



**April 2014**

## **FINAL REPORT**

# **SD 9-2 Socio-Economic Management Plan - Meliadine Gold Project, Nunavut**

**Submitted to:**

Agnico Eagle Mines Limited  
Mines Agnico Eagle, Division Services Techniques  
10200, Route de Preissac  
Rouyn-Noranda, QC J0Y 1C0

**REPORT**



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### Executive Summary

Agnico Eagle Mines Limited (AEM) is developing the Meliadine Gold Project (the Project), located approximately 25 kilometres (km) north from Rankin Inlet, and 80 km southwest from Chesterfield Inlet in the Kivalliq Region of Nunavut. Situated on the western shore of Hudson Bay, the Project site is located on a peninsula between the east, south, and west basins of Meliadine Lake (63°1'23.8" N, 92°13'6.42"W), on Inuit owned land. This report presents a Socio-Economic Management Plan (the Plan) for the Project and forms a component of the documentation series produced in accordance with the Project.

The Plan has been prepared to a conceptual level appropriate for inclusion in the Project Environmental Impact Statement. The Socio-Economic Management Plan is a "living" document. As such, the actions and commitments herein will require periodic review to ensure that the Plan is responsive to changing Project requirements and new information from implementation. The Plan will be reviewed and updated on a regular basis as the Project proceeds into detailed design, construction, operations and closure.

Socio-Economic Management is used to manage socio-economic effects associated with the development of the Project by minimizing residual effects at the local and regional levels and maximizing potential benefits. The Social-Economic Management Plan defines the practices that will be followed by the Project to meet the expected social performance as identified in the Environmental Impact Statement. Essentially, the Plan bridges the gap between the EIA process and the execution of the Project by detailing the mechanisms by which actions and commitments made in the EIS will be implemented and monitored. The Plan ensures that a system is in place to address negative effects of the Project, enhance benefits and for use in adaptive management to address unanticipated effects.

#### Caveat

AEM is currently in the process of negotiating with the KIA an Inuit Impact Benefits Agreement (IIBA) for the Meliadine Project. In this management plan AEM has provided its intended actions based on its current practises at its Meadowbank Mine combined with its intentions for the Meliadine Project. However it must be noted that once the new IIBA is ratified by both parties and subsequently implemented the actual conditions as set out in the IIBA will take precedence over the Socio-Economic Management Plan (SD 9-2). At that time AEM will modify the Socio-Economic Management Plan to reflect the requirements of the IIBA. The IIBA remains to be concluded for the Meliadine Project<sup>1</sup>].

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<sup>1</sup> In early 2012, AEM and the KIA initiated negotiation on an IIBA for the Meliadine Project. Negotiations are proceeding with the expectation that a final agreement will be completed by mid to late 2014. This IIBA will encompass many of the employment, business and other issues covered in this Socio-Economic Management Plan (SD 9-2). Consequently, many of the elements covered in this Plan may need to be modified in the future based on the outcome of these IIBA negotiations. In the interim, AEM has based the elements covered by this Plan on its experience operating the Meadowbank Gold Mine where AEM has operated under an IIBA with the KIA since 2008.



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## Abbreviation and Acronym List

AANDC	Aboriginal Affairs and Northern Development Canada
AEM	Agnico Eagle Mines Limited
EFAP	Employee and Family Assistance Program
FEIS	Final Environmental Impact Statement
GN	Government of Nunavut
Golder	Golder Associates Ltd.
IIBA	Inuit Impact Benefit Agreement
IQ	Inuit Qaugimajatuqangit
KIA	Kivalliq Inuit Association
LSA	Local Study Area
MIEG	Minimum Inuit Employment Goal
NGMP	Nunavut General Monitoring Plan
NIRB	Nunavut Impact Review Board
NTI	Nunavut Tunngavik Incorporated
NT	Northwest Territories
RSA	Regional Study Area
SEMC	Socio-Economic Monitoring Committee



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### 1.0 INTRODUCTION

Agnico Eagle Mines Limited (AEM) is developing the Meliadine Gold Project (the Project), located approximately 25 kilometres (km) north from Rankin Inlet, and 80 km southwest from Chesterfield Inlet in the Kivalliq Region of Nunavut. Situated on the western shore of Hudson Bay, the proposed Project site is located on a peninsula (the Peninsula) between the east, south, and west basins of Meliadine Lake (63°1'23.8" N, 92°13'6.42"W), on Inuit owned lands.

The Project is composed of 5 gold deposits: Tiriganiaq, F Zone, Pump, Wesmeg and Discovery. The current mining plan indicates that approximately 22.1 Mt of ore will be mined over a nominal mine life of approximately 13 years. The deposits will be mined using conventional open pit mining methods with additional underground mining for the Tiriganiaq deposit. Approximately 8500 tonnes of ore will be processed per day. A general location plan of the proposed Meliadine Mine is shown in Figure 1.

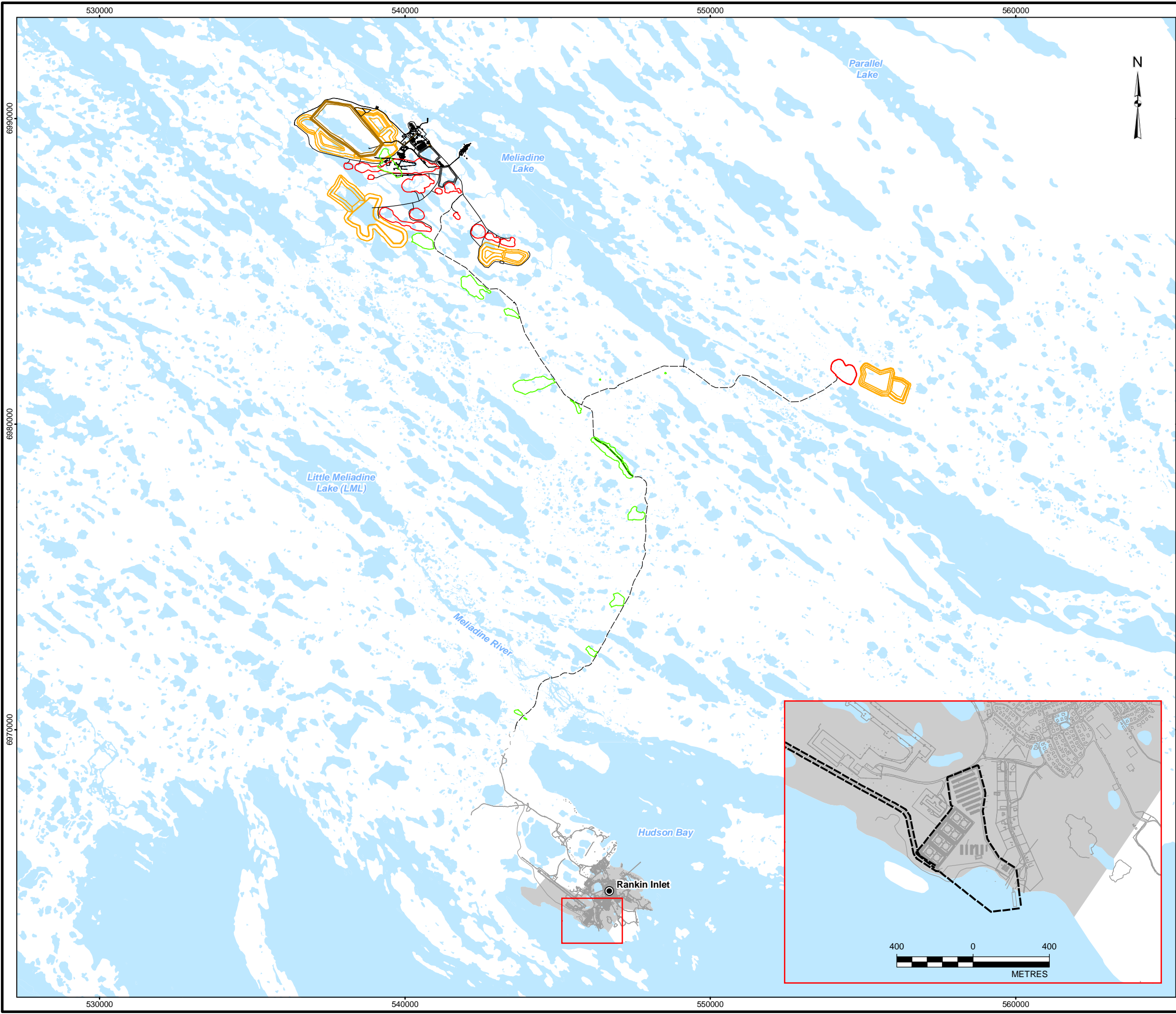
This document presents the Socio-Economic Management Plan (the Plan) for the Project. The Plan is divided into the following components:

- A description of the Meliadine Corporate Standards (Section 2);
- AEM's approach to socio-economic management, including objectives, principles and management components (Section 3);
- A discussion of effect mitigation and benefit enhancement measures (Section 4);
- A discussion on the role of engagement and Inuit Qauginajatuqangit (IQ) in socio-economic management (Section 5);
- A description of the monitoring of the implementation of socio-economic mitigation and enhancement measures (Section 6); and
- A discussion of the general relationship between the Inuit Impact and Benefit Agreement (IIBA) for the Project and the Plan (Section 7).

This Plan has been prepared to a conceptual level appropriate for inclusion in the Project Environmental Impact Statement. This Plan will be reviewed and updated on a regular basis as the Project proceeds into detailed design, construction, operations and closure.

This report has been prepared in accordance with the "Study Limitations of This Report," which are presented at the beginning of the report. The reader's attention is specifically drawn to this information for reference during the use of this report.

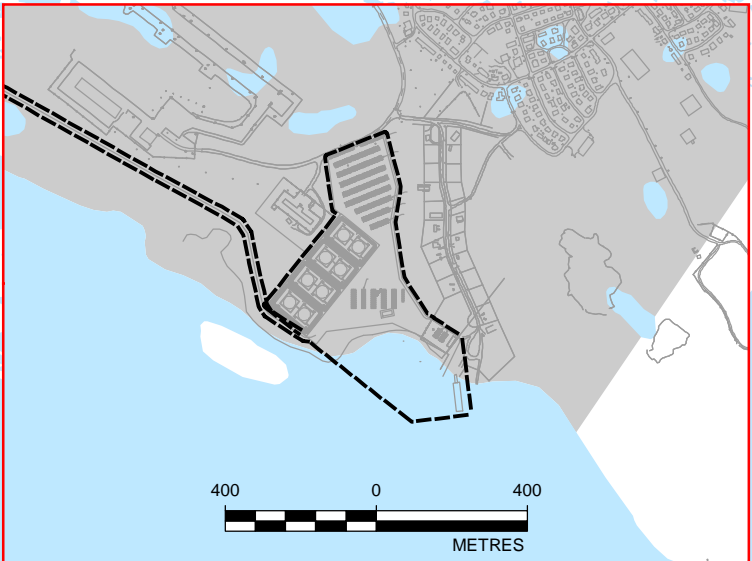
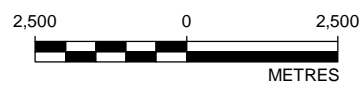
N:\Bur-Graphics\Projects\2013\1428\13-1428-0007\GIS\Mapping\MXD\FEIS\Volume\_9\SD\_9-2\_Socio-Ec\_Mgmt\_Plan\Figure\_1\_Infrastructure\_Rankin\_Inlet.mxd





**LEGEND**

- Proposed Project Infrastructure
- Open Pit
- Tailings Storage Facility
- Waste Rock Storage Facility
- Borrow Pit/Quarry
- All-weather Access Road (AWAR)
- Road - New
- Road - Existing
- Watercourse
- Waterbody
- Municipal Boundary

**REFERENCE**  
Base data obtained from Agnico Eagle Mines Limited (AEM).  
Datum: NAD 83 Projection: UTM Zone 15



<b>PROJECT</b>		 <b>AGNICO EAGLE</b>		<b>AGNICO EAGLE MINES LIMITED MELIADINE GOLD PROJECT NUNAVUT</b>			
<b>TITLE</b>							
<b>PROJECT LAYOUT, INCLUDING AWAR AND PROPOSED INFRASTRUCTURE IN RANKIN INLET FOR THE MELIADINE GOLD PROJECT</b>							
		PROJECT NO.		FILE No.			
		DESIGN	DW	19 Nov. 2012	SCALE AS SHOWN	REV.	0
		GIS	CDB	19 Nov. 2012	<b>FIGURE 1</b>		
		CHECK	DW	11 Jan. 2013			
		REVIEW	DW	11 Jan. 2013			





### 1.1 Concordance with the Guidelines

The purpose of this document is to address the Guidelines issued by the Nunavut Impact Review Board (NIRB) for the Project (NIRB 2012), and specifically those relating to the presentation of socio-economic mitigation and monitoring plans and mitigation programs. The complete Guidelines for the Project, including Final Environmental Impact Statement (FEIS) section and page number referencing, are summarized in the main FEIS concordance table (FEIS Volume 1, Appendix 1-A).

