

August 5th, 2016

Ms. Suzie Cadieux, Clerk
House of Commons Standing Committee on Finance
Sixth Floor, 131 Queen Street
House of Commons
Ottawa ON K1A 0A6

Dear Ms. Cadieux,

On behalf of Goldcorp, please accept our submission to the House of Commons Standing Committee on Finance for their consideration as they undertake their 2017 pre-budget consultations.

Goldcorp is a leading gold producer focused on responsible mining practices with safe, low-cost production throughout the Americas. A Canadian company headquartered in Vancouver, British Columbia, Goldcorp employs more than 16,000 people worldwide including more than 4,500 in Canada. Our economic impact in Canada is huge - roughly 40% of our total global production comes from our Canadian operations which equates to more than \$1.5 B dollars' worth of gold produced. We also spend more than \$1.5 B annually on goods and services in order to operate our Eleonore mine in Northern Quebec, our 3 operations and 1 project in Ontario and our newest project to our Canadian portfolio, the Coffee Gold project in the Yukon.

We are committed to responsible mining practices and is well positioned to deliver sustained, industry-leading growth and performance. The meaningful inclusion of Indigenous Canadians in our society and economy is a shared priority of the Federal Government and Goldcorp. Goldcorp has extensive experience working and partnering with Indigenous communities in Canada. We have established collaboration agreements at all 4 of our Canadian mines which amount to partnerships with more than 25 First Nations communities, providing compensation, revenue sharing, employment, contracting, and education opportunities within each region. At our newest project in Canada, Coffee Gold in the Yukon, we've already developed an outstanding reputation through inclusion, consultation, and efforts to build meaningful relationships with local First Nations.

Goldcorp's Borden Gold Project (Borden) represents the '*mine of the future*' where digitization, low carbon energy technologies, renewable energy, and a focus on inclusion and consultation with local communities underpins the viability, sustainability and profitability of a mine. Importantly Borden is poised to become the first all-electric mining operation in Canada.

We look forward to discussing strategies for success with the Federal Government with respect to the three questions for discussion below.

Sincerely,

Brent Bergeron
Executive Vice President – Corporate Affairs & Sustainability
Goldcorp, Inc.



**Goldcorp Pre-Budget Submission
House of Commons Standing Committee on Finance, February 2016**

We've focused our submission around the three main questions for discussion below.

1. What federal measures would help Canadians generally – and such specific groups as the unemployed, Indigenous peoples, those with a disability and seniors – maximize, in the manner of their choosing, their contributions to the country's economic growth?

The meaningful inclusion of Indigenous Canadians in our society and economy is a shared priority of the government and Goldcorp. Goldcorp has extensive experience working and partnering with Indigenous communities in Canada.

Our recent acquisition of Kaminak Gold, which includes the Coffee Gold project in the Yukon, presents an opportunity to establish high-functioning, collaborative relationships with local First Nations with the goal of spurring economic development, supporting skills and training and providing compensation and revenue sharing to recognize the use of First Nations land and/or Aboriginal and Treaty rights.

Federal programs such as the Aboriginal Skills and Employment Training Strategy (ASETS) can strengthen our efforts and improve results for First Nations, Federal and Provincial/Territorial Governments and industry. With respect to Aboriginal assertions and rights, in our experience when these claims have been resolved, the chances of successful and mutually beneficial industry-First Nations collaborations increases.

We support the governments' commitment to realizing the goals set out by the recent Truth and Reconciliation Report, and specifically site recommendation 92 (iii), which calls for the corporate sector to provide management and staff with skills based training in intercultural competency, conflict resolution, human rights, and anti-racism. Goldcorp welcomes this recommendation and looks forward to discussing strategies for success with their federal government partners.

2. What federal actions would assist Canada's businesses – in all regions and sectors – meet their expansion, innovation and prosperity goals, and thereby contribute to economic growth in the country?

Goldcorp applauds this Government's renewed support for mining sector innovation.

Canada's contribution to the global effort to deal with climate change *including the development and commercialization of clean energy and clean technology, is clearly a massive opportunity for all regions, including remote and First Nations communities in proximity to natural resource development.*

Goldcorp's Borden Gold Project (Borden) represents the '*mine of the future*' where digitization, low carbon energy technologies, renewable energy, and a focus on inclusion and consultation with local communities

underpins the viability, sustainability and profitability of a mine. Importantly Borden is poised to become the first all-electric mining operation in Canada.

