



# Mines Ministers' Federal-Provincial-Territorial Framework for Action

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## **MINES MINISTERS' FEDERAL-PROVINCIAL-TERRITORIAL FRAMEWORK FOR ACTION**

### **1.0 INTRODUCTION**

#### **1.1 Context**

The Canadian mining (including exploration), minerals and metals industry constitutes a key economic sector of strength for Canada, both domestically and internationally. Its global competitive advantage is built on a rich mineral endowment and generations of human and capital investment. While largely Canadian owned, the sector offers significant business opportunities for services and suppliers and represents an important market for this high-tech sector. The industry has spawned world-recognized expertise and has been the foundation for the viability of many communities in rural and remote regions of Canada. It has also generated the world's largest exploration industry and the world's most important stock exchange in Canada for equity capital related to exploration and mining. Moreover, its influence and impact reach beyond Canada's borders into over 100 countries around the world.

But challenges exist that potentially threaten the industry's future viability in Canada, its international competitiveness, and the future of well over 100 communities across the country that are dependent on this key sector of our economy. These challenges include foreign competition, increasingly stringent environmental regulations, skills shortages, and declining base-metal reserves in Canada. Poor governance can hinder mineral development through a lack of coordination between key government departments and between governments, leading to significant delays in project approvals and uncertainty for investors. Complicating this scenario is the perception by some that the minerals and metals industry is a "sunset" or old-economy industry lacking relevance to the current political agenda of a modern, high-tech economy.

To tackle some of these challenges, governments have decided to renew their relationship within a framework for action and to focus on opportunities to partner, collaborate and influence. As a result of extensive discussions held in the Spring of 2006 amongst governments, it was decided to proceed with a federal-provincial-territorial (FPT) framework for action that secures Canada's competitiveness in the mining, minerals and metals industry.

#### **1.2 Purpose**

The purpose of the Mines Ministers' FPT Framework for Action is threefold.

First, it renews the commitment between the federal, provincial and territorial governments to advance the agenda for responsible minerals and metals development in Canada.

Second, it provides a priority framework for more coordinated decision-making amongst governments on initiatives and activities designed to foster a competitive minerals and metals sector in Canada.

Third, it commits the federal, provincial and territorial governments to network, broker, and align resources and knowledge to enhance the development of a competitive minerals and metals sector in Canada.

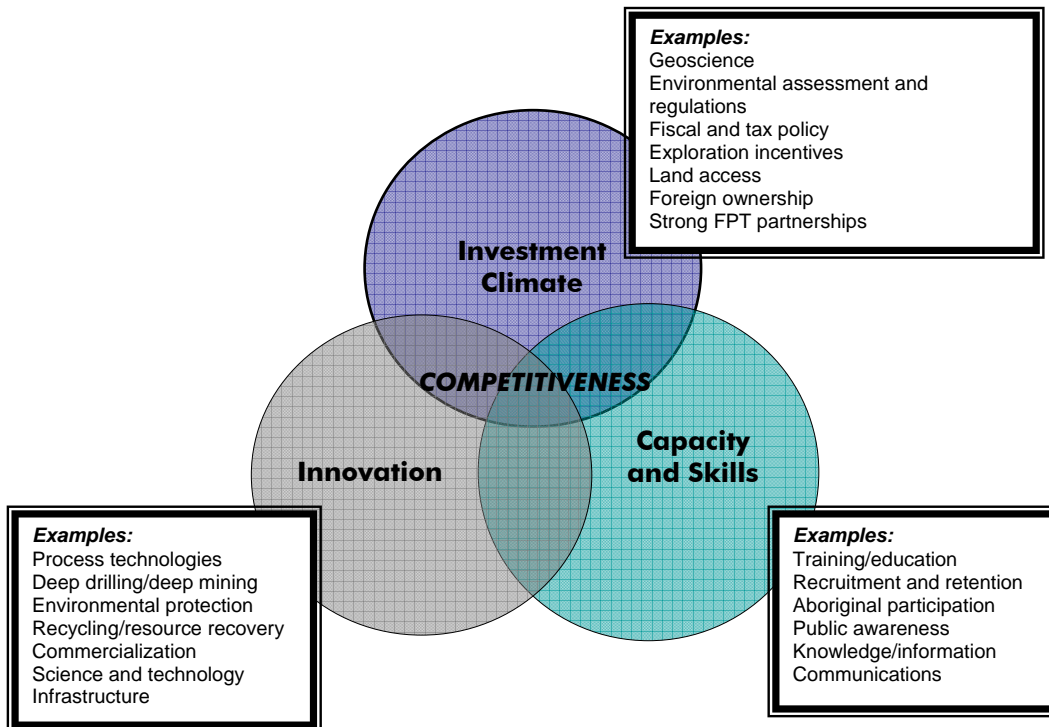
## 2.0 GOAL

To increase the competitiveness of Canada's minerals and metals sector for the benefit of Canadians.

## 3.0 THEMES

The Mines Ministers' FPT Framework for Action focuses on three themes to guide the implementation of existing and new FPT activities under the guidance of Mines Ministers.

The themes are: 1) Investment Climate; 2) Innovation; and 3) Capacity and Skills.



### **3.1 Investment Climate**

Investment climate, for the purposes of this document, is defined by the institutions and processes of governance, which includes how power is exercised, how citizens are given a voice, and how decisions are made on issues of public concern. The challenge faced by decision-makers when addressing investment climate is finding the right balance of sometimes conflicting social, environmental and economic factors for achieving responsible development.