The Plan is one in a series of socio-economic environment plans that have been developed for the Project. The following related plans are provided under a separate cover as part of the Project Environmental Impact Statement:

- SD 9-1 Cultural and Heritage Resources Protection Plan;
- SD 9-3 Business Development Plan;
- SD 9-4 Human Resources Plan;
- SD 9-5 Community Involvement Plan; and
- SD 9-6 Occupational Health and Safety Plan.

### 2.0 MELIADINE CORPORATE STANDARDS

*The Meliadine Project's corporate standards are aligned with those of its parent company, Agnico Eagle Mines Limited (AEM). AEM's approach in developing projects is to "create economic prosperity for our stakeholders in a safe, social and environmentally responsible manner." AEM recognizes its obligations as a leading gold mining company in Canada's north and strives to invest in host communities to create economic benefits and opportunities that will outlive the project activities and contribute to achieving economic, social and environmental sustainability (AEM 2012<sup>2</sup>).*

The vision, mission and commitments for the Project are reflected in AEM's 4 core values, all of which are requisites for effective socio-economic management practices:

- operate safely;
- protect the environment;
- treat people and communities well; and
- make a profit.

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<sup>2</sup> <http://www.agnico-eagle.com/English/Responsibility/Our-Approach/default.aspx>



### 3.0 APPROACH TO SOCIO-ECONOMIC MANAGEMENT

The approach to socio-economic management for the Project has incorporated lessons learned from resource development projects in Canada's north and specifically the Kivalliq Region of Nunavut. In particular, socio-economic management strategies used at the AEM Meadowbank Project (Meadowbank) have been incorporated as these strategies have been tried; tested and adaptive management techniques have been put into practice to address any challenges or shortcomings to existing social management strategies. Meadowbank's social management commitments are presented in the Meadowbank IIBA, Kivalliq Socio-Economic Monitoring Committee (SEMC) reports, annual report for the Development Partnership Agreement, Corporate Social Responsibility reports, and other policy documents.

#### 3.1 Objectives

The main objectives of socio-economic management for the Project are to:

- mitigate the negative effects and enhance the benefits (creating value) of the Project for all Project stakeholders;
- create opportunities for people in the Kivalliq Region, and Nunavut more generally, to participate in the Project, thereby enhancing self-reliance, wellbeing and sustainability;
- establish a role for AEM as an active participant in the sustainability of communities in the Kivalliq Region, and of Nunavut more generally; and
- maintain goodwill and good relations with people and their governments.

#### 3.2 Principles

The following principles have guided the development of socio-economic management measures for the Project and will guide ongoing socio-economic management by AEM, including support for economic and social development:

- Communities and people most likely to experience negative effects of the Project receive priority in the distribution of Project benefits.
- The implementation of effect mitigation and benefit enhancement measures is undertaken in partnership not only with affected people, but also with a range of organizations from government and civil society that are able to bring appropriate experience and knowledge to maximizing net socio-economic benefit while protecting the interests of more vulnerable subpopulations.
- Engagement (both consultation and participation) has been and will continue to be practiced throughout the Project life cycle to define people's priorities and to decide as necessary how effect mitigation and benefit enhancement measures will be adjusted, implemented and monitored (adaptive management).
- Inuit Qaugimajatuqangit (IQ) is solicited, documented and integrated into Project decision making.
- Planning and implementation of effect mitigation and benefit enhancement measures takes into account normal Project activities, such that synergies can be identified towards increasing the efficiency and effectiveness of socio-economic management. For example, the strengthening of entrepreneurial skills



towards developing capacity to supply the Project, and possibly other mines that might be developed nearby.

- Planning and implementation of effect mitigation and benefit enhancement measures is conducted in an environment of accountability and transparency. This implies public reporting on results of socio-economic management, as well as facilitating access to AEM on the part of people and their governments in the event that unforeseen negative effects occur, or grievances develop.
- Sustainability criteria are incorporated in decisions on effect mitigation and benefit enhancement measures by considering:
  - demonstrated demand for the measure;
  - people's willingness to participate in the development and implementation of the measures that imply their participation;
  - people's culture, expectations, basic needs and vulnerabilities;
  - changes that will occur with Project closure such that measures do not depend on contributions by AEM over the long-term; and
  - consistency with government planning and programming.

### 3.3 Socio-economic Management Components

Socio-economic effect mitigation and benefit enhancement for the Project will be approached under 6 broad categories as follows:

- Project design choices made for particular Project components to reduce the potential for negative effect. Design choices for the Project are more fully described in FEIS Volume 2 Section 2.4 and SD 2-1 Project Alternatives.
- The implementation of good practice corporate policies and procedures that reduce the potential for negative effect and/or enhance the potential for benefit. This would include, for example, the application of traffic safety rules and workplace health and safety plans. Such good practice is characteristic of AEM and is captured in corporate statements as well as in the environmental and socio-economic mitigation and benefit enhancement measures described throughout the Final Environmental Impact Statement (FEIS).
- The implementation of measures to address Project specific socio-economic effects that are well defined, are at least somewhat predictable in their significance and are susceptible to mitigation or enhancement by AEM. This would include, for example, measures to prioritize the Kivalliq Region's access to Project economic opportunities and to accommodate traditional culture in workforce management. Specific socio-economic effect mitigation and benefit enhancement measures are summarized in Section 4.0 below.<sup>3</sup>
- Ongoing information disclosure and engagement with people and their governments: Engagement, including the seeking out of IQ, throughout the construction, operations, final closure and post closure

<sup>3</sup> Further details on these measures are provided in SD 9-5 Community Involvement Plan and SD 9-4 Human Resources Development Plan.



phases of the Project achieves multiple objectives, including contributing to the effectiveness of effect mitigation and benefit enhancement measures. The integration of engagement and IQ into socio-economic management is summarized in Section 5.0 below.<sup>4</sup>

- Monitoring: Monitoring contributes to demonstrating Project benefits and provides evidence of compliance with FEIS assessment results. In addition, monitoring furthers the understanding of the effectiveness of effect mitigation and benefits enhancement measures and provides a mechanism to capture any unpredictable and/or evolving effects, such that socio-economic management can be adjusted. The monitoring includes significant participation in monitoring activity by communities in the Kivalliq Region. Engagement is integral to monitoring. Monitoring is described in Section 6.0 below.
- The planning and implementation of activities in support of economic and social development: This is largely, but not exclusively, affected through the IIBA,<sup>5</sup> and addresses:
- negative socio-economic effects that are difficult to completely mitigate, such as the potential effects of labour force competition on community service delivery and on businesses;
  - negative socio-economic effects that are unpredictable in their significance and/or may evolve as the Project proceeds, such as negative effects on communities that may result from potential in-migration;
  - socio-economic benefits that can be enhanced with some assistance directed at people such that they are better positioned to access Project and other economic opportunities over the longer term (e.g., the implementation of school based education programs); and
  - regional economic and social development objectives.

The current status of the IIBA negotiations is described in Section 7.0 below.

## 4.0 MITIGATION AND BENEFIT ENHANCEMENT MEASURES

Because socio-economic effects are so interrelated, and in some cases cascade, it is not practical to present measures specific to each effect identified in the social environment effects assessment (FEIS Volume 9, Sections 9.2 to 9.10). As an illustration of the complexities:

- One measure can be expected to affect the outcome of a number of different impacts. For example, preferential employment policies (to increase the numbers of Inuit working for the Project) can be expected to increase individual, community and territorial economic activity and incomes, but should also build capacity to participate in the wage economy over the longer term, provide resources for traditional activity, reduce demand for government services and contribute to overall community wellbeing.
- One impact can be expected to be affected by a number of different effect mitigation and benefit enhancement measures. For example, incomes can increase as a result of preferential employment, preferential contracting, training and other measures intended to enhance job performance, and over the longer term as a result of school based programs intended to keep children in school.

<sup>4</sup> Further details on these measures are provided in SD 9-5 Community Involvement Plan.

<sup>5</sup> AEM has initiated IIBA discussions with the Kivalliq Inuit Association (KIA) and expects that the IIBA will be available for disclosure at the time of the submission of the final EIS to NIRB.



Effect mitigation and benefit enhancement measures are therefore discussed below by category of measure rather than by the effects they are expected to address.

### 4.1 Employment

AEM's employment policy is to maximize employment of people in Kivalliq communities, with the intent to see that Project benefits accrue not only to the Nunavut and Canadian economies, but also to the people of the Kivalliq Region. Such a policy implies that Project specific initiatives may be required to address barriers to employment where people have little experience with the mining sector. It is noted however that to operate effectively, efficiently and safely, AEM's requirement is for a comparatively skilled workforce. In this regard, Meadowbank is scheduled to begin its closure phase as Meliadine operations start to ramp up. It is therefore expected that Meadowbank employees will seek to transfer to Meliadine operations to extend their current employment with AEM. It is AEM's intention that all employees working at its Meadowbank Mine will be offered the opportunity to transfer to the Meliadine Mine once operations commence at Meliadine. These transfers will be subject to: a) the terms and conditions of the IIBA to be negotiated between AEM and KIA for the Meliadine Project such as preference for Inuit Beneficiaries; b) the timing of available positions at the Meliadine Mine; c) the ability of the transferring employees to fill the positions as they become available at the Meliadine Mine; and d) the need to maintain economically viable operations at both sites, i.e., the winding down of mining operations at Meadowbank and the ramping up of operations at Meliadine.

In addition, it is important that wage employment not conflict with traditional activities and practices that are both economically, and socially and culturally critical to livelihoods and individual, family and community wellbeing. There can be limits to people's preparedness for the challenges of rotational work. Under representation in a rotational workforce by women can be the result of lack of opportunity rather than lack of desire to participate. Cross-cultural challenges can also represent a disincentive to participation. In a southern Canadian setting, few jobs at a mine such as the Meliadine Gold Mine would require less than a completed high school education or General Education Diploma. Therefore, for some people in the Kivalliq Region, there are barriers to employment with the Project.

