

Gahcho Kué Project Community Engagement



Community Engagement – General Approach

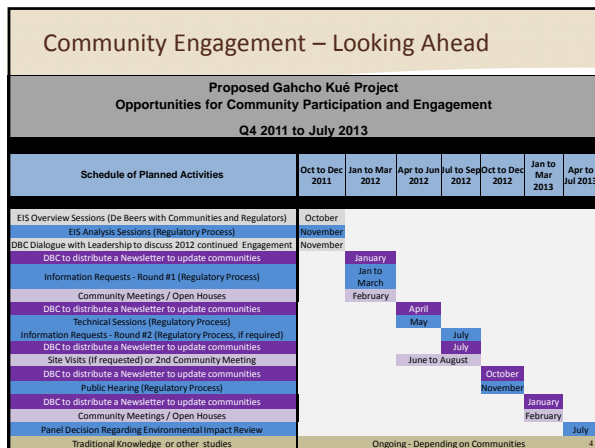
- Inform the potentially affected communities about the proposed Project;
 - Leadership (first)
 - Lands & Environment departments
 - Community at large
- Engage communities in a dialogue about the proposed Project to
 - Build understanding regarding the company's planned approach
 - Provide opportunities to provide comments, raise concerns, make suggestions and/or to address concerns

2

Community Engagement - Prior to EIS Conformity

- Meetings with Community Leadership – Our starting point
 - Discuss proposed project
 - Outline data collection and/or engagement activity planned and discuss how the community would like to participate
- Undertake Community Based Activities – specific to direction agreed with leadership
 - Publication and mail out of Newsletters, DVD's and/or other information
 - Public/Community Meetings
 - Host Community Open Houses
 - Group and/or individual meetings/discussions
 - Site Visits
 - Involvement in community data collection or community specific studies, including Traditional Knowledge Studies

3





Gahcho Kué Project Archaeology



Purpose

- Provide background on archaeological assessments required by legislation.
- Discuss archaeological methodology
- Provide an overview of the archaeological work that has been completed for the Gahcho Kué Project.
- Summarize the results of archaeology research.

2

Location of Archaeological Data

- Archaeological data are provided in Annex L (archaeological baseline).
- Archaeological assessments are provided in Section 12, with detailed information in Appendix 12.III.
- A NWT Archaeologist Permit is required to conduct archaeological field investigations. Permits are obtained annually and there are two levels of permitting, class 1 and 2.
- These permits require that a non-technical and a technical report be prepared and submitted to the Prince of Wales Northern Heritage Centre.

3

Definitions

- Archaeological sites
 - Protected by legislation
 - Non-renewal resource
 - Location containing physical evidence of past human use
 - Characterized by artifacts and/or features
 - Artifacts are items modified by a person and can be made of a variety of materials and serve a wide range of functions
 - Features are rock arrangements created by people and include hearth rings, tent rings, cairns, marker stones and caribou drives
 - Can be defined by their content or their presumed function
 - Can be multi-purpose

4

Types of Archaeological Assessment

- Overview Assessment
 - Library research, map interpretation, consultation, archaeological potential assessment
- Preliminary Survey
 - To assist in defining the archaeological potential of a study area and to determine the scope of future work
- Site Survey or Archaeological Inventory
 - Major objective is the discovery of sites; may involve impact assessment and/or site assessment
- Mitigation/Monitoring
 - Measures undertaken to ensure that sites are protected or to mitigate the loss of sites

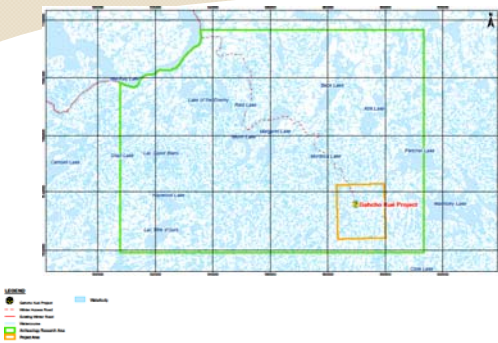
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Early Archaeological Assessments

- The first archaeological investigation at Kennady Lake was a brief survey conducted by Fedirchuk McCullough and Associates in 1996.
- From 1998 until 2003, investigations were conducted annually by Jacques Whitford Environment Limited. This work centred on Kennady Lake and along the winter access road from Mackay Lake. Archaeological survey was also conducted along a potential access route between Kennady Lake and Snap Lake.
- The latter company was responsible for the overview assessment and the majority of the archaeological inventory. By the end of 2003, there were 72 recorded sites in the local study area and 122 along the winter road.

6

Areas of Archaeological Survey



Points West Heritage Consulting Ltd.

