

Profile of B.C.'s Mining Sector

How big is B.C.'s mining sector?

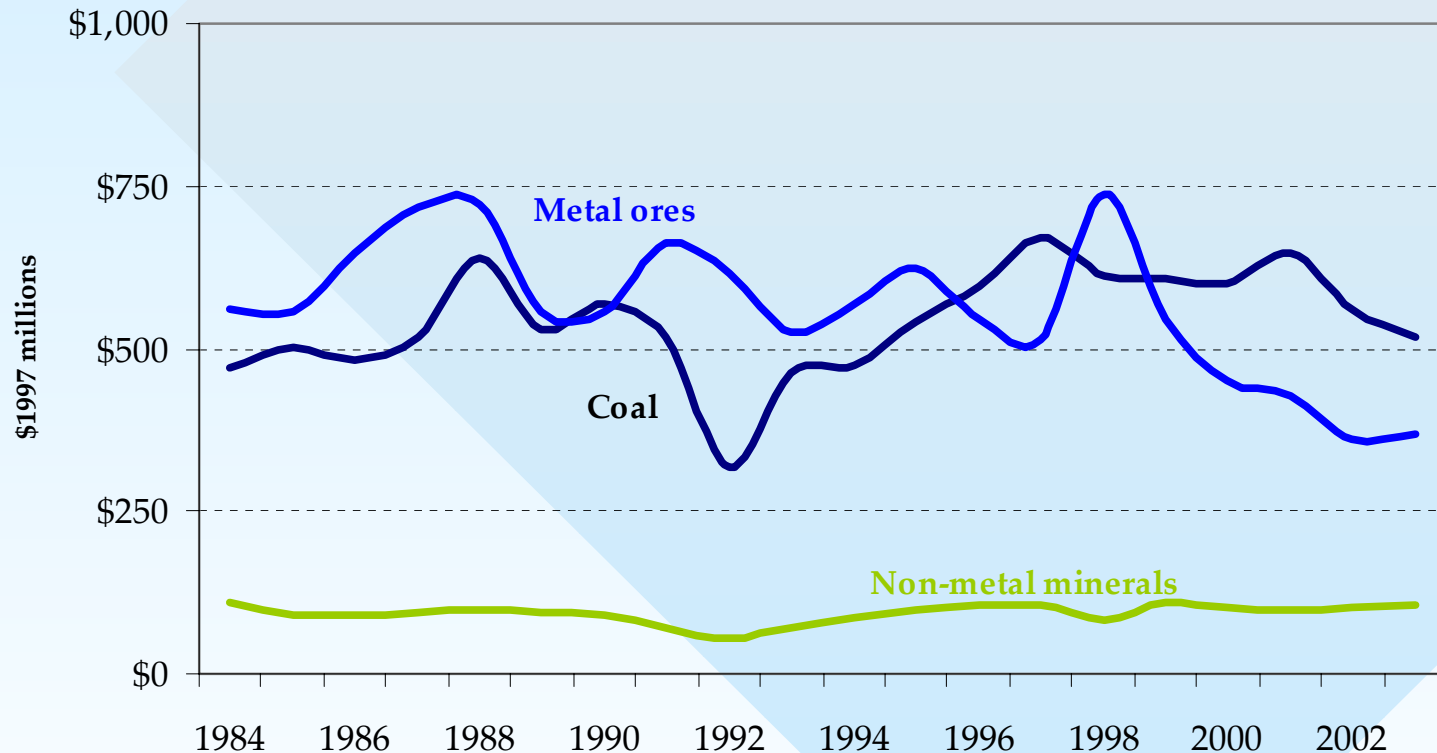
- In 2003, the value of metal and mineral production was almost \$3 billion.
- This has fluctuated with changes in prices, but has remained relatively stable around the \$3 B mark for the past few years
 - Almost half of the value of production is in metal production: copper, gold, silver, zinc, molybdenum, lead...
 - 1/3 of the of the value of production is from coal.
 - The remainder is in industrial and structural minerals (e.g. aggregate).

How many businesses are there in the mining sector?

- In 2003, there were 1,713 registered businesses in the mining, oil & gas sector in B.C.
 - 987 had no employees
 - 614 had 1-19 employees
 - 62 had 20-49 employees
 - 6 had 50 or more employees
- There are nearly 900 mining operations in B.C., ranging from metal and coal mines, to construction aggregate operations, and mineral exploration.