Initiatives that will be put in place to enhance employment opportunities through human resource policy and procedures are identified below (education and training initiatives to enhance employability are addressed in Section 4.3).

- maintaining a regularly updated database of potential Kivalliq employees and preferentially hiring people from local study area (LSA) communities (Rankin Inlet, Chesterfield Inlet, Whale Cove, Baker Lake, and Arviat) and the Kivalliq Region where qualifications and experience permit, during both construction and operations;
- including points of hire in all 7 Kivalliq communities, and funding transport to and from the mine site from these points of hire to enable Project employment without a need to leave home communities for extended periods of time;
- providing to Kivalliq communities and the Kivalliq Inuit Association (KIA) full and timely and easily accessible information in English and Inuktitut on workforce requirements, job descriptions, qualifications and performance criteria; Under the Meliadine IIBA (currently under negotiation) AEM expects to jointly establish with the KIA annual employment goals in selected trades and job categories for each 12-month



period of construction and operations at the Project. These annual employment goals will be established, measured and reviewed based on the number of workers needed, the availability of Inuit and, as appropriate, the availability of skilled Inuit who are interested and want to work at the Meliadine Mine.

- reviewing educational and training requirements for Project positions, together with conducting prior learning assessments, with a view to accepting experience in lieu of qualifications where this is possible. At its Meadowbank operation AEM does not enforce a minimum educational level as a qualification for employment for most of its job openings. AEM recognizes that establishing a minimum grade 10 educational level for potential employees hired from Nunavut would have significantly limited its success in hiring Nunavummiut. At Meadowbank AEM has waived such a requirement for Nunavummiut applicants and has evaluated each local applicant based on their attitude and past job/life experience. Under this approach many Nunavummiut have been hired at Meadowbank without meeting a minimum Grade 10 educational level. This approach does present AEM with a “Catch 22” type of quandary, specifically AEM believes that Nunavummiut need to attain higher levels of educational attainment to be able to access the more skilled and better paying job openings offered by mining and thus does not want to encourage younger Nunavummiut to leave school early to obtain work at the Mine. AEM has demonstrated its willingness to work with the Government of Nunavut (MOU with the GoN Department of Education on educational initiatives such as the Mining Matters curriculum, apprenticeship programs, etc.) and others to encourage young Nunavummiut to stay in school to maximize their educational attainment so that greater opportunities are available to the next generation. However these changes will take time and in the interim there are many Nunavummiut who do not have Grade 10 but who can work at Meadowbank, consequently AEM has applied a highly flexible approach to prevent educational levels being a barrier to entry level positions available at Meadowbank. AEM intends to transfer this approach to employment of Nunavummiut at its proposed Meliadine Project;
- enabling the use of Inuktitut at Project work sites where health and safety standards permit, including the identification of positions accessible to Inuit with limited English language skills and the development of Inuit supervisors to lead Inuit work groups;
- designing recruitment methods, advertisements, application procedures, interview protocols, selection procedures, and training and promotion decision making to reduce potential artificial barriers to employment, including language barriers;
- putting in place a culturally appropriate employee and family assistance program (EFAP) to address individual and family problems that threaten an individual's ability to continue working;
- Under the EFAP AEM will provide counselling services to employees to help them address problems that threaten an individual's ability to continue working. The frequency and duration of counselling will be determined by the counselor and client, with due regard to work schedules, rotation schedules and employment duties.
- conducting exit interviews with a view to increasing the understanding of potential barriers to successful long-term employment, and integrating the results into other initiatives as relevant;
- providing cross cultural training to all employees in order to facilitate the successful integration of Inuit employees into the workforce and to facilitate understanding of Inuit values by employees not resident in Nunavut;



- providing culturally appropriate services to workers, including recreational facilities, food and accommodation, country food storage and/or country food kitchen, , and work schedules that accommodate to the extent practical traditional activity (see Section 4.4);
- training on and enforcing policies related to vehicle operation, controlled substances, alcohol and harassment, with a view towards establishing the workforce discipline which encourages health, safety, learning, retention and advancement of Inuit employees;
- providing recrimination free opportunities for workers to express complaints or concerns, and bring to light conflicts such that grievances are addressed promptly;
- establishing a collaboration committee consisting of employees who are elected to represent their co-workers to discuss all issues of concern to employees including employment conditions;
- maintaining a safe workplace for women workers, and on a case by case basis providing additional support to women applicants and employees to enhance the potential for employment success;
- regularly reviewing, at least biannually, the results of employment initiatives in order to identify barriers to employment for particularly women and challenged workers such that appropriate additional responses can be developed;
- including in the evaluation criteria for contractors (at the pre-qualification stage) the extent to which they have previously used Inuit labour in meeting their contractual obligations and using this criterion as set out within the IIBA to help guide decisions on contract awards; and
- monitoring contractor performance for compliance with their commitments and using monitoring results in decisions on contract administration and management.

## 4.2 Contracting

As for employment, AEM's policy is to maximize opportunities for businesses in the Kivalliq Region to procure goods and services to the Project, again in the interest that Project benefits accrue not only to the larger national and regional economies, but also to the economy and people of the Kivalliq Region. Such a policy implies that where local businesses have little experience with the mining sector, Project specific initiatives may be necessary to remove barriers to successful bidding on procurement contracts.

Although there are now a growing number of exceptions, most businesses in the Kivalliq Region, and particularly those in the 4 smaller communities of Coral Harbour, Chesterfield Inlet, Repulse Bay, and Whale Cove are largely geared to meet the consumption needs of the resident population rather than the needs of large mining projects. Therefore, there is limited experience with the management and logistics of procurement, including preparing offers of goods and/or services. Many businesses are small, and do not have the breadth or the financial resources needed to bid on large contracts. They have limited experience with the demands of supplying large, time sensitive operations and limited experience with quality control.





Initiatives that will be put in place to enhance opportunities to supply goods and services to the Project are identified below:

- maintaining a regularly updated database of potential Kivalliq suppliers<sup>6</sup> of goods and services that identifies businesses interested and with some capacity to supply the Project, noting Inuit content of the business, coordinates and contacts, goods and/or services on offer, updates on contract performance, requests for assistance to improve supply performance and any assistance extended in support;
- AEM will work with the KIA during the construction and operational phases of the project to provide a framework for the tendering and awarding of contracts that facilitates and promotes the participation of Inuit Firms from the Affected Communities in priority, and then from other Kivalliq Region communities, and that encourages the retention of economic benefits of the Meliadine Project in the Kivalliq Region, without placing an excessive burden on AEM or undermining the viability of the Meliadine Project. The procedures to achieve this objective will be established within the Meliadine IIBA currently being negotiated with the KIA;
- providing to the KIA, business associations and the business community, in English and Inuktitut, full and timely information on procurement requirements in agreed areas of capacity to supply on the part of existing and/or potential businesses in the Kivalliq Region and Nunavut (including for example, road construction and maintenance, accommodation, catering, janitorial services, trades work, materials handling and expediting, cross cultural and other training, light vehicle maintenance, warehousing, secretarial services, air services and/or environmental and socio-economic monitoring);
- developing contracting procedures that take into account potential needs to break down procurement packages, waive financial guarantees for smaller sized contracts, or otherwise facilitate the participation of smaller businesses;
- providing an explanation for the weaknesses in an offer to any business that may be denied an opportunity to bid for reasons of determined lack of capacity, or unsuccessfully competes on a goods or service contract;
- participating with the KIA and the GN in development and support for training programs for existing and potential entrepreneurs that will contribute to their success rates at offering goods and services to the Project;
- identifying synergies between the Project and Kivalliq businesses and facilitating Inuit Firms to access procurement opportunities;
- AEM will work with Kivalliq businesses when asked to and as interest and opportunities warrant to provide information on the needs of the Meliadine Project that may be helpful to Kivalliq businesses looking to form joint ventures with southern Canada businesses that have expertise in supplying the mining industry;
- and monitoring contractor performance for compliance with their commitments as per the eventual IIBA and using monitoring results in decisions on contract administration and management.

<sup>6</sup> 'Inuit Firms' are expected to be defined in the IIBA as will a formula for calculating the level of 'Inuit content'. Factors taken into account in the Meadowbank IIBA for example include i) location of head office; ii) degree of Inuit ownership and participation in business profits; iii) proportion of Inuit employees; iv) proportion of Inuit wages; and/or v) proportion of inputs from other Inuit firms. The contents of the Meliadine IIBA will likely include similar topics. The final scope will be determined in ongoing IIBA negotiations with the KIA.





### 4.3 Education and Training

AEM wishes to enhance the potential on the part of people in the Kivalliq Region to access employment and contracting opportunities created by the Project. AEM will therefore provide Project related education and training programs. AEM recognizes that poor educational achievement contributes both to lack of economic opportunity, and to social challenges that are the consequence of unemployment and poverty. There is also concern, particularly among elders, that traditional knowledge is being lost to communities and youth.

The promotion of education and training is therefore intended to address not only Project requirements, but also to maximize the contribution of the Project to Inuit beneficiaries and contribute to longer term participation in both the wage and traditional economies in the interests of sustainable development. Accordingly, AEM has signed a Memorandum of Understanding with the Department of Education that will focus on increasing the number of students in the Kivalliq Region who are able to successfully transition from high school to trades and mining-related career opportunities. Additionally, AEM will work with the KIA and education authorities in the Kivalliq Region and Nunavut to develop the details of an education and training strategy that is broader based in its goals than simply meeting Project related needs. Elements of the education and training strategy include:

- providing timely and accessible information to Kivalliq communities on all Project related education and training opportunities;
- providing pre-employment training to promising job candidates in such areas as work readiness and life skills in order to enhance the potential for success once employed;
- Work with the GN and the KIA to establish an Apprenticeship Training Program at the Meliadine Mine to advance the training and development of Inuit employees in specialized trades requiring apprenticeship.
- establishing a Work Force Development Plan to be updated annually to internally guide AEM on its Project related training needs and to facilitate addressing those needs through AEM's continued participation in the Kivalliq Mine Training Society. For example this Plan could include funding for training positions<sup>7</sup> for Inuit at Nunavut educational institutions and at existing AEM operations in preparation for the operations phase of the Project, including in heavy equipment operations, mill operations, apprenticeship and technician training, technology, environmental monitoring and computer and office skills;
- providing on the job training in areas such as orientation to AEM operations, health and safety, and skills upgrading (core competency), supervision, leadership and management with a view to enhance job performance, retention and advancement;
- providing on the job training and counseling as appropriate in areas such as career development, diversity and respectful behaviours, life skills, and personal financial management with a view to support a successful employment experience;
- retraining selected construction workers for operations phase jobs and training operations workers in new required skills (for example, in mining methods) to allow successful employees to continue their employment as work force needs shift;
- supporting efforts on the part of employees to upgrade their education as a means towards job advancement – for example, accommodating employees (where practical) who decide to participate in high

<sup>7</sup> These training positions will be for different time periods, from one to 4 years, depending on the nature of the training.



school completion programs by allowing employees to retain employment with the mine while upgrading their skills;

- offering haul truck driver training to increase the number of skilled Inuit workers at the Project. AEM's objective is to train semi-skilled workers using a simulator of actual equipment to be used on site. This program will enable workers to build their capacity so that they can access employment opportunities that require specialized skills. The haul truck training will also include a career path to ensure trained haul truck operators can access employment at the mine. This is similar to the training currently being conducted at Meadowbank. AEM intends to move this training facility to Meliadine upon closure of the Meadowbank Mine. AEM also intends to offer employment at Meliadine to its trained Meadowbank workforce to allow employees continue their career development pathway with AEM;
- cooperating with appropriate agencies in Nunavut in providing entrepreneurial training programs for Inuit businesses – this training will address health and safety, business skills (finance and administration), quality control and legal/contracting issues;
- cooperating with appropriate educational authorities and institutions in Nunavut in the development and implementation of high school and college courses with mining sector content;
- cooperate with the GN and KIA to provide summer employment and cooperative education opportunities at the Mine Site (when economically possible) to provide job experience to the young (for example, this may include a 'Youth in Mining' program to expose young graduates to a career in the mining industry and give them work experience in a mining environment);
- working with other mining sector organizations in the region to enhance education and training strategies across the sector through sharing of best practice experience and resources;
- cooperate with the KIA (through the IIBA) to provide a scholarship fund for post-secondary education – eligibility would include both high school students and Project workers;
- participating with schools to deliver youth programs intended to develop traditional skills, particularly those related to activity on the land, and to address the management of mixed economy livelihoods; and
- offering a training program for Project supervisors and management teams. The aim of this training is to develop leadership, communication and conflict management skills needed for responsibilities as a supervisor.

