

Kitikmeot

Socio-Economic Monitoring Committee



The Community of Cambridge Bay

2016 Annual Meeting Report

Cambridge Bay, Nunavut: November 30-December 1, 2016

January 11, 2017

Produced by the Government of Nunavut

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EXECUTIVE SUMMARY

The Kitikmeot Socio-Economic Monitoring Committee (SEMC, or 'the committee') met for its annual general meeting on November 30-December 1, 2016 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, and included representatives from three of the five regional hamlets. The one and a half day meeting included presentations from government agencies and industry proponents, as well as discussion of overall socio-economic benefits, observations and impacts of major development projects in the Kitikmeot.

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 year. Although there are currently no fully operating mines in the Kitikmeot region, there is one major project in the construction and commission phase, and one project is still working towards regulatory approval.

TMAC Resources Inc. presented results from the 2016 Doris North Socio-Economic Monitoring Program (SEMP) report, which included data from 2015 and 2016. 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 its planned socio-economic monitoring program and the next steps and options to receive regulatory approval. Other participants included Nunavut Resources Corp. (Grays Bay Road and Port project), and representatives from Polar Knowledge Canada and the Canadian High Arctic Research Station.

With Doris North currently in the construction and commission phase, and no other major mines currently in production, the meeting was strongly focused on Community, Industry and Government discussion. Committee members emphasized the need for local training opportunities from these upcoming projects, language barriers and the concern of language loss, and the need to establish support systems to reduce and cope with any potential undesired social impacts. It was also noted that TMAC thus far has provided a superior work atmosphere as stated by a staff member and carried forward to the committee. There is a strong interest in extending the next meeting to a full two days in order to have more time for discussions and presentations.

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 ninth Kitikmeot SEMC meeting held in Cambridge Bay on November 30-December 1, 2016. This chapter includes the meeting's agenda, participant list, and summaries of presentations, community roundtables, and discussions. Lastly, chapter three provides some discussion on common topics that were raised during the meeting and some points for future consideration for the next annual meeting.

LIST OF ACRONYMS

- AEM: Agnico-Eagle Mines, owner and operator of the Meadowbank Mine in the Kivalliq region.
- CanNor: Canadian Northern Economic Development Agency.
- CEDO: Community Economic Development Officer.
- 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.
- 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.
- DFS: GN Department of Family Services.
- GN: Government of Nunavut.
- DOH: 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 Qaujimagatuqangit, or Inuit Traditional Knowledge.
- KIA: Kitikmeot or Kivalliq Inuit Association (usually referred to as KtIA/KitIA and KvIA/KivIA, respectively).

- KSO: Kitikmeot School Operations.
- LHO: Local Housing Organization.
- NBS: Nunavut Bureau of Statistics.
- NGMP: Nunavut General Monitoring Plan,
- 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,
- 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.
- STEM: Science Technology Engineering and Math.
- VSEC: Valued Socio-Economic Component.

LETTER FROM THE CHAIRPERSON

I am pleased to present the 2016 Kitikmeot Socio-Economic Monitoring Committee (SEMC) annual report on the proceedings that took place November 30-December 1, 2016 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.

With Doris North currently in the construction and commissioning phase, and no other mines currently in production, the committee's focus was on continuing to prepare for the near future when there will be one, possibly two, projects in full operation.

During the meeting, Sabina presented information on the Back River Project and the planned next steps and options to receive regulatory approval. TMAC also provided updates on the Doris North Project and shared data results from the Socio-Economic Monitoring Program (SEMP). This provided the committee with 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,

David Boyle,

Chairperson, Kitikmeot Socio-Economic Monitoring Committee

1. INTRODUCTION

1.1 BACKGROUND AND PURPOSE OF THE SEMC

Resource development impact assessment and monitoring 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 regional Socio-Economic Monitoring Committee's (SEMCs) – Kitikmeot, Kivalliq, and Qikiqtani – have addressed project certificate requirements for project-specific monitoring programs. These committee's 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 regional SEMCs is chaired by the respective Regional Directors of Community Operations with EDT. The SEMC's are coordinated by the Regional Socio-Economic Coordinator, also an employee of EDT, 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 second regional SEMC meeting of the 2016-2017 fiscal year following the Qikiqtaaluk SEMC in July.

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 also be accessed on the SEMC website.