How much economic activity does the mining sector generate?

GDP in B.C.'s Mining Sector (\$1997 dollars)



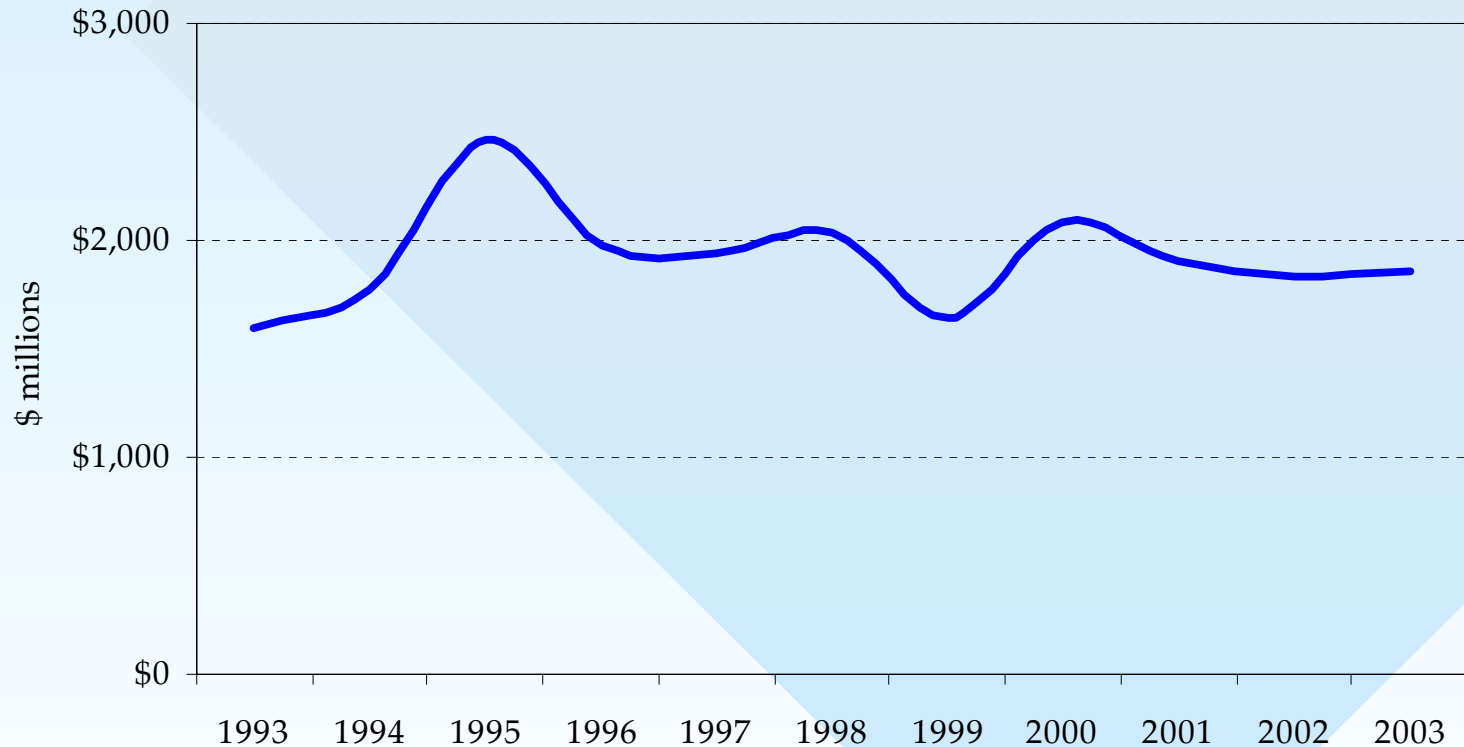
Source: Statistics Canada, Provincial Economic Accounts

Over the past two decades, there has been growth in value-added activities associated with B.C.'s mining sector. In 2003, an additional \$2 billion in GDP was created due to metal & mineral mfg.

What is the value of production in the mining sector?

Value of Metal and Mineral Production in B.C.