In order to better plan for the future, at its Meadowbank operation AEM has entered into a Memorandum of Understanding (MOU) with the GN Department of Education that will consider a range of initiatives that will benefit students from the Kivalliq Region. The programs are intended to help inform, engage and support youth to be prepared to enter the labor force. These include:

- Design of new information materials about the mining industry and careers in mining that targeted to reach students from grade 1 through 12.
- A multi-year sponsorship with Professional Developers Association of Canada's to deliver and support their "Mining Matters" program in the Kivalliq region. The program will provide new earth sciences program curriculum in schools as well as in service support to teachers to deliver the program. The GN has recently approved the "Mining Matters" program as an official curriculum resource. The program will be delivered in Baker Lake schools on a scheduled basis.



- Sponsorship of regional science and math camps that provide participants with credit. Select Baker Lake students will participate.
- Co-organizing an annual “Career Week” in Baker Lake that attracts employers from various sectors to promote career opportunities to students.
- Co-organizing a trade’s access and skills week that provides students with practical skills experience in trade’s skills, such as welding, mechanics, hairdressing etc. Students receive credit for their participation.
- AEM has participated in curriculum reviews with the Department of Education to consider changes in curriculum that could provide students with new options to link education studies with career choices.

Based on the success of this initiative, AEM intends to extend this initiative to other areas of the Kivalliq Region (specifically Rankin Inlet and Arviat) should the Meliadine Mine be allowed to proceed.

### 4.4 Workforce Management

Workforce policies are intended to ensure that Inuit employees are equitably compensated, have opportunity to engage in traditional activity and practices, and are provided workplace conditions that accommodate Inuit culture. In addition, the intent is to minimize the contact between the residents of Kivalliq communities and out of area Project workers while working in or travelling through these communities, and to guide appropriate behaviours in communities when necessary contact does occur. Finally, workforce management measures can contribute to limiting inter-community migration in search of employment. Workforce management measures will include:

- opening and staffing Project offices in each of the LSA communities with a Human Resources Agent (where employee numbers make such an office practical) whose responsibilities will be to facilitate not only job applications and expressions of business interests, but also meeting workers’ needs for assistance as they transition between home and work. AEM currently operates a community office in both Rankin Inlet and Baker Lake, and provides similar services in Arviat and Chesterfield Inlet through contracted arrangements with the Hamlet, however in other Kivalliq communities where the AEM employee base is small (<5) it has proven to be cost prohibitive to provide this level of service;
- clearly communicating hiring and recruitment policies so as to not encourage workers to move to Rankin Inlet without a confirmed job or contract;
- establishing an accommodation camp at the mine site to house all workers while on rotation and providing return transportation to home communities;
- providing a first responder medical station at the accommodation camp facilities to meet workers’ medical needs while at site, and to limit the demand for Rankin Inlet and other governmental health facilities for work related injuries;
- establishing fly in, fly out schedules that see employees removed from the mine site to their home communities with any necessary restrictions placed on transport services to minimize worker presence in Rankin Inlet (employees will be bussed from the Meliadine Mine site to the Rankin Inlet airport to meet scheduled air transport to their home communities or point of departure);



- establishing and enforcing a code of conduct guiding the behaviour of non-resident workers while working in, or travelling through, Rankin Inlet (or other Kivalliq communities) for work related activities. The code of conduct will include i) standards for behaviours in support of good community relations and sustainable development; ii) prohibitions against illegal activity, harassment, verbal and physical abuse, negligence in driving company vehicles, and other behaviours that may be identified by people in communities as offensive or problematical; and iii) sanctions to be applied in the event of noncompliance with the code;
- iteratively developing and implementing, in consultation with Inuit workers, human resource management policies and procedures that respond to particular Inuit workforce challenges; absenteeism and unexpected resignations (and subsequent reapplications for employment) on the part of workers creates substantial operational difficulties, but various strategies can be used to accommodate needs of both AEM and its workers<sup>8</sup>;
- cross cultural training of all employees to encourage mutual understanding and respect in interactions of Inuit and non-Inuit employees;
- for safety reasons hunting and fishing will not be allowed within the working Mine Site, however AEM recognizes the right of Inuit to hunt and fish in their territory and will work with the KIA to find means to fully accommodate such rights while protecting public safety both near the active mine and along the access road;
- accommodating Inuit diet preferences through meal offerings and provision of storage and facilities for self-cooking of country foods;
- providing sufficient communication services (telephone, internet and community radio where feasible) to meet the needs of employees to stay in contact with their families and communities; and
- providing health and safety training programs modules on sexual health, including inappropriate sexual behaviours and sexually transmitted infections, particularly HIV, as well as other pertinent health issues (smoking and diet for example).

### 4.5 Effects on Wellbeing

Negative effects on wellbeing can potentially arise from many sources. They can be the result of the challenges of rotational work, individual choice on how additional income is spent, inequalities introduced between different segments of society, in migration, and/or changes in traditional values consequent on increased participation in the wage economy and cross-cultural contact.

None of these is directly within the control of AEM to mitigate completely. However, it is in AEM's interests to provide support to individuals, families and communities in managing the potential for negative effects. It is also important to recall that the increased economic activity the Project represents is generally considered to be of overall benefit to wellbeing, particularly in a context of countering high unemployment and poverty that have in themselves significant negative effects on individual, family and community wellbeing.

Of particularly relevance to mitigating the potential for negative effects on wellbeing are:

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<sup>8</sup> There are many options in this regard, including scheduled leaves of absence, alternative rotation schedules, temporary worker pools and job sharing. Different options may suit different individuals. There will be a need for flexibility, ongoing consultation between AEM and its workers and recognition that unpredictability in attendance undermines successful implementation of the Project.



- as part of the terms of employment, providing a confidential EFAP that is competent to address the range of work/life issues that can arise for an individual employee in a culturally sensitive and knowledgeable fashion, including problems with drug and alcohol abuse, addictions (including gambling), inappropriate sexual behaviours, personal financial management, adjustment to change and string adult literacy programs on site;
- implementing employment policies and procedures that give value to traditional knowledge, including the principles of sharing and cooperation, and enable traditional activities and practices; and
- supporting community wellbeing initiatives, as may be agreed in the IIBA or individually with communities, to address community priorities towards enhanced wellbeing, including for example substance abuse management, recreational programs for youth, and IQ retention.

The following provides a brief description of the types of programs and services that are currently being provided by AEM to its Nunavummiut employees working at the Meadowbank Mine. AEM intends to provide similar programs at its Meliadine Mine should it be allowed to proceed:

### **Access to Inuit Counselors**

AEM maintains full time Inuit Counselors at Meadowbank. The Counselors act as a liaison between Inuit employees from Baker Lake (and other Kivalliq communities) and managers to resolve any issues at work and are a first line for employees to share any personal issues that employees may be facing, from financial management problems to spousal relationship issues to health and well-being problems. The Counselors can provide advice and referrals for employees as required.

### **Employee Family Assistance Program**

AEM offers all Nunavummiut employees and their families with free access to a Family Employee Assistance Program. The program is delivered via a contract with Homewood Human Solutions; the same contractor that provides family assistance services to GN employees.

The Employee and Family Assistance Program provides psychological counseling, along with a wide range of work life and wellness services. In addition to counseling, staff members and their eligible dependents have access to nutritional, legal, and financial consultation; e-learning courses; health and wellness resources; and work life services.

### **Access to Health Services at Meadowbank**

AEM retains a doctor who makes regular visits to the Meadowbank Mines. The doctor conducts physical exams of employees and can provide advice and referral to employees who may be seeking help with mental health or other health issues. The company also retains registered nurses who operate our medical facilities at site and provide advice and referral to Inuit employees as requested.

### **Meadowbank Sijjaq**

The objectives of the Meadowbank Sijjaq program are to bring Inuit employees together to collectively discuss workplace irritations and share ideas towards solutions. The program operates every quarter and is facilitated by Inuit Counselors. This is an open forum and a broad range of subjects are discussed, from noise in



dormitories affecting night shift workers, to types of food on the menu, to issues at home when the employee is at site.

### **Visiting Elders Program**

On a monthly basis Meadowbank organizes elders from Baker Lake to come on site to meet with employees and provide guidance and advice. The advice and guidance provided is steeped in Inuit cultural values and encourages employees to choose balanced, healthy and productive lifestyles.

### **Access to Inuit Impacts and Benefits Co-ordinator.**

Based from the AEM office in Baker Lake the Inuit Impacts and Benefits Co-ordinator provides another line of support services for employees to access. These services are similar to those provided to onsite Councillors, but also include access to the Family Network Support Program, as detailed in the following section.

### **Family Network Support Program**

AEM is a partner and investor in the Kivalliq Mine Training Society (KMTS). The KMTS is working with AEM's Inuit Impacts and Benefits Co-ordinator in Baker Lake to establish a Family Network Support Program. The program is intended to assist the families of current and potential Meadowbank employees to become more prepared about the expectations and realities involved in having a family member employed at Meadowbank.

The program will:

- help families address challenges they may face by having a family member leave the community for extended periods of time to work at a mine site;
- provide social and learning opportunities for the families and community of AEM workers to get together to support each other and strengthen the families' ability to support the workers, reduce their concerns about their families during their work rotations, and thus reduce absenteeism and turnover;
- increase the families' awareness of and access to the various programs and services available to AEM workers and to all residents of the region in terms of employment and training opportunities, and social support resources; and
- increase life skills and financial literacy of family members that will help ensure stronger families while also reducing potential sources of stress for workers in their absence.

### **Interagency Program**

To engage community partners in considering approaches to help the community deal with the impacts of development in 2014, AEM and the KMTS will begin working with community partners to ensure they are regularly informed of available programming and how their cooperation can facilitate the uptake and delivery of the collaborative programs at the community level. The objectives of the program are as follows:

- To develop a process and structure to enable AEM, the KMTS and its partners to collaborate at the community level. The Interagency Committee (IC) in Baker Lake holds promise to bring together representatives from the community to look at ways to co-operate in the delivery of programs and services (including KIA Community Liaison Officer, Government Liaison Officer, AEM staff, NAC Adult Educator,





Community Wellness Worker, RCMP, Health & Social Services workers, Hamlet leadership and others as identified).

- To initiate and provide a regular forum for the exchange of information pertaining to labour market supply, demand and issues at the local level.
- To encourage joint program efforts that will help the community mitigate impacts of development
- The KMTS can provide some financial assistance to help coordinate IC efforts.