The mine will be a model of efficiency and innovation, a low carbon footprint mine and cost effective. It also represents an exciting new geological opportunity in a new mining district in Ontario, a new source of ore for Goldcorp's Porcupine Gold Mines camp in Timmins, and a source of sustainable value for employees, First Nations and local communities. Our design is centered on a concept of sustainable mining that improves safety performance, leverages technology and innovation, reduces greenhouse gas (GHG) emissions and includes stakeholders in a meaningful way in planning and execution.

Most importantly for the Government's innovation and clean technology agenda, Borden will make use of emerging technologies and use far less energy and produce emissions magnitudes less than a similar sized mine elsewhere. We plan to incorporate advanced and novel battery technology not used before in underground mining industry in Canada. We have completed a feasibility study that supports the use of electric vehicles at the Borden Gold mine. **It would make Borden Gold the first all-electric underground mine in Canada.** Moving away from diesel equipment in the underground mine greatly improves working conditions for our employees, reduces GHG emissions by more than 70% and also increases the productivity of the mine.

With the rising cost of doing business in Canada and the advent of emerging mining technologies, Goldcorp must and now can, *accelerate* innovation to remain competitive. We are already collaborating across industry, suppliers, and will look for Government's support to drive the innovation agenda and transition to a low carbon economy. The adaptation of low emissions technologies has impacts within Goldcorp for all future projects, including at the Coffee Gold project in the Yukon, and support adaptation of these technologies within Canada in general.

3. What federal measures would ensure that urban, rural and remote communities throughout Canada enable residents to make their desired contribution to the country's economic growth and businesses to expand, prosper and serve domestic and international customers in order to contribute to growth?

Mining is the largest private sector employer of First Nations people and underpins the economies of countless northern and remote communities. In our socioeconomic studies on the impacts of our operations in Ontario and Quebec, we found that Goldcorp's four operating mines together generate more than \$2 B in GDP per year. These impacts and employment accrue predominantly to northern communities like Red Lake, Thunder Bay, Timmins, Rouyn Noranda and Val D'Or and more than 25 local First Nations with whom we collaborate.

For such communities to take advantage of the windfall benefits of a project construction or mine operation, the regulatory framework must remain conducive to investment so that the mine manages to get built. A mining investment typically requires 15 years from initial investment to exploration to extraction. An efficient regulatory framework necessitates a clear understanding of a company's obligations throughout this process. With respect to consultations with First Nations, Provincial Ministries have overlapping environmental processes and where possible, a one-window approach to permitting is required to reduce duplication. A consultation policy framework inside an environmental assessment that includes clear identification of traditional territory and aims to increase certainty and trust amongst all partners, including Federal and Provincial Governments, will improve investment conditions and reduce regulatory uncertainty in the Province. Government resource revenue sharing would be an important component of that framework and is understood as a sharing of resource royalties paid by industry to Governments with Aboriginal communities. It is not an additional tax or royalty imposed on the industry. Government resource revenue sharing can provide Aboriginal communities with greater opportunities to participate in the mineral exploration and mining industry, and could significantly contribute to the elimination of socio-economic disparities between Aboriginal and non-Aboriginal Canadians. Moreover, by enhancing and clarifying Aboriginal benefits, these arrangements can result in increased certainty for commercial access to land and resource development. In a recent MacDonald Laurier Institute paper it

states: 'Environmental Assessment has become more than a technical tool for predicting and mitigating a project's impacts. It is now on the front lines of conflict and reconciliation between Aboriginal peoples, governments, and resource developers.'

A principled framework to consultation will ensure that an environmental assessment does not serve as a proxy for other grievances which would decrease trust and frustrate investment. We recognize the importance of ensuring environmental oversight and that regulations need to adapt and evolve to higher environmental and health standards. Environmental processes that are "robust, incorporate scientific evidence, protect our environment, respect the rights of Indigenous peoples, and support economic growth and regulatory certainty for project proponents and the public" will ultimately ensure sustainable natural resource development. We implore the government undertake any environmental assessment review in an expedient and transparent fashion so that investors can be reassured and informed, and that no investments are lost.

In Ontario, Goldcorp operates in remote regions that are sometimes disconnected from the grid and almost always underserved from an infrastructure point of view. On our own accord, we have built a transmission line and ran a gas line to Red Lake, Ontario. The transmission line connects the community, First Nations and industry to the Provincial low carbon grid. The gas line provides low cost heating for a region that was previously depended on electric heat. Goldcorp also initiated a joint venture with 20 First Nations communities called Wataynikaneyap Power Corporation to help bring grid connection to the North. Northern remote regions and First Nations communities will have a much higher probability of sustaining their population, attracting investment, building skills and achieving positive social outcomes, if all levels of Government commit to the desperately needed infrastructure investments.