(Includes metals and non-metal minerals)

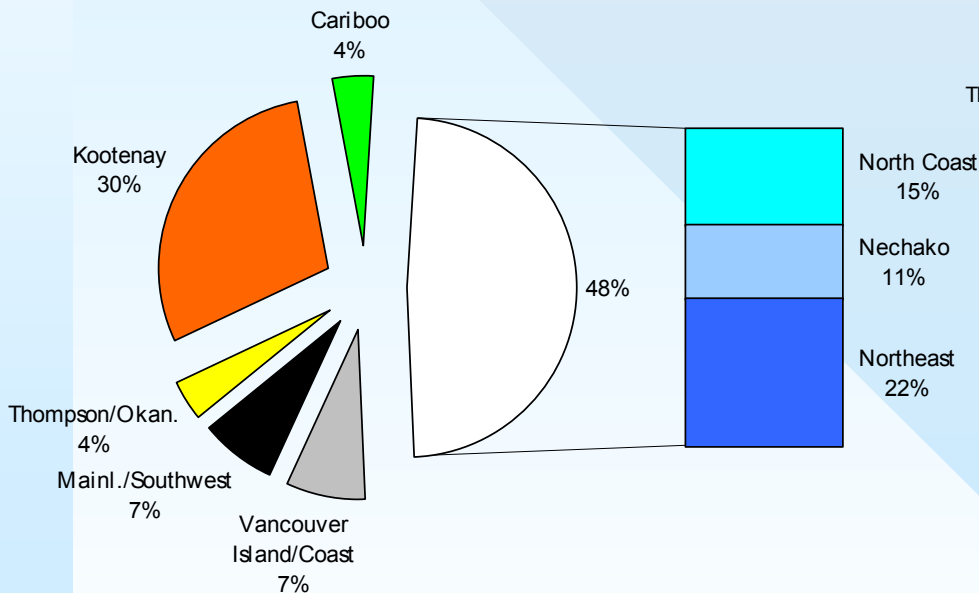


Source: Natural Resources Canada

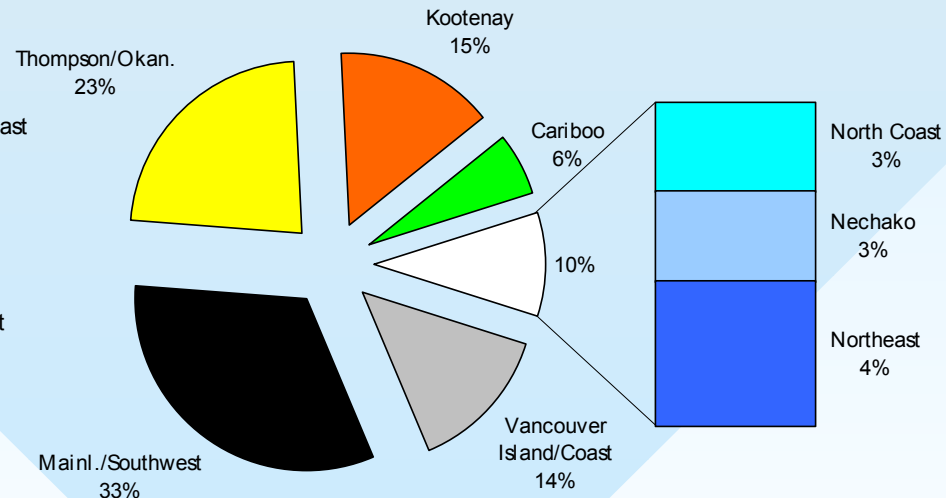
The value of coal production accounted for an additional \$1 billion in 2003

Where in the province is mining and mineral production happening?

