

5.0 REGIONAL SOCIO-ECONOMICS

Documents used to compile this section are as follows:

Final Report on Resource Management Planning in West Kitikmeot, Nunavut Planning Commission Transition Team, July 1996. See Appendix 21.

Recent census data show that Aboriginal communities across the country are experiencing a population boom. In the North this growth has been pronounced. In 1981, Aboriginal people accounted for 32 percent of the Northern population. By 1986, that had increased to 40 percent.

The rapidly increasing population in Nunavut is reflected in statistics for Cambridge Bay and Kugluktuk. The population for these two communities rose substantially in just ten years. In 1981, there were 815 people in Cambridge Bay. By 1991, that number had increased to 1116, an increase of 301 or 37 percent. Over the same period, the population of Kugluktuk increased by 250 (from 809 to 1059) or 31 percent. By 1999, the year Nunavut Government will be created, the population of Cambridge Bay is expected to be 1405 and Kugluktuk 1325. By 2006, Cambridge Bay's population is expected to increase to 1675 while Kugluktuk will be about 1600. Thus in just more than a single generation, the population of these communities will have doubled (205% and 196% respectively).

Such dramatic increases in population, mostly due to the Inuit birth rate of 33 per 1000, is putting enormous pressure on community infrastructure, housing and services, and increasing the need for employment.

In Cambridge Bay and Kugluktuk over half of the population of both communities is less than 25 years old, with the majority of that group made up of children 14 years or younger. The lower number for the 15-24 age group can be accounted for by the number of students at school away from their home communities.

The 1991 Census identified 4,385 people living in the entire Kitikmeot region. Inuit make up the vast majority of regional residents (3920). The next largest group is non-Aboriginal (436), followed by very small numbers of Dene and Metis (30). The population distribution by ethnic group in Cambridge Bay is 74 percent Inuit, 24.5 percent non-Aboriginal and 1.5 percent Dene and Metis. For Kugluktuk the distribution is 92.6 percent Inuit, 7 percent non-Aboriginal and 0.4 percent Dene and Metis. The high percentage of non-Aboriginal in Cambridge Bay is likely explained by the presence of a larger number of government workers in that community.

Education

Table 15 compares the education levels for the two main West Kitikmeot communities. It shows that, overall, formal education levels are higher in Cambridge Bay than in Kugluktuk. This is likely due to the higher number of government workers in that community.

Table 15
Education Levels (1991) in Cambridge Bay and Kugluktuk

Community	Education Level	Percent of Population
Cambridge Bay	Primary ¹	32
	Secondary ²	20
	Post-Secondary ³	42
	University degree	8
Kugluktuk	Primary ¹	50
	Secondary ²	18
	Post-Secondary ³	28
	University degree	4

¹ Less than Grade 9

² Grades 9 to 13

³ No university degree

Labour Force Activity

Census data also shows more people in Cambridge Bay as being in the labour force than in Kugluktuk. This could be due as well to the higher proportion of non-Aboriginal people in Cambridge Bay, many of whom work for government in one form or another. These numbers are skewed by the fact that people who spend most of their time on the land hunting or trapping would not be listed as "employed". This may account for higher relative and absolute numbers of "unemployed" or people listed as not in the labour force in Kugluktuk.

Table 16 shows the total number of people over 15 years of age who were in the labour force, broken down between Aboriginal and non-Aboriginal, as well as the number of employed and unemployed. The data shows higher overall unemployment among Aboriginal people. Non-Aboriginal people participate in the wage economy at a much higher rate than Aboriginal people while the latter have a much higher unemployment rate. In fact, the Aboriginal unemployment rate is higher than the average for West Kitikmeot.

The Nunavut Land Claims Agreement lists a number of factors which are to be used to guide land use planning. The social and economic health of the West Kitikmeot is one of them. People in the region have said they want to preserve their environment and the wildlife on which they still depend for a lot of their food. And they also want to see controlled, balanced development which will provide jobs for their growing communities. Any land use development will have to consider these inter-related needs, and the consequences for a young and growing population.

5.1 SOCIO-ECONOMIC IMPACTS OF THE ULU PROJECT ON THE WEST KITIKMEOT

The socio-economic impacts associated with the development of the Ulu Project will be positive as the project will provide employment opportunities within the West Kitikmeot region with negligible or mitigable impacts on the environment. Employment opportunities will be through direct employment with EBM and indirect through the contracting of services and supplies by northern-based companies. As indicated in the previous section, increased employment in the region will decrease social assistance cases and payments as well as increasing the average personal income. High unemployment is one reason the people have said they support development in the region (NPCTT, 1996).

The Inuit Impact and Benefit Agreement (IIBA)

On September 17, 1996 the Inuit Impact and Benefit Agreement was signed between the Kitikmeot Inuit Association and Echo Bay Mines Ltd. to deal specifically with issues associated with the development and operation of the Ulu Project. A copy of the IIBA is shown in Appendix 22. Regarding socio-economic issues, the IIBA addresses the Inuit employment level (including "deemed" employment) for the project and associated transportation needs; job training requirements; social, cultural and community support; contracting and subcontracting activities for the project; and compensation payments for impacts on wildlife or wildlife harvesting due to the Ulu Project.

