



**MARY RIVER PROJECT  
ENVIRONMENTAL IMPACT STATEMENT**

**VOLUME 10**

**SOCIO-ECONOMIC ENVIRONMENT MANAGEMENT  
PLAN**

**APPENDIX 10F-3**

**HUMAN RESOURCE  
MANAGEMENT PLAN  
SD-SEMP-003**

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## HUMAN RESOURCE MANAGEMENT PLAN

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### **ABBREVIATIONS**

AANDC	Aboriginal Affairs and Northern Development Canada
ASETS	Aboriginal Skills and Employment Training Strategy
Baffinland	Baffinland Iron Mines Corporation
CEAA	Canadian Environmental Assessment Agency
CGS	Department of Community and Government Services
CICP	Contractor's Inuit Content Plan
CLEY	Department of Culture, Language, Elders, and Youth
CO	Complaints Officer
DFO	Fisheries and Oceans Canada
EFAP	Employee and Family Assistance Program
EIA	Department of Executive and Intergovernmental Affairs
EIS	Environmental impact statement
EPCM	Engineering, procurement, and construction management
EPP	Environmental Protection Plan
FIFO	Fly-in/fly-out
HSS	Government of Nunavut Department of Health and Social Services
HR	Human resources
HRSDC	Human Resources and Skills Development Canada
IIBA	Inuit Impact and Benefits Agreement
IPG	Institute of Public Government
IQ	Inuit Qaujimajatuqangit
MAC	Mining Association of Canada
MDAG	Mineral Development Advisory Group
MIEG	Minimum Inuit Employment Goal
MOU	Memorandum of Understanding
NGO	Non-government organization
NIRB	Nunavut Impact Review Board
NLCA	Nunavut Land Claims Agreement
NWB	Nunavut Water Board
NWT	Northwest Territories
QIA	Qikiqtani Inuit Association
Q-SEMC	Qikiqtani Socio-Economic Monitoring Committee
SEP	Stakeholder Engagement Plan
the Project	Mary River Project
WSCC	Workplace Safety and Compensation Commission





## **SECTION 1.0 - INTRODUCTION**

### **1.1 PURPOSE**

Baffinland's Human Resources Management Plan ensures that the needs of Baffinland personnel are addressed throughout the life of the Mary River Project (the Project). The plan consists of the following elements:

- human resources management principles and policies
- organizational planning:
- human resource information systems
- employee communications
- recruitment and placement programs
- training and development
- medical program
- employee relations
- compensation plans
- benefit programs
- health and safety programs
- incorporation of relevant Inuit Impact and Benefits Agreement (IIBA) terms and conditions

### **1.2 REGULATORY FRAMEWORK**

The *Nunavut Territory Employment Standard Act* regulates employment standards in Nunavut. Other relevant Acts are:

- *Mine Health and Safety Act* and Regulations; S.N.W.T. (Nu.) 1994, c. 25
- *Safety Act* and Regulations, R.S.N.W.T. (Nu.) 1988, c. S-1
- *Workers' Compensation Act*, R.S.N.W.T. (Nu.) 1988 c. W-6
- *Workers' Compensation Act* (Consolidation) S.Nu. 2007, c.15, 2007

### **1.3 OTHER REQUIREMENTS**

Baffinland human resources management policies and practices must also comply with the requirements of the IIBA between Baffinland and the Qikiqtani Inuit Association (QIA) as contemplated in Article 26 of the Nunavut Land Claims Agreement (NLCA).

### **1.4 BAFFINLAND'S COMMITMENTS**


Baffinland is committed to the principle of Sustainable Development (Figure 1.1).

Baffinland is committed to providing an employment climate that will attract, develop, and retain qualified personnel. Maintaining effective, committed employees is vital to achieving Baffinland goals.

Baffinland will respect the terms and conditions of the IIBA and is committed to use best efforts in its attempts to maximize Inuit participation throughout the life of the Project. Baffinland will use best efforts with respect to:

- Inuit participation in training and education
- Inuit employment opportunities
- contracting and subcontracting to Inuit firms

**Figure 1.1 Baffinland Sustainable Development Policy**

  
**SUSTAINABLE DEVELOPMENT POLICY**

At Baffinland Iron Mines Corporation, we are committed to conducting all aspects of our business in accordance with the principles of sustainable corporate responsibility and always with the needs of future generations in mind. Everything we do is underpinned by our responsibility to protect the environment, to operate safely and fiscally responsibly and to create authentic relationships. We expect each and every employee, contractor, and visitor to demonstrate a personal commitment to this policy through their actions. We will communicate the Sustainable Corporate Policy to the public, all employees and contractors and it will be reviewed and revised as necessary on an annual basis. These four pillars form the foundation of our corporate responsibility strategy:

**1.0 HEALTH AND SAFETY**

- We strive to achieve the safest workplace for our employees and contractors; free from occupational injury and illness from the very earliest of planning stages. Why? Because our people are our greatest asset. Nothing is as important as their health and safety.
- We report, manage and learn from injuries, illnesses and high potential incidents to foster a workplace culture focused on safety and the prevention of incidents.
- We foster and maintain a positive culture of shared responsibility based on participation, behaviour and awareness. We allow our workers and contractors the right to stop any work if and when they see something that is not safe.

**2.0 ENVIRONMENT**


- We employ a balance of the best scientific and traditional Inuit knowledge to safeguard the environment.
- We apply the principles of pollution prevention and continuous improvement to minimize ecosystem impacts, and facilitate biodiversity conservation.
- We continuously seek to use energy, raw materials and natural resources more efficiently and effectively. We strive to develop pioneering new processes and more sustainable practices.
- We understand the importance of closure planning. We ensure that an effective closure strategy is in place at all stages of project development and that progressive reclamation is undertaken as early as possible to reduce potential long-term environmental and community impacts.

**3.0 INVESTING IN OUR COMMUNITIES AND PEOPLE**

- We respect human rights and the dignity of others. We honour and respect the unique culture, values and traditions of the Inuit people.
- We contribute to the social, cultural and economic development of sustainable communities adjacent to our operations.
- We honour our commitments by being sensitive to local needs and priorities through engagement with local communities, governments, employees and the public. We work in active partnership to create a shared understanding of relevant social, economic and environmental issues, and take their views into consideration when making decisions.

**4.0 TRANSPARENT GOVERNANCE**

- We will take steps to understand, evaluate and manage risks on a continuing basis, including those that impact the environment, employees, contractors, local communities, customers and shareholders.
- We ensure that adequate resources are available and that systems are in place to implement risk-based management systems, including defined standards and objectives for continuous improvement.
- We measure and review performance with respect to our environmental, safety, health, socio-economic commitments and set annual targets and objectives.
- We conduct all activities in compliance with the highest applicable legal requirements and internal standards
- We strive to employ our shareholder's capital effectively and efficiently. We demonstrate honesty and integrity by applying the highest standards of ethical conduct.



Tom Paddon  
President and Chief Executive Officer  
September 2011

## SECTION 2.0 - HUMAN RESOURCES MANAGEMENT PRINCIPLES

Baffinland's human resource policies and procedures are based on the following principles:

- promoting a safe, healthy and productive workplace
- promoting a work environment of continuous improvement
- supporting employees' efforts and aspirations to contribute at their full potential by promoting and rewarding workers based on merit and performance
- mutual trust and providing transparent HR processes
- good corporate citizenship and responsibility

### 2.1 HUMAN RESOURCES POLICY

Baffinland will provide pay and benefits that are competitive in the mining industry and the region where Baffinland operates. Baffinland will provide opportunities for individual growth and career satisfaction, and assist employees to realize their potential by providing appropriate training, development, education, and opportunities for promotion.

Hiring and training will be undertaken with consideration for Inuit people, residents in adjacent communities, and gender equity. Employees with a diversity of backgrounds will be provided with equal opportunities for career advancement and management positions.

Baffinland will observe all laws on unlawful discrimination and harassment. It is Baffinland's policy that all employees be able to enjoy a work environment free from all forms of unlawful discrimination and harassment.

Baffinland will provide suitable work facilities and conditions with the objective of safeguarding the health, safety, and general well-being of employees. Baffinland will require all employees and contractors to maintain safe and effective work practices, including observing all legislated health and safety requirements.

The following global hiring practices and entry level requirements will apply to all employees engaged in the Project:

- must be 18 years of age or older;
- meets minimum educational requirements/equivalency related to position applied to;
- a criminal record does not automatically preclude employment; and
- a pre-employment medical check-up is required.

### 2.2 CODE OF CONDUCT AND ANTI-HARASSMENT/DISCRIMINATION POLICY

Baffinland is committed to treating all employees with dignity and respect. Harassment in the workplace is against the law and will not be tolerated. Baffinland is committed to providing a workplace free from harassment.

Harassment of all types, including sexual and racial, is strictly prohibited. In addition, no one is to imply or threaten that an applicant or employee's cooperation of a sexual nature (or refusal thereof) will have any

effect on the individual's employment assignment, salary, advancement, career development, or any other condition of employment.

All employees will receive training in gender and cultural sensitivity and how to avoid and address harassment. Employees or applicants who feel they might have been discriminated against or harassed will be encouraged to bring their concerns to the attention of Baffinland management or to individuals specifically appointed to deal with perceived violations.

Baffinland will implement a code of workplace conduct and a personal harassment and discrimination policy to establish adequate rules and procedures that conform with laws of general application. Baffinland's rules and procedures will clearly define a "zero tolerance policy" for all employees regarding personal harassment and discrimination (including, without limitation, personal harassment and discrimination based on race or sex).

### 2.3 ALCOHOL AND DRUGS

Baffinland has established an Alcohol and Drug-Free Policy in compliance with the *Nunavut Mines Act*. Alcohol and non-prescription drugs are strictly prohibited substances under a zero tolerance policy. This policy will be enforced by a variety of methods, including use of security personnel. An employee in violation of this policy will be escorted off the Mary River Project site on the next available flight. Luggage and personal belongings will be examined for the presence of these substances. Employees with drug and/or alcohol dependency will have access to a Baffinland-sponsored Employee and Family Assistance Program (EFAP, see Section 3.5).

Baffinland's rules and procedures will clearly define a zero tolerance policy for all employees regarding the use of alcohol and drugs.

### 2.4 NO HUNTING-NO FISHING

Notwithstanding accommodation provided for Traditional Activities (see Section 3.7), Baffinland has a No Hunting–No Fishing policy for workers at site. A variety of shift work schedules will be established during construction and operation and employees could be working up to 12 hours a shift when at site. The camps provide recreation for after-work hours.

Baffinland acknowledges that part of the Project infrastructure is located on traditional Inuit harvesting ground (Milne Inlet, Mary River, and Steensby Inlet) and that the opening of roads from Milne Inlet to Mary River and the railway construction access road from Mary River to Steensby Inlet might afford access to and attract use by non-Project individuals. Baffinland will ensure that roads designated as public are accessible to the general public, or where the risk to personal safety is excessive, controls will be implemented to allow for safe travel. Baffinland will maintain signs posted at both Milne Inlet and Steensby Inlet informing potential visitors of Project activities and restrictions on the use of firearms in proximity to Project infrastructure.

All employees will be asked to report sightings of non-Project individuals in the Project area. These individuals will be contacted to make them aware of the risks associated with the use of firearms in the Project area.

### **SECTION 3.0 - WORKPLACE PREPAREDNESS**

Baffinland aims to create a workplace culture that respects, values, and promotes the steadily increasing involvement of Inuit in the Project. Baffinland will work to prepare the workplace to actively encourage Inuit to work at the mine, through culturally appropriate working conditions and cross-cultural training for both Inuit managers and workers; and non-Inuit managers and workers.

Baffinland will work to develop a contracting environment that actively attracts and encourages Inuit firms, both large and small, to contract and subcontract work with the mine through appropriate support measures.

Workplace conditions for the Project must be consistent with the Nunavut Land Claims Agreement and with terms of the signed Inuit Impact and Benefit Agreement (IIBA). The workplace must be respectful to Inuit and Inuit culture, to further the objective of attracting, developing, and supporting Inuit employees and providing a safe working and living environment for all employees. The provisions set forth in the signed IIBA will be interpreted in a manner consistent with this express intention.

