

Mining is a cornerstone of Canada's economy

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When you boot up your computer, you probably never give a second thought to how it's made. Yes, Bill Gates or Steve Jobs have had a hand in its origins and accessibility, but what about the nuts and bolts, the innards, the motherboard, the wires and cords, the screen?

When you get in your car and turn on the ignition, do you ever wonder what goes into making it start?

Turning on an air-conditioner or adjusting a thermostat; playing an I-pod; working out on fitness equipment; doing the laundry; cooking; watching television; playing a musical instrument - you name the activity, and I can almost guarantee that there will be a product of mining involved.

Mining is a cornerstone of our economy. Canada, with its bountiful natural resources, is one of the world's most important mining nations. The mining industry has contributed significantly to this country's economic development, prosperity and our standard of living. It continues to do so.

The search for minerals to assure the continuation of our mining industry is an ongoing process. Some 1,200 companies - some big but most small - are exploring for new mineral deposits across this country.

These companies are searching for gold and silver; for copper, zinc, nickel, and iron; uranium; diamonds; platinum and palladium and a host of other mineable products. In total, Canada produces more than 60 minerals and metals. I should note here that the organization of which I am president, the Prospectors and Developers Association of Canada, does not work in the petroleum industry. Of necessity, therefore, I am excluding information about that equally important industry.

One of the most remarkable exploration achievements in recent history has been the discovery of diamonds in this country. Today we are a major diamond producing nation, ranking fourth in the world in the value of diamonds produced.

Canada attracts the largest share of exploration activity of any country in the world (some 19% of the estimated US\$10.5 billion spent on exploration around the world in 2007). Our prowess in mineral exploration reaches outside this country's

borders. Canadian companies are currently working on an estimated 8,000 exploration projects in over 100 countries.

Mining's contribution to our common welfare is not in doubt. Its products and the new wealth it generates enable us to build hospitals, schools, roads, railways, and other social assets that we have come to expect of a modern society. The general view of the industry is, perhaps, more in question. Images of the past continue to dog us - of landscapes laid bare, environmental disasters, human rights violations, and abandoned mines.

The past cannot be denied. However, I must stress that it is the past, when standards and regulations were more relaxed. The way in which our mining industry operates today is light years away from those times. Enormous strides have been taken to improve the way in which the industry works, including the protection of the natural environment and workers' health and safety. There are myriad examples of exploration companies working with local communities, in Canada and abroad, to improve their medical and school facilities, drinking water supplies, and infrastructure.

Standards have indeed changed and are being improved continually. The Prospectors and Developers Association of Canada has developed practical guidelines for exploration that will have the least impact on the natural environment. The program, e3 Environmental Excellence in Exploration, also includes steps to engage local communities and aboriginal people. The guidelines are freely accessible to everyone working in mineral exploration, wherever they are working, and are available in French, Spanish, Portuguese and Russian.

Along similar lines, the association is developing universal health and safety guidelines for exploration companies, their employees and contractors. The message is that everyone is responsible for their own and others' safety. Companies have a duty to protect the safety of all in their employ; employees have a duty for themselves and for everyone they work with. The goal - to make sure that everyone stays safe.

The association is now building a sustainable development framework for exploration. Much of the impetus for this comes from a series of roundtables organized by the Government of Canada in 2006 to discuss the corporate social responsibility of Canada's extractive industries. The roundtables brought together people from widely disparate organizations but with a shared interest in the topic. A key recommendation

was the adoption by the federal government of a set of corporate social responsibility standards for exploration and mining.

While the essential premise of e3 is 'doing the thing right,' that of the sustainable development framework is 'doing the right thing.' Companies will be able to use the benchmarks in the framework to conduct their exploration activities properly and according to the expectations of their peers, the community in which they are working, environmental groups, and the industry as a whole.

Space precludes my talking about the many other initiatives and programs in place or under development to assure high standards in our industry. I would be remiss, however, if I did not mention its employment opportunities, particularly for men and women living in aboriginal communities close to exploration projects and mines.

A study conducted by the federal government four years ago pointed to the looming shortage of workers in exploration and mining. We are already seeing evidence of this. Young geology and earth science students are being snapped up by companies even before they graduate - with salaries that would take an IT student's breath away. The same thing is happening in mining proper which offers the highest pay of any industrial sector.

We are indeed fortunate to live in a land so blessed with natural resources. We are equally fortunate to be able to derive the benefits from these resources through the agency of a vibrant, progressive and innovative exploration and mining industry.