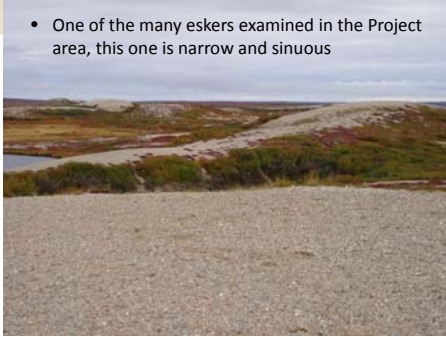
- Points West conducted the archaeological investigations for the Project annually between 2004 and 2007 and again in 2010. These investigations focussed on impact and archaeological site assessment, but included limited site inventory and mitigation.
- Representatives of the community of Lutsel K'e assisted with the 2004 through 2007 and 2010 archaeological investigations.

Archaeological Potential

- Archaeological sites occur most commonly on three types of landforms in the Project area:
- The majority of sites that have been recorded are associated with eskers.
- A number of archaeological sites are found near the shores of lakes, such as Kennady Lake.
- Archaeological sites also occurred frequently on heights of land that provide an overview of surrounding areas, including lakes.

Archaeological Survey – Esker

- One of the many eskers examined in the Project area, this one is narrow and sinuous



38

Archaeological Survey – Esker

- This esker is low and rocky and is characterized by fairly dense vegetation cover



39

Archaeological Survey – Lakeshore



40

Archaeological Survey – Height of Land



13

Archaeological Survey – Height of Land with Areas of Bedrock



14

Archaeological Techniques – Foot Traverses



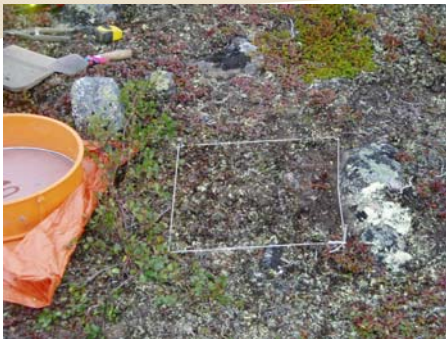
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Archaeological Techniques – Surface Examination



36

Site Assessment – Lay Out of a Test Unit



37

Site Assessment – Shovel Testing



38

Excavation with a Trowel



19

Screening



20

Completed Shovel Test



21

Completed Shallow Test



22

What We Find



23

What We Find



24

Another Lithic Scatter



25

General Results

- For each year in which archaeological field investigations have been conducted, detailed permit reports have been submitted to the Prince of Wales Northern Heritage Centre; the results of the archaeological site inventory are detailed in these reports.
- If artifacts are collected, they are submitted to the Prince of Wales Northern Heritage Centre upon completion of the permit report.
- Impact assessment was conducted for all sites in the local study area and those sites near portages along the winter road to determine the potential for sites to be affected by the Project.
- Archaeological site assessment was conducted at sites for which moderate to high impact potential was predicted.

26

General Results

- During the site assessment, sufficient archaeological data was collected to provide recommendations on the level of mitigation required at each site.
- Whenever possible, archaeological sites are avoided, but when avoidance or protection is not feasible, systematic data recovery is recommended. Systematic data recovery (SDR) most often consists of the collection of surface artifacts and varying levels of subsurface excavation. The intensity of the SDR usually depends on site significance.

27

Results of Archaeological Survey

- Prior to the archaeological investigations conducted for the Project, there were no recorded archaeological sites in the local study area centred on Kennady Lake and only one archaeological site near the winter road.
- By the end of 2010, there were 130 sites found in association with the winter road and 80 sites in the Kennady Lake area, for a total of 209 new archaeological sites. In addition, another 44 sites were found in surrounding areas during related archaeological inventory.
- The discovery of 253 archaeological sites is considered a positive effect of the project (254 sites in total).

28

Results of Impact and Archaeological Site Assessments

- The impact assessment indicated that only three of the 130 sites along the winter road were sufficiently near activity to require archaeological assessment. All three have been adequately mitigated - no further investigation is recommended.
- Up to four additional sites along the winter road could require protection and monitoring.
- The impact assessment conducted in the Kennady Lake local study area prompted the archaeological assessment of 49 of the 80 recorded sites.
- No further archaeological investigation is recommended at 21 of these sites as a result of revised development plans or site characteristics.

29

Results of Archaeological Assessment

- Surface collection and/or limited subsurface excavation has been recommended for 16 sites with sparse archaeological content if avoidance and protection is not feasible; two sites may be avoidable, but could require monitoring.
- Surface collection and subsurface excavation is recommended for 12 sites characterized by moderate to dense surface archaeological material and potential for subsurface artifacts; one of these sites is avoidable and five others may avoidable, but could require monitoring.
- Systematic data recovery ensures that archaeological data is collected and available to future generations.