The following goals were set by committee members for the 2016-2017 fiscal year:

- Discuss with the Committee what would be appropriate in future meetings to ensure high attendance rates and good discussions
- Host the next SEMC meeting in the early 2018 New Year to allow Projects to collect all indicator data to present to the committee
- 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 and consistent manner
- Improve the delivery of information at the meetings to avoid repetition

The SEMCs continued to maintain momentum by holding meetings in both the Qikiqtaaluk and Kivalliq regions in 2016; GN-wide participation has remained steady in 2 out of 3

regions but has seen a decrease in the Kivalliq region. Committee members have continued to work with Proponents (e.g. TMAC, AEM and Baffinland) 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 (2016-2017) 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.

A workshop is being organized with Working Group members in Nunavut with the primary intention to standardize indicators and develop the means to report impacts and benefits on a Territorial scale, in addition to the regional perspectives supplied by current reporting.

2. 2016 ANNUAL KITIKMEOT SEMC MEETING, CAMBRIDGE BAY

The ninth Kitikmeot SEMC meeting was held in Cambridge Bay on November 30-December 1, 2016. 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.

2.1 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:

Wednesday November 30, 2016;

Thursday December 1, 2016

Location:

Arctic Islands Lodge – Cambridge Bay, NU

Chair:

David Boyle, Director of Community Operations, Kitikmeot
Government of Nunavut, Department of Economic Development and Transportation

Schedule:

**Afternoon session
2:45 pm – 6:30 pm**

1. General Opening	
GN-EDT <ul style="list-style-type: none"> • David Boyle 	Opening Remarks by the Chairperson
SEMC	Participant introductions
GN-EDT <ul style="list-style-type: none"> • Lou Kamermans • Erika Zell • Chantelle Masson 	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 • Discussions/Q&A
<ul style="list-style-type: none"> • Community Roundtable 	Open floor discussion to introduce communities

	<ul style="list-style-type: none"> • Benefits and impacts of current major development projects • General observations
<p>Nunavut General Monitoring Plan AANDC</p> <ul style="list-style-type: none"> • David Abernathy 	<p>Introductory presentation</p> <ul style="list-style-type: none"> • Relevant programs • General observations
<i>Discussion</i>	<ul style="list-style-type: none"> • Are the results as expected? • Interesting or surprising trends?

Day 2

Morning Session 9:00AM-11:45AM

3. Project Updates	
<p>Sabina Gold & Silver Corp.</p> <ul style="list-style-type: none"> • Jason Prno 	<p>Proposed Back River Gold Project</p> <ul style="list-style-type: none"> • Update on 2015/2016 activities • Socio-economic benefits and impacts • IIBA negotiation updates • SEMP development and terms of reference updates • Q&A
<p>TMAC Resources Inc.</p> <ul style="list-style-type: none"> • Alex Buchan • Kent Gustavson 	<p>The Doris North/Hope Bay Gold Project</p> <ul style="list-style-type: none"> • 2015/2016 project updates • Proposed amendments to the Doris North Project • Results from the Doris North SEMP • Amendments to the Doris North SEMP • Some highlights of the new IIBA • Next steps for Hope Bay Belt • Q&A

<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"> • David LeBlanc • Alain Leclair 	Presentation and discussion of projects and initiatives in Cambridge Bay <ul style="list-style-type: none"> • Canadian High Arctic Research Station updates • Community initiatives

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

Nunavut Resources Corp <ul style="list-style-type: none"> • Patrick Duxbury • Charlie Evalik • Nick Lawson 	Grays Bay Road and Port Project <ul style="list-style-type: none"> • Project description • Anticipated 2016/2017 activities • Socio-economic benefits and impacts • Q&A
GN-EDT <ul style="list-style-type: none"> • Erika Zell • Lou Kamermans 	Kivalliq and Qikiqtaaluk SEMC updates <ul style="list-style-type: none"> • Highlights from Q-SEMC meeting (July 2016) • Summary of findings from Mary River & Meadowbank SEMP's • Q&A
Kitikmeot Inuit Association <ul style="list-style-type: none"> • Michelle Buchan 	Presentation and discussion of projects and initiatives in the Kitikmeot region <ul style="list-style-type: none"> • Inuit Employment and Training opportunities
Kitikmeot SEMC	Group discussions of SEMC priorities <ul style="list-style-type: none"> • Review day 1&2 • Other priority areas?

