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November 14, 2008

Leslie Payette
Manager of Environment
Nunavut Impact Review Board
P.O. Box 1360
Cambridge Bay, NU, X0B 0C0

Via electronic mail to: lpayette@nirb.ca

**Re: Comments on the Sabina Silver Corporation's Hackett River Project
Draft Guidelines**

Dear Ms. Payette,

Indian and Northern Affairs Canada (INAC) would like to thank the Nunavut Impact Review Board (NIRB) for the opportunity to provide comments on the Draft Guidelines for Sabina Silver Corporation's Hackett River Project. As such, INAC has prepared the following comments, as requested in NIRB's letter of October 24, 2008, for its consideration.

General comment:

The guidelines refer to requirements for plain language, as well as non-technical language, but does not define or distinguish these. In addition, the example project description provided (on page 13) includes what does not seem to be plain language (e.g. "sublevel longhole stoping"). It would be helpful to the Proponent if these requirements were better described.

Also, NIRB's 10 minimum EIS requirements are included twice in the document, once in the text and once in an appendix. It may be desirable to remove one version in the interest of keeping the document as concise as possible.



Section-specific comments:

Section 2.1.4 Hackett River Project Components (p. 7)

h) Alternatives Assessment

This section lists the infrastructure that Sabina would build should the proposed Bathurst Inlet Port and Road Project (BIPR) not be available for their use. However, it is not clear in the guidelines how this element should be assessed in the EIS. It is expected that should it become the preferred alternative, a complete and thorough assessment of these components would be needed: one that goes beyond what is commonly included in an alternatives assessment. It is expected that this will be discussed at the upcoming guidelines workshop and that more specific direction will be provided to the Proponent in the final version of the Guidelines.

In addition, the description of this additional infrastructure does not include information on whether these facilities will be public or private and if there will be any users other than Sabina. This information is important in determining how the impacts of these components should be assessed.

Section 2.1.5 Scoping List (p. 10)

The socio-economic heading includes four sub-headings which do not appear to be a complete list of sub-factors to be included in the socio-economic assessment. In the interest of clarity, it may be best to either complete the list or remove the sub-factors. If the sub-headings are removed, they could be covered in separate sections later on in the document, where more specific details are presented.

Section 2.2 NIRB Principles (p.11)

The third bullet states that how the Project will influence environmental, social and economic trends in the West Kitikmeot region should be understood. INAC suggests that how these trends will influence the Project should also be understood and discussed by the Proponent in the EIS .

Section 4.1 Presentation of the EIS (p. 16)

INAC suggests that this section include a statement indicating that the EIS must be organized in a way that will facilitate review, including minimizing the need to cross-reference different sections of the EIS and also including adequate referencing between sections when it is needed.



Section 4.4 Format (p. 17)

The list of sections is missing a heading for transboundary impacts. A section describing how the Proponent is to approach this assessment, including describing what their assessment is to contain, should also be included in the guidelines document.

Section 4.5 Data Presentation (pg. 19)

INAC suggests that a statement be added to indicate that all charts, diagrams, photographs and maps provided should be clearly referenced in the text, especially if they are included in a separate volume or section.

Section 5.4 Spatial Boundaries (p. 23)

This section states the following:

“The types of data collected and the methodologies, including public consultation and discussions with technical experts, for collecting, presenting, and analyzing such data must, to the extent possible, be consistent with the Nunavut General Monitoring Program of Article 12 of the NLCA”

Reference to the “General Monitoring Program” is also made in Section 5.11 - Data Acquisition, Methodology and Documentation.

Although INAC is supportive of the desire to harmonize data collection types and methodologies, general monitoring as described in the NLCA (Section 12.7.6) is not currently in place. INAC suggests that the Proponent, instead, be asked to consider other available information, including knowledge on what types of data other project proponents, governments and other researchers are collecting and have collected, in making choices with respect to types of data that it will collect for its project-specific monitoring programs as well as any regional monitoring initiatives it will participate in.