#### **3.1 CROSS-CULTURAL RECOGNITION**

Baffinland will provide cultural recognition programs to all employees given the cross-cultural context within which Project employees will be working. The objective of this program is to enhance positive interaction between Inuit and non-Inuit in the workplace and will be designed primarily to provide non-Inuit employees with opportunities to better understand and familiarize themselves with Inuit culture.

Baffinland aims to develop this program with the assistance of an Inuit organization and the program will form part of the standard Induction Program. The cost of developing the program will be at Baffinland's expense.

#### **3.2 INUIT PREPAREDNESS FOR THE WORKPLACE**

Baffinland recognizes the need for Inuit to become familiar with the mining industry generally, and the objectives and goals of Baffinland with regards to its expectations of all employees working on the Project.

To assist with this process Baffinland will develop an Adult Education Program and a Work Ready Program. The purpose of the Adult Education program will be to provide Inuit with additional literacy and numeracy skills necessary to undertake job specific training. The Work Ready Program is designed for employees before they commence their Induction Program and before they commence work on site. The Program will focus on preparing Employees and their families to address some of the challenges that they may experience working 12 hours shifts on a 2 week rotation, this will include communication skills, money management and conflict resolution. The program development will be funded by Baffinland.

#### **3.3 INUKTITUT IN THE WORKPLACE**

Baffinland supports the use of Inuktitut in the workplace, and the lack of English will not be a barrier to Inuit for employment at the Project provided that health and safety is not compromised.

Although in general the working language of the mine will be English, particularly during construction and initial operational phases of the Project, Baffinland supports the principle of increased use of Inuktitut in

the workplace over the life of the Project and will establish a policy to support the use of Inuktitut in the workplace.

The policy for use of Inuktitut in the workplace will include a requirement for monitoring that includes:

- baseline data on the number of employees on the Project whose first language is Inuktitut
- positions held by employees on the Project whose first language is Inuktitut
- data regarding accreditation/recognition of trainees or employees whose first language is Inuktitut
- benchmarks established to encourage increased use of Inuktitut in training and employment on the Project
- an indication of progress, based on indicators approved by the Management team, toward increased training opportunities for trainees, and employment for employees, whose first language is Inuktitut
- measures to support and increase use of Inuktitut on the Project

As part of its policy for use of Inuktitut in the workplace, Baffinland will encourage establishment of Inuktitut-speaking work groups within sub-activities of the Project, with the provision that at least one member of each work group can communicate competently in English with other personnel on the Project.

Under no circumstances aside from those in which use of only Inuktitut poses a clear and explicit safety hazard will use of Inuktitut during working hours be cause for disciplinary action or termination of employment.

Baffinland acknowledges that the lack of translation or interpretation into the primary language of either English or Inuktitut-speaking workers could pose a safety risk for unilingual workers. Baffinland will provide translation and interpretation services as necessary for all employees to function safely, effectively, and comfortably. Specifically, all relevant safety materials, policies, directives, and public postings will be readily available in both English and Inuktitut.

To support Inuit work life and advancement, Baffinland will ensure that all staffing documents and processes, including notices, applications, and interviews are available in, and can be completed in Inuktitut.

Baffinland will make available Inuktitut and English language training programs for all employees either during or outside of regular working hours. These training programs will be planned during the construction phase of the project and implemented within a reasonable timeframe after start of commercial operations.

Baffinland will make Inuktitut publications, broadcasts, and other mass media readily available to Project workers.

### 3.4 AFFIRMATIVE STEPS FOR ATTRACTING FEMALE EMPLOYEES

Inuit women entering non-traditional occupations can face barriers related to skill levels and discrimination. Baffinland aims at making the Project a place where women will want to work.



Baffinland will develop an affirmative action plan that sets out measurable goals and procedures to monitor compliance with government employment equity legislation and any harassment policies.

With the assistance of a qualified Inuit organization, Baffinland will develop and locate training programs developed specifically to attract women who might want to work at the Project.

With the assistance of a qualified Inuit organization, Baffinland will develop and implement gender-sensitivity training programs.

Baffinland will provide appropriate accommodation and facilities for female Inuit employees.

### 3.5 EMPLOYEE AND FAMILY ASSISTANCE PROGRAM (EFAP)

Baffinland will provide all employees with access to a professional employee assistance program that will consist of professional counselling for personal problems, as needed.

Baffinland recognises the special needs that may arise in the Baffin context. The Company will extend the program to employees and family members and will aim to have some employee and family assistance support, related to both personal and financial matters, provided in Inuktitut by Inuit counsellors.

Baffinland will employ Inuit Elders to reside onsite at all times to act as counsellors and mentors for Inuit employees and as liaison with the IIBA Management Committee. At least one Inuit Elder will be onsite at any time.

Baffinland will ensure that appropriate medical services are available onsite in line with occupational health and safety requirements and these are coordinated with community medical facilities.

Employee and family assistance services will be widely promoted to all employees and contact details made readily available. Specifically, Inuit Elders and supervisors will be encouraged to provide the contact details to any employee who appears to be experiencing difficulties.

### 3.6 AVAILABILITY OF COUNTRY FOOD

Provision of country foods is recognised by Baffinland as a positive contribution to building an accessible workplace for Inuit as well as a means to provide non-Inuit employees with opportunities to better understand and familiarize themselves with Inuit culture and traditions. Baffinland will ensure that contracts awarded for catering or for the provision of food contain a requirement to regularly make country foods available and to ensure that that meals containing country foods meet government health standards.

The Company recognises the importance that country food plays in the Baffin Region and intends to work closely with its caterers, the QIA and the HTOs in accessing country food so that this does not interfere with local utilisation of the resource. In addition the Company will work with the Department of Health and Social Services (HSS) to determine the appropriate facility and inspection protocols that are needed.

Baffinland will ensure that there is adequate freezer and other storage space available on site for Inuit employees to store country food brought to the worksite by Inuit employees for personal consumption.



### 3.7 TRADITIONAL ACTIVITIES

The Project site is isolated and when onsite, all employees are required to work a 12-hour shift. Although the camps provide recreation for after-work hours, all employees must have adequate rest to be fit for work the following day. The safety of all employees and Baffinland's duty of care are the overriding principles for establishing policies.

Baffinland will allow for visitation between Inuit employees and other Inuit engaged in traditional activities in and around the Project area. Visitors to the Project area, including Inuit visitors engaged in traditional activities who are not Project employees, will comply with Baffinland's human resources, land use and safety policies.

Baffinland acknowledges that shipping, port activities and rail line operations related to the Project may cause socio-economic effects, for example by potentially affecting Inuit travel. Mitigation measures the Company will undertake to offset the inconvenience or hardship created by such changes include:

- Providing fuel to offset the additional costs for traveling around the Steensby Port site and associated shipping route.
- Providing food and shelter at Project facilities.

The potential for any additional mitigation response will be agreed to through processes that may be defined through the IIBA is also acknowledged.

#### 3.7.1 Wildlife Harvesting and Firearms

Inuit employees may be permitted access during their leisure hours, subject to Baffinland policies, to all Project areas for the purpose of any form of harvesting. Safety is a priority and due to the number of people around site Inuit workers will not be allowed to discharge firearms in the direct vicinity of the project infrastructure in the PDA.

Baffinland will establish policies relating to Inuit visitation, wildlife harvesting, and secure storage of firearms by Inuit employees, that are compatible with Baffinland's land use activities while also accommodating Inuit treaty rights pursuant to the NLCA.

### 3.8 COMMUNICATION

Baffinland provides onsite access to communication facilities for all Inuit employees to allow them to contact their families. This will include, but not be limited to, telephone and computer-supported technology, as it evolves.

## **SECTION 4.0 - ORGANIZATION PLANNING**

### 4.1 CONSTRUCTION

The work week will generally consist of 10 or 12-hour days, seven days per week. The planned scheduled work rotation for many most contractors during the construction phase is expected to be four weeks on/two weeks off. Workers hired from North Baffin communities will have the option of working two

weeks on/two weeks off during construction. The estimated workforce fluctuates throughout the four-year construction phase, as well as seasonally each year (See Volume 3, Section 5).

Successful completion of the construction phase is dependent on the quality and commitment of the workforce. The construction camps will offer comfortable quarters and recreational and entertainment facilities to promote a safe, healthy, and inviting environment, and to encourage workers to remain within accommodation boundaries during leisure time.

The EPCM contractor will manage the construction workforce. The Company, however, will require the EPCM contractor and subcontractors working on site to comply with Baffinland's Employment Practices and Training requirements as set out in the Management Plan.

#### 4.2 OPERATION

Most onsite staff will work on a scheduled rotation of two weeks working at site and two weeks off. During operation, workers will be flown to the mine site and to the port site. Points of hire during the operation phase will be the same as for the construction phase.

#### 4.3 CLOSURE

Expected duration of the closure phase is three years followed by up to five years for post closure. If closure objectives are not met, post closure would extend beyond five years. During this time a subset of the operation phase workforce will be retained to carry out reclamation activities in project development areas. Details of the size and composition of the closure and reclamation workforce will be developed during the operation phase, no later than two years before planned start of closure and reclamation activities.

### **SECTION 5.0 - HUMAN RESOURCES INFORMATION SYSTEM**

The Project will create employment opportunities for Nunavut residents. While many of the jobs created will be temporary for the construction phase, the operation phase will offer long-term opportunities for employment and skills development.

#### 5.1 JOB DESCRIPTION AND POSTING

Baffinland will maintain a database of all job opportunities. This database will contain job description, skills requirement, experience and qualifications required for the position. The database will be administered by Baffinland's Human Resources (HR) Department which will also provide information to the Communications Manager for inclusion on the Company's website.

All employment opportunities will be posted on Baffinland's website and on bulletin boards at the Project camp sites, in the North Baffin communities and at Baffinland's Iqaluit office. The postings will be made in English and Inuktitut. The postings will include:

- job title and description
- qualifications/skills requirement
- job training available
- duration of employment
- rotation and working hours

The HR Department will also maintain a database of job applicants along with their qualifications and location of residence. As job vacancies become available, these individuals might be contacted.

## 5.2 EMPLOYEE COMMUNICATION

Baffinland's HR Department will establish and administer formal and confidential (where necessary) procedures to deal with employee concerns, complaints, grievances, or suggestions. Baffinland will endeavour to resolve conflicts or employee concerns in a prompt and effective manner.

For general company policies and employment-related information, the primary means of communication with employees at the Project site will include (as appropriate) :

- Supervisors and the on-site HR team
- Baffinland website
- bulletin boards located at several locations in the camps, BLO offices and Iqaluit office
- shift health and safety "toolbox" meetings

## 5.3 EXTERNAL COMMUNICATION

As part of the Stakeholder Engagement Plan, Baffinland will communicate regularly with the communities of Arctic Bay, Clyde River, Hall Beach, Igloolik, and Pond Inlet.

Baffinland also recognises the value in engaging and collaborating with other agencies and government departments that have mandates related to human resources and entrepreneurial development. The Company will build on the initiatives it has started in order to strengthen this engagement. This may include groups such as:

- Education and training entities:
  - Department of Education
  - Nunavut Arctic College
  - Piqqusilirivvik Culture School
  - Local educators, schools, District Education Authorities
  - Regional and territorial employment and training coalitions, Municipal Training Organization
  - Kakivak Association labour and training programs
- Health & wellbeing entities:
  - Ilisaqsivik Society
  - Department of Health and Social Services
  - Department of Justice and Royal Canadian Mounted Police (RCMP)
  - Front line service providers such a social workers, community health representatives, Alcohol Education Committees
- Business capacity-building entities:
  - Local Community Economic Development Officers and Economic Development Committees
  - Department of Economic Development & Transportation regional and headquarters offices
  - Kakivak Association business development programs
  - Baffin Regional Chamber of Commerce, Baffin Business Development Corporation, etc.

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To further support relationship-building, public reports arising from socio-economic monitoring will be developed and made available as outlined in Section 13.