	<ul style="list-style-type: none">• What would you like to see moving forward?• Review SEMC objectives
GN-EDT <ul style="list-style-type: none">• David Boyle	Closing remarks from the Chair

Participants of the 2016 Kitikmeot Socio-Economic Monitoring Committee

November 30-December 1 Cambridge Bay

Group	Organization	Name	Position	Community
GN	EDT	David Boyle	Director, Kitikmeot Community Operations	Kugluktuk
	NBS	Ryan Mazan	Director	Pangnirtung
	EDU	Catherine Keeling	Superintendent of Schools	Kugluktuk
	EDT	Harry Maksagak	Community Mining Advisor	Cambridge Bay
	H	Mary Rose Maksagak	Mental Health Outreach Worker	Cambridge Bay
	H	Greg Thibault	Environmental Health Officer	Iqaluit
	J	Christine Aye	Community Justice Outreach Worker	Cambridge Bay
	NAC	Fiona Buchan-Corey	Campus Dean	Cambridge Bay
	EDT	Hugh MacIsaac	Resident Geologist	Cambridge Bay
	EDT	Erika Zell	Environmental Assessment Coordinator	Iqaluit
	EDT	Lou Kamermans	Manager, Environmental Assessment and Regulation	Iqaluit
	EDT	Chantelle Masson	Regional Socio-Economic Coordinator	Iqaluit
Industry	TMAC	Alex Buchan	Director	Cambridge Bay
	ERM (TMAC)	Kent Gustavson	Consultant	-
	Sabina	Jason Prno	Community Relations Advisor	-
	Sabina	Matthew Pickard	Vice President	-
	Nunavut Resources Corp	Patrick Duxbury	Advisor	-
GoC	AANDC	David Abernathy	Acting Socio-Economic Analyst	Iqaluit
Hamlets	Cambridge Bay	Marla Limosin	SAO	Cambridge Bay
	Cambridge Bay	Jim MacEachern	ASAO	Cambridge Bay
	Cambridge Bay	Priscilla Nordstrom	Hamlet Youth Representative	Cambridge Bay
	Gjoa Haven	-	-	-

	Kugaaruk	Stephane Inaksajak	Mayor	Kugaaruk
	Kugluktuk	-	-	-
	Taloyoak	Joe Ashevak	Mayor	Taloyoak
	Taloyoak	Marzena Banks	Economic Development Officer	Taloyoak
RIA	KIA	Derek Elias	Business Development Officer	Cambridge Bay
	KIA	John Roesch	Sr. Project Manager	Kugluktuk
	KIA	Michelle Buchan	Manager, Inuit Employment and Training	Cambridge Bay
Other Interested Stakeholders	CHARS/Polar Knowledge	David LeBlanc	Analyst	Cambridge Bay
	CHARS/Polar Knowledge	Alain Leclair	Director Science and Technology	Cambridge Bay
Observers	NIRB	Kelli Gillard	Manager, Project Monitoring	Cambridge Bay
	NIRB	Davin St. Pierre	Technical Advisor	Cambridge Bay

2.2 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 year 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) 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 Education and Nunavut Arctic College (NAC) are designed to improve personal skills and qualifications, and assist with professional development. Further, the Kitikmeot Inuit Association provides training opportunities in home Communities to ensure opportunity for all Kitikmeot. 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 2015 and 2016 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, and have in fact noticed positive effects from the Project.

Sabina provided an update regarding the status of the Back River Project. In June 2016, the NIRB recommended that the project not proceed at this time due to a number of issues, in particular the potential effects on caribou migration. The project now awaits the Ministerial review and approval before they can proceed. Back River does not have an established SEMP at this time, 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 Grays Bay Road and Port Project was also introduced to the Committee. This is a joint project between the Kitikmeot Inuit Association and the Government of Nunavut. This Project is still in the early EIS phase with field studies and baseline updates currently taking place. The environmental screening and review are scheduled to take place in the 2017-2019.

The format of the meeting was similar to the Qikiqtaaluk and Kivalliq SEMC meetings with more emphasis on Community roundtable discussions. This style of meeting has been requested in past SEMC meetings, and provides a greater opportunity for discussions on concerns, ideas, and how to move forward. 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 2.3.1 of this report summarizes the presentations and discussions on behalf of the GN and KIA. Subsection 2.3.2 summarizes the discussions during the community roundtable and subsection 2.3.3 provides an Industry update and socio-economic monitoring results.