30

Questions?



31



Introduction

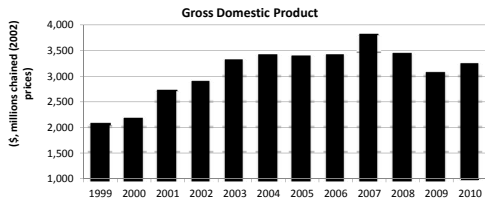
- The economic impact assessment addresses concerns expressed regarding the long-term economic outlook of the NWT
- The information presented today can be found in the Economic Impact Report (Appendix 12.II)
- This presentation will provide information regarding
 - the current and future economic status of the NWT
 - the economic research methods and concepts
 - the economics of the Project; its planned expenditures on labour and capital
 - the direct, indirect, and induced effects of these initial expenditures
 - the added impacts on employment, labour market, and population
- A presentation on the socio-economic impacts will follow this presentation

2



Brief Review of Current Economy

- The economy grew rapidly from 1999 to 2004, but has been relatively stable ever since
- Employment and income grew alongside the rise of the diamond industry and have remained relatively stable ever since



4

Brief Review of Current Economy

- Mining is and will remain the economic driver, representing over 30% of NWT's production (in direct impacts)
- The relative impacts have been the greatest amongst NWT's Aboriginal population
- The recession brought a decline in employment and recovery has been slow, employment levels are now (late 2011) returning to previous levels
- The NWT has been challenged with labour force retention, out-migration, and deruralisation
- In the absence of some potential projects becoming reality in the next few years, NWT faces the threat of a declining economy and population and issues of sustainability

5

What's next for the Northwest Territories?

- Understanding the underlying economic future of the NWT is an important factor in assessing the Project's impacts
- Economic conditions have changed since the Gahcho Kué Project was first proposed
- Public and Private investment has been falling through a combination of the recession, reduced construction requirements at existing mines, reduced exploration, and a tighter fiscal position
 - Giant Mine
 - Gahcho Kué Diamond Mine
 - Prairie Creek, NICO, Yellowknife Gold, Thor Lake
 - Oil Exploration in the Beaufort Sea, Sahtu
 - Mackenzie Valley Pipeline and related gas fields

6

Gahcho Kué Project Economic Methods



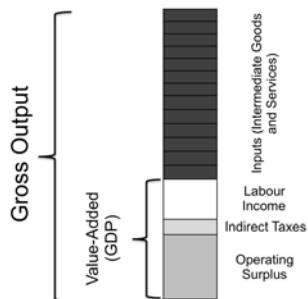
Economic Impact Study Methods

- All expenditure figures based on the Project's engineering reports
- Models and Data from Statistics Canada, NWT Bureau of Statistics, and Impact Economics
- The study looks at the direct impacts of the Project's expenditures on gross output, GDP, labour income, employment and the indirect and induced impacts of business and labour participation
- Expenditures are analysed for the construction and operations separately

8

Economic Concepts

- The Economic Impact Report examines the effects on gross output, gross domestic product, labour income, and employment that are created by the Project's expenditures



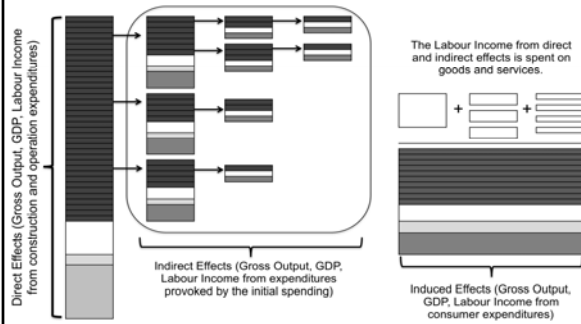
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Input-Output Modeling Concepts

- We are interested in the full economic impact of the initial expenditures
- The initial expenditures provoke additional spending
- To assess the full impact, we follow the money; that is, we look to see where the money goes after the initial expenditure is made
 - Some of the money is used by the business sector to replenish inventories
 - Some of the money is used by consumers to purchase everyday goods and services
- We separate the impacts of each expenditure into categories: direct, indirect, and induced effects

10

Direct, Indirect, and Induced Effects



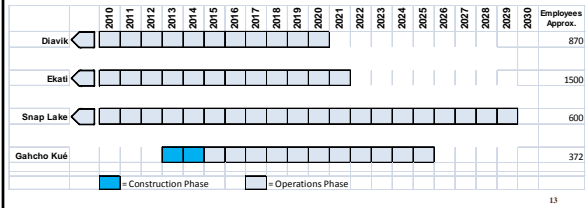
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Gahcho Kué Project Economic Impacts