## **SECTION 6.0 - RECRUITMENT PROGRAM**

Baffinland recognizes the important role that the Project will have in the economic development of Nunavut. Baffinland is committed to enhancing the economic and industrial benefits that will accrue to the territory from direct and indirect expenditures through the purchase of goods and services on a competitive basis.

### **6.1 PROJECT HUMAN RESOURCES STRATEGY**

Baffinland will develop and implement an overall human resources strategy, which will identify Project workforce requirements, detailed job responsibilities, qualifications, and required skills, and performance criteria. Baffinland will bear all costs associated with development and implementation of the Project human resources strategy.

As part of this strategy Baffinland will develop and implement an effective and appropriate training and employment "Inuit Human Resources Strategy,"

The Inuit Human Resources Strategy, will identify any existing barriers to employment and advancement of Inuit, particularly Inuit women, and Baffinland will use best efforts to reduce these barriers throughout the Project.

The employment component of the Inuit Human Resources Strategy will include:

- recruitment and selection component
- retention and advancement component
- Inuit women's employment component
- summer student employment component
- employee well-being component
- training programs for construction and operations phase

The Inuit Human Resources Strategy will also include, to the extent possible, measures to optimize exploration, construction, and other activities that take place before the start of commercial production as opportunities to provide training and work experience before start of commercial operations to maximize the proportion of Inuit employees during the construction, operation, and decommissioning phases of the Project.

#### **6.1.1 Recruitment Strategy**

Whenever possible, Baffinland will hire Inuit at all levels of employment, from entry-level positions to senior management.

Baffinland will ensure that job vacancies are posted in Pond Inlet, Arctic Bay, Clyde River, Hall Beach, Igloolik and Iqaluit as well as the Project site. If no qualified candidates are identified and hired within 28

days through this posting system Baffinland will recruit from wherever qualified staff can be hired. This may be waived in cases where no qualified Inuit are likely to be identified.

Baffinland will advertise job opportunities in English and Inuktitut in postings or advertisements in the Baffin Island area.

Baffinland will also for the purposes of Inuit recruitment establish a search/assessment database that:

- Lists all Inuit candidates to identify individuals who are ready and qualified for jobs to be filled
- Track Inuit who are pursuing education and training to become job ready.

When a position becomes available Baffinland's HR department will:

- Compile a list of qualified candidates for review by the hiring manager
- Conduct pre-screening procedures, such as phone interviews with candidates identified with the hiring manager
- Assist the hiring manager with the interview process and prepare the employment paperwork for the successful candidate.

To support employment of Inuit, Baffinland will also develop measures such as student employment to encourage Inuit to continue their education. Visits to schools and college campuses to promote the value of education and the opportunities available to educated individuals will be undertaken in the North Baffin.

## 6.2 INUIT EMPLOYMENT

In the instance of a temporary closure or reduction in workforce, Inuit employees will be the last to be laid off from any specific job category, with the stipulation that individual employees' skill levels must meet or exceed job requirements.

### 6.2.1 Application to All Firms

Baffinland will require contractors and subcontractors working onsite to adopt a hiring policy consistent with Baffinland's Human Resources Management Plan and hiring commitments set out in the IIBA.

All contractors will comply with Baffinland's Human Resource and Employment Policy. This stipulation will be included in all tender packages.

### 6.2.2 Eligibility and Qualifications

Where appropriate, Baffinland will consider ability, skills, and experience as equivalent to formal qualifications and Inuit applicants with experience equivalencies will be treated equally with all applicants with formal training.

Baffinland might offer Inuit applying for work in the Project workforce the opportunity to take a prior learning assessment. Prior learning assessments could be used as a means of assisting individuals to qualify for employment, subject to any regulatory approval required for certain job categories, or as a means for Baffinland to assess the suitability of an applicant for work on the Project. The prior learning assessment could be made available to a contractor or subcontractor with permission of the Inuit applicant.

#### 6.2.3 Inuktitut

Inuit who lack fluency in the English language might qualify for positions where fluency does not compromise safety. If required for safety reasons, as determined by Baffinland, Inuit without fluency in English could be transferred to another position. For policies regarding use of Inuktitut on the Project, see Section 3.3, above.

#### 6.2.4 Hiring Preference

Inuit will be given preference over other applicants. Priority will be given to Inuit from the communities of Pond Inlet, Igloolik, Clyde River, Hall Beach, and Arctic Bay.

#### 6.3 POINTS OF HIRE AND TRANSPORTATION TO SITE

Points of hire for the Project include the North Baffin Island communities of Pond Inlet, Igloolik, Hall Beach, Arctic Bay and Clyde River, and Iqaluit, Nunavut. Baffinland might consider other communities as points of hire if Baffinland deems there are sufficient individuals from such a community available to work on the Project. The following considerations will apply to transportation of Inuit workers from across Baffin communities:

- The Company will provide air transportation for Inuit employees from the Baffin Region to and from the mine or Project at no cost to the employee. This air transportation may take the form of charter aircraft provided by the Company or commercial airfares where available, at the Company's sole discretion.
- Overnighting of employees from non-Point-of-Hire communities passing through Iqaluit or other locations will be avoided as much as possible.
- When overnighting is required, BIM will work with local accommodation providers to adequately plan for accommodation in Iqaluit and other locations. This may be an opportunity for local business.

Workers hired from outside of Nunavut will be provided with transportation to and from Project sites from one or more southern points of origin.

#### 6.4 INUIT EMPLOYMENT AND TRAINING COORDINATORS

Baffinland will hire and train an Inuit employee for the position of Employment and Training Coordinator.

The Baffinland Employment and Training Coordinator will, in conjunction with other management and staff, be responsible for liaison, skills assessments, training programs, and orientation of all Inuit employees.

The Employment and Training Coordinator will work closely with government employment officers, QIA Baffinland Liaison Officers, or recruiters for Baffinland in each North Baffin community to help identify candidates for consideration for jobs on the Project.

## 6.5 INUIT HUMAN RESOURCES STRATEGY

### 6.5.1 Inuit Recruitment and Selection Program

Baffinland's HR Department will design and implement culturally suitable recruitment campaigns, job descriptions, and selection instruments that encourage Inuit employment and reduce artificial barriers to employment and advancement of Inuit.

Baffinland will, as necessary, provide assistance to Inuit candidates in following application procedures.

### 6.5.2 Retention, Advancement, and Career Development

Baffinland will ensure through its general employment practices, monitored by the HR Department, that a continuing effort is made to connect training received by Inuit directly with employment opportunities and advancement within Baffinland, including advancement into management positions.

Training programs will be designed to facilitate employment and advancement opportunities, including advancement into management positions.

Career development plans will be established and supported for all Inuit employees.

Comprehensive on-the-job training programs, including technical training and ongoing skills development will be provided to all Inuit employees; apprenticeship, leadership, and management training will be provided to Inuit employees who show potential and express strong interest in those areas.

Orientation and cross-cultural training programs will be designed to reduce barriers to Inuit advancement.

Personal life-management training, including money management, and job retention counselling will be provided to Inuit employees and employee assistance programs will be available to Inuit. Through implementation of the Inuit Human Resources Strategy, Baffinland will encourage and support the career development and advancement of Inuit employees, including advancement into technical, supervisory, and management positions.

### 6.5.3 Target Levels of Inuit Employment

As per the terms of the signed IIBA, the IIBA Executive Committee, will establish a Minimum Inuit Employment Goal (MIEG) for the entire Project, before the start of each calendar year.

Baffinland will track and monitor its performance relative to the MIEG and submit quarterly reports to the IIBA Management and Executive Committees for each active contract. Baffinland will ensure that contractors are achieving required levels of Inuit content, following the measures outlined in the signed IIBA. Within the framework of the IIBA, Baffinland will provide an annual MIEG Plan describing how it intends to achieve the MIEG and an annual report showing success of the MIEG Plan.



#### 6.5.4 Inuit Women's Access to Employment

Baffinland values the participation of Inuit men and women in the project workforce. Baffinland's human resources policies will be implemented to ensure equal access to employment for Inuit men and women.

To promote Inuit women's access to employment in the project workforce, the Inuit Human Resources Strategy will have an Inuit women's employment component that will provide for the following:

- An analysis of the project workforce, which will assess any potential differential impact on women and men of policies, strategies, procedures, practices and conditions applicable to the project workforce. Where appropriate, Baffinland will use the result of this analysis to revise employment and training policies, strategies, procedures and practices.
- A process to be developed by Baffinland to work with the QIA, Nunavut, and federal government agencies, and Inuit women's groups to assist Inuit women prepare for jobs with Baffinland and its contractors.
- A workplace environment that is welcoming to Inuit women and workplace policies that assist Inuit women employees to retain their positions.

#### 6.5.5 Student Employment

Baffinland will, either directly or through its contractors, make summer employment opportunities available to Inuit students who meet the age requirement of 18 years or older. Inuit students from the Baffin Region will be given preference but priority will be given to Inuit students residing in the North Baffin.

#### 6.6 COORDINATION TO ADDRESS MUTUAL LABOUR FORCE NEEDS

Baffinland will cooperate with municipalities to identify areas of alignment between the labour force skill sets needed by communities and similar skills demanded by the Project. Individuals and students can be made aware of employment and training opportunities offered by the Company in these areas. Over time, this will lead to enhanced access to these strategic skills sets in the region.

### **SECTION 7.0 - OCCUPATIONAL HEALTH AND SAFETY**

For details of Baffinland's Health and Safety Management Plan see Attachment 5, Appendix 3B.

Baffinland will provide a safe workplace and will provide its employees with proper training and management direction necessary to protect their health and safety. Proactive, rather than reactive, health and safety plans will be established to reduce any foreseeable hazards that could result in personal injuries or illnesses, fires, property damage, and security losses.

All employees will be responsible for accident prevention in Baffinland's facilities. The following safety principles are Baffinland's commitment to achieving an injury-free and safe working environment:

- All injuries can be prevented.
- Employee involvement, participation, and training in safety is essential.
- Management is responsible for providing a safe work environment and preventing injuries.



- Baffinland must strive to continuously improve the safety of all people connected with Baffinland.
- All operating exposures can be safe-guarded.
- Working safely is a condition of employment.
- Prevention of personal injury and incidents, on and off the job, is good business.

#### 7.1 WORK CLOTHING AND SAFETY EQUIPMENT

All employees will be required to wear the work clothing and safety equipment necessary to carry out their jobs. This will include safety helmets, safety glasses, specialist equipment such as welding vests and goggles, steel-toe-capped safety boots/shoes, and other clothing required for extreme weather conditions. Basic training courses will be provided for all employees.

#### 7.2 MEDICAL PROGRAM

It is a key Baffinland objective to assist employees to achieve and maintain their optimal level of health and well-being. One means for achieving this objective is implementation of pro-active medical programs. The scope of the medical program includes:

- screening employees for fitness to perform the requirements of their jobs
- monitoring employees exposed to dust
- identifying trends and potential problem areas through analysis of employee health and other means
- initiating action to address problem areas

All employees will receive pre-employment medical examinations to determine whether they are medically capable to fulfill the requirements of the jobs for which they are hired. The results will provide a baseline of employee health at the time of employment.

Occupational exposure medical examinations will identify the physical condition of prospective workers and determine whether workers are assigned jobs that do not affect their current health. The examinations, which are specifically focused on the type of exposure, will be repeated at regular intervals for exposed employees.

All matters related to an employee's medical condition will be strictly confidential. No medical information will be made available to Baffinland. The only information Baffinland will require is that which concerns an employee's fitness to perform work. An employee will either be fit for the job, unfit, or fit with limitations. If there are limitations, the specific restrictions (e.g., lifting or bending) will be made clear.

### **SECTION 8.0 - EDUCATION AND TRAINING**

#### 8.1 OBJECTIVES

Baffinland will undertake to provide training to Inuit in all Project areas. All areas of the Project will be considered for training opportunities.