2.3.1 PRESENTATIONS AND DISCUSSIONS

Government Roundtable

Government of Nunavut, Department of Education, presented by Catherine Keeling – Superintendent of Schools, Kugluktuk

The graduation rates in the Kitikmeot region have remained fairly stable throughout the last number of years. The total student population in the Kitikmeot is 1,880 students which is a slight increase from 2015 (1,872). The expected graduation rate is also at a slight increase from 2015/2016's 34 grads to a potential of 49 grads in the 2016/2017 year.

The Kitikmeot School Operations (KSO) have implemented a Science, Technology, Engineering and Math (STEM) curriculum to prepare students to be competitive in future careers that promote economic prosperity. Following the Inuit Qaujimagatuqangit education framework, this curriculum was developed to adapt to the potential job opportunities brought to the region with mining and economic development.

Another program the KSO has developed is Science for Kitikmeot Youth Educators (SKYE). This program provides students an opportunity to study Traditional Knowledge through Modern Science. It's a program that hosts a land camp outside of the community and having Inuit Elders and Youth together on the land participating in hands on science activities. Students then incorporate this knowledge into a science fair project and present their findings. This program encourages students to use collaboration skills, critical thinking and problem solving skills, creativity and communication. This is experience necessary to succeed after completing public school, and allows students to look forward and implement these skills in both furthering education an entering the workforce.

Some of the main items raised during the Department of Education's presentation were the issue of language development and delivery in the school system. The lack of Inuktitut and Inuinnaqtun resources and teachers is worrisome to the community. Kitikmeot are concerned at the potential loss of Inuit languages and would like to see resources and

teachers in the classroom delivering Inuktitut and especially Inuinnaqtun more. The Department is currently examining a bilingual education model which is under review.

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

Regional enrollment applications in 2016 increased from 2015 making this the highest ever recorded by Nunavut Arctic College. In the Kitikmeot, 89 students were accepted at the beginning of the year, 77 of whom are currently enrolled. Currently there are 49 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 upcoming labour demand. There are also a variety of short courses available including the Municipal Training Program, Clerk Interpreter Training, Home and Continuing Care Courses (Personal Care, Palliative Care and Dementia), ASIST Training, and Pathways to Adult Secondary School.

Nunavut Arctic College staff are pleased with the high number of applicants and enrollments, but there is still room for improvement. The number of withdrawals continues due to a variety of reasons and challenges. These challenges include funding issues, lack of college housing, lack of childcare, lack of academic readiness, and the issues that come with spouses or family members leaving family behind in their home community.

NAC is working on a language revitalization program, but unfortunately they are facing issues. The overall goal is to revitalize the Inuinnaqtun language in the Kitikmeot region; however issues are arising with finding those both strong enough in the language and competent enough to teach the language. Overall, a large group of people are interested in the language but do not have an interest in teaching. This is again leading to the worry of losing the Inuinnaqtun language which is a large concern in the Kitikmeot region.

Kitikmeot Inuit Association, presented by Michelle Buchan- Manager, Inuit Employment and Training

The KIA presented on their employment and training programs offered in the region. The training program has been highly successful at both sponsoring and co-sponsoring many training programs including: Introduction to Underground Mining, Industrial Safety Training, Small Engine Repair, Driller's Helper, Mining Essentials and many more. These programs offer Kitikmeot Inuit the chance to train for transferable skills in their home communities. As noted in the NAC presentation, one of the largest problems in receiving education and training is the student having to leave families and home communities.

One of the main issues in delivering these training programs is finding the space to do so. Some communities have the capacity to house larger programs with more options for classroom space, while smaller communities do not have the infrastructure available to

offer programs (classroom items as minute as whiteboards can make or break the program availability). Other issues include partnership dollars and the availability of instructors.

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 already has a large presence in nearby communities and delivers outreach and capacity building programs in the summer that began 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 2015 and 2016. 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:

In 2016 the Kitikmeot Region saw a steady increase in population (6,822 from 2015 to 6,900 in 2016) in all communities. However, the Kitikmeot is still seeing the slowest population growth rate of all regions in Nunavut. Cambridge Bay has the highest population (1,746), followed by Kugluktuk (1,610) Gjoa Haven (1,405), Taloyoak (1,076) and Kugaaruk (972).

