

ONTARIO MINING ASSOCIATION

ALL FOR ONE & ONE FOR ALL



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Despite the contribution mining makes to any economy there are always plenty of hoops to be climbed through as we learn in conversation with one of Canada's representative bodies

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WOLVERINE MINE



It's an outstanding achievement for any organization to survive for more than 90 years without any significant change in role. It shows it must be giving its users exactly what they are looking for. In this particular case, the organization referred to is the Ontario Mining Association (OMA) which, according to its president Chris Hodgson, has always had a mandate to keep the mining industry competitive.

"We lobby on behalf of members," he says, "by presenting a collective face on issues such as energy, the environment, health & safety and particularly in the search for an efficient regulation process."

In Ontario, mining puts \$10.7 billion directly into the economy and much, much more when all the indirect contributions such as lawyers and brokers are added into the mix. So you'd think that an industry which contributes so much to the economy would be shown the red carpet by the regulatory bodies. But it isn't. According to Hodgson, it now takes the best part of 10 years from identifying a minable ore deposit to going into production. In one instance, it took the government four years simply to nominate someone to act as overseer of environmental matters. That was even before the lengthy process of applying for permits began.

Part of the problem is that each Canadian province has control over who does what and where. There is some interest within Canada's federal government in the strategic issues associated with mining but the nitty-gritty of issuing exploration and mining permits lies with provincial legislators. As



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such, the mining industry in each province has its own representative body helping members make their case to the bureaucrats.

“One of our most important and pressing roles,” says Hodgson, “is to get that approval time period compressed. If we don’t get development times down by half to around five years maximum, Ontario will not reap the full benefit of the current window of opportunity and nor will Canada.”

The window of opportunity he is referring to is the super cycle of demand when real prices are pushed higher. It happened in the 1880s when the United States was developing its roads, railways and cities. It happened again after WWII and we are right in the middle of another at the moment as China builds three new cities the size of Melbourne each year and while India and Brazil are just as busy developing into industrialized economies. “Outside of these peaks,” says Hodgson, “although the price of commodities might appear to rise, their relative value has actually trended downwards for the past 200 years. We are in an upward cycle at the moment but economists estimate that we have another 20 to 25 years and then the window will shut again. The country can’t afford to spend half of this time deciding what it should do.”

On the face of it, the government is saying the right things about encouraging new mining ventures and there are targets for opening up new mines over the next decade. But after a number of very high profile ecological problems, there is understandable caution and nobody wants to be associated with a legacy of environmental issues. Nevertheless, “mines can be built and opened within three or

four years,” says Hodgson, “so it’s just not acceptable that the application and permit process takes as long or even longer.”

The fancifully named Ring of Fire (supposedly chosen by a Johnny Cash fan rather than any indication of volcanic activity) is a case in point. Located about 1,500 km northwest of Toronto in very inhospitable country, this is a 4,000 square kilometer swath of boreal forest, rich in valuable minerals such as nickel, copper and platinum group metals. The first samples were taken in 2007 and caused an immediate stir. It’s now known

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**\$10.7
BILLION**

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**Direct contribution
of mining to Ontario’s
economy**

that there are significant chromite deposits there – the only known source in the whole of North America. But approval for the \$3.3 billion development has not come easy.

Despite the potential of transforming that remote part of Canada, in the same way that oil sands transformed Alberta, the project has had plenty of environmental and social hurdles to clear. In fact, from the outset the site was picketed by a group of First Nation activists angry over a lack of consultation. For a while, access to the region was prevented by blockading

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the frozen Koper and McFaulds Lakes which were the only available landing strips at the time. Even if events progress smoothly, it will still be at least another three years before the mine becomes productive; a timescale, according to OMA, that is far too long.

But it's not just regulatory matters that keep the very lean OMA organization busy. It's hard to believe that the

mining industry is now only bettered by the teaching profession in terms of safety. The industry has a target of zero accidents and has already managed to make a 96 percent improvement from where things were at their worst. The OMA has been the pivot around which a tri-partite strategy has been developed between the government, labor unions and mine management to develop a

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Osisko Mining poured its first gold at the Canadian Malartic mine on 13 April 2011



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regime of training, vigilance and non-negotiable adherence to H&S rules.

“We are able to keep our staff down to just seven,” says Hodgson, “as most of the policy work is decided at committee level by representatives of the 79 member companies we represent. It's here where we thrash out such matters as improving energy efficiency and how best to minimize environmental impact.”

Although the mining industry is a very important source of employment - 27,000 individuals directly and as many as 100,000 indirectly – the OMA knows how important it is to maintain public support. The public affairs committee has a program of events designed to engage the public in the mining industry. A Teachers' Mining Tour takes

place an annual basis so that teachers can learn more about the realities of modern, high tech, environmentally responsible mining in Ontario.

Those with a greater interest in the arts can also be involved thanks to the annual film making competition run by the OMA (So You Think You Know Mining) with cash prizes of more than \$36,000 for the best entries. But of course, the greatest cash prize will be a successful mining industry which will benefit not only Ontario but the whole of Canada. **BE**

For more information about Ontario Mining Association visit: www.oma.on.ca



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