



Meadowbank Gold Mine 2015 Socio-Economic Monitoring Report

Final Report

DATE OF SUBMISSION:

December 2016

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Executive Summary

ABOUT MEADOWBANK

The Meadowbank gold mine is located in the Kivalliq region of Nunavut, approximately 70 km north of the Hamlet of Baker Lake, or 110 km by road. Situated on Inuit Owned Land (IOL), Agnico Eagle Mines (AEM) owns 54 mineral titles over 77,774 hectares. AEM acquired the Meadowbank property from Cumberland in 2007, with construction of the mine taking place between 2007 and 2010. The mine began production in 2011 and processes an average of 11,000 tonnes of ore per day from three deposits. As of December 31, 2015, Meadowbank had approximately 10.8 million tonnes of proven and probable reserves grading 2.72 grams of gold per tonne, containing 0.9 million ounces of gold. It is expected to continue to produce gold until 2018; exploration activity on the property continues with the intention of extending the mine life beyond 2018, if feasible. Meadowbank is one of two operating mines in Nunavut, and is the only operating mine in the Kivalliq region.

In 2006, an Inuit Impact and Benefits Agreement (IIBA) was signed between Cumberland Resources and the Kivalliq Inuit Association (KIA). This IIBA continues to be in place between AEM and the KIA.

ABOUT THIS REPORT

This report provides the results of the project-specific Socio-Economic Monitoring Program (SEMP) developed in consultation with the Kivalliq Socio-Economic Monitoring Committee (SEMC). As outlined in the Meadowbank SEMC Terms of Reference, this report is intended to:

- comply with the relevant sections of the **Nunavut Land Claims Agreement (NLCA)**,
- comply with the terms and conditions of the **Meadowbank Project Certificate** issued by the NIRB, including reporting on the socio-economic impact predictions made in Cumberland Resource's Final Environmental Impact Statement (FEIS);
- identify any **unanticipated effects** associated with the mine;
- identify and recommend **mitigation measures**;
- act as the primary vehicle for reviewing the findings of the SEMP in **collaboration** with members of the Socio-Economic Monitoring Committee (SEMC);
- fulfill best practices in **social responsibility**; and
- act as a **valuable resource** for communities, governments and interested stakeholders.

The report presents information related to the following *valued socio-economic components*, or VSECs.

1. Employment
2. Income
3. Contracting and Business Opportunities
4. Education and Training
5. Culture and Traditional Lifestyle
6. Migration
7. Individual and Community Wellness
8. Health and Safety
9. Community Infrastructure and Services
10. Nunavut Economy

This report describes the status of each VSEC using indicators and metrics, including their magnitude (how big or small) and their trend (increasing, decreasing, and remaining stable). Wherever possible, the indicators and metrics are compared to the predictions made in the FEIS.

SUMMARY OF FINDINGS








The following tables presents a high level summary of the observed magnitude and trends of the socio-economic indicators with respect to predictions made in the FEIS and Agnico Eagle’s goals.

Symbols and terms used to explain trends	
↑ Increasing	■ Positive trend: movement towards the achievement of the desired impact or goal
↓ Decreasing	■ Negative trend: movement away from the achievement of the desired impact or goal
→ Remaining stable	■ Neutral trend: no observed movement in regard to the achievement of the desired impact or goal
/ No discernable trend	

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
VSEC 1: EMPLOYMENT			
1.1 Total Meadowbank Employment	Meadowbank Employment, 2010 - 2015 (Permanent and Temporary)	↑ positive	Total employment levels increased in 2015 and continue to significantly exceed the levels predicted in the FEIS.
1.2 Meadowbank Inuit and Nunavummiut Employment	Permanent, temporary and on-call Meadowbank employment, 2015 (Inuit and non-Inuit)	/	Total Inuit workforce has remained steady over the past 3 years, representing approximately 30% of the total workforce. Inuit employees represent 71% of temporary employees and 100% of on-call employees. With the shift to more on-call employees, additional information on Inuit hours worked would be required to fully assess the impact.
	Meadowbank employment, 2010 - 2015 (Inuit and Non-Inuit)		
	<i>Number of Inuit employees</i>	↑ positive	
	<i>Inuit employment rate</i>	↑ positive	
	Person hours worked, 2010 - 2015 (Nunavut and non-Nunavut based employees)		
	<i>Number of Nunavut-based employees</i>	→ neutral	
	<i>Nunavut-based employment rate</i>	→ neutral	
1.3 Meadowbank Employment by Kivalliq Community	Meadowbank Employment, 2010 – 2015 (Kivalliq and non-Kivalliq residents)		The number and proportion of Kivalliq-based employees increased in 2015, reaching 35% compared to 33% in 2014. More than half of these employees are from Baker Lake. Arviat had the largest growth in number of employees.
	<i>Number of Kivalliq-based employees</i>	↑ positive	
	<i>Kivalliq-based employment rate</i>	↑ positive	
	Meadowbank employment by Kivalliq community, 2014 - 2015	↑ positive	
1.3 Meadowbank Employment by Gender	Meadowbank employment by gender, 2010 - 2015		17% of Meadowbank employees are women (up from 15% in 2014), which is on par with the Canadian mining-sector average of 17% (MiHR, 2015).
	<i>Number of female employees</i>	↑ positive	
	<i>Female employment rate</i>	↑ positive	
1.5 Meadowbank Turnover	Turnover rates, 2010 – 2015 (Inuit & non-Inuit)	↓ positive	The turnover rate for permanent Inuit employees decreased significantly in 2015 but remains higher than that for permanent non-Inuit employees (12% for Inuit vs. 3% for non-

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
	Inuit turnover (by reason for leaving), 2010 - 2015	↓ positive	Inuit in 2015). There were fewer resignations and dismissals in 2015, and fewer employees who chose not to return or were not asked back by Agnico Eagle.
VSEC 2: INCOME			
2.1 Income paid to Meadowbank Inuit employees	Income paid to Meadowbank Inuit employees, 2010 – 2015	↑ positive	Income paid increased to \$20M from an average of \$18M/year since 2011. Inuit employment income continues to significantly exceed the FEIS prediction of \$4 million in direct project wages annually.
	Income paid to Meadowbank contractors and Inuit employment rate of Meadowbank contractors, 2010 – 2015		The total payroll (\$1.9 M) and Inuit employment level (11%) of Meadowbank contractors has remained steady compared to 2013 and 2014 levels. However, contractor payroll and the contractor Inuit employment rate were both higher during the initial years of operation (2010-2012).
	<i>Payroll estimation employees of contractors</i>	→ neutral	
	<i>Inuit employment rate of contractors</i>	→ neutral	
2.2 Income by Kivalliq Community	Change in median employment income for Kivalliq Communities, 2004 – 2009 average to 2010 – 2014 average	↑ positive	Baker Lake, which has the highest number of Meadowbank employees, has also experienced the largest increase in median income since the beginning of production in 2010. The most recent data available are for 2014.
	Median income of tax filers by Kivalliq Communities, 2000 - 2015	↓ negative	Median income decreased in most Kivalliq communities (including Baker Lake) between 2013 and 2014. Median income increased in Arviat and Whale Cove, and remained steady in Nauyasat. The most recent data available are for 2014.
VSEC 3: CONTRACTING AND BUSINESS OPPORTUNITIES			
3.1 Contract Expenditures	Contract expenditures on Baker Lake and Nunavut-based businesses, 2011 – 2015		In 2015, absolute contract expenditures on Nunavut-based businesses and NTI businesses increased (by \$24M and \$29M respectively), while those for Baker Lake-based businesses decreased (by \$11M). While these contract expenditures remain significant, they are lower than in 2011-2013 and represent a lower proportion of total contract expenditures. The FEIS prediction of a ‘high magnitude, positive, and long-term’ impact appears to have been realized thus far, despite a long-term trend of declining contract expenditure.
	<i>Contract expenditures on Baker Lake-based businesses</i>	↓ negative	
	<i>Contract expenditures on all Nunavut-based businesses</i>	↑ positive	
	<i>Proportion of contract expenditures on Nunavut-based businesses</i>	↓ negative	
	Contract expenditures on NTI registered businesses, 2011 - 2015		
	<i>Contract expenditures on NTI-based businesses</i>	↑ positive	
	<i>Proportion of contract expenditures on NTI-based businesses</i>	↑ positive	
3.2 Registered Inuit-Owned Businesses in the Kivalliq Region	Inuit-owned businesses in the Kivalliq region, 2010 – 2015	→ neutral	The number of registered Inuit-owned business remained steady compared to 2014. There has been a net increase in the number of Inuit-owned businesses in Kivalliq since 2010, but still fewer than in 2007. Given the many factors affecting business expansion and creation, it is difficult to attribute the observed impacts.
VSEC 4: EDUCATION AND TRAINING			
4.1 Investments in School-Based Initiatives	Agnico Eagle investments in school-based initiatives, 2010 – 2015	↓ negative	Up until 2014, Agnico Eagle contributed approximately \$284,000/year to a variety of school-based initiatives. With the expiry of the MOU with the Department of Education in 2015, these contributions dropped significantly in 2015 (to \$39,000).

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
4.2 Secondary School Graduation Rates by Region	Secondary school graduation rate by region, 2000 – 2015	/	The graduation rate in Kivalliq region has fluctuated since the opening of the Meadowbank mine, with no significant trend since 2010. However, graduation rates in Kivalliq region have been at all-time highs for the region, and consistently higher than those in the other two regions, since 2010.
4.3 Mine Training and Education	Agnico Eagle investments in mine training and education programs, 2010 – 2015	→ neutral	There has been a consistent level of investment by AEM (~\$3.8M/year) in external mine training programs over the past three years (e.g. Kivalliq Mine Training Society). Support for, and participation in, in-house training and apprenticeship programs has been steady throughout the mine's operation.
	Total training hours provided to Nunavut and non-Nunavut based employees, 2010 – 2015	↑ positive	Total and specific training hours provided to Nunavut-based employees increased in 2015.
	Specific training hours provided per Inuit and non-Inuit employee, 2012 - 2015	↑ positive	In 2015, the number of graduates from the haul truck driver program decreased from 33 to 25.
	Number of Haul Truck driver program graduates, 2010 – 2015	↓ neutral	Annual fluctuations in the number of specific training hours and haul truck driver program graduates largely reflect changing demand at Meadowbank for additional positions for which specific training is provided.
	Apprenticeships for Inuit employees, 2010 – 2015	↑ positive	The number of Inuit apprenticeships has almost doubled between 2014 and 2015.
4.4 Percentage of Total Population with Trade Certificates	Percentage of total population with trade certificates & registered apprenticeship certificates in Nunavut and Canada, 2011	/	As data on this metric are currently limited to a single year, we can establish a baseline value for these indicators but cannot discern any trends.
	Number of apprenticeships by Kivalliq community, 2016	/	
4.5 Inuit Employees by Skill Level	Proportion of Inuit employment by skill level, 2014 – 2015	/	The data do not indicate an overall career path progression of Inuit employees to higher skill level jobs (e.g. Inuit moving from semi-skilled to skilled positions), despite AEM's investment in education and training programs. The less tangible benefits of training and education, such as increased self-confidence and sharing of skills and knowledge within families, were not assessed.
VSEC 5: CULTURE AND TRADITIONAL LIFESTYLE			
5.1 Country Food at Meadowbank	Country food served at Meadowbank, 2011 – 2015	→ Neutral	Meadowbank has maintained its practice of offering meals including char, muskox, and caribou (approximately 4,500 meals/year since 2011).
5.2 Use of Traditional Language	Proportion of total population identifying Inuktitut as the mother tongue, by Kivalliq community, 2006 and 2011	/	As data on this metric is currently limited to the 2006 and 2011 census, it is not possible to assess more recent impacts or changes.
5.3 Traditional Lifestyle	Percentage of Nunavut Inuit population 15 years of age and older partaking in traditional activities, 2006 and 2012	/	As data on this metric is currently limited to 2006 and 2012 surveys, it is not possible to assess more recent impacts or changes.
VSEC 6: MIGRATION			
6.1 Inuit Employees Who have Moved to Southern Provinces	Number of Inuit workforce who reside in Southern provinces and Inuit employment rate, 2010 – 2015		There has been a gradual increase in the number of Inuit Meadowbank workers who now reside in southern provinces, from 7 in 2011 to 21 in 2015 (or 7% of the Inuit workforce). The FEIS predicts both "positive
	<i>Number of Inuit employees residing in the south</i>	↑ neutral	

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
	<i>Proportion of Inuit employees residing in the south</i>	 neutral	and negative components” of migration and does not refer to migration out of Nunavut. As we cannot compare south-bound migration levels with a prediction, this change has been classed as Neutral
6.2 Population Estimates in Kivalliq Communities	Population estimates in Kivalliq communities-, 2006 – 2015	 neutral	Yearly population estimates do not indicate an increase in the population growth rate of Baker Lake or of other communities with significant Meadowbank employment (Arviat, Rankin Inlet) since the mine opened, or relative to other communities in the region. If other factors (births and deaths) are assumed constant, the population data do not suggest significant migration induced by Meadowbank.
	Annual percentage change in population estimates in Kivalliq communities, 2011 - 2015	 neutral	
VSEC 7: INDIVIDUAL AND COMMUNITY WELLNESS			
7.1 Counselling Programs and Usage at Meadowbank	Family counselling programs offered, 2010 – 2015	/	Meadowbank has six ongoing programs that offer counselling and support to employees and their families. There is currently insufficient data available to assess program usage trends.
	Number of employees/families accessing family counselling programs, 2011 – 2015	/	
7.2 Criminal Violations	Criminal violations per hundred people, by Kivalliq community, 2006 – 2015	 positive	Total criminal violation rates in Baker Lake and Rankin Inlet reached historic high levels in 2011 and 2012. Recent data (2015) indicates a continuing downward trend (since 2012) in criminal violations in Baker Lake. While violations in Rankin have also been decreasing (since 2011), there was ~5% increase in 2015. Criminal violation rates in both communities remain slightly above the 2006-2009 baseline level and, along with those of Whale Cove, are above those for other Kivalliq communities.
	Baker Lake criminal violations per hundred people by type, 2006 – 2015	 positive	
	Change in Baker Lake criminal violations against 2006-2009 baseline, 2015	 positive	
7.3 Housing	Persons aged 15 years and over who are on a waiting list for public housing, 2010	/	In 2010, 15% to 27% of the population of Kivalliq communities were on waiting lists for public housing. No more recent data is available and, as such, we are unable to assess changes over time and the potential impact of the mine on the housing situation.
	Collection rates of public housing by community, 2011 – 2015	/	
7.4 Suicide	Inuit suicides per 10,000 people by community, 2000 – 2015	/	There is a persistent and territory-wide suicide crisis. The factors contributing to suicide are numerous and complex, so it is difficult to assess impacts of Meadowbank on suicide rates. Community suicide rates (e.g. for Baker Lake) are highly variable from year to year. Trends are more apparent in long-term and/or regional data.
VSEC 8: WORKER HEALTH AND SAFETY			
8.1 Health and Safety Training	Health and safety training hours for Agnico Eagle Meadowbank employees, 2012 - 2015	/	Insufficient data to assess scope and quantity of health and safety training over time.
8.2 Health and Safety On-Site	Combined lost-time and light duty accident frequency (per 200,000 person hours), 2010 – 2015	 Positive	Lost-time and light duty accident frequency has decreased again in 2015, for the fourth year in a row. There were fewer visits to Agnico Eagle’s clinic for personal conditions in 2015, but approximately 10% more visits for work-related injuries. Overall, the number of clinic visits has been stable since 2012, and the clinic continues to serve an important function in addressing the health and medical needs of workers. However, none of the data collected permits an assessment of the impacts of the mine and its

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
	Number of visits by employees to Agnico Eagle clinics, 2010 – 2015		programs on the general health status of workers and their families.
	<i>Number of visits by employees to Agnico Eagle clinics for personal conditions</i>	→ Neutral	
	<i>Number of visits by employees to Agnico Eagle clinics for work related injuries</i>	↓ Positive	
VSEC 9: COMMUNITY INFRASTRUCTURE AND SERVICES			
9.1 Use of Public Physical Infrastructure	Estimates of use of this infrastructure directly related to Meadowbank	→ neutral	Meadowbank's direct uses of public physical infrastructure include: public airports for employee travel and the Baker Lake Community Centre (5-10 times/year) for public engagement activities. Airports and the community centre receive fees from users in both cases. At this time, it appears that the impact of Meadowbank on public physical infrastructure is neutral. The all-weather access road (AWAR) connecting Baker Lake to the Meadowbank mine is owned and operated by Agnico but is accessible to community members who use it for hunting activity.
9.2 Use of GN Health Services	Kivalliq community health centre visits per capita, 2006 – 2014	→ neutral	Overall, per capita health centre visits in communities with the most Meadowbank employees (Baker Lake, Rankin Inlet, and Arviat) have not increased significantly since Meadowbank began operating (i.e. consistent or lower than 2006/2007 levels). The number of employees referred to their community health care centres for personal or work-related reasons ranges (from 14 to 58 people per year), though it is difficult to draw a relationship between movement of this indicator and use of GN Health Services.
	Number of Meadowbank employees referred to their community health care centre for personal or work-related reasons, 2010 – 2015	↑ neutral	
9.3 Demand on Social Services	N/A		
9.4 Social Assistance	Per capita social assistance expenditures by Kivalliq community, 2006 to 2014	/	There has been a continuous increase in expenditures for Baker Lake since 2011, while those of Rankin Inlet have remained relatively constant. However, per capita expenditures for both Baker Lake and Rankin Inlet are lower in 2014 (most recent available data) than historic high levels prior to 2007/08. Arviat's levels of per capita social expenditures have remained relatively stable since 2002-2003. The Department of Family Services' social assistance case load (per 100 residents) in Baker Lake, Arviat, and Rankin Inlet is lower than pre-Meadowbank levels, with relatively small changes over the past 3 years. Baker Lake and Rankin Inlet have among the lowest rates in the Kivalliq region.
	Department of Family Services average monthly social assistance case load by Kivalliq community (per 100 people), 2001 – 2015	→ neutral	
VSEC 10: NUNAVUT ECONOMY			
10.1 Business Expenditures for Nunavut	Meadowbank contract expenditures in \$M, by northern and southern business, 2011 – 2015		Over \$100M of expenditures per year are being directed to Nunavut-based businesses, which will have a multiplier effect on the Nunavut economy and generate tax revenue for the GN.
	<i>Northern business contract expenditures</i>	→ neutral	
	<i>Proportion of expenditures on northern business</i>	↓ negative	
	Meadowbank northern contract expenditures in \$M, by business type and location, 2011 - 2015		
	<i>Nunavut business contract expenditures</i>	↑ positive	

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
	<i>Baker Lake business contract expenditures</i>	↓ negative	
	<i>NTI registered business contract expenditures</i>	↑ positive	
10.2 Royalties & Taxes	Compensation, royalties and taxes paid	→ neutral	<p>Since 2007, Meadowbank has provided \$14.3M to NTI and the KIA in royalties and compensation.</p> <p>Employment taxes at Meadowbank provide \$30M/year on average to the Government of Canada, \$3M/year on average to the GN, with an additional \$1.1M provided to the GN in property taxes.</p>
10.3 GDP of Nunavut	Nunavut GDP (all industries), Nunavut GDP (mining, quarrying and oil & gas), 2000– 2015	→ neutral	<p>According to the Conference Board of Canada, Meadowbank has been a driver of Nunavut’s GDP growth, both during the construction of the mine and since production began in 2010. The contribution of mining, quarrying, and oil & gas activity increased significantly in 2010 and has accounted for over 15% of Nunavut’s GDP for the past three years.</p>

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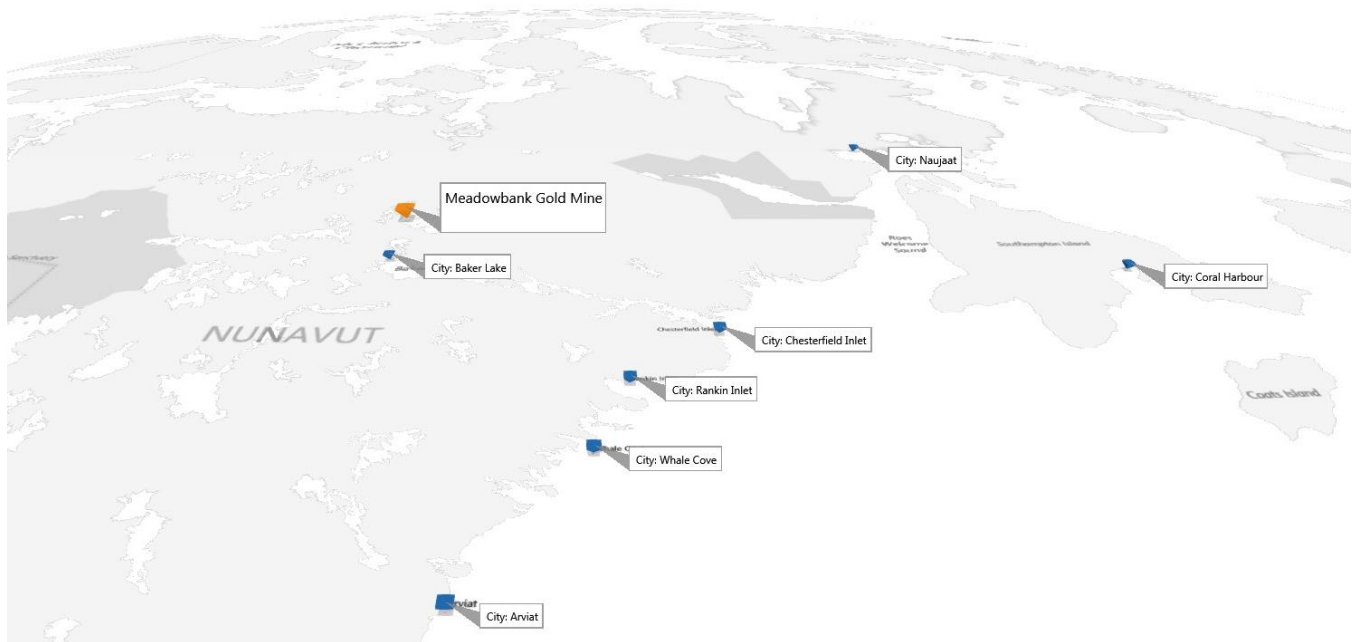
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Introduction

THE MEADOWBANK MINE PROJECT

The Meadowbank gold mine is located in the Kivalliq region of Nunavut, approximately 70 km north of the Hamlet of Baker Lake, or 110km by road. Situated on Inuit Owned Land (IOL), Agnico Eagle Mines owns 54 mineral titles over 77,774 hectares. Meadowbank is one of two operating mines in Nunavut, and the only operating mine in the Kivalliq region.



The Meadowbank property was initially acquired by Cumberland Resources in 1997, following more than a decade of exploration in the area. Between 1997 and 2005, Cumberland undertook a number of exploration programs and feasibility studies, eventually submitting a project application to regulatory agencies for the required permits and approvals. In 2006, the Nunavut Impact Review Board (NIRB) recommended development of the project and an Inuit Impact and Benefits Agreement (IIBA) was signed between Cumberland Resources and the Kivalliq Inuit Association (KIA).

Agnico Eagle acquired the property from Cumberland in 2007, with construction taking place between 2007 and 2010. Since that time, the Meadowbank Mine has operated as the first open pit mine in Nunavut, processing an average of 11,000 tonnes of ore per day from three deposits. As of December 31, 2015, Meadowbank had approximately 10.8 million tonnes of proven and probable reserves grading 2.72 grams of gold per tonne, containing 0.9 million ounces of gold. It is expected to continue to produce gold until 2018, although the company is actively exploring the Amaruq deposit with the goal of potentially developing the deposit as a satellite operation to Meadowbank.

REPORT PURPOSE

This report provides the results of the project-specific Socio-Economic Monitoring Program (SEMP) developed in consultation with the Kivalliq Socio-Economic Monitoring Committee (SEMC). As outlined in the Meadowbank SEMC Terms of Reference, this report is intended to:

- comply with the relevant sections of the **Nunavut Land Claims Agreement (NLCA)**,

- comply with the terms and conditions of the **Meadowbank Project Certificate** issued by the NIRB, including reporting on the socio-economic impact predictions made in Cumberland Resource’s Final Environmental Impact Statement (FEIS);
- identify any **unanticipated effects** associated with the mine;
- identify and recommend **mitigation measures**;
- act as the primary vehicle for reviewing the findings of the SEMP in **collaboration** with members of the Socio-Economic Monitoring Committee (SEMC);
- fulfill best practices in **social responsibility**; and
- act as a **valuable resource** for communities, governments and interested stakeholders.

REPORT STRUCTURE

The following two sections provide background information on the SEMP, including relevant context and methodology. The remainder of this report presents data and interpretation for a suite of socio-economic indicators relating to 10 valued socio-economic components (VSECs).

Each of the 10 VSECs has its own section, which begins with a summary describing the VSEC, the associated indicators and metrics used to monitor the VSEC, and key findings. This is followed by sub-sections providing additional detail and discussion on each indicator, including:

- **Predictions** included in the Cumberland FEIS (where available);
- **Data and trends** for one or more metrics related to the indicator; and
- An **interpretation** of the data with respect to trends and FEIS predictions.



Context

SOCIO-ECONOMIC MONITORING COMMITTEES

In 2007, the Government of Nunavut established three regional-based socio-economic monitoring committees (SEMCs) to monitor the socio-economic impacts of projects in each of the Territory’s regions against project certificate terms and conditions specified by the NIRB. The SEMCs’ Terms of Reference state that the committees will assist proponents in developing project monitoring programs and prepare reports and publish information on the impact of major development projects on the health and well-being of communities and residents in the region.

Figure 1 below provides an overview of the Kivalliq region SEMC as compared to the Meadowbank SEMC.

Figure 1: Kivalliq Socio-Economic Monitoring at Regional and Project Level

	Scope & Focus	Membership	Indicator Framework	Output
 <p>Kivalliq Socio-economic Monitoring Committee</p>	Kivalliq-wide monitoring	<ul style="list-style-type: none"> • Hamlets • Government of Nunavut • Government of Canada • Kivalliq Inuit Association • Proponents 	9 Valued Socio-economic monitoring components; 43 indicators	Annual regional monitoring report
 <p>Meadowbank Socio-economic Monitoring Committee</p>	Project-specific monitoring	<ul style="list-style-type: none"> • Agnico Eagle Mines • Government of Canada • Government of Nunavut • Kivalliq Inuit Association 	10 Valued Socio-economic monitoring components; 32 indicators; 52 metrics	Annual Meadowbank Socio-economic Monitoring Report <i>*This Report*</i>

Both the Kivalliq and Meadowbank committees are required to produce annual monitoring reports, with the former focused at the level of the region and the latter at the project level. This system allows for project-level information to inform a regional picture of the socio-economic health of the Kivalliq, better capturing cumulative effects. This will become increasingly important as additional mining operations come on line in the region.

The first Meadowbank socio-economic monitoring report was completed in consultation with the Kivalliq SEMC and accepted by the Nunavut Impact Review Board in 2015. It is our intent that the current and subsequent reports build on the foundation laid in the first report, evolving to address gaps, minimize overlap with regional SEMC reporting, increase consistency across SEM reports from different operators, and improve Agnico Eagle’s and the SEMC’s understanding of trends (i.e. relationships between indicators and causality). The Methods section of this report provides further information on the report’s design, indicator selection and differences between this report and the previous report.

NIRB PROJECT CERTIFICATE CONDITIONS

Conditions 63 and 64 of the Meadowbank Mine Project Certificate issued by the NIRB require that a Meadowbank SEMC be established and that the project proponent work with the Governments of Nunavut (GN) and Canada to develop a Terms of Reference for a Meadowbank Socio-Economic Monitoring Committee. Agnico Eagle submitted the Terms of Reference for the Meadowbank SEMC in July of 2007, satisfying Condition 63. In order to better reflect the socio-economic monitoring needs and priorities of the Meadowbank SEMC, the terms of reference were modified in 2012 (see Appendix A). Following a number of iterations and meetings, a Terms of Reference for the Meadowbank Socio-Economic Monitoring Program was finalized in October 2014, at the SEMC working group meeting in Baker Lake.

Condition 63:

“Within six (6) months of the issuance of a Project Certificate, the GN and INAC shall form a Meadowbank Gold Mine Socio-Economic Monitoring Committee (“Meadowbank SEMC”) to monitor the socio-economic impacts of the Project and the effectiveness of the Project’s mitigation strategies. The monitoring shall supplement, not duplicate, the monitoring required pursuant to the IIBA negotiated for the Project, and on the request of Government or PC, could assist in the coordination of data collection and tracking data trends in a comparable form to facilitate the analysis of cumulative effects. The terms of reference shall focus on the Project, include a plan for ongoing consultation with KivIA (Kivalliq Inuit Association) and affected

local governments and a funding formula jointly submitted by GN, INAC and Cumberland. The terms of reference shall be submitted to NIRB for review and subsequent direction within six (6) months of the issuance of a Project Certificate. Cumberland is entitled to be included in the Meadowbank SEMC.” (Nunavut Impact Review Board, 2006, p. 20)

Condition 64:

“Cumberland shall work with the GN and INAC to develop the terms of reference for a socio-economic monitoring program for the Meadowbank Project, including the carrying out of monitoring and research activities in a manner which will provide project specific data which will be useful in cumulative effects monitoring (upon request of Government or NPC) and consulting and cooperating with agencies undertaking such programs. Cumberland shall submit draft terms of reference for the socio-economic monitoring program to the Meadowbank SEMC for review and comment within six (6) months of the issuance of a Project Certificate, with a copy to NIRB’s Monitoring Officer.” (Nunavut Impact Review Board, 2006, p. 20)

THE INUIT IMPACT AND BENEFIT AGREEMENT (IIBA)

The original Inuit Impact and Benefits Agreement (IIBA) between Cumberland Resources and the Kivalliq Inuit Association (KIA) was signed in August of 2006. A Production Decision under the IIBA was given to the KIA by Agnico Eagle in December of 2007. This Production Decision was a key point in triggering many of the requirements under the IIBA and led to implementation of the agreement after the mine went into production.

In 2009, Agnico Eagle and the KIA began a review of the IIBA with both parties suggesting changes in the text to refine and improve the functionality of the IIBA in achieving its objective of maximizing Inuit benefit from the Meadowbank Project in the form of employment, training and business opportunities. Agreement on a revised IIBA was subsequently reached with the final revised IIBA Agreement approved by the two parties on October 18, 2011.

A key feature of the IIBA was the establishment of an implementation committee with members from the KIA and Agnico Eagle to monitor and manage the implementation of the IIBA. Since its establishment, this committee has worked to consider Inuit employment, contracting, training and other project-related matters.

Methods

INDICATOR SELECTION

In the summer 2015, in preparation for the first Meadowbank socio-economic monitoring report, Stratos completed a critical review of Agnico Eagle's socio-economic monitoring program to assess the completeness and comparability of indicators, taking into consideration:

- TMAC Resource's Doris North Project's Socio-Economic Monitoring Report (at the time, the most recently submitted Socio-Economic Monitoring Report);
- Cumberland Resource's Final Environmental Impact Statement for the Meadowbank Mine;
- Terms of Reference for the Meadowbank Socio-Economic Monitoring Program (Appendix A of Draft Meadowbank Socio-Economic Monitoring Program); and
- Data availability and reliability.