Baffinland will give priority to development of practical skills and educational qualifications necessary for Inuit men and women to:

- maximize their prospects for employment in the Project workforce
- do their jobs effectively
- advance according to merit and aspirations
- contribute to the well-being of their communities
- reduce barriers and maximize Inuit participation in the Project workforce throughout the life of the Project

Baffinland recognizes that training and education opportunities must begin well before start of the construction and operation phases. The Company will work cooperatively to support the school system in Inuit communities, to address impacts of the Project on the education and school system, and to encourage Inuit to attain the practical skills and educational qualifications that will maximize their employment opportunities.

Baffinland will establish training programs for Inuit that include skills training in various jobs that could lead to certification, supervisory, and management training and selected external training programs, all with the intention of qualifying Inuit employees for future skilled and supervisory positions on the Project. Additional training could be offered to Inuit employees in such areas as business administration, accounting, environmental technology, engineering, computers, resource development planning, geology, and exploration.

Education and training will require cooperation of Baffinland, QIA, Government of Nunavut, training institutions, and North Baffin communities.

## 8.2 APPLICATION TO ALL FIRMS

Baffinland's commitments regarding Inuit education and training for the Project apply to the employment practices of Baffinland, its contractors, and subcontractors. Baffinland will ensure that contractors and subcontractors working onsite:

- are aware of Baffinland's education and training policy
- develop their own education and training policies consistent with Baffinland's policy and education and training commitments

## 8.3 LINKING EDUCATION AND TRAINING WITH EMPLOYMENT AND ADVANCEMENT

Baffinland will develop measures to link education and training to employment and advancement in its workforce, including:

- letters of intent to employ
- supporting cooperative education programs
- supporting summer student jobs and other student employment opportunities
- mentoring

#### 8.4 AWARDS AND SCHOLARSHIPS

Baffinland may sponsor competitions, prizes and achievement awards at various levels in the school system in North Baffin communities each year. In addition Baffinland will provide a \$25,000 Scholarship fund annually.

#### 8.5 EDUCATION AND TRAINING PARTNERSHIPS

Baffinland Employment and Training Coordinator will maintain relations with partner education and training organizations and institutions including:

- Nunavut Arctic College
- Kakivak Association
- Human Resources and Social Development Canada
- Government of Nunavut Department of Education
- Government of Nunavut Municipal Training Organization
- a Nunavut mine training institute or other relevant education and training organizations that may develop in the future

Through its Employment and Training Coordinator, Baffinland will make best efforts to integrate education and training for the Project with existing programs, and to take advantage of relevant programs in other regions of Nunavut.

Baffinland has been actively pursuing partnerships and initiatives related to education and training, and accomplishments to date are outlined in the sections following.

##### 8.5.1 Training Program Memorandum of Understanding

Baffinland, the Qikiqtani Inuit Association, Qikiqtaaluk Corporation, and Kakivak Association signed a Memorandum of Understanding (MOU) on May 31, 2008 agreeing to develop and promote the delivery of mine-related training, training related to economic and community development, labour market research, curriculum development, career development, and other related activities for the benefit of Inuit in the communities associated with the Project. The activities developed under the MOU built on existing training initiatives underway at the Project, such as heavy equipment operator training, job-shadowing programs, and cultural orientation seminars. Encouraging education and training programs for students, coordinating of work placements, and reducing barriers to Inuit participation will be critical to success of the program. Funding is anticipated to involve both private and public sector sources. The initial term of the MOU is three years with an expectation that success of the program will be reviewed and next steps identified.

#### 8.6 FUNDING FOR TRAINING

Baffinland will contribute annually to an education and training fund. Baffinland and QIA will work together to locate sources of funding for all Inuit training, including preparation of joint applications to sources that

may include, among others, Human Resources and Skills Development Canada (HRSDC), the Mining Industry Human Resource Council, and Aboriginal Affairs and Northern Development Canada (AANDC).

The activities of the education and training fund as well as any additional funding from outside sources will be administered by Baffinland's HR Department through the Employment and Training Coordinator.

#### 8.7 TRAINING FACILITIES AND DORMITORIES

Baffinland will provide adequate training facilities and classrooms onsite for on-going training programs. Baffinland will provide sufficient dormitory space onsite for trainees.

#### 8.8 USE OF INUKTITUT AND INUIT INSTRUCTORS

Subject to availability of qualified instructors:

- training will be available in Inuktitut for positions to be identified by Baffinland
- Inuit instructors will be hired to carry out training in Inuktitut and will be funded by the Education and Training Fund

#### 8.9 ADULT EDUCATION

Baffinland will cooperate to support activities onsite or offsite designed to provide adult basic education, upgrading, and job readiness training programs or services to Inuit employees.

Baffinland will include Adult Basic Education as one of the onsite training opportunities within the framework of the Inuit Employment and Training Strategy. Onsite training opportunities will take place during working hours.

#### 8.10 WORK READY PROGRAM

Baffinland will provide a work ready program for employees to undertake before they commence Induction training and before they commence work at site.

This program will target employees and their family members to assist them to:

- Adjust to rotation remote site work
- Address potential communication challenges
- Manage their money
- Ways to incorporate traditional ways of life into camp life

#### 8.11 CONSTRUCTION TRAINING PROGRAM

As part of the Inuit Human Resources Strategy, Baffinland will fund and implement an Inuit construction training program designed to provide training for Inuit who wish to obtain employment during construction before commercial production and during commercial production, and to transfer from employment during construction to employment during commercial production.

The program will include training to develop the practical skills and educational qualifications that facilitate transition of Inuit trainees from the construction workforce to the operation workforce. The training program will start before construction.

Where possible, community members who are not employees of Baffinland, or its contractors and subcontractors, will be allowed to enrol in training courses delivered in communities.

#### 8.12 OPERATION PHASE TRAINING PROGRAM

As part of the Inuit Human Resources Strategy, Baffinland will fund and implement a training program for Inuit during the operation phase. The construction training program can serve as a template for development of the operation phase training program, which will include at least the following components:

- worksite training component fully funded by Baffinland
- community-based training component partially funded by Baffinland
- institutional training component

#### 8.13 TRAINING PROGRAMS FOR CONTRACT AND SUBCONTRACT ACTIVITIES

As part of the Inuit Human Resources Strategy, Baffinland, in conjunction with QIA, will develop both worksite and community-based training program designed to provide training for Inuit who wish to find employment with contractors or subcontractors on the project in such areas as catering, expediting, and business management.

#### 8.14 MANAGEMENT AND ADVANCED SKILLS TRAINING

As part of the Inuit Employment and Training Strategy, Baffinland will commit to long-term training and education programs to develop Inuit managers and Inuit with advanced skills on the Project over time.

Onsite advanced skills and management training opportunities will include mentoring and job shadowing.

Offsite advanced skills and management education and training opportunities will include diploma and degree programs in disciplines related to the Project or to management generally. Short-term advanced management programs will be included in the program, and work placements with contractors and suppliers will be included in the program where practical.

#### 8.15 COMPANY EDUCATION INITIATIVES

Baffinland might support an array of education initiatives, including career fairs; support for career counselling; co-op education opportunities; and Stay in School programs.

#### 8.16 TRAINING PROGRAMS

Baffinland will establish skills specific training programs for employees to undertake after their Induction Program. The list provided below is indicative of the type of training programs that could be offered:

**Table 5.1 Training Programs Categories**

**Heavy Equipment Operator Training**

- Haul Truck
- Excavator/Backhoe
- Dozer (track and rubber tire)
- Grader
- Diesel/Hydraulic Shovel
- Rotary Drill
- Loaders
- Crusher (cone and jaw)
- Loader/Blaster

**Professional Training: Technical and Professional\*\***

- Engineering/Surveying
- Geology
- Environmental
- Archaeology
- Metallurgy
- Instrumentation
- Planner
- Assayer
- IT Technician

\*\* Provide scholarships and work placements to both technical and professional students.

**Occupational Health and Hygiene**

- Safety Trainer
- First Aid Instructor
- Safety Supervisor
- Security Guard

**Trades: Apprenticeship Programs**

- Electrician
- Heavy Duty Mechanic
- Welder
- Plumber
- Carpenter
- Millwright

**Business Administration**

- Payroll Clerk
- Travel Coordinator
- Benefits Administrator
- Warehouse/Shipper / Receiver
- Accounts Payable Clerk
- Purchase/Buyer / Expeditor
- Custodian
- Frontline Supervisor
- Management
- Airport Coordinator

**8.17 CROSS-CULTURAL TRAINING**

Cross-cultural and gender sensitivity training will be provided to all employees and contractors working at the Project site. This training will encourage workers to respect and be sensitive to cultural and gender differences among the workforce and in affected communities of northern Baffin Island.

**8.18 ENVIRONMENTAL AND WILDLIFE AWARENESS TRAINING**

All Baffinland employees, contractors, and site visitors will receive environmental and wildlife awareness training. Workers and visitors will be informed about the sensitivity of the arctic environment and wildlife habitat/behaviour in the Project area, as well as appropriate avoidance and management techniques as described in the project management plans.

## **SECTION 9.0 - EMPLOYEE RELATIONS**

Baffinland will make every effort to establish and maintain good relations with employees through sound and fair employment and management practices.

### **9.1 EMPLOYEE CONCERNS**

A concerns procedure will be developed to allow employees to raise concerns and have their issues addressed in a systematic fashion. The procedure will encourage employees to raise issues that affect them and guarantee responses to the issues in an environment free of threat. Elements of the procedure can be developed with employees as the mine develops. Establishment of employee committees on specific issues or responsibilities will also assist in addressing employee concerns.

### **9.2 DISCIPLINE PROCEDURE**

A discipline procedure will be developed to provide a consistent and established mechanism to handle disciplinary matters. Employees will be made aware of this procedure as part of orientation training, and employees and supervisors will receive written documentation setting out the procedure. Training programs will be established for those who might be required to deal with discipline issues.

### **9.3 EMPLOYEE BENEFITS**

Baffinland will offer employees a complete range of benefits, consistent with the mining industry and with practices now in place in Nunavut and the Northwest Territories:

- **Health Care Plan:**

Pre-employment medical examinations will be required for all new employees. In addition, a pre-employment medical examination procedure will be established to monitor the employee's level of health and fitness. Employees will be advised by a medical practitioner of the need for follow-up health care if the annual screening finds any health problems. Baffinland will work with affected communities and women's organizations so that traditional health care practices in those communities are respected and women's health care is included as a part of the health care plan.

Baffinland will offer an extended health care plan that will include such items as hospital room coverage, vision care, prescription medicine, and dental care, subject to plan terms and conditions.

- **Employee and Family Assistance Program (EFAP):**

Baffinland will participate in an Employee and Family Assistance Program that will provide advice and assistance for employees on a range of issues, including drug and/or alcohol dependency and work-related stress management. All programs will respect the individual's confidentiality.

- **Vacation Leave:**

Vacation leave will be in accordance with territorial legislation. Employees will be required to take regular annual vacation leave.



- Salary:

Employees will be paid a competitive salary. Whenever possible and requested, employee's salary will be deposited directly into employee bank accounts, or other suitable arrangements will be made.

## **SECTION 10.0 - CONTRACTING AND SUBCONTRACTING**

Although Baffinland is only obligated to contract with businesses that have the ability to deliver products and/or services in a timely, efficient and competitive manner, Baffinland use best efforts to will maximize contracting and subcontracting opportunities for qualified Inuit firms throughout the construction, operation, and decommissioning phases of the Project. Baffinland will cooperate in efforts to build capacity to enable as many Inuit firms as possible.

Baffinland recognizes the value of collaboration with local Economic Development Officers and with agencies such as Kakivak Association, the Baffin Regional Chamber of Commerce, the Baffin and the Department of Economic Development and Transportation that are actively engaged in business capacity development in the LSA and RSA. The company is committed to engaging with these agencies in order to achieve mutually desired local business development outcomes.

Baffinland has the final decision on all contract awards.