Project Overview: Economic Perspective

- Gahcho Kué Project is not on the same scale as the Ekati or Diavik, but is for the territory's economy because of its timing and its design (open pit rather than underground)
- It was also bring some stability at a time when other mines are nearing the initial downsizing of their operations

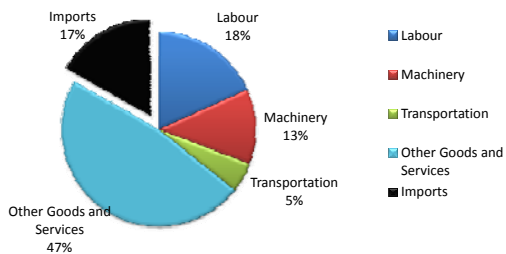


Construction Phase Economic Impacts

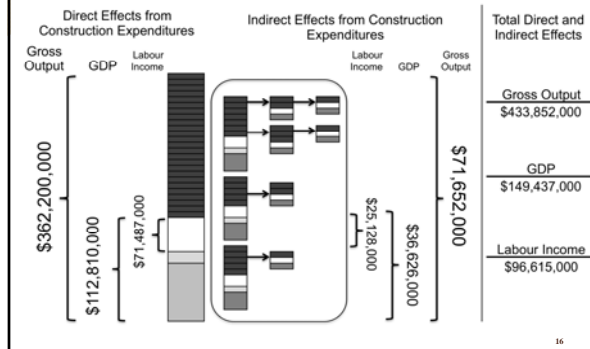


Construction Phase

- Construction Cost was estimated to equal \$535 million
- How much will go to NWT businesses and labour?



Direct and Indirect Effects of Construction



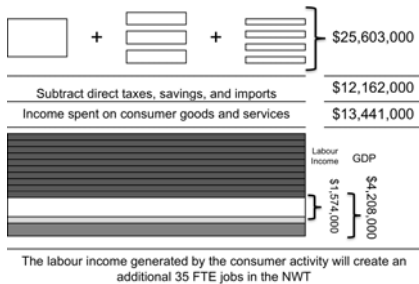
Labour Income and Employment for the NWT

- The assumed participation rate was based on the NWT labour participation at the Snap Lake Diamond Mine

Construction	
NWT Employment Record for Snap Lake Construction (2005 to 2007)	26.5%
Predicted Labour Income for Construction in the NWT	\$96,615,000
Predicted FTE Jobs Created in the NWT	1,327
Predicted NWT Labour Income during Construction	
NWT Labour Income	\$25,603,000
Predicted NWT Employment (# FTE Jobs)	352

Induced Impacts from Construction Phase

Induced Effects (GDP and Labour Income generated from the expenditures on consumer goods and services)



Relative Contribution of Construction Phase

- \$153.6 million contribution over the two years of activities to an economy that was worth \$4.6 billion in 2010 (current dollars)
 - Represents 3.3 per cent of the overall economy, and
 - Almost 100 per cent the NWT's (real) construction output in 2010
- 387 jobs over the two years added to a labour market that averaged 21,500 jobs (part-time and full-time) in 2010
 - represents 1.8 per cent increase in employment

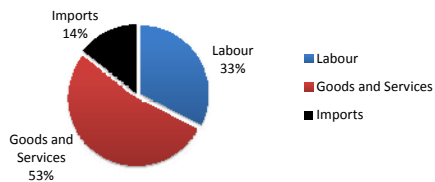
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Operations Phase Economic Impacts



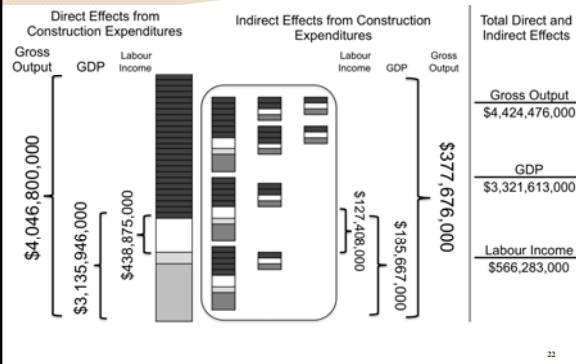
Operations Phase

- The mine is expected to operate for 11 years
- It will spend \$1.3 billion on labour and capital in that time
 - \$438.8 million on direct labour
 - \$910.8 million on goods and services
 - \$195 million will be used to purchase imports



21

Direct and Indirect Effects from Operations



NWT's Share of Labour Income & Employment

- It was assumed that NWT's workforce participation would match that of Snap Lake

