



April 2, 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:

**North Slave Metis Alliance - 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 North Slave Metis Alliance.

Sincerely,

Veronica Chisholm  
Permitting Manager

Attachment

c: S. Grieve, Manager, Environment Branch, North Slave Metis Alliance



GAHCHO KÚÉPROJECT ENVIRONMENTAL IMPACT STATEMENT  
INFORMATION REQUEST RESPONSES

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Information Request Number: NSMA-001

Source: North Slave Métis Alliance (NSMA)

Subject: Development and Environment Description - Developer.

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### Preamble

TOR 3.1.1 requires a description of the organisational structure, ownership, policies, performance, etc. of the company proposing the development. On November 4th, 2011, the wall Street Journal reported that the Oppenheimer family had sold most of its shares in De Beers to Anglo American, subject to regulatory approval, and scheduled for completion mid 2012. This brings Anglo American's stake in De Beers up to 85% (<http://online.wsj.com/article/BT-CO-20111104-711698.html>). According to Richard Wachman, of the Guardian (<http://www.guardian.co.uk/business/2011/nov/04/anglo-americandebeers-diamonds>), the government of Botswana owns the other 15% and has an option to increase that percentage to 25%. There is also speculation about Mountain Province's continued involvement in the project.

### Request

EIS sections 1.1.2 and 1.1.3 should be updated to reflect the sale of the Oppenheimer family shares to Anglo American. How would a change in ownership of Mountain Province's "property" affect the project? Any other changes we should be aware of?

### Response

Section 1.1.2 in the 2010 Environmental Impact Statement (EIS) describes the ownership structure of the proposed Gahcho KúéProject and notes that De Beers holds a 51% participating interest in the Gahcho Kúé Joint Venture (De Beers 2010). For clarity, "De Beers" in this section refers to De Beers Canada Inc. De Beers Canada Inc. is a wholly owned subsidiary of the De Beers Société Anonym (DBsa). The ownership structure of De Beers Canada has not changed since submitting the 2010 EIS to the Gahcho Kúé Panel in December 2010 and is not changing at this time (De Beers 2010).

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With respect to participation in the Project by Mountain Province Diamonds, and the question about whether a change in ownership of Mountain Province's "property" would affect the Project, it is noted in Section 1.1.2 of the 2010 EIS, Mountain Province Diamonds Inc. is a Canadian exploration company listed on the Toronto Stock Exchange (De Beers 2010). Through the issuing of shares, or the trading of shares on the Toronto Stock Exchange and on the New York Stock Exchange, ownership of Mountain Province varies. The Joint Venture Agreement between De Beers and Mountain Province Diamonds for the Project governs the management of the Project by the participants. The Joint Venture Agreement has mechanisms within it that enable ownership changes of the Participants, while the terms of the Joint Venture Agreement will remain binding on the successors to the current participants.

In Section 1.1.3 of the 2010 EIS the company provided an overview of the De Beers Group organizational structure (De Beers 2010). The holding company of the De Beers Group is DBsa, and currently the three shareholders, namely Anglo American plc (45%), the Oppenheimer family (40%) and the Government of the Republic of Botswana (15%), which is outlined in Section 1.1.3 of the 2010 EIS and remains the same at this time (De Beers 2010).

It is important to note that on November 4, 2011 Anglo American plc and the Oppenheimer Family (CHL Holdings Limited) announced their agreement for Anglo American to acquire the Oppenheimer family's 40% interest in DBsa. As the third shareholder of DBsa, the Government of the Republic of Botswana (GRB) has the right to opt to increase its shareholding in De Beers as a result of this agreement. The GRB is deciding whether to do so over the coming months. Depending on this decision, Anglo American's shareholding in DBsa will increase to between 75% and 85%, (and the GRB shareholding will either stay at 15% or increase up to 25%). Upon completion of the transaction, Anglo American will become the majority shareholder in De Beers and De Beers will become a member of the Anglo American Group.

This transaction remains subject to regulatory and government approvals and is expected to close in the second half of 2012.



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**Reference**

De Beers (De Beers Canada Inc.). 2010. Environmental Impact Statement for the Gahcho KúéProject. 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.

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Information Request Number: NSMA-002

Source: North Slave Métis Alliance (NSMA)

Subject: Existing Environment -Valued Components

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**Preamble**

TOR 3.1.2 requires the proponent to discuss the need for development, including details of how the needs of specific potentially affected communities will be met.

