



April 4, 2012

File: S110-01-08

Chuck Hubert  
Environmental Assessment Officer  
Mackenzie Valley Environmental Impact Review Board  
P.O. Box 938  
Yellowknife NT X1A 2N7

Dear Mr. Hubert:

**Lutsel K'e Dene First Nation - Information Request  
Responses - Gahcho Kué Project Environmental Impact Review**

De Beers is pleased to provide the Mackenzie Valley Environmental Impact Review Board with responses to Information Requests submitted by the Lutsel K'e Dene First Nation.

Sincerely,

A handwritten signature in black ink, which appears to read "Veronica Chisholm".

Veronica Chisholm  
Permitting Manager

Attachment

c: M. Tollis, Wildlife, Lands & Environment Manager, Lutsel K'e Dene First Nation



GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_01

Source: Lutsel K'e Dene First Nation

Subject: Timeline for Engagement

EIS Section: 5.2.2, 5.2.4.1.1

---

**Preamble**

**Concern**

The timeline for engagement states "initiation of the community engagement program by De Beers in May 2007, which continued to December 2010." (p.5-8).

"Engagement activities with LKDFN regarding the Project have been ongoing since 1998"

**Rationale:**

The timeline on page 5-9 indicates the acquisition of Traditional Knowledge was paused in the second half of 2008 and 2009 due to an economic downturn, and engagement efforts 'recommenced' in June 2010. This timeline is supported by Table 5.2-1. This pause affected the ability of LKDFN to provide relevant TK information for consideration in the project assessment and consequently may not have our rights and interests fully considered.

**Request**

- 1) LKDFN requests that DeBeers provide explanation for pause in engagement activities from September 26, 2008 - June 29, 2010, or update Table 5.2-1.

**Response**

The reduced community engagement activities from the second half of 2008 and throughout 2009 was due to the global economic downturn as explained in Section 4.3.7.1 of the 2010 EIS (De Beers 2010, page 4-27).

Like many industries the diamond industry faced a global recession in late 2008 and throughout 2009. The impact of this recession on De Beers world wide was significant. In order to manage this economic challenge, a number of decisions were made including slowing the production in operating mines, downsizing

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

operations, cutting capital expenditures and holding temporary mine shut-downs. In the case of the Gahcho Kué Project, cost cutting measures resulted in a pause in a number of activities, including community engagement. In March 2010, De Beers re-initiated its community engagement program as other activities on the Project were recommencing, including engagement activities with the Łutsel K'e Dene First Nation (LKDFN). Over the years there has been and will continue to be many opportunities for LKDFN to provide input including traditional knowledge information into the EIR process for the Project and De Beers encourages LKDFN to provide that information.

**Reference**

De Beers (De Beers Canada Inc.). 2010. Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_02

Source: Lutsel K'e Dene First Nation

Subject: Release of LKDFN Report and sole use of secondary sources

EIS Section: 5.2.3

---

**Preamble**

**Concern:**

"Currently, TK specific to this Project is limited. As a result, the EIS has relied on available information from issue scoping and community engagement activities, and secondary sources" (p. 5-10)

**Rationale:**

The site visit component was completed in August 2006. The EIS states that "The intended use of the TK study was stated in the Detailed Traditional Knowledge Study Plan. It states that although the TK belongs to the individuals and the community that provide it, "De Beers will be given permission to use the data for the Project ... This data will be included in environmental and socio-economic impact assessments, and developing mitigation plans. The TK report will be included as an appendix in the Developers Assessment Report" (p.5-11). Given the Detailed Traditional Study Plan, why was engagement to finalize TK in the EIS ceased from September 2008 to June 2010, given the Proponent was aware the EIS would be finalized and submitted in December, 2010. This, in part, explains why "currently, TK specific to this Project is Limited" and "at the time of submission of the EIS, the TK study is not available, as it has not been released by the LKDFN" (p.5-11). LKDFN should have had the opportunity to review and verify any information gathered as part of the study process.

**Request**

- 1) LKDFN request that the proponent should detail how the TK/TLU study process will be completed and how the information will be used.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

**Response**

In 2006, De Beers signed a Traditional Knowledge Agreement with Łutsel K'e Dene First Nation (LKDFN) to undertake a Traditional Knowledge/Traditional Land Use (TK/TLU) Study for the proposed Gahcho Kué Project.

When De Beers submitted the Gahcho Kué Project Environmental Impact Statement (EIS) in December 2010, the TK/TLU Study, although initiated in 2006, had not been completed by the LKDFN. During November 28 – December 2, 2011 the MVEIRB hosted an EIS Analysis Session regarding the proposed Gahcho Kué Project. At that session, the Gahcho Kué Panel staff encouraged all Environmental Impact Review (EIR) Aboriginal participants to complete and submit any outstanding traditional knowledge reports. De Beers has supported and encouraged LKDFN to complete the TK/TLU Study. De Beers has encouraged LKDFN to complete the study so that it can form part of the public record for the Project EIR. Recent discussions and correspondence with LKDFN is encouraging and De Beers expects that this study will be completed in 2012. Over the years there has been and will continue to be many opportunities for LKDFN to provide traditional knowledge information into the EIR process for the Project and De Beers encourages LKDFN to provide that information.

When the results of the LKDN TK/TLU studies are made available, De Beers will use that information to further inform impact predictions, to evaluate whether additional mitigation or refinements to proposed mitigation is needed, and to identify additional opportunities for incorporating traditional knowledge into monitoring programs.

**Reference**

De Beers (De Beers Canada Inc.). 2010. Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_03

Source: Lutsel K'e Dene First Nation

Subject: Release of LKDFN Report and sole use of secondary sources

EIS Section: 5.2.4.1.1

Terms of Reference Section: 3.2.5

---

## Preamble

### Concern

"At the time of submission of the EIS [December 2010], the TK study is not available, as it has not been released by the LKDFN." (p. 5-11).

The timeline in Table 5.2-1 indicates the Traditional Knowledge field studies were completed in August 2006 and correspondence to finalize the report concluded between De Beers and LKDFN in September 2008. There is no further engagement recorded until June 30, 2010 when a presentation of the Project was reintroduced to the community. A request for a draft copy of the report was then requested by the LKDFN on September 8, 2010, and permission to release the report to the community was issued September 30, 2010. The Gahcho Kué EIS was completed in December of 2010. The timeline following the reintroduction of the Project in June 2010 did not allow sufficient time to complete a draft report, let alone allow for TK/TLU (traditional land use) information to be adequately incorporated into the EIS.

## Request

LKDFN requests that the proponent demonstrate how TK/TLU will be considered in the project moving forward as required by the ToR for the 2010 Environmental Impact Statement (EIS), Section 3.2.5 (De Beers 2010).

## Response

Section 5.4.5 of the 2010 EIS (De Beers 2010) details plans for incorporating traditional knowledge (TK) into all stages of the Project life: the assessment, permitting, construction, operations and closure of the Project. In general, this will be achieved by advancing engagement activities, finalizing TK studies with

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Aboriginal communities, hosting site visits, involving Elders and youth in monitoring programs, and providing workshops.

When the results of TK/TLU studies are made available, De Beers will use that information to further inform impact predictions, to evaluate whether additional mitigation or refinements to proposed mitigation is needed, and to identify additional opportunities for incorporating TK into monitoring programs.

**Reference List**

De Beers (De Beers Canada Inc.). 2010. Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_04

Source: Lutsel K'e Dene First Nation

Subject: Limitation of secondary sources

EIS Section: 5.3.1

---

**Preamble**

**Concern:**

The most important cultural sites for the Denesôline are around Artillery Lake and Parry Falls (LKDFN 2005, internet site). (p. 5-18)

**Rationale:**

The "most important cultural sites" recorded on a website do not adequately reflect all LKDFN cultural sites specific to the Project area. Reliance on secondary sources should be followed up with interviews, fieldwork, or correspondence with the LKDFN.

**Request**

- 1) LKDFN requests that the proponent address this very serious concern of the LKDFN regarding the "most important" cultural sites in the project area. It is essential that the LKDFN cultural sites are not only taken into consideration, but have a strong plan to protect them. Further engagement may be required to adequately address this concern.

**Response**

The 2010 EIS, Sections 12.7.5.3.2, 8.7, 8.8, and 11.4 do not predict the Gahcho Kué Project will impact Artillery Lake or Parry Falls, either through direct (i.e., physical disturbance) or indirect (e.g., water quality, air quality) effects (De Beers 2010).

In 2006, De Beers signed a Traditional Knowledge Agreement with Lutsel K'e Dene First Nation (LKDFN) to undertake a Traditional Knowledge/Traditional Land Use (TK/TLU) Study for the proposed Gahcho Kué Project.



GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

When De Beers submitted the Gahcho Kué Project Environmental Impact Statement (EIS) in December 2010, the TK/TLU Study had not been completed by the LKDFN. During November 28 – December 2, 2011 the Mackenzie Valley Environmental Review Board (MVEIRB) hosted an EIS Analysis Session regarding the proposed Gahcho Kué Project. At that session the Gahcho Kué Panel staff encouraged all Environmental Impact Review (EIR) Aboriginal participants to complete and submit any outstanding traditional knowledge reports. De Beers has supported and encouraged LKDFN to complete the TK/TLU Study so that it can form part of the public record for the Project EIR. Recent discussions and correspondence with LKDFN is encouraging and De Beers expects that this study will be completed in 2012. Over the years, there has been and will continue to be, many opportunities for LKDFN to provide traditional knowledge information into the EIR process for the Project and De Beers encourages LKDFN to provide that information.

When the results of the LKDN TK/TLU studies are made available, De Beers will use that information to further inform impact predictions, to evaluate whether additional mitigation or refinements to proposed mitigation is needed, and to identify additional opportunities for incorporating traditional knowledge into monitoring programs.

**Reference**

De Beers (De Beers Canada Inc.). 2010. Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_05  
Source: Lutsel K'e Dene First Nation  
Subject: Limitation of secondary sources  
EIS Section: 5.3.7

---

**Preamble**

**Concern:**

"Based on the review of existing literature, there are no culturally significant sites for the LKDFN". (p.5-21).

**Rationale:**

Additional engagement to confirm these sources could have been provided between August 2006 and June 2010. Moving forward, engagement with communities should be stronger to adequately reflect TK in the EIS.

**Request**

- 1) LKDFN requests that the proponent acknowledge limitations of secondary sources and limited engagement to verify TK secondary sources in the report.
- 2) LKDFN requests that the proponent outline their engagement strategy, past and future.

**Response**

De Beers would like to clarify on page 5-21 (Section 5.3.7 [De Beers 2010]) the full quote "*Based on the review of existing literature, there are no culturally significant sites for the LKDFN, YDFN, DKFN, Tłı̄chô, or North Slave Métis Alliance within the Kennady Lake area.*" The following provides context for the impact assessment on cultural sites which is provided in Section 12 of the 2010 EIS (De Beers 2010).

- 1) Traditional Knowledge (TK) and Traditional Land Use (TLU) information was collected through community engagement activities, through review and discussion of existing secondary sources, and the review and incorporation of primary source data. The results of engagement can be found in Section

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

4 of the 2010 EIS (De Beers 2010). The results of the review of secondary sources are discussed in Annex M and Section 5 of the 2010 EIS (De Beers 2010).

### *Community Engagement*

De Beers has been engaged in community engagement activities in the Northwest Territories since 1998. Between 1998 and 2005, De Beers conducted exploration and Project planning. This involved meeting with the LKDFN, YKDFN, Tłıchô, DKFN, Treaty 8 (Akaıtcho), North Slave Métis Alliance and the NWT Métis Nation. Concerns were identified pertaining to: water quality, fish health and habitat, wildlife (in particular caribou) health, environmental pollutants, the preservation of archaeological heritage, environmental monitoring and general socio-economic issues (e.g., employment, training, business opportunities).

De Beers also participated in MVEIRB community scoping workshops in 2006 wherein a range of social, environmental and economic themes were identified by the previously mentioned Aboriginal groups.

Following the release of the Gahcho Kue Terms of Reference (2007), De Beers entered into community engagement between 2007 and 2010. Initial meetings were held with community leaders to discuss the engagement process. De Beers then conducted both community meetings and open houses in Behchoko, Gameti, Wekweeti, Whati, Fort Resolution, and Lutsel K'e to identify important resources and TLU activities in the study area. Further meetings were held with the North Slave Métis Alliance, the Yellowknives Dene First Nation, the Deninu Kue First Nation, the Lutsel K'e Dene First Nation, the Tłıcho Government and the NWT Métis Nation. The following key lines of inquiry and subjects of note were identified:

- Water Quality and Fish in Kennady Lake;
- Caribou;
- Carnivore Mortality;
- Long-term Biophysical Effects, Closure and Reclamation;

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

- Downstream Water Effects;
- Long-term Social, Cultural, and Economic Effects;
- Social Disparity Within and Between Communities; and
- Aboriginal Rights and Community Engagement.

From 2010 until 2011, De Beers conducted a public information campaign and planned community activities such as open houses, community meetings and community representative site visits. These activities and meetings confirmed that the concerns raised in the 2006 scoping sessions during the environmental assessment continue to be articulated in the community engagement process. During this period, De Beers also conducted meetings leading to the 2010 EIS submission with Indian and Northern Affairs Canada (now Aboriginal Affairs and Northern Development Canada), the Government of the Northwest Territories, Environment Canada and Fisheries and Oceans Canada. The most recent community meeting on the Project was held in Ft. Resolution, NT on March 28,, 2012.

Community engagement, the public information campaign and the 2010 EIS lead-up meetings culminated in the planning of a series of issue-based workshops (2011) held in Yellowknife. These workshops were planned to provide regulators and Aboriginal communities with the opportunity to discuss topics of interest with De Beers, specific to the Project.

Future community engagement will include workshops, hosted site visits, community meetings and discussions with community leadership. De Beers will continue to invite community leadership to provide input regarding how De Beers engages their communities.

All of these activities resulted in De Beers having a strong understanding of the environment in which it was proposing to construct the Project, as well as a strong understanding of the issues of concern to Aboriginal communities.

*Literature Review and Assessment*

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

The literatures review (De Beers 2010, Sections M4.4 and 5.3.1) further identifies specific traditional resources and TLU activities in the study area. Many of these features had been mentioned during the community engagement and information campaign efforts of De Beers.