Labour Income and Employment from Operations		
Employment Record for Snap Lake Operations (2008 to 2009)	37.6%	
Predicted Labour Income from Operations	\$566,283,000	
Total FTE Jobs Created from Operations	6,089	
Predicted NWT Labour Income and Employment Impacts during Operations		
	Total	Annual Average
Total NWT Labour Income	\$212,922,000	\$19,357,000
Total NWT Employment (# FTE Jobs)	2,289	208

Induced Impacts from Operations Phase

Induced Effects (GDP and Labour Income generated from the expenditures on consumer goods and services)

	+		+		\$212,922,000
Subtract direct taxes, savings, and imports					\$100,602,000
Income spent on consumer goods and services					\$112,320,000



The labour income generated by the consumer activity will create an additional 289 FTE jobs in the NWT

Relative Contribution of Operation Phase

- \$305.2 million contribution to an economy that was worth \$4.6 billion in 2010 (current dollars)
 - represents 6.6 per cent of the economy, and
 - Approximately 30 per cent of NWT's real mining output in 2010
- The 234 average annual FTE jobs over the 11 years represents a 1.1 per cent increase in employment in a labour market that had 21,500 jobs (part-time and full-time) in 2010
- The \$20.6 million in annual labour income represents approximately 1 per cent of the current (2010) labour income in the NWT

25

Tax Revenue Impacts from Diamond Production

- The diamond production and business activities result in direct and indirect taxes for government
- The largest impact is through direct taxation

Direct Taxes: Operations	Total
Federal Personal Income Tax	\$25,116,000
Territorial Personal Income Tax	11,680,000
EI, WC, and CPP	16,558,000
Federal Corporate Tax	310,310,000
Territorial Corporate Tax	187,819,000
Mining Tax	240,508,000
Total	\$791,991,000

26

Estimated Impact on Federal Transfers (Territorial Formula Financing Agreement)

- Calculating the precise amount of reduction in transfer is difficult because the eligible revenues are determined using the Territory's revenue capacity, not its actual revenues.
- Assuming these two revenue streams were equal, the total revenue implication for the GNWT would be \$73.5 million with the two-year lag applied.
- This total comes from the 30% EDI applied to the change in tracked revenues of \$244.2 million assuming actual revenues and revenue capacity are identical.
- Under the current financial arrangements, the GNWT does not receive any portion of the mining tax

27

Economic Impacts of Closure and Reclamation



Summary of Closure

- De Beers plans to perform reclamation work throughout the project's operation phase. Closure work needed beyond 2025 will be lake refilling and water monitoring activities.
- During operations, \$17.5 million will be spent on labour and capital in conducting this reclamation work.
- From 2026 to 2034, De Beers will spend \$7.5 million as a part of its closure phase.
- Staffing will consist of 9 people who will combine for 68 weeks of work each year
- Wages for this staff will equal \$188,000 annually. We expect this labour requirement will be filled by NWT residents.
- Added business demand and induced consumer activities will be accounted for through changes in productivity
- The effects from the \$7.5 million expenditure on GDP when spread over the nine-year closure phase will be less than 0.01% of the economy.

29

Demographics and Labour



Demographics and Labour

- This section of the presentation will introduce four scenarios for demographic and labour force conditions
 - This is not a forecast, but rather the impacts associated with specific scenarios
- Scenario One: Base Case
 - Current conditions assuming no changes (a steady state)
- Scenario Two: Current
 - Scenario One *plus* changes in the operating status of the existing diamond mines (i.e. Closures)
- Scenario Three: Gahcho Kué Project
 - Add the Gahcho Kué Project to the current scenario
- Scenario Four: Cumulative
 - add additional NWT resource projects (NICO and Canadian Zinc)

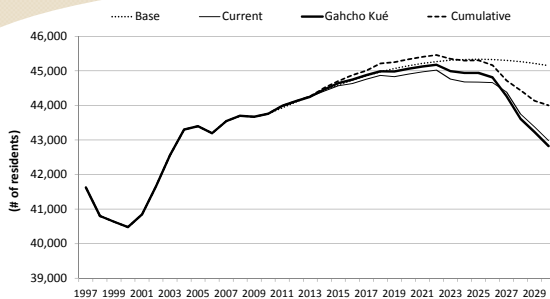
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Labour Force Results (unemployment rate)

Unemployment Rate			
	Scenario Two	Scenario Three	Scenario Four
2005	5.0%	5.0%	5.0%
2010	7.3%	7.3%	7.3%
2015	8.8%	7.6%	6.6%
2020	9.9%	8.3%	6.8%
2025	11.6%	10.6%	9.2%
2030	13.5%	13.6%	12.7%