The Mines Ministers' FPT Framework for Action recognizes that investment climate is fundamental to global competitiveness. In the case of mining, minerals and metals, the investment climate is determined by such activities as environmental assessment and regulations, fiscal and tax policy, exploration incentives, land and resources access, foreign investment laws and policies, and intergovernmental cooperation. The public geoscience knowledge base is considered by industry to be an element of the investment climate.

### **3.2 Innovation**

Innovation through the application of new approaches and new technologies is a key driver of productivity toward competitiveness. Innovation can be achieved throughout the mining cycle, including exploration, mining, processing and recycling. It involves developing and applying new ways of doing business and new technologies to existing processes and products. The challenge is to foster an economic and social climate that stimulates public and private innovation.

The Mines Ministers' FPT Framework for Action recognizes that innovation is fundamental to creating and maintaining competitiveness. In the case of minerals and metals, innovation incorporates activities such as developing strong public geoscience, advancing processing technologies, experimenting in deep drilling/deep mining techniques, improving infrastructure for mining activity, enhancing environmental protection, pursuing recycling, increasing levels of commercialization of new technologies, and pursuing new scientific discoveries and technological innovations.

### **3.3 Capacity and Skills**

Canada's communities and its 21<sup>st</sup> century labour force must be positioned and ready to quickly take advantage of opportunities associated with natural resource development. Capacity and skills are mutually strengthening, whereas the challenge is to find the right mix of capacity-building and skills development initiatives.

Capacity speaks to knowledge and public awareness and information about mining, minerals and metals industry and related opportunities. Effective communications are essential to building capacity. Knowledge also includes a pan-Canadian geoscience knowledge base, which contributes to the investment climate and is supported by highly qualified geoscientists in all of its related disciplines.

The Mines Ministers' FPT Framework for Action recognizes that a strong, diverse labour pool of knowledge workers is fundamental to creating competitiveness in the mining sector. The availability of the right skills at the right time in the industry is about sound labour market information and life-long learning, which includes education and training. The industry is currently facing a skills shortage, which is challenging recruitment and retention. A qualified labour force, including trades and professionals, is dependent on finely tuned education and immigration policies. Training is an ongoing commitment by all players, particularly industry. An opportunity for all lies in Aboriginal peoples, who are often near the resource activity, having access to the capacity and training to take advantage of employment and business opportunities along the various stages of the mining process.

## **4.0 APPROACH OF THE FRAMEWORK**

### **4.1 Principles**

#### **4.1.1 Flexibility**

Means the ability to recognize and accommodate different issues, needs and capacity amongst governments.

#### **4.1.2 Adaptability**

Means responding quickly to new challenges, shifting priorities as required, evolving through experience, and learning from successes and failures.

#### **4.1.3 Alignment**

Means joining together of interests, priorities, resources and capacity, involving others, including government institutions, industry and communities of interest, while respecting the jurisdiction of governments.

#### **4.1.4 Accessibility**

Means openly sharing information and results in order to be clearly understood.

## 4.2 Projects

The FPT Framework for Action can involve a wide range of projects (e.g., new projects, actions adopted from the current Mines Ministers' Action Plan, issue papers, the showcasing of best practices). Projects may be resourced either through a re-alignment of existing resources or through new resources, or a combination thereof. Some projects will be ongoing in nature while others will be "quick hits." Projects are to be results oriented with clear deliverables either in the short, medium or long term.

Projects within the FPT Framework for Action can be put forward by any one of the federal, provincial and territorial governments, or a combination thereof, in one or more of the priority theme areas. Governments will participate according to their priorities.

## 4.3 Guiding Criteria for the Selection of Projects

The following list, although not exclusive, is only intended to guide the selection of projects to be included in the FPT Framework for Action:

- Pan-Canadian benefit
  - Means, upon completion, the results of projects will be available to every government and the public.
- Contributes to the goal of competitiveness
  - Means a project will demonstrate how it addresses the goal of competitiveness and builds this factor into its evaluation.
- Leadership-based
  - Means jurisdictions that have demonstrated a willingness to champion a project, will lead its implementation, either individually or in partnership.
- Ready to start quickly
  - Means projects can be implemented quickly because of sound planning.
- Identified deliverables
  - Means projects will have clear deliverables identified (e.g., short-, medium- and long-term).

- High likelihood of successful completion
  - Means projects have a high likelihood of a result; however, this should not preclude innovation.
- Usually involving existing resources and of manageable scale
  - Means projects are nimble in delivery requiring minimal realignment of government resources, and can be delivered within existing authorities. However, compelling priority projects requiring new resources may be considered.
- Communities of interest engagement
  - Means projects include the participation of communities of interest in conception, delivery and evaluation, where applicable.

#### **4.4 Operational Guidelines**

Projects will include an evaluation and communications plan, as appropriate.

Project Approval Process: Projects will be routed and reported upon as part of the endorsement of the annual Mines Ministers' FPT Framework for Action Implementation Plan. This report will outline the status of projects under way and will propose new projects. The Implementation Plan will be routed through the Intergovernmental Working Group on the Mineral Industry (IGWG) and the FPT Mines Deputy Ministers' Committee for support on a consensus basis, and will be submitted to Mines Ministers annually for endorsement at the Mines Ministers' Conference.

The Mines Ministers' FPT Framework for Action will be reviewed and evaluated by IGWG every two years and ensuing recommendations will be submitted to the FPT Mines Deputy Ministers' Committee for action and, in turn, for consideration by Mines Ministers, as appropriate.

The Minerals and Metals Sector of Natural Resources Canada, with the assistance of provincial and territorial governments as appropriate, will ensure secretariat functions in support of the Mines Ministers' FPT Framework for Action and its implementation.

#### **4.5 Communications Plan**

Mines Ministers will approve on an annual basis a communications plan in support of the implementation of the Mines Ministers' FPT Framework for Action.