Geographic Distribution of Mining/Smelting operations

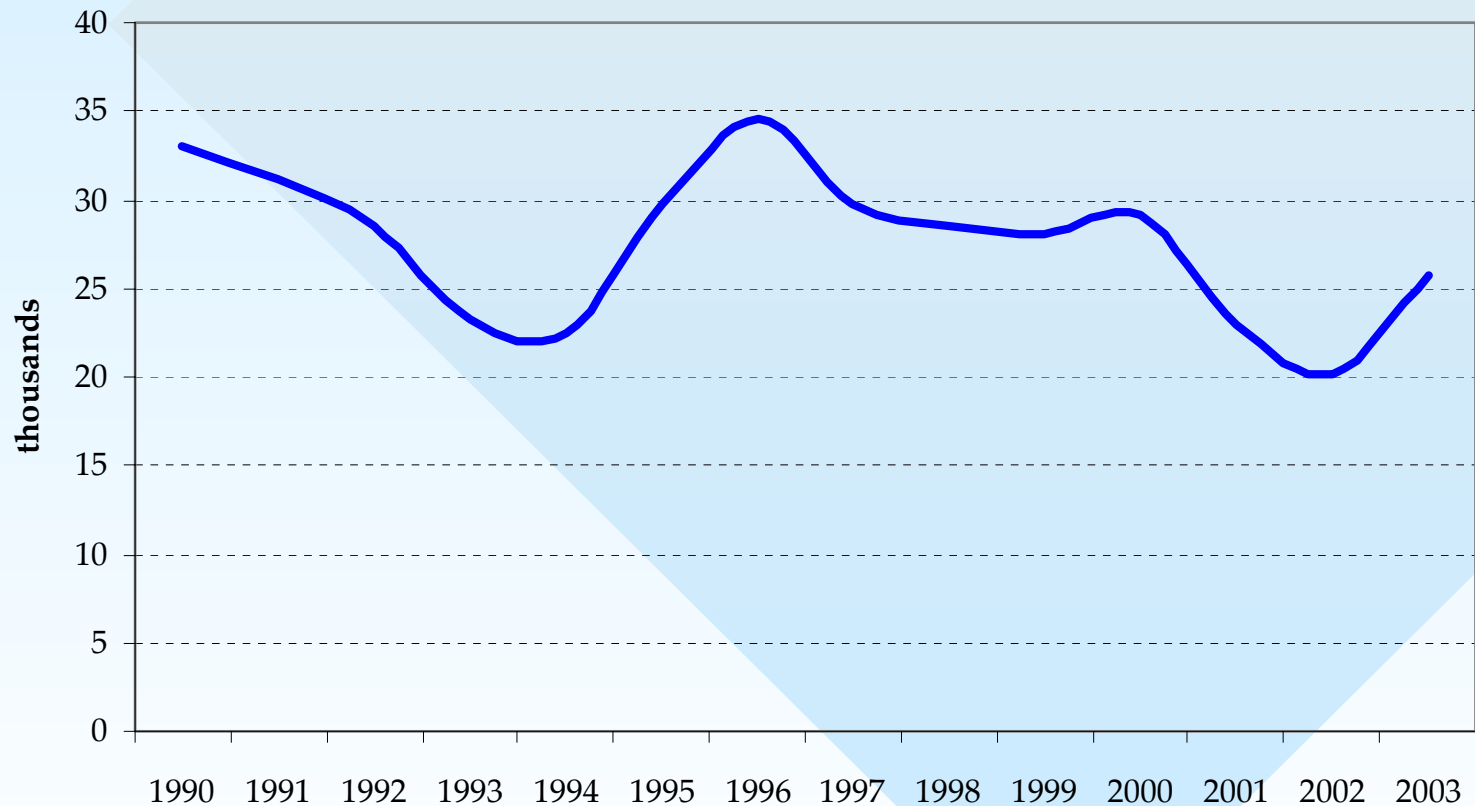


Geographic Distribution of Industrial mineral & Downstream mineral processing operations



How many people are employed in mining in B.C.?

