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To Whom It May Concern,

Co-ops understand and appreciate the weighty responsibilities of regulators who make decisions that impact people who may have a lot in common, but do not always share the same views on important matters. The purpose of this letter is to outline the impacts seen by Co-ops resulting from the Mary River Project so that you may consider them when weighing all the submissions received as you render your decision on the proposed rail project to Steensby Inlet.

It is our expectation that the increased tonnage and operational certainty provided through successful execution of the Steensby Rail Project would bring additional economic opportunities to cooperatives that would be transformational with respect to the Co-op's ability to deliver benefits to individual Members. Based on our understanding of the IIBA negotiated with the Qikiqtani Inuit Association (QIA), successful completion of the Steensby project would also mean that the communities of Kimmirut and Kinngait would also qualify as impacted communities and be able to realize additional direct benefits from the project over and above the ones presently realized by QIA for the entire Qikiqtani Region.

Key additional direct measurable benefits through Baffinland contracting:

- Approximately **105 tons** of Food delivered to Clyde River through local organizations including the Kangiqtugaapik Food Bank and Ilisaqsivik Society.
- Food/contributions valued at **\$215,259** representing approximately **50 tons** provided to Qajuqturvik Food Centre in Iqaluit.
- Food/contributions of **\$75,000** in the amount of almost **22.5 tons** of food provided to school foodbanks at Nakasuk and Joamie schools in Iqaluit.
- Over **15 tons** of water valued at more than **\$50,000** contributed by BIM to the Iqaluit DEA during the water crisis October 2021.
- **\$16,150** contributed to the Nunavut Kamatsiaqtut Helpline.
- **\$5,250** contributed to the REACH Program in Iqaluit.
- **\$18,850** to sponsor Iqaluit New Year's Eve Fireworks 2020 & 2021 through 123Go.
- Freight for Foodbanks Canada "After the Bell" program of almost **\$31,000**.
- Country Food donation to Elder's Centre in Iqaluit valued at over **\$1,600**.
- Christmas Food Hampers delivered to over 1,500 households in impacted communities.
- Two separate cleaning/sanitation kits delivered to each of over 1,500 households in impacted communities during the pandemic valued at approximately **\$300,000**.
- Contribution of an ATV and freight valued at over **\$22,000** to the school in Grise Fiord.

Co-op Members and their families in the communities have long suffered from a lack of employment, training, and business opportunities, contributing to economic and social inequities. In addition to the positive impacts of contracting activity to support responsible development, there are enormous opportunities for employment available to Nunavummiut either directly with Baffinland or because of the spin-off benefits of the project. Research commissioned by the Nutrition North Canada program highlights an inverse relationship between household income and reported household food insecurity. *“Nationally, almost half of households with no more than \$10,000 annual income are food insecure, with that incidence dropping to about 10% among households with incomes between \$30,001 and \$40,000.”* (Phillips & Associates, 2017) and *“...the fact that food prices are indeed higher in the North erodes the buying power of a given household income, exacerbating the effects of poverty.”* (Phillips & Associates, 2017).

Anecdotally, Member Co-ops note increases in disposable income in the community when seasonal or temporary construction projects are employing community residents. Because of the estimated life-of-mine for this project, the employment opportunities can be transformational and multi-generational for the communities of the region, and significant Territorially.

The Mary River project has proven to be an excellent vehicle for Co-ops and their communities to prosper through contracting. As major contractors, the Co-op System has a shared responsibility to work with Baffinland as an active participant in the delivery of benefits through the Cooperative Business Model to improve everyday life in the communities. Each Co-op and community have distinct priorities with respect to delivering patronage rebates to Members, lowering prices, investing in community infrastructure, grants and donations, training and development, etc. Over the last 5 years, the joint-venture partnerships and direct contracting have provided over **\$8.2 million** to the Co-ops in Arctic Bay, Igloolik, Pond Inlet and Sanirajak who have, in turn, returned over **\$19.6 million** in patronage dividends to over **3,400** Members (individuals/families) in their communities.

As operators of food stores in extremely small communities, the local Co-ops have earned appreciation of how scale, or a lack thereof, impacts a business. Achieving the critical mass to spread out fixed costs, particularly when dealing in a commodity product traded internationally, is essential for operational resiliency. We urge you to take this and our submission into consideration in your deliberations.

Co-operatively yours,



Vice-President, Stakeholder Relations
Arctic Co-operatives

Cc: Hall Beach Co-op (Sanirajak)
Igloolik Co-op (Igloolik)
Taqut Co-op (Arctic Bay)
Tununiq-Sauniq Co-op (Pond Inlet)