Education:

Each Kitikmeot community aside from Cambridge Bay and Kugaaruk had a decrease in public school enrollment from 2014-2015. Kugluktuk had the highest number of graduates (13) followed by Kugaaruk (7) Gjoa Haven (6) Cambridge Bay (4), and Taloyoak (1). The graduation rate decreased slightly from 26.8% in 2014 to 24.9% in 2015 but remains below the Nunavut average (33.7%). It is important to note 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 increased slightly in all communities from 2013 to 2014 with only. A committee member mentioned this may be due to the continual increase in population.

Income:

The median employment income decreased slightly in Gjoa Haven and Kugluktuk, while increased in Cambridge Bay and Taloyoak and stayed the same in Kugaaruk. Median employment income was once again 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. 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 increased in all communities except for Kugluktuk. Cambridge Bay had the highest number of violations per 100,000 persons while Kugaaruk had the lowest. A committee member noted that in some of the trends with criminal activity you can tie it to certain circumstances. For example, when there was a jump in criminal violations in 2012 in Cambridge Bay it was the same year the community received a new Sergeant.

2.3.2 COMMUNITY ROUNDTABLE AND DISCUSSIONS

The Kitikmeot 2016 SEMC had 3 out of 5 communities represented; Taloyoak, Cambridge Bay, and Kugaaruk.

Cambridge Bay, represented by Marla Limosin, SAO

Cambridge Bay has invested \$460 million in infrastructure to increase economic and tourism opportunities in the community. There has been a major jump in the number of cruise ships and pleasure crafts visiting the community, and they are developing a heritage park in the community featuring old Hudson's Bay Company infrastructure as well as other original community buildings. This is all in the hopes of increasing visitor sites and job opportunities for community members.

The community is, overall, in favour of mining and economic development in the Kitikmeot. With this economic development, comes community growth. The projected population growth for Cambridge Bay is an increase of 200 people by 2018 (CHARS impact study). Using these estimates, the Hamlet has been decreasing the size of lot space for buildings in order to increase the number of buildings going up. This in turn leads to a decrease in the cost of buying for potential homeowners.

2017 has been named the “Year of Youth” in Cambridge Bay. It’s vital for youth to be involved in the community decision making process, and the Hamlet will be paying a youth council to sit in on council meetings and advise on youth issues. Cambridge Bay will also be providing training and leadership development for these youth to ensure future success in decision making. The youth representative at the SEMC meeting noted that it is a really great opportunity for mining and private companies to work with youth and support the college and education programs so as to guarantee success in training and hiring locally. By having youth so involved, it encourages youth to be driven and have the want to thrive.

Kugaaruk- Represented by Stephane Inaksajak, Mayor

The new Hamlet building has been designed and presented to the Hamlet on behalf of the construction company. There is an issue with the sizing and that it is not large enough to accommodate both the current population and the projected population growth. In the community hall there is enough space for 470 people while the community population is approximately 975 and growing. When this concern was brought to the attention of the planners, they were told to accept this building design or a new building would not be built at all. The Hamlet would like to have input on this sort of planning beforehand to avoid any mishaps such as this in the future.

The conversation then led to the old Hamlet building that the GN will not authorize destruction of. Therefore, the Hamlet will be paying to run two Hamlet buildings though only occupying one. This led to a conversation between Fiona Buchan-Corey (NAC) and the Mayor discussing opportunities in potentially using the old Hamlet building to house College programs. Fiona was to look into this and follow up.

Taloyoak- Represented by Joe Ashevak, Mayor

Community members are having a hard time adjusting to families being split due to education. Due to a lack of resources, Taloyoak community members have to leave families at home to be properly trained and educated to find work. The Hamlet is interested in opportunities to train and be educated in their home community. Taloyoak is also seeing less residents being hired out of their community than other communities. This may be tied to the lack of education and training that comes from the concerns of separating families.

The new airport terminal construction began in the summer. Once the weather got colder, the construction company pulled out for the winter and said they would return in the spring. The Hamlet had never been told that this was the construction plan, and were under the impression that they would be working through the winter. This is now causing a delay in the completion date. The Hamlet would like more transparency in building plans in the future.

2.3.3 INDUSTRY UPDATE

Sabina Gold & Silver Corp., presented by Matthew Pickard – Vice President, Environment and Sustainability

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 in June 2016 the NIRB recommended the project not move forward due to the potential impact on caribou migration. Sabina now awaits Ministerial review and decision.