### **10.1 BUSINESS START-UPS AND CAPACITY BUILDING**

Baffinland recognize that many Inuit firms, and in particular smaller Inuit firms from communities in the Baffin Region lack capital, experience, and capacity to bid on or carry out contracts for the Project. To address this shortfall, Baffinland will:

- assist Inuit firms to develop capacity in the bidding process
- identify opportunities to break down large contracts into smaller components to improve the capacity of Inuit to bid on and carry out contracts
- encourage contractors to break down large Subcontracts into smaller components to improve the capacity of Inuit firms to bid and the ability of Inuit firms to bid on and carry out contracts
- help QIA or a QIA subsidiary organization establish a Business Capacity and Start-Up Fund to assist Designated Baffin Inuit Firms with business start-ups and development of capacity in the following areas:
  - locating start-up capital and financing
  - management development
  - ongoing business management
  - financial management
  - contracts and procurement
  - human resources management

Baffinland will contribute annually to support the Business Capacity and Start-Up Fund.



## 10.2 DESIGNATED INUIT FIRMS

### *The meaning of “Designated Inuit Firm*

For contracting purposes, an “Inuit Firm” must be enrolled on the NTI Inuit Firms Registry. The list of Designated Inuit Firms will be a public document.

#### 10.2.1 Contracting policy for Designated Inuit Firms

In the contracting process, Baffinland will request Inuit firms that wish to enter into contracts with Baffinland to furnish sufficient information to enable Baffinland to assess the qualifications of such firms. Baffinland might also communicate directly with Inuit firms regarding their experience and qualifications.

For services that normally require bonding, an Inuit firm from the Baffin Region must be bondable to be considered as a Designated Baffin Inuit Firm.

#### 10.2.2 Designated Baffin Inuit Firms

Based on information from the NTI Inuit Firms Registry Baffinland and QIA, through the Executive Committee, will maintain an up-to-date list of Inuit firms from the Baffin Region that appear to be qualified for contracts or subcontracts. Such companies will be referred to as “Designated Baffin Inuit Firms.”

During the contracting process Baffinland might request Inuit firms from communities in the Baffin region to furnish either directly to Baffinland or indirectly through QIA to Baffinland, sufficient information to enable Baffinland to assess the qualifications of such firms. In the contracting process Baffinland might also communicate directly with Inuit firms from the Baffin region regarding their experience and qualifications.

For services that normally require bonding, an Inuit firm from the Baffin Region must be bondable to be considered as a Designated Baffin Inuit Firm. The Executive Committee will review the list of Designated Baffin Inuit Firms annually.

The Executive Committee will establish a process by which firms not currently included on the Designated Baffin Inuit Firms list may apply for consideration as Designated Baffin Inuit Firms.

The list of Designated Baffin Inuit Firms will be a public document.

#### 10.2.3 Contract Award Procedures

Baffinland will make best efforts to maximize Inuit participation in contracting for goods or services as well as in subcontracts, required during Project construction, operation, and decommissioning phases.

The three main types of contracts Baffinland will use on the Project are:

- negotiated contracts
- requests for proposals
- invitational tenders

**Negotiated Contracts**

Baffinland might negotiate a contract directly with a contractor when:

- a. a Designated Baffin Inuit Firm is eligible for and interested in the contract, and Baffinland is satisfied that it is able to get fair value from the contract through a direct negotiation
- b. no Designated Baffin Inuit Firm is eligible or interested to participate in a given contract, or if negotiations with a Designated Baffin Inuit Firm are not successful, and a Designated Inuit Firm is available, and Baffinland is satisfied that it is able to get fair value from the contract through a direct negotiation
- c. a specific contract calls for a contractor or supplier to be selected on the basis of specialized experience, or specialized technical or commercial capabilities
- d. Baffinland encounters an out-of-the-ordinary situation, and does not have sufficient time to contract through a request for proposals or an invitational tender
- e. Baffinland encounters an emergency

Except in instances arising from Sections d) or e) cited above, Baffinland will notify QIA and the Executive Committee in advance of entering into direct negotiations for contracts.

Baffinland will make all reasonable efforts to ensure that contract negotiations with a Designated Baffin Inuit Firm or Designated Inuit Firm proceed in a timely and fair manner and that the Designated Baffin Inuit Firm or Designated Inuit Firm is given ample opportunity to present and justify its proposal.

**Requests for Proposal and Invitational Tenders**

Baffinland might frequently tender contracts through a competitive process. Reasons Baffinland might choose a competitive contracting process include, but are not limited to, the following:

- no Designated Baffin Inuit Firm or Designated Inuit Firm is eligible for and interested in directly negotiating the contract
- Baffinland and a Designated Baffin Inuit Firm or Designated Inuit Firm are not able to resolve a contract negotiation pursuant to good faith negotiations within the allotted time
- Baffinland is not satisfied that it is able to get fair value from the contract through a direct negotiation

In cases that direct negotiations with an Inuit firm have been unsuccessful, the Designated Baffin Inuit Firm or Designated Inuit Firm with which Baffinland has been negotiating will be invited to submit a tender or proposal.

In the event that Baffinland chooses a competitive contracting process, Baffinland will whenever possible, and within a reasonable period before the need for any such goods and/or services, use the following process steps:

1. Where two or more Designated Baffin Inuit Firms are eligible for and interested in a given contract, and Baffinland is satisfied that it is able to get fair value from the contract through a request for proposal or invitational tender limited to Designated Baffin Inuit Firms, Designated Baffin Inuit Firms will be given the first right of proposal or will be the only companies invited to tender on said contract.
2. Where two or more Designated Inuit Firms are eligible for and interested in a given contract, including the case where there is only one Designated Baffin Inuit Firm and one or more Designated Inuit Firms, and Baffinland is satisfied that it is able to get fair value from the contract through a request for proposal or invitational tender limited in some way to Inuit firms, such Inuit Firms will be given the first right of proposal or will be the only companies invited to tender on said contract.
3. In circumstances in which Baffinland is not satisfied that it is able to get fair value from the contract through a request for proposal or invitational tender limited in some way to Inuit Firms, Baffinland will request proposals or invite tenders from any interested firm.
4. In circumstances in which Baffinland chooses to contract by invitational tenders or requests for proposal, preference will be given to companies that maximize Inuit content.

### **Reporting**

Baffinland will provide, and will require all Contractors and Subcontractors to provide the Management Committee of the IIBA with quarterly reports that demonstrate the extent of compliance with Inuit content for work done by Baffinland, or for Contracts and related Subcontracts.

### **Bid Evaluation Criteria**

Baffinland, in requesting bids for supply of goods and services for the Project, will include in the tender forms provisions requiring bidders to adhere to Inuit content requirements, which will be evaluated in contract proposals for invitational tenders.

Inuit content in contract proposals will be evaluated and bids adjusted based the definition of "Inuit Content" as defined by the terms of the IIBA.

Proposals and tenders for contracts must attain the threshold Minimum Inuit Employment Goal (MIEG) as established annually by the IIBA Executive Committee. Any proposal that does not achieve the MIEG established for a given contract will be deemed non-compliant.

Proposals that do not include an assessment of potential Inuit and Baffin Inuit content will be deemed non-compliant.

Inuit content in all proposals represents the cumulative Inuit content of the Contractor and all Subcontractors named in a given proposal.

**Contractor's Inuit Content Plan**

As part of the contracting process, for all contract tenders or proposals over \$500,000 Contractors must submit a Contractor's Inuit Content Plan (CICP) containing details on Inuit Content Components and a description of how the Contractor intends to achieve, maintain and optimize Inuit Content.

**Explanation for Non-Award**

If a Designated Baffin Inuit Firm or a Designated Inuit Firm is not awarded a contract Baffinland will provide an explanation in writing to any firm that submitted a contract proposal.

**Annual Review**

The IIBA Executive Committee will review and report on all contracts as well as the lists of Designated Inuit Firms and Designated Baffin Inuit Firms annually.

**Enforcement**

Inuit content specified in any contract awarded through this process must be attained. If not, contractors will be subject to enforcement provisions cited in the IIBA.

**SECTION 11.0 - SUPPORT FOR COMMUNITIES**

Baffinland recognize that while the Project presents Inuit communities with substantial opportunities, it is also likely to create social and cultural impacts and stresses on these communities, including families and individuals. Because of the long duration of the Project needs and opportunities will evolve.

Mitigating existing and potential impacts, promoting community well being, and developing long-term individual and community capacity is a shared responsibility of Baffinland, the QIA and the Government of Nunavut. Baffinland will cooperate in efforts to address this challenge.

The communities must be engaged in the development and implementation of strategies to build the capacity necessary to enable communities to deal with existing and potential impacts and to maximize benefits from the Project and to sustain those benefits beyond the life of the Project.

It is very difficult to measure and predict social and cultural impacts in advance of construction and operations. Baffinland will thus make proactive efforts to address impacts and to capitalize on benefits as they are identified over time. Efforts to address existing and potential social and cultural impacts must include capacity building and the well being of individuals, families and communities to sustain a productive workforce and build good relations with Inuit and Inuit communities.

Baffinland's contributions to capacity building and long-term social development include its commitments to employment, training, contracting, and subcontracting. These provisions do not impose any responsibility on Baffinland to assume the role of government or responsibility for social services and infrastructure.

### 11.1 ILAGIKTUNUT NUNALINNULLU PIVALLIAJUTISAIT KIINAUJAT (INPK)

To provide the required community support and capacity building, Baffinland will contribute to Ilagiktunut Nunalinnullu Pivalliajutisait Kiinaujat (INPK). The terms of Baffinland's participation in this fund are established by the signed IIBA. The INPK fund has the following objectives:

- creating opportunities for capacity building and synergy with existing capacity in the communities
- ensuring equity and fair distribution of impacts and benefits within and between communities and across generations
- maintaining consistency with community development goals
- ameliorating social and cultural consequences if a proposed mitigation or enhancement is unsuccessful or in the event that unanticipated impacts emerge
- promoting mutual understanding and learning
- ensuring transparency and accountability

Activities supported by the fund could include, but are not limited to:

- participation in community projects
- youth and Elder programs
- hunter support activities
- family and community-wide activities and programs
- cultural learning and revitalization programs
- social support programs for families and individuals
- individual and family financial planning
- educational incentives
- counselling and healing programs
- seed funding or operational funding for local charities and social organizations

## **SECTION 12.0 - ROLES AND RESPONSIBILITIES**

Baffinland's HR Department will manage all aspects of the Human Resources Plan. HR Coordinators will be located at Mary River and Steensby, and will report to the VP Human Resources. For responsibilities of HR personnel, see Table 12.1.

**Table 12.1 Roles and Responsibilities - Human Resources Department**

Position	Location	General Responsibility
VP Human Resources	Toronto	Overall accountability for HR Department
HR Coordinators	Mary River and Steensby	Implement HR policies Develop and administer training programs Hire employees Administer employee benefit programs IIBA reporting Track job vacancies Interview potential candidates Resolve employee conflicts
Inuit Employment and Training Coordinator	Community based	Identify job training needs Liaison with IIBA Management Committee
Inuit Elder onsite	Mary River and Steensby	Act as counsellors for Inuit employees Liaison with IIBA Management Committee
Community Liaison Officers	Pond Inlet, Igloodik, Hall Beach, and Arctic Bay	Inform residents of Project opportunities Report on Project activities
IIBA Coordinator	Iqaluit	Monitor implementation of the IIBA

## **SECTION 13.0 - SOCIO-ECONOMIC MONITORING**

This monitoring framework is designed to address how Baffinland's Mary River Project will be monitored to assess socio-economic effects and to support management decisions. The framework also addresses how Project monitoring will fit in with public monitoring activities and how it can contribute to advancing understanding of socio-economic processes in Nunavut.

The framework has been prepared through a collaborative process involving BIM, QIA, GN, and AANDC participants. This included two informal meetings with these agencies in Iqaluit during October and November, 2011, along with two working sessions with the QIA socio-economic advisor in Edmonton and Ottawa. This collaboration has been helpful in the development of this framework. Baffinland is, of course, solely responsible for the final product included in this FEIS.

Baffinland recognises that collaboration in monitoring is necessary given the multiple sources of influence over socio-economic changes taking place across the territory. The expectation is that a collaborative approach to socio-economic monitoring will continue as the Project proceeds.

