



# factsheet

## MINING COMMUNITIES

# The Importance of Mining to Canadian Communities

*Many communities in Canada have an important stake in the future of this nation's minerals industry*

Natural Resources Canada recognizes the importance of the minerals industry to Canadian communities.

- ✂ Well over 100 communities across Canada with a total population of over 600 000 are dependent on the minerals industry. These communities are located in all regions of the country, but mainly in remote and rural areas.
- ✂ The population of these dependent communities ranges in size from a few hundred people (for example, Ming's Bight, Newfoundland and Labrador, and Nanisivik, Nunavut) to much larger communities with populations in the tens of thousands (for example, Rouyn-Noranda, Quebec, and Timmins, Ontario).
- ✂ In other Canadian communities, such as Sudbury, the minerals industry is an integral part of their diversified economy. And a number of communities depend on a combination of natural resource industries — energy, forestry and minerals. For example, Hinton, Alberta, has ties to the mining, forestry and energy sectors.
- ✂ The urban centres of Toronto, Montréal and Vancouver are home to many of the financial services used by the minerals industry, including those provided by stock exchanges, underwriters and brokerage houses.



In addition many mining and exploration companies have their headquarters in these urban centres.

- ✂ Over 2200 Canadian-based companies sell specialized scientific or technical products for use by mining companies operating in Canada. Suppliers of mining goods and services are located in more than 400 communities across Canada.
- ✂ Firms in Toronto, Vancouver and Sudbury account for 45% of goods supplied to mining companies.
- ✂ Mining companies tend to purchase a significant portion (over one third) of their goods and materials from suppliers within an 80-km radius of their operations. For example, the Diavik diamond mine spent \$500 million in its construction phase through Aboriginal joint ventures.
- ✂ The minerals industry holds the promise of economic development

opportunities for the Aboriginal population, as approximately 1200 Aboriginal communities are located within 200 km of minerals and metals activities.

- ✂ The Canadian non-fuel minerals industry continues to make an important contribution to Canada's economy — it contributes almost 4% of the national GDP.
- ✂ The minerals industry provides some of the highest weekly earnings in the economy — averaging over \$1000; this surpasses the average weekly earnings across the Canadian economy, which are about \$650.
- ✂ Employment in the minerals industry remains a source of strength in the economy. In 2003, approximately 47 000 Canadians were directly employed in the mining industry and about another 342 000 were employed in the downstream minerals industry.