information BULLETIN
SEPTEMBER 2006
EMPLOYMENT

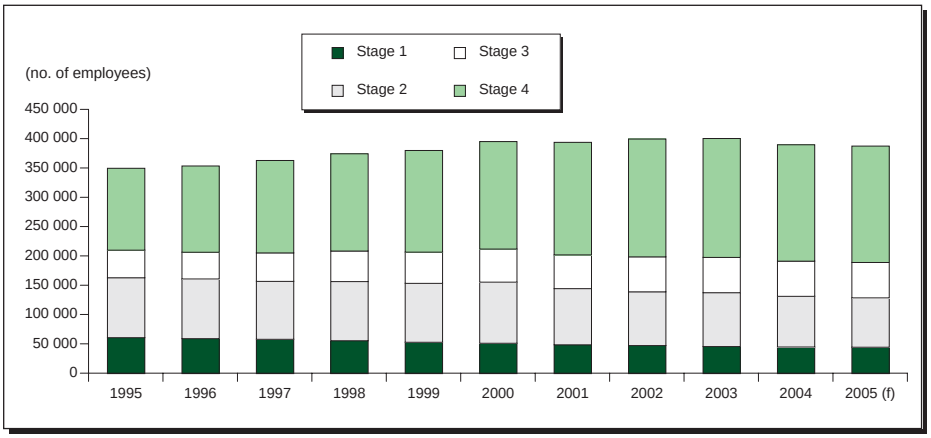
Canada employed some 388 000 workers in the mining and mineral processing industries in 2005

In 2005, the mining and mineral processing industries accounted for some 3% of the 13 206 000 full-time workers in the country. The employment situation in the Canadian mining and mineral processing industries saw a slight decline of 0.6% compared with the previous year, with the number of workers dropping from 390 000 in 2004 to approximately 388 000 in 2005. (This figure includes employment from the four stages of mining and mineral processing as defined in this document.) Employment in other industries, such as support activities to mining, was responsible for the creation of indirect jobs not accounted for in the Canadian total.

The **first stage**, *mineral extraction and concentrating industries*, includes metal, nonmetal (including sand and gravel, and stone quarrying) and coal mining. In 2005, the number of workers in this stage totaled 44 889, representing a minimal decrease of 0.9% compared with 2004. Despite this decrease, the nonmetal and coal mining industries saw an increase in employment. The number of jobs in the coal industry rose a significant 11.3% since 2004 to 4833, and growth in the nonmetal mining industry was a modest 1.1%. In the metals industry, employment fell by 4.8%, with the number of workers dropping from 22 614 in 2004 to 21 519 in 2005. In nickel, silver, lead, copper and zinc mining combined, the number of workers decreased from 10 287 in 2004 to 9789 in 2005, primarily due to the closure of two major zinc-copper-silver mines in Quebec. The number of gold-related jobs decreased from 6387 in 2004 to 6078 in 2005, mainly due to the closure of four mines (two in Quebec, one in Ontario and one in Nunavut), despite the re-opening of four other mines (two in Quebec, one in Ontario and one in British Columbia). Employment gains resulting from the opening of 10 metal mines (gold, nickel, copper and cobalt) are slow to materialize, although only 4 mines closed during the year. Historically, both the metal and coal mining sectors were responsible for the 15-year decline in this stage. However, technological advances, innovative mining techniques, and a skilled labour force played an important role in consistent productivity gains (constant dollar value of production per employee) during this period. Employees in this stage benefit from average weekly earnings of nearly $1100, a figure that is one third higher than the national average of just over $700.

The **second stage**, *primary metal manufacturing industries*, consists of the smelting and refining of nonferrous metals and the production of primary iron, steel and aluminum. In 2005, this stage employed 84 208 workers, a figure that represents a slight decrease of 2.5% from 2004. In May 2005, Inco announced the closure of its copper refinery in Sudbury, Ontario. The impact due to the closure of the refinery, which took place in December 2005, will be felt in the upcoming year with further declines expected for employment in this sector of the economy. In comparison to the other stages, the second stage saw the largest percentage decrease in jobs. However, as in Stage 1, productivity (constant dollar value of production per employee) in the second stage has also risen substantially since 1990.

Figure 1
Mining and Mineral Processing Employment, Stages 1 to 4, 1995-2005 (f)



Sources: Natural Resources Canada; Statistics Canada.
(f) Forecast.