Assessments of potential effects made in the 2010 EIS consider information gathered on people's knowledge of traditional resources (e.g., wildlife, plants and water) and cultural sites through community engagement and literature review results. Assessments also consider the potential effects of the Project on human use of resources.

Combined with both a strong understanding of the environment in which it is proposing to build the project and a strong understanding of the issues of concern to Aboriginal communities, De Beers is confident that it has sufficient and applicable TK from secondary sources to incorporate TK into the project design, to predict effects and to identify appropriate mitigation measures.

### *Primary Data Collection and Incorporation*

The Lutsel K'e Dene First Nation undertook a TK/TLU study for the Gahcho Kue Project and recent discussions with the Lutsel K'e Dene First Nation. When the results of the studies become available, De Beers will use that information to further inform impact predictions, to evaluate whether additional mitigation or refinements to proposed mitigation is needed, and to identify additional opportunities for incorporating TK into monitoring programs. However, De Beers maintains its confidence that it has sufficient and applicable TK from secondary sources to incorporate TK into the project design, to predict effects and to identify appropriate mitigation measures.

- 2) In addition to the information noted above pertaining to past engagement efforts, the 2010 EIS notes the following regarding future engagement efforts.

Section 4.2.1 of the 2010 EIS outlines De Beers' policies and principles, including the principle that consultation forms the basis for the relation between the developer and Aboriginal peoples, and that consultation is an ongoing process. De Beers' demonstrated commitment to this (and other)

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

principle will continue throughout the life of the Project. De Beers has demonstrated this commitment at the Snap Lake Mine, where the company is building long-term relationships with the people of the NWT through engagement and ongoing communication.

Section 5.4.5 of the 2010 EIS details plans for incorporating TK into all stages to the Project life: the assessment, permitting, construction, operations and closure of the Project. In general, this will be achieved by advancing engagement activities, finalizing TK, hosting site visits, involving Elders and youth in monitoring programs and providing workshops. Please refer to Section 5.4.5 of the 2010 EIS for further detail.

**References**

De Beers (De Beers Canada Inc.). 2010. *Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N*. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_06

Source: Lutsel K'e Dene First Nation

Subject: Limitation of secondary sources and Project design changes

EIS Section: 5.4.1

---

**Preamble**

**Concern**

"...through a thorough review of TK in secondary sources, the development of the Snap Lake Mine and discussions with Elders from the LKDFN during the visit to the proposed site of the Project, De Beers has gained an appreciation of the importance of the land, water, and animals to Aboriginal communities. The concerns raised had consistent themes based on secondary sources. Based upon this understanding, changes to the design and execution of the Project have been made." (p.5-22)

**Rationale:**

TK information collected for one project should be specific to that project, and in good practice additional TK studies, interviews and feed-back are standard for different projects in different regional contexts. Changes made relative to the Project as inferred from other studies are not representative of LKDFN values and concerns specific to the Project area.

**Request**

- 1) LKDFN requests the proponent provide LKDFN the opportunity to review and verify the secondary information included in the EIS as part of the ongoing engagement process.
- 2) LKDFN requests that the proponent acknowledge limitations of secondary sources to support Project planning specific to the Gahcho Kue Project. Engagement with LKDFN within a year of filing would have strengthened TK relative to this EIS.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

**Response**

- 1) Łutsel K'e Dene First Nation (LKDFN) was cited as either the primary or secondary authors of the majority, 15 of a total of 18, secondary traditional knowledge information sources referenced in Annex M of the 2010 EIS (see below [De Beers 2010]). Moreover, the majority of the secondary traditional knowledge sources were identified for De Beers by the Gahcho Kué Project Working Group from Łutsel K'e that developed the original design of the Traditional Knowledge and Traditional Land Use (TK/TLU) Study initiated with De Beers in 2006. De Beers is engaging LKDFN on the completion of TK/TLU Study (see response to Information Request LK\_04).

A reference list of all secondary sources referenced in the 2010 EIS is provided in Annex M (De Beers 2010). The specific LKDFN reference sources are as follows:

1. Jacques Whitford (Jacques Whitford Environment Limited). 1998. Draft Final Report on an Archaeological Overview Assessment of the Proposed 1998–99 Winter Construction Areas Kennady Lake, District of Mackenzie, NT. August 1998. Cited in LKDFN et al. March 1999. Habitats and Wildlife of Gahcho Kué and Katth'i Nene. Final Report. Submitted to the WKSS.
2. Kendrick, A., P. O'B. Lyver, and Łutsel K'e Dene First Nation. 2003. Denesoline (Chipewyan) Knowledge of Barren-Ground Caribou Movements. Available at: [http://pubs.aina.ucalgary.ca/arctic/Arctic\\_58-2-175.pdf](http://pubs.aina.ucalgary.ca/arctic/Arctic_58-2-175.pdf). Accessed: August 2010.
3. LKDFN. 2001a. Traditional Knowledge in the Nà Yaghe Kué Region: An Assessment of the Snap Lake Project Final Assessment Report. Submitted to De Beers Canada Mining Inc. July 2001.
4. LKDFN. 2001b. Final Report Traditional Ecological Knowledge in the Kaché Tué Study Region. Available at: [http://www.enr.gov.nt.ca/live/documents/content/WKSS\\_TK\\_Kache\\_Tue\\_Region\\_2001.pdf](http://www.enr.gov.nt.ca/live/documents/content/WKSS_TK_Kache_Tue_Region_2001.pdf). Accessed: August 2010.
5. LKDFN. 2002a. Denesôaine Land-Use in the Eedacho Kué and Desnedhé Che Region Report #1: Traditional Practice – The Land of Legend. Final Report. Submitted to De Beers Canada Exploration and BHP Billiton Inc. February 2002.
6. LKDFN. 2002b. Traditional Knowledge in the Kache Tué Study Region: Phase Three – Towards a Comprehensive Environmental Monitoring Program in the Kakinÿne Region. Final Report. Submitted to West Kitikmeot Slave Study Society (WKSS). May 2002.



GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

- 
7. LKDFN, Wildlife, Lands and Environment Department. 2003. Ni hat'ni – Watching the Land: Results and Implications of 2002-2003 Monitoring Activities in the Traditional Territory of the Lutsel K'e Denesoline. Available at: [http://www.enr.gov.nt.ca/\\_live/documents/content/WKSS\\_Ni\\_Hat\\_ni\\_2002-2003\\_Report.pdf](http://www.enr.gov.nt.ca/_live/documents/content/WKSS_Ni_Hat_ni_2002-2003_Report.pdf). Accessed: June 2008.
  8. LKDFN, Wildlife, Lands and Environment Department. 2005. Ni hat'ni - Watching the Land: Results of 2003-2005 Monitoring Activities in the Traditional Territory of the Lutsel K'e Denesoline. Available at: [http://www.enr.gov.nt.ca/\\_live/documents/content/WKSS\\_Ni\\_Hat\\_ni\\_2003-2005\\_Report.pdf](http://www.enr.gov.nt.ca/_live/documents/content/WKSS_Ni_Hat_ni_2003-2005_Report.pdf). Accessed: June 2008.
  9. LKDFN and Parlee, B. 1997a. TK on Community Health Final Report Community-based Monitoring.
  10. LKDFN and Parlee, B. 1997b. Community-based Monitoring in the Slave Geological Province. May 1997.
  11. LKDFN, Parlee, B., L. Catholique, and B. Catholique. 1998. The Land is Alive. Draft Report. Submitted to De Beers Canada Mining Inc November 1998.
  12. LKDFN. 1999. Habitats and Wildlife of Gahcho Kué and Katth'I Nene. Final Report. Prepared by B. Parlee. Submitted to the WKSS. March 1999.
  13. LKDFN. 2001. Final Report on Community-based Monitoring. Prepared by B. Parlee and E. Marlowe. Submitted to the WKSS. November 2001.
  14. LKDFN. 2002c. Denesôaine Land-Use in the Aedacho Kand Desnedhé Che Region Report #2: Present Practice – The Fall Hunt Draft Documentary Report. Submitted to De Beers Canada Exploration and BHP Billiton Inc. February 2002.
  15. LKDFN, Wildlife, Lands and Environment Department. 2002d. Community-Based Monitoring. Final Report. Submitted to the WKSS.
  16. Parlee, B., M., Manseau and Lutsel K'e Dene First Nation. 2005. Using Traditional Knowledge to Adapt to Ecological Change: Denesoline Monitoring of Caribou Movements. Arctic, Vol. 58, No. 1, March 2005.
  17. Raffan, J. 1992. Frontier, Homeland and Sacred Space: A Collaborative Investigation into Cross-Cultural Perceptions of Place in the Thelon Game Sanctuary. Northwest Territories. Ph.D. Dissertation, Department of Geography, Queen's University, Kingston, ON.
  18. Sly, P.G., L. Little, R. Freeman, and J. McCullum. 2001. Updated State of Knowledge Report of the West Kitikmeot and Slave Geological Province. Submitted to the WKSS. PDF document. May 2001.
- 2) De Beers is engaging with the LKDFN regarding completion of a TK/TLU Study that was initiated in 2006. An update on the progress of this study and its completion is provided in the response to Information Request LK\_04.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

**Reference**

De Beers (De Beers Canada Inc.). 2010. Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_07

Source: Lutsel K'e Dene First Nation

Subject: Integration into the Key Line of Inquiry: Pathways Analysis and Effects  
Analysis

EIS Section: 5.4.2.1.3

---

### Preamble

#### Concern:

Regarding the effects of tailings it is stated "The designs are slightly different between Snap Lake Mine and Diavik Diamond Mine, the observations of caribou interactions with these features is similar in that caribou do not interact with these features, or if they do, they interact at a very low frequency." (p.5-32)

#### Rationale:

What is the source for this statement?

### Request

LKDFN requests that the proponent provide a source and note that TK/TLU assessments must still be made by the community.

### Response

The observation that caribou interact with the aforementioned features at a very low frequency was arrived at after a review of the biophysical assessment in the 2010 Environmental Impact Statement (EIS; De Beers 2010, Section 11.5). Further discussion of the effects of the physical presence of the mine rock piles, coarse processed kimberlite (PK) pile and the PK containment facility on caribou behaviour can be found in the 2010 EIS Section 11.5.4.3 (De Beers 2010).

The Lutselk'e Dene First Nation (LKDFN) is completing a Traditional Knowledge and Traditional Land Use (TK/TLU) Study for the Gahcho Kué Project and De Beers expects this study will be completed in 2012. When the results of TK/TLU studies are made available, De Beers will use that information to further inform impact predictions, to evaluate whether additional mitigation or

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

refinements to proposed mitigation is needed, and to identify additional opportunities for incorporating traditional knowledge into monitoring programs.

**Reference**

De Beers (De Beers Canada Inc.). 2010. *Environmental Impact Statement for the Gahcho Kué Project*. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_08

Source: Lutsel K'e Dene First Nation

Subject: Integration into the Subject of Note: Air quality - Baseline

EIS Section: 5.4.2.3.2

---

**Preamble**

**Concern:**

"Traditional knowledge holders have not commented on the existing (baseline) air quality at the Project site." (p.5-40)

**Rational:**

Was this asked of participants during the TK study?

**Request**

LKDFN requests that the proponent qualify whether this information was requested. Given the concerns of air and noise pollution, a baseline could have been defined.

**Response**

8.1 In 2006, De Beers signed a Traditional Knowledge Agreement with Lutselk'e Dene First Nation (LKDFN) to undertake a Traditional Knowledge/Traditional Land Use (TK/TLU) Study for the proposed Gahcho Kué Project. When this study becomes available, De Beers will discuss air and noise information with LKDFN to further inform impact predictions, to evaluate whether additional mitigation or refinements to proposed mitigation is needed, and to identify additional opportunities for incorporating TK into monitoring programs.

The 2010 Environmental Impact Statement (EIS) predicted that impacts on habitat quality from dust deposition, noise and other sensory disturbances from the Gahcho Kué Project are within 15 km from the Project footprint (Section 7 and Section 8 of the 2010 EIS) (De Beers 2010).

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Aboriginal concerns about air quality were addressed in several subjects of note or key lines of inquiry in the 2010 EIS (De Beers 2010). Air quality and noise data is presented in the following 2010 EIS Sections:

- Section 5- Traditional Knowledge;
- Section 7- Key Line of Inquiry: Caribou;
- Section 11.4- Subject of Note: Air Quality;
- Section 11.7- Subject of Note: Vegetation;
- Section 11.10- Subject of Note: Carnivore Mortality; and
- Section 11.12- Subject of Note: Species at Risk and Birds.

Concerns expressed about the effects of Project's air emissions and noise on caribou distribution, for example, by the Tłıchǵ elders was addressed in the Key Line of Inquiry: Caribou (De Beers 2010, Section 7). Comments from Tłıchǵ elders on this issue incorporated into the 2010 EIS include:

*The Tłıchǵ elders attributed loud noise and the smell of fumes and smoke during the construction phase of Ekati Mine Site as the reason the [caribou] traveled southeast of Łutsel K'e in 1998 (Dogrib Treaty 11 Council 2001).*

During the MVEIRB scoping meetings, the communities of, Łutsel K'e, Detah, Fort Resolution and Behchokǵ identified air quality and noise concerns including the effects of diesel power generation, the extraction and hauling of rock using diesel-powered heavy equipment, and the transportation of all materials, equipment, and supplies over a large distance by diesel powered trucks. The following LKDFN and North Slave Métis Alliance (NSMA) comments on this issue were included in the 2010 EIS (De Beers 2010):

*LE in LKDFN 2001: They use a furnace [diesel generator] for heat at the mine and the exhaust goes in to the air. Then the animals eat that when it gets on the ground. In the past we used dog teams to get around –there was no pollution from that... (LKDFN 2001)*

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

AD in NSMA 1999: *As far as I guess the mine itself [Diavik], the disturbance associated with the mine itself, and contributions to increasing carbon dioxide in the atmosphere. They're burning how much diesel fuel between these two places [Diavik and BHP]. You look at the total N.W.T. contribution to carbon dioxide and the global warming scenario. I mean there's got to be a pretty dangerous jump in carbon dioxide... these big facilities. So there's that and what are the global warming effects on caribou? I mean there's all kinds of scenarios I guess affecting migration routes, parasites, changes in parasites (NSMA 1999).*

These diesel power generation concerns were addressed in the air quality assessment and informed the air quality modelling, environmental design features and mitigation for the Project including the following examples (detailed list of environmental design features and mitigation measures can be found in Section 11.4.3 of the Subject of Note: Air Quality [De Beers 2010]):

- use of low sulphur fuel for fleet vehicles; and
- possible use of diesel engine exhaust catalytic converters to reduce nitrogen oxide (NO<sub>x</sub>) emissions from its mobile fleet.