32

All Population Projections

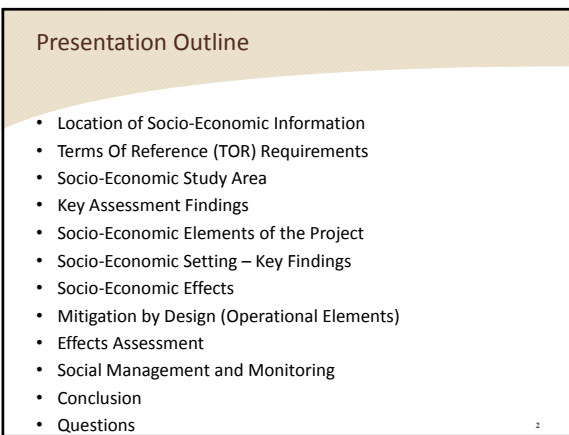


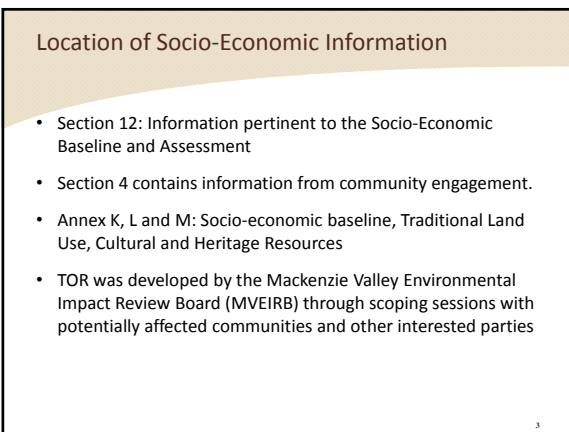
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Questions









Terms Of Reference (TOR) Requirements

- 3 Key Lines of Inquiry (KLOI):
 - Long term social, cultural, and economic effects
 - Family and community cohesion
 - Social disparity within and between communities
- 6 Subjects of Note (SON):
 - Employment, training, and economic development
 - Demands on infrastructure
 - Tourism potential and wilderness character
 - Proposed National Park
 - Culture, heritage and archaeology
 - Aboriginal rights and community engagement

4

Terms Of Reference (TOR) Requirements

- 11 Other Issues (relevant to socio-economic assessment)
 - employment
 - education
 - training
 - income and expenses
 - cultural/population health
 - community capacity
 - heritage resources
 - labour force
 - government capacity
 - northern business
 - sustainable economy

5

Socio-Economic Study Area

- Local Study Area (LSA) consists of the following communities (population) as identified in the TOR:

<i>North Slave Administrative Region</i>	<i>South Slave Administrative Region</i>
– Detah (260)	– Hay River (3,747)
– N'dilo (513*)	– Hay River Reserve (327)
– Behchokö (2,059)	– Enterprise (102)
– Gamèti (302)	– Fort Providence (762)
– Wekweèti (144)	– Fort Resolution (493)
– Whati (504)	– Fort Smith (2,482)
– Yellowknife (19,962)	
– Łutselk'e (312)	

*2006 data since not available in 2010

- Community studies were undertaken by NSMA, Deninu Kue and Fort Resolution Métis in 2008
- The Regional Study Area (RSA) is the Northwest Territories (NWT)

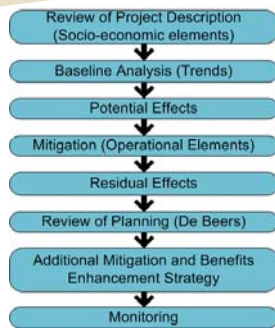
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Key Assessment Findings

- The Project will have the following positive effects:
 - Maintain employment in diamond mining after the closure of other mines
 - Create new positions in construction and operation phases
 - Gains made in decreasing social disparity will be maintained
 - Contribute to capacity building and to the development of a skilled labour force in NWT
 - Contribute to maintenance of cultural activities such as harvesting
- The Project is not expected to affect the following:
 - Opportunities to harvest
 - Stress on social or physical infrastructure (related to population pressure)
 - Community/family cohesion

7

SEIA Process



8

Socio-Economic Elements of the Project

- Project Schedule
 - Construction (2013-2015)
 - Operations (2015-2025)
 - Closure & reclamation (2025-2027)
- Employment
 - Employment during construction
 - Employment during operations
 - Procurement
- On-site facilities and services
 - Camp accommodations
 - 24 hour medical services
 - Site access will be via a winter road and fly in-out rotation

9

Socio-Economic Setting – Key Findings

- Economy and Labour Force:
 - Despite a global economic downturn in 2008, long-term need for a trained and skilled workforce is at an all time high (Mine Training Society [MTS] 2009)
 - Modest population growth in NWT (4.3% over a 9-year period), but expected to slow due to out-migration stemming from high cost of living (varies between communities, ranging from 23% to 53% higher than in Edmonton)(GNWT Bureau of Statistics 2010a)
 - Labour retention is a key issue

