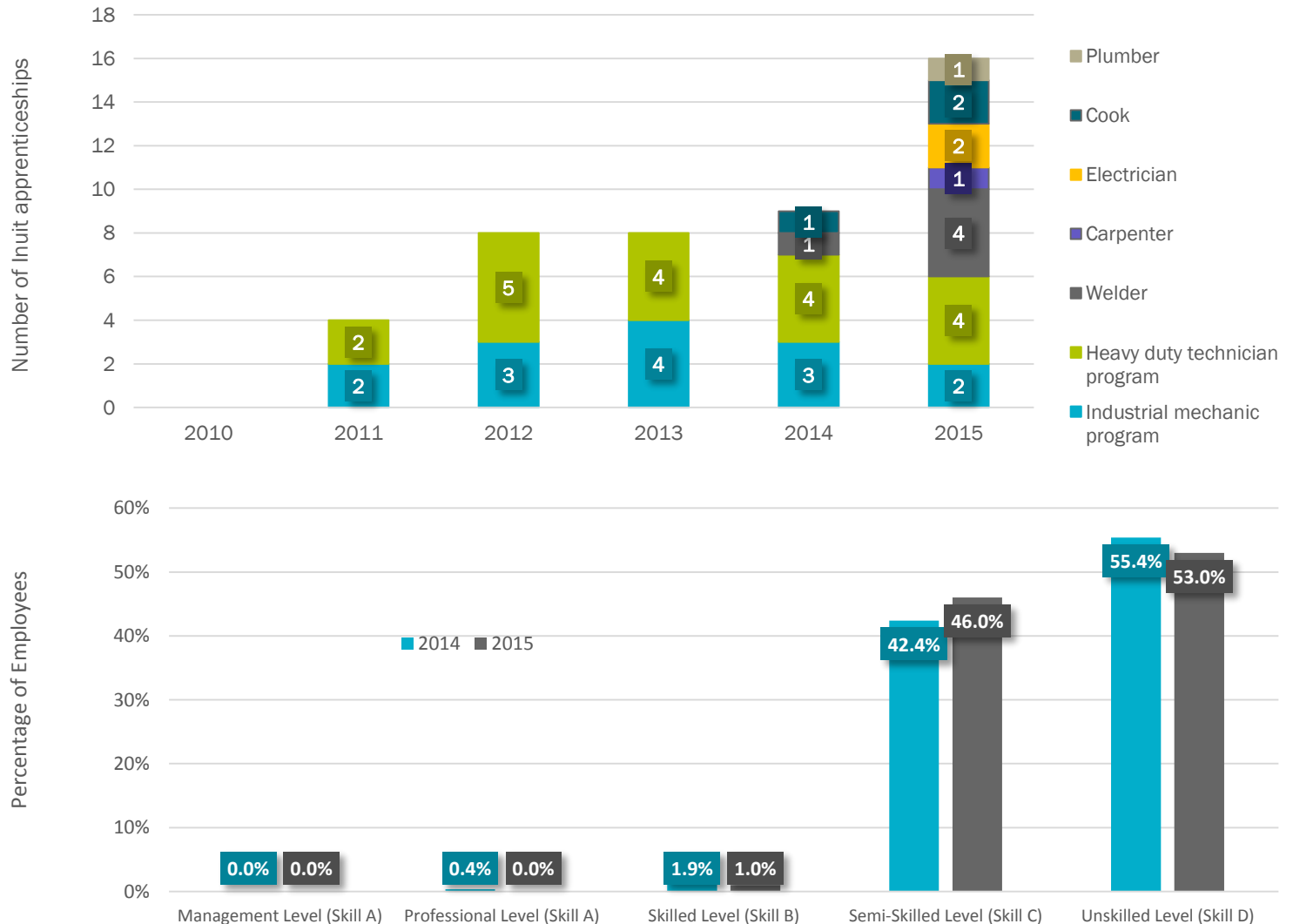
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VSEC 4: Education and Training - Key Messages



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Overall, the story for Culture and Traditional Lifestyle is **Unclear**:

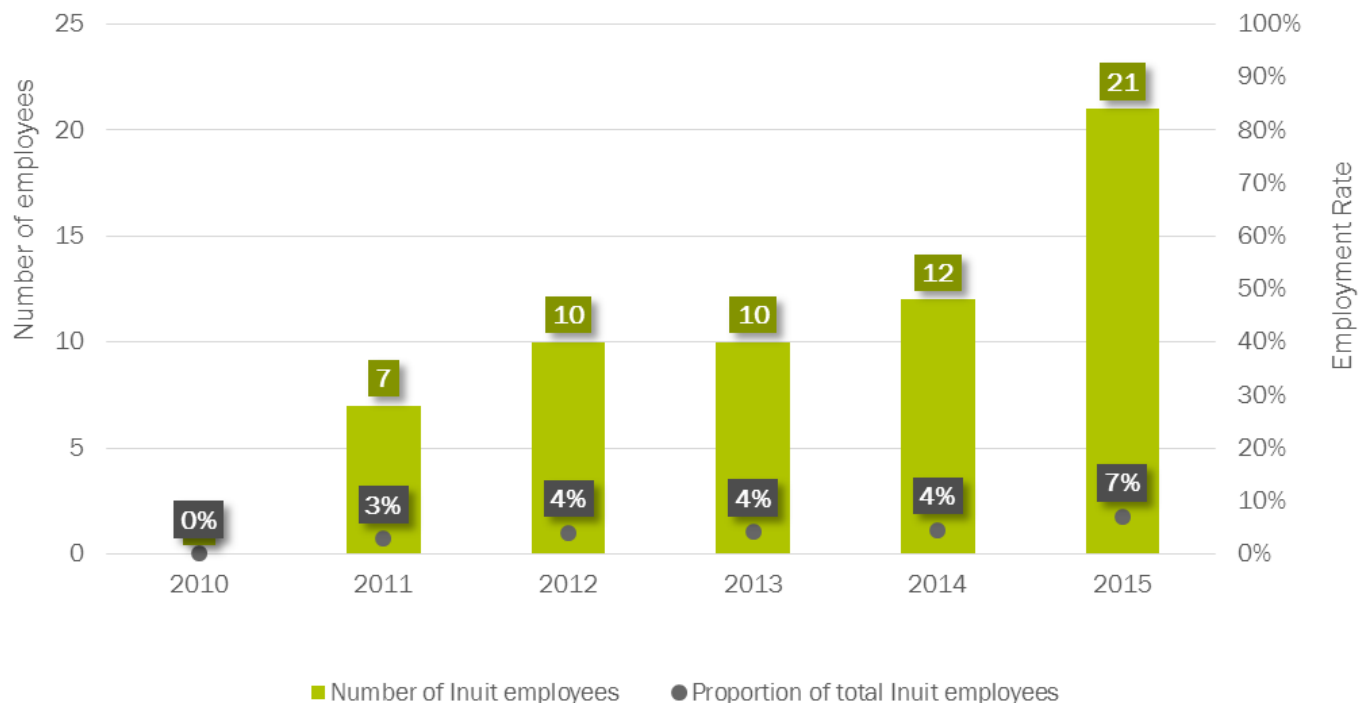
- There is very little information (and no recent information) on the level traditional activity in Nunavut, in the Kivalliq region, or in specific Hamlets from the Statistics Canada or the Nunavut Bureau of Statistics.
- The Meadowbank cafeteria offers one country food meal each month to all employees
- Inuit employees can bring their own country food to work and cook it in a kitchen at the mine



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Overall, the story for Migration is **Neutral**:

- The number of Inuit workers living in southern provinces almost doubled from 2014 to 2015



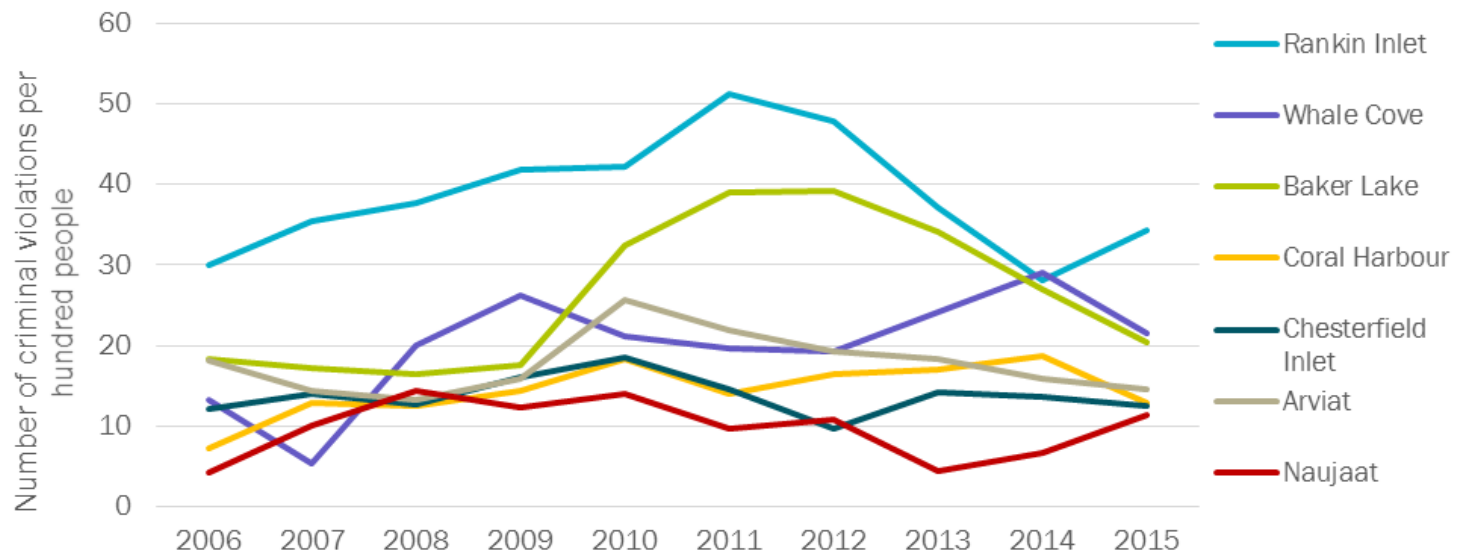
- Population data does not suggest significant in-migration induced by Meadowbank



