

## Ministère de l'Exécutif et des Affaires Intergouvernementales Department of Executive & Intergovernmental Affairs

October 9, 2008

Jeff Rusk Director, Technical Services Nunavut Impact Review Board P.O. Box 1360 Cambridge Bay, NU XOA 0H0

Dear Mr. Rusk,

RE: Commencement of the NIRB's Part 5 Review of Sabina Silver Corporation's Hackett River Project – Government of Nunavut Comments on Draft Scope

On behalf of the Government of Nunavut (GN), I would like to thank the Nunavut Impact Review Board (NIRB) for the opportunity to comment on the draft scope of the Hackett River Project.

GN departments including Environment, Economic Development and Transportation, Community and Government Services, Culture, Language, Elders and Youth, Education, Finance and Health and Social Services have completed a review of the draft scope and their comments are attached in Appendix A as a comprehensive package

In general, we believe the draft scope to be comprehensive in regard to project components and environmental factors identified in the scoping list, however in certain instances additional factors should be considered. Please see Appendix A for more details.

Thank you for the opportunity to provide comments. The GN looks forward to continued participation in the Part 5 Review of the Hackett River Project. Should you have any questions pertaining to this submission or the GN's participation in the Review process, please do not hesitate to contact me.

Yours truly,

Paul Suvega Assistant Deputy Minister



Ministère de l'Exécutif et des Affaires Intergouvernementales Department of Executive & Intergovernmental Affairs

#### APPENDIX A

# Re: Government of Nunavut Comments on the Draft Scope of the Hackett River Project

This letter identifies changes suggested by the Government of Nunavut to improve the draft scope of Sabina Silver Corporation's Draft Environmental Impact Statement for the Hackett River project.

It is our understanding that NIRB will provide interveners the opportunity to comment on the draft guidelines for the Draft Environmental Impact Statement (DEIS) upon completion of its scoping exercise in the Kitikmeot Region. The Government of Nunavut looks forward to providing comments on these guidelines when the opportunity arises.

#### COMMENTS ON PROJECT COMPONENTS

## Issue: Expansion of "Project Components" Definition

The mobilization of human resources is an important component of the Hackett River Project having potentially substantial direct socio-economic impacts, and yet it is not mentioned among the project components as listed by NIRB.

Project components are described by NIRB as "physical works and undertakings." The GN recommends that these undertakings should be expanded to include additional activities including mobilization of human resources, purchase of local goods and services, use of local infrastructure including transportation infrastructure, and identification of the hub community for the development of the project.

#### **COMMENTS ON SCOPING LIST**

#### **Issue: Alternatives**

The scope of the (DEIS) does not include an analysis of alternatives including the no-go option. This has become an important component of previous environmental impact reviews in Nunavut, providing the Board and the public with information about important project decisions made by the proponent. The



## Ministère de l'Exécutif et des Affaires Intergouvernementales Department of Executive & Intergovernmental Affairs

GN encourages NIRB to include an alternatives assessment in the scope of the Environmental Impact Statement.

#### **Issue: Bathurst Inlet Port and Road Project**

The project proposal as submitted assumes the existence of the Bathurst Inlet Port and Road Project (BIPAR). If BIPAR does not go forward, then the Hackett River Project may need to build its own deep water port and road. The scoping document should be amended to include a section requiring extensive review of port and road alternatives that would be triggered by the failure of BIPAR to move forward. In this comment we echo the observation made by the INAC minister in his letter to NIRB September 4, 2008.

#### Issue: Socio-Economic Monitoring (Item "t")

The project scoping list would benefit from having more emphasis on the development of both environmental *and* socio-economic monitoring programs. Therefore, item (t) should read "environmental and socio-economic monitoring program and post-project analysis"

#### Issue: Expansion of Socio-Economic Categories (Item "m")

The GN supports the expansion of the "socio-economic" category (item "m" of the scoping list) to ensure meaningful analysis of the potential project impacts to the social and economic wellbeing of Nunavummiut. In the past, the definition of "socio-economic" has been refined during the development of the Draft EIS guidelines. The GN encourages NIRB and other stakeholders to explore the applicability of the following 10 broad categories of analysis to ensure the socio-economic impact statement captures the issues important to the people of the Kitikmeot Region:

- 1. Individual and Family Well-Being
- 2. Housing
- 3. Culture and Relationship To The Land
- 4. Education and Training
- 5. Livelihoods and Income
- 6. Economic Development and Self-Reliance
- 7. Community Infrastructure
- 8. Municipal Services
- 9. Community Well-Being
- 10. Community Governance and Leadership



## Ministère de l'Exécutif et des Affaires Intergouvernementales Department of Executive & Intergovernmental Affairs

#### **Issue: Taxation**

Potential socio-economic benefits of the Hackett River project include both taxes due the GN, and the agreement of a Development Partnership Agreement (DPA) with the GN. (The Valued Socio-Economic Components of the project that the proponent has already identified include taxes as well as various development items—see Table 6.4-1 of the project proposal.) The GN encourages NIRB to expand the scope of the proponent's DEIS to include information on the steps the proponent proposes to take to ensure it meets its tax obligations (including the fuel and payroll taxes), as well as the steps the proponent proposes to take to participate in the GN's voluntary DPA program and its associated rebate of the fuel tax.

### **Issue: Abandonment and Reclamation**

Potential socio-economic costs of the Hackett River project include financial liabilities associated with abandonment and reclamation. The GN encourages NIRB to expand the scope of the proponent's DEIS to include information on the steps the proponent proposes to take to provide financial security pursuant to the federal *Mine Site Reclamation Policy for Nunavut*. NIRB is also encouraged to expand the scope to include information on whether or not the proponent will develop any part of the project on Commissioner's Land, and if so, the steps the proponent proposes to take to provide financial security to the GN. (Note that the proponent has indicated that it is not yet clear whether or not Commissioner's Land will be involved in the project—see Table 1.3-2 of the project proposal.)

#### Issue: Human Health (Item "I")

The scope of the human health impact assessment should include potential direct impacts to human and public health (including environmental health), as well as direct impacts to the health care system. The GN encourages NIRB to expand the scope of the assessment to include these distinctions.

#### Issue: Archaeological Resources (Item "n")

The issues of concern to the Department of Culture, Language, Elders and Youth (CLEY) are predominantly outlined in "3n - Archaeological Resources" and "3s - Traditional Knowledge". Palaeontology also falls under CLEY's mandate and there is no mention of paleontological resources in the scoping document, however the Proponent addresses this issue in their Project Proposal 6.3.3. The



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## Ministère de l'Exécutif et des Affaires Intergouvernementales Department of Executive & Intergovernmental Affairs

Department agrees with the low potential assessment relating to palaeontological resources outlined by the Proponent, but would suggest the Proponent retains this brief section in future submissions so that it is consistently clear that Proponent is aware of the paleontological issues.