EIS 1.1.5.4 states that De Beers has four existing Impact Benefit Agreements related to the Snap Lake Mine, and that additional agreements are anticipated for this Project.

EIS 1.2.1 states that the Project will benefit the North American Diamond Industry, the NWT workforce and consumers.

**Request**

Where in the EIS can we find a discussion of the specific needs, including capacity needs, for the North Slave Métis community, and how those needs will be met by this project as proposed?

Does the vague reference to existing and additional IBA's serve as a commitment to negotiate and sign a new Impact Benefit Agreement with the North Slave Métis Alliance, for the Gahcho Kue Project, as the means to ensure that some of the needs of the North Slave Métis community are met?

In what ways will the North Slave Métis population, specifically, benefit from this project, over and above whatever benefits they might receive, if any, as members of the NWT workforce or as consumers? In other words, why would the North Slave Métis want the diamond resources on their asserted ancestral lands to be developed now, in this way, rather than later, in a different way, perhaps by themselves in their own way?

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**Response**

The 2010 Environmental Impact Statement (EIS) Annex K, Appendix K.I (Section K.I.5) presents data obtained from community surveys conducted by the North Slave Métis Alliance (NSMA) in 2002 and 2005 (De Beers 2010, Annex K, Appendix K.I). The surveys present demographic information on the NSMA population including where they live, education, labour force and employment, economic activity, income (personal, household and income support levels), language and culture and community infrastructure and services (including housing). The information presented in the community surveys assist in the identification of areas where the NSMA have capacity (i.e. relatively low unemployment rate of approx 6% in 2005) and also where capacity strengthening is required (i.e., rising levels of income support between 2000 and 2005). Project design features and other mitigations to address effects and build capacity are presented in Section 12 Socio-Economic Impact Assessment (De Beers 2010).

De Beers is committed to establishing a relationship based on mutual respect, trust, good faith, active partnership, commitment and certainty with the NSMA so that training, employment and business opportunities are made available to the NSMA. De Beers and the NSMA already have such an arrangement for the Snap Lake Mine. The company intends to build on this successful relationship with the NSMA for the Project so that the NSMA can optimize the benefits and participate in the opportunities arising from the Project in a manner that will be to the mutual advantage of De Beers and the NSMA.

Through ongoing engagement activities, meetings, and other discussions with the NSMA, De Beers will continue to work with the NSMA over the life of the Project to prioritize areas of cooperation, as we do for the Snap Lake Mine.

**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.

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Information Request Number: NSMA-003

Source: North Slave Métis Alliance (NSMA)

Subject: Existing Environment -Valued Components

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**Preamble**

TOR 3.1.3. requires a description of the existing environment, including the current status and trends for all valued components in order to assess potential direct, indirect, and cumulative impacts from project. The existing physical environment includes among other things air quality, noise, water quality, vegetation and wildlife. The existing human environment includes socioeconomic conditions, historic and present land use, cultural and heritage resources.

TOR 3.2. requires a description of the methodology used to describes the existing environment, evaluate potential impacts and reach conclusions with documentation of analysis and participation.

EIS 12.3 discusses socioeconomic impact assessment methods.

EIS 12.6 discusses social, cultural and economic effects, family and community cohesion, and social disparity.

EIS 12.7 discusses culture, heritage, aboriginal rights, community engagement.

The MVEIRB Guidelines for conducting SEIA indicate that a comprehensive SEAI requires primary and secondary research, but it appears that De Beers has only looked at secondary sources, and only a limited selection at that. Essential elements of a SEIA include consideration of equity and disparity in populations, deal with concerns over resource use, poverty and human rights.

Throughout the preliminary screening, scoping and environmental assessment processes over the past six years, the NSMA has consistently identified such things as disputed property rights, equality of access to benefits, capacity building, depletion of non-renewable resources, equity, self-determination,

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housing affordability, brain drain, competition for scarce labor, cultural pride and identity, and political influence as issues of concern.

**Request**

Where in the EIS can we find a description of the existing socio-economic, cultural and heritage environment of the NSMA according to the valued components and indicators identified by the NSMA? What are the trends, and how has NSMA been involved in the research? Where is the description of the data collected by the NSMA for Gartner Lee?