This review found that the predictions outlined in the Cumberland FEIS do not touch on all areas currently considered relevant to Agnico Eagle and the SEMC. As such, the first socio-economic monitoring report went slightly beyond the scope of the Cumberland FEIS to reflect the evolving context of best practices in corporate sustainability, SEMC expectations, and the change in ownership from Cumberland to Agnico Eagle. The review also enabled the reporting team to build from the framework provided in the TMAC report and refine the scope and organization of indicators to better reflect best practice in measuring socio-economic performance, including the use of both leading and lagging indicators, and other indicators that reflect the chain of actions and outcomes that lead to a specific impact.

In the spirit of continual improvement, we revisited and revised the indicators used in the current socio-economic monitoring report to better reflect trends, minimize gaps, and increase consistency with other reports. This was done through:

- Engagement with GN's department of Economic Development and Transportation to increase consistency of government indicators used by socio-economic monitoring reports across the territories
- Engagement with subject matter experts and data holders from across the territory to review the report's approach to VSECs including representatives from:
 - Nunavut Housing Corporation
 - Nunavut Department of Education
 - Nunavut Department of Health

DATA SOURCES

Table A outlines the data sources for each metric. Data for internal indicators, collected by Agnico Eagle, cover the years 2010 (or 2011) to 2015. Data for external indicators, obtained from the Nunavut Bureau of Statistics or StatsCan, often cover the years 2006 to 2015. For consistency, analysis typically begins in 2010, unless pre-2006 data is needed for a better understanding of baseline conditions prior to mine construction. Where long-form census data is required, only 2006 and/or 2011 data is available.

For certain publicly reported data, the most recent data available is for 2014. There are also cases where no new data has become available since last year's report and so the same information is presented in this report as in the 2014 report. Both of these cases are flagged for the reader wherever such data is presented.

Table A: Meadowbank Socio-Economic Indicators, Metrics, and Data Sources

Indicators	Metrics	Source
VSEC 1: EMPLOYMENT		
1.1 Total Meadowbank Employment	Meadowbank Employment, 2010 - 2015 (Permanent and Temporary)	Agnico Eagle
1.2 Meadowbank Inuit and Nunavummiut Employment	Permanent, temporary and on-call Meadowbank employment, 2015 (Inuit and non-Inuit)	Agnico Eagle
	Meadowbank employment, 2010 - 2015 (Inuit and Non-Inuit)	Agnico Eagle
	Person hours worked, 2010 - 2015 (Nunavut and non-Nunavut based employees)	Agnico Eagle
1.3 Meadowbank Employment by Kivalliq Community	Meadowbank Employment, 2010 – 2015 (Kivalliq and non-Kivalliq residents)	Agnico Eagle
	Meadowbank employment by Kivalliq community, 2014 - 2015	Agnico Eagle
1.3 Meadowbank Employment by Gender	Meadowbank employment by gender, 2010 - 2015	Agnico Eagle
1.5 Meadowbank Turnover	Turnover rates, 2010 – 2015 (Inuit & non-Inuit)	Agnico Eagle
	Inuit turnover (by reason for leaving), 2010 - 2015	Agnico Eagle
VSEC 2: INCOME		
2.1 Income paid to Meadowbank Inuit employees	Income paid to Meadowbank Inuit employees, 2010 – 2015	Agnico Eagle
	Income paid to Meadowbank contractors and Inuit employment rate of Meadowbank contractors, 2010 – 2015	Agnico Eagle
2.2 Income by Kivalliq Community	Change in median employment income for Kivalliq Communities, 2004 – 2009 average to 2010 – 2014 average	(Statistics Canada, 2016)
	Median income of tax filers by Kivalliq Communities, 2000 - 2015	(Statistics Canada, 2016)
VSEC 3: CONTRACTING AND BUSINESS OPPORTUNITIES		
3.1 Contract Expenditures	Contract expenditures on Baker Lake and Nunavut-based businesses, 2011 – 2015	Agnico Eagle
	Contract expenditures on NTI registered businesses, 2011 - 2015	Agnico Eagle
3.2 Registered Inuit-Owned Businesses in the Kivalliq Region	Inuit-owned businesses in the Kivalliq region, 2010 – 2015	(Nunavut Tunngavik Inc., 2016)
VSEC 4: EDUCATION AND TRAINING		
4.1 Investments in School-Based Initiatives	Agnico Eagle investments in school-based initiatives, 2010 – 2015	Agnico Eagle
4.2 Secondary School Graduation Rates by Region	Secondary school graduation rate by region, 2000 – 2015	(Government of Nunavut Department of Education, 2016)
4.3 Mine Training and Education	Agnico Eagle investments in mine training and education programs, 2010 – 2015	Agnico Eagle
	Total training hours provided to Nunavut and non-Nunavut based employees, 2010 – 2015	Agnico Eagle
	Specific training hours provided per Inuit and non-Inuit employee, 2012 - 2015	Agnico Eagle
	Number of Haul Truck driver program graduates, 2010 – 2015	Agnico Eagle
	Apprenticeships for Inuit employees, 2010 – 2015	Agnico Eagle
4.4 Percentage of Total Population with Trade Certificates	Percentage of total population with trade certificates & registered apprenticeship certificates in Nunavut and Canada, 2011	(Statistics Canada, 2011c)
	Number of apprenticeships by Kivalliq community, 2016	(Department of Family Services, 2016)
4.5 Inuit Employees by Skill Level	Proportion of Inuit employment by skill level, 2014 – 2015	Agnico Eagle
5. CULTURE AND TRADITIONAL LIFESTYLE		
5.1 Country Food at Meadowbank	Country food served at Meadowbank, 2011 – 2015	Agnico Eagle

Indicators	Metrics	Source
5.2 Use of Traditional Language	Proportion of total population identifying Inuktitut as the mother tongue, by Kivalliq community, 2006 and 2011	(Statistics Canada, 2011a)
5.3 Traditional Lifestyle	Percentage of Nunavut Inuit population 15 years of age and older partaking in traditional activities, 2006 and 2012	(Statistics Canada, 2011b; Wallace, 2014)
VSEC 6: MIGRATION		
6.1 Inuit Employees Who have Moved to Southern Provinces	Number of Inuit workforce who reside in Southern provinces and Inuit employment rate, 2010 – 2015	Agnico Eagle
6.2 Population Estimates in Kivalliq Communities	Population estimates in Kivalliq communities-, 2006 – 2015	(Nunavut Bureau of Statistics, 2016)
	Annual percentage change in population estimates in Kivalliq communities, 2011 - 2015	(Nunavut Bureau of Statistics, 2016)
VSEC 7: INDIVIDUAL AND COMMUNITY WELLNESS		
7.1 Counselling Programs and Usage at Meadowbank	Family counselling programs offered, 2010 – 2015	Agnico Eagle
	Number of employees/families accessing family counselling programs, 2011 – 2015	Agnico Eagle
7.2 Criminal Violations	Criminal violations per hundred people, by Kivalliq community, 2006 – 2015	(Statistics Canada, 2016; Nunavut Bureau of Statistics, 2016)
	Baker Lake criminal violations per hundred people by type, 2006 – 2015	(Statistics Canada, 2016; Nunavut Bureau of Statistics, 2016)
	Change in Baker Lake criminal violations against 2006-2009 baseline, 2015	(Statistics Canada, 2016)
7.3 Housing	Persons aged 15 years and over who are on a waiting list for public housing, 2010	(Nunavut Bureau of Statistics and Statistics Canada, 2010)
	Collection rates of public housing by community, 2011 – 2015	(Nunavut Housing Corporation, 2015)
7.4 Suicide	Inuit suicides per 10,000 people by community, 2000 – 2015	(Nunavut Bureau of Statistics, 2016)
VSEC 8: WORKER HEALTH AND SAFETY		
8.1 Health and Safety Training	Health and safety training hours for Agnico Eagle Meadowbank employees, 2012 - 2015	Agnico Eagle
8.2 Health and Safety On-Site	Combined lost-time and light duty accident frequency (per 200,000 person hours), 2010 – 2015	Agnico Eagle
	Number of visits by employees to Agnico Eagle clinics, 2010 – 2015	Agnico Eagle
VSEC 9: COMMUNITY INFRASTRUCTURE AND SERVICES		
9.1 Use of Public Physical Infrastructure	Estimates of use of this infrastructure directly related to Meadowbank	Agnico eagle
9.2 Use of GN Health Services	Kivalliq community health centre visits per capita, 2006 – 2014	(Government of Nunavut Department of Health, 2016)
	Number of Meadowbank employees referred to their community health care centre for personal or work-related reasons, 2010 – 2015	Agnico Eagle
9.3 Demand on Social Services	N/A	N/A
9.4 Social Assistance	Per capita social assistance expenditures by Kivalliq community, 2006 to 2014	(Government of Nunavut Department of Family Services, 2014)
	Department of Family Services average monthly social assistance case load by Kivalliq community (per 100 people), 2001 – 2015	(Department of Family Services, 2016)
VSEC 10: NUNAVUT ECONOMY		
10.1 Business Expenditures for Nunavut	Meadowbank contract expenditures in \$M, by northern and southern business, 2011 – 2015	Agnico Eagle
	Meadowbank northern contract expenditures in \$M, by business type and location, 2011 - 2015	Agnico Eagle
10.2 Royalties & Taxes	Compensation, royalties and taxes paid	Agnico Eagle

Indicators	Metrics	Source
10.3 GDP of Nunavut	Nunavut GDP (all industries), Nunavut GDP (mining, quarrying and oil & gas), 2000– 2015	(Statistics Canada, 2016)

ANALYSIS AND INTERPRETATION

Throughout this report, we present available data using a combination of narrative, tables and charts. We provide an interpretation for the data for each indicator, including identification of significant trends and an explanation for the trend where possible. Given the complexity of socio-economic phenomenon (i.e. multiple factors at play), there are limitations in establishing causal relationships between the operation of the Meadowbank mine and certain socio-economic indicators.

INVOLVEMENT OF SOCIO-ECONOMIC MONITORING COMMITTEE

This report was developed through a collaborative process, with engagement taking place at various stages of development. We engaged with members of the SEMC to better understand what types of information they are most interested in and how they hope to use this report in order to ensure the content, structure, and look and feel of this report are as useful as possible. This engagement included:

- Ongoing engagement with GN’s department of Economic Development and Transportation (SEMC Chairs)
- Submission of draft report to SEMC – November 2016
- Discussion of draft report at December 6 SEMC meeting in Baker Lake

VSEC 1: Employment

Impact / Goal Statement

Increased, stable employment for Inuit (including women and challenged workers) across Kivalliq communities

FEIS Prediction

“The potential impacts of employment are likely to take some time to gain full momentum, and overall are considered of high magnitude, positive, long term and of high significance, specifically to those individuals and their families who are able to benefit.” (Cumberland Resources Ltd., 2006, p. 120).

Five indicators are used to measure and understand Meadowbank’s impact on employment in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS employment prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions	Symbols and terms used to explain trends
1.1 Total Meadowbank Employment	Meadowbank Employment, 2010-2014 (Permanent and Temporary)	↑ positive	Total employment levels increased in 2015 and continue to significantly exceed the levels predicted in the FEIS.	<p>↑ Increasing</p> <p>↓ Decreasing</p> <p>→ Remaining stable</p> <p>/ No discernable trend</p> <p>■ Positive trend: movement towards the achievement of the desired impact or goal</p> <p>■ Negative trend: movement away from the achievement of the desired impact or goal</p> <p>■ Neutral trend: no observed movement in regard to the achievement of the desired impact or goal</p>
1.2 Meadowbank Inuit and Nunavummiut Employment	Permanent, temporary and on-call Meadowbank employment, 2015 (Inuit and non-Inuit)	/	Total Inuit workforce has remained steady over the past 3 years, representing approximately 30% of the total workforce. Inuit employees represent 71% of temporary employees and 100% of on-call employees. With the shift to more on-call employees, additional information on Inuit hours worked would be required to fully assess the impact.	
	Meadowbank employment, 2010 - 2015 (Inuit and Non-Inuit)			
	<i>Number of Inuit employees</i>	↑ positive		
	<i>Inuit employment rate</i>	↑ positive		
	Person hours worked, 2010 - 2015 (Nunavut and non-Nunavut based employees)			
	<i>Number of Nunavut-based employees</i>	→ neutral		
	<i>Nunavut-based employment rate</i>	→ neutral		
1.3 Meadowbank Employment by Kivalliq Community	Meadowbank Employment, 2010 – 2015 (Kivalliq and non-Kivalliq residents)		The number and proportion of Kivalliq-based employees increased in 2015, reaching 35% compared to 33% in 2014. More than half of these employees are from Baker Lake. Arviat had the largest growth in number of employees.	
	<i>Number of Kivalliq-based employees</i>	↑ positive		
	<i>Kivalliq-based employment rate</i>	↑ positive		
1.3 Meadowbank Employment by Gender	Meadowbank employment by Kivalliq community, 2014 - 2015	↑ positive	17% of Meadowbank employees are women (up from 15% in 2014), which is on par with the Canadian mining-sector average of 17% (MiHR, 2015).	
	Meadowbank employment by gender, 2010 - 2015			
	<i>Number of female employees</i>	↑ positive		
	<i>Female employment rate</i>	↑ positive		
1.5 Meadowbank Turnover	Turnover rates, 2010 – 2015 (Inuit & non-Inuit)	↓ positive	The turnover rate for permanent Inuit employees decreased significantly in 2015 but remains higher than that for permanent non-Inuit employees (12% for Inuit vs. 3% for non-Inuit in 2015). There were fewer resignations and dismissals in 2015, and fewer employees who chose not to return or were not asked back by Agnico Eagle.	
	Inuit turnover (by reason for leaving), 2010 - 2015	↓ positive		

EXISTING MANAGEMENT & MITIGATION

A number of programs are in place to encourage Inuit employment and retention at Meadowbank, as outlined in Table 1 below. Agnico Eagle offers programs to increase general educational and skills attainment among Kivalliq residents, facilitate entry into Meadowbank employment, as well as training, career development and upward mobility programs for existing employees. While many of these training programs are primarily relevant to VSEC 4: Education and Training, they are also discussed here due to a positive supporting effect on Inuit employment rates and retention.

Table 1: Agnico Eagle Employment Management and Mitigation Initiatives

Program	Purpose / Description / Outcomes
MOU with Department of Education	<p>A Memorandum of Understanding was signed in April 2012 to establish a strengthened partnership between the Government of Nunavut Department of Education and Agnico Eagle, with a focus on increasing the number of students in the Kivalliq region who are able to successfully transition from high school to trades and mining-related career opportunities. This work involved <i>Mining Matters</i>, a branch of the Prospectors and Developers Association of Canada (PDAC) that is dedicated to bringing knowledge and awareness about Canada’s geology and mineral resources to students and educators. In 2013, Agnico Eagle and the <i>Mining Matters</i> group participated with the GN Department of Education, Curriculum Review Services to assist in a review of the Earth Sciences Curriculum of Nunavut Schools. During 2014, Agnico Eagle continued to sponsor the Mining Matters program as part of the MOU with Education.</p> <p>Agnico Eagle continued to pursue a renewed MOU with the Department of Education during 2016 and is hoping to re-establish an agreement in 2017. Agnico Eagle is working with the Baker Lake Education Authority to organize and deliver a range of education initiatives, including the <i>Mining Matters</i> program that will be delivered in 2017.</p>
Kivalliq Science Educations Community	<p>In 2015 Agnico Eagle invested \$25,000.00 towards the regional Math Camp, Science Camp and Kivalliq Science Fair programs operated by the Kivalliq Science Educators Community. The regional Science camp was organized just outside of Whale Cove and the weeklong program included a mix of traditional, cultural and educational studies related to sciences. The program provides science credits to participants.</p>
Kivalliq Mine Training Society	<p>The KMTS is an Inuit-private sector partnership created to strengthen the Kivalliq region labour force through the creation and funding of training opportunities in the seven Kivalliq hamlets. Agnico Eagle has provided \$6.8 million in cash and in kind support towards the overall initiative. The KMTS has also enjoyed financial support from the Nunavut Department of Economic Development and Transportation. Over a two year period, from April 2013 to the end of March 2015 the KMTS program was valued at approximately \$9.5 million.</p> <p>A one year extension of the program for 2015-16 has been approved by Employment and Social Development Canada (ESDC). The 2015-16 KMTS program is valued at \$3.65 Million to the end of March 2016, of which Agnico Eagle will contribute \$2.18 Million. A further extension of the program is currently being considered by the KMTS Board for 2016-17.</p> <p>A major focus of the KMTS program has been to support Agnico Eagle’s Mine Training Initiatives, such as the Career Path, Apprenticeship and Haul Truck Operators’ programs.</p> <p>The KMTS supported the development and delivery of the community based Work Readiness and Labour Pool initiatives (described in greater detail below) to help prepare Inuit for employment opportunities. The KMTS also supported the Arviat Drillers program as well as some other community-based initiatives, such as the Making it Work program, which provide support to employees and their families to cope with the challenges that come with employment.</p>

Labour Pool Initiative	<p>The Labour Pool initiative, implemented in 2014, is based on an agreement between Agnico Eagle, the KMTS and the KIA to offer pre-employment opportunities to Inuit from all Kivalliq communities.</p> <p>The goal of the program is to pre-qualify candidates from Kivalliq communities through 3 steps: online application (usually facilitated by Employment Information Sessions), the Work Readiness Program and the Site Readiness Program (more details provided below). In 2015, Agnico Eagle visited six Kivalliq communities (Arviat, Baker Lake, Chesterfield Inlet, Coral Harbor, Rankin Inlet and Whale Cove) to provide information sessions and conduct interviews with potential candidates. In 2016 Agnico plans to review and revise the program and introduce new components to the Labour Pool initiative.</p>
Work Readiness Training Program	<p>In collaboration with the Kivalliq Mine Training Society (KMTS), Agnico Eagle developed a Work Readiness Training program as a pre-employment initiative. The Work Readiness program is the first step of the Labour Pool initiative for those individuals who have applied online.</p> <p>The objective of the program is for Inuit workers to be better prepared for the work environment in an industrial setting. Graduates of the program are eligible to join the Agnico Eagle Labour Pool. The program provides coaching on a range of issues including: awareness of employers' unspoken expectations, communication in the workplace, and problem solving skills for resolving workplace issues.</p> <p>The program was implemented in April 2013. The program is delivered over a 5 day period at the community level and is scheduled throughout the year. In 2015, the program was delivered in six Kivalliq communities resulting in 155 graduates from various communities.</p>
Site Readiness Program (formerly Orientation Week)	<p>The Site Readiness Program is an updated program that replaced "Orientation Week", which was implemented in April 2015. This program is the second step of the Labour Pool initiative, following the Work Readiness Program. Graduates of the Site Readiness Program are eligible to enter the Labour Pool.</p> <p>The Site Readiness program was built to enhance the worksite orientation for new employees and consists of a one-week on the job training and orientation plan. The Site Readiness program is still in development but provides an opportunity for individuals to see the different careers and opportunities that the mine can offer. They are also provided various training opportunities, site visits, job initiation, information sessions and interviews/discussions about employment. This provides individuals an opportunity to better identify their own career ambitions and work interests at the mine, and this information can feed the Labour Pool.</p> <p>In 2015, 111 individuals participated in Orientation Week.</p>
Summer Student Employment Program	<p>Agnico Eagle offers a summer employment program for the children of all Agnico Eagle employees who are participating in university-level education. In 2015, the Meadowbank mine offered 10 students positions per rotation, for a total of 20 positions available for students. There were 21 applications, of which 19 were selected. There were no applications from Inuit employees in 2015.</p> <p>In 2015, Agnico advertised a new summer student program to attract Inuit post-secondary student's from across the Kivalliq communities, including students enrolled in trade programs at Nunavut Arctic College and in the Nunavut Sivuniksavut program. This program was advertised in each Kivalliq Community. There were 6 applications, of which 3 were declined as they were under the age of 18. Two applicants worked at Meadowbank mine and one worked at the Rankin Inlet office. The program will be offered again in 2016 and will be advertised in all Kivalliq communities.</p>
Haul Truck Driver Training	<p>The Haul Truck Driver Training program is a 28 day (336 hour) program to certify haul truck operators, which includes training on a simulator, in the classroom, and on the job. The program is aimed at existing employees in entry level positions (dishwashers, janitors, chambermaids, etc.).</p> <p>In 2015, 28 Inuit workers (including 7 women) were enrolled. Among those, 25 Haul Truck Trainees (including 6 women) successfully completed the program. Agnico Eagle plans to train 36 new haul truck operators in 2016.</p>

Process Plant Trainee Program	<p>With the success of the Haul Truck Trainee Program, a new Process Plant Trainee Program was developed in 2015. The 28 day program provides employees with an understanding of the mining and milling process and trains them to be competent and certified to fill positions as a process plant helper or a utility person. Launched in April 2015, a total of 10 employees participated in the new program throughout the year. In 2016, 8 trainees are scheduled to enter the program.</p>
Arviat Community Training Programs	<p>In 2011, the Hamlet of Arviat proposed a partnership to invest in a community-based drilling school that would provide Inuit with the skills needed to work in diamond drilling. With advice and support from Agnico Eagle, the Hamlet brought together a range of partners to acquire the drilling equipment, develop the curriculum, and operate the training program. Government training agencies, the KIA, and drilling companies provided partnership investments. In 2013 the programs was expanded to include a Welders Helpers program.</p> <p>The 2015 drillers program took place between April and June and 12 students participated, of whom 11 graduated. Over the past 4 years the program has graduated 65 trained driller's helpers, all of whom have found employment. 2015 saw the program switch its focus to training welders.</p>
Career Path Program	<p>The Career Path Program was designed in 2012 with the intention of supporting upward mobility of Inuit employees at Meadowbank. This program identifies the incremental steps that an employee is required to complete to advance in their chosen career of interest. The Career Path system is currently available in four departments on site: Mine, Maintenance, Process Plant and Energy & Infrastructure. Some of these departments have multiple career paths available.</p> <p>In 2015 the total number of Career Paths available was six (6) including drilling, mine heavy equipment, heavy equipment maintenance, road maintenance, process plant operation, and building mechanic, the latter two being new for 2015. In 2016 the maintenance career path will be updated to include the integration of the Apprenticeship Program.</p> <p>The objective of the Career Path Program is to have only internal promotions for Inuit, and for no external candidates (southerners) to be hired to fill a position that is part of the program.</p>
Training Curriculum	<p>The Training Curriculum program, implemented in 2014, provides tools, tips, guideline and standards to improve the proficiency of Meadowbank trainers. The formal manual includes three sections: training theory, training standards, and training delivery.</p>
E-Learning Training at Meadowbank	<p>Before coming to Meadowbank for the first time, newly hired employees must complete their Mandatory Training on-line. The General Induction chapter provides general information about Agnico Eagle and working life at Meadowbank Mine. The training also ensures that all workers are trained on health and safety matters such as WHMIS, fire extinguishers, etc. prior coming on site. Process plant induction, as well as chemical awareness training, were implemented as e-learning modules in September 2015.</p>
Training and Learning Management System	<p>The Training Management System (TMS) as well as the Learning Management System (LMS) were initially implemented in 2013 in order to ensure better management of training activities and to monitor the proper management of the e-learning training. In response to the GN's request for increased information on training programs in 2014, both systems were modified in 2015. The systems are now capable of producing more detailed reports: by training program, by participation level, by graduation level and by hour.</p>

Apprenticeship Training at Meadowbank	<p>An Apprenticeship Program for the training of Inuit employees in skilled trades is currently under review at Meadowbank. Many fields of study are now available, with Agnico Eagle aiming to expand the range of trades available for apprenticeship at Meadowbank. The apprentice positions lead employees to work in various departments such as Mobile Maintenance, Site Services, Process Plant (Maintenance), Kitchen, and Electrical. In collaboration with the Kivalliq Mine Training Society and Nunavut Arctic College, Meadowbank is also supporting a pre-trade program to support Inuit who lack basic levels of literacy and numeracy required for trade apprenticeships.</p> <p>Seven Inuit employees were enrolled in the pre-trades assessment program in 2015, including 2 women and 5 men.</p> <p>At the end of December 2015, Agnico’s apprenticeship program supported 9 apprentices and 7 pre-apprentices who are alternating between trades school and work, and produced two graduate apprentices who received their Red Seal certification.</p>
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1.1 TOTAL MEADOWBANK EMPLOYMENT

Throughout this report, the terms ‘employment’, ‘workforce’, and ‘employees’ refer to individuals employed *directly* by Agnico Eagle to work at the Meadowbank mine. The Meadowbank mine also helps to create other forms of employment, including the employees hired by businesses that have contracts with the mine and employees hired by businesses that benefit from additional spending by mine employees and contractors (multiplier effects). These other types of employment are not part of the employment discussion in this report unless specifically noted (e.g. under VSEC 3: Contracting and Business Opportunities).

1.1.1 Predictions

The Meadowbank FEIS makes the following predictions:

- “It is expected that the construction phase workforce will average 160 and peak at 310, and the operation phase workforce is estimated at 370.” (Cumberland Resources Ltd., 2006, p. 119)

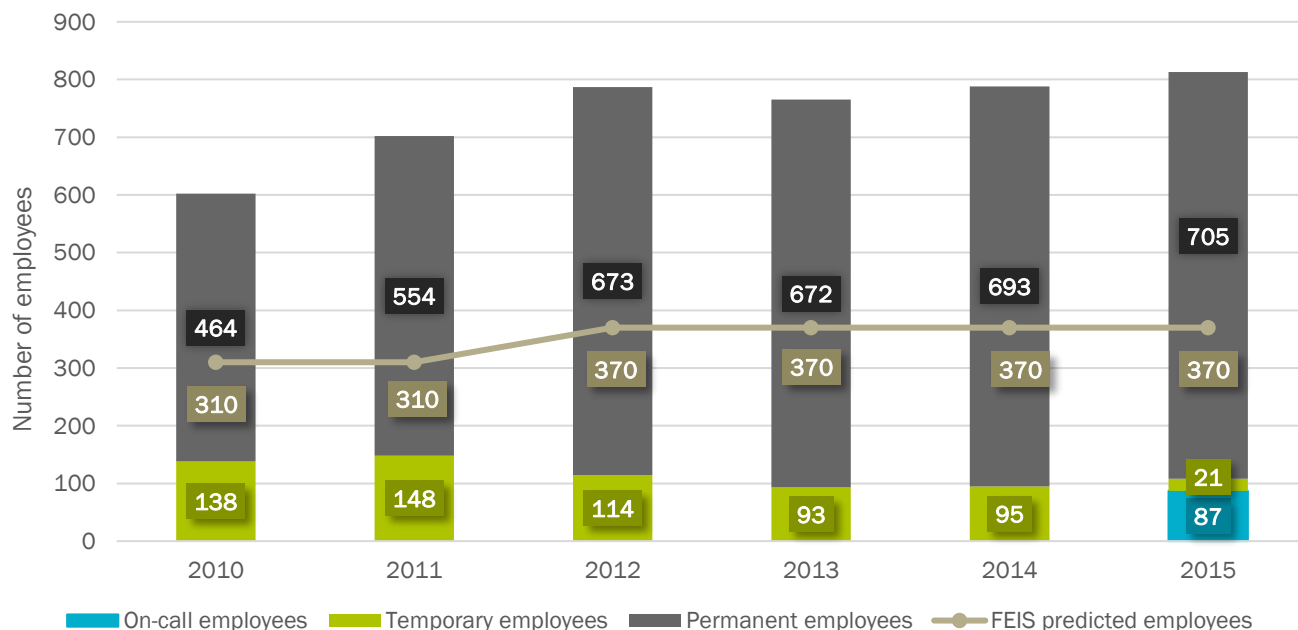
1.1.2 Data & Trends

The following chart provides an overview of direct Meadowbank employment since the mine began operating in 2010.

Employees at Meadowbank are divided into one of the following 3 categories:

- **Permanent employees** – employees whose current jobs are not specifically tied to a short-term project, with positions expected to be required throughout the life of the mine
- **On-call employees** – employees with an indefinite contract who are called upon when the need arises
- **Temporary employees** – employees whose current job will not continue beyond a specified period of time (a set contract)

Chart 1: Meadowbank employment, 2010 - 2015 (permanent and temporary) (source: Agnico Eagle)



1.1.3 Interpretation

The years between 2010 and 2012 saw Meadowbank moving from construction and commissioning phases to a full operational mine. The total employee figures to date have significantly exceeded the values predicted in the FEIS for employment at the mine, largely due to an expansion of the project scale from the initial Cumberland project proposal.

The drop in temporary employees seen in 2015 is largely due Agnico Eagle shifting employees from *temporary* status to *on-call* status. Permanent employment grew by 2%, from 693 to 705 from 2014 to 2015. While the total number of on-call and temporary employees compared to 2014 has risen (from 95 in 2014 to a combined 108 in 2015), this may or may not reflect an increase in hours worked.

1.2 MEADOWBANK INUIT & NUNAVUMMIUT EMPLOYMENT

1.2.1 Predictions

There are no specific predictions in the Meadowbank FEIS regarding Inuit or Nunavummiut employment rates at Meadowbank.

1.2.2 Data & Trends

The charts below provide an overview of the number and proportion of Inuit and Nunavummiut employees at Meadowbank Mine.

Chart 2 provides a snapshot of this proportion in 2015 for permanent, temporary, on-call and total employment. On-call employees at Meadowbank are 100% staffed by Inuit.

Chart 2: Permanent, temporary and on-call Meadowbank employment, 2015 (Inuit and Non-Inuit) (source: Agnico Eagle)

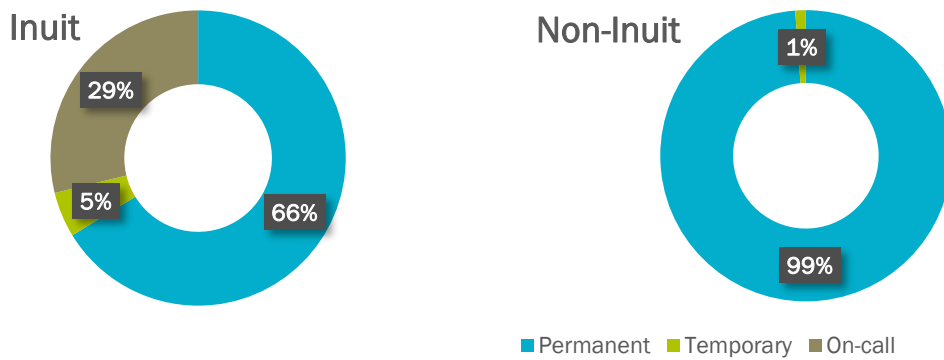


Chart 3, below, shows trends in Inuit and non-Inuit total employment (permanent, temporary and on-call) over the past six years.