Aboriginal communities expressed concerns about the potential effects of air pollution such as dust generated by traffic, use of explosives, the exposed lake bottom, and ash from garbage incinerators. Increased dust deposition on vegetation was voiced as a concern by the Łutsel K'e, Deninu Kué, NWT Métis Nation and the Yellowknives Dene First Nation (YKDFN) who believed the Project may affect caribou by impacting their food source through air quality (MVEIRB 2006). Comments from the NSMA and LKDFN about increased dust deposition were considered in the 2010 EIS (De Beers 2010):

Bob Turner discussing Diavik in NSMA 1999: *(Dust) it's got to affect their [the caribou's] food. If they're eating the lichens, the plants on the ground, it's covered with dust from a mine site, I don't believe it's going to be that healthy for them [the caribou]... I don't know how they'll react (to smoke and other emissions), or if they'll be able to notice all those smells that ...I imagine they can't be that good for anything, I mean exhaust isn't good for anybody...(NSMA 1999: 111-112)*

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Leroy Bloomstrand discussing Diavik in NSMA 1999: *...Dust will affect their [caribou's] food. To what extent, I don't know what studies have said, what kind of studies have been done. ...Lichens and muskeg they are a sort of sponge. They pick up some contaminants, but not all. I don't know how the dust would affect the lichen. It would just be on top, then it washes away? I don't know (NSMA 1999: 112).*

AM in LKDFN 2001: *We should also look at the vegetation –berries. We don't want it spoiled. We eat it –and the little birds eat it too (LKDFN 2001: 30).*

AnM in LKDFN 2001: *At the Gahcho Kué (Kennady Lake) advanced exploration camp, the snow is just black from the incinerator. Those guys in the camp lived in constant ash falling from the incinerator fires (LKDFN 2001: 42).*

JD in LKDFN 2001: *They should watch [monitor] to see in which way the dust mostly blows, and how far from the mine site. They should make sure that this dust does not turn the plants black, or sometimes white with so much dust (LKDFN 2001: 43).*

LA in LKDFN 2001: *One of my main concerns is dust and the cumulative effect on vegetation. The dust will be blowing from many different places, year after year. It will affect the vegetation (LKDFN 2001: 43).*

JD in LKDFN 2001: *I've worked at the mine last spring, Winspear [De Beers- Snap Lake] from what I've seen about ten-mile radius north, west south and east, toward the north east side about ten miles radius I've walked. When I was walking around I sunk my feet in to the snow. I kind of wondered about it. Two days later I traveled in a helicopter around the area and noticed dust that fly from the trucks that haul gravel. At that time the wind was mostly coming from the north. I've noticed the dust particles fly at least ten miles radius to the eastside on to the ground, which will affect the environment and caribou habitat (LKDFN 2001: 43).*

This concern regarding air pollution was addressed in the 2010 EIS Subject of Note: Vegetation (Section 5.4.2.4) and in Subject of Note: Air Quality (Section 11.4.3) where De Beers will include the potential for dust from the drained



## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

lakebed in its air quality monitoring program and develop contingency plans should monitoring data indicate excessive dust concentrations (De Beers 2010).

Aboriginal concerns about the potential effects of the Project on wildlife through plant contamination have also been incorporated into the assessment for the Key Line of Inquiry: Caribou (De Beers 2010, Section 7), Subject of Note: Carnivore Mortality (De Beers 2010, Section 11.10), and the Subject of Note: Species at Risk and Birds (De Beers 2010, Section 11.12). These concerns were integrated into the planning of environmental design features and mitigation measures and include the following mitigation (detailed list of environmental design features and mitigation measures are found in the 2010 EIS Sections 7, 11.4, and 11.12 [De Beers 2010]):

- water spray application to control dust emissions on haul roads, airstrips and laydown areas.

### References

- De Beers (De Beers Canada Inc.). 2010. *Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N*. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.
- Dogrib Treaty 11 Council. 2001. Caribou Migration and the State of Their Habitat. Submitted to the WKSS. Yellowknife, N.W.T. March 2001.
- LKDFN. 2001. Traditional Knowledge in the Nâ Yaghe Kué Region: An Assessment of the Snap Lake Project Final Assessment Report. Submitted to De Beers Canada Mining Inc. July 2001.
- MVEIRB 2006. *Reasons for Decision and Report of Environmental Assessment for the De Beers Gahcho Kué Diamond Mine, Kennady Lake, N.W.T.* June 28, 2006.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

NSMA (North Slave Métis Alliance). 1999. Can't Live Without Work: A Companion to the Comprehensive Study Report on the Diavik Diamonds Project. Gahcho Kué Project M6-5 December 2010 Available at:  
[http://www.ngps.nt.ca/Upload/Interveners/North%20Slave%20Metis%20Alliance/061128\\_NSMA\\_Submission\\_withoutwork.pdf](http://www.ngps.nt.ca/Upload/Interveners/North%20Slave%20Metis%20Alliance/061128_NSMA_Submission_withoutwork.pdf). Accessed: August, 2010.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_09

Source: Lutsel K'e Dene First Nation

Subject: Integration into the Subject of Note: Moose and Muskoxen

EIS Section: 5.4.2.6.3

---

**Preamble**

**Concern:**

"The secondary TK sources did not identify any specific concerns related to muskoxen or moose." (p.5-58); While TK interviews did not elicit any concerns about the potential effects of the Project on muskoxen or moose, the subject of note..." (p.5-59)

**Rationale:**

Was this asked of participants during the TK study?

**Request**

LKDFN requests the proponent identify limitations of secondary sources and note that project specific TK is required. Also data gathered for other projects is considered for one time use and cannot be used for other purposes without permission.

**Response**

Secondary sources (which included Lutselk'e Dene First Nation [LKDFN] sources) used in the 2010 Environmental Impact Statement (EIS) did not identify specific concerns related to muskoxen or moose (De Beers 2010). Data gathered for other Projects in the area that has been made publicly available was used in the discussion of traditional knowledge.

LKDFN is completing a Traditional Knowledge and Traditional Land Use (TK/TLU) Study for the Gahcho Kué Project. De Beers has supported and encouraged LKDFN to complete the TK/TLU Study and expects the study will be completed in 2012. When the results of TK/TLU studies are made available, De Beers will use information related to muskoxen and moose to further inform impact predictions, to evaluate whether additional mitigation or refinements to proposed mitigation is needed, and to identify additional opportunities for incorporating TK into monitoring programs.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

**Reference**

De Beers (De Beers Canada Inc.). 2010. *Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N*. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_10

Source: Lutsel K'e Dene First Nation

Subject: Terms of Reference for Traditional Knowledge – Requirement for plan for future cooperation

EIS Section: 3.2.5

---

**Preamble**

**Concern:**

The environmental impact assessment is required to [Bullet 3] provide a plan for future cooperation between the developer and traditional knowledge holders covering the full temporal scope of the proposed development (p. 17). Where in Section 5 or the greater EIS is this information provided?

**Rationale:**

Where in Section 5 or the greater EIS is this information provided?

**Request**

LKDFN requests that the proponent indicate where this information is located within the EIS. If not present, provide detailed plan for the full temporal scope of the Project.

**Response**

Section 4.2.1 of the 2010 Environmental Impact Statement (EIS) outlines De Beers' policies and principles, including the principle that consultation forms the basis for the relation between the developer and Aboriginal peoples, and that consultation is an ongoing process (De Beers 2010). De Beers' demonstrated commitment to this (and other) principle will continue throughout the life of the Project. De Beers has demonstrated this commitment at the Snap Lake Mine, where the company is building long-term relationships with the people of the Northwest Territories (NWT) through engagement and ongoing communication.

Section 4.3.12 of the 2010 EIS describes plans for a future series of workshops aimed at addressing issue-based concerns raised by agencies and groups (De Beers 2010).

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Section 5.4.5 of the 2010 EIS details plans for incorporating traditional knowledge and traditional land use (TK/TLU) into all stages of the Project life: the assessment, permitting, construction, operations and closure of the Project (De Beers 2010). In general, this will be achieved by advancing engagement activities, finalizing TK/TLU studies with Aboriginal communities, hosting site visits, involving Elders and youth in monitoring programs and providing workshops. When the results of TK/TLU studies are made available, De Beers will use that information to further inform impact predictions, to evaluate whether additional mitigation or refinements to proposed mitigation is needed, and to identify additional opportunities for incorporating TK into monitoring programs.

**Reference**

De Beers (De Beers Canada Inc.). 2010. Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_11

Source: Lutsel K'e Dene First Nation

Subject: Family and Community Cohesion reporting

EIS Section: 12.6.2

Terms of Reference Section: 4.1.5

---

## **Preamble**

### **Concern**

The developer has concluded that the NWT and in particular Aboriginal communities are in a state of change and that many of the behaviours expressed by the indicators documented in this section may be occurring independent of rotational employment at the diamond mines. Furthermore, De Beers concludes that many of the indicators of family and community cohesion (e.g., income, economic security, participation in harvesting) are improving. Specific mitigations proposed by the developer to address community and family cohesion include support to employees and their families, supporting cultural and language initiatives in the communities, direct flights between the mine site and home communities.

### **Rationale**

The Terms of Reference for the EIS under section 4.1.5 – Family and Community Cohesion states, "...it is important that the EIS provides a separate analysis for each potentially affected community.... The analysis must address the vulnerability of each community and describe how each community was involved in the assessment of impacts for this Key Line of Inquiry." The analysis would benefit by using more recent data, for example the results presented for the effects of rotational employment on family cohesion were from a study dated 2005, after only 5- 6 years of mining. It would be beneficial to have more recent data on many of the indicators to determine if current or recent conditions are consistent with those reported earlier.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

**Request**

LKDFN requests that the proponent follow the ToR and provide community specific reports rather than report on Family and Community Cohesion on a study area basis.

**Response**

**Community Specific Reporting**

Although the Terms of Reference (TOR) asked for a separate analysis for each potentially affected community, for the purpose of the Gahcho Kué Project socio-economic assessment it is not possible to conduct an assessment of the Project's effects on a community-by-community given the nature of the available data (Gahcho Kue Panal 2007).

Community-level socio-economic data and effects analysis for all topic areas is not readily available. However, where data was available, socio-economic indicators were discussed on community-level scale. Otherwise, data has been presented at a collective 'local' (including all local communities) scale, and has been compared to regional and, where applicable, national scale data.

Although a community-specific Socio-economic assessment was not possible, De Beers notes that a number of community organizations have important experience and knowledge based on providing programs and services in the area of economic development, education and training, health and wellness and culture. De Beers incorporated input from community organizations involved in these programs and services through discussions about the Project and its socio-economic baseline, trends and assessment. These discussions were held in communities located close to the proposed project site in the fall of 2007. For example, in Łutselk'e, meetings were held with Allizette Lockhart, Community Health Representative, Sheryl Evett, Nurse at the Łutselk'e Community Health Centre and Sheligh Cavanagh, School Principal.

Potential project effects are assessed at the level of the local study area (LSA) and, where possible, effects are differentiated by small communities or larger communities and regional centres. Small Communities refer to all other



## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

communities excluding those of Yellowknife and the Regional Centres. Regional Centres correspond to the communities of Fort Smith, Hay River and Inuvik; Yellowknife includes Detah and N'Dilo. Łutsek'e is categorized as a small community in the 2010 Environmental Impact Statement (EIS)(De Beers 2010, Section 12).

Additionally, many LSA communities are residential and administrative units, and do not have their own economies so economic impact assessments cannot be conducted for each community. It is not possible, therefore, to conduct a community-level impact assessment for LSA communities.

The 2010 EIS does, however, address the potential effects of the Project on the LSA as a whole, and the potential for differential effects to small and larger communities (De Beers 2010). This analysis of potential effects is largely based on knowledge of the effects of existing diamond mines on communities and an understanding of existing socio-economic conditions. Additionally, De Beers' socio-economic mitigation and monitoring plan/program is designed to address project effects and will be used to evaluate predictions and implement adaptive management measures to refine and optimize proposed mitigation and monitoring as needed.

It is also important to note that the Project is small relative to the other diamond mines (Diavik, Ekati and Snap Lake) and, although there will be new employment opportunities, the Project is scheduled to come on stream at a time when the other mines are moving into closure. As a result, and given the broadly dispersed effects from employment, Project effects related to employment are likely to be small, beneficial to workers and their families, but may not be felt (or evident) at the level of the community.

The below list provides a summary of baseline data that was collected for the Project at the LSA community level and where it is located in the 2010 Project EIS (De Beers 2010):

- Baseline information (e.g., gender, household structure, income and earnings, cost of living, labour force participation, education) is disaggregated by community for many topics, depending on availability

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

of data. Historical trends are also described for small and large communities. Key differences between these communities are noted throughout Annex K and Section 12.3 Existing Environment of the 2010 EIS (De Beers 2010).

- Annex K, Section K2.1.2 of the 2010 EIS describes the Political and Cultural Setting and presents the Łutsel K'e Denesoline's Cultural Landscape (De Beers 2010, Annex K, Section K2.1.3.1: K2-8) and the Tłıchǫ Cultural Landscape (De Beers 2010, Annex K, Section K2.1.3.2: K2-12)
- Annex K, Appendix K.I.1 of the 2010 EIS presents community profiles, undertaken in 2008, with detailed descriptions of the communities within the study area (De Beers 2010). The community profiles relate to the following communities:
  - Łutsel K'e
  - Detah
  - N'Dilo
  - Yellowknife
  - North Slave Métis Alliance (NSMA)
  - Gamètì
  - Whatì
  - Wekweètì
  - Behchokǫ̀
  - Hay River
  - Hay River Reserve
  - Fort Resolution
  - Deninu Kué First Nation
  - Fort Resolution Métis Council
  - Fort Smith
  - Fort Providence
  - Enterprise

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

- Community studies (through surveys) were undertaken by three communities (NMSA, Deninu Kué, and Fort Resolution Métis) (De Beers 2010, Annex K, Section K1.2.3.1: K1-4) and were included in the community profiles section (De Beers 2010, Annex K, Appendix K.I.1).
- The NSMA prepared a description of their population based on their existing database in 2002 and 2005. They were provided with an example of the type of information required and completed the survey accordingly.
- Since neither the Deninu Kué nor the Fort Resolution Métis had data on their own communities, they undertook a survey of their member households according to the questionnaire provided to them. The individuals conducting the surveys received training before commencing their work. Community surveys involved a one-on-one interview process. This information was collected in January and February of 2008.