In addition, this section does not determine what spatial boundaries are to be applied to shipping activities.

Also, as is indicated in section 5.5, it should be clear that “the Proponent shall give a rationale and justification for the boundaries chosen”

Section 5.7 Analysis of Need and Purpose (p. 25)

d) it is not clear how discussing the benefit of the project to West Kitikmeot communities is related to the general feasibility of the project – perhaps these are two separate points, or additional clarification is needed.



Under point f) of this section, it is a recommendation to specify that *net* economic benefits are based upon an analysis of positive and negative impacts discounted over the timeframe of the proposed project. An alternative version of the guideline could be:

f) How the Project will provide a net economic benefit to Nunavut and Canada as a whole. This should be supported by an analysis of the positive and negative social and economic effects on existing industries, markets and communities discounted over the life of the project.

In addition, although it may be desirable to assess the net economic benefit, INAC suggests that an assessment of the net benefit, including consideration of all other non-economic impacts and benefits (such as environmental, social and cultural) should also be included, and is more essential than an economics-only analysis.

Section 5.7.1 Project alternatives (p. 25)

INAC suggests that the “detailed assessment of the alternatives presented should the BIPR project become unfeasible” be qualified more specifically. It should be clear that the level of detail in the assessment should be comparable to that of all other project components, so as to ensure the assessment documentation will be complete should be project description change to include Sabina’s own road and port.

5.7.2 Potential Project Impediments (p. 26)

This section states that a discussion should be provided on how a delay in the BIPR process may impede or alter the development of the Hackett River Project. INAC suggests that a discussion on how these potential impacts on the development of the Hackett River Project are expected to be accounted for in the Review process should be included as well.

5.8 Methodology (p. 26)

INAC suggests that this section discuss how the Proponent should address information gaps, such as details in the design that have not yet been determined. The Proponent should be advised to explain when the information will be determined, to describe whether the predicted impacts may depend on details that are yet to come and if so, describe how the potential impacts of all possible options will be managed.



Section 5.13 Detailed Project Proposal Description (p. 29)

It is not clear how this section differs from section 3.0 (Project Definition), it would be helpful if this was either clarified, or the two sections were joined into one. This will ensure a more concise document and consistent messaging.

Also, with respect to d), it is suggested that “Scale” be changed to “Temporal and Spatial Scales”

Section 5.13.1.6 Borrow Pits and Quarry Sites (p. 34)

INAC would like to request that the Proponent delineate Inuit Owned Land and Crown Land on all maps of quarries and borrow pits.

Section 5.13.1.8 All-Weather Road(s) (p. 35)

INAC recommends that the description of materials that will be used for construction and maintenance include whether any materials with ARD potential will be used.

Section 5.13.1.10 Facilities at Bathurst Inlet (p. 36)

INAC suggests that the description include the duration, frequency and extent of use of the facilities at Bathurst Inlet.

Section 5.13.1.11 Fuel and Explosives Storage Sites and Methods of Fuel Transfer and Transportation (pg. 36)

It is recommended that the Proponent be asked to include descriptions of spill contingency plans.

Section 5.13.1.12 Waste (Domestic and Hazardous) Management (pg. 37)

In the Project Description, the Proponent has alluded to using incineration to dispose of domestic wastes. Therefore, it is recommended that the inclusion of an Incineration Management Plan be included in the Guidelines.

In addition to plans for the handling, storage, treatment, and disposal of sewage sludge (second bullet), the Proponent should be asked to describe decant wastewater procedures and plans.

It is also recommended that the Proponent be asked to include descriptions of spill contingency plans.



Section 5.13.1.13 Power (p. 37)

INAC suggests that the first bullet should also request of the Proponent to indicate whether any of the alternative sources of power it has studied will be used, and in what quantities.

Section 5.1.4 Project Design (p. 38)

INAC would also like to suggest the addition of the following sub-section:

An explanation of how the goal of minimizing environmental impacts across all Valued Ecosystemic Components (VECs) has influenced project design.