Chart 3: Meadowbank employment, 2010 - 2015 (Inuit and non-Inuit) (source: Agnico Eagle)

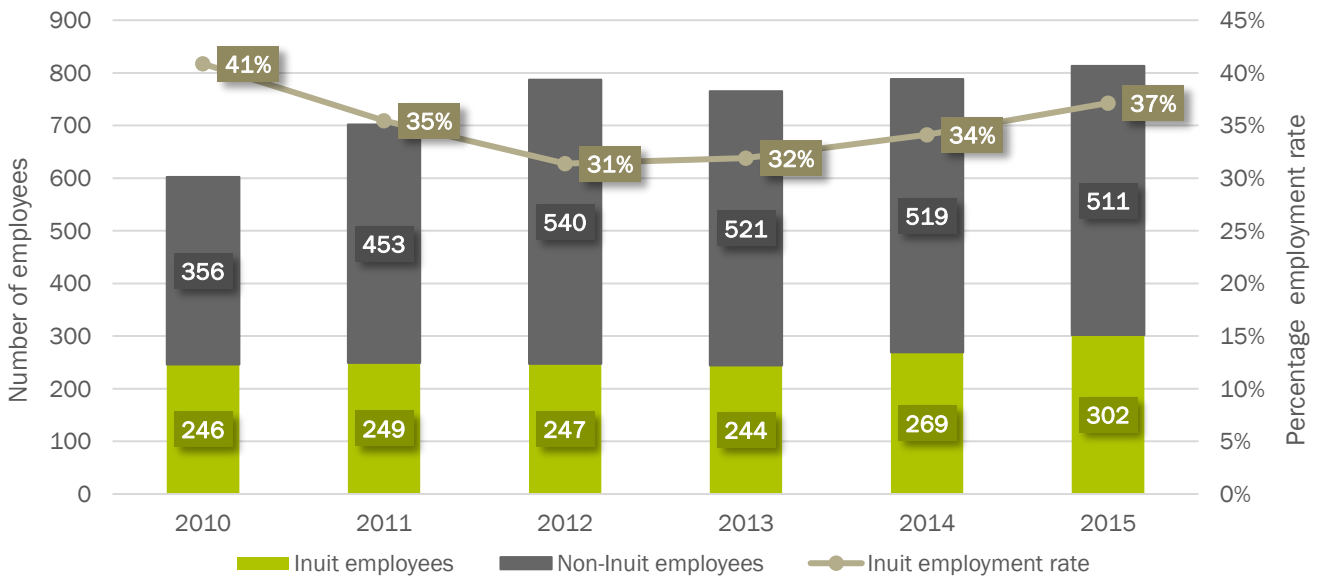
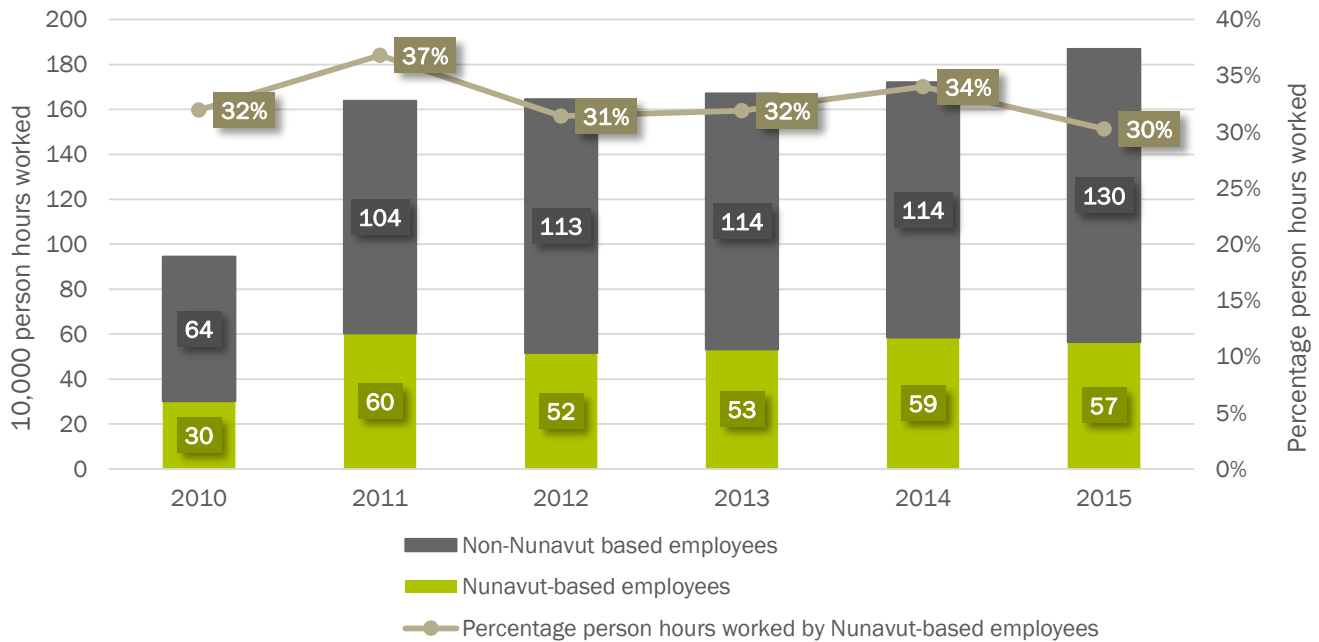


Chart 4 provides an overview of the person-hours worked by Nunavut and non-Nunavut based employees. While closely corresponding to one another, rates of Inuit employment and Nunavummiut employment are two separate metrics. While the former encompasses only those who identify as Inuit, the latter includes all who permanently reside in Nunavut, regardless of ethnicity. Currently, virtually all Nunavummiut employed by Meadowbank are also Inuit. Therefore, this demographic breakdown is functionally equivalent to Inuit and non-Inuit.

That said, person-hours worked (as opposed to employment numbers) provide a more holistic and accurate picture of Inuit employment at the mine. To clarify, employment numbers – such as those provided in Charts 2 and 3 – are generated as a ‘snapshot’, representing employment statistics on a single day in December. Person-hours worked (Chart 4), on the other hand, is the summation of all hours worked over a given time period, regardless of permanent, temporary or on-call status or short-term fluctuations in turnover.

Chart 4: Person hours worked, 2010 - 2015 (Nunavut and non-Nunavut based employees) (source: Agnico Eagle)



1.2.3 Interpretation

No predictions were made in the Cumberland FEIS regarding Inuit employment rates.

Schedule E of Meadowbank’s IIBA sets out measures and requirements for Inuit employment including the development of equivalent qualifications (i.e. those qualifications considered equal to formal qualifications for various positions), preferential hiring policies, and detailed requirements for establishing and meeting Minimum Inuit Employment Goals (MIEGs). In 2015, Agnico and the KIA agreed in the Meliadine IIBA to an Inuit employment target of 50% during production from any of the Meadowbank, Amaruq or Meliadine projects.

- The total number of Inuit workers employed at Meadowbank has been growing since 2013, after being relatively stable during the 2010 – 2013 period.
- At the end of 2015, there were 302 Inuit employees, representing 37% of the total workforce – up from 269 employees at end of 2014 (34% of the total workforce).
- Temporary positions continue to be held primarily by Inuit. However, in 2015, Agnico shifted a number of temporary employees to on-call status, where the employee has an indefinite contract and is called upon as the need arises. On-call positions are held 100% by Kivalliq residents.

In 2015, the total hours worked by Nunavut-based employees was approximately 57,000 hours, down from 59,000 hours in 2014. In 2015, hours worked by Nunavut-based employees represented 30% of the total person hours worked at the mine, down from 34% in 2014. A number of factors may account for this change: an increase in person-hours worked of non-Nunavut based employees, fewer opportunities for temporary and on-call employees to put in hours at the mine, and an increase in the number of Inuit workers who have moved southern provinces and are no longer being counted as “Nunavut-based” employees. This last factor is discussed in greater detail in the migration section of this report (VSEC 6: Migration).

Additional information related to types of positions and skill level classification is provided in VSEC 4: Education and Training.

1.3 MEADOWBANK EMPLOYMENT BY KIVALLIQ COMMUNITY

1.3.1 Predictions

There are no specific predictions in the Meadowbank FEIS regarding Kivalliq community resident employment rates. However, this information is relevant to other predictions where community-specific data is available.

1.3.2 Data & Trends

Chart 5, below, provides an overview of employment numbers and employment rates of Kivalliq residents at the Meadowbank Mine.

Chart 5: Meadowbank employment, 2010 – 2015 (Kivalliq and non-Kivalliq residents) (source: Agnico Eagle)

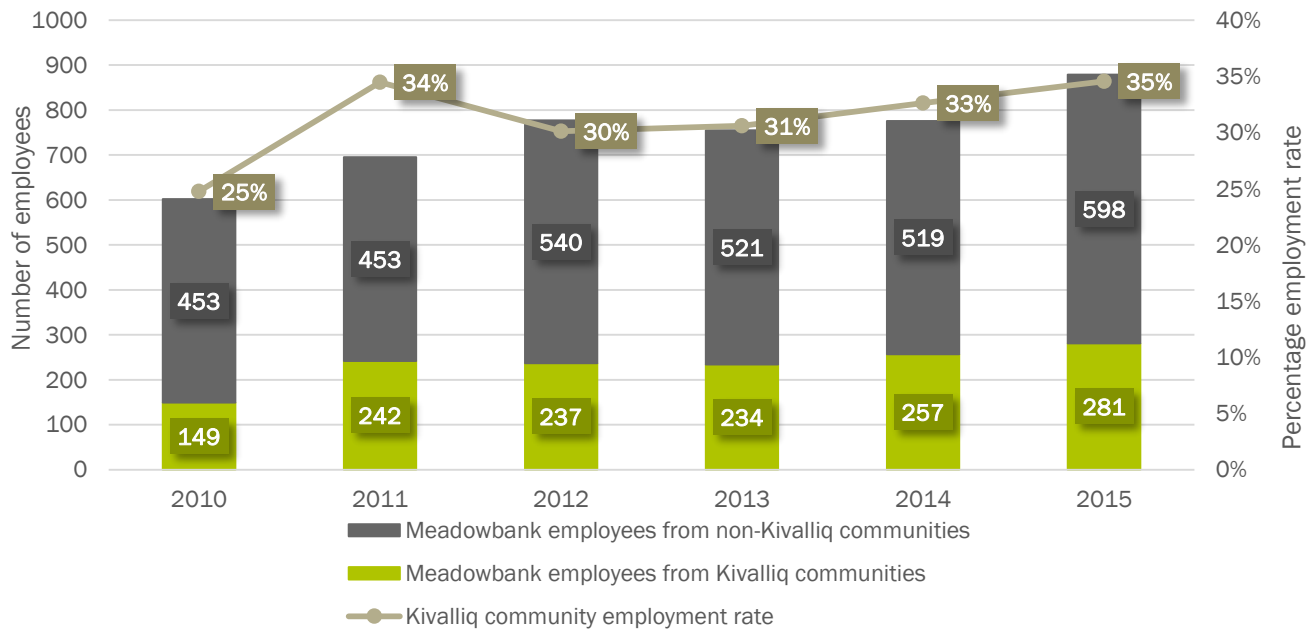
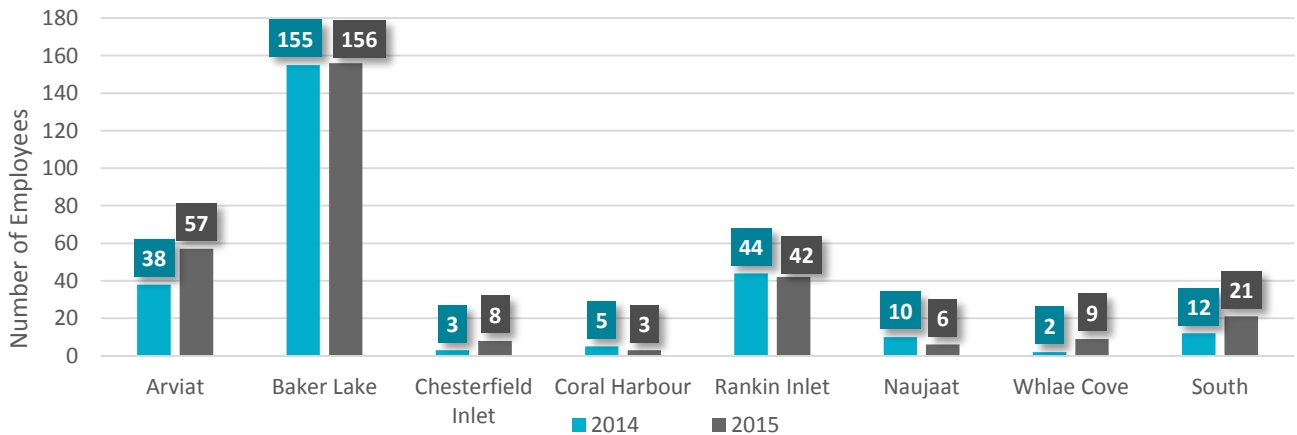


Chart 6 shows the number of residents of each Kivalliq community employed by the Meadowbank Mine in 2015, as well as those Inuit employees who reside in the south.

Chart 6: Meadowbank Inuit employment by Kivalliq community, 2014 - 2015 (source: Agnico Eagle)



1.3.3 Interpretation

Between 2012 and 2015, the percentage of Meadowbank workers coming from Kivalliq communities has seen a steady increase from 30% to 35%. Over half of the total Kivalliq employees are from Baker Lake. This likely reflects a number of factors, including: the mine’s proximity to the hamlet; preferential hiring provisions outlined in the Meadowbank IIBA which give preference to Baker Lake Inuit over Inuit from other communities; as well as training and recruiting efforts by Agnico Eagle focused on Baker Lake.

1.4 MEADOWBANK EMPLOYMENT BY GENDER

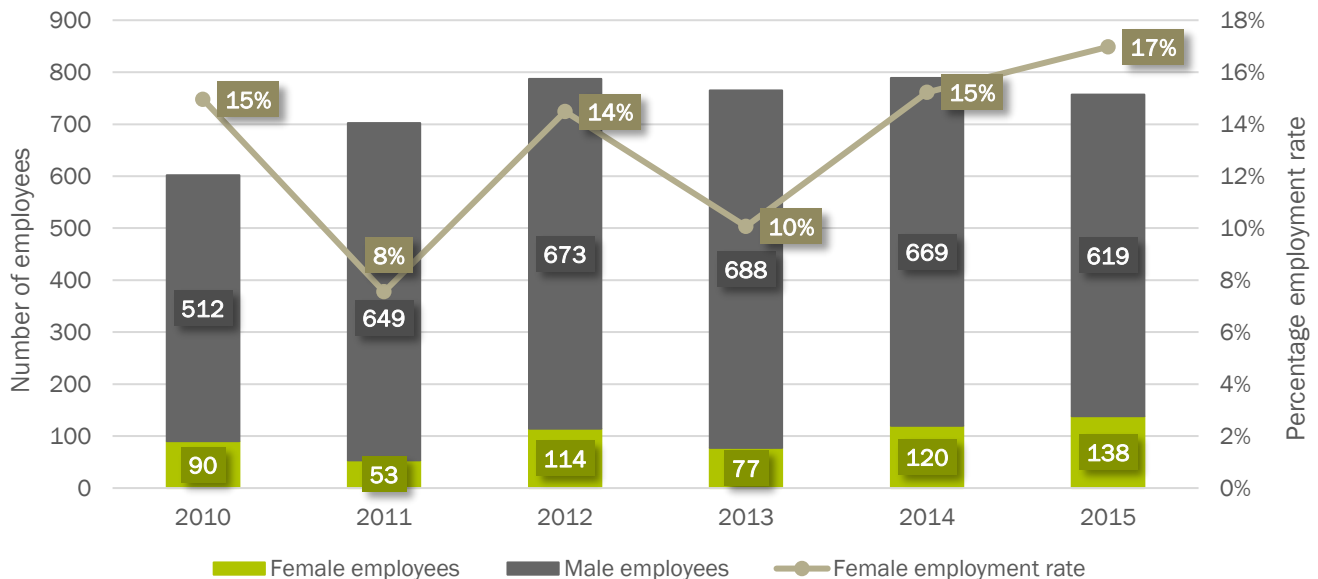
1.4.1 Predictions

There are no specific predictions in the Meadowbank FEIS regarding employment rates by gender.

1.4.2 Data & Trends

In 2015, 17% of Meadowbank employees were female and 83% were male.

Chart 7: Meadowbank employment by gender, 2010 – 2015 (source: Agnico Eagle)



1.4.3 Interpretation

There are no formal goals set for gender employment rates at Meadowbank. Female employment at Meadowbank increased to 17% in 2015 from 15% in 2014. It is at its highest level since the mine began production and is now on par with the Canadian mining sector average of 17% (MiHR, 2016).

During 2015, there were 99 permanent, 8 temporary and 31 on call female employees. Agnico participates in the Mining Industry Human Resource Council’s *Gender Equity in Mining (GEM) Works Initiative*, which helps companies collaborate to foster a mining and minerals industry where both women and men have the best opportunities for making great contributions and having rewarding careers.

1.5 TURNOVER

1.5.1 Predictions

There are no specific predictions in the Cumberland FEIS regarding turnover rates at Meadowbank.

1.5.2 Data & Trends

Chart 8, below, provides an overview of Inuit and non-Inuit turnover rates for permanent and temporary employees.

Turnover rates are the percentage of Meadowbank employees that leave Agnico Eagle's employ during each fiscal year.

Turnover rates are calculated by dividing the number of terminations by the average number of employees in a given year.

Chart 8: Turnover rates, 2010 - 2015 (Inuit & Non-Inuit) (source: Agnico Eagle)

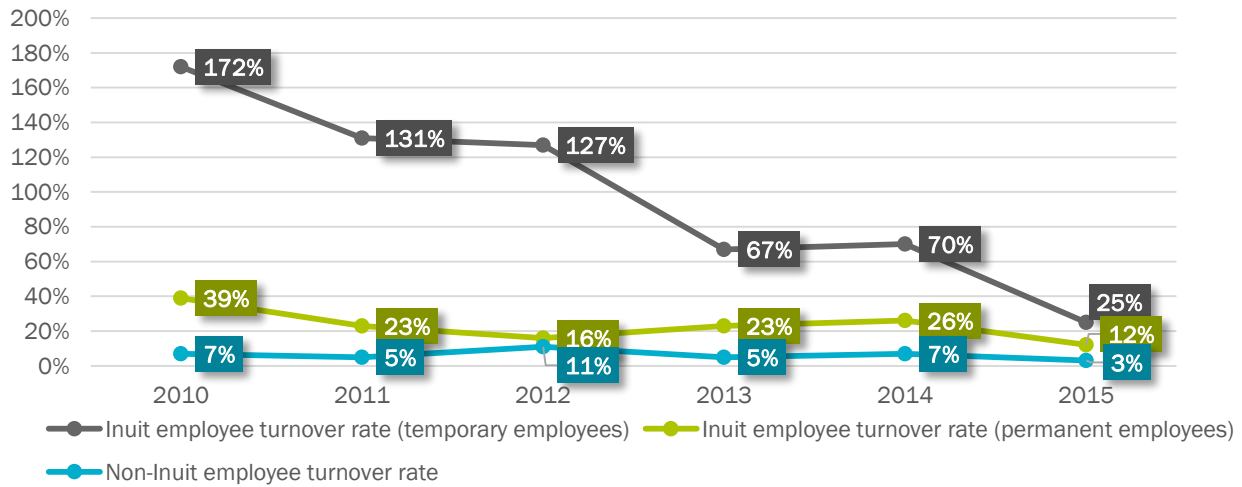
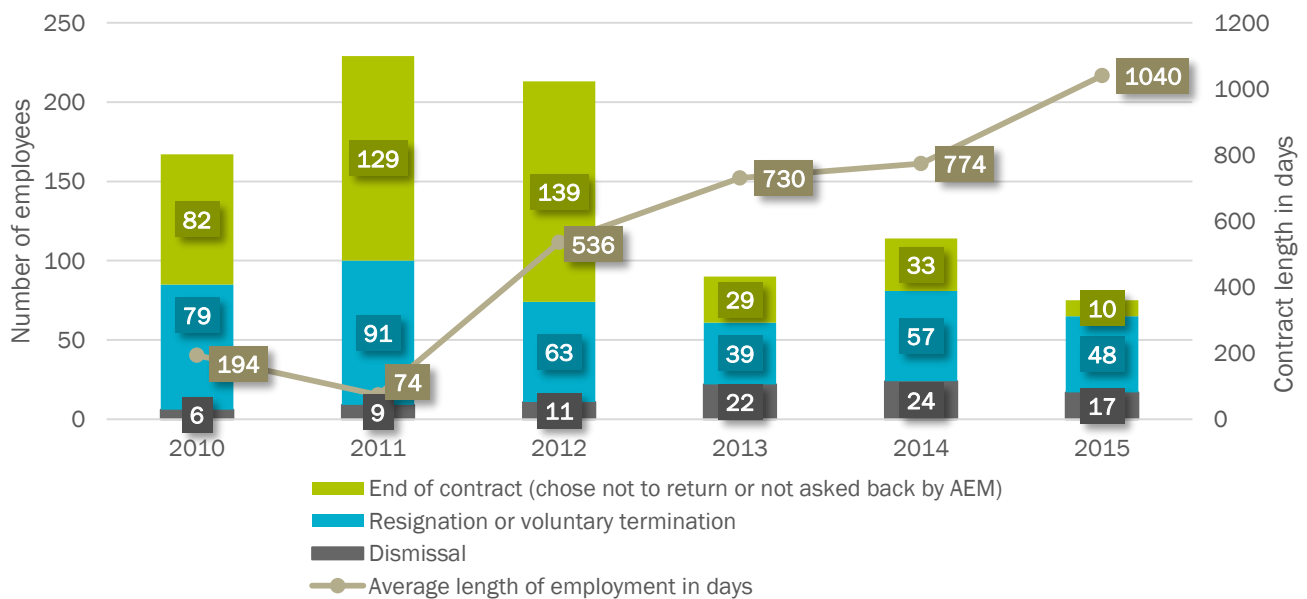


Chart 9, below, provides an overview of turnover by reason, as well as the average length of an employee contract from 2010 to 2015.

Chart 9: Inuit turnover (by reason for leaving) and average length of employment, 2010 – 2015 (source: Agnico Eagle)



Since the start of production in 2010, Agnico Eagle has conducted exit interviews and focus group meetings to gather information on reasons for resignation and voluntary termination. Interviews were used to collect qualitative information on common reasons why employees have left. These include:

- Spousal relationship issues
- Did not like the work or too tired to continue working
- Too much gossip amongst co-workers
- No babysitter or daycare
- Found a new job in town
- Homesick – need to go home
- Work was too hard or did not like the work
- Increase in rent for social service housing

In addition to the employment and training programs listed in Table 1, Agnico offers a number of wellness programs to support employees while at the mine – including addressing issues that may lead to turnover. These programs are listed in Table 11 (later in this report) and include the "Making It Work Program", which provides an opportunity for spouses of employees to visit Meadowbank and experience what mining life is like. The program also includes spousal counselling sessions on effective communications, financial management, conflict resolutions and healthy living.

1.5.3 Interpretation

Since 2010, turnover rates for permanent Inuit employees have been consistently higher than those for permanent non-Inuit employees. The turnover rate for permanent Inuit employees was 12% in 2015, as compared to 3% for non-Inuit permanent employees.

Overall, turnover decreased significantly in 2015. Most notably, the permanent Inuit employee turnover rate dropped from 26% in 2014 to 12% in 2015 – significantly narrowing the gap with the rate for non-Inuit permanent employee.

The drop in the temporary Inuit employee turnover rate in Chart 8 is likely due the shift of temporary employees away from set-contracts (contracts with a defined end-point which therefore manifest as turnover) towards on-call temporary employees. These employees now have an indefinite contract and are called upon when the need arises.

VSEC 2: Income

Impact / Goal Statement

Increased income in Kivalliq communities

FEIS Prediction

“The potential impacts of increased income are considered of high magnitude, positive, long-term and of high significance, particularly to those individuals and their families who are able to benefit. It is expected that overall community effects, moderate in significance, are likely to be most experienced in Baker Lake, as most direct employment will occur here.”¹
(Cumberland Resources Ltd., 2006, p. 121)

Two indicators are used to measure and understand Meadowbank’s impact on income in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS employment prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
2.1 Income paid to Meadowbank Inuit employees	Income paid to Meadowbank Inuit employees, 2010 – 2015	↑ positive	Income paid increased to \$20M from an average of \$18M/year since 2011. Inuit employment income continues to significantly exceed the FEIS prediction of \$4 million in direct project wages annually.
	Income paid to Meadowbank contractors and Inuit employment rate of Meadowbank contractors, 2010 – 2015		The total payroll (\$1.9 M) and Inuit employment level (11%) of Meadowbank contractors has remained steady compared to 2013 and 2014 levels. However, contractor payroll and the contractor Inuit employment rate were both higher during the initial years of operation (2010-2012).
	Payroll estimation employees of contractors	→ neutral	
	Inuit employment rate of contractors	→ neutral	
2.2 Income by Kivalliq Community	Change in median employment income for Kivalliq Communities, 2004 – 2009 average to 2010 – 2014 average	↑ positive	Baker Lake, which has the highest number of Meadowbank employees, has also experienced the largest increase in median income since the beginning of production in 2010. The most recent data available are for 2014.
	Median income of tax filers by Kivalliq Communities, 2000 - 2015	↓ negative	Median income decreased in most Kivalliq communities (including Baker Lake) between 2013 and 2014. Median income increased in Arviat and Whale Cove, and remained steady in Nauyatt. The most recent data available are for 2014.

Symbols and terms used to explain trends

↑ Increasing

↓ Decreasing

→ Remaining stable

/ No discernable trend

■ **Positive** trend: movement towards the achievement of the desired impact or goal

■ **Negative** trend: movement away from the achievement of the desired impact or goal

■ **Neutral** trend: no observed movement in regard to the achievement of the desired impact or goal

¹ The FEIS also highlights the possibility of negative effects as a result of income inequality and personal choices to do with increased use of drugs and alcohol. See VSEC 7: Individual and Community Wellness for further discussion.

EXISTING MANAGEMENT & MITIGATION

Programs aimed at encouraging greater educational attainment, recruiting local employees, supporting professional development and skill advancement, and increasing local contracting and business opportunities can all have a positive supporting effect on income indicators in the Kivalliq. These programs are outlined in the respective sections of this report (VSEC 1, 3 and 4).

2.1 INCOME PAID TO MEADOWBANK INUIT EMPLOYEES

2.1.1 Predictions

The Meadowbank FEIS makes the following specific prediction with regard to income paid to Meadowbank Inuit employees:

- “Direct project wages paid to people in Kivalliq Region, primarily Baker Lake, could exceed \$4 M annually” (Cumberland Resources Ltd., 2006, p. 121)

2.1.2 Data & Trends

Chart 10 provides an overview of employment income paid to Meadowbank’s Inuit employees from 2010 to 2015.

Chart 10: Income paid to Meadowbank Inuit employees, 2010 – 2015 (source: Agnico Eagle)

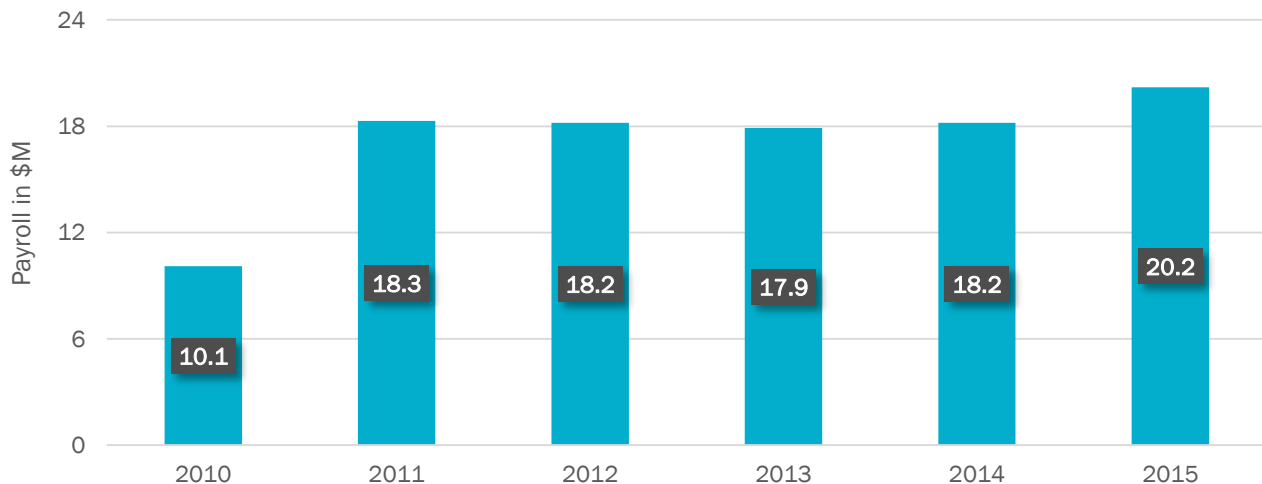
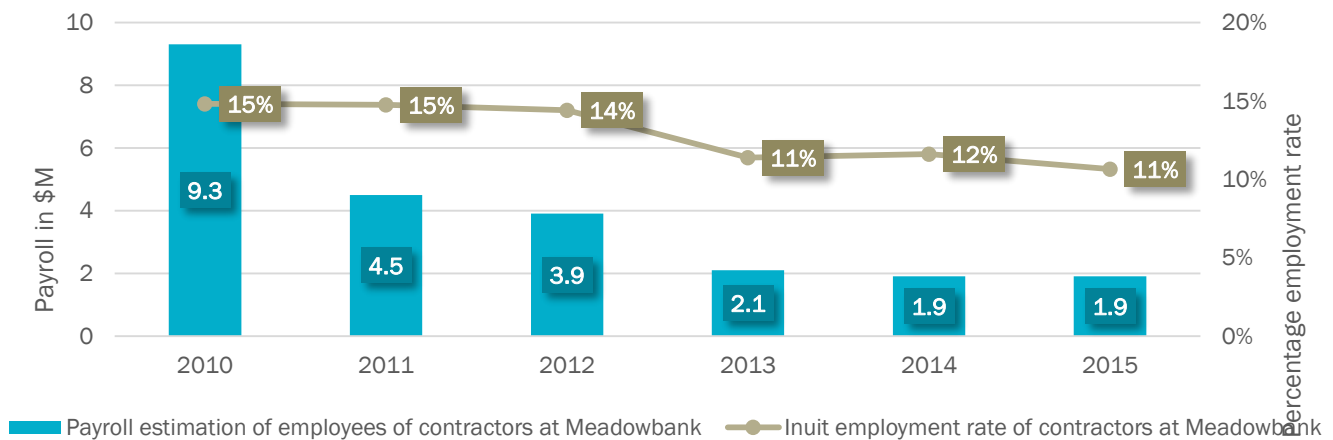


Chart 11, below, provides an overview of the estimated payroll paid to employees of contractors at Meadowbank, along with the Inuit employment rate of these contractors. No data on income paid to Inuit employees of Meadowbank contractors is available.

Chart 11: Income paid to Meadowbank contractors and Inuit employment rate of Meadowbank contractors, 2010 – 2015 (source: Agnico Eagle)



2.1.3 Interpretation

In 2015, total income paid to Meadowbank’s Inuit employees rose to \$20.2 M from \$18.2 M in 2014, a more than 10% increase. Total income for Inuit employees had been relatively constant at \$18 M per year since 2011. With 93% of Meadowbank’s Inuit workforce residing in the Kivalliq region (52% in Baker Lake), income in 2015 continues to significantly exceed (by more than four times) the FEIS prediction of \$4 million in direct project wages annually to Kivalliq residents.

The total payroll of Meadowbank contractors declined from 2010 to 2013 as the project transitioned from the construction to the production phase and income shifted from contractors to mine employees. Since then, the total payroll of Meadowbank contractors has remained relatively constant (approximately \$2 M per year) as has the average level of Inuit employment among those contractors (11 – 12 %). Based on these payroll and Inuit employment levels, the total income of Inuit employed by contractors is relatively small compared to the total income of Inuit employed directly by Meadowbank.

2.2 INCOME BY KIVALLIQ COMMUNITY

2.2.1 Predictions

The Meadowbank FEIS makes no specific predictions regarding changes in the median income of Kivalliq communities, but does predict that Baker Lake will experience the most positive effects of increased income.