**Response**

**Where in the Environmental Impact Statement (EIS) can we find a description of the existing socio-economic, cultural and heritage environment of the NSMA according to the valued components and indicators identified by the NSMA?**

The Terms of Reference (TOR) required consideration of specific Aboriginal groups within the local study area (LSA) communities. The NSMA was approached to determine if they were willing to collect and provide information on behalf of De Beers. The NSMA consented to do this research (De Beers 2010, Annex K, Section K1.2.3.1, pg. K1-4). In this regard the NSMA prepared a description of their population based on their existing membership. They were provided with an example of the type of information required and completed the surveys accordingly (De Beers 2010, Annex K, Section K1.2.3.1, pg. K1-4).

Annex K, Appendix K.I presents community profiles, including one of the NSMA based on information collected during the above mentioned survey. It was conducted by the NSMA in the 2002 and 2005. The data is presented in the NSMA community profile as reported by the NSMA (De Beers 2010, Annex K, Appendix K.I, pg. K.I-37).

In the baseline survey of 2002 the NSMA membership totalled 295 persons. Some data (e.g., base demography and employment levels) was collected from the entire membership, while other data was collected from a representative sample of the target population. The target population was defined as all

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members of the NSMA older than 15 years and included 219 people. A total of 76 members older than 15 years were interviewed representing 35% of the target population. It represented youth, elders, men, women, and those employed in the mining sector. Not all participants answered all questions, thus sample sizes vary across indicators (NSMA 2002).

NSMA conducted a second survey in 2005. At that time, there were 408 eligible adults (older than 16 years) on the NSMA's membership list. Many of the NSMA members were unavailable during the time of the survey, or contact information was incorrect. As a result, only 150 members were contacted. Of those 150 members, 50 agreed to participate in the survey. This equates to a response rate of 12% of eligible members (NSMA 2005). Of the 50 individuals that responded to the 2005 survey, 24 were male and 26 were female. Ages ranged from 19 to 82 years. Most participants (45) were residing in Yellowknife, two in Behchokö, and three in communities outside of the NWT (NSMA 2005).

To summarize the surveys, 76 of 219 eligible NSMA members (35%) older than 15 years participated in the 2002 survey. In 2005, 50 of 408 eligible members (12%) older than 16 years participated in the survey. The information presented in the NSMA community profiles, gathered from the 2002 and 2005 surveys included:

- Population Demographics (2010 EIS, Annex K, Appendix K.I, Section K.I.5.2);
- Education, Labour Force and Employment (2010 EIS, Annex K, Appendix K.I, Section K.I.5.3);
- Economic Activity by Sector (2010 EIS, Annex K, Appendix K.I, Section K.I.5.4);
- Income Support (2010 EIS, Annex K, Appendix K.I, Section K.I.5.5);
- Language and Culture (Appendix 2010 EIS, Annex K.I, Section, Appendix K.I.5.6); and
- Community Infrastructure and Services (2010 EIS, Annex K, Appendix K.I, Section K.I.5.7).

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Further engagement and socio-economic research was undertaken on the NSMA after the MVEIRB Gahcho Kué Panel released the Gahcho Kué TOR in 2007 (Gahcho Kué Panel 2007). During this process the priority Valued Socio-Economic Components (VSECS) were identified by the NSMA. At a meeting with the NSMA, held on December 19, 2007 from 5 to 9 pm at Northern United Place in Yellowknife (De Beers 2010, Section 4.3.6.3.6, pg. 4-22), socio-economic key lines of inquiry and subjects of note of greatest concern identified were:

- Long-term social, cultural and economic effects;
- Tourism potential and wilderness character;
- Employment, training and economic development;
- Traffic and road issues;
- Aboriginal rights and community engagement; and
- Demands on infrastructure.

Eight NSMA members, including four NSMA staff, attended the meeting in Yellowknife with three members of the De Beers team (De Beers 2010, Section 4.3.6.3.6, pg. 4-23).

### **What are the trends, and how has NSMA been involved in the research?**

As noted above, NSMA undertook two community surveys in 2002 and 2005. Additionally, they participated in MVEIRB's scoping workshops to identify valued social and environmental components in 2007<sup>1</sup>.

Some of the trends that have come out of the 2002 and 2005 NSMA surveys are reported in the NSMA community profile in Annex K, Appendix K.I include:

- NSMA +15 (years of age) population (based on membership) was 219 people in 2002. By 2005, the over 16 (years of age) population

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<sup>1</sup> Other community consultation and engagement activities are outlined in Section 4 of the 2010 EIS (De Beers 2010).