10

Socio-Economic Setting – Key Findings

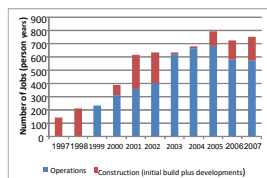
- Economy and Labour Force (Continued):
 - The unemployment rate was 5-6% between 2005 and 2008 but rose to 7.3% in 2010 (GNWT Bureau of Statistics 2008d, 2010)
 - Labour force participation rate was 75% in 2008, falling slightly to 72% in 2010 (GNWT Bureau of Statistics, 2010)
 - Increase in Aboriginal businesses and expansion of existing businesses (i.e., Tlilcho Logistics, Det'on Cho Corporation, and other businesses provided contracting services to mining developments)
 - Employment rates for Aboriginal people are growing (GNWT Bureau of Statistics 2010)

11

Socio-Economic Setting – Key Findings

- Economy and Labour Force (Continued):
 - Diamond mining has had a positive impact on Aboriginal employment over the past decade

Aboriginal Employment at the Northwest Territories Diamond Mines, 1997 to 2007



12

Socio-Economic Setting – Key Findings

- Income and Earnings (GNWT Bureau of Statistics 2008a):
 - Increasing income disparity until 2000 trending toward more equal distribution
 - Incomes are rising – an average of 16% between 2002 and 2006 in the NWT generally. Gains made in some North and South Slave region communities of over 20%
 - Between 1996 and 2006 the percentage of families in NWT earning less than \$25K went from 25% to 14%
 - Percentage of high income earners (> \$60k) grew from 49% to 65% between 1996 and 2006
 - In Behchokō, proportion of families earning less than \$25K dropped from 43% to 25%; proportion of high income earners increased from 18% to 47% between 1996 and 2006

13

Socio-Economic Setting – Key Findings

- Education:
 - Increase in the number of students graduating in the NWT (39% in '98/'99 to 53% in '08/'07) (GNWT Bureau of Statistics 2010b)
 - Aboriginal student graduation rates have nearly doubled over the past decade (23% in '98/'99 to 44% in '08/'07) (GNWT Bureau of Statistics 2010b)

14

Socio-Economic Setting – Key Findings

- Culture:
 - Traditional cultural environment is changing
 - Decline in knowledge of Aboriginal languages (percentage who could speak an Aboriginal language fell from 56% in 1989 to 38% by 2009) (GNWT Department of Education, Culture and Employment 2010)
 - Greater access to culturally appropriate education and training including bilingual programs, credit courses in languages, programming that incorporates traditional knowledge
 - Slight increase in harvesting activities among South Slave and Tłı̄chō residents; individuals in prime income-earning years (25-59) are more likely to harvest (GNWT Bureau of Statistics 2003a; 2005, 2010d; 2010e)

15

Socio-Economic Setting – Key Findings

- Communities and Diamonds Report (GNWT 2010):
 - Monitor and identify socio-economic trends occurring in Behchokö, Gamètì, Whatì, Wekweètì, Detah, N'Dilo, Łutselk'e, and Yellowknife
 - Most recent document reports on 2009 data
 - Strongest (probable) associations are related to employment and income.
 - Affected and unaffected communities are not completely comparable (oil and gas sector is having similar effects in communities unaffected by mining)

16

Socio-Economic Setting – Key Findings

- Communities and Diamonds Report (GNWT 2010) (Cont.):
 - Negatives:
 - Increased incidences of communicable disease in both affected and unaffected communities (higher in unaffected communities)
 - More single parent families in affected communities (stress of rotational work on families)
 - Increased substance-abuse related crime in both affected and unaffected communities (all other crime rates stabilizing or improving in affected communities)

17

Socio-Economic Setting – Key Findings

- Communities and Diamonds Report (GNWT 2010) (Cont.):
 - Positives:
 - Less crowding in both affected and unaffected communities
 - Increased frequency of trapping in both affected and unaffected communities
 - Increase in employment and participation rates and high school completion
 - Decrease in wage disparity, income assistance cases and unemployment rates in both affected and unaffected communities
 - Increased average incomes in affected communities

18

Socio-Economic Effects

- Linkages between the proposed Project and socio-economic effects are direct and indirect: in-migration is an effect but may engender other effects
- Socio-economic effects are often in response to drivers of change such as population change, employment and wages
- Effects have more to do with a project's operational elements – policies around rotations, accommodations on site, transport to and from communities
- Planning to limit effects
- Plans to enhance benefits, particularly increasing the uptake of jobs locally
- Community Development (CD) initiatives to spread benefits broadly and is driven by communities

19

Mitigation by Design (Operational Elements)