2.2.2 Data & Trends

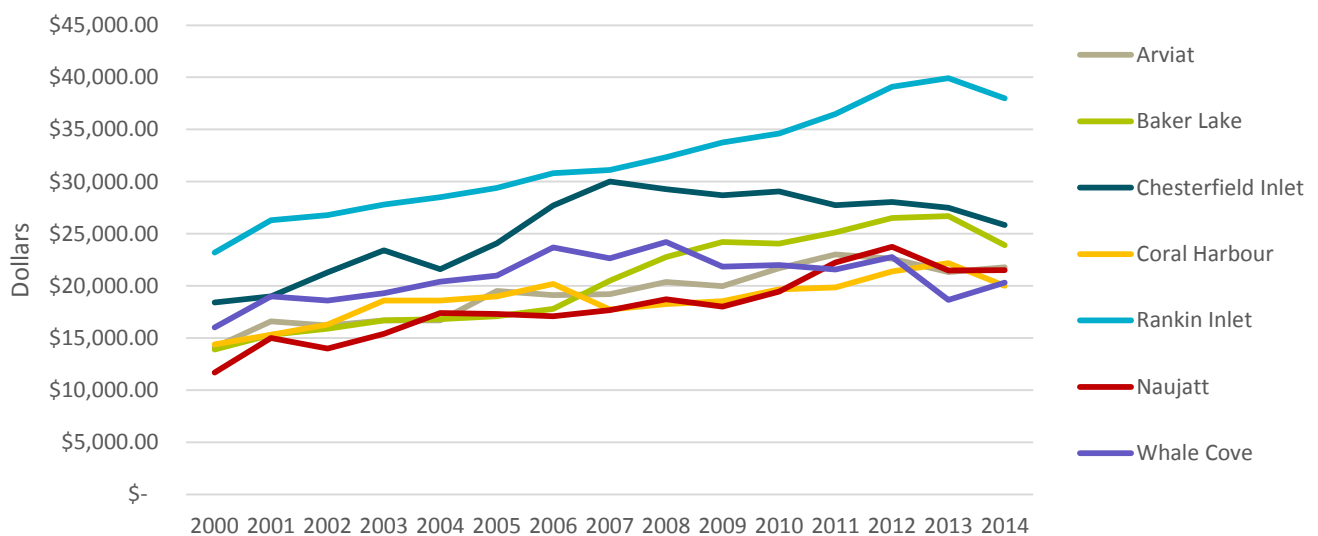
Table 2 shows the change in median income in Kivalliq communities before and after Meadowbank started operations. The change is the difference between the average median income from 2004 to 2009 and average median income from 2010 to 2014. This table also includes the number of Meadowbank employees working in each community in 2015

Chart 12 shows the median income of tax filers in each Kivalliq community from 2000 through to 2014, the latest year for which data is available.

Table 2: Change in median employment income for Kivalliq communities, 2004 – 2009 average to 2010 – 2014 average (sources: Agnico Eagle; (Statistics Canada, 2016))

Community	Number of employees, 2015	Change in median Income ²
Arviat	57	15.4%
Baker Lake	156	27.1%
Chesterfield Inlet	8	2.8%
Coral Harbour	3	10.2%
Rankin Inlet	42	21.4%
Naujaat	6	22.6%
Whale Cove	21	-5.6%

Chart 12: Median income of tax filers by Kivalliq communities, 2000 - 2014 (source: (Statistics Canada, 2016))



2.2.3 Interpretation

Table 2 shows the change in median employment income and the number of Meadowbank employees in each community. Baker Lake, which has the highest number of Meadowbank employees, experienced the largest increase in median income. It is recognized that other factors influence median employment income in each community (spin-off effects, unrelated economic development, changes in public sector employment, etc.) and that these factors may mask the effect of Meadowbank employment income, especially for communities that have relatively few Meadowbank employees or that have a high median employment income to start with (e.g. Rankin Inlet, as the Government of Nunavut regional centre for the Kivalliq Region, has significant public sector employment).

² Based on percent change of the average median income of tax filers from 2004 – 2009 and the average median income of tax filers from 2010 to 2013

VSEC 3: Contracting and Business Opportunities

Impact / Goal Statement

Increased opportunities and growth for local and Inuit owned businesses

FEIS Prediction

“The potential impacts of business expansion and creation are likely to take some time to gain momentum, but overall are considered of high magnitude, positive, long term and of high significance, particularly to those individuals and their families who are able to benefit. The impacts at the community level, of moderate significance, are most likely to be seen in Baker Lake and Rankin Inlet, but some stimulus to business will be felt across the region.” (Cumberland Resources Ltd., 2006, p. 121)

Two indicators are used to measure and understand Meadowbank’s impact on business opportunities and development in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS employment prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
3.1 Contract Expenditures	Contract expenditures on Baker Lake and Nunavut-based businesses, 2011 – 2015		In 2015, absolute contract expenditures on Nunavut-based businesses and NTI businesses increased (by \$24M and \$29M respectively), while those for Baker Lake-based businesses decreased (by \$11M). While these contract expenditures remain significant, they are lower than in 2011-2013 and represent a lower proportion of total contract expenditures. The FEIS prediction of a ‘high magnitude, positive, and long-term’ impact appears to have been realized thus far, despite a long-term trend of declining contract expenditure.
	<i>Contract expenditures on Baker Lake-based businesses</i>	↓ negative	
	<i>Contract expenditures on all Nunavut-based businesses</i>	↑ positive	
	<i>Proportion of contract expenditures on Nunavut-based businesses</i>	↓ negative	
	Contract expenditures on NTI registered businesses, 2011 - 2015		
	<i>Contract expenditures on NTI-based businesses</i>	↑ positive	
	<i>Proportion of contract expenditures on NTI-based businesses</i>	↑ positive	
3.2 Registered Inuit-Owned Businesses in the Kivalliq Region	Inuit-owned businesses in the Kivalliq region, 2010 – 2015	→ neutral	The number of registered Inuit-owned business remained steady compared to 2014. There has been a net increase in the number of Inuit-owned businesses in Kivalliq since 2010, but still fewer than in 2007. Given the many factors affecting business expansion and creation, it is difficult to attribute the observed impacts.

Symbols and terms used to explain trends

↑ Increasing

↓ Decreasing

→ Remaining stable

/ No discernable trend

■ **Positive** trend: movement towards the achievement of the desired impact or goal

■ **Negative** trend: movement away from the achievement of the desired impact or goal

■ **Neutral** trend: no observed movement in regard to the achievement of the desired impact or goal

EXISTING MANAGEMENT & MITIGATION

The Meadowbank IIBA acts as the primary vehicle for increasing the level of Inuit participation in Meadowbank contracting. Additionally, Meadowbank launched the Inuit Business Opportunities Initiative in order to support the implementation of the commitments outlined in the IIBA. Details are provided in the table below.

Table 3: Agnico Eagle Contracting and Business Opportunities Management and Mitigation Initiatives

Initiative	Purpose / Description / Outcomes
Agnico Eagle’s Inuit Business Opportunities Initiative	<p>Agnico Eagle launched the Inuit Business Opportunities Initiative in April, 2010 to support local and Inuit business contracting. The strategy was designed to guide outsourcing processes for Inuit firms, and guide the role of Agnico Eagle to help Inuit businesses participate in contract opportunities at Meadowbank. The initiative ensures that all Inuit businesses gain a competitive opportunity to bid on contracts for the supply of goods and services.</p> <p>Since the launch of the initiative, Agnico Eagle has developed and maintained a database of Inuit Companies that informs Agnico Eagle buyers of what areas of goods or services an Inuit company is interested in providing, who their JV partner is and contact information. Agnico Eagle uses this database to provide RFP schedules, communicate with suppliers and automatically issue RFP documents in advance of public advertising of RFPs. The database includes 76 categories of goods and services that are required by Meadowbank, from work gloves to heavy equipment rentals to construction services. There are 54 Inuit Companies who have indicated an interest in providing these goods or services.</p>
Inuit Impact Benefit Agreement	<p>Schedule F of the Meadowbank IIBA includes procedures to increase the participation of Inuit firms in providing goods and services to the Meadowbank project and to improve the capacity of Inuit firms to obtain contracts with the Meadowbank Mine. These procedures include the application of Inuit preference points in evaluating and awarding contracts, as well as a requirement to report on contracts awarded to Inuit firms in the annual IIBA Implementation report by contract classification type.</p> <p>Under the IIBA, Agnico Eagle is also required to have contractors that represented, as part of their bid, the intention to achieve a stated level of Inuit employment in the labour force engaged in the performance of the contract, to prepare a Contractor’s Inuit Employment Plan (CIEP). These plans are intended to affirm the contractor’s commitment to achieving the stated level of Inuit employment, describe how they plan on achieving it, and provide basic data on Inuit participation.</p>

3.1 CONTRACT EXPENDITURES

3.1.1 Predictions

The Meadowbank FEIS makes the following specific prediction regarding contract expenditures:

- “With continuing preferential contracting, local business participation in the project is expected to grow with time.” (Cumberland Resources Ltd., 2006, p. 7)

3.1.2 Data & Trends

Chart 13 shows the value and proportion of contract expenditures that went to Nunavut-based businesses (businesses registered in Nunavut) over time.

Chart 13: Contract Expenditures on Baker Lake and Nunavut-Based Businesses, 2011 – 2015 (source: Agnico Eagle)

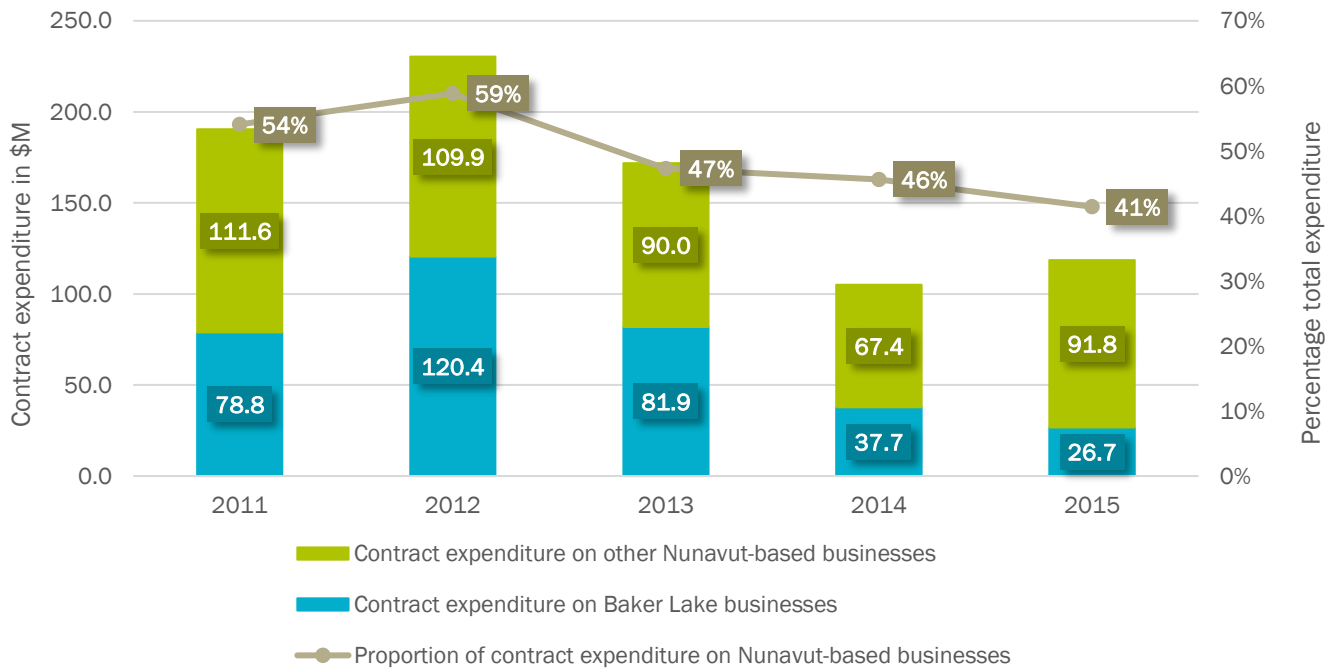
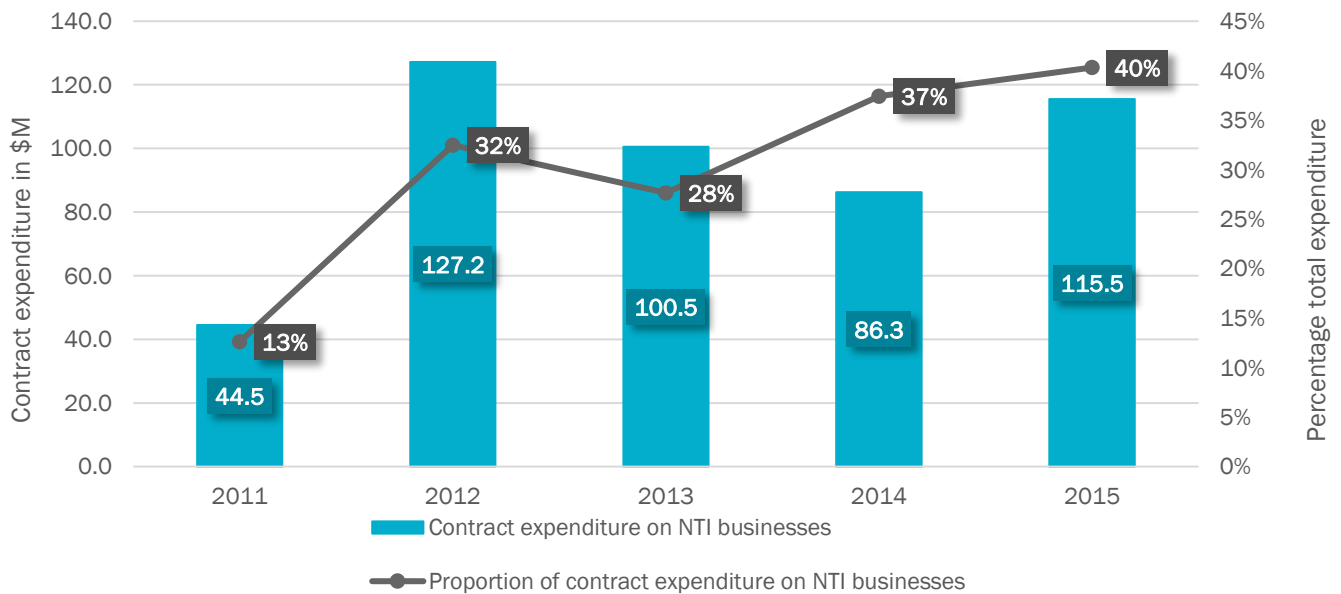


Chart 14, below, shows the value and proportion of contract expenditures that went to NTI-registered businesses, which are Inuit-owned businesses, over time.

Chart 14: Contract Expenditures on NTI Registered Businesses, 2011 – 2015 (source: Agnico Eagle)



3.1.3 Interpretation

In absolute dollar terms, Agnico Eagle’s contract expenditures on Nunavut-based businesses rose slightly in 2015. In general, however, contract expenditures in recent years (2014, 2015) are much lower than in the early years of operation (2011, 2012). Expenditures on Nunavut-based businesses represents a lower percentage of overall contract expenditures in 2015

(41%) than in 2014 (46%), continuing a downward trend from a peak level of 59% in 2012. As anticipated, Baker Lake based businesses have received a significant portion of those expenditures, although their relative share has been decreasing since 2012.

Expenditures on Inuit-owned businesses (NTI-registered) increased in 2015, consistent with the trend for total contract expenditures. While the recent trend for total contract expenditures had been decreasing prior to 2015, the NTI-registered businesses' relative share of contract expenditures has been on an upward trend since 2013, representing 40% in 2015, which is the highest level yet achieved.

At the time of the FEIS, 25% of exploration expenditures went to Nunavut-based businesses. As indicated above, local business participation (Nunavut-based businesses and of NTI registered businesses) has exceeded this level since 2012, although contract expenditures in absolute dollars, including those for Nunavut-based businesses, have been declining.

Agnico Eagle cites two primary reasons for the overall decline in contract expenditures, which have fallen by nearly half from 2012 values. The first of these is the postponement of a number of capital projects due to the low price of gold. Given their labor-intensive nature, capital projects typically require the engagement of many contractors. Additionally, there has been a temporary cessation of exploration activity at Meadowbank over the past few years as the company has shifted more of its resources towards the Meliadine exploration project. Exploration activity generally relies heavily on contractors (e.g. drilling contractors).

The slight increase in contract expenditures in 2015 can be linked to an increase in exploration activity near Meadowbank, in particular exploration and drilling activity at the Amaruq deposit near Meadowbank, including an estimated \$20 million drilling program conducted in 2015. The Meadowbank mine purchases many of the goods and supplies used at Amaruq.

3.2 REGISTERED INUIT-OWNED BUSINESSES IN THE KIVALLIQ REGION

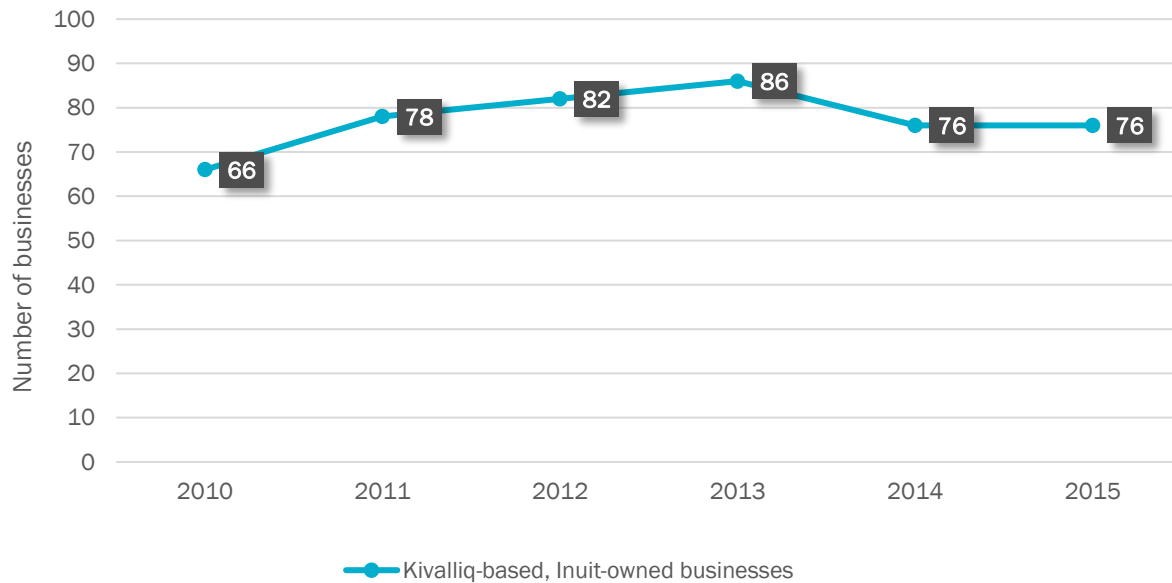
3.2.1 Predictions

There are no specific predictions in the Cumberland FEIS regarding overall numbers of Inuit-owned businesses in the Kivalliq region.

3.2.2 Data & Trends

Chart 15 below outlines the number of Inuit-owned businesses registered with NTI. Since 2011, Meadowbank has issued 23 contracts to Inuit-owned businesses (IIBA implementation report, 2015).

Chart 15: Inuit-Owned Businesses in the Kivalliq Region, 2010 – 2015 (source: (Nunavut Tunngavik Inc., 2016))



3.2.3 Interpretation

The total number of Inuit-owned businesses increased from 2010 until 2013, declined in 2014, and remained stable in 2015. Since 2011, Meadowbank has issued 23 contracts to Inuit-owned businesses (IIBA implementation report, 2015), which may have contributed positively to the observed increase in the number of Inuit-owned businesses in the region between 2010 and 2013. Given the multitude of factors affecting the number of businesses, and the relatively few businesses directly contracted by Meadowbank, it is difficult to attribute these impacts.

VSEC 4: Education and Training

Impact / Goal Statement

- A. Improved educational attainment in Kivalliq communities (i.e. high school graduation rates)
- B. Increased mining-related skill level of Kivalliq workforce
- C. Improved job performance and promotion at Meadowbank

FEIS Prediction

“The potential impacts of education and training are considered of medium magnitude, positive, long term and of high significance, specifically to those individuals and their families who are able to benefit.” (Cumberland Resources Ltd., 2006, p. 121)

Five indicators are used to measure and understand Meadowbank’s impact on education and training of employees and Kivalliq residents, as well as progress towards meeting the impact / goal statements outlined above, and performance relative to the overarching Meadowbank FEIS employment prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions	Symbols and terms used to explain trends ↑ Increasing ↓ Decreasing → Remaining stable / No discernible trend ■ Positive trend: movement towards the achievement of the desired impact or goal ■ Negative trend: movement away from the achievement of the desired impact or goal ■ Neutral trend: no observed movement in regard to the achievement of the desired impact or goal
4.1 Investments in School-Based Initiatives	Agnico Eagle investments in school-based initiatives, 2010 – 2015	↓ negative	Up until 2014, Agnico Eagle contributed approximately \$284,000/year to a variety of school-based initiatives. With the expiry of the MOU with the Department of Education in 2015, these contributions dropped significantly in 2015 (to \$39,000).	
4.2 Secondary School Graduation Rates by Region	Secondary school graduation rate by region, 2000 – 2015	/	The graduation rate in Kivalliq region has fluctuated since the opening of the Meadowbank mine, with no significant trend since 2010. However, graduation rates in Kivalliq region have been at all-time highs for the region, and consistently higher than those in the other two regions, since 2010.	
4.3 Mine Training and Education	Agnico Eagle investments in mine training and education programs, 2010 – 2015	→ neutral	There has been a consistent level of investment by AEM (~\$3.8M/year) in external mine training programs over the past three years (e.g. Kivalliq Mine Training Society). Support for, and participation in, in-house training and apprenticeship programs has been steady throughout the mine’s operation.	
	Total training hours provided to Nunavut and non-Nunavut based employees, 2010 – 2015	↑ positive	Total and specific training hours provided to Nunavut-based employees increased in 2015. In 2015, the number of graduates from the haul truck driver program decreased from 33 to 25. Annual fluctuations in the number of specific training hours and haul truck driver program graduates largely reflect changing demand at Meadowbank for additional positions for which specific training is provided.	
	Specific training hours provided per Inuit and non-Inuit employee, 2012 - 2015	↑ positive		
	Number of Haul Truck driver program graduates, 2010 – 2015	↓ neutral		
4.4 Percentage of Total Population with Trade Certificates	Percentage of total population with trade certificates & registered apprenticeship certificates in Nunavut and Canada, 2011	/	As data on this metric are currently limited to a single year, we can establish a baseline value for these indicators but cannot discern any trends.	
	Number of apprenticeships by Kivalliq community, 2016	/		
4.5 Inuit Employees by Skill Level	Proportion of Inuit employment by skill level, 2014 – 2015	/	The data do not indicate an overall career path progression of Inuit employees to higher skill level jobs (e.g. Inuit moving from semi-skilled to skilled positions), despite AEM’s investment in education and training programs. The less tangible benefits of training and education, such as increased self-confidence and sharing of skills and knowledge within families, were not assessed.	

EXISTING MANAGEMENT & MITIGATION

Agnico Eagle offers a number of programs to increase general educational and skills attainment among Kivalliq residents as well as training, career development and upward mobility programs for existing employees.

Table 4: Agnico Eagle Employment Management and Mitigation Initiatives

Program	Purpose / Description / Outcomes
MOU with Department of Education	<p>A Memorandum of Understanding was signed in April 2012 to establish a strengthened partnership between the Government of Nunavut Department of Education and Agnico Eagle, with a focus on increasing the number of students in the Kivalliq region who are able to successfully transition from high school to trades and mining-related career opportunities. This work involved <i>Mining Matters</i>, a branch of the Prospectors and Developers Association of Canada (PDAC) that is dedicated to bringing knowledge and awareness about Canada's geology and mineral resources to students and educators. In 2013 Agnico Eagle and the <i>Mining Matters</i> group participated with the GN Department of Education, Curriculum Review Services to assist in a review of the Earth Sciences Curriculum of Nunavut Schools. During 2014, Agnico Eagle continued to sponsor the Mining Matters program as part of the MOU with Education. Agnico Eagle continued to pursue a renewed MOU with the Department of Education during 2016 and is hoping to re-establish an agreement in 2017. Agnico Eagle is working with the Baker Lake Education Authority to organize and deliver a range of education initiatives, including the <i>Mining Matters</i> program that will be delivered in 2017.</p>
Kivalliq Science Educations Community	<p>In 2015 Agnico Eagle invested \$25,000.00 towards the regional Math Camp, Science Camp and Kivalliq Science Fair programs operated by the Kivalliq Science Educators Community. The regional Science camp was organized just outside of Whale Cove and the weeklong program included a mix of traditional, cultural and educational studies related to sciences. The program provides science credits to participants.</p>
Kivalliq Mine Training Society	<p>The KMTS is an Inuit-private sector partnership created to strengthen the Kivalliq region labour force through the creation and funding of training opportunities in the seven Kivalliq hamlets. Agnico Eagle has provided \$6.8 million in cash and in kind support towards the overall initiative. The KMTS has also enjoyed financial support from the Nunavut Department of Economic Development and Transportation. Over a two year period, from April 2013 to the end of March 2015 the KMTS program was valued at approximately \$9.5 million.</p> <p>A one year extension of the program for 2015-16 has been approved by Employment and Social Development Canada (ESDC). The 2015-16 KMTS program is valued at \$3.65 Million to the end of March 2016, of which Agnico Eagle will contribute \$2.18 Million. A further extension of the program is currently being considered by the KMTS Board for 2016-17.</p> <p>A major focus of the KMTS program has been to support Agnico Eagle's Mine Training Initiatives, such as the Career Path, Apprenticeship and Haul Truck Operators' programs.</p> <p>The KMTS supported the development and delivery of the community based Work Readiness and Labour Pool initiatives (described in greater detail below) to help prepare Inuit for employment opportunities. The KMTS also supported the Arviat Drillers program as well as some other community-based initiatives, such as the Making it Work program, which provide support to employees and their families to cope with the challenges that come with employment.</p>
Labour Pool Initiative	<p>The Labour Pool initiative, implemented in 2014, is based on an agreement between Agnico Eagle, the KMTS and the KIA to offer pre-employment opportunities to Inuit from all Kivalliq communities.</p> <p>The goal of the program is to pre-qualify candidates from Kivalliq communities through 3 steps: online application (usually facilitated by Employment Information Sessions), the Work Readiness Program and the Site Readiness Program (more details provided below). In 2015, Agnico Eagle visited six Kivalliq communities (Arviat, Baker Lake, Chesterfield Inlet, Coral Harbor, Rankin Inlet and Whale Cove) to provide information sessions and conduct</p>

	interviews with potential candidates. In 2016 Agnico plans to review and revise the program and introduce new components to the Labour Pool initiative.
Work Readiness Training Program	<p>In collaboration with the Kivalliq Mine Training Society (KMTS), Agnico Eagle developed a Work Readiness Training program as a pre-employment initiative. The Work Readiness program is the first step of the Labour Pool initiative for those individuals who have applied online.</p> <p>The objective of the program is for Inuit workers to be better prepared for the work environment in an industrial setting. Graduates of the program are eligible to join the Agnico Eagle Labour Pool. The program provides coaching on a range of issues including: awareness of employers' unspoken expectations, communication in the workplace, and problem solving skills for resolving workplace issues.</p> <p>The program was implemented in April 2013. The program is delivered over a 5 day period at the community level and is scheduled throughout the year. In 2015, the program was delivered in six Kivalliq communities resulting in 155 graduates from various communities.</p>
Site Readiness Program (formerly Orientation Week)	<p>The Site Readiness Program is an updated program that replaced "Orientation Week", which was implemented in April 2015. This program is the second step of the Labour Pool initiative, following the Work Readiness Program. Graduates of the Site Readiness Program are eligible to enter the Labour Pool.</p> <p>The Site Readiness program was built to enhance the worksite orientation for new employees and consists of a one-week on the job training and orientation plan. The Site Readiness program is still in development but provides an opportunity for individuals to see the different careers and opportunities that the mine can offer. They are also provided various training opportunities, site visits, job initiation, information sessions and interviews/discussions about employment. This provides individuals an opportunity to better identify their own career ambitions and work interests at the mine, and this information can feed the Labour Pool.</p> <p>In 2015, 111 individuals participated in Orientation Week.</p>
Summer Student Employment Program	<p>Agnico Eagle offers a summer employment program for the children of all Agnico Eagle employees who are participating in university-level education. In 2015, the Meadowbank mine offered 10 students positions per rotation, for a total of 20 positions available for students. There were 21 applications, of which 19 were selected. There were no applications from Inuit employees in 2015.</p> <p>In 2015, Agnico advertised a new summer student program to attract Inuit post-secondary student's from across the Kivalliq communities, including students enrolled in trade programs at Nunavut Arctic College and in the Nunavut Sivuniksavut program. This program was advertised in each Kivalliq Community. There were 6 applications, of which 3 were declined as they were under the age of 18. Two applicants worked at Meadowbank mine and one worked at the Rankin Inlet office. The program will be offered again in 2016 and will be advertised in all Kivalliq communities.</p>
Haul Truck Driver Training	<p>The Haul Truck Driver Training program is a 28 day (336 hour) program to certify haul truck operators, which includes training on a simulator, in the classroom, and on the job. The program is aimed at existing employees in entry level positions (dishwashers, janitors, chambermaids, etc.).</p> <p>In 2015, 28 Inuit workers (including 7 women) were enrolled. Among those, 25 Haul Truck Trainees (including 6 women) successfully completed the program. Agnico Eagle plans to train 36 new haul truck operators in 2016.</p>
Process Plant Trainee Program	<p>With the success of the Haul Truck Trainee Program, a new Process Plant Trainee Program was developed in 2015. The 28 day program provides employees with an understanding of the mining and milling process and trains them to be competent and certified to fill positions as a process plant helper or a utility person. Launched in April 2015, a total of 10 employees participated in the new program throughout the year. In 2016, 8 trainees are scheduled to enter the program.</p>
Arviat Community	<p>In 2011, the Hamlet of Arviat proposed a partnership to invest in a community-based drilling school that would provide Inuit with the skills needed to work in diamond drilling. With advice and support from Agnico Eagle, the</p>

<p>Training Programs</p>	<p>Hamlet brought together a range of partners to acquire the drilling equipment, develop the curriculum, and operate the training program. Government training agencies, the KIA, and drilling companies provided partnership investments. In 2013 the programs was expanded to include a Welders Helpers program.</p> <p>The 2015 drillers program took place between April and June and 12 students participated, of whom 11 graduated. Over the past 4 years the program has graduated 65 trained driller’s helpers, all of whom have found employment. 2015 saw the program switch its focus to training welders.</p>
<p>Career Path Program</p>	<p>The Career Path Program was designed in 2012 with the intention of supporting upward mobility of Inuit employees at Meadowbank. This program identifies the incremental steps that an employee is required to complete to advance in their chosen career of interest. The Career Path system is currently available in four departments on site: Mine, Maintenance, Process Plant and Energy & Infrastructure. Some of these departments have multiple career paths available.</p> <p>In 2015 the total number of Career Paths available was six (6) including drilling, mine heavy equipment, heavy equipment maintenance, road maintenance, process plant operation, and building mechanic, the latter two being new for 2015. In 2016 the maintenance career path will be updated to include the integration of the Apprenticeship Program.</p> <p>The objective of the Career Path Program is to have only internal promotions for Inuit, and for no external candidates (southerners) to be hired to fill a position that is part of the program.</p>
<p>Training Curriculum</p>	<p>The Training Curriculum program, implemented in 2014, provides tools, tips, guideline and standards to improve the proficiency of Meadowbank trainers. The formal manual includes three sections: training theory, training standards, and training delivery.</p>
<p>E-Learning Training at Meadowbank</p>	<p>Before coming to Meadowbank for the first time, newly hired employees must complete their Mandatory Training on-line. The General Induction chapter provides general information about Agnico Eagle and working life at Meadowbank Mine. The training also ensures that all workers are trained on health and safety matters such as WHMIS, fire extinguishers, etc. prior coming on site. Process plant induction, as well as chemical awareness training, were implemented as e-learning modules in September 2015.</p>
<p>Training and Learning Management System</p>	<p>The Training Management System (TMS) as well as the Learning Management System (LMS) were initially implemented in 2013 in order to ensure better management of training activities and to monitor the proper management of the e-learning training. In response to the GN’s request for increased information on training programs in 2014, both systems were modified in 2015. The systems are now capable of producing more detailed reports: by training program, by participation level, by graduation level and by hour.</p>
<p>Apprenticeship Training at Meadowbank</p>	<p>An Apprenticeship Program for the training of Inuit employees in skilled trades is currently under review at Meadowbank. Many fields of study are now available, with Agnico Eagle aiming to expand the range of trades available for apprenticeship at Meadowbank. The apprentice positions lead employees to work in various departments such as Mobile Maintenance, Site Services, Process Plant (Maintenance), Kitchen, and Electrical. In collaboration with the Kivalliq Mine Training Society and Nunavut Arctic College, Meadowbank is also supporting a pre-trade program to support Inuit who lack basic levels of literacy and numeracy required for trade apprenticeships.</p> <p>Seven Inuit employees were enrolled in the pre-trades assessment program in 2015, including 2 women and 5 men.</p> <p>At the end of December 2015, Agnico’s apprenticeship program supported 9 apprentices and 7 pre-apprentices who are alternating between trades school and work, and produced two graduate apprentices who received their Red Seal certification.</p>

4.1 INVESTMENTS IN SCHOOL-BASED INITIATIVES

4.1.1 Predictions

The Meadowbank FEIS makes the following commitment regarding investments in school-based initiatives:

- “Cumberland and KIA will address the need for a broader based project education and training initiatives [sic] to assist those who wish to develop skills that will position them for project employment. This [sic] education and training initiatives [sic] will also include an element to address motivational issues around getting children through high school. Such measures would be intended to contribute to encouraging a commitment to education on the part of youth.” (Cumberland Resources Ltd., 2006, p. 121)

4.1.2 Data & Trends

Table 5 shows Agnico Eagle’s investments in a range of school-based initiatives along with the number of participants, where available.