### Work Readiness Program

The Work Readiness Program is both a mine site and a community-based training initiative. The community based program is organized by the KMTS. This 3-week intensive training session deals with the skills and confidence level needed to enter the mining industry (money and time management, conflict resolution, cross cultural, family affairs) and to access a job at a mine site. The program helps employees and their families be better prepared to cope with working away from home in an industrial setting. This program will be the first step into the AEM hiring process of any new employee. A shorter term 3-day work readiness program is provided to any Baker Lake based employee already working at Meadowbank.

## 4.6 Public Health and Safety

Worker and public health and safety risks will be managed first through the application of best health and safety practice. In addition, emergency response planning will ensure that in the event of a Project emergency, potential damages can be contained. Risks related to the All-weather Access Road (AWAR) and to road traffic in general represent the most tangible risks to the Project workforce, and to the people of Rankin Inlet and the other LSA communities. Environmental effects, for example on caribou and water, can also have implications for public health and safety.

Measures put in place to minimize risks to health and safety is detailed throughout the FEIS, and includes:

- comprehensive worker health and safety plans, training and enforcement (including human rights training for security staff) as detailed in SD 9-6 Occupational Health and Safety Plan;
- comprehensive risk management and emergency response planning and training, including the provision of necessary emergency response facilities and/or equipment, and training in Rankin Inlet as detailed in SD 2-15 Risk Management and Emergency Response;
- regular inspection and maintenance in good condition of i) vehicles; and ii) transportation infrastructure, including access roads, road crossings, facilitating people's activity on the land, water crossings, signage, refuge stations, and docking facilities as detailed in SD 2-9 Roads Management Plan and SD 8-1 Shipping Management Plan;
- taking into account health and safety issues in conditions placed on public use of the AWAR, for example the setting of speed limit on speeds and on the use of firearms along the road;
- driver training and enforcement of a driver code of conduct to control speeds and encourage considerate driving;



- ongoing communication between the Mine Site and Rankin Inlet of road traffic schedule, as well as consultations with Rankin Inlet with regard to scheduling of heavy vehicle traffic to minimize risks and any potential disturbance effects;
- securing all Project facilities with potential to pose public health and safety risks, including prevention of public access where necessary;
- avoiding and minimizing any environmental effects that have the potential to affect public health, including those that may negatively affect livelihood resources;
- providing emergency assistance where the health or safety of people travelling on the land near Project facilities (Mine Site and AWAR) is at risk;
- establishing a site tours program<sup>9</sup> to provide opportunities for LSA residents to better understand mining and measures put in place to protect environmental resources and worker and public health and safety;
- delivering public information and education programs on Project environmental effects and risks to contribute to people's i) understanding of mining activities; and ii) emergency preparedness; and
- delivering public information and education programs, targeted to the appropriate audiences, to enable enhanced community participation in both environmental and socio-economic monitoring.

### 4.7 Community Contributions

In addition to contributions that may be negotiated as part of the IIBA, AEM expects to continue to provide financial and in kind contributions to Kivalliq communities, as has been done at Meadowbank and over the Project's development phase. The contributions are made in response to community priorities, usually on the basis of requests by representative organizations. In the recent past, contributions have included providing laptops to students to increase their computer literacy, providing financial support for an anti-bullying program within the Rankin Inlet high school, and sponsorship for community events including feasts and sports events. AEM, for instance, has been an ongoing sponsor of the Kivalliq Trade Show, an annual event held in Rankin Inlet that provides a forum to create and support networking opportunities and information to expand trade and economic activity in the region.

AEM would expect to continue to respond to request for contributions through the Project life cycle, including in partnerships with hamlet and regional organizations and institutions, and in collaboration with other mining companies.

### 4.8 Compensation

In the course of Project development to date, including exploration at the Mine Site, there has not been evidence that any Project specific disturbances to wildlife have resulted in declines in traditional harvesting. Therefore there has been no requirement for compensation for loss of economic resources. Nor are future such disturbances foreseen given the results of the traditional knowledge studies and the environmental effect assessments.

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<sup>9</sup> As AEM moves into operations, visits to the Project will be initiated.





However, as is the case with any large project, there is some potential that a Project risk might be realized, with unforeseen consequences on traditional harvesting. The IIBA and KIA Land Use Lease are expected to include provisions for compensation for mortality of large mammals, with compensation being paid to the KIA. It is still possible however that an environmental risk could be realized with consequent effects on one or more individuals. In any such unlikely event, AEM would ensure fair compensation to the affected individual(s), on the basis of an estimate of harm, including taking into consideration cultural loss. The compensation would of course depend on the determination of harm, but could imply a financial payment and/or an 'offset' of some kind.

It is also not expected that the Project will have any significant effects on commercial activity related to environmental resources. In the improbable event that effects on existing or expected commercial activity do occur, compensation would be negotiated with the affected individuals on the basis of demonstrable loss.

People are also concerned about compensation for any effects of the Project on human health. Standards for monitoring and protecting both worker and public health will be established for the Project and will comply with regulations and best practices. In the event of an unforeseen accident, compensation will be paid.

### 4.9 Closure

The economic effects of final closure are most keenly felt in the coming to an end of employment and contracting opportunities and the consequent negative social effects of an economic downturn. The challenge is to ensure that in the process of enhancing access to economic opportunities during the Project's life, consideration is also given to eventual final closure. AEM's intent is to have, by Project final closure, increased the capacity of Kivalliq labour and business to engage in economic activity that is independent of the Project.

The measures described above for employment, contracting and education and training include a number of elements that are intended to realize this intent. In addition, the overall objective of many of the other socio-economic management measures described above is to contribute to sustainable development over the longer term. Although the final closure of the Project will inevitably cause dislocation, this dislocation should be attenuated by the following:

- **Employment:** Preferential employment, training and culturally sensitive employment practices that contribute to job performance, satisfaction, retention and advancement for people in the Kivalliq Region. This, and the inclusion of preferential employment as a criterion for evaluation of bids from contractors, will build capacity to participate in the wage economy. These measures will provide the work experience that will give people a competitive edge in competing for jobs elsewhere in the economy.
- **Education and training:** Programs that emphasize not only preparation of adults for work at the Project, but that encourage the young to value education with a view to either AEM employment or other participation in the formal wage economy has implications for long-term employability. In addition, the expectation is that such programs will provide motivation to higher education in areas such as health, education, public security and business administration. The potential for gradual replacement of non-Inuit (frequently rotated out) social service delivery personnel with qualified Inuit not only increases Inuit employment opportunities but strengthens community resilience to the dislocations that can occur with closure.



- Contracting: Preferential contracting, assistance with the development of business expertise and including the use of Kivalliq businesses as a criterion for evaluation of bids from businesses supplying to the Project, will build experience and capacity.
- Support to traditional culture: The consideration and support for individual decisions to combine formal wage employment with traditional activity and practices in employment and education and training programs contributes to resilience in face of economic dislocation.
- IIBA and community contributions: The IIBA will be negotiated according to priority needs in the Kivalliq Region, while incorporating sustainability principles. Implementation of the IIBA will contribute to economic growth but also to the social and cultural wellbeing that underlies the ability of people to create and take up life opportunities. AEM's ongoing community contributions, although modest, will have a similar effect.

AEM is an active member of the Kivalliq Socio-Economic Monitoring Committee (SEMC) led by the Government of Nunavut and involving all seven of the Hamlets in the Kivalliq Region. AEM is committed to being fully involved in a collaborative approach to socio-economic planning involving not only the Kivalliq SEMC but also all other levels of government as final mine closure approaches. For final closure, the “trigger” for final planning should be no less than two years before the expected date of closure. For example final planning for closure at Meadowbank needs to be fully underway by early 2015. This planning needs to detail specific measures that may mitigate, at least to some extent, the potential for negative effects as the result of Project closure. Such measures would potentially include turning over Project physical infrastructure, such as buildings, accommodation camp, docking facilities and/or AWAR, where interest warrants and agreement can be reached on terms of handover. It is noted that for purposes of this FEIS, AEM's undertaking is to remove all physical infrastructure.

There is also a possibility for premature closure (temporary or permanent), which would occur if for any reason the Project became uneconomic and was expected to remain so over an extended period. Premature closure by its nature is unplanned and therefore has more potential for negative effects. Should premature closure happen early in the Project's life cycle, many of the expected benefits to the capacity of labour, businesses and communities to adjust may not have fully developed, and closure mitigation measures will not have been well detailed. AEM would intend to work with communities and government to agree on appropriate measures, including schedules, to ensure that effects of any premature closure are managed as best as possible. In the event of premature (temporary or final) closure occurs, AEM commits to continue to participate in collaborative monitoring with the Kivalliq SEMC as a means to address any negative socio-economic impacts of the closure.

It is noted that the economic effects of closure will to a large extent depend on whether or not there are economic alternatives available at the time of closure to replace the Project. This in turn is expected to largely depend on progress in developing the mining sector in the Kivalliq Region, and Nunavut more generally.

## 5.0 ROLE OF ENGAGEMENT AND IQ

Engagement and IQ are integral to socio-economic management implementation, monitoring and adjustment. AEM's engagement plan has been conceived to provide people with the mechanisms they need to provide input, including IQ, such that the Project is better able to inform its decision making where decisions have potential to affect people. There are also expectations on the part of affected communities for participation in processes to



monitor Project effects and to monitor AEM's compliance with conditions under which the Project may be approved.

Information disclosure provides the information people need to engage and participate in the Project from an informed position. There is clear interest on the part of affected people for more information on the Project, its potential effects, and proposed socio-economic management measures.

The full details of AEM's engagement plan are provided in SD 3-1 Public Consultation and Engagement Baseline and SD 9-5 Community Involvement Plan. The parts of the plan related to engagement are summarized below. It is noted that AEM fully acknowledges the importance to conduct meetings and provide information not only in English but also in Inuktitut, such that the input and IQ of Inuktitut speakers can be captured and used to better manage socio-economic (and environmental) effects. AEM's engagement undertakings include the following:

- continuing to resource and staff the Project office in Rankin Inlet to provide a place where people can easily go to ask questions, express concerns, get information on the Project, lodge grievances and/or attend meetings with Project staff;
- funding and managing staff members in Kivalliq communities with responsibilities to offer similar services to people in these communities where employee numbers make it relevant or necessary;
- holding formal public meetings (open houses) at the community level at regular intervals and at additional times as may be requested or required. Such meetings will focus on information updates on Project progress; discussion of the current understanding of Project effects and risks, and the (environmental and) socio-economic management measures implemented in response; and upcoming opportunities for participation in the Project;
- holding meetings with:
  - the Community Liaison Committee based in Rankin Inlet to discuss and resolve issues of concern as these arise;
  - communities and governments to develop and implement activities in support of socio-economic management measures, including for example education and training initiatives and community contributions;
  - sub groups, for example with businessmen, elders and women, to discuss and resolve issues or advance opportunities that may not be of general interest
- cooperating as warranted with territorial, regional and hamlet authorities in meeting economic and social development goals;
- distributing periodic information with appropriate content and through appropriate media on Project progress and events of interest, including current information on Project activities, effects and risks, environmental and socio-economic management plans, economic opportunities and community contributions;
- clearly providing the names and coordinates of staff with responsibility for community relations in all Project information media;
- fostering a workplace environment that facilitates worker input without fear of misunderstanding or retribution;



- including engagement, participation and public reporting of results in environmental and socio-economic monitoring programs;
- providing training to management and supervisory staff, including those of contractors, on communication with Inuit employees and people in communities, as well as on engagement and on the grievance mechanism (see below);
- maintaining an engagement database with the results of all the above events, including any issues raised and undertakings to resolve these issues;
- internally reporting monthly, and by exception as necessary, on the results of the engagement activities such that these results can be used as input into Project decision making;
- implementing a grievance and dispute resolution mechanism to manage any instances over the life of the Project where people feel they have grounds for complaint. This mechanism will include:
  - a simple and accessible process to lodge a grievance, either verbally or in writing;
  - clarity on roles relative to addressing the grievance for the person lodging the grievance, the hamlet government, the KIA and AEM;
  - the time frame within which a response to the grievance will be provided;
  - an appeal process, through mediation or arbitration, that defines time frames and roles for instances where a grievance escalates into a dispute because the response is not deemed satisfactory by the person/group lodging the grievance, local government representatives, or AEM;
  - a system to record all grievances, disputes and their resolution;
  - a formula on how the costs of grievance resolution are to be shared; and
  - means to ensure feedback for action to relevant AEM and/or contractor staff where systematic grievances are being observed.