### **13.1 PERFORMANCE SPECIFICATIONS**

The overall perspective against which the monitoring program will be assessed and adapted is its ability to address two questions: "How are we doing in achievement of sustainable development objectives?" and "How could we do better?"

The Mary River project socio-economic monitoring plan is designed specifically to address the following monitoring functions arising from internal and external needs for data:

- Monitor Inuit participation & IIBA implementation
- Provide data on indicators that affect Project performance
- Support community, regional and territorial monitoring initiatives
- Support Baffinland's management system and adaptive processes
- Contribute to understanding of socio-economic processes
- Support compliance monitoring

Socio-economic monitoring is also designed to link the outcome of monitoring related to biophysical VECs (such as terrestrial and marine mammals, water and air quality, and so forth) in order to identify any impacts that changes in these areas may have on the social, cultural, or economic environment.

### **13.2 MONITORING INUIT PARTICIPATION & IIBA IMPLEMENTATION**

The IIBA MOU (QIA / BIM 2009) provides some insight into monitoring and reporting that will be carried out under direction of the IIBA. The final signed IIBA will provide the actual requirements to be carried out. For the purpose of the present framework, the MOU is illustrative of what is anticipated. The MOU identifies several monitoring reports that will be produced on a regular basis. These include an annual IIBA Implementation Report and an Inuit Participation Report. These will provide data on Inuit involvement in the Project as well as workplace initiatives designed to enhance Inuit participation.

The Inuit Participation Report will include data related to Inuit training activities, successful completion of training, and the outcomes of these initiatives in terms of the number of these training graduates who are hired at the Project. The report will also indicate the funding provided for training by Baffinland as well as by other sources.

Indicators presented in the Inuit Participation Report will be included in the monitoring report provided to NIRB (and available to the public). These will include:

- Training and support for education
- Inuit employment by gender, and by representative occupational groups
- Wages paid to Inuit
- Procurement from Inuit business
- Workplace culture and support initiatives
- Identification of issues that require partnerships with other agencies to properly address

### 13.3 PROJECT PERFORMANCE MONITORING

#### *Monitoring goal:*

Performance monitoring will be carried out directly by Baffinland. The focus of this monitoring is to report on indicators that describe the Company's socio-economic outcomes. To be effective, a small number of indicators are envisioned. These performance indicators will be used to build a "performance dashboard" that will provide a meaningful snapshot of the Project at a glance.

Baffinland recognizes the integrated nature of socio-economic and biophysical components of its Project. For this reason, the following discussion addresses both VSEC as well as VEC monitoring, although VEC monitoring will be addressed in more detail under the VEC Volumes.

#### 13.3.1 Direct Project-generated VSEC indicators

In addition to indicators integrated from the Annual IIBA Implementation and Inuit Participation Reports, Baffinland has an interest in monitoring important indicators that drive performance of the Project. These will include the following indicators:<sup>1</sup>

- Inuit employment (MIEG)<sup>2</sup>
- EHS Management Plan indicators – Lost Time Injury, Recordable Incident rates
- Absenteeism
- Turnover rates
- Reasons for termination
- Local procurement

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<sup>1</sup> The IIBA reports will be focused on Inuit-specific statistics. However, data for non-beneficiary participation by LSA and RSA residents will also be available from the human resources information system. For the purpose of public reporting, this data is expected to be included in the reports.

<sup>2</sup> The MIEG is established under the IIBA and will be reported through the IIBA reports. However, Baffinland considers its success in Inuit employment as a performance measure, along with other measures and so this indicator is included here.



These are critical indicators that affect mining productivity and profitability. They also relate to the ability of individuals to succeed in training, employment, and career advancement.

For example, worker turnover and worker absenteeism are both expected to be major cost drivers for the Project. Given the nature of the project (FIFO rotation), employees who fail to turn up for their flights cause a production impact for the 2 week rotation period. Absenteeism has the potential for significant negative impact on operational performance and productivity and will need to be closely monitored and measured.

#### 13.3.2 Direct Project-generated VEC indicators that influence VSECs

Baffinland recognizes the tremendous importance that land and marine-based harvesting has for Inuit within the LSA. This relationship with the land and sea leads to a tight connection between any Project environmental effects on wildlife and wildlife habitat and the socio-economic environment. For this reason, data from VEC monitoring will be fed into the socio-economic monitoring framework. Similarly, mitigation measures related to wildlife and habitat protection will be discussed with communities as part of the on-going monitoring and improvement of these measures.

**Table 13.1 Project Socio-economic Performance Indicators**

<b>Baffinland Performance Indicators</b>	<b>Indicator Rationale</b>
Characteristics of the Project labour force	A description of the number and categories of positions created by the Project may be useful for the purposes of individual career planning as well as for broader development of and training plans.
MIEG achievement	Reporting on the achievement of the minimum Inuit employment goal, as established by the IIBA Executive Committee provides a high-level perspective on progress being made to develop capacity within the Inuit labour force. In addition to an overall Inuit employment percentage, additional Project labour force characteristics will be presented. This will include data related to age, gender, and community of residency of Inuit workers.
Harvester interactions	A description of interactions with Inuit harvesters. This will include instances where compensation is provided for disruption of travel, death of wildlife, or other reasons. It may also include information on the utilization of site hospitality by Inuit traveling through Project areas.
Inuktitut in the workplace	Monitoring and annual report related to the "Inuktitut in the workplace" policy, as described in the IIBA. This is expected to include both qualitative and quantitative information and data.
Inuit employment by Representative Occupational Groups (ROG)	A description of the categories of job that Inuit are engaged in at the Project will provide insight into the effectiveness of measures intended to support local employment benefits. It will also provide insight into the contribution of the Project to enhancing labour force capacity in areas of strategic importance to local communities.
Absenteeism	Absenteeism generates costs for the Company through increased overtime and reduced productivity. It creates lost opportunity for individuals by reducing career success. Many underlying determinants affect absenteeism. Developing appropriate responses to absenteeism will therefore require broad engagement with community and other agencies.
Turnover rate	Turnover affects productivity. If it is too high, workers will be constantly on a learning curve. Investments in training made by public and private sector funders may be lost. Opportunities for individual advancement may be curtailed. If turnover is too low, opportunities for new entrants to the Project may be limited.
Reasons for termination	Understanding why individuals leave employment at the Project will assist in the assessment of measures intended to bring turnover rates within a desirable range. It may assist in focusing some mitigation / EFAP initiatives as well as to support effective focusing of the applicant selection process.
Environmental performance (VEC monitoring)	Monitoring activities related to terrestrial and marine wildlife and habitats may be relevant to understanding of changes in Inuit harvesting. Key environmental performance indicators will therefore be included in Baffinland's socio-economic performance reporting.
Local procurement expenditures	Reporting of procurement expenditures provides insight into the Project's contribution to the local economy.
Workplace injuries	Reports to the WSCC on workplace injuries will provide insight into the performance and effectiveness of the EH&S management plan. Trends in this indicator over time may relate to changes in labour force capacity.
Archaeological protocol compliance	Reports on archaeological compliance provides insight into the level of interaction between the Project and the region's heritage resources.

### 13.4 COLLABORATIVE MONITORING — COMMUNITY, REGIONAL, TERRITORIAL

#### *Monitoring goal:*

The performance monitoring carried out directly by Baffinland is likely to be useful for purposes beyond project-specific monitoring. Likewise, understanding about socio-economic trends in Nunavut, particularly in the North Baffin region and its communities, may be relevant to understanding how performance can be improved through adaptation of the mitigation measures identified in the HRMP.

The purpose of this component of the monitoring framework will be to better understand the root causes or "drivers" of issues that are identified by Baffinland's performance monitoring activities. This understanding will contribute to adaptive management, particularly related to the HRMP.

This area of the monitoring framework will also provide an avenue for Baffinland to participate in public monitoring activities where the Company may have data that can contribute to indicator development, or

“indicator clusters,” in areas of importance to communities, government, or other agencies. This may include priority areas identified by the Q-SEMC.

*Approach to monitoring:*

Baffinland will participate with community, regional, and territorial monitoring processes where such collaboration is welcome by these third parties and is considered by Baffinland to be productive as a means to achieve mutually shared objectives.

The settings for this collaboration are expected to be diverse. For example, some individual communities may choose to engage in community-level monitoring initiatives. Where Baffinland has substantial interactions with these communities, the Company would be willing to share information. At the regional level, Baffinland has participated in the Q-SEMC forum. This group is seen to be an effective way to engage with a regional level of monitoring with leadership from communities across the Qikiqtani Region. Baffinland is also aware of the Nunavut General Monitoring Program (NGMP) and will again be prepared to engage at this territorial level to the extent this is seen to be useful.

Collaboration with government agencies is seen as a further way to share information and gain access to relevant insights related to socio-economic developments at territorial, regional, and in some instances community levels. In some instances, these collaborative relationships may lead to specific data-sharing relationships in order to support adaptive management decisions. These relationships will need to take into account issues of data confidentiality. A partnership with the Nunavut Bureau of Statistics, as a portal into the various GN Departments, is envisioned.

**13.4.1 Issues where collaborative monitoring is anticipated**

Many potential socio-economic issues may be addressed through these collaborative processes. The priorities will be determined by the relevant agencies that generate and maintain the relevant data. Baffinland hopes to participate in forums where issues related to its workforce and the communities it is engaged with can be brought forward. Areas that have been specifically identified where this more complex monitoring may be useful include the following.

*Health and well-being*

Project-specific health and safety monitoring will be carried out directly by Baffinland, as described in Section 15.0 of the Health and Safety Management Plan (Attachment 5, Appendix 3B). This will include reporting on “Positive Performance Measures” (PPMs) related to risk assessment, work procedures, workplace inspections, employee work safety, reporting timeliness, training completion, safety awareness talks, and safety culture (Figure 15-2 and Figure 15-3 of Attachment 5, Appendix 3B).

The health of individuals and family members can also have a direct effect on things like absenteeism as well as on work performance. This includes understanding physical health and mental health, as well as the range of things that contribute to good health and well-being, such as housing or lifestyle choices. Substance abuse and crime, including family violence, are additional areas of importance to health and well-being.

Monitoring of population health and lifestyle characteristics is expected to involve a partnership between the territorial government (GN) as well as others such as front-line hamlet workers and employers such as

Baffinland. Baffinland does not see a leading role for the Company in this area of monitoring but recognizes it may be able to contribute to collaborative monitoring. For example, Baffinland supervisors may have perspectives on worker well-being that may help to interpret health data or identify areas for productive social research.

#### *Education, lifeskills, Training*

Baffinland seeks to engage local residents as much as possible in its labour force. In addition, Baffinland will implement programs designed to directly improve labour force capacity, as described In Section 3, above. The company therefore has a clear interest in the performance of Nunavut's education system and other initiatives that aim to improve labour force capacity. Baffinland shares a common interest with others engaged in labour force development to understand trends and identify effective practices in these areas.

The Company also has expressed a commitment to contributing to long-term, sustainable development in the LSA. Part of this commitment includes supporting individuals in gaining skills that are important not only to the Project, but which will also be strategically important to the local economy. Baffinland recognizes that the Project will present a wide diversity of positions that can potentially be filled by local residents. While individuals will have choice in the positions they seek, the Company is interested in working with Community Economic Development Officers to learn what skills are locally identified to be of importance for the sustainable development of LSA communities. This may be expected to lead to collaborative monitoring of the level of these skill sets in the local labour force.

#### *Employment*

The local, regional, and territorial significance of the employment opportunities provided by the Project can best be understood in the context of the broader labour market and trends in this market. Many of the indicators of importance to understanding these trends have been presented in the socio-economic baseline report (Appendix 4A 2011). The Q-SEMC has identified employment—and understanding how and why individuals make the decisions they do in relation to work—as a priority area for on-going monitoring. As a major employer in the region, Baffinland will be in a position to contribute to this broader monitoring effort. This contribution will include reporting the performance indicator data identified earlier (MIEG, absenteeism, turnover, etc.), as well as, potentially, other insights that may be identified by others engaged in public monitoring activities.