Table 5: Agnico Eagle Investments in School-Based Initiatives, 2010 – 2015 (source: Agnico Eagle)

Program	Measurement	2010	2011	2012	2013	2014	2015
Mining Matters Science Program	Investment (\$)	\$0	\$90,000	\$80,000	\$70,000	\$70,000	\$0
	# of Community schools to which the program was delivered	0	4	3	4	3	0
Kivalliq Science Educators Community Programs (Science Fairs, Math Fairs, Science Camp)	Investment (\$)	\$0	\$15,000	\$15,000	\$25,000	\$25,000	\$25,000
	# of Participants (only Science camp measured in 2011 & 2012)	0	36	36	1,307	1,578	1,420
MOU with Department of Education Programs	Cash and In-kind support	\$0	\$175,000	\$175,000	\$175,000	\$175,000	\$0
	Estimated Participants in TASK week (Baker Lake, Arviat & Chesterfield Communities)	0	0	60	65	0	60
	Estimated Participants in Career Fairs (all Kivalliq Communities)	400	400	400	400	400	400
Agnico provides the KIA with annual funds to invest specifically in scholarships	Value of Agnico Eagle investment	\$14,000	\$14,000	\$14,000	\$14,000	\$14,000	\$14,000
Total Investment		\$14,000	\$294,000	\$284,000	\$284,000	\$284,000	\$39,000

4.1.3 Interpretation

Up until 2014, Agnico Eagle has made total annual contributions of approximately \$284,000/year to a variety of school-based initiatives with the goals of building interest in math, science and mining among school-aged children; motivating students with scholarships and career opportunities; and increasing educational outcomes overall in the Kivalliq region. With the expiry of the MOU with the Department of Education in 2015, these contributions have dropped significantly (\$39,000 in 2015).

A number of additional points of interpretation regarding the data presented in Table 5 include:

- Education-related investments by Agnico Eagle began in 2011, following the construction phase of the mine

- The TASK week program was put on hold in 2014 pending the outcome of a program review, explaining that year’s drop to 0 participants. The program operated again in 2015 with support from Baker Lake Education Authority.
- It is unlikely that the number of participants in career fairs is being measured with any level of robustness given the roundness and consistency of the values

4.2 SECONDARY SCHOOL GRADUATION RATES BY REGION

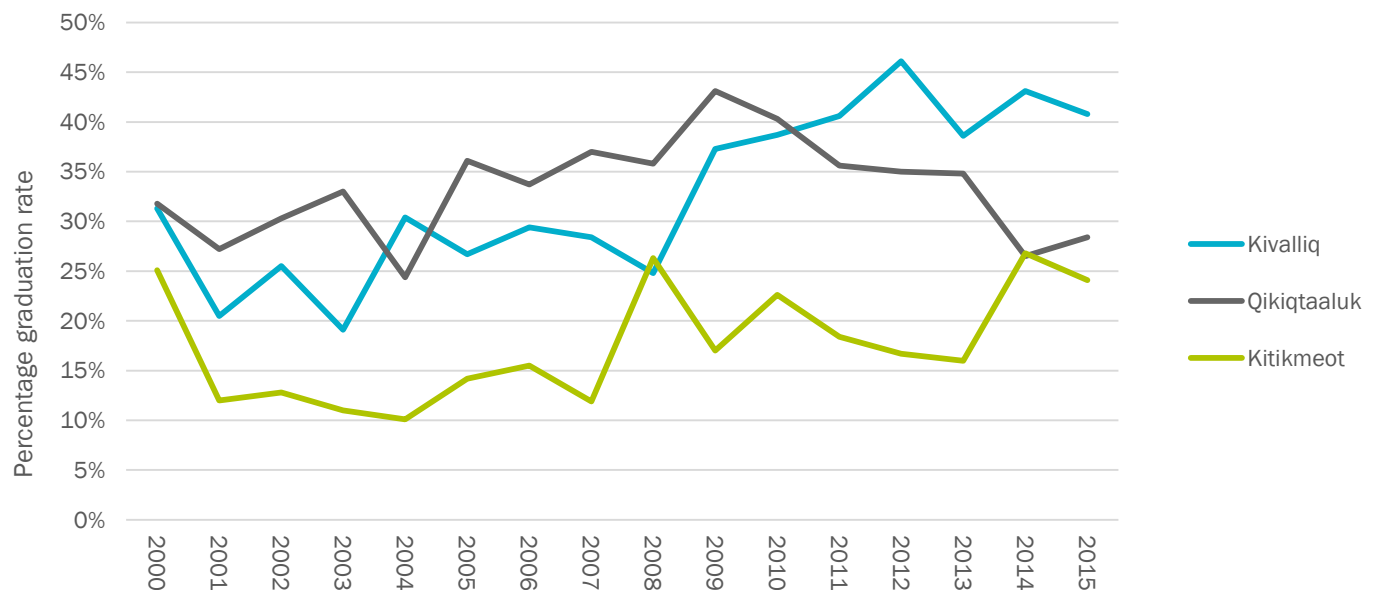
4.2.1 Predictions

There are no specific predictions made in the Meadowbank FEIS regarding school attendance or graduation.

4.2.2 Data & Trends

Chart 16, below, provides secondary school graduation rates by region between 1999 and 2015. Graduation rates by Kivalliq community were not available at the time of publishing.

Chart 16: Secondary School Graduation Rate by Region, 2000 – 2015 (source: (Government of Nunavut Department of Education, 2016))



4.2.3 Interpretation

The graduation rate in Kivalliq region has fluctuated since the opening of the Meadowbank mine with no significant trend since 2010. However, graduation rates in Kivalliq region have been at all-time highs for the region, and consistently higher than those in the other two regions, since 2010.

A range of complex and interacting factors affect graduation rates, including the housing shortage, household food insecurity, health status, social problems such as high rates of teenage pregnancy and substance abuse (higher than the rest of Canada), and the legacy of the residential school system (Office of the Auditor General, 2013). The Meadowbank mine may have an impact on some of these factors, as described in subsequent sections, but attribution is a challenge due to the multiple and interacting factors.

Graduation rates are useful measures but only provide a partial picture of the state of education in the Kivalliq region. The education system in Nunavut faces a number of policy and operational challenges which may result in students graduating without achieving required competencies (CBC News, 2015; Rohner, 2014). These challenges can lead to students graduating from high school with inadequate literacy, numeracy and problem solving skills, which can limit their employability and their access to training (e.g. inability to pass apprenticeship entrance exams). At the time of writing, no public data is available on student K-12 performance in Nunavut (i.e. performance relative to international standards or those of other jurisdictions) (Conference Board of Canada, 2014).

4.3 MINE TRAINING AND EDUCATION

4.3.1 Predictions

The Meadowbank FEIS makes the following commitments regarding investments in mine training and education-based initiatives:

- “Cumberland and KIA will address the need for broader based project education and training initiatives to assist those who wish to develop skills that will position them for project employment.” (Cumberland Resources Ltd., 2006, p. 121)
- “Provide on the job training... to improve skills towards improved job performance and promotion.” (Cumberland Resources Ltd., 2006, p. 121)

4.3.2 Data & Trends

Table 6 provides an overview of Agnico Eagle’s investments in mine training and education programs along with the number of participants, where available.

Table 6: Agnico Eagle Investments in Mine Training and Education Programs, 2010 – 2015 (source: Agnico Eagle)

Program	Measurement	2010	2011	2012	2013	2014	2015
Kivalliq Mine Training Society	Cash and in-kind support	\$1M	\$0	\$3.3M	\$3.6M	\$3.6M	\$3.6M
Arviat Diamond Drillers and Welders Program	Cash and in-kind support	\$250,000	\$60,000	\$190,000	\$190,000	\$190,000	\$190,000
	Number of graduates	12	24	12	24	18	18

The Kivalliq Mine Training Society (KMTS) has provided support for the development and delivery of community-based Work Readiness and Labour Pool initiatives to help prepare Inuit for employment opportunities. The KMTS has also supported the Arviat Drillers program, as well as some interesting community based initiatives, such as the Making it Work program and Community Net-work program, which have provided supports to communities to help employees and their families cope with the challenges that come with employment.

Chart 17 shows total training hours provided to Nunavut and non-Nunavut based employees, which includes the following three types of training:

- **Health and Safety training** includes mandatory training related to compliance with the Nunavut Mine Act, as well as training that is mandated according to Agnico Eagle Health and Safety policies. Many of these training sessions are offered via e-learning prior to the employee’s arrival on site. Other health and safety training relevant to an individual’s job is also provided on site.

- **General training** consists of training activities required at a departmental level and covers many employees working in different departments. General training includes training on light duty equipment as well as enterprise software systems and cross-cultural training.
- **Specific training** is focused on developing individual competencies related to a specific position. This training qualifies individual workers for promotion following their progression through the Career Path. These training programs are provided through a combination of in-classroom (theory) learning as well as practical (one-on-one) learning.

Chart 17: Total Training Hours Provided to Nunavut and Non-Nunavut Based Employees, 2010 – 2015 (source: Agnico Eagle)



Chart 18, below, provides an overview of specific training hours offered to Inuit and non-Inuit employees on a per employee basis. Specific training is focused on developing individual competencies related to a specific position and can be used to qualify employees for a promotion. 2010 and 2011 data are not available for this metric.

Chart 18: Specific Training Hours Provided per Inuit and non-Inuit Employees, 2012 - 2015 (source: Agnico Eagle)

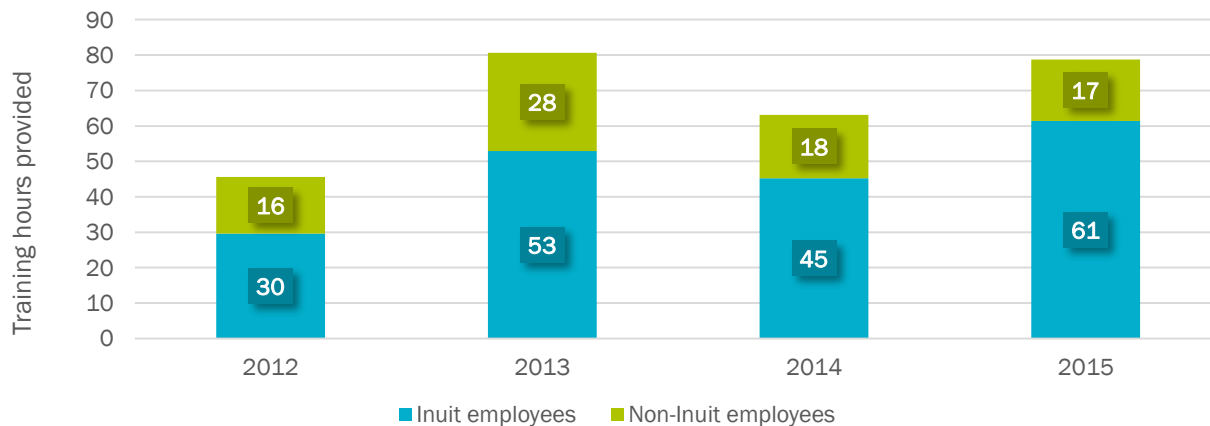


Chart 19, below, provides an overview of the number of graduates from the Haul Truck Driver Program between 2010 and 2015. 100% of graduates from this program are Inuit employees at Meadowbank.

Chart 19: Number of Haul Truck Driver Program Graduates, 2010 – 2015 (source: Agnico Eagle)

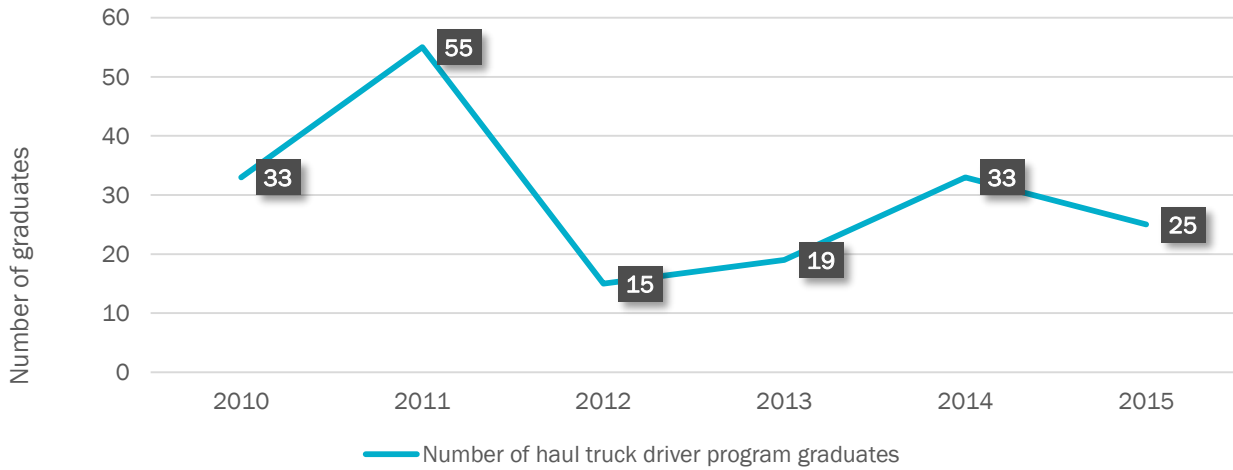
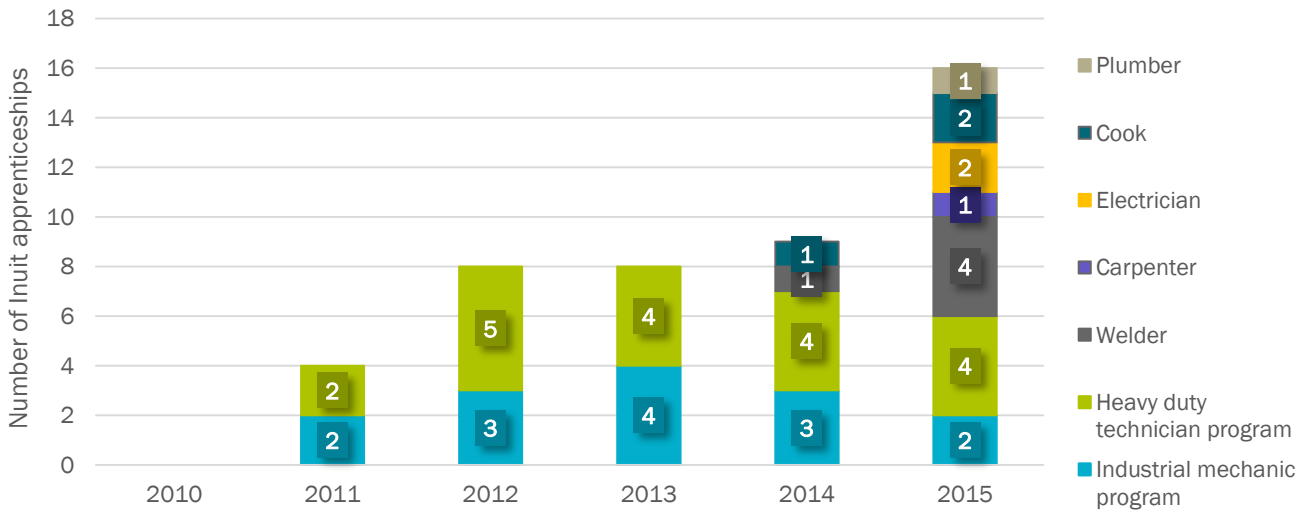


Chart 20 shows the number of Inuit employees in apprentice roles at Meadowbank, categorized by type of apprenticeship (industrial mechanic, heavy duty technician, or other).

Chart 20: Apprenticeships for Inuit Employees, 2010 – 2015 (source: Agnico Eagle)



4.3.3 Interpretation

Agnico Eagle’s financial investments in externally-delivered training programs have been steady at just under \$4M annually for the past four years, with the KMTS being the largest recipient. KMTS programs have delivered positive results in terms of Inuit participation, completion rates, and job placements.

The scope of, and participation in, in-house training programs has been relatively consistent throughout the mine’s operation. Annual fluctuations in the number of specific training hours and haul truck driver program graduates largely reflect changing demand at Meadowbank for additional positions for which specific training is provided. It is noted that in 2015, specific training hours per employee returned to 2013 levels, after declining in 2014, and the number of hours per Inuit employee reached its highest level (61 hours) since 2012.

The number of Inuit apprenticeships almost doubled in 2015. Agnico cites an increased number of potential apprentice trade areas, increased promotion of the program, and better management as factors for this success. Agnico eagle is the largest employer of apprentices across Nunavut.

In addition to current apprenticeships, 2015 saw the first two land claim beneficiaries graduate from Agnico Eagle’s apprenticeship program, with one receiving a certificate as millwright and the other a welder.

4.4 PERCENTAGE OF TOTAL POPULATION WITH TRADE CERTIFICATES

4.4.1 Predictions

There are no specific predictions made in the Meadowbank FEIS regarding the total population with trade certificates.

4.4.2 Data & Trends

Chart 21 provides an overview of the percentage of the population of both Canada and Nunavut who hold trade certificates or diplomas and registered apprenticeship certificates. No new data has become available since last year’s report.

Chart 21: Percentage of total population with trade certificates & registered apprenticeship certificates in Nunavut and Canada, 2011
(source: (Statistics Canada, 2011c))

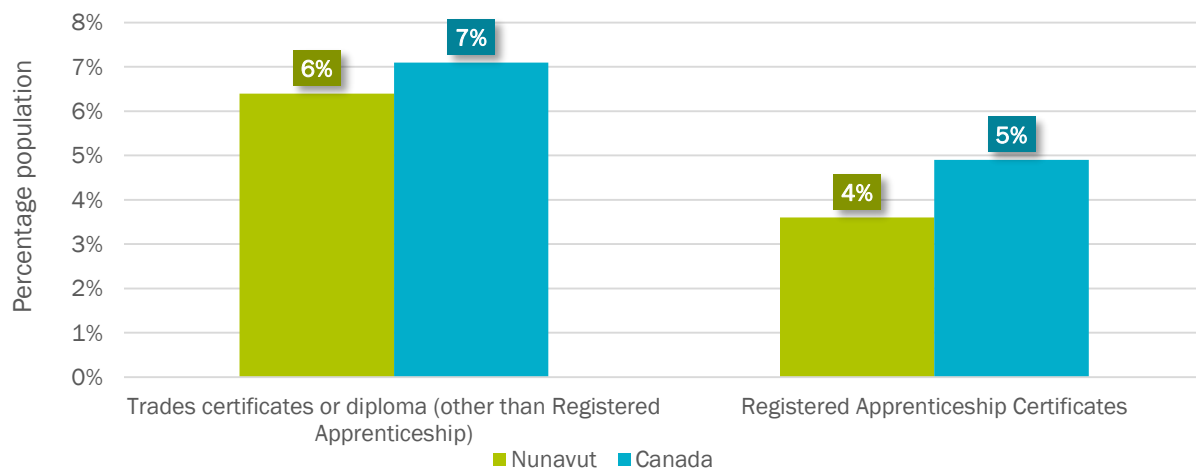
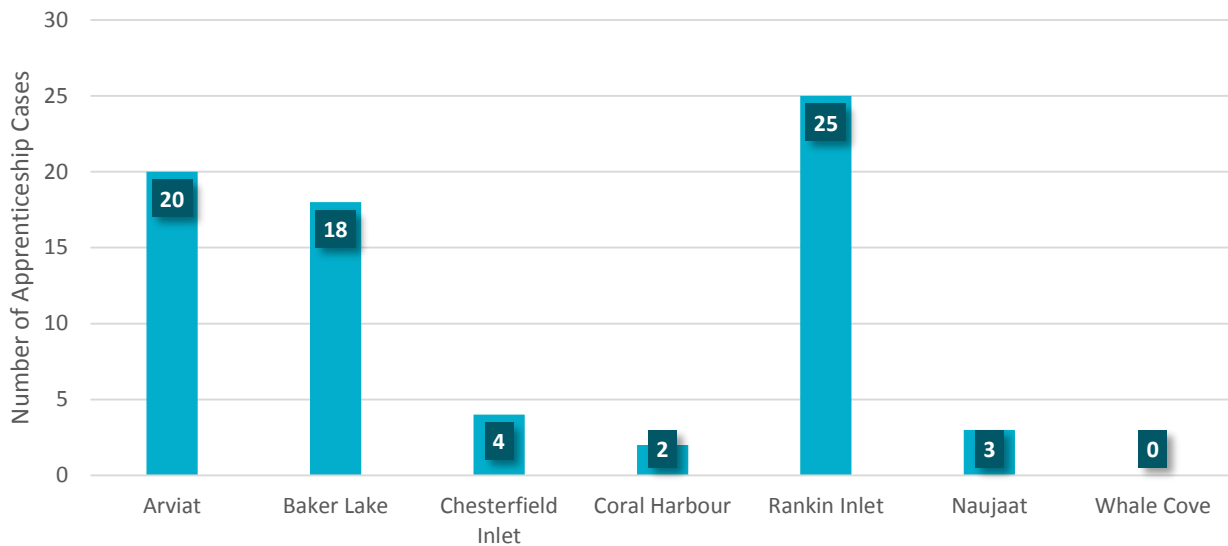


Chart 22 provides an overview of the number of apprenticeships in each Kivalliq community as of November, 2016. At the time of writing this report, data from previous years is unavailable.

Chart 22: Number of apprenticeships by Kivalliq community, 2016 (source: Department of Family Services, 2016)



4.4.3 Interpretation

Agnico Eagle supports a number of programs that lead to recognized industry certificate programs – and which could have an effect on the rates of trade certificates and registered apprenticeship certificates in the territory (e.g. the Arviat Drilling Program). Other programs, such as the Haul Truck Driver Training, do not provide industry certificates, and as such, would not be reflected in changes to this metric. As only single year data is available, the potential impacts of incentives and supports offered by the mine cannot be assessed.

4.5 INUIT EMPLOYEES BY SKILL LEVEL

4.5.1 Predictions

There are no specific predictions in the Cumberland FEIS regarding the skill level of Inuit employees at Meadowbank.

4.5.2 Data & Trends

Chart 23, below, provides an overview of the percentage of Inuit employees at each skill level between 2014 and 2015. Note that Agnico changed how various skill levels are classified in 2013 and 2014 (see note below). Due to these changes, year over year trends of Inuit employment by skill level cannot be drawn pre-2014.

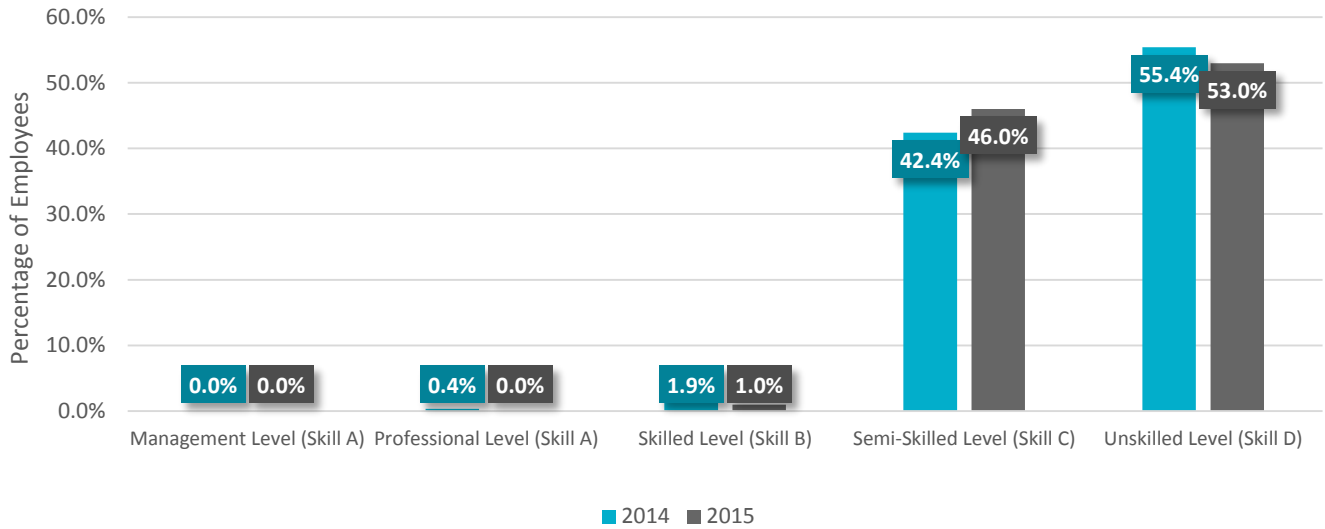
Note on Methodology for Classification of Jobs by Skill Level

In 2011 and 2012, Agnico Eagle used their own skills classification system to classify all jobs as either: Management, Skilled, Semi-Skilled or Unskilled. In 2013, at the request of the GN, Agnico Eagle began to employ a skills classification system based on the National Occupations Classification System (NOC). The system was reviewed again in 2014, resulting in a new category called ‘Professional’, to better differentiate positions within recognized occupations and those requiring university education. These types of positions were previously included in the category ‘Skilled’.

In addition, as a result of these changes, some positions previously considered as ‘Skilled’ are now classified under the ‘Semi-Skilled’ category in order to more accurately clarify levels of qualification. For example, heavy equipment operator positions,

which do not require the same education level required of skilled trades positions such as electricians, were moved from the 'Skilled' category to the "Semi-Skilled' category.

Chart 23: Proportion of Inuit Employment by Skill Level, 2014 – 2015 (source: Agnico Eagle)



4.5.3 Interpretation

In 2015, all but 3 Inuit employees hold unskilled and semi-skilled jobs. There are no indications in the data of increasing Inuit employment at "skilled" or higher job classifications despite individual success stories of Inuit employees advancing within the company as a result of training and education. The 2015 data may suggest that some employees have been promoted from the unskilled category to the semi-skilled category. It is possible that the promotion of Inuit workers at the mine is sometimes offset by the turnover of Inuit employees at higher skills, but more data and analysis are required to understand causes and trends.

VSEC 5: Culture and Traditional Lifestyle

Impact / Goal Statement

Respect and support for Inuit culture and traditional lifestyle in the workplace and in communities

FEIS Prediction

“There is potential for both negative and positive impacts, of any magnitude, on traditional ways of life, which could be of high significance. Any net impact, since it would be an impact of cultural change, would be long term and continue beyond the life of the project. The impact would be experienced primarily in Baker Lake.” (Cumberland Resources Ltd., 2006, p. 123)

Three indicators are used to measure and understand Meadowbank’s impact on culture and traditional lifestyle in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS employment prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
5.1 Country Food at Meadowbank	Country food served at Meadowbank, 2011 – 2015	→ Neutral	Meadowbank has maintained its practice of offering meals including char, muskox, and caribou (approximately 4,500 meals/year since 2011).
5.2 Use of Traditional Language	Proportion of total population identifying Inuktitut as the mother tongue, by Kivalliq community, 2006 and 2011	/	As data on this metric is currently limited to the 2006 and 2011 census, it is not possible to assess more recent impacts or changes.
5.3 Traditional Lifestyle	Percentage of Nunavut Inuit population 15 years of age and older partaking in traditional activities, 2006 and 2012	/	As data on this metric is currently limited to 2006 and 2012 surveys, it is not possible to assess more recent impacts or changes.

Symbols and terms used to explain trends

↑ Increasing

↓ Decreasing

→ Remaining stable

/ No discernable trend

■ **Positive** trend: movement towards the achievement of the desired impact or goal

■ **Negative** trend: movement away from the achievement of the desired impact or goal

■ **Neutral** trend: no observed movement in regard to the achievement of the desired impact or goal

EXISTING MANAGEMENT & MITIGATION

To encourage respect and support for Inuit culture at Meadowbank, Agnico Eagle provides cross cultural training, access to traditional foods, and documentation and services in Inuktitut.

Table 7: Agnico Eagle Cultural and Traditional Lifestyle Management and Mitigation Initiatives

Program	Purpose / Description / Outcomes
Cross Cultural Training Program	Implemented in 2010, the Cross Cultural Training Program has been provided to numerous employees. It is a 5 hour in-class training course. This course allows employees from different cultures and backgrounds to understand each other's culture in order to improve understanding and communication at the workplace. The program was revisited with the assistance of the Nunavut Literacy Council in 2013 and a revised program was initiated in 2014. Throughout 2015, 521 employees received the training. Among them, 184 were Inuit employees, including 73 women and 111 men.
Access to Country Food at Meadowbank	As described in section 5.1 below, Meadowbank serves country food meals (i.e. char or caribou) as part of the standard menu served by the mine's kitchen, offered once weekly. In addition, employees can bring their own country foods to the mine site and use a separate Inuit kitchen to prepare and share these foods, at no cost.
Inuktitut use at Meadowbank	Meadowbank makes efforts to facilitate the use of the Inuktitut language at the Meadowbank mine by providing the following documentation and services in Inuktitut: <ul style="list-style-type: none"> • Policies, employee handbooks, and other human resource related documents • Online mandatory training materials that focus on health and safety • Key directional and safety signage posted in and around the mine site • Spousal counselling sessions delivered by Inuktitut speaking consultants/counsellors • Bilingual human resource counsellors • Bilingual employees based in communities (e.g. community affairs) that support recruitment, retention, and other communications • Religious events (services in Inuktitut held monthly or special events at site) <p>Note that the <i>Nunavut Mine Act</i> requires, for safety reasons, that all communications during operating hours use English as the common language.</p>

5.1 COUNTRY FOOD AT MEADOWBANK

5.1.1 Predictions

There are no predictions in the Meadowbank FEIS specifically related to impacts on the consumption of country foods.