As stated above, survey data was presented in the 2010 EIS, Section 12.6.2.2.1 (pg. 12-184) (De Beers 2010, GNWT Department of Health and Social Services et al. 2005). This data was augmented with “discussions and meetings with community members in 2007 and 2008 that confirmed that some families have experienced difficulties with transition to a rotational lifestyle” (De Beers 2010, Section 12.6.2.2.1: 12-185). It is also noted that community member statements “were qualified by the need to have programming and benefits to help families with the transition, including community support and money management programs”. They also stressed the importance of having direct flights to the communities instead of circulating through a larger centre.

The proposed mitigations by community members have generally been adopted by the Project. Mitigations proposed to reduce any residual effects from rotation include (De Beers 2010):

Table 12.6-31 (pg. 12-202):

- Encourage the practice of Aboriginal languages at the worksite when it does not compromise health and safety.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

- Traditional pursuits of Aboriginal employees accommodated within work schedules where practicable and with appropriate notice, in balance with operational needs of the Projects.
- Provide and maintain space at the mine site for spiritual and cultural pursuits.
- Provide core policies in Chipewyan and Tłıchǫ, as well as English and French.
- Use 2:2 rotation to maximize time in the community.
- Provide return air transportation to employees travelling from designated pick-up points in Northwest Territories (NWT) communities and the Project.
- Provide incentives to those employees interested in volunteering their time for social or cultural programs or activities in their home communities.
- Financial or in-kind support for local cultural programming.
- Financial or in-kind support for language support programs in communities.
- Financial or in-kind support for on-the land programming.

Table 12.6-41 (pg. 12-223):

- Provide money management training for employees.
- Bring money management course to communities through banking establishment.

In addition, De Beers also considered rotation alternatives in its Project design (See Table 12.6-30) (De Beers 2010, Section 12.6.2.2.2, p.12-191).

## References

De Beers (De Beers Canada Inc.). 2010. Environmental Impact Statement for the Gahcho Kué Project. *Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N*. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Gahcho Kué Panel. 2007. Terms of Reference for the Gahcho Kué Environmental Impact Statement. Mackenzie Valley Environmental Impact Review Board. Yellowknife, NWT.

GNWT Department of Health and Social Services, GNWT Department of Education, Culture and Employment, GNWT Housing Corporation and GNWT Department of Justice. 2005. Homelessness in the NWT: Recommendations to Improve the GNWT Response. Yellowknife, NWT.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_12

Source: Lutsel K'e Dene First Nation

Subject: Social Disparity Within and Between Communities

EIS Section: 12.5.3

Terms of Reference Section: 4.1.6

---

## **Preamble**

### **Concern**

The cost of living varies considerably across the study area, with fly in communities such as Lutsel K'e, Whati and Gameti having the highest cost of living. Social disparity between communities exists in the study area and across the country and is related to a number of factors including availability of employees, business services and proximity to places of work etc. The economic expansion in the NWT created by the diamond mines has generated significant employment opportunity and income which is not distributed evenly within or across communities. Some people and communities were in a better position to take advantage of such opportunities and are receiving the greater share of the benefits.

### **Rationale**

The Terms of Reference for the EIS under section 4.1.6 states. "As with the previous Key Line of Inquiry (section 4.1.5) a separate analysis for each potentially affected community addressing vulnerabilities, community engagement, and innovative solutions that may indirectly offset the direct impacts from the proposed development is required."

## **Request**

LKDFN requests that the proponent follow the ToR and provide community specific reports rather than report on Social Disparity within and between Communities on a study area basis.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

**Response**

For the purpose of the Gahcho Kué socio-economic assessment, it is not possible to conduct an assessment of the Project's effects on a community by community basis (please refer to LK\_11 for greater detail). Project effects are assessed at the level of the local study area (LSA) and where possible, effects are differentiated by small communities or larger communities. Small Communities refer to all other communities excluding those of Yellowknife and the Regional Centres. Regional Centres correspond to the communities of Fort Smith, Hay River and Inuvik; Yellowknife includes Detah and N'Dilo. Łutsel K'e is categorized as a small community in the 2010 Environmental Impact Statement (EIS) Section 12 (De Beers 2010).

Of particular importance to this discussion is that many LSA communities are residential and administrative units, and do not have their own economies so economic impact assessments cannot be conducted for each community.

To highlight the reason why community specific analysis cannot be done, the 2010 EIS uses employment as one indicator of project effects on social disparity (De Beers 2010). De Beers, however, will hire broadly throughout the Northwest Territories (NWT) and the LSA. As such, it is not possible to accurately predict to what extent communities will participate in the Project and accurately measure Project effects (due to employment) at a community level. Therefore the 2010 EIS does not provide a community-level socio-economic effect analysis (due to the explanation provided above)(De Beers 2010).

Although a community specific Socio-economic assessment was not possible, De Beers notes that a number of community organizations have important experience and knowledge based on providing programs and services in the area of economic development, education and training, health and wellness and culture. De Beers incorporated input from community organizations involved in these programs and services through discussions about the Project and its socio-economic baseline, trends and assessment. These discussions were held in communities close to the proposed project site in the fall of 2007 and first quarter of 2008. For example, in Łutsel K'e, meetings were held with Allizette Lockhart, Community Health Representative, Sheryl Evett, Nurse at the Łutsel K'e Community Health Centre and Sheligh Cavanagh, School Principal.

# GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

With consideration of the above-mentioned limitations, baseline conditions of the income spread for LSA communities are presented below in Table LK\_12-1. The table presents some analysis of the social disparity (in terms of income inequality) between communities for each of the study area communities (depending on available data). Information related to the Łutsel K'e is highlighted underneath the table.

**Table LK\_12-1 Percentage of Families with Income Less than \$25,000 or Over \$60,000, Northwest Territories and Study Area Communities, 1996 to 2006**

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>% Filers Reporting Less than \$25,000</b>											
<b>Northwest Territories</b>	<b>24.5</b>	<b>24.0</b>	<b>22.9</b>	<b>21.9</b>	<b>21.7</b>	<b>16.9</b>	<b>15.3</b>	<b>16.5</b>	<b>16.2</b>	<b>15.1</b>	<b>14.3</b>
Behchokò	42.5	42.5	40.5	34.9	32.6	26.7	23.9	19.1	25.0	21.3	24.5
Detah	-	-	-	-	-	-	-	-	-	-	-
Enterprise	-	-	-	-	-	-	-	-	-	-	-
Fort Providence	38.1	38.1	42.9	28.6	31.8	27.3	26.1	23.8	23.8	28.6	22.7
Fort Resolution	57.1	53.3	30.8	42.9	46.2	35.7	28.6	23.1	30.8	23.1	35.7
Fort Smith	30.4	23.8	25.4	21.0	24.6	20.6	15.4	17.6	17.9	16.2	18.6
Gamèti	50.0	20.0	50.0	28.6	28.6	42.9	28.6	42.9	-	42.9	28.6
Hay River	24.3	24.5	25.5	22.4	20.0	14.0	11.2	14.2	15.0	12.5	13.3
Hay River Reserve	-	-	-	-	-	-	-	-	-	-	-
Łutselk'e	42.9	62.5	66.7	44.4	25.0	30.0	30.0	22.2	33.3	44.4	44.4
Wekweèti	-	-	-	-	-	-	-	-	-	-	-
Whati	44.4	55.6	50.0	30.0	36.4	36.4	27.3	9.1	30.8	9.1	16.7
Yellowknife	15.0	13.9	13.2	14.6	14.0	10.3	9.0	10.3	9.5	9.5	8.6
<b>% Filers Reporting over \$60,000</b>											
<b>Northwest Territories</b>	<b>48.6</b>	<b>48.9</b>	<b>49.0</b>	<b>50.4</b>	<b>50.7</b>	<b>56.9</b>	<b>59.9</b>	<b>59.7</b>	<b>61.1</b>	<b>63.2</b>	<b>64.6</b>
Behchokò	17.5	17.5	19.0	20.9	20.9	37.8	41.3	38.3	45.8	48.9	46.9
Detah	-	-	-	-	-	-	-	-	-	-	-
Enterprise	-	-	-	-	-	-	-	-	-	-	-
Fort Providence	19.0	19.0	23.8	19.0	22.7	27.3	30.4	33.3	33.3	28.6	27.3
Fort Resolution	14.3	13.3	15.4	14.3	15.4	21.4	28.6	23.1	23.1	23.1	28.6
Fort Smith	43.5	46.0	44.4	48.4	47.5	50.8	56.9	55.9	58.2	60.3	62.9
Gamèti	-	-	-	28.6	28.6	28.6	28.6	28.6	60.0	28.6	42.9
Hay River	45.8	45.3	47.2	49.5	52.4	59.8	61.7	61.1	62.8	66.1	68.1
Hay River Reserve	-	-	-	-	-	-	-	-	-	-	-
Łutselk'e	-	-	-	22.2	25.0	20.0	30.0	22.2	22.2	-	22.2
Wekweèti	-	-	-	-	-	-	-	-	-	-	-
Whati	22.2	22.2	20.0	20.0	27.3	27.3	27.3	36.4	30.8	36.4	33.3
Yellowknife	64.3	65.0	64.3	65.0	65.3	70.7	73.9	73.5	74.0	75.7	77.8

Source: GNWT Bureau of Statistics 2008a.

Note: "-" indicates information unavailable. N'Dilo is considered part of Yellowknife.

% = percent.



GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information that can be extrapolated from the table above includes:

- The percentage of families with income less than \$25 000 decreased in all communities in the LSA between 1996 and 2006, except in Łutsel K'e where there was a slight increase from 42.9% to 44.4% over the decade.
- The largest reduction in the percentage of families with income under \$25 000 was found in the community of Whatì, with a 27.7% reduction.
- The percentage of families with income over \$60 000 increased in all communities in the LSA between 1996 and 2006, except in Łutselk'e where it remained the same from 1999 to 1996 (years for which data is available).
- The largest increase in the percentage of families with income over \$60 000 was found in the community of Behchokö, with a 29.4% increase.
- It is noteworthy to mention that there was no data available for the communities of Detah, Enterprise, Hay River Reserve, Wekweëti and only incomplete data was available for Łutsel K'e.

**Reference**

De Beers (De Beers Canada Inc.). 2010. Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_13

Source: Lutselk'e Dene

Subject: Long Tern Social, Cultural and Economic Effects

EIS Section: Key Lines of Inquiry Section 12.6.1

Terms of Reference Section: Section 4.1.7

---

## Preamble

### Concern:

This section discussed the Cumulative Effects and Sustainability of the Project in relation to various economic indicators, to name a few:

- Job creation
- Spending on goods and services
- Northern employment statistics
- Skill development
- Dispersion of benefits

The EIS does not link employment at the diamond mines to in- migration; however, it acknowledges that decreasing populations in the smaller communities present a variety of concerns.

### Rationale:

The Terms of Reference for the EIS under section 4.1.7 notes that "...the likely level of in- and out-migration as a result of the development, including out-migration of skills, and the likely economic impacts of in- and out-migration among potentially affected communities..." as a long term issue related to the human environment that must be addressed. In the same section, the ToR states, "how the development will contribute to opportunities to diversify the economic base at the local, regional and territorial level. New local and regional economic development associated with the

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

development, including the production and supply of new goods and services, must be included in this assessment.”

**Request**

- 1) LKDFN requests that the proponent provide information on the economic impacts of in- and out-migration in small communities and how employment at the diamond mine might be influencing these indicators.
- 2) LKDFN requests that the proponent also explain if and how the development will create opportunities for economic diversification in at the local, regional, and territorial level.

**Response 1**

Expected Population Effects of Migration

The Project is not expected to lead to in-migration due to mining activities. As stated in Section 12.3 of the 2010 EIS (De Beers 2010a), the NWT has experienced a net out-migration of people since 1997. Birth rates are also declining in NWT. Additionally, death rates are increasing from an ageing population.

The NWT is not experiencing the rapidly increasing human population seen in other regions of Canada; in fact, with the exception of Newfoundland and Labrador, the NWT's population growth since 2006 is the lowest in Canada (GNWT Bureau of Statistics 2010). Between 1999 and 2009, for all but 3 years, the NWT has been a net exporter of people, mostly to Alberta (GNWT Bureau of Statistics 2010). Overall, the net migration into the NWT will, on average, remain negative throughout the forecast period from 2000 to 2030 (De Beers 2010a, Section 12, Appendix 12.II, Table 12.II.11.3-1). It is also expected that there will be out-migration of 250 to 350 persons out of the territory annually. It is also anticipated that population growth in NWT will slow during the life of the Project. Consequently, the introduction of the Project is not expected to have a substantial or lasting effect on population growth in the NWT.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Migration in Small Communities and Yellowknife

There is some evidence that communities most closely associated with diamond mining may see a slight increase in population, largely due to in-migration into these communities, but these would likely be of friends and relatives who may seek economic opportunities (De Beers 2010a, Section 12.7.2.2, pg. 12-247).

This is corroborated with data from the Diavik Mine operations (Rio Tinto 2012; Rio Tinto 2011). There was a small increase in the number of employees from small communities<sup>1</sup> working at the Diavik Mine between 2010 and 2011. The increase at local communities was offset, however, by a reduced number of employees (4%) living in Yellowknife, from 41% to 37% respectively. From the data, it is likely that there was an increase in employment to smaller communities and these people made a choice to remain in their communities. It is noteworthy to mention that during 2010 and 2011 there was a decrease in the number of NWT employees working at the operations from 62% to 56%, respectively. (Rio Tinto 2012; Rio Tinto 2011) This is part of a trend observed at the Diavik Mine of a reduction in the percentage of employment coming from NWT. For instance, the percentage of total employment based in NWT in 2004 was significantly higher at approximately 70% (Rio Tinto, 2005).