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(based on membership) had risen to 408 people (De Beers 2010, Annex K, Appendix K.I, pg. K.I-37). This is a substantial increase in population over three years and is most likely based on new membership to the NSMA community.

- The population under the age of 25 accounted for 51% of the NSMA in 1996, 49% in 1999, and 65% in 2006. Seniors over the age of 60 accounted for only 4% of the NSMA membership in 1996, 5% in 1999, and 9% in 2006 (De Beers 2010, Annex K, Appendix K.I, pg. K.I-38).
- Social research by the NSMA on Education (De Beers 2010, Annex K, Appendix K.I, pg. K.I-39) found that more than half of the educated NSMA population resides in Yellowknife (see Table K.I.5-3 [De Beers 2010, Annex K, Appendix K.I]). Additionally, data collected on NSMA community members in NWT who have achieved a secondary school certificate or higher finds that the percentage has remained relatively stable during the period from 1995 to 2005 (De Beers 2010, Annex K, Appendix K.I, pg. K.I-39).
- The employment rate has been relatively high, and stable for the NSMA at 83% in 2000 and 77% in 2004/5 respectively. The majority of the respondents were employed either in the Business, Finances and Administration occupations (25%), or in Social Science, Education and Government (32%). There were slightly more females than males in the total labour force (56% vs. 44%) and in all occupations (55% vs. 45%) (De Beers 2010, Annex K, Appendix K.I, pg. K.I-42).
- Many of the NSMA members reported that they are involved in the traditional economy with 81% of its members reported consuming country food in 2004/5. This is indicative of the importance of traditional activities for the NSMA. There was, however, a small decline in country food consumption from 2000 (87%) to 2004/5(see Table K.I.5-11 [De Beers 2010, Annex K, Appendix K.I]).
- A minority of the NSMA members (17% in 2000; 19% in 2004 to 2005) reported receiving income support as a source of income. The proportion of individuals receiving income support, however, rose slightly from 2000 to 2004 to 2005 (see Table K.I.5-15 [De Beers 2010, Annex K, Appendix K.I]).
- All survey participants reported speaking English. 25% of participants reported speaking either Michif (10%) or Dogrib (10%). A small minority reported speaking French (6%) and/or Chipewyan (2%). 18% of

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participants spoke more than one language. Of the multilingual members, 14% spoke at least 2 languages (De Beers 2010, Annex K, Appendix K.I).

- NSMA residents live in a mix of rented and owned housing (see Table K.I.5-18 [De Beers 2010, Annex K, Appendix K.I]) with proportions of both (renting and owning) nearly evenly divided. The housing infrastructure of 26% of individuals was unknown (De Beers 2010, Annex K, Appendix K.I).

**Where is the description of the data collected by the NSMA for Gartner Lee?**

The data collected by the NSMA through the 2002 and 2005 surveys are presented in the NSMA Community Profile, found in the 2010 EIS, Annex K, Appendix K.I, Section K.I.5 (De Beers 2010).

Additionally, the 2010 EIS Section 4, Table 4.3-3 (De Beers 2010) presents the date, attendees and purpose of meetings between NSMA, De Beers and Gartner Lee Limited. Please find an excerpt of the table below.

Date	Community	Attendees	Purpose of Meeting
3-Jul-2007	North Slave Métis Alliance (NSMA)	1 De Beers; 1 Gartner Lee Limited; 3 NSMA.	Meeting in Yellowknife to provide update on the Project and to discuss how to proceed with engaging membership in discussion, as required following the release of the MVEIRB's Gahcho Kué EIS Terms of Reference (Gahcho Kué Panel 2007).
21-Jul-2007	North Slave Métis Alliance (NSMA)	5 De Beers; 3 Gartner Lee Limited; 5 NSMA.	As above, meeting with the NSMA Executive and Directors in Yellowknife to provide update on the Project and to discuss how to proceed with engaging membership in discussion, as required following the release of the MVEIRB's Gahcho Kué EIS Terms of Reference (Gahcho Kué Panel 2007).

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**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 Panel. 2007. Terms of Reference for the Gahcho Kué Environmental Impact Statement. Mackenzie Valley Environmental Impact Review Board. Yellowknife, N.W.T.