Employment by EBM for the exploration program at the Ulu Project is expected to be forty personnel with a minimum of 24 being Inuit. During production, employment of a minimum of 36 Inuit (including Inuit trainees at Lupin) is expected. Spinoff employment will also be associated with the project through the local supply of goods and services. The transporting of ore from Ulu to Lupin is expected to employ an additional 30 Inuit. Training of Inuit personnel employed at Ulu and Lupin will help to develop a qualified workforce in the North whose skills may be applied through alternative business opportunities or other mining ventures.

High unemployment is one reason the people have said they support controlled development in their region. However, while jobs are important, especially to the young, they do not want to see development at the expense of the environment or wildlife.

Table 16
Labour Force Activity in Cambridge Bay (1994)

	Labour Force (100%)	Employed (77%)	Unemployed (23%)
Non- Aboriginal	20%	19%	1%
Aboriginal	80%	58%	22%

Income and Transfer Payments

There has been an increase in personal income in both Cambridge Bay and Kugluktuk between 1987 and 1991 as shown in Table 17. However, the average in Cambridge Bay is nearly twice what it is in Kugluktuk. Again, this difference may be partly accounted for by the presence of government and other services in Cambridge Bay.

Table 17
Personal Income (closest \$500) in Cambridge Bay and Kugluktuk

Community	1987	1988	1989	1990	1991
Cambridge Bay	29,000	30,500	30,000	34,500	35,000
Kugluktuk	14,000	18,500	18,500	19,000	19,500

Another indicator of overall community health is social assistance payments, which correlate with labour force activity and income. If incomes are increasing, one might expect to see social assistance decline, and this has indeed been the situation, both in terms of the overall number of cases and the amount paid out. Between 1988 and 1994, the number of social assistance cases had dropped from about 265 to about 165 in Kugluktuk and from about 225 to about 155 in Cambridge Bay. During the same time period, the amount paid out dropped from about \$820,000 to about \$510,000 in Kugluktuk and from about \$520,000 to about \$290,000 in Cambridge Bay.

In the unlikely event that wildlife or wildlife harvesting activities are impacted by the Ulu Project, the IIBA indicates that compensation will be determined pursuant to Article 6 of the Nunavut Land Claims Agreement. This will protect the people whose lifestyle or livelihood is threatened or changed due to any project activities.

5.2 TRADITIONAL KNOWLEDGE

EBM has recently (January 1997) become a partner in the Naonayaotit Traditional Knowledge Study in an effort to gain baseline information on the traditional land use, water use and fish and wildlife use in the West Kitikmeot. This study will allow an opportunity to merge traditional knowledge with scientific investigations; the information gained will assist in the identification and mitigation of potential impacts from individual projects (such as the Ulu Project) and cumulative development in the region.

The study is being managed by the Kugluktuk Angoniatit Association (KAA) and its parent organization, the Kitikmeot Hunters and Trappers Association (KHTA). An interview guide, shown in Appendix 23, was developed by the board of the KAA in consultation with the Wildlife Division of the Department of Resource, Wildlife and Economic Development (DRWED), BHP (BHP is the representative for the industrial partners) and Parks Canada. Lists of elders and senior land users from each of the four participating communities; Kugluktuk, Cambridge Bay, Omingmaktuk and Bathurst Inlet, were compiled by the local HTA organizations as potential interviewees. Ultimately, approximately 100 Inuit 'consultants' will be interviewed during the study. Local interviewers were selected on the basis of their local knowledge and when possible, their previous interview experience.

The final deliverable package resulting from the study will include a copy of the interview guide, a list of informants or consultants interviewed and interview transcript summaries, copies of maps, drawings and photographs and a report which focuses on Inuit traditional knowledge as it pertains to the study area. Versions of the report will be tailored to meet the need of each of the partners.

The study will be completed by August 1, 1997. A workshop for the project participants will be held following the study to discuss the use of Inuit traditional knowledge in wildlife and historical studies and in effects monitoring. Following the workshop, the ongoing role of Inuit traditional knowledge in the various projects will be addressed by each of the partners in separate discussions with the KAA and KHTA.

5.3 CHRONOLOGY OF PUBLIC PARTICIPATION

Public participation has been a part of the development of the Ulu Project. Public meetings were held as part of the negotiation of the Inuit Impact and Benefits Agreement (IIBA) between EBM and the Kitikmeot Inuit Association. These meetings were held in Kugluktuk on January 9, 1996; in Cambridge Bay on January 11, 1996; and in Bay Chimo (Omingmaktuk) on March 21, 1996. The result of the negotiation and the associated public meetings was the signing of the IIBA on September 17, 1996. The IIBA is more widely discussed in Section 5.1: Socio-Economic Impacts of the Ulu Project on the West Kitikmeot.

Contact with local organizations regarding past aspects of the Ulu Project has been made indirectly through Land Use applications for past winter road access between Lupin and Ulu. In November, 1995 the KIA issued Inuit Land Use Permit #I95F077 allowing the development of a winter road through Inuit owned land between Lupin and Ulu. On January 26, 1996 DIAND issued Land Use Permit #N95E473 for the same winter road passing over Crown land. As part of the evaluation process for this permit, the Burnside Hunters and Trappers Association was contacted by DIAND.

6.0 REFERENCES

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