## 6.0 MONITORING

AEM's community relations and other management staff will informally monitor the day to day implementation of socio-economic mitigation and enhancement measures in the course of management and administration of their relationships with Project workers, and with people in communities and their representatives. Meetings in communities with representatives of elder, youth, business, hamlet governments and others, are methods that will be used for discussion of Project related issues. Project staff resources in each of the LSA communities also provide means for people to raise issues on a daily basis. Facilitating access of workers and people across the Kivalliq Region to AEM allows the identification of concerns as they evolve.

In addition to the above initiatives, there is also a requirement for formal monitoring of the implementation of socio-economic mitigation and enhancement measures, and for reporting on the monitoring results.



### 6.1 Objectives and Principles

#### Objectives

A priority for monitoring activity will be the measurement of economic benefits to the Kivalliq Region that result from the Project. In addition, monitoring is necessary to establish trends in community wellbeing, such that problems that may be related to the Project, or that the Project can effectively address, can be identified.

The overall objectives of socio-economic monitoring are thus to:

- record the uptake of employment, education and training and contracting opportunities over time and analyze the trends in this uptake in relation to expected outcomes;
- determine the effectiveness of socio-economic impact mitigation and benefit enhancement measures, including for example employee and family assistance programs and measures to accommodate traditional culture in the work place;
- participate with people in communities and governments to evaluate the trends in economic and social development and wellbeing in the Kivalliq Region, as well as the relationship between these trends and the Project; and
- demonstrate compliance with Project socio-economic management commitments.

It is noted that monitoring does not solely consist of the identification of indicators and the collection of data on these indicators. More importantly it is the analysis of data collected in relation to the objectives of social management, the realities of Project implementation, and the socio-economic dynamic in affected communities. Further, monitoring is only valuable insofar as it is comprehensively reported and the results are used to adjust socio-economic management measures. That is, the monitoring results need to be incorporated into adaptive management strategies.

#### Principles

The principles for socio-economic monitoring related to the Project are as follows:

- **Relevance:** AEM's monitoring responsibilities are limited to the monitoring necessary to establish the degree to which the Project i) is achieving its objectives in terms of benefits to LSA and Kivalliq communities; ii) may be having negative effects on individual and/or community wellbeing; and iii) is meeting FEIS commitments.
- **Cost-effectiveness and efficiency:** There are many data that are already collected within communities by various levels of government. It is important to identify indicators that are pertinent to the Project monitoring objectives, and that affected people themselves identify indicators. However, the selection of such indicators should be made from data already being collected to the extent possible. This is in the interests of cost effectiveness and efficiency, but also of data comparability across both space and time to facilitate data interpretation and analysis.
- **Confidentiality and transparency:** Much socio-economic data, including individual data and community level data in small communities, needs to be treated as confidential, as of course does any analysis of that data. However, confidentiality cannot be extended to those who need the data and analysis to make decisions,



adjust mitigation and benefit enhancement measures, or commit resources. There is a requirement for transparency among parties to a monitoring program such that the monitoring results can be used effectively. Within the limits of confidentiality, there is a requirement for transparency with regard to making monitoring results available to communities.

- Participation of affected people: AEM recognizes that with few exceptions, effective monitoring is more related to compliance than to socio-economic Project effects, and is only possible with the participation of affected people.
- Synergies with other monitoring initiatives: AEM sees significant overlap between obligations for reporting under the FEIS, the IIBA, and expected output of its participation in the Kivalliq SEMC and eventually the Nunavut General Monitoring Plan (NGMP). For many reasons, including efficiency and clarity and comparability of results, AEM would wish to ensure no duplication of effort. This in turn implies cooperation between the various parties to these monitoring initiatives (see Section 6.2 below).

## 6.2 Socio-economic Monitoring Context

Nunavut is a society in transition and has important economic and social challenges that need to be managed in a context of rapid change. A major force of change is expansion of the mining sector. The relationships between construction and operations of large mines and community economic and social development are not fully understood in Nunavut or elsewhere in northern Canada.

Multiple governing agencies, with various responsibilities for economic and social development in Nunavut, have responsibilities to participate in the monitoring of community wellbeing generally, including with reference to the effects of mining, and the Project specifically, the following:

- Currently a primary mechanism for meeting economic and social development and monitoring responsibilities is joint participation of governments and industry on one or more of the 3 regional SEMCs in Nunavut, including the Kivalliq SEMC. SEMCs are led by the Government of Nunavut (GN), as the level of government with primary responsibility for socio-economic monitoring. The Kivalliq SEMC also has representatives from hamlets (mayors), KIA, GN departments and other agencies, NIRB, Aboriginal Affairs and Northern Development Canada (AANDC) and industry – currently AEM and AREVA regularly attend. The SEMC monitors and reports on industry's performance regarding employment, contracting and other contributions to Kivalliq communities, as well as on regional socio-economic conditions as these evolve.
- The work of the Kivalliq SEMC is somewhat challenged by limited data availability. Industry representatives are able to report current data on economic opportunities offered by their projects; however, regional and community level data of most interest to understanding socio-economic change, and changes that might be specific to mining effects, are unavailable or are generally only available with a minimum 2 year lag.
- Under the Nunavut Land Claims Agreement, there is a requirement for government, in cooperation with the Nunavut Planning Commission, to develop and implement a general plan for the monitoring of the 'long-term state and health of the ecosystemic and socio-economic environment' in Nunavut Land Claims Agreement, Article 12.7.6). Accordingly, Nunavut Planning Commission, Nunavut Tunngavik Incorporated, AANDC and GN are working on the development of the NGMP. They are currently consulting on the plan,





on valued ecosystem components and valued socio-economic components to be monitored, and on the indicators to be used for monitoring, and are developing data information management systems for NGMP implementation. The NGMP is expected to support decision making through the provision of credible data. An eventual interface with SEMC monitoring is expected and the NGMP could go some way towards providing the data SEMCs need to better monitor regional socio-economic trends.

- With the negotiation and signature of an IIBA with the KIA for the Project, it is expected that AEM will be required to provide monitoring reports to the KIA. It is also expected that the terms of the IIBA will include significant overlap with FEIS socio-economic management commitments. The KIA participates in the Kivalliq SEMC and AEM attends and reports to the SEMC. NIRB has monitoring responsibilities related to the implementation of approval conditions for the Project, including socio-economic management commitments.

In the event that AEM concludes a Development Partnership Agreement with GN, there will also be reporting requirements specific to the terms of that agreement. Thus there are 4, and may be 5 different monitoring mechanisms that AEM either directly, or by association, will participate in for the Project.

In this context, AEM's socio-economic monitoring plan is conceived as having 2 broad components: i) operations monitoring to report on AEM's internal information management system data on socio-economic management inputs and outputs; and ii) collaborative monitoring, that is participation in government's initiatives towards monitoring of socio-economic conditions, trends and outcomes in Kivalliq communities. Operations monitoring data are of primary interest to the Kivalliq SEMC, KIA and NIRB. Collaborative monitoring data are of interest to all parties with responsibilities for socio-economic monitoring in Nunavut.

### 6.3 Monitoring Issues

While it is expected that the Project will result in substantial benefits to people over its life cycle, some negative effects can be expected as well. Most of these negative effects are unpredictable in their scope, how significant they will be, and how many people and who exactly may be affected. In some cases there are no clear means to mitigate the potential negative effects without first understanding in detail what will be. Uncertainty about outcomes means monitoring is critical to adaptive management.

Nevertheless, issues that may need monitoring can be identified, at least in a preliminary fashion, on the basis of concerns people and governments have about the relationship between the Project and community economic and social development. The following issues have been identified as of potential interest to AEM's socio-economic monitoring for the Project based on engagement results; community priorities for monitoring as made evident in the deliberations, for example, of the Kivalliq SEMC and work toward the NGMP; experience to date of Meadowbank's effects; and potential residual Project impacts on Kivalliq communities (FEIS Volume 9):

- uptake of Project employment, contracting, and training opportunities;
- personal job satisfaction and lifestyle adjustments of AEM employees;
- effectiveness of education and training initiatives, both work force training and the broader education and training initiatives;



- labour markets in communities;
- in and out migration levels, and consequent effects;
- use of Inuktitut and traditional practices, values and knowledge;
- physical and mental health;
- poor personal choices with regard to use of increased income, and consequent outcomes on components of community wellbeing; and
- pressures on physical and social infrastructure, specifically housing and policing.

It is noted that the above list does not necessarily totally coincide with priorities for SEMC and NGMP, whose responsibilities for monitoring are broader than those expected of AEM.

### 6.4 Community Level Data Availability and Analysis

AEM's information management system will provide data on Project inputs and outputs related to socio-economic management. Such information includes data that may be of some use to understanding certain community level effects. For example, AEM will have data on worker residence and can therefore track migration of Project workers between communities. Rates of use of on-site elder and peer counsellors and of EFAP can provide a measure of job satisfaction and lifestyle adjustment challenges. However, additional data will also be needed to effectively measure community level trends. These data are most appropriately collected through collaborative monitoring.

The baseline study has collected some data against which to measure community trends in such areas as population, educational achievement, average household size, participation and employment rates and average income. These data are periodically publicly reported by government on the basis of household surveys or other sources of information, and thus are fairly straightforward to collect over time. Canadian census data are useful because of completeness; however, the data are only collected every 5 years and there is up to a 2 year lag in release after collection. Statistics Canada also provides data to the Nunavut Bureau of Statistics that is culled from tax files. These data are less complete and not always presented at a community level, but are available on an annual basis, with a one to 2 year lag.

In addition, local education, health, and the police services keep detailed data on their operations. Most of these data are not made public on confidentiality grounds, but could be used for example to derive rates of teenage pregnancy, attempted and actual suicides, domestic violence, mental health breakdown and various types of crime. Such data are often more pertinent to monitoring wellbeing indicators than the census household survey data, and in an appropriately aggregated form to respect confidentiality concerns (in some cases only at a regional level), could in principle be provided by the agencies collecting them.

Monitoring perceptions, through ongoing engagement with affected people, is also important. For example, the extent of sharing and cooperation, the degree to which the Project workplace accommodates traditional culture, the levels of disturbance as a result of increased traffic, and the legal but disruptive behaviour of out of area workforces are all subjectively experienced. AEM's ongoing engagement with its workers and people in





communities can provide some such information, and it may be that additional purposeful or issue specific engagement (through focus groups for example) could be organized.