#### *Demographics*

Population shifts in LSA communities may arise for many reasons, as identified in Section 2, above. This includes in-migration to gain employment, out-migration to seek new opportunities, better services, or to gain education. Population growth can also influence demographic patterns. Given the long-term nature of the Project, Baffinland has some interest in understanding changes taking place in the local populations. This interest may be shared with other agencies.

Baffinland's employment data will not provide clear insight into the nature of migration or demographic changes taking place in the region. However, there may be areas where the Company could collaborate with others to try to understand what trends are taking place, and to help to interpret Baffin Region migration data available from sources such as the Canadian Revenue Agency's T1 Family File (tax forms). To the extent that demographics are identified as a priority issue, and where other data-

generating agencies are prepared to share information that sheds light on population demographics, Baffinland may also be able to contribute.

*Land use, culture, food security*

Understanding traditional land use and the transfer of Inuit culture and skills related to land use, harvesting, food security, and sharing of resources within and amongst households is a priority area for public monitoring identified by the Q-SEMC. Baffinland shares an interest in understanding trends in these areas, recognizing that they are important foundations for building a physically and mentally capable workforce.

The Company anticipates that it may generate data from several sources that could contribute to the initiatives of other agencies in generating understanding in this area. For example, monitoring of Project effects in the biophysical area (i.e. "VEC monitoring") may provide some insight into changes taking place amongst wildlife populations. In addition, the Project will generate some insight into land use through the level of utilization of hospitality i.e. hunters dropping in at Project sites. Engagement of Inuit in the monitoring of VECs such as marine mammals and caribou will also provide a source of knowledge of relevance to understanding Inuit land use, culture, and food security issues.

13.4.2 Summary of Collaborative Monitoring Approach

The following table illustrates how Baffinland data may be combined with data from other agencies to provide insight into various socio-economic processes that may be of interest to Inuit communities, government departments, as well as to the company. The focus of this monitoring, along with the specific indicators and supporting data will need to be developed through an on-going process of collaboration. The Q-SEMC is one forum where this can take place.

Not all of these areas are necessarily expected to attract the level of resources or attention required to gain insight into the processes and their trends. Rather, the table is intended to illustrate the kind of collaboration that may be needed in order to explore areas that are identified by these groups to be priorities for monitoring.

**Table 13.2 Indicators and Indicator Clusters**

Collaborative monitoring	Possible focus	Sources of Data to Support Development of Indicator Clusters		
		Baffinland	Agency / Government	Community
Health & Well-Being	How is fly-in/fly-out employment influencing the health and well-being of workers, their children, and their partners? How is the health of workers and their family members affecting success on the job?	EFAP, SEP, BIM security reports, WSCC safety and incident reports, emergency response data, termination reasons	CRA Taxfiler T1FF data, Nutrition North, NBS - GN Department data (HSS, Education, Finance, Liquor Commission, Justice / RCMP, Nunavut Housing Corporation, etc.), Special Studies.	Schools, front-line social services workers, food bank, breakfast program output; HTO, Local Housing Association, Alcohol Education Committees, local retailers, RCMP
	How is worker absence affecting communities?	SEP	Special studies	Hamlet and social organisations reports, special studies.
Education, Lifeskills, Training	Is the local labour force gaining durable capacity that is relevant to the livelihoods people seek to live and to future opportunities?	BIM HR Information System—Absenteeism, reasons for termination, EFAP summary data, training output data, apprentices hosted; SEP issues identification.	GN HR Information System (absenteeism, reasons for termination, EFAP summary data); HSS, Education, GN and Hamlet level (MTO) training output data, other agencies as appropriate to underlying issues	Hamlet HR system (absenteeism, reasons for termination), local employers, front-line educators insight, special studies with youth, students, employers.
Employment	What are the things that influence people's decisions and success related to employment?	BIM HR Information System—Absenteeism, reasons for termination, EFAP summary data.	GN HR Information System (absenteeism, reasons for termination, EFAP summary data); HSS, Education, GN and Hamlet level (MTO) training output data, other agencies as appropriate to underlying issues	Hamlet HR system (absenteeism, reasons for termination), local businesses, front-line worker insight (e.g. principles), special studies with youth, students, employers.
Demographic changes & mobility	Are there demographic changes occurring and if so, what are the roots of this change?	BIM HR Information system.	Statistics Canada / Nunavut Bureau of Statistics / GN Finance (net migration to Baffin Region based on CRA - Tax File T1FF, Census data - Percentage Inuit in population by community); GN HR Information System.	Effects of in-migration and out-migration on community - anecdotal reports, housing data, school enrollment, special studies/local surveys.
Land use, culture, food security	How is Inuit harvesting changing? Is food security amongst local households improving? What are the factors that are leading to these changes?	In addition to VEC monitoring and Project-specific land-use and travel data, Baffinland may have additional insight or data of value to those seeking to monitor harvesting, culture, and food security issues.	Harvester support program data, special studies, Nutrition North data, GN HSS nutritional studies, NBS, IPGs, NGMP.	Special studies, IQ workshops, local surveys, HTO knowledge.



Monitoring of specific indicators that relate to Inuit harvesting—such as effects on caribou, marine mammals, and employment, among others—will be carried out as described elsewhere in the FEIS (Volumes 6, 8, & 4, respectively). However, these narrowly focused monitoring initiatives are not expected to generate an integrated understanding of how Inuit harvesting may be affected from the combination and accumulation of these individual interactions. The following table provides a framework for considering the many dimensions that may influence Inuit harvesting. Given the complex and indirect nature of many of these interactions—along with the concurrent influence of many other trends and interactions unrelated to the Project—analysis of changes in harvesting activity will involve collaboration between many groups.

**Table 13.3 Conceptual Analysis of Project – Harvesting Interactions**

<i>Dimension of Harvesting</i>	<i>BIM</i>	<i>Agencies</i>	<i>Communities</i>
Decline in target wildlife population numbers or health attributable to biophysical Project interactions	VEC monitoring	QIA, GN, NWMB	HTOs, hunters, IQ studies
Decline in target wildlife population numbers due to local socio-economic change or other factors	VEC monitoring	QIA, GN, NWMB, Arctic Council, etc.	HTOs, hunters, IQ studies
Change in Inuit sharing traditions		QIA	HTOs, hunters, IQ studies
Increase in the sale of country food	Procurement	QIA, HSS	HTOs, hunters, IQ studies
Socio-economic or demographic shift in who engages in harvest activities		QIA, NBS, Statistics Canada	HTOs, hunters, IQ studies
Change in harvesting knowledge and skills		QIA	HTOs, hunters, IQ studies
Change in interest in harvesting		QIA	HTOs, hunters, IQ studies
Change in timing of harvest activities		QIA	HTOs, hunters, IQ studies
Change in preferred harvest locations		QIA	HTOs, hunters, IQ studies

### 13.5 MONITORING TO SUPPORT MANAGEMENT SYSTEM AND ADAPTIVE PROCESSES

#### *Monitoring goal:*

Baffinland's direct performance monitoring as well as the collaborative monitoring carried out with other agencies will be useful in supporting the process of adaptive management of the various measures that will be implemented to minimize adverse effects and maximize benefits from the Project. The goal will be to analyse the monitoring data in order to assess the effectiveness of current practices; obtain early warning should mitigation measures not be achieving their intended outcome; and, provide timely detection of unanticipated outcomes. The outcome of this adaptive process will be on-going learning and improvement of the Project.

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*Approach:*

Baffinland's EHS system defines the sequence of "Policy – Planning – Implementation and Operation – Checking and Corrective Actions – Management Review Process" that must be in place to ensure that the Mary River Project is executed in an environmentally and socially acceptable manner and in a spirit of continuous improvement and employs adaptive management principles.

The EHS system and its associated management plans are Life Of Project Management Plans. They apply from the onset of the exploration phase, through pre-development activities, construction, operation and closure phases of the Project. The application of the continuous improvement principle, also known as adaptive management (Policy – Planning - Checking and Corrective Actions – Management Review Process) ensures that the various environmental management plans are appropriate for the level of activities on site at all times. Adaptive management is the application of mitigation measures when management review processes identify potential adverse direct effects caused by the project.

Monitoring to support adaptive management decisions involves analysis and information flow. The multiple sources of quantitative and qualitative "output" and "outcome" data derived from Project-specific as well as community / regional / territorial monitoring activities will be useful in checking the effectiveness of Baffinland's activities related to supporting socio-economic objectives, as well as the joint QIA / Baffinland initiatives such as the INPK Fund, Business Capacity Fund, and the engagement of Inuit Employment and Training Coordinators that will be implemented through the IIBA.

Information from Project-specific monitoring may also serve to support adaptation of government and hamlet-level services. The value of Project monitoring for this purpose will depend on the extent to which Baffinland and these agencies share mutual interests and relevant data.

Information from collaborative monitoring will help to check the effectiveness of mitigation initiatives. For example, are public education efforts to improve literacy and numeracy succeeding in providing individuals with the skills they require to succeed in Company-delivered skills training programs? This area of monitoring and analysis may also include the gathering of knowledge or participation in third-party initiatives to gather knowledge from Northern mines in order to support the development and application of best practices.

*Link into Corrective Actions and Management Decisions*

Appropriate links between monitoring and management needs to be in place both at the Company level as well as in hamlet and territorial government agencies. Communications to support the flow of monitoring information into decision-making is therefore an important function of the monitoring program.

Within the context of the IIBA, information will flow from monitoring activities to the decision-making process through the joint Baffinland – QIA Executive Committee and Management Committee. The flow of appropriate and timely information to other agencies such as GN Departments will be enhanced by efforts to build collaborative relationships with these groups.

Socio-economic monitoring data will assist in on-going assessment of the focus and effectiveness of planned mitigation activities. Consideration of the outcomes of work readiness training may be expected to lead to modifications in these programs to continually improve their effectiveness.



An example of where turnover or absenteeism rates may drive decision-making and program improvement would be if the Company were to notice higher turnover from one particular community compared to others. Baffinland could then investigate what actions or inactions were taking place in that community compared to others in order to focus efforts aimed at improving those rates.

Baffinland would also look closely at reasons for termination / departures. If for example, home life challenges were arising the Company could look at making it clearer in the recruitment and interview period the challenges of the work and also strengthening the work-ready program in these respects. Extra support could also be provided through the Employee and Family Assistance Program (EFAP), Elders-On-Site and community-based mechanisms delivered through the Baffinland community liaison officers.

Monitoring will also link into on-going assessment of the effectiveness of mitigation measures that are implemented in order to achieve benefits and to reduce adverse impacts that have been considered in the FEIS.

Surveillance to provide early warning of emerging issues can also be implemented. This early warning monitoring is intended to provide early detection of problems that may be emerging so that appropriate response can be put in place. For example, on-going relationships with local educators may provide early insight into how children are responding to their home situations. In some instances this sort of early detection may lead to efforts to activate available support measures. In other cases it may identify gaps in available services. In some cases, surveillance monitoring may identify issues that were not foreseen and for which new mitigation measures or service responses are called for.

#### *Adaptation of the Monitoring Program*

The socio-economic monitoring program itself is designed to adapt to changing information needs of the Company and other stakeholders. It is expected that some indicators that are of priority concern early on in the Project may become less important, while others may emerge as more important. Continual improvement of socio-economic monitoring is needed through on-going and periodic detailed reviews to ensure that the right information flows to the right individuals and agencies in a timely manner to support decision making. Best practices from other relevant projects may help in this process of improvement.

### **13.6 MONITORING TO UNDERSTAND SOCIO-ECONOMIC PROCESSES**

#### *Monitoring goal:*

To contribute to the on-going expansion of knowledge related to interactions between communities and resource projects in Nunavut.

#### *Approach:*

The impact assessment presented in the FEIS is based on the best information that is available to support understanding of how the Project will interact with the people and economy of the LSA. However, knowledge is recognized to be incomplete in many areas raising a level of uncertainty. For example, the effect that new opportunities for employment will have on successful completion of school has not yet been documented in the context of Nunavut.