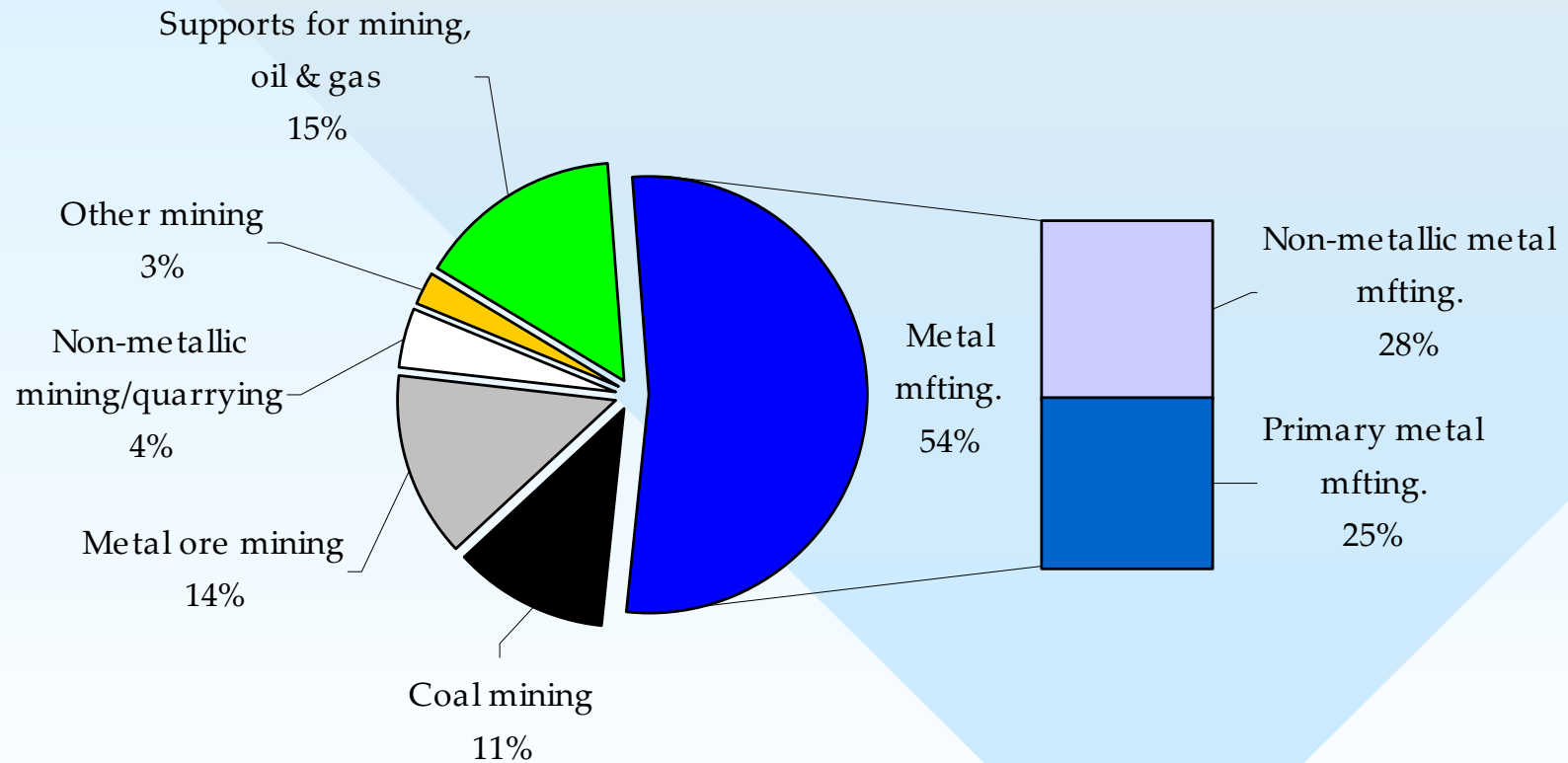
Mining and Metal Manufacturing Employment in B.C.



Source: Labour Force Survey

What types of activities do workers in the mining sector do?

Distribution of Mining Sector Employment by Activity



Source: Census 2001, Unpublished data

Current climate in the mining sector

- Most minerals are exported, therefore the sector is vulnerable to price fluctuations in the world market.
- The value of metal/mineral production has regained ground over the past 2 years, in part due to rising coal prices, more than offsetting the drop in value of metal production.
 - Value of metal production is 18 percent lower than the value in 2000 due to lower prices for zinc, copper, gold, lead & silver.
 - Value of coal shipments is 23 percent higher than in 2000.

Emerging opportunities

- B.C. has significant mineral potential, with over 14,000 known deposits.
- There have been significant new discoveries in the last few years of high-grade metal deposits.
 - 67 new discoveries in 2001, 4 to date in 2002.
 - Mineral exploration is being encouraged through the “super” flow-through tax credit on mineral exploration
- B.C. is Canada’s main producer of many minerals and metals, such as coal, copper and molybdenum.
- Future demand for B.C. mineral products is expected to be strong in worldwide markets.