5.1.2 Data & Trends

Country food has been served (defined as meals including char, muskox and caribou) at Meadowbank since the mine began operating in 2010. In 2010, approximately 3,000 meals were served. From 2011 – 2015, approximately 4,500 meals were served each year. These data represent meals served as part of a standard menu offered by the mine's kitchen, and equates to offering country foods once per month to all employees. In addition to this, employees can bring their own country foods to the mine site at no cost and use the kitchen to prepare and share these foods – though no data is recorded on use of this option.

5.1.3 Interpretation

The number of meals served featuring char or caribou (country food) has remained steady since 2011; the total number of Inuit employees at Meadowbank has also remained relatively steady since it began production in 2010. This number represents one serving of country food per month to all present staff (approximately 375). No data or information was

available on baseline levels of country food consumption for Inuit workers prior to employment, or on consumption of country food while off rotation.

5.2 USE OF TRADITIONAL LANGUAGE

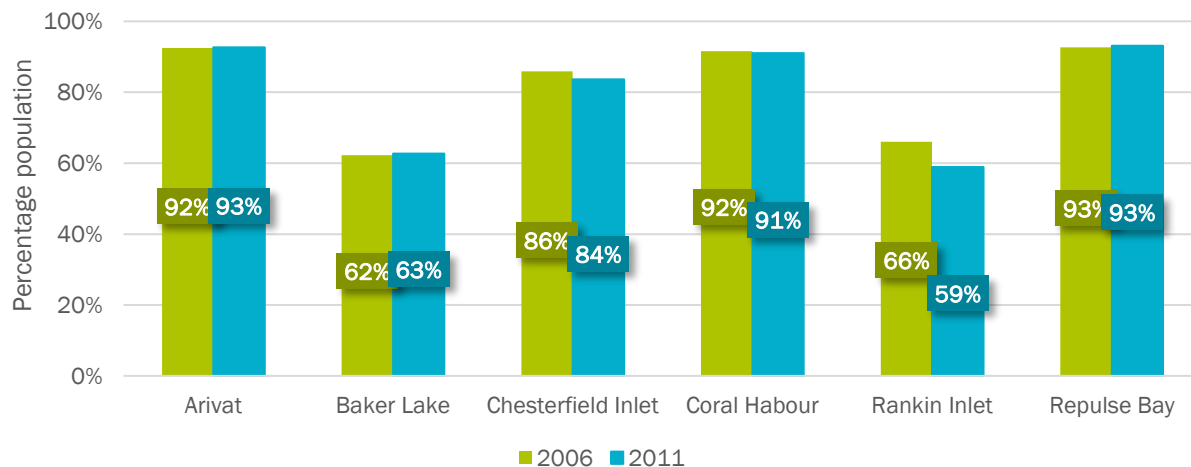
5.2.1 Predictions

There are no predictions in the Meadowbank FEIS specifically related to impacts on the use of traditional language in Kivalliq.

5.2.2 Data & Trends

Chart 24 shows the proportion of the total community population that identifies Inuktitut as their Mother Tongue, by Kivalliq community. No new data has become available since last year’s report.

Chart 24: Proportion of total population identifying Inuktitut as the mother tongue, by Kivalliq community, 2006 and 2011 (source: Statistics Canada, 2011a)



In 2014, Agnico Eagle conducted a survey of its Inuit employees to determine the number of employees who identify Inuktitut as their first language. In 2014, of the 269 Inuit employees, 188 (70%) identified Inuktitut as their first language. The same survey was administered in 2015. Of the 302 employees, 240 (79%) identified Inuktitut as their first language.

5.2.3 Interpretation

Chart 24 demonstrates that the proportion of the population identifying Inuktitut as their mother tongue has remained relatively stable in all Kivalliq communities from 2006 to 2011 with the exception of Rankin Inlet, where there was a 7% decline. While the mine offers some services and documentation in Inuktitut, it must also enforce the use of English as the standard language for communication in the workplace for safety reasons.

Agnico Eagle has made efforts to facilitate the use of the Inuktitut language at Meadowbank by translating numerous policies and training materials, offering many services in Inuktitut and facilitating social and recreational programs at Meadowbank that encourage and support the Inuktitut language and culture.

5.3 TRADITIONAL LIFESTYLE

5.3.1 Predictions

The Meadowbank FEIS makes the following prediction:

- “The project will not significantly restrict access to or productivity of lands used for traditional activity.” (Cumberland Resources Ltd., 2006, p. 122)

5.3.2 Data & Trends

Table 8 provides an indication of the proportion of the Nunavut Inuit population that participates in traditional activities such as hunting, fishing, gathering and trapping. Note that Statistics Canada moved from use of disaggregated data to a composite metric in 2012, preventing direct comparison over time. No new data has become available since last year’s report.

Table 8: Percentage of Nunavut Inuit population 15 years of age and older partaking in traditional activities, 2006 and 2012 (sources: Statistics Canada, 2011b; Wallace, 2014)

Traditional Activity	2006	2012
Hunted in the past 12 months	72%	--
Fished in the past 12 months	76%	--
Gathered wild plants (berries, sweet grass, etc.) in the past 12 months	79%	--
Trapped in the past 12 months	30%	--
Hunted, fished, trapped or gathered in previous 12 months	--	81%

5.3.3 Interpretation

Environmental information pertaining to potential impacts of the mine on the productivity of lands used for traditional activities is not addressed in this report. This indicator only addresses the degree to which Inuit still engage in traditional activity.

Since the 2012 data only include a composite metric (hunted, fished, trapped, or gathered), no conclusions can be drawn regarding changes in individual activities (including any that relate to changes in lifestyle associated with employment at Meadowbank).

VSEC 6: Migration

Impact / Goal Statement

Understand what changes are occurring in Kivalliq migration, if any

FEIS Prediction

“The potential impacts of migration are complex, and are likely to have both positive and negative components, but of low magnitude. Any effects of migration are long term but are likely to be low significance. It is not likely that migration to any other community than Baker Lake would be significant.” (Cumberland Resources Ltd., 2006, p. 126)

Two indicators are used to measure and understand Meadowbank’s impact on migration in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS employment prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
6.1 Inuit Employees Who have Moved to Southern Provinces	Number of Inuit workforce who reside in Southern provinces and Inuit employment rate, 2010 – 2015		There has been a gradual increase in the number of Inuit Meadowbank workers who now reside in southern provinces, from 7 in 2011 to 21 in 2015 (or 7% of the Inuit workforce). The FEIS predicts both “positive and negative components” of migration and does not refer to migration out of Nunavut. As we cannot compare south-bound migration levels with a prediction, this change has been classed as Neutral
	<i>Number of Inuit employees residing in the south</i>	↑ neutral	
	<i>Proportion of Inuit employees residing in the south</i>	↑ neutral	
6.2 Population Estimates in Kivalliq Communities	Population estimates in Kivalliq communities-, 2006 – 2015	↑ neutral	Yearly population estimates do not indicate an increase in the population growth rate of Baker Lake or of other communities with significant Meadowbank employment (Arviat, Rankin Inlet) since the mine opened, or relative to other communities in the region. If other factors (births and deaths) are assumed constant, the population data do not suggest significant migration induced by Meadowbank.
	Annual percentage change in population estimates in Kivalliq communities, 2011 - 2015	↑ neutral	

Symbols and terms used to explain trends

↑ Increasing

↓ Decreasing

→ Remaining stable

/ No discernable trend

■ **Positive** trend: movement towards the achievement of the desired impact or goal

■ **Negative** trend: movement away from the achievement of the desired impact or goal

■ **Neutral** trend: no observed movement in regard to the achievement of the desired impact or goal

EXISTING MANAGEMENT & MITIGATION

No specific programs are in place to manage or mitigate migration in the Kivalliq region.

6.1 INUIT EMPLOYEES WHO HAVE MOVED TO SOUTHERN PROVINCES

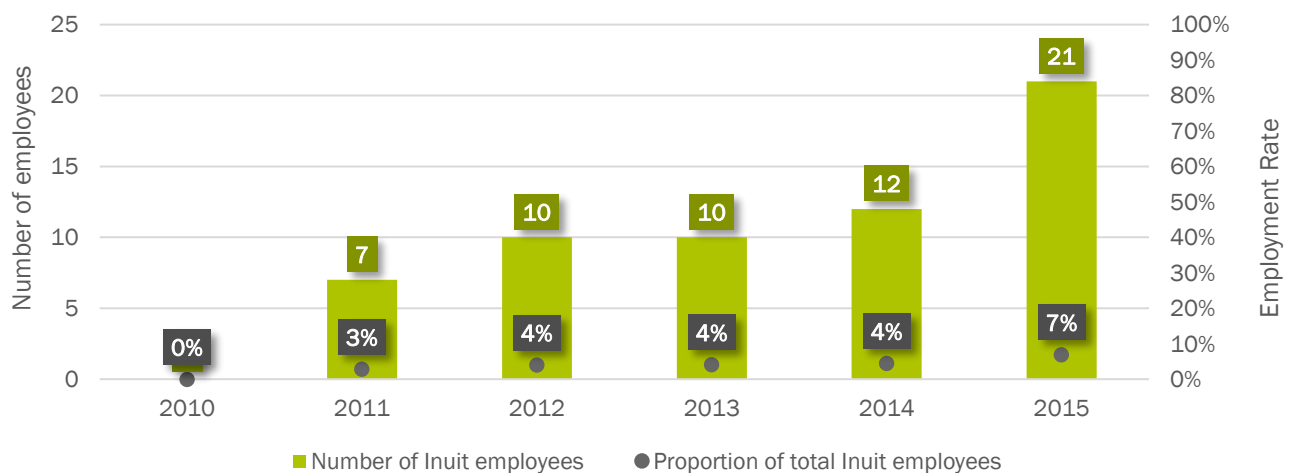
6.1.1 Predictions

The Meadowbank FEIS makes no specific predictions regarding Inuit employees moving to southern provinces. In fact, the FEIS prediction suggests that in-migration to Baker Lake would be the primary concern.

6.1.2 Data & Trends

Chart 25 presents the number and proportion of Inuit workers at Meadowbank who have moved to southern provinces following employment at Meadowbank.

Chart 25: Number and percentage of Inuit employees who reside in Southern provinces, 2010 – 2015 (source: Agnico Eagle)



6.1.3 Interpretation

From 2010 to 2014, there has been a gradual increase in the number of Inuit workers who reside in southern provinces. In 2015, the number of Inuit workers residing in southern provinces rose more substantially than in previous years, from 12 (4% of Inuit workforce) to 21 (7% of Inuit workforce). Other migration data (e.g. Inuit workforce moving to/from Baker Lake following employment) is not available. Employment at Meadowbank provides Inuit workers with income and skills that may facilitate moving out of the territory. Other factors unrelated to the mine, such as the housing shortage in Nunavut and improved educational and job opportunities in the provinces, may also contribute to migration south.

6.2 POPULATION ESTIMATES IN KIVALLIQ COMMUNITIES

6.2.1 Predictions

The Meadowbank FEIS states that “it is not likely that migration to any other community than Baker Lake would be significant”, but does not provide any specific predictions on changes to populations in Kivalliq communities.

6.2.2 Data & Trends

Chart 26 presents the population estimates for residents of Kivalliq communities.

Chart 26: Population estimates of Kivalliq communities-, 2006 – 2015 (source: (Nunavut Bureau of Statistics, 2016))

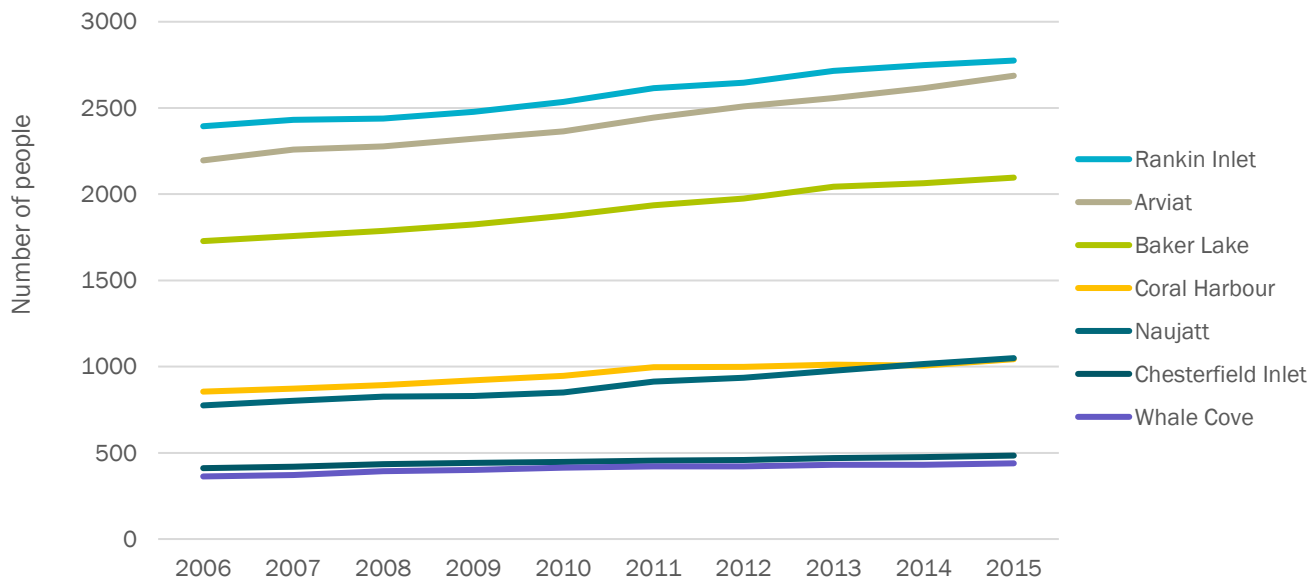


Table 9 presents the year over year percentage change in the population of Kivalliq communities between 2011 and 2015. For example, for Arviat, the chart indicates that population grew 3% between 2010 and 2011, and another 3% between 2011 and 2012.

Table 9: Annual percentage change in population estimates of Kivalliq communities, 2011 - 2015 (source: (Nunavut Bureau of Statistics, 2016))

Community	2011	2012	2013	2014	2015
Arviat	3%	3%	2%	2%	3%
Baker Lake	3%	2%	3%	1%	2%
Chesterfield Inlet	1%	1%	2%	1%	2%
Coral Harbour	5%	0%	1%	-1%	4%
Rankin Inlet	3%	1%	3%	1%	1%
Naujatt	8%	2%	4%	4%	3%
Whale Cove	2%	0%	2%	0%	2%

6.2.3 Interpretation

Population change results from the interaction of three variables: births, deaths, and migration. Migration can be for economic or other reasons. The populations of all Kivalliq communities have increased at a relatively steady rate since 2006. The data do not indicate an increase in the population growth rate of Baker Lake or in other communities with significant Meadowbank employment (Arviat, Rankin Inlet) since the mine opened, or relative to other communities in the region. If other factors are assumed constant, the population data do not indicate any significant migration to Baker Lake (or other communities with high Meadowbank employment).

At this time, only Agnico Eagle's data on employees residing in southern provinces suggest a possible impact of the mine on migration – specifically migration out of the Kivalliq to southern provinces. Without information on how many of these employees now residing in southern provinces originally resided in Kivalliq communities (and which ones), it is not possible to determine the significance of the change.

VSEC 7: Individual and Community Wellness

Impact / Goal Statement

Wellness in terms of health, housing security, criminality/violence, financial security, in the workplace and in communities

FEIS Prediction

“Potential impacts on individual and community wellness are complex, far reaching, and given human nature, difficult to predict with certainty. Individual and community wellness is intimately associated with potential impacts on traditional ways of life as discussed above. In addition, however, individual decisions on the use of increased income, household management in relation to rotational employment, migration, public health and safety, disturbance particularly during the construction phase, and Cumberland’s support for community initiatives are being negotiated in the IIBA are [sic] the other drivers that have the potential to effect [sic] individual and community wellness.” (Cumberland Resources Ltd., 2006, p. 123)

Four indicators are used to measure and understand Meadowbank’s impact on individual and community wellness in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS individual and community wellness prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
7.1 Counselling Programs and Usage at Meadowbank	Family counselling programs offered, 2010 – 2015	/	Meadowbank has six ongoing programs that offer counselling and support to employees and their families. There is currently insufficient data available to assess program usage trends.
	Number of employees/families accessing family counselling programs, 2011 – 2015	/	
7.2 Criminal Violations	Criminal violations per hundred people, by Kivalliq community, 2006 – 2015	↓ positive	Total criminal violation rates in Baker Lake and Rankin Inlet reached historic high levels in 2011 and 2012. Recent data (2015) indicates a continuing downward trend (since 2012) in criminal violations in Baker Lake. While violations in Rankin have also been decreasing (since 2011), there was ~5% increase in 2015. Criminal violation rates in both communities remain slightly above the 2006-2009 baseline level and, along with those of Whale Cove, are above those for other Kivalliq communities.
	Baker Lake criminal violations per hundred people by type, 2006 – 2015	↓ positive	
	Change in Baker Lake criminal violations against 2006-2009 baseline, 2015	↓ positive	
7.3 Housing	Persons aged 15 years and over who are on a waiting list for public housing, 2010	/	In 2010, 15% to 27% of the population of Kivalliq communities were on waiting lists for public housing. No more recent data is available and, as such, we are unable to assess changes over time and the potential impact of the mine on the housing situation.
	Collection rates of public housing by community, 2011 – 2015	/	
7.4 Suicide	Inuit suicides per 10,000 people by community, 2000 – 2015	/	There is a persistent and territory-wide suicide crisis. The factors contributing to suicide are numerous and complex, so it is difficult to assess impacts of Meadowbank on suicide rates. Community suicide rates (e.g. for Baker Lake) are highly variable from year to year. Trends are more apparent in long-term and/or regional data.

Symbols and terms used to explain trends

↑ Increasing

↓ Decreasing

→ Remaining stable

/ No discernable trend

■ **Positive** trend: movement towards the achievement of the desired impact or goal

■ **Negative** trend: movement away from the achievement of the desired impact or goal

■ **Neutral** trend: no observed movement in regard to the achievement of the desired impact or goal

The indicators presented under this VSEC represent a subset of the many indicators that could be used to characterize individual and community wellness. Data availability was a factor in not including certain indicators. Indicators presented elsewhere in this report under VSECs such as employment, worker health and safety, and traditional lifestyle are also relevant to individual and community wellness.

EXISTING MANAGEMENT & MITIGATION

A number of programs are in place to encourage individual and community wellness in the Kivalliq region, such as site tours for Kivalliq residents, community liaison, and counselling programs, as outlined in Table 10 below.

Table 10: Agnico Eagle Individual and Community Wellness Management and Mitigation Initiatives

Program	Purpose / Description / Outcomes
Baker Lake Wellness Report & Implementation Plan	In the Meadowbank IIBA, Agnico Eagle has committed to prepare for the KIA an annual report on the wellness of the Inuit residents of Baker Lake. The KIA has agreed that the report will be community based and driven. The first Wellness Report and Implementation Plan (for reporting year 2014) was submitted in early 2016. A second report (for reporting year 2015) is currently being prepared. For the purpose of developing Hamlet wellness indicators that are meaningful to Baker Lake residents, qualitative community-based research was conducted to capture how Baker Lake residents define and perceive their Hamlet's wellness. Statistical information (including the data presented in this report, where community-specific data were available) was also included in the report.
Community Activity Agreement	In 2015, Agnico initiated new community activity agreements with the Hamlets of Baker Lake, Rankin Inlet, Arviat and Chesterfield Inlet. These agreements include shared community donations programs and community event programs (e.g. Agnico Eagle-Hamlet Summer Festivals). These initiatives are organized, driven and decided on by each community. In 2016, Agnico plans to develop similar initiatives with the Hamlets of Whale Cove, Naujaat and Coral Harbour.
Community Coordinators Program	<p>In 2015, Agnico sponsored part-time Agnico Eagle Coordinators in the Hamlets of Chesterfield Inlet and Arviat. Agnico Eagle's offices in the communities of Rankin Inlet and Baker Lake already have Agnico resources to provide community relations.</p> <p>The objectives of the community-based Agnico Eagle coordinators are to provide a point of contact in each community to facilitate communications, provide services, and coordinate activities, including:</p> <ul style="list-style-type: none"> • Provide support to the Human Resources (HR) Department <ul style="list-style-type: none"> ○ Assist HR and other Agnico Eagle departments to contact employees as required ○ Contact employees in advance of their shift departure times • Provide advice and assistance to Agnico Eagle to organize and hold community information sessions on Agnico Eagle projects and initiatives • Provide advice and assistance on the design, development and implementation of community based projects (training, Agnico Eagle employee well-being, and community development initiatives) • Provide updates to the Hamlet Council on Agnico Eagle activities • Distribute Agnico Eagle information and promotional materials <p>A roving Agnico Eagle coordinator makes regular visits to other Kivalliq communities. Agnico Eagle is considering new Community Coordinator agreements with the Hamlets of Naujaat, Whale Cove and Coral Harbour in 2016.</p>
Community Liaison Committee	Agnico Eagle continued to host meetings with the Meadowbank Community Liaison Committee in 2015 to discuss issues of concern or interest. The committee consists of various representatives including the Elders Society, youth, the business community, adult education committee, the Hamlet, Nunavut Arctic College and the Hunters and

	Trappers Organization of Baker Lake. Meetings are held in both English and Inuktitut and meetings are held about every two months. The Committee brings insight on issues and provides advice to Management on solutions.
Site Tours for Baker Lake Residents	Agnico Eagle offers tours of the Meadowbank Project site to all residents of Baker Lake throughout the summer months. This program started in 2008 with tours being offered to all elders. It was subsequently extended to youth groups and then to all residents of Baker Lake. People sign up at the Agnico Eagle Baker Lake office for tours of the site, typically offered on a Saturday or Sunday. The tour participants are bussed from Baker Lake to the mine, have a tour of the Mine, are served a meal in the camp where they can talk with other residents and see for themselves working and living conditions before returning to Baker Lake. It has now become a tradition and will be once again offered to Baker Lake residents next summer. Over 150 residents participated in the site tours during 2015.
Counselling Programs	Agnico Eagle offers a number of counselling programs for Meadowbank employees and their families. These programs are described in further detail in section 7.1.

7.1 COUNSELLING PROGRAMS AND USAGE AT MEADOWBANK

7.1.1 Predictions

There are no predictions in the Meadowbank FEIS regarding counselling programs and usage at Meadowbank.

7.1.2 Data & Trends

Table 11 provides an overview of the counselling programs offered at Meadowbank from 2010 to 2015.

Table 11: Family counselling programs offered, 2010 – 2015 (source: Agnico Eagle)

Program	Description	Years
Family Employee Assistance Program	External program via Family Employee Assistance Program (Homewood Health). Homewood Health offers a suite of mental health and addiction services including organizational wellness, employee and family assistance programs, assessments, outpatient and inpatient treatment, recovery management, return to work and family support services.	2011 – 2015
Doctor Visitation Program	Support provided by visiting doctors ³ and on-site registered nurses	2010 – 2015
Onsite Counsellors Program	Inuit employee counsellor on site to provide first line support on coping with employment	2011 – 2015
Elder Visitation Program	Visiting Elders program to provide Inuit employees with advice and guidance that is based on Inuit cultural values and encourages employees to choose balanced, healthy and productive lifestyles	2012 – 2015
Work Readiness Program	Agnico Eagle is a partner and investor in the Kivalliq Mine Training Society (KMTS). In 2014, the KMTS established a community based Family Network program. This program was cancelled in 2015 and replaced with a "work ready" program. The work readiness program is a one week program that is delivered at the community level. The program is intended to prepare potential employees with the information and tools to cope with working in an industrial camp setting away from home for 2 week work rotations.	2015
Making it Work Program	In 2015, the fly-in fly-out (FIFO) program was reviewed and amended and is now called the "Making It Work Program". Spouses of employees come to Meadowbank to experience what mining life is like at Meadowbank. The program includes spousal counselling sessions on effective communications, financial management, conflict resolutions and healthy living.	2014 - 2015

³ Doctors began visiting Meadowbank in 2012.

Table 12 indicates the number of Meadowbank employees and/or families accessing the Agnico Eagle family counselling programs described in Table 11 above. Program usage is only measured for four of the six programs.

Table 12: Number of employees/families accessing family counselling programs, 2011 – 2015 (source: Agnico Eagle)

Family Counselling Program	2011	2012	2013	2014	2015
Family Employee Assistance Program	2	2	3	6	6
Elder Visitation Program	N/A*	12	12	8	4
Work Readiness Program	N/A	N/A	N/A	N/A	155
Making it Work Program	N/A*	N/A	N/A	24	64

* N/A indicates programs not having been in operation in respective year.

7.1.3 Interpretation

It is difficult to assess participation in counselling programs at Meadowbank, as privacy concerns limit the ability to track or publicize this information. Where data can be and are collected, all counselling programs have seen some usage by their intended audience. The Elder Visitation Program was less used in 2015 (falling from 8 to 4 visits), whereas participation in the Making it Work program more than doubled (from 24 to 64 participants). Use of the Family Employee Assistance Program was the same as in 2014.

Over the long term, it may be possible to identify a correlation between usage of counselling programs and positive changes in other indicators (e.g. decrease criminal violations, decrease in turnover).

7.2 CRIMINAL VIOLATIONS

7.2.1 Predictions

There are no specific predictions in the Meadowbank FEIS regarding criminality in the Kivalliq region.

7.2.2 Data & Trends

Chart 27 shows the criminal violations rate (number of violations per 100 people⁴) for each community in the Kivalliq region.

⁴ Note that StasCan provides criminal violation data per 100,000 people. The report authors use a per 100 people measurement that is more intuitive in a Nunavut context

Chart 27: Criminal violations per hundred people, by Kivalliq community, 2006 – 2015 (sources: (Statistics Canada, 2016; Nunavut Bureau of Statistics, 2016))

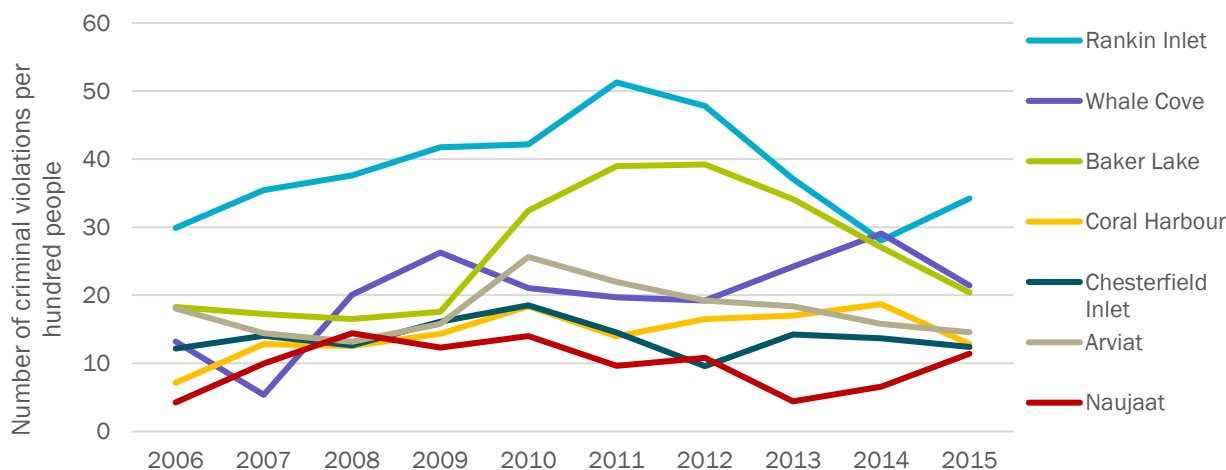


Chart 28 shows the criminal violations rate by type for Baker Lake. The grey area represents pre-mine operation baseline represented in Table 13.

Chart 28: Baker Lake criminal violations per hundred people by type, 2006 – 2015 (sources: (Statistics Canada, 2016; Nunavut Bureau of Statistics, 2016))

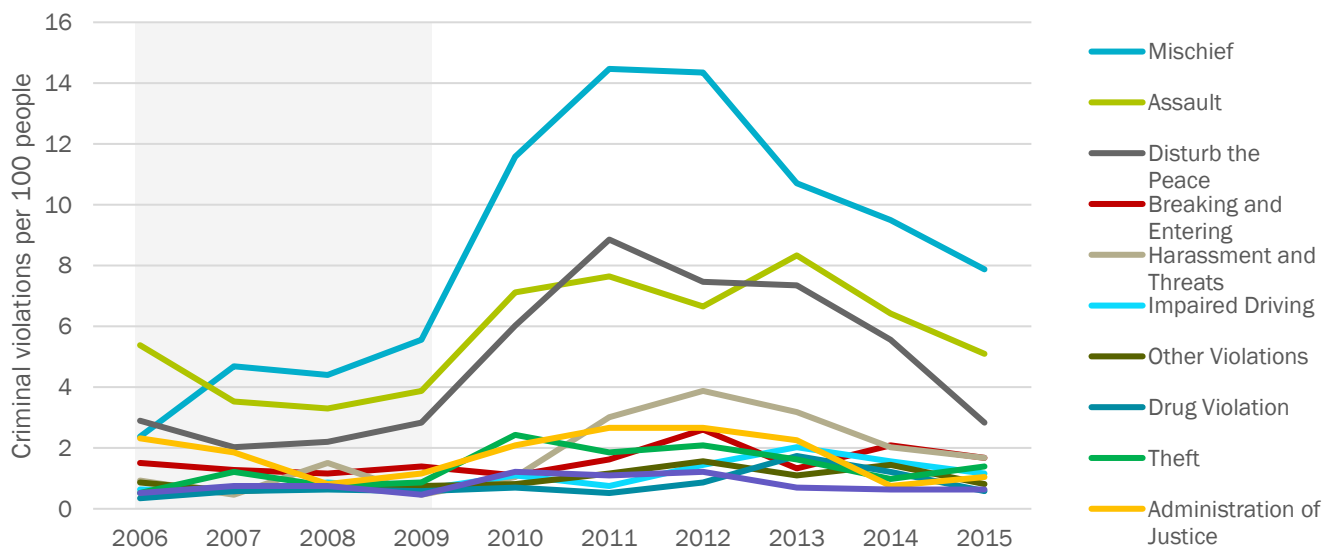


Table 13 shows the change (%) in the number of criminal violations in Baker Lake relative to a baseline derived from the average number of violations between 2006 and 2009. For example, the average number of harassment and threat violations between 2006 and 2009 was .84 per 100 people. In 2012, the number of harassment and violations rose to 3.9 per 100 people. This represents an increase of 362%, as shown in Table 13.

Table 13: Change in Baker Lake criminal violations against 2006-2009 baseline, 2015 (source: (Statistics Canada, 2016))

Baker Lake Criminal Violations	2015
Sexual Assault	2%
Assault	27%
Harassment and Threats	100%
Breaking and Entering	26%
Theft	66%
Mischief	85%
Disturb the Peace	14%
Administration of Justice	-32%
Impaired Driving	70%
Drug Violation	8%
Other Violations	12%

7.2.3 Interpretation

With the exception of Rankin Inlet, all communities had fewer than 25 total criminal violations per hundred people in the 2006 - 2009 period (baseline). Baker Lake, Rankin Inlet, and Arviat all experienced significant increases in total criminal violation rates since the Meadowbank mine began production. Additional expendable income can lead to alcohol and drug abuse and intensify existing social problems such as violence; a high percentage of police call-outs are believed to be related to alcohol (Buell, 2006).