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Information Request Number: NSMA-004

Source: North Slave Métis Alliance (NSMA)

Subject: TOR Section 4.1.5 Family and Community Cohesion

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### **Preamble**

Métis in communities in Tlicho and Akaitcho regions are expected to suffer increased demands on community social fabric, absence of workers from family, absence of leaders from communities, change in participation traditional activities, etc. It is important that the EIS provide a separate analysis for each potentially affected community, and must address the vulnerability of each community, and describe how each community was involved in assessment. Indicators of cultural resilience include use of language, country food, cultural activities. After identifying existing vulnerabilities the proponent must determine how project might magnify them. Include consideration of housing, crime, increased social division, political and social development, cultural values, at the local level, sub populations, women disabled elderly youth, comparison of likely relative distribution of beneficial and adverse cultural and social impacts among the potentially affected communities

### **Request**

Where are the community (cultural communities, not places) specific baseline, trend, impact assessment and mitigation proposals?

### **Response**

#### **Cultural Community Specific Reporting**

##### Terms of Reference (TOR)

In Section 4.1.5 'Family and Community Cohesion' the TOR states that "for this, as well as other socio-economic issues, it is important that the 2010 Environmental Impact Statement (EIS) provides a separate analysis for each potentially affected community, including communities not associated with a particular settlement in addition to a regional study." - This quotation does not apply to only Family and Community Cohesion, but to all socio-economic Key

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Lines of Inquiry (KLOIs) and Subjects of Note (SONs) including Social Disparity Within and Between Communities (Gahcho Kué Panel 2007).

2010 EIS (De Beers 2010)

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 basis. 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.

One reason why it is difficult to report on cultural communities is because statistical information (from Statistics Canada and GNWT Bureau of Statistics) is collected by census division, which are grouped by geographic region and not by community group.

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 each of the LSA communities.

For example, the 2010 EIS uses employment as an indicator of project effects on social disparity (and cultural resilience) (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 (or cultural community level).

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). The bullets below list the analysis that was done at the LSA community level:

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Baseline Information

- Baseline information (e.g., gender, household structure, income and earnings, cost of living, labour force participation, education etc.) is disaggregated by community for many topics, depending on availability 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 (De Beers 2010).
- Annex K, Section K2.1.2 describes the Political and Cultural Setting and presents the Łutselk'e Denesoline's Cultural Landscape (De Beers 2010, Annex K, Section K2.1.3.1: pg. K2-8) and the Tłıchǵ Cultural Landscape (De Beers 2010, Annex K, Section K2.1.3.2, pg. K2-12).
- Annex K, Appendix K.I.1 presents community profiles, undertaken in 2008, with detailed descriptions of the communities within the study area (De Beers 2010, Annex K, Appendix K.I). The community profiles relate to the following communities:
  - Łutselk'e
  - Detah
  - N'Dilo
  - Yellowknife
  - North Slave Métis Alliance (NSMA)
  - Gamèti
  - Whati
  - Wekweèti
  - Behchokò
  - Hay River
  - Hay River Reserve
  - Fort Resolution
  - Deninu Kué First Nation
  - Fort Resolution Métis Council

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- Fort Smith
- Fort Providence
- Enterprise
- Community studies (through surveys) were undertaken by several communities (NSMA, Deninu Kué, and Fort Resolution Métis) (De Beers 2010, Annex K, Section K1.2.3.1: pg. K1-4) and were included as part of the community profiles for these communities (De Beers 2010, Annex K, Appendix K.I).
  - 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.

### Impact Assessment

- The concept of cultural resilience was covered in the KLOI: Long-term Social, Cultural and Economic Effects, Family and Community Cohesion, and Social Disparity within and between Communities (De Beers 2010, Sections 12.6.1, 12.6.2, and 12.6.3). Discussion of the potential impacts, and mitigation strategies, however, were not disaggregated by individual LSA communities, and/or cultural communities. Where possible, individual communities were referenced.
- Employment effects on small isolated communities are discussed in terms of the potential for the Project to enhance employment and participation in the wage economy for these communities, which have had few employment opportunities in the past (De Beers 2010, Section 12.6.3.5).