The 2005 Communities and Diamond Report (GNWT 2006, pg. 42), states that out-migration may explain the drop in the percent of people in small local communities that have a certificate or diploma. The rationale is that people who are trained with the necessary skills to work in diamond mines may not necessarily want remain in their local communities once they receive employment at a mine. Employment income will likely increase their ability to make choices about where they want to live, and enable them to move to urban centres where there are more amenities and recreational activities. This is particularly true when there is a pick-up point offered by a mine at urban centres in addition to the transportation alternatives offered in small communities. While mining companies can put in place policies and allowances to encourage employees to reside in the NWT, including in small

---

<sup>1</sup> There was an approximate 1% increase in employment from the Deline, Dettah, Enterprise, Fort Good Hope, Inuvik, Lutsel K'e, N'dilo, Norman Wells, Wekweeti, Cambridge Bay and Kugluktuk communities.

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

communities, the ultimate choice over where an employee decides to live is influenced by a number of factors, which are not in the control of mining companies.

The 2008 Communities and Diamond Report (GNWT 2009) also present data that supports changing demographics of urban and rural communities in NWT. For instance, they find that there has been a slowdown in the rate of home ownership in Yellowknife, which is attributed to higher prices because of rising demand for houses. They find that “this would be an expected result of in-migration (to Yellowknife) from development.” Additionally, they note that in the smaller communities there has been a drop in crowding (i.e. large household sizes). This reduction in the rate of crowded houses has been attributed to migration within the territory (GNWT 2009, p. 12). Most likely, this movement has been away from the smaller communities towards urban centres.

The trend towards migration to Yellowknife was also found at Snap Lake operations. For instance, in 2010 17 NWT communities were represented in the workforce at Snap Lake. Most of these workers resided in Yellowknife although they were originally from local communities. They accounted for 70 per cent of NWT workforce with 161 person-years of employment (De Beers Canada 2010b).

### Economic Impacts of Migration in NWT

Section 12 of the 2010 EIS presents data from a recent mine employee survey (2009) that found that nearly half of all surveyed NWT residents indicated that they would likely or very likely consider moving from the NWT if the opportunity arose. Reasons cited for leaving included cost of living, spouses’ employment opportunities, and children’s education (De Beers 2010a, Section 12.6.1.3.1, pg. 12-149).

The 2010 EIS assumed that mining projects affect migration patterns into the NWT. For instance, population modelling in the 2010 EIS (Table LK 13-1; De Beers 2010a, Section 12, Appendix 12.II, Table 12.II.11.3-1 Gahcho Kué Population Projections, 2000 to 2030, Figure LK 13-1 Migration Trends In and Out of the Northwest Territories, 2000 to 2008) demonstrates a period of increased population growth from 2000 to 2020, followed by a fall in population from 2020 to 2030. The fall in population is likely attributed to the end of operations of Diavik (expected for 2021),

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

Ekati (expected for 2021) and the Snap Lake mine (expected in 2029) and Gahcho Kué Project expected closure 2026) (De Beers 2010a, Section 12, Figure 12.7-1, pg. 12-235).

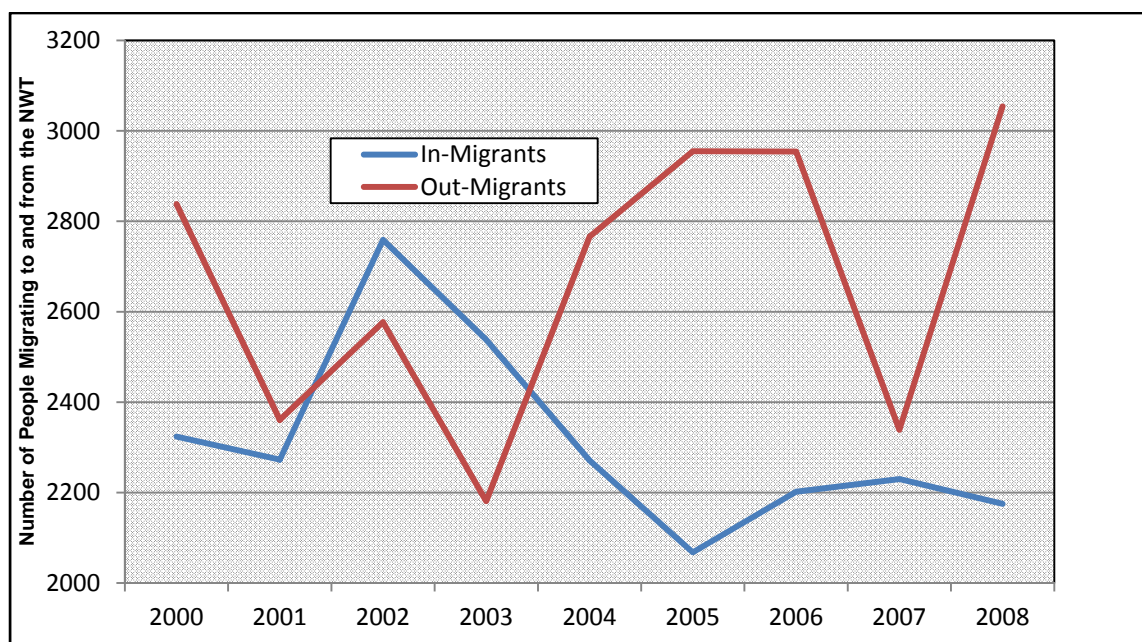
**Table LK 13-1 Gahcho Kué Population Projections, 2000 to 2030**

Year	Population	Population 15 years of age and older
2000	40,480	29,575
2005	43,399	33,041
2010	43,759	34,228
2015	44,644	34,710
2020	45,060	35,098
2025	44,941	35,385
2030	42,827	34,324

Note: Data from 2000 to 2010 are historical.

Sources: NWT Bureau of Statistics, Territorial Single Years of Age by Gender; De Beers (2010a, Appendix 12.II, Section 12.II.11.3).

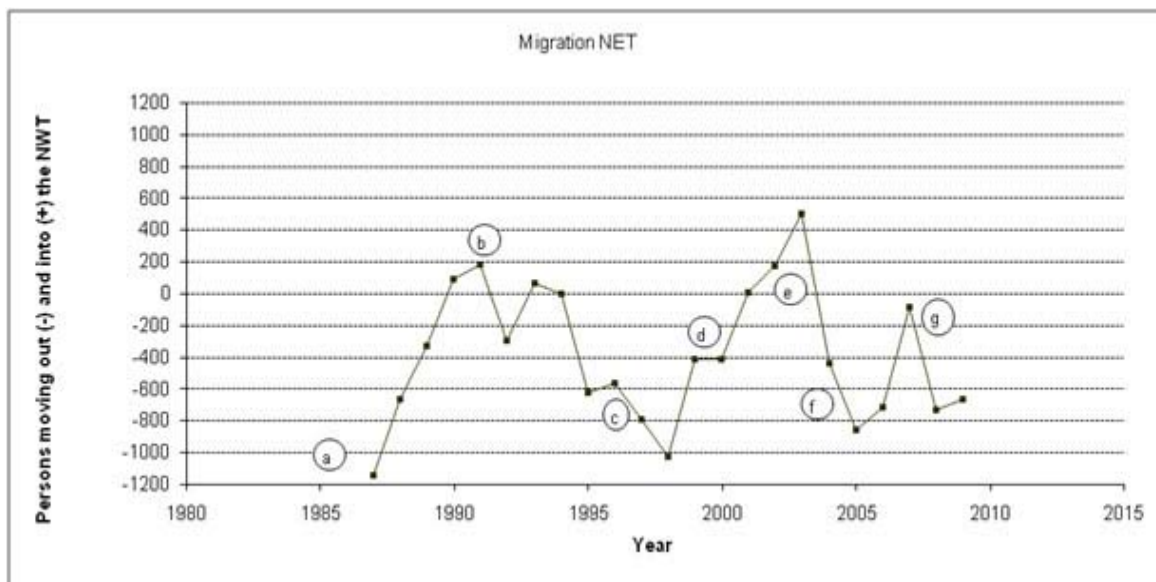
**Figure LK 13-1 Migration Trends In and Out of the Northwest Territories, 2000 to 2008**



Source: GNWT Bureau of Statistics 2009.

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

As shown below, a similar trend (i.e., that migration patterns are related to economic opportunity, particularly in the mining sector) is presented from GNWT data (GNWT 2012).



Note: Graph updated as of May 12, 2011. Source, net migration data: NWT Bureau of Statistics (December 2010).

- **a** Economic recession, closure of Army base in Inuvik (Taiga Plains) (1985). Low oil prices. Closure of Pine Point, Taiga Plains (1988), Terra (1985), and Salmitya (Southern Arctic 1987).
- **b** End of recession. Strike at Giant Mine (1992). Discovery of diamonds (Taiga Shield)(1991).
- **c** Closure of Colomac (1997), Ptarmigan, and Tom Mines (Taiga Shield) (1997). Government cut-backs.
- **d** Construction and opening (1998) of Ekati - International diamond workers arriving (Taiga Shield). Closure of Giant and Con Mines (1999-2004).
- **e** Exploration for diamonds, oil and gas. Construction and opening of Diavik (2003).

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

- **f** Slow down in construction of diamond mines (Southern Arctic, Taiga Shield).
- **g** Construction and Opening of Snap Lake (2007), increase in oil price (2008). Economic recession (2008).

Most immigrants to the NWT come from other Canadian jurisdictions – Alberta (31%), Ontario (18%), British Columbia (9%), Quebec (8%), and Newfoundland (8%). About 5% of immigrants come from outside Canada (GNWT 2012).

It is challenging to predict the economic impact of migration on small communities as there is limited data on their economies. However, there is evidence that employment at diamond mines can affect intra-territorial migration patterns and total population levels in the territory. The total effect on population, however, is negligible with expected changes to population in the territory affected by +/- 3000 over the thirty year population forecasts.

Table LK 13-2 (also found in De Beers 2010a, Annex K, pg. K3-6) below presents the 5 year mobility status of NWT study area communities. This table presents data on the likelihood of migration of different LSA communities. The table demonstrates that people are more likely to move in the larger communities of Yellowknife and Hay River, while more traditional communities such as the Whati, Wekweeti and Łutsel K'e have a smaller percentage out-migration or emigration – during the period of 2001 to 2006, when there was significant mining activity in the region from Ekati and Diavik.



GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

**Table LK 13-2 Five-Year Average Mobility Status, Northwest Territories and Study Area Communities, 2001 to 2006**

Community	Total Population Five Years and Over	% Non-Movers	% Movers
<b>Northwest Territories</b>	<b>37,825</b>	<b>50</b>	<b>50</b>
Behchokò	1,670	67	33
Detah	215	72	28
Enterprise	95	95	5
Fort Providence	670	57	43
Fort Resolution	450	66	34
Fort Smith	2,150	53	47
Gamètì	250	70	30
Hay River	3,365	52	48
Hay River Reserve	280	66	34
Lutselk'e	285	67	33
Wekweètì	115	83	17
Whatì	410	77	23
N'Dilo	-	-	-
Yellowknife	17,145	42	58
<b>Study Area Total</b>	<b>27,100</b>	<b>867</b>	<b>433</b>

Source: Statistics Canada 2006a; De Beers 2010a.

Note: "-" indicates information unavailable.

% = percent.

## Response 2:

The development of the Gahcho Kué Project will create opportunities for economic diversification at the local, regional and territorial levels.

### Government Revenues

Governments have benefited as a result of increased revenues generated at the corporate and personal taxation levels, through resource royalties, and through indirect taxes on products (De Beers 2010a, Section 12.3.5). Additionally, revenue will also come from social insurance plans (De Beers 2010a, Section 12.6.1.6, pg.12-172). These resources will be channeled to priorities identified by the GNWT in their Strategic Plan (GNWT 2008). One of the priorities identified is: "A diversified economy that provides all communities and regions with opportunities and choices", including:

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

- Promote development that reduces regional and community disparities
- Work with regional business corporations and other partners to identify new economic opportunities
- Support the development of sustainable local economies through small business and community-based sectors such as tourism, agriculture, arts and crafts, and the traditional economy
- Build community human resource capacity with an emphasis on trades and entrepreneurial skills.

Aboriginal Businesses and Local Procurement

Diamond developments, including Gahcho Kué, are also expected to benefit Aboriginal businesses in the NWT. The NWT business sector involvement will provide 71 full-time equivalent jobs annually throughout the operations phase (De Beers 2010a, Section 12.6.1.2.2, pg.12-144).

Evidence suggests that existing businesses have expanded, new ones have been created, and viable Aboriginal development corporations have emerged. Figure 12.6-10 “Aboriginal Business Revenues from Northwest Territories Diamond Mines, Nominal, 1998 to 2007” shows an overall increase from 1997 to 2007 of over 500 million dollars (De Beers 2010a, Section 12, pg. 12-165). This growth has furthered the size and extent of benefits flowing from the diamond industry (De Beers 2010a, Section 12.3.5, pg 12-98).

De Beers has predicted that NWT and Aboriginal business participation in the Gahcho Kué Project will be similar to the current participation in our Snap Lake Mine. This prediction is based on a review of those NWT and Aboriginal businesses that are registered with De Beers at its NWT Business Registry, the ongoing participation of NWT and Aboriginal businesses in De Beers’ current tendering and contracting opportunities, and an understanding of the capacity of NWT and Aboriginal businesses to supply De Beers’ current and growing business requirements. NWT and Aboriginal businesses have demonstrated their ability to successfully tender for contracts in a competitive process with other non-northern business suppliers for De Beers’ business. De Beers will continue to use a competitive bidding process for the Gahcho Kué Project. As a result, De Beers has

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

not established specific procurement targets for NWT or Aboriginal business procurement.

De Beers believes that NWT and Aboriginal businesses will continue to be significant participants in its business through procurement opportunities in a competitive tendering process. De Beers will report on the participation of NWT and Aboriginal business in the Gahcho Kué Project annually in the same way De Beers does now for the Snap Lake Mine.