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. 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.

TMAC Resources, presented by Alex Buchan – Director of External and Community Relations with TMAC, and 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. There is an estimated operated workforce at Doris North of 344 people by 2018, a total estimate operation employment benefit of 4,450 person-years with 444 in Nunavut – both direct and spin-off. Inuit Employment Targets are scheduled to be set with the KIA.

TMAC is currently developing the Doris North Project, while initiating an environmental impact assessment (EIA) for the NIRB for the wider development of the Hope Bay Greenstone Belt including Madrid and Boston deposits. In 2016 the NIRB approved an Environmental Assessment Certificate to extend the mine from a 2 year to a 6 year project. The Type A Water License amendment has been approved by the NWB and is currently

awaiting the Ministerial signature. TMAC has also applied for a Bulk Sample Water License for the Madrid Deposit to support future mine plans. The proposed Madrid Advanced Exploration Program will utilize Doris infrastructure to access the Madrid underground at two locations. The NWB is processing this application. Mine development and production at Madrid (North and South) and Boston Deposits as part of Phase 2 is subject to a new EIA under the NIRB process. Preparation of the Draft EIS is currently underway.

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 2016 annual report. Below is a brief summary of the presented results. The full report can be accessed on the SEMC website.

Health Care Services

Although there have been increased incidents resulting in use of local health services (peaking at two incidences to date in 2016), this is commensurate with increased levels of activity at the site. Overall, the Project has not resulted in significantly increased demand on health care services in Kitikmeot communities as a result of Project-related emergencies.

Community Well-Being and Delivery of Social Services

Population growth results from a number of factors including natural population changes (net births and deaths) and migration. In the Kitikmeot Region, growth has been driven by a relatively high birth-to-death ratio and in-migration. Population increases in the Kitikmeot Region were modest in 2015 and remain on par with the previous years (2% increase in the regional population). Considering the increased levels of Project activity in 2014 and 2015, population growth has remained modest and the Project does not appear to be a driver for population growth.

Project employees were not relocating to other communities within the Kitikmeot Region. TMAC maintains points of hire throughout the Kitikmeot Region and beyond. Because of the use of a fly-in/fly-out operation, where a person lives has little or no bearing on employment status.

Employment

The number of workers increased substantially from 2015 to 2016 with focus on a path to production. Towards the end of 2016, camp was reaching maximum capacity with 162 workers and a maximum of 533 (including contractors), 12.5% of this represented by Inuit of total person-days worked. The total Inuit employment is expected to further increase in coming years as Doris moves into production in 2017.

After exceeding the Canadian mining industry average of female participation in 2013 and 2014, TMAC's female employment fell in 2015 to 8.1% and in 2016 fell again to 7% 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 higher payroll in recent years. In 2016, the total TMAC payroll was \$5.2 million which is a slight decrease from 2015's \$6.1 million. In 2016 there was an increased use of contractors on site during construction, resulting in a larger share of total Project payroll benefits being realized through contractors. Total TMAC payroll is expected to increase substantially in 2017 with the start of the operation.

The total payroll to Kitikmeot residents increased from \$602,000 in 2015 to \$707,000 in 2016. Total contributions are expected to be significantly higher than reported with the addition of contractors, as contractors accounted for a large number of workers on site. Up until September, 2016, TMAC had allocated \$33.7 million in contracts to Kitikmeot Qualified Businesses plus \$5.4 million to other Inuit-owned businesses. This represents 34% of total contracts (excluding processing plant and diesel costs) and 31% growth over 2015.

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 continued to increase annually since 2013 to correspond with increasing employment onsite. 362 workers received training in mobile equipment, 749 received training in safety and 60 received training in underground mining resulting in a substantial increase from 2015.

2.3.4 SEMC ACTION ITEM WORK PLAN

The following table highlights specific items that were discussed throughout the SEMC meeting that require follow up. This provides a way to track commitments made by SEMC members during the 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
Circulate a list of attendees and the agenda well in advance of the meeting	GN - EDT	1-2 months prior to next SEMC