Also, it would be helpful if sub-section b) directed the proponent to describe how the Project design has incorporated the potential impacts of climate change on the project.

Section 5.14.1 Project Schedule (p. 38)

In the interest of clarity, this section could be changed to: The Proponent shall provide current information on the Project's *anticipated schedule*.

Section 5.15 Baseline Information (p. 39)

The Proponent is directed to “give sufficient time depth to baseline data”. INAC suggests that the time depths that are chosen by the Proponent should be explained and justified in the EIS.

Section 5.15.2 Biophysical Environment (p. 41)

It is recommended that the Proponent be directed to describe and justify the methodologies and/or sources used to collect baseline data.

Section 5.15.3 Socio-Economic Environment (p. 46)

In terms of baseline information (p.46), under the heading of family well-being, it is important in the context of Nunavut to understand household structures and to subsequently be able to examine how these structures react to changes in external circumstances (i.e. related to major project impacts).

Thus, under family well-being it is recommended that the guidelines address the following:



The proponent shall describe, where possible, the prevalent representative household (hh)¹ social-structure in the impacted region in terms of:

- the prevalent composition of the household (# of family/kin-relations co-existing, generations in the hh)
- a description of the gender roles within the household
- the prevalent division of household labour based upon existing gender roles
- the dominant consumption patterns of the household
- hh access to credit
- how resources are shared/divided within the hh
- how decisions are made in the hh

If it is not possible to describe the entirety of the above information, the proponent should justify the specific limitations in obtaining this information in the DEIS.

Section 5.15.2.2 Freshwater and Marine Environment (p. 42)

h) INAC suggests that the possible effects of climate change be assessed broadly, including impacts on water quantity and quality, and not be limited to impacts on the timing of ice formation

Section 5.15.2.3 Meteorology (p. 43)

The impacts of predicted impacts of climate change and related changes on any aspect of the environmental assessment of the Hackett River Project, including predictions, conclusions, etc. should be included in the EIS.

Section 5.16 Assessment and Mitigation of Impacts (p. 48)

INAC suggests the analysis of biophysical and socio-economic effects should also describe and justify how the significance of the effect was determined.

In addition, discussing the residual impacts along with the identification of effects and mitigation may also be useful in avoiding repetition in the EIS.

Section 5.16.5.1 Open Pit and Underground Mining (p. 52)

INAC suggests the analysis of the effects on receiving water bodies of water pumped from the pits should include the planning for the possibility of Acid Rock Drainage/Metal Leaching.

¹ Households are a good unit of socio-economic analysis. In this context, we can define the term as generally a socio-economic unit (of family/friend/kinship relations) sharing the same physical abode



Section 5.16.5.12 Accidents and Malfunctions (p. 56)

It seems that this section and Section 5.18 Risk Assessment and Emergency Response Plan have significant overlap. In the interest of avoiding repetition and having all information about risks and potential impacts of accidents and malfunctions in one place in the EIS, which will also facilitate and focus the review, it is suggested that it be clear what section is to contain the assessment of potential impacts due to accidents and malfunctions, such as spills.

Section 5.16.6.4 Vegetation (p. 59)

It is recommended that species that are of traditional use be added to the list of vegetation to be assessed.

Section 5.16.7 Socio-Economic Impacts (p. 62)

This section directs the Proponent to assess the Project's contribution, if any, to increased levels of contaminants in traditional foods. INAC suggests that such an assessment should also include assessing the potential health impacts of consuming these foods, should their contaminant levels increase due to the Project.

Further in this section (p. 64) the Proponent is directed to evaluate how the temporary or final closure of the mine would affect workers and communities. INAC suggests that it should be made clear that these potential scenarios should include both temporary or final closure at the end of the expected mine life, and temporary or final closures that could take place throughout the mine life.