As noted in the De Beers 2010a, Table 12.6-21, the procurement needs for the Gahcho Kué Project will be sourced from NWT businesses as much as practical during construction, operations and closure. What is practical will be guided by De Beers' NWT Business Policy which articulates the company's commitment to sustainable development, and in particular the framework through which the company will contribute to the development of a sustainable economy in the NWT through the provision of business opportunities to NWT and Aboriginal businesses.

Although De Beers' NWT Business policy was developed with respect to the Snap Lake Mine, this policy will also apply to the Gahcho Kué Project. The NWT Business Policy will be updated to incorporate the Gahcho Kué Project upon receipt of permits to proceed.

De Beers' track record with the Snap Lake Mine demonstrates a commitment to sustainable development through the provision of business opportunities and to the success of De Beers' NWT Business policy. Since commencement of construction in 2005 to December 31, 2011, De Beers has spent \$1,593,733,484 to construct and operate the Snap Lake Mine. Of that total expenditure, \$1,110,000,796 (69.65%) has been spent with Northwest Territories businesses. The expenditure with Aboriginal businesses for the same time period is \$681,407,382 which is 61.39% of the De Beers' Northwest Territories expenditure.

Underpinning De Beers' NWT Business Policy is the supply chain services department, which has established policies and procedures that enable De Beers Canada to obtain goods and services that meet the company's needs for best price, quality assurance, achievement of technical standard requirements, timeliness in

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

the delivery of goods, excellence in service support and economies of scale that address De Beers' purchasing requirements across its Canadian projects.

To ensure these needs can be measured and factored into the De Beers' decisions regarding which service provider the company selects for the provision of goods and services, and to uphold the company's reputation for fairness, De Beers will be actively pursuing and demonstrating fair and open competition for the acquisition of goods and services for the Gahcho Kué Project.

De Beers has developed relationships with a number of NWT and Aboriginal businesses both through its current competitive tendering and contracting process, and also through the contractual relationships De Beers has with its current goods and services providers. De Beers will build on the successful track record of the Snap Lake Mine by aiming to achieve economies of scale through contracts that can supply both the Snap Lake Mine and the Gahcho Kué Project. By promoting the Gahcho Kué business opportunities early through its annual Business Opportunities event in Yellowknife, De Beers has already begun flowing information to NWT and Aboriginal businesses regarding the kinds of goods and services the Gahcho Kué Project will be requiring so that NWT and Aboriginal Businesses can plan for their own growth strategies.

De Beers also notes that with more than ten years of supplying goods and services to the diamond industry, NWT and Aboriginal businesses have developed a complement of skills and business capacity to address the needs of both De Beers and the diamond and mining industries generally. This has resulted in a number of NWT and Aboriginal businesses demonstrating in the Snap Lake tendering process that they are successful competitors. With knowledge of De Beers, its processes and business needs, De Beers believes that NWT and Aboriginal businesses can and will build on their current capacity, positioning themselves for significant participation in the supply of goods and services to our business.

As noted above, although De Beers' NWT Business policy was developed with respect to the Snap Lake Mine, this specific measure will also apply to the Gahcho Kué Project. The NWT Business Policy will be updated to incorporate the Gahcho Kué Project upon receipt of permits to proceed.

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

Consistent with its commitments in the NWT Business Policy, De Beers will continue to use a balanced comprehensive evaluation and adjudication system for procurement tendering of goods and services. The type of evaluation will vary with the nature, criticality, complexity and value of the purchase and will include such evaluation criteria, but not limited to: price competitiveness and stability, support, reputation, quality and priorities for NWT and Aboriginal content. This facilitates fair treatment for NWT and Aboriginal Businesses and ensures their participation, while maintaining De Beers' ability to achieve its supply chain and materials management business objectives.

De Beers has also developed relationships with a number of NWT and Aboriginal businesses both through its current competitive tendering and contracting process, and through the contractual relationships the company has with its current goods and services providers. De Beers will build on the successful track record of the Snap Lake Mine by aiming to achieve economies of scale through contracts that can supply both the Snap Lake Mine and the Gahcho Kué Project. By promoting the Gahcho Kué business opportunities early through its annual Business Opportunities event in Yellowknife, De Beers has already begun flowing information to NWT and Aboriginal businesses regarding the kinds of goods and services that the Gahcho Kué Project will be requiring so that NWT and Aboriginal Businesses can plan their own growth strategies.

De Beers will be monitoring its procurement results and will report annually regarding the level of NWT and Aboriginal business procurement participation in the Gahcho Kué Project. De Beers will review its business procurement practice as part of its ongoing supply chain management process, to ensure that its policies and the implementation of these policies are continuing to achieve De Beers' sustainable business objectives and that the NWT Business Policy objectives are being met.

It should also be noted that mining and oil and gas activities in the NWT have also resulted in spin-off activities in other sectors such as construction, commercial services, transportation, and storage. Indirectly, this has led to growth in the number of registered corporations, including housing sector investments, hotel accommodation, and full-service restaurants (De Beers 2010a, Section 12.7.1.2).

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

### Employment and Training

The Gahcho Kué Project will support economic diversification by continuing to provide jobs and training for people in the Territory. Training opportunities have been increasing in Yellowknife and also in smaller communities.

For instance, the diamond mines have had a substantial influence on Aboriginal employment. At its peak, the NWT diamond industry brought almost 800 person-years of employment to Aboriginal people (De Beers 2010a, Section 12, Figure 12.6-8). The level of employment is notable considering a portion of these people live in remote or isolated communities and would otherwise have limited opportunities for employment (Impact Economics 2008) (De Beers 2010a, Section 12.6.1.3.1).

Increased employment in the Territory has also led to a decreased need for income support. The larger workforce has resulted in fewer people drawing on social assistance. Data from the mid-1990s until 2006 on household income and supplemental income payments (social assistance) are indicative of a more equal distribution of income among households. Contributing factors are likely the result of heightened activity in resource exploration and extraction, including diamond mining, construction, and overall growth in the NWT economy. Declining need for income support is related to rising household incomes, due to more employment opportunities, including mining. More money management training has been identified as of primary importance in the LSA (De Beers 2010a, Section 12.3.5). Money management training has been included in the 2010 EIS (De Beers 2010a, Section 12.2.1).

The socio-economic baseline shows that education and skill levels of NWT residents have greatly improved over the past 10 to 15 years with the combined efforts of community leaders, government programming, and the support of mining companies (e.g., secondary schools are now in nearly all of the communities, mining and trades training has increasing enrolments, numbers of scholarships have increased). Education is not uniform in the NWT and particularly in the smaller communities where annual numbers of students enrolled and graduating fluctuate from year to year. However, during the past decade the number of students graduating from high school in the NWT has increased. From 1986 to 2006 the total number of Aboriginal

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

graduates in the NWT increased almost fourfold. The number of trades and technology graduates in programs offered through Aurora College and the MTS have increased since the mid-2000s. Increased education and experience levels, however, also increase choice. People have lifestyle options, which include taking their newly acquired skills and applying them elsewhere. For example, new or improved skills and additional money mean that people can assess their options and move to other communities either within or outside of the NWT to various points of hire (De Beers 2010a, Section 12.3.5). This increased choice may be regarded as a negative consequence of economic diversification from a community social cohesion perspective.

By increasing the capacity of northern and Aboriginal employees and contractors through continued and new work opportunities, combined with the skills and training to be obtained for those involved in working for the Project, additional spin-off effects will be generated that could carry over to other types of work (e.g., oil and gas sector, construction, maintenance) (De Beers. 2010a, Section 12.7.1.3.2). Thus, employment and training opportunities from Gahcho Kué, and mining more generally, can be transferred to other industries and support the diversification of the GNWT and its community economies.

To maximize NWT employment and procurement, De Beers' approach includes the following:

- targeted recruitment across the NWT;
- co-operation and partnership in training programs;
- promotion of employment opportunities in the mining industry;
- employing best efforts to hire contractors according to the preference and order indicated in the Project Description (e.g., first preference to northern contractors); and
- facilitate a transparent process for participation by NWT and Aboriginal Businesses, while maintaining De Beers' ability to achieve its supply chain and materials management business objectives through a tendering and evaluation process that will include evaluation criteria such as: price competitiveness and stability, support, reputation, quality and priorities for NWT and Aboriginal content. The tendering evaluation process will use a

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

scorecard approach that will recognize the Aboriginal and NWT content in each proposal;

- identifying Project goods and services may be targets for an NWT and Aboriginal business development strategy.

Improved Infrastructure and Services

Infrastructure and services, including schools, roads, airports, communication networks, utilities, and public housing, all play an important role in economic growth, health and well-being, education, and employment within the LSA communities. The size of the NWT and the remoteness of the communities present challenges in infrastructure development, funding, and maintenance. The distance between communities in the NWT, and the difficulties recruiting and retaining professionals (e.g., medical, education) limits people's access to health care and education in their own community. Consequently, heavy reliance is placed on the health care, education, and other social service systems in Yellowknife as well as out-of Territory specialists.

Counter to these challenges, several infrastructure changes are occurring in the NWT, including the Deh Cho Bridge, new or improved roads, improved airport facilities, more and better housing, new schools, better community infrastructure, new energy infrastructure, more energy efficient public infrastructure, and improved information technologies, including access to broadband internet services (De Beers 2010a, Section 12.3.5, pg.12-101). These improvements to infrastructure and services, partly due to the presence of the mining industry, support the diversification of the territorial, regional and community economies to attract other industries to the territory. Additionally, they also improve the infrastructure available to existing Aboriginal and local businesses and make the region conducive to business growth and/or diversification of customer base.



GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

## References

- De Beers (De Beers Canada Inc.). 2010a. Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.
- De Beers Canada. 2010b. Snap Lake Mine Socio-Economic Report 2010.
- GNWT. 2008. Northerners Working Together: Vision, Goals and Priorities. Available from:  
[http://www.assembly.gov.nt.ca/\\_live/pages/wpPages/memvisiongoalpriority.aspx](http://www.assembly.gov.nt.ca/_live/pages/wpPages/memvisiongoalpriority.aspx).
- GNWT Bureau of Statistics. 2010. Summary of NWT Community Statistics 2010. March 2010.
- GNWT Bureau of Statistics. 2009. Statistics Quarterly. Volume 31, No. 4. December 2009. Yellowknife, NWT.
- GNWT (Departments of Health and Social Services; Education, Culture and Employment; Finance; Industry, Tourism and Investment; Justice; Bureau of Statistics; and Housing Corporation). 2006. Communities and Diamonds. Socio-economic Impacts in the Communities of Behchokö, Gamètì, Whatì, Wekweètì, Detah, N'dilo, Łutselk'e, and Yellowknife. 2005 Annual Report of the Government of the Northwest Territories under the BHP Billiton, Diavik and De Beers Socio-economic Agreements. Yellowknife, NWT.
- GNWT (Departments of Health and Social Services; Education, Culture and Employment; Finance; Industry, Tourism and Investment; Justice; Bureau of Statistics; and Housing Corporation). 2009. Communities and Diamonds. Socio-economic Impacts in the Communities of Behchokö, Gamètì, Whatì, Wekweètì, Detah, N'dilo, Łutselk'e, and Yellowknife. 2008 Annual Report of the Government of the Northwest Territories under the BHP Billiton, Diavik and De Beers Socio-economic Agreements. Yellowknife, NWT.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

GNWT (Environment and Natural Resources). 2012. Demography – Humans in the Northwest Territories. Available from:  
[http://www.enr.gov.nt.ca/\\_live/pages/wpPages/soe\\_demography.aspx#1](http://www.enr.gov.nt.ca/_live/pages/wpPages/soe_demography.aspx#1).

Impact Economics. 2008. NWT Diamonds. Prepared for: NWT/Nunavut Chamber of Mines and The Mining Association of Canada. Prepared by: Impact Economics. October, 2008. Ottawa, ON.

Rio Tinto, 2005. Diavik Diamond Mine Socio-Economic Monitoring Report for operations January to December 2004.

Rio Tinto, 2012. Diavik Diamond Mine 2011 Socio-Economic monitoring agreement report.

Rio Tinto, 2011. Diavik Diamond Mine 2010 Socio-Economic monitoring agreement report.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_14

Source: Lutsel K'e Dene First Nation

Subject: Subjects of note: Employment, Training and Economic Development

EIS Section: Subjects of Note Section 12.7.1

Terms of Reference Section: 4.1.7

---

**Preamble**

**Concern**

The developer has committed to fill as many positions as possible with northern Aboriginal workers; however, it acknowledges that many of the available Aboriginal workers are already employed and that some of the unemployed face challenges due to limited education. Some of the actions proposed to increase Aboriginal and NWT employment at the project include: pick-up points in communities, literacy training, new employee training, supervisory and mentorship training, apprenticeships, considering employees who don't meet the minimum education requirements, monitoring contractors for adherence to DeBeers employment objectives and supporting multi-party training programs. Additionally Debeers has committed to developing a training needs assessment for Aboriginal candidates to track employees' training needs and career advancement. Training will primarily be focused on employment needs for the project; however, recognizing that literacy and education levels in many of the communities are a barrier to employment and employment in skilled positions, the developer has committed to providing literacy training at the project site and support literacy initiatives in the communities.

**Rationale:**

While the potential benefits from employment and training associated with the project are positive on the whole, there is little analysis of the experience of Aboriginal employment at the developer's Snap Lake mine or the other two operating diamond mines.

**Request**

- 1) LKDFN requests that the proponent provide the actual number of Aboriginal employees, positions held, training obtained, career advancement, success

**GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES**

---

of recruitment and retention strategies etc. of Aboriginal employees at all of the diamond mines to provide a clearer picture of the project's employment and training effects.

- 2) LKDFN also requests that the proponent explains why it has not established employment targets for Aboriginal people at the project.

**Response****1: *Aboriginal Involvement in the Diamond Mining Labour Force***

According to the 2006 Statistics Canada Census of Aboriginal populations, the Northwest Territories (NWT) Aboriginal population is 14,465, and the Aboriginal labour force is 9,455 individuals. Of the Aboriginal labour force, 7,555 (52%) are employed (Statistics Canada 2007). Of these employed, approximately 10% (as of 2010) are employed in NWT diamond mines (BHP 2011; DDMI 2011; De Beers 2011).

