



information

BULLETIN

MINING AND ABORIGINAL COMMUNITIES

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The Minerals and Metals Sector of Natural Resources Canada promotes the sustainable development of Canada's natural resources and encourages Aboriginal participation in minerals and metals activities.

Mining can make a significant contribution to the prosperity and well-being of Aboriginal communities in an environmentally responsible way.

- Exploration and mining companies, in addition to complying with regulatory regimes at the federal, provincial and territorial levels, are voluntarily adopting environmental management practices, including the application of traditional knowledge, to respond to community concerns about the potential effects of mining.
- Approximately 1200 Aboriginal communities are located within 200 kilometres of producing mines in Canada. Reliance on natural resources, including mining, constitutes the primary engine for socio-economic development and regional economic diversification for many Aboriginal communities.
- The economic opportunities afforded by mining to Aboriginal communities can be significant, from the provision of catering and accommodation services during early exploration, to direct employment at the mine during construction and operation, to spin-off opportunities such as transportation, road maintenance and environmental monitoring during operations and following mine closure.
- The minerals and metals industries are among Canada's largest actual and potential employers in rural and northern regions offering short- and long-term employment opportunities. According to the 2001 Statistics Canada Census, Aboriginal employment in the mining industry accounted for 5.3% of the total mining labour force. Since 1996, the mining sector has seen an increase of 21.1% in its Aboriginal work force.
- Mining companies are experiencing a shortage of skilled workers within an aging work force. The close proximity of Aboriginal communities to potential exploration and mining development and the growing Aboriginal youth population can help meet this shortage. Through training and experience, the skills acquired in the mining industry can be transferable to other economic activities, often within the same communities.





● For the last decade, Aboriginal-industry relationships and partnerships have evolved tremendously through the conclusion of agreements, such as impact and benefit agreements or IBAs. These agreements have proven to be successful in securing benefits for some Aboriginal communities and mining companies:

- ✕ Diavik Diamond Mines Inc.'s Socio-Economic Monitoring and Participation agreements formalize company training, employment and business commitments. Diavik's work force is 70% northern, with 38% Aboriginal. To support business capacity, Diavik hires a significant portion of its work force through Aboriginal companies. The Canadian Council for Aboriginal Business recently recognized Diavik with the Gold level of achievement under its Progressive Aboriginal Relations program.
- ✕ BHP Billiton's Ekati Mine provides a wide range of benefits, such as preferential employment and training, apprenticeships, business opportunities and compensation, to signatory Aboriginal groups.
- ✕ The Raglan Mine Agreement, signed by Makivik Corporation and Falconbridge Limited, gives priority to hiring and training qualified Inuit workers and provides contracting opportunities for qualified Inuit enterprises. In 2003, about \$15 million of goods and services were purchased from Aboriginal suppliers. The agreement also includes contributions and operational profit-sharing payments to an Inuit trust fund, which could total more than \$70 million in 18 years.
- ✕ Placer Dome's Musselwhite Agreement provided in 2003 a revenue sharing of approximately \$2 million to local signatory First Nation communities. First Nation contractors provide air transportation and camp services.
- ✕ Barrick Gold's Eskay Creek Mine has negotiated contracts with the Tahltan First Nation for maintenance, services and construction, as well as contracts for the procurement of goods and services for the life of the mine.

● Increased participation by Aboriginal communities in exploration and mining activities can lead to self-reliant communities through partnerships, employment, skills development, business opportunities and joint ventures.



**For more information on Aboriginal communities and mining,
please visit www.nrcan.gc.ca/mms or send an e-mail to info-mms@nrcan.gc.ca**