On page 65, reference is made to a specific economic model for the Kitikmeot Region developed by Dr. Stabler and Dr. Howe. Endorsing a specific economic model in this manner, also by referencing potential beneficiaries of the model employment, and providing direction to the proponent as such is not advisable. The removal of the reference to this specific model is recommended.

It is however, still recommended to retain the statement "it would be desirable to use an input-output model to assess potential economic impacts, including indirect and induced effects" with the caveat that the model also illustrate the distribution and magnitude of the potential impacts and effects on the relevant communities and regions potentially impacted by the proposed project.

It is also recommended that the proponent assesses the *potential distribution* of potential impacts and benefits on socio-economic and cultural components, as impacts and benefits are not necessarily distributed to the same individuals or communities. This distribution should be linked on a macro-level to communities in the region (i.e. Kitikmeot and/or trans-boundary) as well as on the micro level



of within the household. The impact distribution should be gender disaggregated on all levels of impact analysis by the proponent. The proponent should also describe the gender analysis approach they will take throughout the project to identify and monitor socio-economic impacts on households potentially impacted by the project.

Section 5.16.8 Cumulative Effects Assessment (p. 65)

This section appears to use both “reasonably foreseeable future projects” and “probable future development”. Only the latter is defined in the text. To avoid confusion, INAC suggests that it would be helpful to either differentiate the two, indicate that they are interchangeable, or use consistent wording throughout the guideline document.

In addition, INAC would ask that whether the Proponent is expected to account for not only impacts of other development projects but also other non-project-related impacts that may have cumulative impacts with the proposed Project. This could include climate change, impacts of non-project related traffic on any roads that Sabina builds, etc.

Section 5.16.9.1 Environmental Management and Mitigation – Overview (p. 66)

INAC suggests that the Proponent should be directed to describe what follow-up measures will be taken with respect to mitigation, including commitments to adaptive management. In addition, in conclusions made by the Proponent with respect to mitigation measures, it should be clear whether the Proponent will certainly apply the measures and if not, in what circumstances they will be applied.

Section 5.16.9.2 Management Plans (p. 67)

It is suggested that climate change management be added to the list of issues to be targeted by management plans.

Section 5.16.9.4.4 Public Involvement (p. 75)

In support of participatory development, it is a recommendation that the proponent not only develop two-way communications with the concerned communities, but to also present a summary of all dialogue between the proponent and community members in the DEIS (this could be a separate appendix). This will enable responsible agencies to assess the transparency and meaningfulness of community consultation efforts, the messages communicated within the process of dialogue and to subsequently assess how public participation will influence the development of the project. It is also



recommended that the DEIS describe how communication was facilitated with the public through accommodating regional languages/dialects, not only through translation (as indicated in section 4.7) but through live translation/interpretation at community/public meetings.

Section 5.17 Residual Impacts (p. 77)

INAC suggests that the Proponent be directed to provide methodology and justification for its assessment of residual impacts, the reliability of planned mitigation measures and the consequences of their failure.

Section 5.19.1 Monitoring, Evaluation, and Management (p. 78)

Under this section, it is recommended that the proponent describe in detail their socio-economic monitoring plan (including how they will identify, react and mitigate adverse socio-economic impacts or augment positive socio-economic impacts); what their role will be in monitoring; and what their role, participation and responsibilities will be in relation to the Kitikmeot Regional Socio-Economic Monitoring Committee (SEMC)² will be throughout the project.

Section 5.21 Conclusions and Recommendations (p. 82)

INAC recommends that this section include direction that all conclusions made should be adequately supported and clearly follow from the findings presented throughout the EIS.

INAC looks forward to continuing collaboration with NIRB and other parties in the assessment process for this Project. Should you have any questions, please do not hesitate to contact Margaux Brisco at (867) 975-4567 by phone or at brisco@inac-ainc.gc.ca by email.

Sincerely,

[original signed by]

Robyn Abernethy-Gillis
Manager of Environment Division

² The Regional SEMCs are lead by the Government of Nunavut. INAC sits on these committees as a member.