The diamond mining labour force is trending towards increased Aboriginal involvement. The Ekati, Diavik and Snap Lake mines have all seen modest increases (2%, 3% and 2% respectively) in Aboriginal participation in the diamond mining labour force between 2005 and 2010. Aboriginals are more frequently employed during the operations phase of diamond mining Projects (BHP 2011; DDMI 2011; De Beers 2011).

While the percentage of the labour force comprised by Aboriginal and Northern Residents is lower than predicted in the socio-economic agreements for the operating NWT diamond mines, the overall number of Aboriginals employed by the diamond mining industry in the NWT is higher (BHP 2011; DDMI 2011; De Beers 2011). For example, the Diavik socio-economic agreement predicted Aboriginal participation in the labour force to amount to 180, or 40% of the mine's workforce (450). Due to increasing employment opportunities at the mine, the number of Aboriginals employed by 2010 exceeded the predicted number (180), rising to 269 Aboriginal employment positions. The size of the labour force at the mine, however, also grew larger than expected. This means that, while the total number of Aboriginal employment positions rose to 269, it amounts to 30% of the overall workforce (DDMI 2011). Both the Snap Lake and Ekati mines experience a similar pattern, with Aboriginal employment (in person years) growing beyond

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

predicted levels as a result of increased employment opportunities (BHP 2011; De Beers 2011).

*Job Category*

Within the diamond mining labour force, NWT Aboriginals are typically employed in the semi-skilled or entry-level positions. Fewer are employed within the skilled, professional and management job categories (BHP 2011; DDMI 2011; De Beers 2011). This reduction could be explained by the low educational attainment levels of the NWT Aboriginal population (e.g., over 61% of the 597 available workers in Aboriginal Communities<sup>1</sup> do not possess a high school diploma or equivalent, GNWT Bureau of Statistics 2010), and the higher educational requirements of these positions. Table LK 14-1 shows the labour force by hiring priority and job classification for the Ekati, Diavik and Snap Lake mines.

---

<sup>1</sup> Behchoko, Detah, Fort Providence, Fort Resolution, Gameti, Hay River Reserve, Lutsel k'e, Wekweeti and Whati

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

**Table LK 14-1 Labour Force by Hiring Priority and Job Category (2010)**

Mine	Hiring Priority	Total Employment	Employment by Job Classification				
			Management	Professional	Skilled	Semi-Skilled	Unskilled/Entry Level
Ekati	NWT Aboriginal # <sup>a</sup> (%)	352 (25)	n/a <sup>d</sup>	12 (5)	60 (12)	187 (42)	93 (47)
	Other NWT Residents # <sup>a</sup> (%)	395 (29)		101 (44)	137 (27)	98 (22)	59 (30)
	Non-NWT Residents # <sup>a</sup> (%)	634 (46)		115 (51)	313 (61)	160 (36)	46 (23)
	Total # <sup>a</sup> (%)	1,381 (100)		228 (100)	510 (100)	445 (100)	198 (100)
Diavik	NWT Aboriginal # <sup>b</sup> (%)	269 (30)	0 (0)	6 (6)	42 (12)	157 (52)	64 (50)
	Other NWT Residents # <sup>b</sup> (%)	291 (32)	16 (100)	54 (51)	90 (25)	89 (29)	42 (33)
	Non-NWT Residents # <sup>b</sup> (%)	348 (38)	0 (0)	47 (43)	224 (63)	56 (19)	21 (17)
	Total # <sup>b</sup> (%)	908 (100)	16 (100)	107 (100)	356 (100)	302 (100)	127 (100)
Snap Lake	NWT Aboriginal # <sup>c</sup> (%)	123 (19)	2.5 (13)	0.7 (3)	27.5 (10)	58.4 (23)	34.0 (60)
	Other NWT Residents # <sup>c</sup> (%)	106 (17)	8.1 (41)	8.3 (36)	45.9 (16)	27.4 (11)	16.2 (29)
	Non-NWT Residents # <sup>c</sup> (%)	406 (64)	9.2 (46)	14.1 (61)	211.2 (74)	164.6 (66)	6.5 (11)
	Total # <sup>c</sup> (%)	635 (100)	19.8 (100)	23.1 (100)	284.6 (100)	250.4 (100)	56.7 (100)

<sup>a</sup> Number (head count).

<sup>b</sup> Number in total average number of employees.

<sup>c</sup> Number in person years.

<sup>d</sup> Management jobs are included in the Professional job category for Ekati.

Note: Totals and percentages have been calculated independent of the socio-economic reports for the Ekati, Diavik and Snap Lake Mines and have been rounded for presentation purposes.

Source: BHP Billiton 2011, DDMI 2011, De Beers 2011.

### Aboriginal Training Related to the Diamond Mining Industry

Apprenticeship programs are available at the Ekati, Diavik and Snap Lake mines. During 2010, 21 of the 34 (62%) apprenticeship positions at the Ekati Mine were filled by Aboriginal Northerners (BHP 2011). At the Diavik Mine, over half of the apprenticeship positions were held by Aboriginal Northerners (DDMI 2011).

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Diavik also has an Aboriginal Development Program aimed at increasing the number of qualified Aboriginal people at the supervisory level. This program is a partnership with SAIT Polytechnic. Participants in the Program are matched with a DDMI supervisor for mentoring. Since 2005, 55 individuals have completed the program. All graduates receive a certificate from SAIT recognizing their achievement (DDMI 2011). In 2010, De Beers and Diavik entered into an arrangement with Diavik Diamond Mine that made available two seats for De Beers to acquire for De Beers employees in the program. De Beers supported two employees in that program and both successfully graduated. In 2011 the Aboriginal Development Program delivery agent became Aurora College and De Beers supported two candidates in this program. One of the two candidates graduated.

At the Snap Lake Mine, 17 apprenticeships have been supported since commencement of operations. Of those apprenticeships, 15 (88%) have been filled by Northern Aboriginals.

#### Recruitment of Northern Aboriginals

In 2010, 22% (31/144) of the new hires at the Diavik Diamond Mine were Aboriginal (DDMI 2011).

At the Snap Lake Mine, for the year 2011, In 2011, 29% (165 of 562) new hires at the Snap Lake Mine were Aboriginal. It is important to note that the numbers appear inflated and may suggest excessive turn-over in comparison to the new hire numbers of Diavik Diamond Mine, but this is not the case. It is not uncommon for someone to accept a short-term position with a contractor, then later in the same year, accept another term position with the same contractor or another one. Depending on the duration of their work term, which could be as short as two weeks (a single work rotation), it is possible for the same person to be entered into the system as a new hire multiple times each year. Technically, this does track in the system as multiple hires, but some caution is required when interpreting the data. This has been noted by De Beers in previous Socio Economic Annual reports. This issue does not exist with De Beers' employees. If De Beers hires back an employee twice in one year, they are entered into the system only once.

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

Information on the recruitment of Aboriginals at the Ekati Mine is not available (BHP Billiton 2011).

**2:** Establishing Aboriginal targets is subject to the availability of Aboriginals with the required skills, training and experience for employment in the mining industry.

With both Yellowknife and the non-Aboriginal NWT communities having high participation levels, the potential to employ a local northern labour force lies primarily with the Aboriginal communities. High school completion rates in these communities average around 39%.

This low level of high school completion is a barrier to employment in the mining industry, as many occupations require that employees have at minimum a secondary school diploma or equivalent (though De Beers does consider the experiences of individuals not meeting minimum education requirements for entry level positions on a case-by-case basis). Entry requirements for most training programs require a high school diploma.

If the available, but non-participating, members of the Aboriginal community labour forces are to become employed, secondary school completion rates will have to increase. While this is the current trend, this will not happen instantaneously. Rather, it will occur (at a predicted rate of 0.7%/annum<sup>2</sup>) slowly over the coming decades. Thus it is difficult for De Beers to accurately predict the future availability of NWT residents for work in the Gahcho Kue Mine.

Given the current labour force shortage of qualified workers, and the inability of De Beers to predict future labour force availability, it would be unrealistic to set hiring targets such as those outlined for Snap Lake for the De Beers Gahcho Kue Mine. De Beers believes a good measurement against which it can assess its performance in employing Aboriginals is to establish hiring priorities and then measure the actual hiring and employment in accordance with those hiring priorities. De Beers has established the hiring priorities for the Gahcho Kué Project as noted in Section 12, Section 12.4.3 (De Beers 2010, page 12-106).

---

<sup>2</sup> Based on an 11% increase between 1991 and 2006 (GNWT Bureau of Statistics 2010).



GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

The EIS predicts local (to the NWT) participation in the Gahcho Kué Project labour force to be 27% during construction and 38% during operations. These predictions are based on the local participation record from the construction and operations phases of the Snap Lake Diamond Mine, and are not employment targets (De Beers 2010, Section 12.6.1.2.2, page 12-143).

### References

- BHP (BHP Billiton). 2011. Unearthing Potential: Ekati Diamond Mine 2010 Year in Review.
- DDMI (Diavik Diamond Mines Inc.). 2011. 2010 Socio-Economic Monitoring Agreement Report.
- De Beers (De Beers Canada Inc.). 2010. Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.
- De Beers. 2011. Socio-Economic Report 2010, Snap Lake Mine.
- GNWT Bureau of Statistics. 2010. NWT Labour Force Activity. September 2010. Available at: <http://www.stats.gov.nt.ca/labour-income/labour-force-activity/Monthly/2010/Sep10MLFS.pdf>. Accessed: October 2010.
- Statistics Canada. 2007. Northwest Territories (Code61) (table). Aboriginal Population Profile. 2006 Census. Statistics Canada Catalogue no. 92-594-XWE. Ottawa. Released January 15, 2008.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_15  
Source: Lutsel K'e Dene First Nation  
Subject: Subjects of note: Demand on Infrastructure  
EIS Section: Subjects of Note Section 12.7.2  
Terms of Reference Section: 5.3.3

---

**Preamble**

**Concern:**

The community socio-economic baseline profiles generally illustrate a decreasing population in the smaller centres since 2000 and slight increases in the regional centres. The percentage of older people is generally increasing in most communities. The proponent has analyzed the NWT population as a whole, noting that only a slight increase is projected over the life of the project; therefore, the project will not contribute to in- migration to the NWT. The developer has stated that the project will have little effect on social services in the study area communities as there will be limited in-migration.

**Rationale:**

Reporting on the NWT is straightforward but general population trends vary from community to community. If there is even a small quantity of out-migration from one community, this could have a negative impact on the sustainability of infrastructure in smaller communities.

Also, the proponent has failed to discuss two items identified under this Subject of Note in the EIS ToR. Under section 5.3.3 in the ToR, "...shortage of locally available labour for community services;" and "over-extension of human and economic resources by local communities through project and its review process;" related to the project must be addressed.

**Request**

- 1) LKDFN requests that the proponent report if the general reduction in population in the smaller communities is related to mobility resulting from employment at the diamond mines and whether this trend would be expected to continue with the increased employment provided by the project.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

- 2) LKDFN requests that the proponent provide information regarding the potential effects of reduced populations on sustainability of infrastructure in the small communities.
- 3) LKDFN requests that the proponent report on the two aforementioned ToR points that they failed to address in the EIS.

**Response**

**1) LKDFN requests that the proponent report if the general reduction in population in the smaller communities is related to mobility resulting from employment at the diamond mines and whether this trend would be expected to continue with the increased employment provided by the project.**

De Beers 2010, Section 12.7.2.2 presents a discussion of population movements in the LSA. Existing conditions studies have identified that in-migration has not been associated with mineral exploration and mining activity over the last decade. The NWT has, however, experienced net out-migration of people since 1997 (with the exception of 2002/3) (pg. 12-247). Out-migration from NWT is predicted to be approximately 250 to 350 people annually (12-248).

Population trends for the NWT for the period between 1999 and 2009 reveal that the communities of Łutsel K'e (-11.4%), Fort Resolution (-11.1%), Fort Providence (-10.3%), Hay River (-1.6%), and Wekweètì (-0.7%) all experienced population decline in this period. The highest levels of population growth were recorded in Enterprise (35%), Detah (27.9%), Hay River Reserve (18.6%), Behchokò (15.1%) and Yellowknife (12.7%) (EIS Section 12 Table 12.3-1, pg. 12-29).

There is some indication that cost of living is a determinant for intra-territorial and inter-provincial movements for mine employees (GNWT Bureau of Statistics 2009, found in De Beers 2010, Section 12.6.1.3.1, pg. 12-149). Many people in smaller remote communities, however, do not want to move away for work, yet opportunities for long-term, full-time employment remain in the larger regional communities or Yellowknife (GNWT Department of Education, Culture and Employment 2008c, Found in De Beers 2010, Section 12.6.2.3, pg. 12-196). Being employed by the Gahcho Kué Project likely also gives people greater

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

lifestyle choices, including greater mobility, from incomes associated with Project employment (De Beers 2010, Section 12.6.2.3, pg. 12-196).

De Beers' Regional Allowance, NWT Pick up Point and Travel to Site policies together aim to mitigate against out-migration both from the NWT and from smaller communities. Together they enable employment choices to be made without having to make a change in residency in order to access employment with De Beers, while positioning the company for competitive recruitment and retention in a competitive marketplace.

**2) LKDFN requests that the proponent provide information regarding the potential effects of reduced populations on sustainability of infrastructure in the small communities.**

The effects analysis done in De Beers 2010, Section 12.7.2 Subject of Note: Demands on Infrastructure does not find that in-migration due to the Project will place pressure on demand for infrastructure and services (De Beers 2010, Section 12.7.2.2.2., pg. 12-248). De Beers also will not add pressure to existing services, such as medical and other services. For instance, they will use private medical practitioners for the initial medical check of all new employees and establish contracts with emergency services to deal with any on-site injuries (De Beers 2010, Section 12.7.2.2.2, pg. 12-248).

In terms of the effects of reduced populations on the sustainability of infrastructure in small communities, there is a possibility that if trends towards out-migration from small communities continue, there may be negative effects to the sustainability of infrastructure and services, and their maintenance in smaller communities. The Project, however, is a small project and it is expected that much of the employment base will come from people who are working at other diamond mines in the territory that are ramping down. Thus, it is not likely to induce out-migration from communities.

