

# Pond Inlet reaps benefits of Baffinland expansion

**Last Updated: Thursday, July 26, 2007 | 4:39 PM CT**

[CBC News](#)

Residents in the northern Nunavut hamlet of Pond Inlet are feeling positive economic effects from the expansion of the Baffinland Iron Mines ore project nearby.

The Toronto-based junior mining company is spending \$90 million this year — about three times more than it spent last year — on its exploration program at the Mary River iron ore deposit, located 160 kilometres south of the hamlet on northern Baffin Island.

Earlier this week, Baffinland awarded a contract worth \$1 million to \$2 million to the local Toonoonik Sagoonik Co-op to provide groceries to the exploration site. Another contract went to the local hunters and trappers organization to provide polar bear lookouts.

"In a Canadian context, I think this project has got a lot of interest out there," Baffinland president Gord McCreary told CBC News.

"Of course, down to the hamlet level, the various communities of the North who are poised to, I think, benefit greatly from economic activity in the area, job opportunities, but also for the support services that would be provided by northern businesses as well."

On Tuesday night, three Baffinland officials met with the Pond Inlet hamlet council in the first of series of regular meetings.

"A lot of people in the community wanted Baffinland to communicate more about what's going on, and I think they have done that," Mayor David Qammaniq said Wednesday.

It represents a change from last year, when Pond Inlet residents said relations with the company were tense. Some local workers had been sent home early from the exploration site, and residents alleged there had been little communication from the company about hiring and other community concerns.

Now, of the approximately 125 people who work at Mary River, 90 are Nunavut residents, McCreary said.

"Of that, about half are from Pond Inlet, and others from Arctic Bay, Igloolik and Iqaluit," he added. "Eventually we would hope to have some people from Clyde River."

Earlier this year, Mitsubishi Corp. expressed interest in Baffinland's iron ore project in Nunavut, spending \$3 million to buy shares in the company.

Engineers at Baffinland's site hope to determine whether to build a deep-sea port at Milne Inlet on the north Baffin coast, or at Steensby Inlet closer to Igloolik.

Next month, four ships will deliver equipment and materials for a bulk sampling program next year. Work on the site will run throughout the winter.