As is evident in the Northwest Territories (NT), understanding the effects of mining, or a particular mining project, as opposed to changes in socio-economic indicators caused by other events or combinations of events is challenging. It may be considered that collecting data from mining workers, as opposed to from a community's population in general, could contribute to a better understanding of the effects of mining specifically. There may be an option, to be developed in consultation with the Project, Meadowbank, and possibly AREVA Kiggavik, to collect data from mine workers directly which would enable the disaggregation of socio-economic indicators from an entire community population.

It is acknowledged that some types of investigations that may be necessary to distinguish Project effects from overall economic and socio-economic change can be particularly invasive. To understand the drivers of an unforeseen rise, for example, in teenage pregnancy requires more than evidence of coincidence of the observed rise and the mobilization of a Project. Monitoring data would need to extend to an understanding of the circumstances under which the pregnancies occur to frame and adjust the socio-economic management measures.

Although not always a data source on Kivalliq communities, monitoring and analysis of the effects of resource development projects on communities across the north is ongoing by governments, academics and resource extraction companies. Insights from such studies can inform the interpretation of data collected in the Kivalliq Region described above.

As information from the above mentioned data collection events become available, there will be a requirement to interpret any resulting evidence of socio-economic trends in LSA and Kivalliq communities and their relation to the Project. While such interpretation would be useful to governments in planning and decision making, it is also needed if the monitoring results are to be effectively used in adjusting the socio-economic management of the Project.

## 6.5 Operations Monitoring

Operations Monitoring is the collection, analysis and reporting of internal AEM information related to, for example, uptake of Project employment, contracting and training opportunities, health and safety performance, grievances, engagement activity and contributions to communities. AEM's own operational records can provide much monitoring data on undertakings described in this document, and in this regard, AEM undertakes to:

- maintain full human resource records in a form that permits an annual roll-up of selection, employment, promotion, training and exit statistics on the workforce by ethnicity, residence, gender and level as a percentage of the total workforce;
- maintain procurement records in a form that permits an annual roll-up of the number, value and general content of contracts for goods and services by supplier location and Inuit content, as a percentage of total procurement;
- require of all contractors annual reporting on employment and procurement that provides the same information;



- maintain health and safety, accident and incident, breach of worker codes of conduct and any other relevant records pertaining to events that occur in direct relation to Project activity;
- flag any anomalous results of traffic, air quality, noise, water flow and quality and biological monitoring programs, in order to permit an assessment of potential for social effects;
- maintain records on all public education and training events (for example, public emergency response training), including the content of and participation rates in events;
- maintain records on other social effect mitigation and benefit enhancement measures and on AEM's contributions to communities, identifying as relevant the objectives, organizations in receipt of support, implementation details and number of beneficiaries;
- maintain records on all engagement events with the public, governments, partner organizations, the Project workforce and contractors, noting attendance, issues raised and resolutions;
- maintain records on Project commitments to stakeholders and on grievances and their resolution;
- maintain records of all information disclosure materials distributed by the Project; and
- at least on an annual basis, undertake a formal review of the results of the above to determine the degree of compliance with FEIS related undertakings, and to identify (and address) any specific obstacles or problem areas and any systematic successes or failures.

The above monitoring will be managed and administered solely by AEM, insofar as it consists of the reporting of internal management information, maintained in a database that can be easily accessed for reporting purposes. AEM will communicate the results internally to management, its workforce and its contractors as appropriate, such that the information can be used to adjust policies, procedures, mitigation and enhancement measures and workforce behaviours where adjustments are identified to be necessary. The results will also be annually reported in an appropriate form and discussed with communities, the KIA, GN and AANDC, with a view to maintaining an environment of transparency and accountability, and to building confidence in AEM's economic and social performance relative to commitments.

## 6.6 Collaborative Monitoring

Collaborative monitoring for adaptive management is intended to capture trends in local economic and social development, as well as the relationship between these and the Project, such that any evolving negative social effects can be managed, and any positive benefits can be learned from and enhanced. Further, irrespective of directly attributable cause and effect, it is in the interests of AEM to understand socio-economic trends such that where the Project is able to intervene effectively, it has the information to do so. Finally, putting in place a monitoring framework that attempts to understand cause and effect is important to both AEM and the Kivalliq Region as a means towards maintaining a constructive relationship between communities and the Project.

AEM would intend to collaborate with communities, KIA, GN, and AANDC to develop a framework for collaborative monitoring, primarily through participation with the Kivalliq SEMC. The details of this framework will be negotiated as part of the FEIS and IIBA process, and will likely evolve over time as the relative capacities, interests; activities and responsibilities of the SEMC and the NGMP are further developed. The following



presents a preliminary view on AEM's role in collaborative monitoring and on indicators that might be considered as relevant to a better understanding of Project effects on economic and social development in the Kivalliq Region.

### AEM's Role in Collaborative Monitoring

AEM role through participation with the Kivalliq SEMC is as follows:

- contributing to government monitoring processes any relevant information collected by AEM on its day to day operations at the Project as described above in Section 6.5. This reporting will include some analysis of results relative to socio-economic management desired outcomes, including for example reasons for worker terminations and barriers to worker advancement;
- developing, in collaboration with the SEMC and other parties, a detailed monitoring plan which defines issues, appropriate indicators, methodologies for data collection and analysis, roles and responsibilities, schedules and budgets. Care needs to be taken to ensure that this monitoring plan fulfills the objectives of SEMC monitoring, but also is as consistent and complementary as possible with monitoring requirements of the IIBA, NIRB and NGMP;
- providing financial<sup>10</sup> and technical support to the SEMC as may be agreed, including potentially through the funding of work of technical resources to assist in the development and the implementation of parts of the detailed monitoring plan and to develop capacity within the SEMC;
- discussing with participants in collaborative monitoring, as well as with Project workers to the extent they are implicated, options for the collection and reporting of additional data that may contribute to a better understanding of Project effects on communities;
- collaborating with AREVA (or other mining related companies that may in future be implicated in socio-economic monitoring) towards some consistency in approaches for data collection on mining sector workers, as agreed as useful in the detailed monitoring plan; and
- respecting confidentiality concerns of both workers and other participants in collaborative monitoring, which could extend to maintaining an arm's length distance from data collection, analysis and reporting.

As noted above, there are currently limits on the availability and usefulness of data for the purposes of monitoring socio-economic impacts of the Project specifically. Some of these data gaps may be addressed with time as the NGMP is further developed and rolled out. For example, more public reporting, even aggregated at a regional level, of data currently held by social service delivery staff would assist SEMCs to monitor wellbeing.

In addition, there are 3 potential avenues for AEM to assist in addressing gaps. The first would be to take advantage of data that AEM would expect to have on its workers, but would not necessarily report if currently applied reporting requirements were followed. For example, AEM has initiated something along these lines for their Meadowbank operations when their report to the Kivalliq SEMC in 2010 included a qualitative analysis of employee turnover. Such reporting could be expanded to include, for example, quantitative measures of worker

<sup>10</sup> There are costs associated with the time of participants in the collaborative monitoring group, data collection events, expert services, translation, and/or reporting on monitoring results to communities.



job satisfaction (data on worker grievances); work related family stresses (data on use of counsellors and EFAP) and migratory movements between communities (worker residence data).

The second avenue that might be considered would be to agree with workers that data could be collected from them as a subpopulation of interest. If quantification of trends were an objective, this would most effectively be done using questionnaires. Questionnaires are not often used in northern Canada and there is some conviction that people may be unwilling to participate in this kind of survey. Experience suggests however that there is willingness to participate where people understand the purposes of data collection and how the data will be used, are offered the opportunity to decline to answer any specific question, and are confident of confidentiality.

The third possible avenue would be similar to that in place in the NT, as a collaborative exercise between communities, government and mining companies. The Communities and Diamonds report, facilitated by the Government of NT, is a monitoring and reporting process that has been ongoing since 2000. It was developed initially as a condition of the socio-economic agreement for the BHP Billiton Ekati Project and has been extended to include 2 other diamond mining projects in the region (Diavik and Snap Lake). The Communities and Diamonds Report uses public statistics, monitoring results from individual projects, and mine-employee surveys to identify how diamond mining projects may have impacted peoples and communities. The reports collect comparable data and are published annually. The findings are used to assist the Government of Northwest Territories and the diamond mining projects in identifying priority areas for benefit enhancement strategies and community development initiatives.

Some combination of any of the 3 avenues outlined above could also be agreed.

### Indicators

Socio-economic monitoring in the Kivalliq Region is rapidly evolving, as are socio-economic conditions and learning about the effects of Meadowbank. Indicators are derived from issues, and although a preliminary list of issues is presented in Section 6.3 above, these would need to be confirmed in consultation with the other parties involved in the collaborative monitoring process.

With the construction of the Project at least 2 years in the future, it is premature to predetermine indicators for collaborative monitoring. As noted above, AEM would expect to continue to work with the Kivalliq SEMC and other monitoring partners to develop a detailed monitoring plan before construction of the Project begins. The following provides a preliminary list of indicators for consideration, and could in principle be collected on workers as a subpopulation, if it is agreed that more quantitative information on workers is a worthwhile objective for collaborative monitoring.

In principle, the selection of indicators should parallel what is being done elsewhere for the purposes of comparability and shared lessons learned. Table 1 presents indicators presently used in NT (to monitor the effects of diamond mining) and NU (to monitor community wellbeing). The regional SEMCs have been discussing appropriate indicators for some time<sup>11</sup>. Currently, the Kivalliq SEMC list of indicators is quite short; however, it is noted that additional issues have been raised during recent meetings, with thought being given to collecting additional data. For example, as of 2010, the Kivalliq SEMC was also interested in exploring potential relationships between employment and drug and alcohol abuse, and between employment and activity on the land. Thus their current indicator list is considered to be under development.

<sup>11</sup> As of the most recently available reports, the Qikiqtaaluk SEMC was still discussing, but had not agreed on, indicators. NGMP is also in the process of establishing indicators.