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- It is noted that the Project will not likely effect social disparity between communities (De Beers 2010, Section 12.6.3.3.2). For instance, Annex K, Table K3.4-7 presents information on family income between communities over the decade 1996 to 2006, the same period when diamond mining development was ramping up in NWT (De Beers 2010, Annex K). For all communities but the Łutselk'e, there was an increase in the percentage of families earning over \$75 000 and a decrease in the number of families with income less than \$25 000. Although income disparity (measured by income inequality) is only one indicator of social disparity, Table K3.4-7 present data that almost all communities have experienced higher household income levels due to the presence of the diamond industry (De Beers 2010, Annex K). Communities where NSMA members live (e.g., Yellowknife and Behchokò) have also experienced these trends. This is indicative of declining disparity.
- The 2010 EIS makes note of the ability of the Project to encourage mining employment for people in small, remote communities through the removal of barriers (i.e., transportation to and from communities/site) (De Beers 2010).
- The 2010 EIS also describes Project effects on LSA communities as a whole throughout the document. This is the most detailed level of analysis possible due to the inability to accurately describe economic effects at a community level (as discussed above) (De Beers 2010).

### Mitigations

Most mitigations and benefit enhancement strategies have been developed as policies that De Beers will implement throughout the LSA. De Beers continues to consult with communities on mitigations and benefits.

### 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.



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

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Information Request Number: NSMA-005

Source: North Slave Métis Alliance (NSMA)

Subject: TOR 4.1.6 social disparity within and between communities.

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**Preamble**

There is supposed to be a discussion of vulnerable sub populations, such as elders, traditional land users, women, youth, with a consideration of certainty of benefits and comprehensive and detailed predictions.

**Request**

Where in the EIS is this information found?

**Response**

In Section 4.1.5 of the Terms of Reference (TOR; Gahcho Kué Panel 2007) on Family and Community Cohesion, the TOR identifies “particularly vulnerable sub-populations within potentially affected communities, such as women, children and Elders” (pg. 32).

In Section 4.1.7 Long Term Social, Cultural and Economic Effects, the TOR also states that the Environmental Impact Statement (EIS) must also address issues related to the human environment, including: “particular sub-populations within potentially affected communities that are more vulnerable to any of the discussed potential economic impact” (De Beers, 2010, pg. 33)

The definition of vulnerability, however, was not defined in the Gahcho Kué EIS TOR. For the purpose of the EIS, a common definition of “vulnerability” is:

*People who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status may be more*

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*adversely affected than others and may be limited in their ability to claim or take advantage of assistance and related development benefits<sup>1</sup>.*

The above definition has been developed by the International Financial Corporation (IFC) and is generally used in less developed countries that rank low on human development indicators (HDI). In the Canadian context, there exists governmental programs (Canada pension plan, employment insurance, public health care) and other social assistance programs to support vulnerable peoples and therefore the context may not be the same, and the definition developed by the IFC may not be appropriate in all cases.

For instance, vulnerability is oftentimes defined within a particular context; in this case it is considered in the context of developing the Gahcho Kué Project (Project). To highlight an example, inflation could potentially increase vulnerability of people such as women or the elderly that may face greater challenges to accessing benefits from economic development in Northwest Territories (NWT), such as through employment. In such circumstances, rising prices due to inflation could increase their vulnerability. Evidence, however, does not suggest that the Project will lead to higher levels of inflation in the Territory. Previous mining activities at Diavik, Ekati and Snap Lake do not appear to have impacted inflation. Rather, the rate of inflation lagged behind the rest of Canada as evidenced by the Consumer Price Index (De Beers 2010, Sections 12.6.3.5 and 12.8.2.4). For instance, between 2002 and 2011 NWT's rate of inflation as measured by the CPI was below the Canadian average for every year (Statistics Canada 2012). Cost of living, however, may have in fact increased due to rising fuel prices and therefore higher transportation costs to ship goods to the Territory. This is a global trend and is not impacted by developments in NWT.

Findings from the impact assessment indicate that the Project will not increase vulnerability. In fact, aggregate poverty may in fact be reducing. For instance, employment rates for Aboriginal people in the NWT increased from 47.9% in 1999 to 55% in 2005. More Aboriginal people are now seeking wage employment. In addition, women in the NWT, particularly Aboriginal women, are

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1 Available from IFC: [http://www.ifc.org/ifcext/btc.nsf/AttachmentsByTitle/Tur+++RAP+Glossary/\\$FILE/RAP++Glossary.pdf](http://www.ifc.org/ifcext/btc.nsf/AttachmentsByTitle/Tur+++RAP+Glossary/$FILE/RAP++Glossary.pdf)

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achieving higher levels of education and more are seeking and finding work in community government, social services, health services, and educational organizations (GNWT Education, Culture and Employment 2002). This indicates that the Project may actually be beneficial to reducing poverty rates in the region because it is one more avenue for people to earn their livelihoods.