After 2010, the total criminal violations rate in Arviat has steadily decreased and has returned to approximately 2006-levels in 2013 and continued to decline through 2015. Total criminal violation rates in Baker Lake and Rankin Inlet reached historic high levels of approximately 51 and 47 per 100 people, respectively, in 2011 and 2012. Recent data (2015) indicates a downward trend (since 2012) in criminal violations in Baker Lake, but the rate remains slightly above the 2006-2009 baseline and above those for other Kivalliq communities (except Rankin Inlet and Whale Cove).

Types of Criminal Violations in Baker Lake

In Baker Lake, rates of harassment and threats, mischief, disturbing the peace, and theft more than doubled or tripled in the early years following the beginning of mine production (2010 – 2012). The rates of more serious crimes, including assault and sexual assault, also increased significantly (by 65% - 95%) during this same period.

With the exception of assault, impaired driving, and drug violations, there was a decrease in all types of violations in Baker Lake in 2013, consistent with the decrease in the rate of total criminal violations. In 2015, there was a continuing downward trend in most criminal offences.

7.3 HOUSING

7.3.1 Predictions

There are no predictions in the Meadowbank FEIS regarding housing in the Kivalliq region.

7.3.2 Data & Trends

Table 14 shows the number of citizens in the Kivalliq region who were on a waiting list for public housing in 2010, by community. No data are available for more recent years to show if and how waiting lists have changed.

Table 14: Persons aged 15 years and over who are on a waiting list for public housing, 2010 (source: (Nunavut Bureau of Statistics and Statistics Canada, 2010))

Community / Region	Number	% total population
Kivalliq Region	1120	19%
Arviat	210	16%
Baker Lake	300	22%
Chesterfield Inlet	40	17%
Coral Harbour	120	25%
Rankin Inlet	270	15%
Naujaat	120	25%
Whale Cove	60	27%

Table 15 provides an overview of public housing rent collection rates by community. Note that where collection rates exceed 100%, this indicates that more rent was collected than was assessed during the year by collecting amounts owing from previous years.

Table 15: Collection rates of public housing by community, 2011 – 2015 (source: (Nunavut Housing Corporation, 2015))

Community / Region	2011	2012	2013	2014	2015
Arviat	86%	85%	72%	76%	83%
Baker Lake	79%	87%	88%	75%	98%
Chesterfield Inlet	95%	113%	91%	110%	98%
Coral Harbour	103%	94%	87%	102%	94%
Rankin Inlet	104%	93%	102%	99%	77%
Naujaat	88%	91%	82%	86%	79%
Whale Cove	103%	101%	104%	95%	118%

7.3.3 Interpretation

The high percentage of people waiting for public housing (15% - 27%) across Kivalliq communities demonstrates the region-wide housing shortage. Housing in Nunavut is largely government owned and controlled. Therefore, changes in demand for housing and housing stock associated increases in individual income are different than those one might expect in other housing markets in Canada.

While Baker Lake had one of the highest percentages of people on the waiting list in 2010, other communities with fewer Meadowbank employees, including Naujaat and Whale Cove, had similar rates. Additional data on changes over time will be required to assess the potential impact that Meadowbank may have had on demand for and availability of public housing.

7.4 SUICIDE

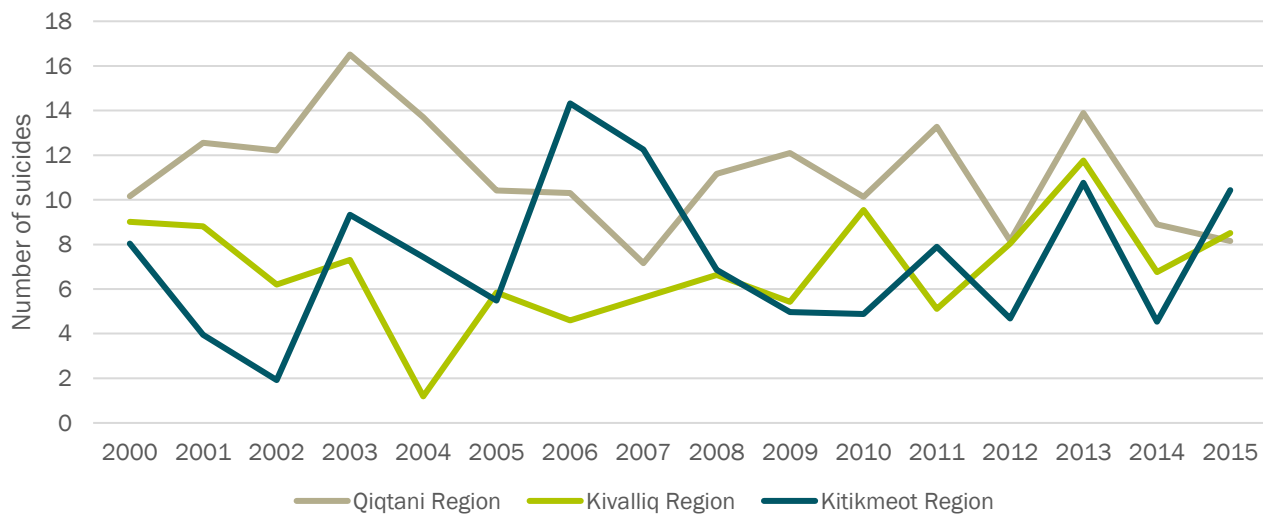
7.4.1 Predictions

There are no specific predictions in the Meadowbank FEIS regarding suicide in the Kivalliq region.

7.4.2 Data & Trends

Chart 29, below, shows the suicide rate per 10,000 people by region from 2000 to 2015.

Chart 29: Inuit suicides by per 10,000 people by community, 2000 – 2015 (source: (Nunavut Bureau of Statistics, 2016))



7.4.3 Interpretation

The suicide rate in Nunavut is at crisis levels, with suicide rates that range from 5 to 25 times the rate of suicide in Canada (NTI, 2016). Underlying risk factors are numerous and long-standing and range from the effects of historical trauma and its symptoms to the high rates of child sexual abuse, alcohol and drug use, poverty, high school dropout rates, and the cultural losses brought about by residential schools and forced relocations. Due to the persistent and territory-wide nature of this crisis, it is difficult to assess the impacts of the mine on suicide rates in Kivalliq communities (Eggerston, 2015).

Furthermore, given the small populations of Kivalliq communities and the highly variable numbers of suicides observed in each community, trends are difficult to discern. For example, the number of suicides in the Kivalliq region each year from 2010 to 2015 were: 8, 5, 8, 12, 7, and 9. These numbers alone do not point to a particular trend since the mine began production.

In July of 2016, NTI released the National Inuit Suicide Prevention Strategy, which sets out a series of actions and interventions to address the high number of deaths by suicide among Inuit. The Strategy promotes a shared understanding of the context and underlying risk factors for suicide in Inuit communities and guides policy at the regional and national levels on evidence-based approaches to suicide prevention (NTI, 2016). Other community level programs – including B.L.A.S.T. (Baker Lake Against Suicide Team) – are working to address the suicide crisis at the hamlet-level.

VSEC 8: Worker Health and Safety

Impact / Goal Statement

Strong health and safety culture. Zero workplace incidents.

FEIS Prediction

The FEIS considers both the health and safety of workers and the public and recognizes that one may affect the other. "Health and safety of workers and the population at large is subject to legislation and perhaps more importantly to best practices. Health and safety training also has applications in personal life – workers often not only use new health and safety training on-the-job, but also at home in the course of daily tasks." (Cumberland Resources Ltd., 2006, p. 126)

Two indicators are used to measure and understand health and safety, particularly occupational health and safety, at Meadowbank, including progress towards meeting the impact / goal statements outlined above.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
8.1 Health and Safety Training	Health and safety training hours for Agnico Eagle Meadowbank employees, 2012 - 2015	/	Insufficient data to assess scope and quantity of health and safety training over time.
8.2 Health and Safety On-Site	Combined lost-time and light duty accident frequency (per 200,000 person hours), 2010 – 2015	↓ Positive	Lost-time and light duty accident frequency has decreased again in 2015, for the fourth year in a row. There were fewer visits to Agnico Eagle’s clinic for personal conditions in 2015, but approximately 10% more visits for work-related injuries. Overall, the number of clinic visits has been stable since 2012, and the clinic continues to serve an important function in addressing the health and medical needs of workers. However, none of the data collected permits an assessment of the impacts of the mine and its programs on the general health status of workers and their families.
	Number of visits by employees to Agnico Eagle clinics, 2010 – 2015		
	<i>Number of visits by employees to Agnico Eagle clinics for personal conditions</i>	→ Neutral	
	<i>Number of visits by employees to Agnico Eagle clinics for work related injuries</i>	↓ Positive	

Symbols and terms used to explain trends

↑ Increasing	■ Positive trend: movement towards the achievement of the desired impact or goal
↓ Decreasing	■ Negative trend: movement away from the achievement of the desired impact or goal
→ Remaining stable	■ Neutral trend: no observed movement in regard to the achievement of the desired impact or goal
/ No discernable trend	

EXISTING MANAGEMENT AND MITIGATION

A number of training programs are in place to support a strong health and safety culture and minimize health and safety incidents at Meadowbank, as outlined in Table 16 below.

Table 16: Agnico Eagle Health and Safety Management and Mitigation Initiatives

Program	Purpose / Description / Outcomes
Emergency Response Team (ERT) Training	Meadowbank employs an Emergency Response Team (ERT) to assist and help in any type of situation. To join the team, a candidate must demonstrate: an interest in safety, good attendance and good behaviour at work, and good physical condition. An ERT practice takes place weekly and each member must attend at least six (6) practices throughout the year. In 2015, there were a total of 41 ERT members. Among them, 4 were Inuit (2 men & 2 women). Throughout the year, they were trained in first aid, firefighting, extraction, search & rescue, rope rappelling, etc. This training includes practical aspects as well written exams.
JOH&S Committee Training	Members of the Meadowbank Joint Occupational Health and Safety (JOH&S) committee received training in order to improve their skills related to the management of Health & Safety. The training covered various topics including: Roles & Responsibilities of the JOH&S committee, interpretation of the Mines Act & Regulations, conducting inspections, conducting accident/incident investigations due diligence, part of the Criminal code and Supervision Formula training as well as a coaching phase. New in 2015, a Supervisor Safety Responsibilities course was offered at Meadowbank for JOH&S committee members. In 2015, a total of five (5) Inuit employees received training for and participated in the JOH&S committee.
Employee Health & Safety Training	General health and safety training, as required by the <i>Nunavut Mine Act</i> , and in line with Agnico Eagle's Health and Safety policies, is provided in English, French and Inuktitut prior to an employee's arrival on site. Further information is provided in section 8.1

8.1 HEALTH AND SAFETY TRAINING

8.1.1 Predictions

There are no predictions in the Meadowbank FEIS regarding health and safety training at Meadowbank.

8.1.2 Data & Trends

Table 17 identifies the number of health and safety training hours that Agnico Eagle Meadowbank employees completed in 2015. Health and Safety training includes mandatory training related to compliance with the *Nunavut Mine Act*, as well as training required within Agnico Eagle's Health and Safety policies and management system. Many of these training sessions are offered via e-learning (available in English, French and Inuktitut) prior to an employee's arrival on site. Health and safety training hours will be tracked in greater detail in the future through a newly implemented Training Management System at Meadowbank.

Table 17: Health and safety training hours for Agnico Eagle Meadowbank employees, 2012 - 2015 (source: Agnico Eagle)

Employee Type	2012	2013	2014	2015
Inuit Employees	1,338	612	1,522	1,389
Non-Inuit Employees	7,905	612	7,756	5,300
Total	9,243	1,224	11,292	6,689

8.1.3 Interpretation

Delivery of health and safety training improves health and safety in the workplace and at home. There has been a decrease in health and safety training administered to both Inuit and non-Inuit employees. However, there is insufficient data to

accurately draw conclusions about the relationship between the amount of training provided and health and safety outcomes.

8.2 HEALTH AND SAFETY ON-SITE

8.2.1 Predictions

There are no predictions in the Meadowbank FEIS regarding health and safety on-site at Meadowbank.

8.2.2 Data & Trends

The following charts provide an overview of the health and safety statistics for Meadowbank. Chart 30 provides the combined lost-time and light duty accident frequency on site, per 200,000 person-hours worked.

Chart 30: Combined lost-time and light duty accident frequency (per 200,000 person hours), 2010 – 2015 (source: Agnico Eagle)

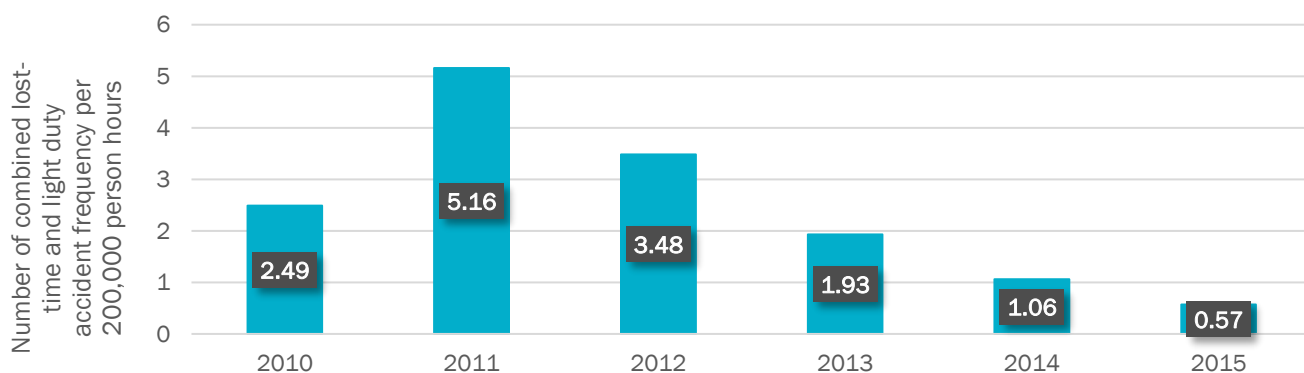
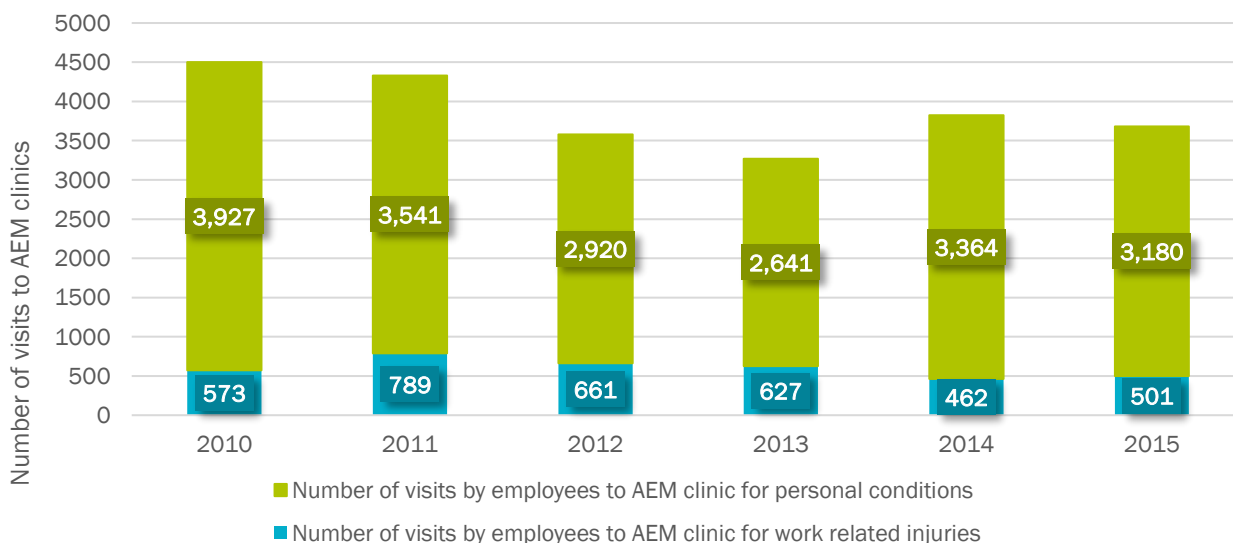


Chart 31 shows the total number of visits by employees to the Agnico Eagle clinic, categorized as either work-related injuries or personal conditions (ranging from minor ailments to severe illnesses, e.g., colds to myocardial infarction). Chart 30 and the blue bar in Chart 31 are a reflection of the mine’s occupational health and safety performance.

Chart 31: Number of visits by employees to Agnico Eagle clinics, 2010 – 2015 (source: Agnico Eagle)



8.2.3 Interpretation

Lost time and light duty accident frequency has been decreasing consistently since 2011, from a historical high of 5 per 200,000 person hours worked to 0.57 per 200,000 person hours worked in 2015. It is not unusual to see an increase in accidents in the early years of an operation when there is a new workforce and new management systems. Beginning in 2012, Agnico Eagle developed and has now implemented its Responsible Mine Management System, which includes workplace health and safety management.

Since the vast majority of visits to Agnico Eagle clinics are for non-work-related conditions, it appears the clinic serves an important function in addressing the health/medical needs of workers. Clinic visits for work-related injuries peaked at 789 in 2011 and have been declining since then, consistent with the declining lost time and light duty accident frequency over the same period. While there was a slight increase in 2015 over 2014, this may be attributed in part to the increase in the number of employees from 789 in 2014 to 813 in 2015. The current data do not provide any indication of how health and safety training is affecting practices at home and community health and safety outcomes.

VSEC 9: Community Infrastructure and Services

Impact / Goal Statement

Community infrastructure (transportation, energy, water, services) is maintained; Social assistance costs are reduced in the long term.

FEIS Prediction

“The impacts on social services and infrastructure, of low to medium magnitude, are considered largely positive in the medium term and of moderate significance. There is some potential for closure to have a negative impact on social service delivery.” (Cumberland Resources Ltd., 2006, p. 128)

Four indicators are used to measure and understand Meadowbank’s impact on community infrastructure and services in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS community infrastructure and services prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
9.1 Use of Public Physical Infrastructure	Estimates of use of this infrastructure directly related to Meadowbank	→ neutral	Meadowbank’s direct uses of public physical infrastructure include: public airports for employee travel and the Baker Lake Community Centre (5-10 times/year) for public engagement activities. Airports and the community centre receive fees from users in both cases. At this time, it appears that the impact of Meadowbank on public physical infrastructure is neutral. The all-weather access road (AWAR) connecting Baker Lake to the Meadowbank mine is owned and operated by Agnico but is accessible to community members who use it for hunting activity.
9.2 Use of GN Health Services	Kivalliq community health centre visits per capita, 2006 – 2014	→ neutral	Overall, per capita health centre visits in communities with the most Meadowbank employees (Baker Lake, Rankin Inlet, and Arviat) have not increased significantly since Meadowbank began operating (i.e. consistent or lower than 2006/2007 levels). The number of employees referred to their community health care centres for personal or work-related reasons ranges (from 14 to 58 people per year), though it is difficult to draw a relationship between movement of this indicator and use of GN Health Services.
	Number of Meadowbank employees referred to their community health care centre for personal or work-related reasons, 2010 – 2015	↑ neutral	
9.3 Demand on Social Services	N/A		
9.4 Social Assistance	Per capita social assistance expenditures by Kivalliq community, 2006 to 2014	/	There has been a continuous increase in expenditures for Baker Lake since 2011, while those of Rankin Inlet have remained relatively constant. However, per capita expenditures for both Baker Lake and Rankin Inlet are lower in 2014 (most recent available data) than historic high levels prior to 2007/08. Arviat’s levels of per capita social expenditures have remained relatively stable since 2002-2003. The Department of Family Services’ social assistance case load (per 100 residents) in Baker Lake, Arviat, and Rankin Inlet is lower than pre-Meadowbank levels, with relatively small changes over the past 3 years. Baker Lake and Rankin Inlet have among the lowest rates in the Kivalliq region.
	Department of Family Services average monthly social assistance case load by Kivalliq community (per 100 people), 2001 – 2015	→ neutral	

Symbols and terms used to explain trends

↑ Increasing

↓ Decreasing

→ Remaining stable

/ No discernable trend

■ **Positive** trend: movement towards the achievement of the desired impact or goal

■ **Negative** trend: movement away from the achievement of the desired impact or goal

■ **Neutral** trend: no observed movement in regard to the achievement of the desired impact or goal

EXISTING MANAGEMENT & MITIGATION

While no Agnico Eagle programs are in place with the primary goal of mitigating impacts to community infrastructure and services, a number of Agnico Eagle's economic programs are meant to improve community infrastructure and services in the long term. For example, programs which aim to increase local employment, contracting and business opportunities can reduce social assistance expenditures over time. These programs are outlined in the respective sections of this report (see VSEC 1 and 3).

9.1 USE OF PUBLIC PHYSICAL INFRASTRUCTURE

9.1.1 Predictions

The Meadowbank FEIS makes the following prediction:

- “The impacts on social services and infrastructure, of low to medium magnitude, are considered largely positive in the medium term and of moderate significance. There is some potential for closure to have a negative impact on social service delivery.” (Cumberland Resources Ltd., 2006, p. 128)

9.1.2 Data & Trends

The Meadowbank mine has its own dedicated energy, water, and communications infrastructure, so it is largely independent of the public physical infrastructure. Areas of potential impact on public infrastructure include the use of airports for travel to and from the mine (e.g. employees beginning and ending their two work rotations), the use of community meeting spaces for public engagement and the use of local health care facilities.

Estimates of use of this infrastructure directly related to Meadowbank are as follows:

- Use of Baker Lake Airport to access commercial flights: Between 75 and 100 times per year (passenger trips)
- Use of other Nunavut airports to access commercial flights: Between 2000 and 3000 times per year (passenger trips)
- Use of Baker Lake Community Centre: Between 5 and 10 times per year

These numbers are best estimates, and do not include use of infrastructure by employees while they are not actively travelling for work related purposes (personal travel) or while they are doing non-work related activities.

The all-weather access road (AWAR) connecting Baker Lake to the Meadowbank mine was constructed and paid for by Agnico Eagle. Meadowbank controls traffic on this road, but it is accessible to community members to provide access to hunting trails and participate in traditional activities by snowmobile and ATV.

9.1.3 Interpretation

The use of public physical infrastructure by Meadowbank and its employees consists primarily of the use of airports and has been relatively consistent since operation began in 2010. There are no indications of significant positive or negative impacts on this infrastructure.

9.2 USE OF GN HEALTH SERVICES

9.2.1 Predictions

The Meadowbank FEIS makes the following prediction:

- “The potential public health and safety impacts of the project, of unknown magnitude, are negative, and, because there is such high impact at the individual level in the event that a risk is realized, the effects must be considered long term and of high significance.” (Cumberland Resources Ltd., 2006, p. 126)
- “Increased employment and business opportunities will result in increased income, a measure of economic security, capacity building that will contribute to employability over the long term, and improved self-image of employees and their families. This could result in reducing dependence on government social services.” (Cumberland Resources Ltd., 2006, p. 128)

9.2.2 Data & Trends

Community health centre visits are an indicator of demand on local health care services. Chart 32 shows per capita health centre visits for each Kivalliq community between 2006 and 2014 (Baker Lake indicated with bold line). There is a one-year time lag for certain publicly reported data, therefore the most recent data available is from 2014.

Chart 32: Kivalliq community health centre visits per capita, 2006 – 2014 (source: (Government of Nunavut Department of Health, 2016))

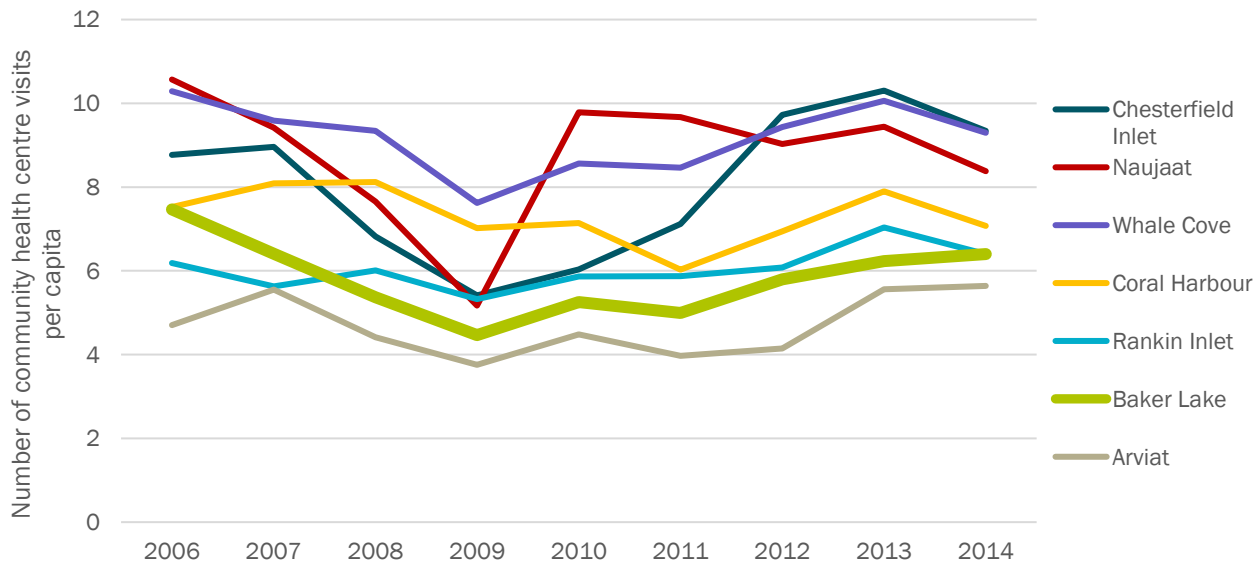
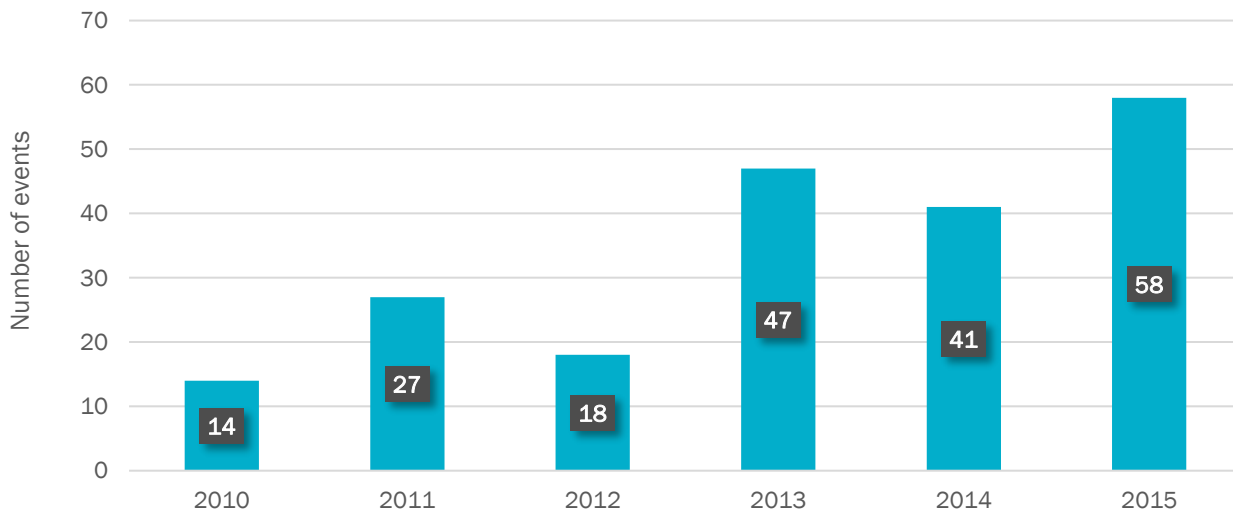


Chart 33 shows the number of Meadowbank employees referred to their community health care centre for on-site accidents.

Chart 33: Number of Meadowbank employees referred to their community health care centre for personal or work-related reasons, 2010 – 2015 (source: Agnico Eagle)



9.2.3 Interpretation

Most Kivalliq communities experienced steady or declining community health centre visits up to 2009. From 2009 to 2010, which coincides with Meadowbank’s start-up and operation, per capita visits increased in every community except Coral Harbour. However, since 2010, per capita visits have remained relatively steady in most communities with the exception of Chesterfield Inlet and Baker Lake. While per capita visits increased slightly in Baker Lake from 2011 to 2013, the levels remain lower than 2006 and 2007 levels. Health care visits in all communities, except Baker Lake, either decreased or remained steady between 2013 and 2014. Rates in Chesterfield Inlet rose sharply, almost doubling between 2010 and 2013.

Overall, per capita health centre visits in communities with the most Meadowbank employees (Baker Lake, Rankin Inlet, and Arviat) have not increased significantly since Meadowbank began operating. Data for future years will indicate whether recent increases in Baker Lake represent a trend. Additional information on the reasons for health centre visits and client demographics may shed more light on the reasons for changes observed in each community, including the noteworthy increase in Chesterfield Inlet and potential linkages to the Meadowbank mine and/or other factors.

Since the mine began production, between 14 and 58 employees are referred to community health care centres per year. The number of referrals have been highest in recent years (2013-2015). Referrals for work-related reasons may represent increased demand on GN health services. However, this data alone does not indicate:

- Whether a Meadowbank worker, on average, is a higher user of health care services than other workers or unemployed people
- To what extent these referrals are for work related reasons
- To what extent referrals are reflected as visits to GN versus provincial health centres

Furthermore, there is a possible counter effect where employees use on-site medical services in lieu of GN health services while on rotation. Therefore it is though it is difficult to draw a relationship between movement of this metric and use of GN Health Services.

9.3 DEMAND ON SOCIAL SERVICES

9.3.1 Predictions

The Meadowbank FEIS makes the following prediction:

- “The impacts on social services and infrastructure, of low to medium magnitude, are considered largely positive in the medium term and of moderate significance. There is some potential for closure to have a negative impact on social service delivery.” (Cumberland Resources Ltd., 2006, p. 128)

In terms of positive impacts on social services, the FEIS also describes how increased economic security and well-being may reduce dependence on social services: “Increased employment and business opportunities will result in increased income, a measure of economic security, capacity building that will contribute to employability over the long term, and improved self-image of employees and their families. This could result in reducing dependence on government social services.”

At the time of writing this report, no data on the demand on social services (e.g. social services for children) was available. The Department of Family Services has indicated that it will be assessing the quality of program-level information and data collected and reported to the Department from its service delivery partners. Analysis of the current state of information on the Department’s program participation is expected to be completed by April, 2016.

9.4 SOCIAL ASSISTANCE

9.4.1 Predictions

The Meadowbank FEIS makes the following prediction:

- “The impacts on social services and infrastructure, of low to medium magnitude, are considered largely positive in the medium term and of moderate significance. There is some potential for closure to have a negative impact on social service delivery.” (Cumberland Resources Ltd., 2006, p. 128)

In terms of positive impacts on social services, the FEIS also describes how increased economic security and well-being may reduce dependence on social services, understood to also include social assistance payments: “Increased employment and business opportunities will result in increased income, a measure of economic security, capacity building that will contribute to employability over the long term, and improved self-image of employees and their families. This could result in reducing dependence on government social services.”