Studies in Canada's mining and smelting industries indicate employment gaps due to current and future demands from exploration projects, mine re-openings, and new mine developments, as well as the need to fill positions vacated by retirees. To fill these demands, these industries will need to hire up to 81 000 workers over the next decade, a number that does not include the additional requirements for the thousands of new workers needed in the rapidly growing oil sands industry (source: Mining Industry Human Resources Council, formerly MITAC).

The **third stage**, *metal and nonmetal semi-fabricating industries*, includes metallic and nonmetallic mineral product manufacturing. Employment in this stage rose slightly relative to 2004 with 60 312 workers employed in 2005. The **fourth stage**, *metal fabricating industries*, which includes structural, ornamental and other metal fabrication, employed approximately 199 000 workers in 2005, or slightly more than the previous year.

TABLE 1. HISTORICAL CANADIAN MINING EMPLOYMENT, STAGE 1, 1990-2005 (f)

	Metal Mining	Nonmetal Mining	Coal Mining	Total
	(number)			
1990	45 248	16 891	11 017	73 156
1991	42 092	15 838	10 817	68 747
1992	37 774	14 757	9 726	62 257
1993	34 746	14 719	8 860	58 325
1994	33 380	15 927	8 888	58 195
1995	35 182	16 948	9 063	61 193
1996	34 257	16 121	9 177	59 555
1997	33 012	16 376	8 938	58 326
1998	30 734	17 038	8 157	55 929
1999	28 527	17 781	7 058	53 366
2000	27 574	18 152	5 850	51 576
2001	25 935	17 707	5 465	49 107
2002	25 172	17 359	5 135	47 666
2003	23 846	17 534	4 592	45 972
2004	22 614	18 332	4 341	45 287
2005 (f)	21 519	18 537	4 833	44 889

Sources: Natural Resources Canada; Statistics Canada.
(f) Forecast.

The first stage (mining excluding oil and gas) accounts for a percentage of the jobs in every province and territory of Canada. In 2004, employment in the provinces of Quebec and Ontario accounted for 48.6% of the 45 287 jobs in the Canadian mining industry. Ontario contributed the lion's share of this percentage, accounting for more than one quarter of the mining work force in Canada. Also in Ontario, the employment level in the mining industry increased by 1.2% from 2003. In 2004, increases were also seen in Saskatchewan, Nova Scotia, New Brunswick and all of the territories, particularly the Northwest Territories. The largest declines relative to 2003 were seen in Newfoundland and Labrador and Quebec, where employment fell by 15.4% and 7.7%, respectively.

In Canada, the metal mining industry is responsible for almost 50% of employment in the first stage. Metal mining is most significant in Newfoundland and Labrador, where it accounts for approximately 90% of the province's jobs in the first stage. The nonmetals sector employed 18 332 workers, making a strong impact in Saskatchewan (3819 workers) and the Northwest Territories (1576 workers), but it is Ontario that dominates with 4737 workers, or 26% of the total work force. The opening of Nunavut's first diamond mine, scheduled for 2006, will have a positive impact on employment in the nonmetals industry in that territory. Finally, the number of jobs in the coal mining industry rose again after a decade of declines. This recovery was particularly pronounced in British Columbia, where demand from China was felt most strongly.

TABLE 2. PROVINCIAL AND TERRITORIAL MINING EMPLOYMENT DATA, STAGE 1 ONLY, 2004

	Metal Mining	Nonmetal Mining	Coal Mining	Total
	(number)			
Newfoundland and Labrador	1 473	199	–	1 672
Prince Edward Island	–	x	–	x
Nova Scotia	–	x	x	1 071
New Brunswick	x	x	x	2 038
Quebec	5 669	3 245	–	8 914
Ontario	8 372	4 737	–	13 109
Manitoba	2 040	326	–	2 366
Saskatchewan	x	3 819	x	5 644
Alberta	–	x	x	2 554
British Columbia	2 648	885	2 505	6 038
Yukon	–	x	–	x
Northwest Territories	x	1 576	–	x
Nunavut	x	–	–	x
Total	22 614	18 332	4 341	45 287

Sources: Natural Resources Canada; Statistics Canada.
– Nil; x Confidential.

For More Information

For additional information on the mining industry in Canada, please visit www.nrcan.gc.ca/mms or send an e-mail to info-mms@nrcan.gc.ca. Historical information on employment in the Canadian mining industry is available in the Statistical Report section of the *Canadian Minerals Yearbook*, which is available on the Internet at www.nrcan.gc.ca/mms/cmy/2004CMY_e.htm.