## MELIADINE FEIS - SD 9-2 SOCIO-ECONOMIC MANAGEMENT PLAN

**Table 1: Socio-Economic Monitoring Indicators**

	1. NT (2012)	2. Kitikmeot (2009)*	3. Kivalliq SEMC (2010)	4. Possible Meliadine Worker Indicators	
				Worker	Family/Members
Population		population	population	no. of workers	family size
		population growth	population growth	community of residence	In/out migrating family members
		age and gender distribution under 16 population ethnicity	age and gender distribution	population mobility	
				in-migration numbers	same
				age, gender and ethnicity distribution of workers	
Labour Force			Labour force distribution (i.e., AEM or contractors)		
			Labour force permanency (i.e., temporary, permanent, student, Abitibi)		
			Labour force by ethnicity		
			Labour force by home community		
			Inuit labour force by skill level (i.e., management, skilled, semi-skilled, unskilled)		
			turnover and turnover causes		
Education	high school completion		high school completion (age 20 to 25)	educational achievement	grade, or if out of school, educational achievement
			high school graduation by home community		
	less than grade 9		education, age 25 to 64	cultural programs in schools	no. registered in post-secondary training, by length and type of program
			registered apprenticeships by type		



## MELIADINE FEIS - SD 9-2 SOCIO-ECONOMIC MANAGEMENT PLAN

**Table 1: Socio-Economic Monitoring Indicators (continued)**

	1. NT (2012)	2. Kitikmeot (2009)*	3. Kivalliq SEMC (2010)	4. Possible Meliadine Worker Indicators	
				Worker	Family/Members
				no. registered in mine related training programs on/off site, by length and type of program	same (off site)
		school capacity			
		school attendance	attendance and truancy rates		
			investment in skills development (\$)		
Health and wellness	injuries			incidence of injury/accident	
				health and safety data, leaves granted on wellbeing grounds, use of counsellors and EFAP, use of health facilities	
	potential years of life lost				
	suicides	suicides			no. of suicides and attempted suicides
	communicable diseases (sexually transmitted)	sexually transmitted infections		sexually transmitted disease rates	no. and type of sexually transmitted infections
					no. and type of chronic disease conditions
					no. and type of infectious diseases
				drug and alcohol consumption	drug/alcohol/cigarette consumption
	teen births	teen births			teen births
	single parent families	family structure		single parent families	single parent families
	children receiving services	children in care	Social assistance recipients by community	numbers accessing social assistance	children in care no. of social service interventions involving children



## MELIADINE FEIS - SD 9-2 SOCIO-ECONOMIC MANAGEMENT PLAN

**Table 1: Socio-Economic Monitoring Indicators (continued)**

	1. NT (2012)	2. Kitikmeot (2009)*	3. Kivalliq SEMC (2010)	4. Possible Meliadine Worker Indicators	
				Worker	Family/Members
	spousal assault				(included below)
		health professionals	health centre visits by community	use of mine site health facilities	visits to health centres/hospitals
				physical health	
				mental health	
Housing	crowding	household size			no. of people per dwelling/bedroom
	core need				housing quality
	home ownership		housing by type of tenure		housing by type of tenure
					internet access
					energy use
Crime	total police reported crimes	criminal incidents by category	reported criminal code incidents	leaves/terminations for reasons related to crime (victim or perpetrator)	victim of violent crime, domestic and other
	violent crimes				victim of property crime
	property crimes				calls related to substance abuse
	traffic crime				calls related to domestic violence
	federal statute crimes				calls related to substance abuse with domestic violence
		charges by age and gender			(included above)
Traditional	trapping	trapping		country foods harvesting	registered trappers



## MELIADINE FEIS - SD 9-2 SOCIO-ECONOMIC MANAGEMENT PLAN

**Table 1: Socio-Economic Monitoring Indicators (continued)**

economy	1. NT (2012)	2. Kitikmeot (2009)*	3. Kivalliq SEMC (2010)	4. Possible Meliadine Worker Indicators		
				Worker	Family/Members	
	hunting and fishing	hunting and fishing		and consumption	registered hunters	
		made crafts		time spent on traditional pursuits	artists	
	aboriginal language use (youth)			Aboriginal language use	language spoken most often in the home	
					voting rates	
				loss of volunteers	volunteering	
Non-traditional economy	average income		median household income	incomes	household income	
			purchasing power			
	wage disparity					
						earnings and government transfers, % of total income
	employment rate		working age population		job category	(included above)
			employment rate by industry and job category			employment by industry and job category
			employment rate by gender and ethnicity			(included above)
			worker education			
			employment by industry			
	unemployment rate					unemployed (rate calculated from above data)
	participation rate	labour force				participation (rate calculated from above data)
	business activity		GST filers			no. of GST filers





## MELIADINE FEIS - SD 9-2 SOCIO-ECONOMIC MANAGEMENT PLAN

**Table 1: Socio-Economic Monitoring Indicators (continued)**

	1. NT (2012)	2. Kitikmeot (2009)*	3. Kivalliq SEMC (2010)	4. Possible Meliadine Worker Indicators	
				Worker	Family/Members
				worker satisfaction measures (resignations, grievances)	job satisfaction measure (resignations)
			disparity of total wages v. level of effort between Nunavut-based and non-Nunavut-based employees		
			Business expenditures by location (i.e., Baker Lake, NTI Registered, Nunavut-based, northern)		

Sources: 1. GNWT 2012; 2. Brubacher 2006; 3. Kivalliq SEMC 2010

\* Indicators presented are adapted from Kitikmeot 2009.



It can be noted from Table 1 that different indicators are of interest in different jurisdictions although there is some convergence on major themes. However, there is no socio-economic monitoring standard in common use, which may be due in part to varying importance of issues between communities.

The availability, collectability, usefulness and relevance of indicator data also tend to be specific to the realities and perceptions of a given population. For example, if the incidence of family breakdown is agreed to be an important component of community wellbeing (as it is in NT but not, at least not yet, in the Kivalliq Region), what indicator(s) is appropriate to measure changes in incidence? In a community with adequate shelter options, the number of women and/or children in shelters may be a good indicator, but if shelters have closed, or are often operating at capacity, it is not. In some communities, the number of women in shelters may be considered too confidential to report, whereas the percentage of female headed households may not be. Because there are good data regularly collected and reported on female headed households, this may be a preferred indicator for reasons of comparability with trends in other jurisdictions.

In addition to selecting appropriate indicators and collecting data, interpreting the data can also be a challenge. Data provide only a measure of change, not an explanation for that change. For example, if an increase in family breakdown, however measured, is observed in the period after a mining project begins, why specifically has this occurred and in what proportion relative to what cause? Is this a continuing trend for reasons that have little to do with a mining project? Do increasing employment opportunities for women in the broader economy give women some the financial independence to leave poor marriages? Is stress related to rotational employment a contributing factor? Without explanation, neither a project nor communities are able to frame a response to what may appear to be, but in fact may not be, a negative project related effect.

Some of the challenges to data interpretation can be addressed through the careful selection of indicators. Alternatively, considerations could be given to collecting data on subpopulations. The last column of Table 1 lists provisional data that be collected from mine workers and their households and family members, for comparison with data on people in general. To the extent that there are worries about the negative effects of mining employment on, for example, drug and alcohol abuse, traditional culture and language use, the linkages are through the choices made by mining workers and their families themselves. Thus separating out mining workers from the rest of the population could provide more explanatory power to analyses of trends in indicators. The preliminary list of subpopulation indicators provided in Table 1 was selected to approximate indicators used in other jurisdictions, again for purposes of comparability.

It must be emphasized that Table 1 is not a proposal, but an illustration of the kinds of data that might be collected. It is recognized that there are a number of challenges to collecting data on Project workers:

- Unwillingness on the part of some workers can have implications for the representativeness of results.
- Some data that could be collected is highly personal in nature. People may not want to give answers, or not provide correct answers to very personal questions, like sexually transmitted diseases and suicide attempts. This may not only be for reasons of confidentiality outside the family, but also inside the family. Parents for example do not necessarily know everything about their children.
- Even if data could be reliably collected, there are important confidentiality concerns. Who the data are collected by, and how the data are reported and to whom, are issues that would need to be resolved. It can be more appropriate for third parties to collect data and manage confidentiality concerns than either mining



companies or community groups. Data may not be reportable or reportable only at a regional level where incidence rates are small within the group of workers or within communities.

- Some of the data listed in Table 1 are not currently available at community or regional levels. This may change in response to the NGMP or to specific requests by the Kivalliq SEMC. There is less value in collecting data from workers if comparable data are not available for the larger population.
- AEM would only be able to collect such data on its own workers. Project effects such as indirect and induced employment, migration, or changes to social cohesion (and consequences of these) are not specific to mining workers. Thus, although data on workers can provide more explanatory power, other investigations may also be necessary.
- Notionally identical processes should be put in place by others additional to AEM – larger sample sizes contribute to both data reliability and alleviating some confidentiality concerns. This requires additional collaboration, coordination and potential joint funding with regional governments, associations and potentially other mining projects in the Kivalliq Region and Nunavut.

### Path Forward

In consultation with relevant parties, there are several details that will need to be addressed in order to initiate a collaborative monitoring plan for potential Project socio-economic effects. It is also noted that as the Project advances, both Project effects and issues of concern to communities will evolve and monitoring plans will need to evolve in concert. AEM would expect to discuss the path forward for collaborative socio-economic monitoring as FEIS and IIBA processes advance, and as NGMP and the Kivalliq SEMC develop their approaches, indicators and capacities. This would be with a view to having at least an initial plan in place before construction at the Project begins. In the interim, AEM expects to continue to participate on the Kivalliq SEMC and to provide the kinds of operational data it routinely collects.

## 7.0 INUIT IMPACT AND BENEFIT AGREEMENT

Under the NLCA Section 12.5.2 f), AEM is required to detail the steps which it proposes to take to compensate interests adversely affected by the Project. The Meliadine Project lies fully within Inuit Owned Lands administered by the KIA. Inuit Beneficiaries in the Kivalliq Region are represented by the KIA. Consequently, AEM has entered into negotiations with the KIA for the provision of benefits to Inuit through an Inuit Impact and Benefit Agreement (IIBA).

AEM and the KIA initiated negotiations for an IIBA for the Meliadine Project in January of 2012 and continue to advance discussions in accordance with the requirements set out in Article 26 of the NLCA. Both parties are working towards finalizing the IIBA which could occur in the second half of 2014 or early in 2015. For the purposes of the Meliadine IIBA, KIA and AEM have agreed that the most affected communities are Rankin Inlet and Chesterfield Inlet but the IIBA will cover all seven Kivalliq Communities.

Negotiation of the IIBA is progressing well. Once agreement in principle has been achieved on the IIBA both KIA and AEM will take the proposed IIBA to their respective Boards of Directors for approval. This is not likely to occur before submission of the Final EIS for the Meliadine Project. Thus AEM is not in a position to publically disclose any of the details of this IIBA at this point in the process.



In addition to the IIBA, the parties will undertake the negotiation of an agreement to provide benefits for impacts on wildlife and wildlife habitat.

While details of the draft IIBA cannot be publically disclosed at this point in time, AEM can indicate that the IIBA will include language to address the following areas:

- Inuit training at all levels;
- Inuit preferential hiring;
- employment rotation reflecting Inuit needs and preferences;
- scholarships;
- labour relations;
- business opportunities for Inuit including:
  - provision of expert advice;
  - notification of business opportunities;
  - preferential contracting practices.
- housing, accommodation and recreation;
- safety, health and hygiene;
- language of workplace;
- research and development;
- Inuit access to facilities constructed for the Project such as roads;
- information flow and interpretation, including liaison between Inuit and the proponent regarding project management and Inuit participation and concerns;
- co-ordination with other developments; and
- obligations of subcontractors.

AEM will also have to conclude a water compensation agreement with KIA for the Meliadine Project in accordance with the requirements of Article 20 of the NLCA.

To the best of AEM's knowledge, there are no other outstanding or pending issues associated with the impacts or benefits in relation to the development of the Meliadine Project.



### 8.0 CLOSURE

We trust that the information presented in this report meets your current requirements. Should you have any questions or concerns, please do not hesitate to contact us.

Yours very truly,

**GOLDER ASSOCIATES LTD.**

**ORIGINAL SIGNED**

**ORIGINAL SIGNED**

Linda Havers, Ph.D., M.A.  
Senior Social Scientist

Dan Walker, Ph.D., P.Eng. (BC, NT/NU)  
Associate, Senior Water Resources Engineer

LH/DRW/jr/lw

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Africa	+ 27 11 254 4800
Asia	+ 86 21 6258 5522
Australasia	+ 61 3 8862 3500
Europe	+ 356 21 42 30 20
North America	+ 1 800 275 3281
South America	+ 55 21 3095 9500

[solutions@golder.com](mailto:solutions@golder.com)  
[www.golder.com](http://www.golder.com)

**Golder Associates Ltd.**  
**500 - 4260 Still Creek Drive**  
**Burnaby, British Columbia, V5C 6C6**  
**Canada**  
**T: +1 (604) 296 4200**