EIS prediction validation is a longer-term effort to expand the knowledge base of mining – community interactions that should improve the focus of future NIRB processes. Efforts to explore impact prediction

may also help to focus monitoring by identifying unanticipated effects or outcomes that are not in-line with predicted trends.

The FEIS includes predictions and assumptions related to socio-economic interactions with the Project and, more generally, with wage employment, increased household income. The following list outlines a few of these socio-economic relationships that may merit further investigation:

- Availability of accessible employment opportunities will lead to increased valuing of education;
- Locally available fly-in/fly-out jobs will have complex interactions with migration decisions;
- Increased household income will be generally beneficial to children in these households through various interactions including improved food security;
- The effects of fly-in/fly-out employment on substance abuse are complex but generally beneficial over time; and
- Effects of fly-in/fly-out job opportunities on traditional harvesting activities will be multi-faceted.

It is well-understood that these underlying socio-economic relationships and conditions will respond to a wide range of influencing factors. In some instances, agencies or groups may seek to identify cause and effect relationships. In other instances, the goal may be to improve understanding of Nunavut society and its economy in order to improve policy or to design services.

As with its participation in collaborative monitoring activities, Baffinland may participate in activities intended to better understand socio-economic relationships when the Company has relevant data and to the extent that the initiative is seen to be useful to achievement of enhanced benefits for residents of the LSA.

### 13.7 COMPLIANCE MONITORING

Project monitoring will include monitoring for compliance with several socio-economic requirements. The IIBA, for example, will include a MIEG that the Company will be expected to use best efforts to achieve. Monitoring Inuit employment will address compliance with this goal. The monitoring will address whether the MIEG is being met, should it change, what are the factors related to achievement or lack of achievement? Are some groups more successfully gain access to employment than other groups?

Another compliance issue that will be monitored includes the protection of cultural and archaeological artefacts. Archaeological protocols will be monitored as required to determine whether they being met and effective in achieving goals related to protection of artefacts.

The possibility that a Development Partnership Agreement may be negotiated with the GN in return for a fuel tax rebate is also acknowledged. Should such an agreement be negotiated and agreed to by Baffinland, some level of monitoring may be required to ensure compliance with the terms of agreement.

### 13.8 IMPLEMENTATION CONSIDERATIONS

#### 13.8.1 Community & Inuit Engagement In Monitoring and Mitigation Planning

Inuit and other community members will be involved in the on-going implementation, review and adaptation of monitoring initiatives and mitigation design. The following mechanisms will provide opportunities for participation:

- Engagement of Baffinland Community Liaison Officers and Inuit Employment Coordinator and other company managers/supervisors to provide insight and improve communications between the company and communities;
- Baffinland Stakeholder Engagement Plan activities, and Inuit involvement in VEC monitoring programs;
- Participation in the Q-SEMC which is structured to support community input and direction into socio-economic monitoring through its primary composition of hamlet mayors and other officials.
- Participation in the joint QIA / Baffinland IIBA Executive and Management Committees which will make decisions related to initiatives designed to improve access of Inuit to opportunities and to mitigate impacts at community level;
- QIA Mary River Project Review Committees; and
- Communication and collaboration with Inuit front-line service providers in communities.

Inuit involvement will help both to identify underlying drivers of the performance indicators, such as causes of absenteeism, as well as to identify appropriate management responses. Inuit involvement will also help to identify areas where indicators may need to be developed in order to better understand emerging issues related to the Project. This function will be to ensure that monitoring can address, "What Inuit want to know."

Access to Inuit participation is a key component of the monitoring framework. Inuit involvement is built into the structure of the IIBA, with IIBA reports being delivered to the joint QIA – BIM Executive Committee. Additional forums to provide information flow between Inuit and the Project may be included under the IIBA agreement. Additional avenues for Inuit participation are provided through Baffinland's Northern Affairs office in Iqaluit, and the Baffinland Liaison Officers that will be located in the North Baffin LSA communities. On-going community engagement will be carried out throughout the Project, as described in the SEP (Appendix 10F, 2011). Participation in the Q-SEMC will provide a further forum for Inuit involvement, as many of the elected municipal representatives on this committee are Inuit.

#### 13.8.2 Process for Indicator Development and Analysis

Baffinland will develop the specific measures and methods to present the performance indicators identified earlier. Reporting on these indicators may raise new questions within the Company or amongst other stakeholders which may require new indicators or modification of the methodology.

Baffinland will manage its human and procurement data using an electronic information system. Analysts hired by the Company will be able to extract data from this system in order to generate key performance

indicators. Additional data will be drawn from training course records, Inuit Employment and Training Coordinators' reports, and other sources.

Development of indicators arising from collaborative processes will involve both the party that is interested in gaining insight into a particular question, as well as the party that generates the data. Specific roles and practical considerations related to indicator development, methodology, data extraction & analysis, and reporting will be determined within this context.

Baffinland recognizes that some of these relationships may require clear agreements with the appropriate Departments in order to set out parameters for sharing of data and information so that confidentiality and privacy is not breached. In some instances formal agreements may be useful to facilitate this process.

Three main tasks are understood to be of importance in this process:

- data collection (may involve one or more parties)
- analysis and interpretation (may involve the same or different parties as collection)
- mitigation or management response (depends on who has the role/responsibility)

In the analysis and interpretation of indicators, Baffinland recognises that community perceptions are an important source of insight and a good lens through which to consider issues. For example, community consultation identified local perceptions that the employment numbers reported for the bulk sample activities did not reflect the actual numbers that were hired. Opportunities to talk about perceptions and ways of observing will be available through entities such as the Q-SEMC.

### 13.9 REPORTING

The indicators and mitigation adaptations arising from the monitoring processes described above will be presented in the appropriate quarterly and annual reports to NIRB, to the IIBA Executive Committee, and to other audiences such as in presentations to the Q-SEMC.

The following sections provide an outline of this reporting as it is presently conceived. Reporting requirements identified in the final IIBA may lead to modifications in IIBA – mandated reporting.

#### 13.9.1 Annual Socio-economic Report to NIRB

Baffinland will prepare an annual socio-economic report presenting Baffinland performance data. This report will also provide relevant public data related to IIBA monitoring, as detailed below.

These annual reports will describe the Company's participation in collaborative monitoring processes and any activities related to understanding socio-economic processes. The results of these multi-party monitoring and socio-economic research initiatives will be reported as appropriate by the lead agencies involved.

#### 13.9.2 Presentations to Collaborative Partners Such as Q-SEMC, Communities, Departments

From time-to-time Baffinland expects to participate with agencies such as the Q-SEMC and with various Departments or communities that may be engaged in specific socio-economic monitoring efforts. In these instances, the Company will prepare presentations, drawing data from existing reports and from other internal data as available.

### 13.9.3 IIBA - Periodic Reports from Baffinland – Economic Provisions

Baffinland will supply quarterly reports that will include:

- a list of all positions active in all phases of the Project over the previous three months with Baffinland directly or with contracts or subcontracts
- a list of Inuit employed in the positions listed in Section 10.1.1
- the extent to which the MIEG has been achieved on all active contracts
- a list of training activities underway in all aspects of the Project and Inuit participation in those activities
- a description of training activities pending in the next six months
- a list of current Project contracts and extent of participation of Inuit firms in those contracts
- a list of current Project subcontracts and extent of participation of Inuit firms in those subcontracts
- an account of any enforcement issues
- an account of any arbitration underway or pending
- education or promotion of education initiatives

All reports will contain relevant age and gender-based data. Distinction between Inuit and non-Inuit data will also be included where appropriate.

### 13.9.4 Periodic Reports from Baffinland – IIBA Environmental Provisions

As per the terms of its Water Licence, Baffinland will report on a number of environmental issues. These environmental report requirements are detailed in each of Baffinland's Environmental Mitigation and Management Plans.

### 13.9.5 IIBA - Annual Implementation Report

Baffinland will prepare an Annual IIBA Implementation Report each year, for submission to the IIBA Executive Committee. This report will include:

- an Inuit Participation Report containing information on Inuit training and employment, contracts and economic benefits
- a report describing annual achievement of workplace initiatives, including social and cultural objectives
- an annual implementation budget report
- additional reports as directed by the Executive Committee

### 13.9.6 IIBA - Inuit Participation Report

Baffinland will prepare an annual Inuit Participation Report containing information on Inuit training and employment, contracts, and economic benefits. This report will include:

- a joint report from Baffinland and QIA Inuit Employment and Training Coordinators outlining progress of training programs, number of Inuit trained as well and success rate of training programs, including:
  - a list of training programs provided under the Inuit Human Resources Strategy
  - number of hours of training received by Inuit in these programs
  - percentage of Inuit who successfully completed the training
  - number of graduates who were subsequently hired by contractors and subcontractors

- details of all training and education initiatives, including but not limited to:
  - activities of the employment and training fund and any additional funding from outside sources
  - achievement awards and scholarship
  - use of Inuktitut and Inuit instructors
  - pre-employment preparation
  - adult education
  - construction phase training program
  - operation phase training program
  - training programs for contract and subcontract activities
  - management and advanced skills training
  - company education initiatives
  - any other measures for optimizing Inuit employment and training
- description of Baffinland's success in achieving the MIEG during the previous calendar year, including, where possible and without limitation:
  - total number of person days worked by all employees including training positions, by Representative Occupational Grouping
  - total number of person days worked by Inuit, by Representative Occupational Grouping
  - percentage of total person days worked by Inuit, by Representative Occupational Grouping
  - total dollar value of Inuit payroll in the preceding year
  - additional steps Baffinland will take to recruit potential Inuit employees
  - any measures Baffinland has taken or proposes to take to increase Inuit employment, including details of any Inuit recruitment programs, training or apprenticeship programs, and equivalencies for formal qualifications
  - where the MIEG is lower than the projection provided under Section 7.14, a description of how Baffinland could achieve the projection for Inuit employment
- other details regarding Inuit employment initiatives, including:
  - Inuit Recruitment and Selection Program
  - retention, advancement and career development
  - Inuit women's access to employment
  - student employment
  - description of how Baffinland intends to maximize Inuit contracting and subcontracting opportunities, including, where possible and without limitation, names, address, and particulars of any actual or proposed Inuit contractors and subcontractors; and specifics of any actual or proposed contracting arrangements
  - analysis of Inuit participation in contracting and subcontracting covering annual and cumulative results by contract type

#### 13.9.7 IIBA - Workplace Initiatives

As part of the annual implementation report, Baffinland will prepare a progress report on workplace initiatives, including:

- cultural recognition

- Inuit preparedness for the workplace
- affirmative steps for attracting female employees
- counseling and support services
- availability of country food
- Code of Conduct and Anti-Harassment/Discrimination Policy
- NLCA Rights of Inuit, including Employees to Pursue Traditional Activities
- wildlife harvesting and firearms
- communications

Baffinland will prepare an annual report specifically on progress with the “Inuktitut In The Workplace” policy.

#### 13.9.8 Frequency of reporting

**Table 13.4 Reporting Frequency**

Report	Frequency	Responsibility	Recipient
Socio-economic Report to NIRB	Annual	Baffinland	NIRB, public distribution
Presentations to Collaborative Partners	Periodic	Baffinland	Partner groups e.g. Q-SEMC
IIBA - Economic Provisions Report	Periodic	Baffinland	IIBA Executive Committee
IIBA Implementation Report	Annual	Baffinland	IIBA Executive Committee
IIBA - Inuit Participation Report	Annual	Baffinland	IIBA Executive Committee
IIBA - Workplace Initiative Report	Annual	Baffinland	IIBA Executive Committee
IIBA - Current list of Nunavut Inuit and Inuit firms from Baffin region that appear to be capable of providing goods and services to the Project	Annual	Baffinland QIA	
IIBA - Reports that demonstrate the extent of compliance with Inuit content for work done by Baffinland, or for contracts and related subcontracts	Quarterly	Baffinland, all contractors and subcontractors	IIBA Management Committee
IIBA - Reports on workplace conditions	Quarterly	Inuit Employment and Training Coordinators IIBA Coordinator	IIBA Executive Committee

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