



PROSPECTING THE FUTURE

Meeting Human Resources Challenges in the Canadian Minerals and Metals Industry

For immediate release

Mining for Talent

Canada's minerals and metals industry facing toughest challenge Industry Study reveals shortage of up to 81,000 jobs

OTTAWA (August 24, 2005) --- One of Canada's most productive industrial sectors faces a serious skills shortage in the next decade according to the Prospecting the Future – Meeting Human Resources Challenges in the Canadian Minerals and Metals Industry study released today.

The Canadian mining industry will need up to 81,000 new people to meet current and future needs and to fill positions vacated by retirees as revealed by the sector study. The comprehensive research conducted by the Mining Industry Training and Adjustment Council – Canada (MITAC) evaluated short and long-term human resource issues and challenges facing the mining industry.

A key player in the global mining industry, Canada is one of the world's largest exporters of minerals, metals and diamonds. Since 2002, mining GDP growth has been about twice the rate of the Canadian economy, economic indicators point to continued growth and increased exploration activities in the mining industry for several more years. This places additional pressure on the sector to meet the increasing demand for skilled workers and Canada's ongoing competitiveness.

“With this looming skills shortage, the career potential is great for the right people with the right skill set – particularly for skilled-trade workers, engineers and geoscientists,” stated Paul Hebert, Executive Director, MITAC. “Some people continue to assume mining is primarily a brute-force occupation, in fact, mining has evolved to become a highly skilled and technical industry.”

To meet future human resource demands, recruitment of new workers to the industry and skills development of the existing workforce is fundamental. Several industry leaders including Barrick, INCO, Falconbridge and Teck Cominco are currently developing and executing hiring programs to attract a non-traditional workforce including Canadian youth, women, visible minorities and Aboriginal peoples to participate in this high-paying sector.

The study's findings suggest the industry could lose up to 40 per cent of the existing workforce in the next ten years. More than half of its current workforce is eligible to retire in the next five to ten years taking with them an average of 21 years of mining sector experience each. The largest percentage of workers planning to retire within the next ten years is in the skilled trades group.

The unprecedented skilled worker shortage is also a result of fewer young people entering into mining careers.



Despite 26 post-secondary education institutions in Canada providing mining-specific programs, these institutions face a number of challenges including the high cost of technology and equipment for programs and low enrolments. The industry also faces competition from other sectors such as oil sands development and construction and from industry employers from other countries.

“Additional skill gaps are emerging as mining becomes even more knowledge-based and technology-intensive,” said Patricia Dillon, Manager, Corporate Relations, Teck Cominco Ltd and Chair of the Minerals and Metals Industry Sector Study Steering Committee (MMISSSC). “For instance, tele-mining and automation have become increasingly important to the Canadian mining industry. What we are seeing is an industry that has and is evolving and in need of highly skilled workers to continue the growth of mining in Canada.”

The study also reveals the need for standardized training throughout Canada. Currently, trade certification for mining is not available in Canada. Implementing a Red Seal trades status would encourage national training standards and provide mobility and flexibility for workers.

The use of sophisticated and innovative technology has reduced risks in exploration, improved productivity, and enhanced environmental protection. Emerging technological advances, such as tele-mining and robotics, have changed the face of the mining industry. Health, safety, and workplace quality have also improved.

“Working collaboratively with industry, unions, government, educational institutions and other stakeholders to develop an industry-wide strategy to help facilitate both recruitment and awareness is essential to mitigate the skills gap threat and the risk to the industry,” added Hebert.

“Proactive human resource practices such as ongoing training and workforce planning and mentoring programs will encourage retention into this vital industry,” said Dillon.

About the Sector Study:

Prospecting the Future: Meeting Human Resources Challenges in Canada’s Minerals and Metals Sector is a comprehensive two and a half year study of the short and long term human resource strengths, issues, and challenges facing the minerals and metals industry. The study focused on mining activities in exploration, extraction and primary refining (smelting) of non-ferrous metals (except aluminum). The study also concentrated on the top 10 minerals and metals by value of production in Canada: gold, nickel, potash, coal, copper, iron ore, cement, zinc, sand/gravel/stone and diamonds.

The study involved extensive research activities including surveys of 48 mining firms representing 276 minerals and metals sites across Canada, 19 educational institutions offering mineral programs, 694 individual surveys with mining sector employees, focus groups, roundtable meetings, and 59 qualitative stakeholder interviews including industry associations, union representatives, business, and training institutions along with secondary research.



Funded by the Government of Canada's Sector Council Program, with significant in-kind contributions from various industry partners, the project was managed by the Mining Industry Training and Adjustment Council - Canada (MITAC - Canada) under the guidance of the MMISSSC composed of representatives from labour, industry associations, the Aboriginal community, business, education, and government. For more information on the study visit www.prospectingthefuture.ca

About the Mining Industry Training and Adjustment Council (MITAC):

As Canada's mining industry human resource sector council, MITAC contributes to the strength, competitiveness and sustainability of the Canadian metals and minerals industry by collaborating with industry, organized labour, educational institutions, the aboriginal community, and other groups to develop and implement solutions to the industry's national human resource challenges. The Government of Canada's Sector Council Program funds MITAC. Visit www.mitac.ca for more information.

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