Furthermore, since 2001, the unemployment rate in the NWT has declined from 8.6% in 2001 to 5.4% in 2006 and is now at 6.4% in 2010, two years after the economic slowdown (De Beers 2010, Section 12.3). The improvement in the employment rate has been linked to diamond mine construction and operations, and exploration activity in the natural gas sector. Lower unemployment will most likely translate into reduced levels of poverty.

Women:

The 2010 EIS presents information about the potential reasons that women experience vulnerability, based on prevalent social constraints in the NWT. The sections below provide references to where in the EIS analysis of women's vulnerability is undertaken:

- 2010 EIS Section 12.3.4.4.7 addresses the vulnerability of women in the context of spousal abuse and presents data on spousal abuse and its drivers with reference to NWT.
- 2010 EIS Section 12.8.4.3 addresses the vulnerability of women in the context of substance abuse and crime. It presents data on the trend of substance abuse in the NWT and LSA communities with consideration of diamond mining projects.
- Existing condition studies identified that women (especially single mothers) in the NWT as among the most vulnerable and most affected by homelessness. One of the reasons cited, for instance, is the limited availability of child care services that would allow women with children to pursue employment opportunities and reduce their income poverty (De Beers 2010, Sections 12.3.4.4.7, 12.6.3.3.1, and Annex K, Section K6.5.2).

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- Women's increased vulnerability due to challenges participating in the economy (and accessing jobs in the mining industry) is also addressed in:
  - 2010 EIS Section 12.6.3.3.1 lack of child care support, skills and training, lack of mobility to and from work, and conflict with community obligations.
  - Female-headed households are among the most vulnerable groups in NWT to suffer from poverty (De Beers 2010, Sections 12.3.4.4.7 and 12.8.4.3).

Children and Youth

Children and youth are also not direct beneficiaries of the Project. They may experience positive benefits such as increased family income from a parent working at the mine. They also may experience other consequences of the mine such as increased influence of the South within their communities, increased availability of goods and services from the South and changes in family values and social cohesion. These may have both positive and negative impacts. The EIS identifies potential ways that children and youth experience vulnerability in LSA communities. Where possible, the issue of children's vulnerability is addressed as it relates to the context of the diamond industry, that is, increased economic development and a growing wage economy in the NWT.

- The vulnerability of children to family violence and to physical sexual and mental abuse is addressed in the 2010 EIS (De Beers 2010, Sections 12.3.4.4.7, 12.8.4 and Annex K, Section K6.4.4.3).
- Youth homelessness is addressed in the 2010 EIS (De Beers 2010, Sections 12.3.4.4.7, 12.2.1, and Annex K, Section K6.5.2).
- Youth and Gangs is addressed in the 2010 EIS (De Beers 2010, Sections 12.3.4.4.7, 12.8.4.2, and Annex K, Section K6.4.4.1).
- Vulnerability of infants due to Fetal Alcohol Spectrum Disorder (FASD) is addressed in the 2010 EIS (De Beers 2010, Section 12.3.4.4.4).
- Teenage pregnancy, and the associated vulnerability from single parenthood is addressed in the 2010 EIS (De Beers 2010, Annex K, Section K6.2.2.4).

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Elderly:

- Elderly peoples vulnerability (particularly income and resource poverty) is addressed in the 2010 EIS (De Beers 2010, Sections 12.3.4.4.7; 12.8.4.3).

Traditional Land Users:

The vulnerability of traditional land users may relate to the land users ability to access the resource and the availability of the resources. Traditional land users, however, were not included in MVEIRB's TOR as a vulnerable group. An assessment of potential impacts to traditional resources can be found in the key lines of inquiry on caribou and fish, and subjects of note on vegetation and other ungulates (De Beers 2010, Sections 7, 8, 11.7, and 11.11). These sections each address potential impact to people in their effects analysis.

Higher Inequality and an Increase in Perceived Vulnerability:

- Discussion about higher levels of inequality between people who gain employment at the Project, and those who do not, and the effects on social inclusion can be found in the 2010 EIS (De Beers 2010, Section 12.6.3.3).
- 2010 EIS Section 12.6.3.3 presents a discussion about the distribution of benefits associated with the Project and expected employment and income levels.