9.4.2 Data & Trends

Chart 34 and

Chart 35 show social assistance expenditures (in dollars) and the Department of Family Services’ social assistance case load (# of cases) by Kivalliq community over time. Baker Lake data are represented with a bold line in both charts.

The following definitions are used in interpreting the charts below:

- 1) **Social Assistance** or income support is a program of last resort for Nunavummiut who, because of inability to obtain employment, loss of principal family provider, illness, disability, age or any other cause cannot provide adequately for themselves and their dependents. Social assistance is provided by the Government of Nunavut in the form of monthly financial payments to help individuals meet a minimum standard of living. All residents of Nunavut between the ages of 18 and 59 can apply for social assistance.
- 2) **Expenditures** are payments to social assistance recipients for food, shelter, utilities and fuel. This financial support is calculated to meet the basic needs of recipients and their dependents.

3) **Caseloads** refers to a single family receiving social assistance from the Department of Family Services

The Department of Family Services, Government of Nunavut, notes that it uses reasonable efforts to provide accurate and up-to-date information, but that some of the information provided is gathered manually and as a result may not be completely accurate. Since the year 2000, the social assistance program has been delivered without an electronic case management system. There is a one-year time lag for certain publicly reported data, therefore the most recent data for social assistance expenditures is 2014.

Chart 34: Per capita social assistance expenditures by Kivalliq community, 2006 to 2014 (source: (Government of Nunavut Department of Family Services, 2014))

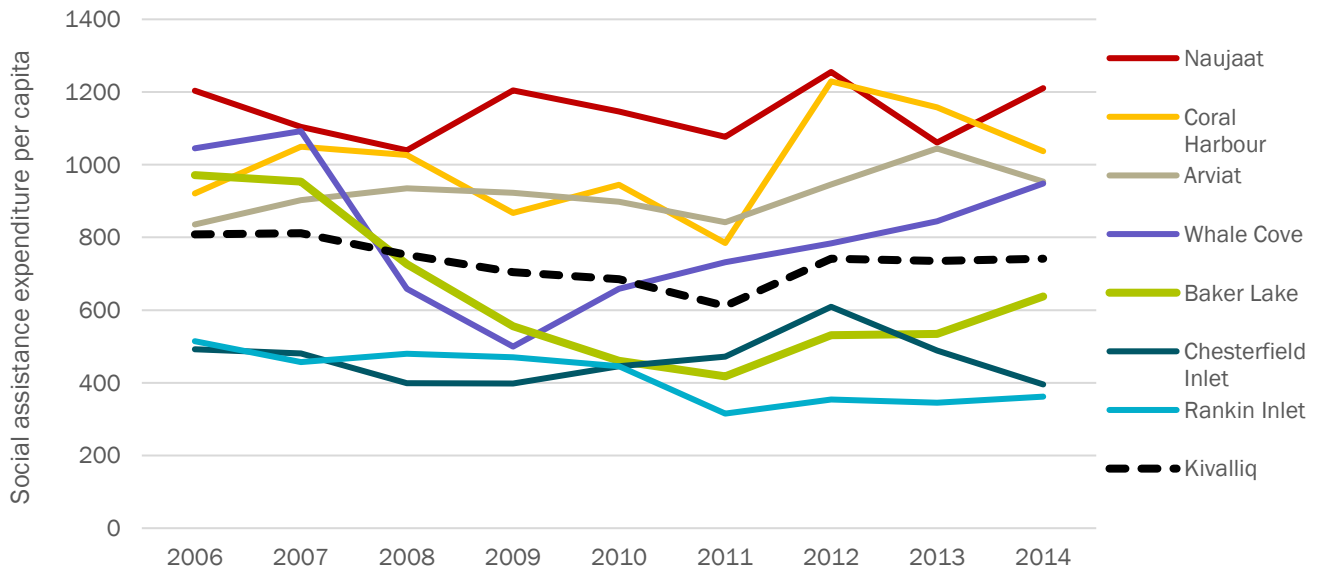
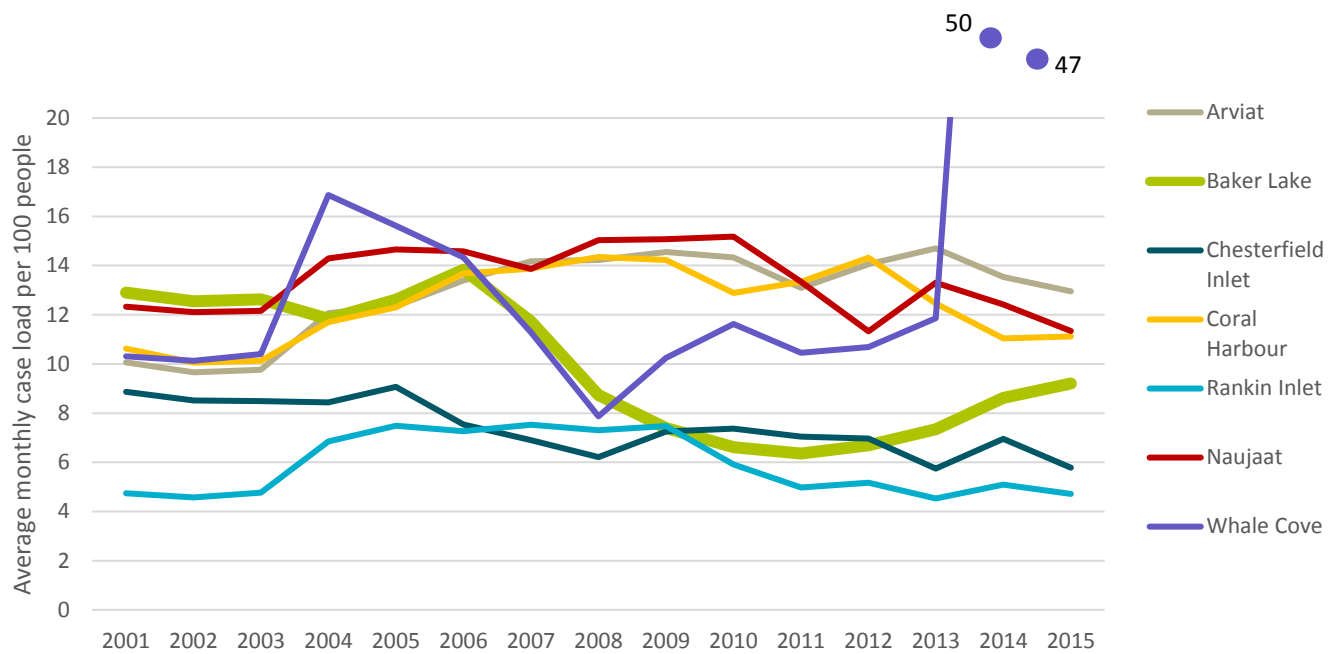


Chart 35: Department of Family Services average monthly social assistance case load by Kivalliq community (per 100 people), 2001 – 2015 (sources: Department of Family Services, 2016)



9.4.3 Interpretation

Per capita social assistance expenditures began to increase in 2010-2011 for several communities (including Baker Lake and Arviat) following a period of declining or steady expenditure in earlier years, including a notable decline in 2007/08 coinciding with construction starting at Meadowbank. There has been a continuous increase in expenditures for Baker Lake since 2011, while those of Rankin Inlet have remained relatively constant. However, per capita expenditures in both Baker Lake and Rankin Inlet are lower in 2015 than historic high levels prior to 2007/08. Arviat’s levels of per capita social expenditures has remained relatively stable since 2002-2003.

For the Kivalliq region as a whole, per capita social assistance expenditures decreased gradually from 2007 to 2011, rose significantly in 2012, and have remained stable since then at a level (~\$750) that is slightly lower than what it was in 2007 and 2006 (~\$800).

The number of social assistance caseloads, as a fraction of the population, declined by more than 50% from 2006 to 2011 in Baker Lake, coinciding with construction at Meadowbank and the opening of the mine. The number of caseloads increased again between 2011 and 2015, but has remained below 2007 levels.

While not definitive, the caseload and expenditure data suggest a positive effect of Meadowbank related employment on social assistance requirements in Baker Lake and Rankin Inlet. Effects in Arviat are less clear.

There was a 300% increase in caseloads in Whale Cove between 2013 and 2014. The reason for this significant increase is unknown.

VSEC 10: Nunavut Economy

Impact / Goal Statement

Increased economic activity (GDP) and benefits to government through royalties and taxation

FEIS Prediction

“The economic impacts on the economy of Nunavut, of high magnitude, are positive over the medium term and of high significance, particularly during the construction phase.” (Cumberland Resources Ltd., 2006, p. 129)

Three indicators are used to measure and understand Meadowbank’s impact on the Nunavut economy, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS Nunavut economy prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
10.1 Business Expenditures for Nunavut	Meadowbank contract expenditures in \$M, by northern and southern business, 2011 – 2015		Over \$100M of expenditures per year are being directed to Nunavut-based businesses, which will have a multiplier effect on the Nunavut economy and generate tax revenue for the GN.
	<i>Northern business contract expenditures</i>	→ neutral	
	<i>Proportion of expenditures on northern business</i>	↓ negative	
	Meadowbank northern contract expenditures in \$M, by business type and location, 2011 - 2015		
	<i>Nunavut business contract expenditures</i>	↑ positive	
	<i>Baker Lake business contract expenditures</i>	↓ negative	
	<i>NTI registered business contract expenditures</i>	↑ positive	
10.2 Royalties & Taxes	Compensation, royalties and taxes paid	→ neutral	<p>Since 2007, Meadowbank has provided \$14.3M to NTI and the KIA in royalties and compensation.</p> <p>Employment taxes at Meadowbank provide \$30M/year on average to the Government of Canada, \$3M/year on average to the GN, with an additional \$1.1M provided to the GN in property taxes.</p>
10.3 GDP of Nunavut	Nunavut GDP (all industries), Nunavut GDP (mining, quarrying and oil & gas), 2000– 2015	→ neutral	<p>According to the Conference Board of Canada, Meadowbank has been a driver of Nunavut’s GDP growth, both during the construction of the mine and since production began in 2010. The contribution of mining, quarrying, and oil & gas activity increased significantly in 2010 and has accounted for over 15% of Nunavut’s GDP for the past three years.</p>

Symbols and terms used to explain trends

↑ Increasing

↓ Decreasing

→ Remaining stable

/ No discernable trend

■ **Positive** trend: movement towards the achievement of the desired impact or goal

■ **Negative** trend: movement away from the achievement of the desired impact or goal

■ **Neutral** trend: no observed movement in regard to the achievement of the desired impact or goal

EXISTING MANAGEMENT & MITIGATION

Maximizing benefits for the Nunavut economy is achieved through Agnico Eagle actions to maximize local employment and local contracting, and ensure community health, safety and well-being – as described under previous VSECs in this report.

10.1 BUSINESS EXPENDITURES FOR NUNAVUT

10.1.1 Predictions

The Meadowbank FEIS makes the following predictions:

- “If at least 20% of expenditures were spent in the region over the lifetime of the project, there would be a total expenditure in Nunavut of over \$224 M. This figure is made up of about \$61 M during the 24-month construction phase, \$20 M per year over a ten year operation phase, and a further \$2.6 M over the closure phase.” (Cumberland Resources Ltd., 2006, p. 119)
- “As project expenditures are comparatively large relative to the size of the regional and territorial economies, the impact is considered of medium magnitude, positive, long term and of moderate significance.” (Cumberland Resources Ltd., 2006, p. 119)

10.1.2 Data & Trends

Chart 36 shows contract expenditures, by northern and southern business.

Chart 36: Meadowbank contract expenditures in \$M, by northern and southern business, 2011 – 2015 (source: Agnico Eagle)

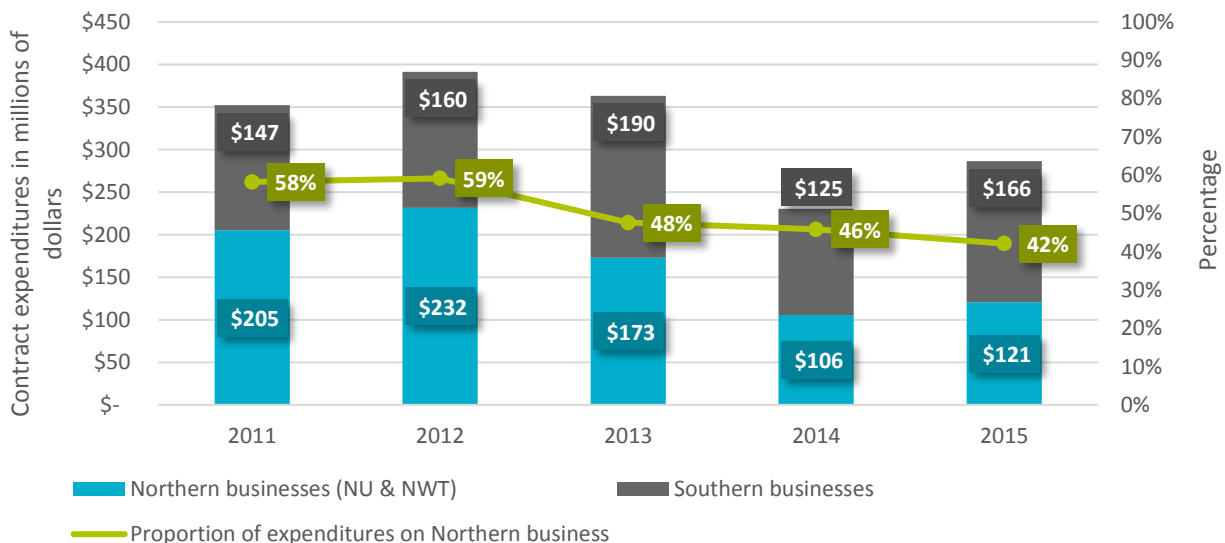


Table 18 below further breaks down Meadowbank contract expenditures by geographical location or ownership (i.e. NTI registered indicates Inuit-owned). Note that these categories in this table are not all independent of one another. For example, expenditures on Baker Lake businesses are also included in the expenditures on Nunavut businesses category. Similarly, expenditures on Nunavut businesses are also included in the expenditures in the Northern businesses category.

Table 18: Meadowbank northern contract expenditures in \$M, by business type and location, 2011 - 2015

Geographic location or ownership	2011	2012	2013	2014	2015
Nunavut business	\$190	\$230	\$172	\$105	\$119
Baker Lake business	\$79	\$120	\$82	\$38	\$27
NTI Registered business	\$44	\$127	\$101	\$86	\$115
Total Northern businesses (NU & NWT)	\$205	\$232	\$173	\$106	\$121

10.1.3 Interpretation

The FEIS predicts an expected \$20M in annual business expenditures in Nunavut over the operations phase. This prediction has been far exceeded, with over \$100M of annual expenditures for Nunavut based businesses. The predicted total expenditure for Nunavut over the lifetime of the project (\$224M) has already been exceeded, only half-way through the predicted ten-year operational phase.

While overall contract expenditures exceed predictions, the proportion of total contract expenditures spent on Northern businesses has decreased in recent years, from 59% in 2012 to 42% in 2015. Within the northern business category, there has been a substantial increase in expenditures on NTI registered businesses, and a substantial decline in the contract expenditures going to Baker Lake based businesses. Refer to section 3 for a more in depth interpretation on contract expenditures.

10.2 ROYALTIES & TAXES

10.2.1 Predictions

There are no predictions in the Meadowbank FEIS regarding royalties and taxes for Kivalliq, Nunavut or Canada.

10.2.2 Data & Trends

Table 19 provides an overview of the compensation, royalties and taxes paid to NTI / KIA and the GN.

Table 19: Compensation, royalties and taxes paid (source: Agnico Eagle)

Payment	Timeframe	Cumulative value
Resource Royalties paid to NTI	Total, 2007 - 2015	\$7.4M
Compensation paid to the KIA (IIBA implementation costs, quarry and other usage fees)	Total, 2007 - 2015	\$6.9M
Payment	Timeframe	Average Annual Value
Payroll Taxes paid by Agnico Eagle to the GN	Average Annual Value	\$3.0M
Property taxes paid by Agnico Eagle to the GN	Average Annual Value	\$1.1M
Payroll Taxes paid by employees to the Government of Canada	Average Annual Value	\$30M

10.2.3 Interpretation

The Meadowbank Mine provides revenue to the Inuit, Territorial and Federal governments through royalties, taxation and compensation paid to the KIA. Given the location of the mine on Inuit Owned Lands, all resource royalties flow directly to NTI as the Inuit authority. As this data is not broken down by year, we are unable to identify trends in the value of money flowing to the various governments over time. In 2015, \$2.1M in resource royalties were paid to NTI, and \$0.4M in compensation was paid to KIA.

10.3 GDP OF NUNAVUT

10.3.1 Predictions

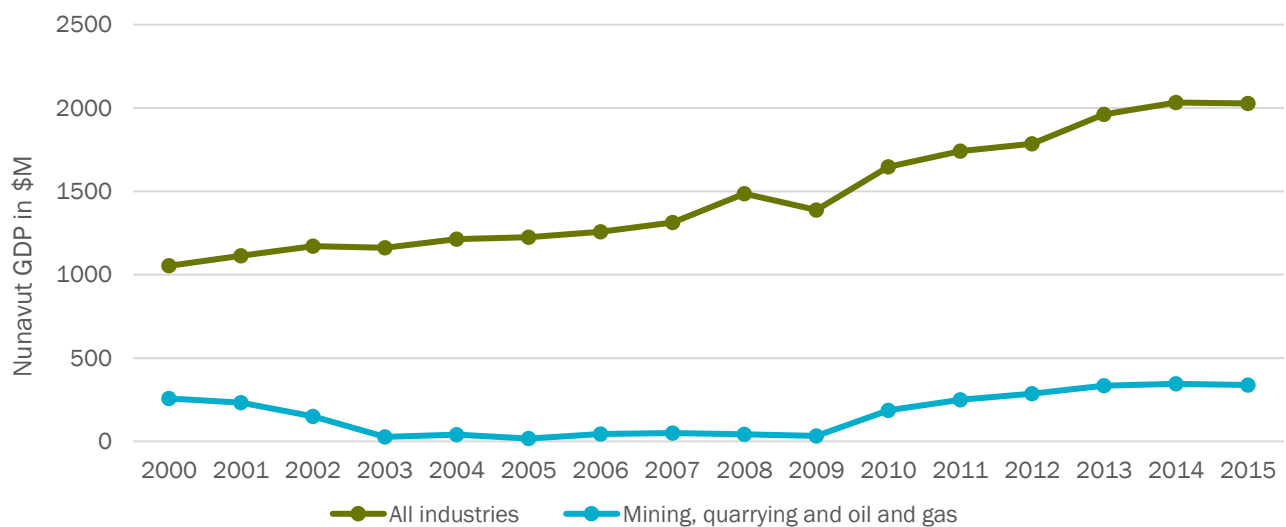
The Meadowbank FEIS makes the following predictions:

- “The results indicate that during the construction phase, the project would contribute \$120.3 M to the GDP of Nunavut ... During the operations phase, the annual contribution to GDP would be \$35.5 M ...” (Cumberland Resources Ltd., 2006, p. 27)

10.3.2 Data & Trends

The following chart shows the value of Nunavut gross domestic product (GDP), in current prices, from 2000 to 2015.

Chart 37: Nunavut GDP all industries and mining, quarrying and oil & gas, 2000– 2015 (source: (Statistics Canada, 2016))



10.3.3 Interpretation

Nunavut’s GDP steadily increased from 2000 to 2008 at an average rate of approximately 4% per year. Following a decline in 2009 due to the global recession, a sharp increase was seen in 2010, when Meadowbank began production. Coinciding with Meadowbank becoming operational Nunavut’s GDP has grown at a faster rate from 2009 to 2013 (9% annual growth). As seen in the graph above, the growth from 2009 onwards can largely be attributed to an increase in mining, quarrying and oil & gas activity. Given that Meadowbank was the only operating mine in Nunavut from 2010 to 2015 (when Baffinland’s Mary River Project began operations), the GDP growth data suggest that Meadowbank’s contribution to GDP has exceeded the FEIS prediction. Mining industry GDP growth was relatively flat in 2013-2015 reflective business conditions in the industry. For Meadowbank, this has been a period of relatively stable operation and reduced contract expenditures (as described under VSEC 3: Contracting and Business Opportunities).

Management Response

Agnico Eagle will continue to implement, support and improve the existing management and mitigation activities described at the beginning of each section for the ten VSECs covered by this report. Agnico Eagle is also working together with the community of Baker Lake to improve community wellness through the *Baker Lake Wellness Report and Implementation Plan*, as well as working closely with the Kivalliq Inuit Association in the implementation of the Meadowbank IIBA. This report, along with the *Baker Lake Wellness Report and Implementation Plan* and *IIBA Implementation Report*, informs Agnico Eagle's efforts in fulfilling best practices in social responsibility, and acting as a resource for communities and other stakeholders, as indicated in the purpose section of this report.

Continual Improvement in Socio-Economic Monitoring

Given the complexity of socio-economic phenomena (i.e. multiple factors at play), there are limitations in establishing causal relationships between mining activity and some socio-economic indicators in this report. For future reports, Agnico Eagle looks forward to working with the SEMC to improve data (in both government and Agnico Eagle data sets) and to refine indicator selection and analysis to more clearly identify potential links between socio-economic impacts and Agnico Eagle activities and/or other factors. This will help inform the refinement of existing management and mitigation activities, as well as identification of the need for any additional mitigation measures.

It is our hope that this compilation of data will provide the SEMC with a useful information base from which to understand emerging trends, impacts and benefits to date, and inform future collaboration and coordination on priority areas for attention.

Appendix A: Meadowbank SEMC Terms of Reference

Meadowbank Gold Mine Project

Terms of Reference for the Meadowbank Socio-Economic Monitoring Program

1. Premise

1.1 The implementation of the project-specific monitoring program, developed in consultation with the Kivalliq Socio-Economic Monitoring Committee (SEMC), is the responsibility of the proponent.

1.2 Regional (or cumulative) socio-economic monitoring is the responsibility of Government(s).

2. Introduction

2.1 The Meadowbank Socio-Economic Monitoring Program (the “Program”) has been designed to satisfy Condition 64 of the Meadowbank Gold Project Certificate which states:

“Cumberland shall work with GN and INAC to develop the terms of reference for a socio-economic monitoring program for the Meadowbank Project, including the carrying out of monitoring and research activities in a manner which will provide project certificate specific data which will be useful in cumulative effects monitoring (upon request of Government or NPC) and consulting and cooperating with agencies undertaking such programs. Cumberland shall submit draft terms of reference for the socio-economic monitoring program to the Meadowbank SEMC for review and comment within six (6) months of the issuance of a Project Certificate, with a copy to NIRB’s Monitoring Officer.”

2.2 The Program is designed to meet the intent of Article 12, Part 7 of the Nunavut Land Claim Agreement. From a socio-economic monitoring point of view, the Program is primarily concerned with fulfilling sections 12.7.2.a and 12.7.2.d of the Nunavut Land Claims Agreement:

- (a) to measure the relevant effects of projects on.... socio-economic environments of the Nunavut Settlement Area;
- (d) to assess the accuracy of the predictions contained in the project impact statements.

3. Program Framework

3.1 This program framework is meant to assist the proponent in fulfilling its annual obligation to report on socio-economic project impacts to NIRB (as per Project Certificate Appendix ‘D’). It comprises six steps leading to the verification of the socio-economic impacts predictions contained in the Final Environmental Impact Statements (FEIS). In this context the proponent should:

- a) Review impact predictions for each Valued Socio-economic Component contained in the Meadowbank FEIS.
- b) Select indicators to determine prediction changes (up/down, toward/away from expectation, magnitude, etc.).
- c) Gather data needed to verify impact predictions. Some data (both mine-site specific and employee level) is expected to be generated by the Proponent. Other information will be acquired from external sources.
- d) Conduct qualitative data collection (such as employee satisfaction or exit surveys, traditional lifestyle questionnaires, community wellness focus groups, etc.), in an attempt to gain additional community level perceptions, comments, and information on the project, and its predicted impacts.
- e) Analyze information from steps 3 and 4 and assesses the accuracy of impact predictions as contained in Final Environmental Impact Statements, as well as the positive and negative impacts of the Meadowbank Project on the closest communities
- f) Report annually to the Nunavut Impact Review Board with an assessment of the positive and negative impacts of the Meadowbank Project on the affected communities and on mitigation and adaptive management strategies undertaken (or proposed). Reports will be submitted to the NIRB by 31 March of every year, reporting on indicators for the previous calendar year.

- g) Data should have some degree of consistency and quality, and the Proponent will collect information with guidance from Statistics Canada’s Quality Assurance Framework.
- h) Members of the Meadowbank Socio-Economic Monitoring Program shall meet at least once a year, preferably immediately before or after the Kivalliq Socio Economic Monitoring Committee.

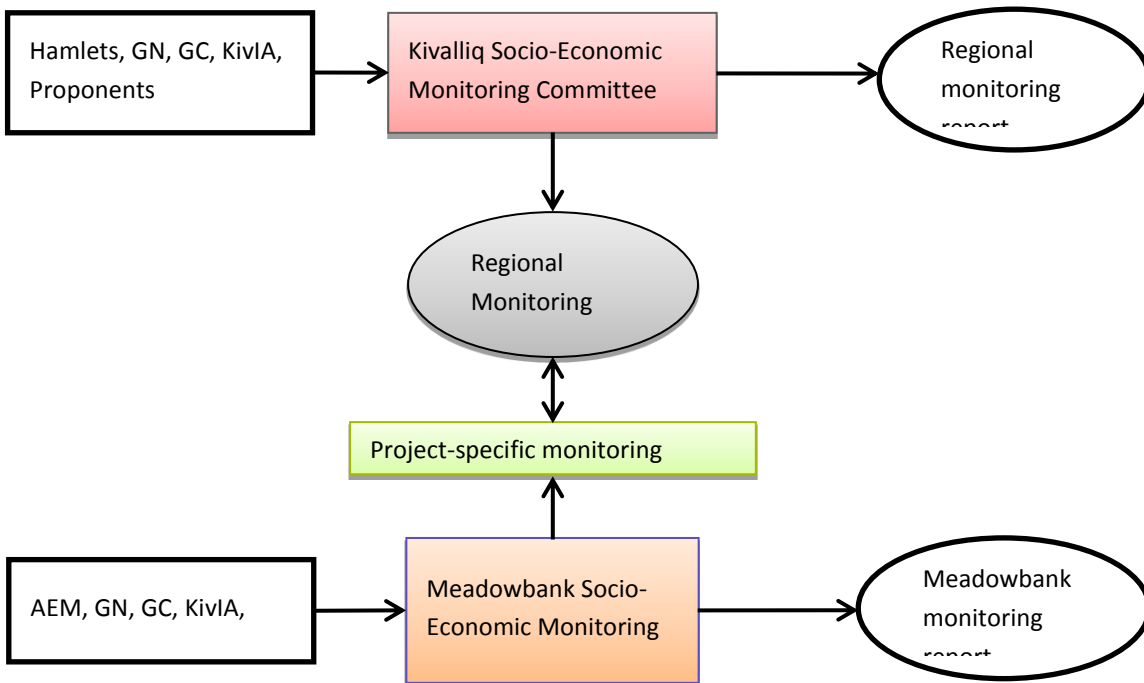
4. Membership

4.1 Membership to the Meadowbank Socio-Economic Monitoring Program shall be composed of:

- a) The Proponent;
- b) Government of Nunavut;
- c) Government of Canada;
- d) Kivalliq Inuit Association; and
- e) Additional members as needed.

4.2 Members are responsible for their own costs associated with attending any meetings.

4.3 Members are responsible for ensuring that project-specific monitoring meets the requirements of the Project Certificate and that efforts are aligned with other monitoring initiatives in the Territory such as the Kivalliq SEMC, and the Nunavut General Monitoring Plan.



Appendix B: Skills Level Classification

Job Category	Lead Statement	Main duties	Example Titles	Employment Requirements	Reference to NOC
Unskilled	<p>Unskilled workers perform work that requires no specific education or experience. They hold positions that are not necessarily critical to achieving production although they are important for the smooth running of operations.</p> <p>No specific skill level and education requirements. Basic on-the-job training is usually provided for these occupations.</p>	<ul style="list-style-type: none"> -Perform material handling, clean-up, packaging - Clean work areas and equipment - Assist in repairing, maintaining and installing material and equipment - Move tools, equipment and other materials to and from work areas 	Janitor, Dishwasher, Labour, Helper	-High school degree may be required.	Skill level D
Semi-skilled	<p>Semi-skilled workers perform jobs that require some skills but do not possess the skill level and/or experience to perform specialized work.</p> <p>Occupations usually require high school diploma and/or occupation specific training.</p>	<ul style="list-style-type: none"> - Operate and clean equipment - Follow operating procedures and achieve production targets -Perform routine maintenance of machinery - Record production data and complete reports 	Security Guards, Building Mechanic, Driller & Blaster, Process Plant operators, Heavy Equipment Operators, Apprentice	<ul style="list-style-type: none"> - High school degree may be required. - On-the-job training is provided. - Relevant experience depending on the position. 	Skill level C
Skilled	<p>Skilled workers possess special skills, training, knowledge, and ability in their work. They occupy jobs that are generally characterized by high education or expertise levels.</p> <p>Occupations usually require college or apprenticeship training. In house skilled training may be seen as an equivalent to formal education.</p>	<p>TRADES</p> <ul style="list-style-type: none"> - Maintain and repair tools and equipment - Read and interpret drawings and sketches to determine specifications and calculate requirements -Install, repair and maintain industrial mobile and fixed systems - Test equipment and components <p>TECHNICIANS</p> <ul style="list-style-type: none"> - Conduct or direct mining survey programs - Prepare and analyze 	Electricians, Heavy Duty Mechanic, Mining Technicians, Millwright, Environmental Technician	<p>TRADES</p> <ul style="list-style-type: none"> - Completion of high school level usually required. - Completion of an apprenticeship program or equivalent - Red Seal endorsement according to the level of the position occupied <p>TECHNICIANS</p> <ul style="list-style-type: none"> - Completion of high school level usually required. - Completion of a 	Skill level B

		<p>notes, sketches and maps</p> <ul style="list-style-type: none"> - Record measurements and other information - Assist professionals in supervising technical delivery of work 		<p>college degree</p> <ul style="list-style-type: none"> - Relevant experience in the concerned discipline 	
Professionals	<p>Professionals occupy a profession recognized as such and support the operations of near or far from their own expertise. They are normally subject to professional standards and can be part of an established order that envelops the performance of their work.</p> <p>Occupations that usually requires university education.</p>	<ul style="list-style-type: none"> - Plan, develop, implement and evaluate strategies including policies, programs and procedures to address an organization's requirements. - Determine and advise on appropriate and safe working methods - Plan, organize and supervise the technical aspect of work 	Engineers, Geologist, Nurses, HR professionals	<ul style="list-style-type: none"> - University degree -Relevant experience according to the level of the position 	Skill level A
Management	<p>Managers plan, organize, direct, control and evaluate the activities of a department or service. They are performing in different sectors directly related to operations or to the support of mining operations.</p> <p>Occupations that usually requires university education or equivalent extensive work experience with a supervisory component to the job.</p>	<ul style="list-style-type: none"> - Plan, organize, direct, control and evaluate the activities and operations of a department; - Develop and implement policies, standards and procedures - Supervise, co-ordinate and schedule the activities of workers; - Establish methods to meet work schedules and co-ordinate work activities with other departments 	Supervisors, Superintendents	<ul style="list-style-type: none"> - University degree -Extensive experience in the discipline - Experience with supervision of a team 	Skill level A

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