- Employment and Contracting:
 - De Beers will maximize opportunities in LSA and RSA by:
 - Continuing to implement preferential hiring, including priority on points of hire in study area communities (wide dissemination of employment opportunities)
 - Providing preferential contracting to NWT businesses and helping NWT businesses overcome barriers to accessing Project contracting opportunities
 - Offering education, training and scholarship programs
 - Promoting and accommodating Aboriginal culture in the workplace, taking into consideration operational requirements
 - Including criteria regarding hiring and procurement priorities in the evaluation and selection of its contractors

20

Mitigation by Design (Operational Elements)

- Education and training:
 - Pre-employment, life skills and literacy, high school completion, post secondary, on the job and mentoring programs
 - Encourage and promote female participation in training and employment
- Workforce Management:
 - Policies to ensure that Aboriginal employees have opportunity to engage in traditional activity
 - Providing workplace conditions that accommodate and promote inclusion of cultural elements
 - Leveraging rotational work schedules to enable trips on the land in weeks off

21

Mitigation by Design (Operational Elements)

- Workforce Management (Continued):
 - Cross cultural training and worker codes of conduct
 - Encouraging the use of Aboriginal languages where practical
 - Incorporating traditional culture at site (celebrations, recreation, foods)
- Family and Community Wellbeing:
 - Providing a confidential employee and family assistance program
 - Providing communications systems on site for people to stay in touch with their families
 - Supporting community initiatives that respond to community established priorities in the area of wellness, literacy, culture and financial management

22

Effects Assessment

- Methods:
 - Assessment is conducted after consideration of operational elements or preemptive mitigation
 - Quantitative methods included:
 - Input-Output Model (Statistics Canada data)
 - NWT Economic Impact Model
 - Qualitative information gathering:
 - Project scoping meetings
 - Community visits
 - Literature synthesis and review
 - Application of documented similar situations
 - Business and expert subject matter interviews

23

Effects Assessment

- Labour Force:
 - The Project will continue De Beers' contribution to the growth of a skilled northern labour force. De Beers will:
 - Work with community agencies to link literacy programs to other kinds of upgrading (i.e., training programs aimed at improving qualifications towards employment)
 - Offer scholarships for industry-related studies
 - Continue to sponsor apprenticeship and trades programs, including a focus on promoting opportunities to women
 - Monitor the effectiveness of the above

24

Effects Assessment

- **Social Disparity:**
 - Because of the Project's time horizon (shorter than other NWT mines) the Project is not likely to negatively affect the following:
 - Population effects (in-migration) are not expected (thus no upward pressure on housing)
 - Harvesting (is a safety net for some)
 - The Project is likely to have positive effects on the following:
 - Reduce barriers to labour force participation by building capacity
 - Broad recruitment will occur from many communities, and transportation barriers will be addressed through the provision of direct flights to communities
 - Increase women's participation through training and recruitment focus (builds capacity)

25

Effects Assessment

- **Culture:**
 - The Project is not likely to have a negative impact on Aboriginal language retention and it will contribute to maintenance of language due to the following:
 - The use of Aboriginal languages on-site will be encouraged, where it does not conflict with health and safety
 - Core corporate policies will continue to be provided in English, French, Chipewyan and Tlicho
 - Financial or in-kind support for language programs, in partnership with communities
 - GNWT initiatives aimed at incorporating the Aboriginal languages into the K-12 school system (i.e., bilingual and immersion education programs) have been implemented; Many countervailing influences on maintenance of culture

26

Social Management and Monitoring

- **Project Specific Socio Economic Reporting – De Beers will:**
 - Extend its employment monitoring and reporting system for the Snap Lake Mine to incorporate the Gahcho Kué Project, providing separate and combined results annually (Hiring and employment by residency, heritage, and job category)
 - Report annually on project-specific training hours invested, including number of trainees, apprentices and other development program initiatives
 - Report annually on procurement including northern and Aboriginal expenditure
 - Report annually on community relations activities and Corporate Social Investment

27

Social Management and Monitoring

- Effectiveness Monitoring – De Beers will monitor the effectiveness of the company's mitigation strategies, policies and commitments and will meet with communities and governments regularly to discuss findings
- Adaptive Management – De Beers will employ an adaptive management approach to adjust, if needed, programs and policies, taking into consideration input from Communities of Interest

28

Conclusions

- The Project:
 - Will maintain mine employment after other mines close and will contribute additional employment in construction and operation phases
 - Will maintain business and procurement opportunities
 - Builds additional capacity of NWT labour force to more fully benefit in future developments, mining and other sectors
 - Maintains participation in traditional activities such as harvesting
 - Is not likely to affect family or community cohesion
- Mines have had a positive impact on reducing disparity
- De Beers brings additional benefits through community initiatives and lessons learned at other operating mines

29

Questions