As noted above, De Beers' Regional Allowance, NWT pick-up point and Travel to Site policies together aim to mitigate against out-migration both from the NWT and from smaller communities. Together, they enable employment choices to be made without having to make a change in residency in order to access

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

employment with De Beers, while positioning the company for competitive recruitment and retention in a competitive marketplace.

The effects of the Project on out-migration are therefore not expected to be significant. The cumulative effects, however, of all diamond mining projects in the territory on out-migration and the sustainability of small community infrastructure may be a valid concern, but these cannot be attributed to a relatively small project such as Gahcho Kué.

### **3) LKDFN requests that the proponent report on the two aforementioned ToR points that they failed to address in the EIS.**

#### **a) Mobility resulting from employment at the diamond mines**

As per the TOR Section 5.3.3, the 2010 EIS Section 12 Socio-Economics did address mobility resulting from the Project in the following sections:

- Baseline Data on migration patterns by five-year mobility status (as per Statistics Canada Census Results) (De Beers 2010, Section 12.3.4.1.1, pg. 12-28 to 12-31).
- De Beers 2010, Section 12.6.2 (pg. 12-182) Key Line of Inquiry (KLOI): Family and Community Cohesion also considers lifestyle choices and the effects on migration patterns, changes in traditional practices, absence of leaders and volunteers from communities.
- The socio-economic analysis also addressed how increased lifestyle choices, including how greater mobility may result from incomes associated with Project Employment (De Beers 2010, Section 12.6.2.3, pg. 12-193).
- De Beers 2010, Section 12.6.1.3 on Labour Force also evaluated who is available for employment and their mobility, including possible effects on regional and local populations (pg. 12-146). This analysis also included contextual information from other diamond mining operations including since the operations began at Ekati in 1998.

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

- De Beers 2010, Section 12.8 Cumulative Effects and Sustainability also considers the issue of population mobility in the cumulative effects analysis.

### **b) Potential effects of reduced populations on sustainability of infrastructure in the small communities.**

Potential effects of out-migration in small communities are addressed throughout De Beers 2010, Section 12 Socio-Economics and not confined to a specific section. For instance:

- De Beers 2010, Section 12.6.1 KLOI: Long-term Social, Cultural and Economic Effects includes an analysis of out-migration of skilled labour.
  - The main reasons cited for NWT residents (from NWT) working at the diamonds mines wanting to leave the NWT include: leaving family and friends, cost of living, spouse's employment opportunities, children's education (pg. 12-149).
  - Nearly half of the surveyed NWT residents indicated that they would likely or very likely consider moving from the NWT if the opportunity arose (GNWT Bureau of Statistics 2009) (pg. 12-149).
- De Beers 2010, Section 12.6.1.3.2 presents data on out-migration in the context of other diamond mining operations in NWT. It finds that while the Snap Lake Mine is a completely underground mine, Ekati and Diavik, will be largely underground operations by that point in time. The Project will require a different mix of skilled, semi-skilled, and unskilled workers than the other operations. This could also help delay the rate of out-migration, especially between 2020 and 2025. After 2025, in the absence of any new economic developments, the territory is showing a decline in its population<sup>1</sup> (pg. 12-156).
- De Beers 2010, Section 12.6.1.6 summarizes residual economic effects. As part of the analysis of labour supply, the EIS presents information

---

<sup>1</sup> The population projections do not represent a complete forecast of the territory's population in that it does not account for any future changes to other industries in the NWT or economic activities elsewhere in Canada. These projections show the changes in population under a specific scenario; that is, one where the only major developments are closures at the Ekati, Diavik and Snap Lake diamond mines between 2021 and 2026, and the openings of the Prairie Creek lead/zinc mine and the NICO gold/cobalt/bismuth mine.

## GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT INFORMATION REQUEST RESPONSES

---

that the Project will likely employ residents who might otherwise migrate outside of the NWT after other mines close.

- De Beers 2010, Section 12.8.3.2.1 also assesses how other business opportunities and economic diversification because of an expanding economy may be a driver to stem off out-migration. It presents the example of the development of the East Arm National Park and how jobs may be created in Łutsel K'e, which would benefit the community and might prevent some out-migration (pg. 12-329).

Out-migration effects on infrastructure and services in small communities are mainly addressed in De Beers 2010, Section 12.7.2 Subject of Note: Demands on Infrastructure. In particular, the effects analysis finds that:

- Out-migration is not the only factor affecting community populations. There is also a reduction in the birth rate and an increase in the death rate due to a higher percentage of the population which is elderly. Older people often have increased demands for health and social service infrastructure (De Beers 2010, pg. 12-248). Therefore, out-migration is only one factor that threatens the sustainability of community infrastructure and services.
- An example is presented about how the number of volunteer fire-fighters has declined in recent years in at least three communities: Łutsel K'e, Wekweètì, and Whatì. The decline started in 2007 after three diamond mines were either already producing or near completion of construction (i.e., Snap Lake) (De Beers 2010, pg. 12-255). This trend highlights that strains on infrastructure and service sustainability pre-dates the Project. Although the cumulative effects of all diamond mines in the region may increase strains on infrastructure and services in small communities, it does not appear that there is a direct correlation with employment at the mine.

### References

De Beers (De Beers Canada Inc.). 2010. Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Information Request Number: LK\_16

Source: Lutsel K'e Dene First Nation

Subject: Subjects of note: Culture, Heritage and Archaeology

EIS Section: Subjects of Note Section 12.7.5

Terms of Reference Section: 5.3.4

---

## Preamble

### Concern:

The developer predicts the project will cause a permanent but small impact to the cultural landscape but not result in loss of connection with the land or interrelationship between areas of cultural importance.

### Rationale:

Within this Subject of Note, the proponent has neglected to address four areas from the EIS ToR under section 5.3.4:

- reduced involvement in communal activities including communal hunts;
- potential for growing sense of disempowerment;
- reduced harvesting success and loss of traditional skills; and
- hunting restrictions around mine sites.

## Request

- 1) LKDFN requests that the proponent properly address the four above subjects as required by the EIS ToR.

## Response

### **Response 1: reduced involvement in communal activities including communal hunts**

The 2010 Environmental Impact Statement (EIS) has addressed this Terms of Reference (TOR) requirement mainly in Key Line of Inquiry (KLOI): Family and Community Cohesion (De Beers 2010, Section 12.6.2, pg. 12-182). The EIS also



GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

noted that this KLOI overlapped with the Subject of Note (SON): Culture, Heritage and Archaeology in the 2010 EIS Section 12.6.2.1.1 (De Beers 2010, pg. 12-182).

There has been some effort to gauge levels of harvesting throughout the period of diamond mining developments in the Northwest Territories (NWT). For instance, the 2002 NWT Regional Employment and Harvesting Survey for persons over 15 years of age found that 36.7% of South Slave residents and 39.9% of the Tlicho residents participated in hunting and fishing in 2002. A second survey was undertaken in 2009, the NWT Community Survey, which found that 39.5% of South Slave residents and 40% of Tlicho residents in 2009 participated in hunting and fishing. Hunting and fishing is either showing a small increase or little change in study area communities (except Yellowknife which has a slight decrease). These studies have also found that individuals in prime income earning years (i.e., 25 to 59) were most likely to participate in traditional activities.

Information specifically on Łutsel K'e as reported in the Ni Hat'ni – Watching the Land (2005) report summarizes the degree to which Łutsel K'e residents are involved in traditional activities. The survey found that the majority of adults did not participate in traditional activities. The reason cited for their lack of participation includes the following:

- for the adults:
  - no-one to teach me;
  - no money for gas;
  - no skidoos;
  - no interest on the part of youth; and
  - no money for charter flights for community-sponsored hunts.
- for the youth:
  - adults did not ask them to come along;
  - Elders tend to take only their own family members;

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

- no money;
- no skidoos; and
- too lazy.

(Found in the 2010 EIS Section 12.6.2.2.1 (De Beers 2010, pg. 12-188)

Further research done by the GNWT Bureau of Statistics in 2009 on mine workers found that they, and their families, were active in outdoor activities such as hunting and fishing. About 77% of all respondents said that they or their family were involved in outdoor activities such as hunting or fishing. The results of this survey also indicated that miners were more likely to participate in traditional activities than the general population of NWT (De Beers 2010, Section 12.6.2.2.1 pg. 12-190).

De Beers has established a volunteerism program to mitigate negative effects on family and community cohesion and social disparity within communities (De Beers 2010, Table 12.5-1, pg. 12-118). Current information suggests that for Aboriginal peoples, sharing, helping out, volunteering, or other forms of participation in community life are important aspects of family, culture, and community values, as well as traditional practices (Little et al. 2005). An estimated two-thirds of volunteer organizations in 2004 in the NWT involved Aboriginal volunteers, comprising about one third (35%) of the total volunteer sector.

**Request 2: potential for growing sense of disempowerment**

The EIS has addressed issues of disempowerment outside the KLOI on Culture, Heritage and Archaeology.

For instance, the 2010 EIS Section 12.3.4.4.6 (De Beers 2010, pg. 12-44) discussion of Community Well-Being addresses issues surrounding empowerment and disempowerment through a discussion of volunteerism (and trends in volunteers; De Beers 2010, pg. 12-45). For instance, participants of a 2005 research survey (Little et al. 2005) looking into the Aboriginal voluntary sector has concluded some of the following points related to this decline.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

- Aboriginal communities are larger and less homogenous than in the past and may not feel as strongly connected or responsible for the wellbeing of others.
- The wage economy has become more important than traditional land based economies; consequently, individual well-being has become more important than that of collective or community well-being.
- Confusion exists between paid and non-paid work as the result of the transition from subsistence harvesting to an industrial wage economy.
- Helping out is more structured and organized today, as well as the skills required to do so; many Aboriginal people feel they lack the necessary skills.
- Government-run or structured programs have diminished collective responsibility that Aboriginal people traditionally undertook (Little et al. 2005).

The 2010 EIS Section 12.6.2.4 (De Beers 2010, pg.12-197) also addresses issues surrounding disempowerment in the discussion of the 'Right Way to Live'. The discussion addresses concerns regarding on-going cultural change and how other values may be supplanting traditional values. If this is the case, concerns related to family and community cohesion may have negative implications for the empowerment of some people in these communities. There is also an argument to be made that other people, who are able to access project benefits, may be experiencing increasing empowerment because of a greater ability to make choices due to financial independence (De Beers 2010, Section 12.8.4.1.3, pg. 12-336)

**Response 3: reduced harvesting success and loss of traditional skills**

The 2010 EIS Section 12.8.6.3 on Social Sustainability (De Beers 2010, pg. 12-358 to 12-359) addresses issues surround harvesting success and loss of traditional skills. The EIS presents information in its assessment of harvesting success and traditional skills. It acknowledges that concern has been raised about a potential loss of individual skills related to traditional activities and the failure to pass skills on to family members.

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

Evidence suggests that participation in traditional activities is still quite strong among the middle aged Aboriginal population in the NWT. While participation in the wage economy has been connected by some to cultural loss and a reduction in participation in traditional activities, current employment rates and harvesting and consumption of country food levels in the LSA communities do not support this contention. For instance, the majority of communities has over 80% of the population in full-time employment, and continue to harvest and consume country foods.

Thus there is no clear information to suggest that participation in the wage economy may interfere with the pursuit of traditional activities and it may actually provide the needed inputs for participation (i.e., Money for gas and equipment) to continue with hunting and fishing (GNWT Bureau of Statistics 2005; Hill et al. 1998).

Additionally, the 2005 GNWT study of Aboriginal males involved in diamond mining found that they hunted and fished at a marginally higher rate than other employed Aboriginal males. In other words, indigenous people may use the wages from development activities to pursue traditional activities, and due to the rotational work may have the time available to go on longer hunting and fishing trips (De Beers 2010, Section 12.8.6.3 pg. 359).

**Response 4: hunting restrictions around mine sites**

Hunting restrictions are addressed in Section 11 Waste Management and Wildlife as part of the Biophysical SONs. The 2010 EIS Section 11.10.2.3 and all sub-sections discuss hunting regulations and seasons for specific species in the vicinity of the Project.

De Beers will prohibit the use of firearms, hunting, trapping, fishing and harvesting by employees and contractors while on site (De Beers. 2010, Section 7.2 pp. 7-19).

GAHCHO KUÉ PROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

---

## References

- De Beers (De Beers Canada Inc.). 2010. Environmental Impact Statement for the Gahcho Kué Project. Volumes 1, 2, 3a, 3b, 4, 5, 6a, 6b, 7 and Annexes A through N. Submitted to Mackenzie Valley Environmental Impact Review Board. December 2010.
- GNWT Bureau of Statistics. 2003b. 2002 Regional Employment and Harvesting Survey. Yellowknife, NWT.
- GNWT Bureau of Statistics. 2009c. 2009 NWT Survey of Mining Employees. August 2009. Available at:  
<http://www.itl.gov.nt.ca/publications/2010/Diamonds/MESReportGNWT.pdf>. Accessed: May 2010.
- GNWT Bureau of Statistics. 2010e. 2009 NWT Community Survey: Housing Needs Report. Yellowknife, NWT.
- Hill, A.E., C.L. Seyfrit and M.J.E. Danner. 1998. Oil Development and Social Change in the Shetland Islands 1971-1991. Impact Assessment and Project Appraisal 16(1):15-26.
- Little, L., S. Auchterlonie and B. Stephen. 2005. Continuing Strong Traditions: Aboriginal Participation in the Northwest Territories' Voluntary Sector. Prepared for the Native Women's Association of the Northwest Territories, Northwest Territories Literary Council, and YWCA of Yellowknife. Toronto, ON.
- LKDFN (Łutsel K'e Dene First Nation) and M. Krieger. 2003. Ni hat'ni – Watching the Land: Results and Implications of 2002-2003 Monitoring Activities in the Traditional Territory of the Łutsel K'e Denesoline. Wildlife, Lands and Environment Department. Available at:  
[http://www.enr.gov.nt.ca/\\_live/documents/content/WKSS\\_Ni\\_Hat\\_ni\\_2002-2003\\_Report.pdf](http://www.enr.gov.nt.ca/_live/documents/content/WKSS_Ni_Hat_ni_2002-2003_Report.pdf). Accessed: June 2008.