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Overall, the story for Individual and Community Wellness is **Mixed**:

- Less crime is happening now than in 2011 – 2012, but it is still happening more than in 2006 – 2009 (before the mine opened)
- The Kivalliq continues to face long-standing challenges, including a suicide crisis and housing issues, but there is not enough information to say whether the mine has affected these issues

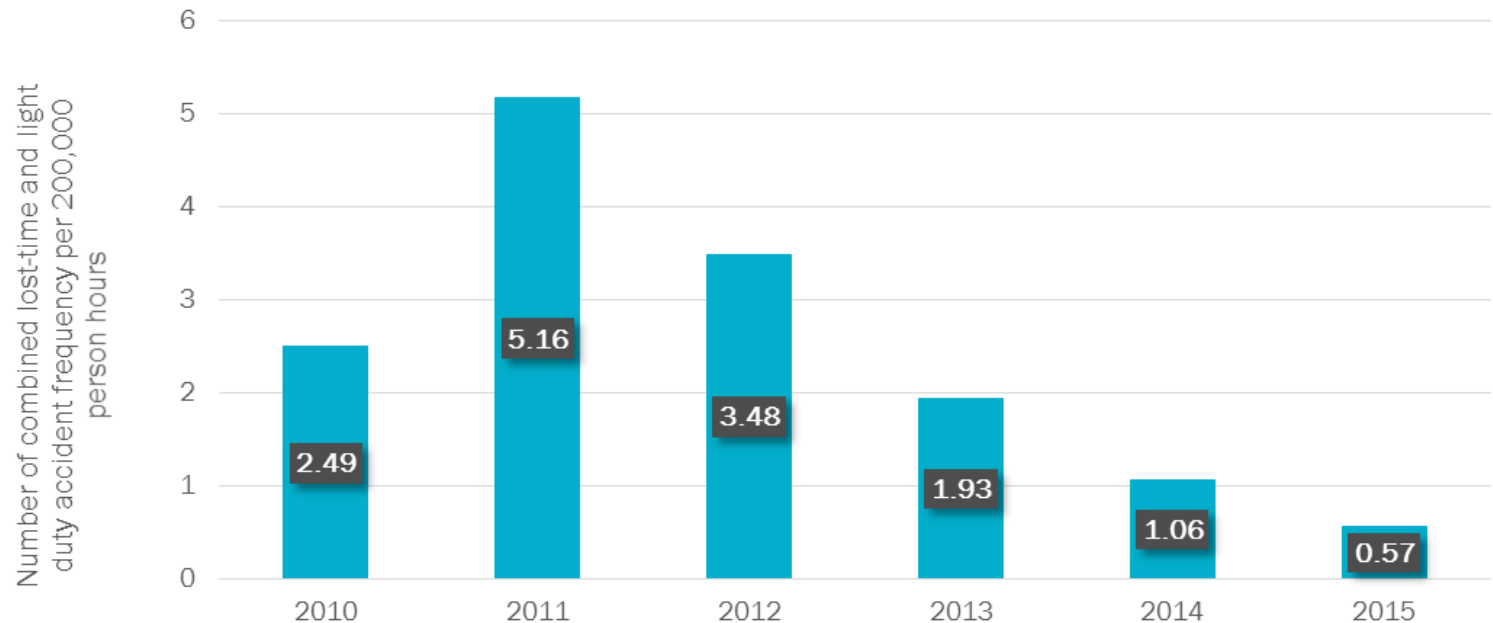




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Overall, the story for Worker Health & Safety is **Positive**:

- The number of serious accidents has significantly decreased each year since 2015





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Overall, the story for Community Infrastructure and Services is **Mixed**:

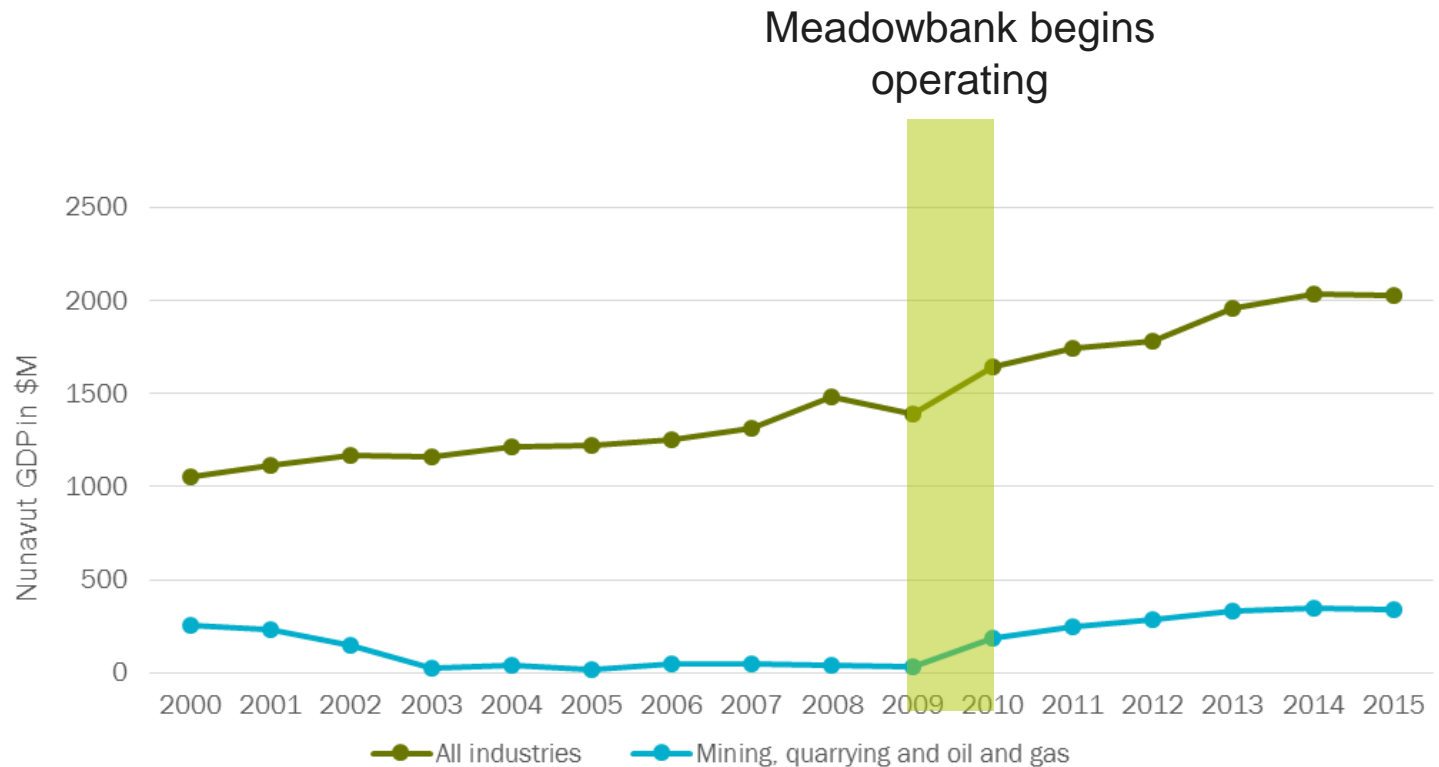
- Airports and community centres are used more because of the mine
- The road between Baker Lake and the mine helps with hunting and harvesting
- Except for Baker Lake, people in Kivalliq communities visit health centres more often now than they did in 2006 – 2007. Based on the information available, it is difficult to assess how the mine affects the need and usage of health services.
- In 2015 there were over four times as many onsite Agnico Eagle accidents needing a visit to a GN health centre than in 2010
- Since 2008, Baker Lake and Rankin Inlet have experienced that largest declines in the number of people requiring social assistance (# of recipients per 100 residents).



Overall, the story for the Nunavut Economy is **Positive**:

- Meadowbank has contributed significantly to the Nunavut economy

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1. What did you like about the report and what areas could be improved?
2. What could Agnico, GN, KIA, or others do so that we can better understand the impacts and benefits of the mine? What other types of data or information would be helpful?
3. What could Agnico, GN, KIA, or others do to enhance the benefits and minimize the impacts of the mine?



- Address feedback from SEMC meeting and additional comments in final draft. (Please send additional comments by e-mail by **Monday December 12**)
- A final report will be submitted the NIRB and the SEMC before the end of the year
- Stratos will provide a note to AEM on potential improvements for next year's report

Thank you!

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