Negative Social Behaviours:

- A discussion of family and community cohesion presents information about transition to rotational work and the effects on familial relationships in the 2010 EIS (De Beers 2010, Section 12.6.2.2.1).
- The relationship between alcohol and employment, and how it can affect families and increase vulnerability is presented in the 2010 EIS (De Beers 2010, Section 12.6.2.3.1).

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- Family violence, and its affects on women (who may leave their homes and communities to access shelters or treatment) is addressed in the 2010 EIS (De Beers 2010, Section 12.6.3.1).
- Economic development and its affect on lifestyle choices (including alcohol consumption) is addressed in the 2010 EIS (De Beers 2010, Section 12.6.2.3.3).

Mitigations:

Project effects on vulnerable groups were addressed in the 2010 EIS in the socio-economic assessment (De Beers 2010, Section 12.3.4.4.7 and Annex K, Sections K6.1.3.2 and K6.4.4.2). The socio-economic assessment proposes mitigation, and commits to benefit enhancement measures targeting the different potentially affected communities (including vulnerable sub-populations such as women, children, and elders) (De Beers 2010, Section 12.1.1).

Mitigations and Benefit enhancement proposed for vulnerable populations can be found in the 2010 EIS at:

- Women: 2010 EIS Section 12.6.2.5
  - creation of jobs and training and education opportunities for NWT residents, particularly women;
  - setting aside within scholarship programs, scholarships for female NWT students who are attending college and university;
  - promoting and supporting activities in the NWT that target young women for jobs at the Project;
  - supporting ‘women in trades’ programs in partnership with educational institutions and women’s groups in selected communities;
  - offering scholarships and awards for women who are in an apprenticeship program with the Project;
  - making female role models available for school and community partner programs to promote women working at the Project;

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- De Beers will work with Skills Council, Aurora College, Aboriginal communities and the Government of the Northwest Territories to promote women to pursue trades and mining occupations; and
- encouraging contractors to participate and support De Beers' commitments related to promoting the participation of women in the workforce.

De Beers offers an extensive benefits plan that covers services to assist with family issues, work performance, career development, and general health and wellness. It also arranges for family counselling services for mine employees and their families. Such services might include family and relationship counselling, stress management, anger management, support services for women and single mothers, child-care services, and parenting training.

- Youth:
  - encourage career development and advancement for young Aboriginal employees through mentoring program (De Beers 2010, Section 12.4.7);
  - establish a recruitment and training strategy for school students that encourages and promotes the completion of secondary school (De Beers 2010, Section 12, Table 12.6-41); and
  - encourage partnerships with NWT schools regarding work experience and job placement programs (De Beers 2010, Section 12, Table 12.7-4).
- Women and Children:
  - De Beers will arrange for family counselling services for mine employees and their families (e.g., family and relationship counselling, stress management, anger management, support services for women and single mothers, child-care services, and parenting training) (De Beers 2010, Section 12.6.2.5).
- Elderly:
  - offer drug and alcohol programming and other counselling (to assist in minimizing potential for elderly residents to feel vulnerable about safety and personal security, such as break and enters, which are

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linked to drug and alcohol addiction) (De Beers 2010, Annex K, Section K6.4.4.2).

Other Mitigation and Capacity Building Initiatives proposed to increase vulnerable peoples abilities and skills.

- Provide money management training for employees / bring money management course to communities through banking establishment (De Beers 2010, Section 12, Table 12.6-41).
- The Northern Women in Mining, Oil and Gas Research Project (NWMOG) was delivered by the Status of Women Council of the NWT. It was a training and skill development project that sought to overcome barriers to entry into the resource development sector and reduce the vulnerability of women. Barriers include educational attainment, limited financial resources, and the perceptions that trades and industrial occupations are best suited to men. Social issues including physical and sexual abuse and substance addictions also create barriers to northern women working in the mining and oil and gas industries (De Beers 2010, Annex K, Section K8.1.7.5).
- Mine Training Society (MTS) is a non-profit organization that seeks to address the need for training and development of a skilled Northern workforce. The main objective of this organization is to assist Aboriginal people in finding jobs in the mining industry, including women (De Beers 2010, Annex K, Section K9.1.8).

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