Incorporate small group breakout session	SEMC	Next SEMC
Link statistics from NBS and Proponents to better schedule presentations	NBS TMAC GN	Next SEMC
Sort how to best integrate regional and project specific data and combine/separate where appropriate	TMAC GN	Ongoing
Dedicate a presentation next year to understand how statistics are collected and presented	NBS GN	Next SEMC
Schedule the meeting to be a full 2 days	GN – EDT	Next SEMC
Meet early in the new year of 2018 (January or February)	SEMC	Next SEMC
Strive to align indicators between projects and regions	SEMC	Ongoing
Have the 2016 SEMC report completed and circulated within 6 months	GN – EDT	June 2017
Verify translation equipment is fully functional	GN – EDT	Next SEMC
Invite RCMP to present	GN – EDT	Next SEMC
Discussions with those invited that did not attend and determine what is needed moving forward to ensure participation on behalf of all appropriate departments	GN – EDT	Ongoing

3. DISCUSSION

Members of the Kitikmeot SEMC gathered in Cambridge Bay to talk about the current potential effects of resource development on the socio-economic environment. The committee also discussed issues they are seeing in communities associated with resource development. Overall, the impacts have been positive and communities are seeing an increase of income to employed community members as well as businesses. It was also noted that TMAC, the main active company in the Kitikmeot, has proven to be a great company to work for, as stated by staff themselves and passed along to the committee. Although there is a large opportunity for the Kitikmeot, there were a number of concerns raised at the SEMC meeting on behalf of the community representatives.

A concern that was mentioned and agreed by the committee is the lack of childcare available. Many community members that are interested in rotational work are struggling to gain employment because they are unable to secure childcare at home. This means that one spouse is left at home to care for the family while the other is away at work or schooling. This is one of the large drawbacks for employment success, as it causes extra stress at work and at home. NAC stated that the Early Childhood Education program is running at the college in Cambridge Bay with two models: a full-time program and an applied program where instructors go into communities to deliver courses. The goal is to have an increased population of early childhood educators capable of running and working in daycares.

In some cases, it has been observed that families find it difficult to adjust to rotational work or moving away from a home community, which potentially leads to leaving employment and/or school. For those with and without children, the Proponents offer a “Work Readiness Program” for staff and their partners/families to better understand and adjust to rotational work. There were also discussions on including Elder’s and councillors on-site at the mine available to staff at all times. This method has proven to be successful in other Nunavut regions and has the capacity to result in higher employee retention rates.

Discussions also took place around the communities and hiring rates. Taloyoak and Kugaaruk both mentioned that they would like to see more hires out of their communities. The larger communities seem to be seeing both more employment and training opportunities. With training, there is a capacity issue and both KIA and NAC are working to provide all communities with equal training opportunities. TMAC did state that they are not seeing as many interested applicants out of certain communities, while others have higher numbers. Overall, all community representatives believe that their community members are able to adjust to the rotational schedule and are willing to take necessary training in order to obtain employment.

At the 2015 SEMC meeting it was requested that socio-economic information be supplied at the 2016 SEMC meeting. This was covered, and a committee member was interested in the migration rates in other regions. A question was brought up about what the GN is capable of doing to avoid migration out of communities. Unfortunately, the GN has no say on

whether or not community members choose to leave their community, but that the mandate of the GN is to make the lives of Nunavummiut better.

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. The other SEMP working groups are looking to combine and regulate all indicators of all projects in Nunavut to provide standardized information delivery.

Moving forward, it was recommended that the meetings take place over a two full days instead of one and a half days. This will allow for more discussion time as a group as well as breakout discussions in smaller groups. It was also asked that the meetings be moved to early 2018, January or February, to allow the Proponents to finalize their statistical reporting and incorporate those stats into presentations for the SEMC meeting. The committee agreed to this, as well as postponing the 2017 meeting as the 2016 was late in the calendar year and moving forward in the 2018 calendar year. 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. Due to the changes in the agenda at the meeting, the order does not follow the agenda layout:

1. Government of Nunavut
2. Nunavut Bureau of Statistics
3. Kitikmeot Inuit Organization
4. Government of Canada NGMP
5. Sabina Gold & Silver Corp.
6. TMAC Resources
7. Polar Knowledge Canada/Chars
8. The Grays Bay Road & Port Project

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 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

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

Economic Activity

Gross domestic product
Retail trade
Building permits

Employment

Labour force characteristics

Number of employees and average weekly earnings in Nunavut

Taxfilers with employment income and median employment income

Social assistance caseload

Social assistance expenditures

Inuit Languages

Population by mother tongue

Language spoken most at home

Traditional Activities and Skills

Population that hunted, fished, gathered and/or trapped in the past 12 months