

the ECONOMIC review

CANADIAN EDITION  VOL. 1 • MAY 2015

MAKE NO MISTAKE ABOUT IT

Canada is a heavyweight in the global mining sector

MAY 15
VOL 1 • ISSUE 1



EVOLUTION
BUSINESSMEDIA

Inspired by Economic Growth

NWT & NUNAVUT CHAMBER OF MINES

By: Djamil Benmehidi - ER Magazine

Canada has enjoyed a steady rise up the global GDP rankings in recent years, as its vibrant, diverse economy has continued to build in strength. However its continued future economic growth, which some economists suggest could even see Canada become a true global economic superpower in decades to come, will, arguably, rest on the shoulders of the country's wild, untamed northern provinces.

Canada's vast, frozen North - a rugged, beautiful land which occupies an area nearly double

the size of Western Europe - is a place which could truly be described as one of the world's final frontiers. It also happens to be a key economic driver for the country's world-leading mining sector.

As the voice of the Northern mining sector - which is already the region's largest private sector contributor to the economies of the Northwest Territories and Nunavut, the NWT & Nunavut Chamber of Mines will be at the forefront of Northern Canada's charge, as it seeks to build further upon and fulfil its considerable mining potential

over the coming years.

It is well-known that the Chamber of Mines is an industry association which is made up of over 300 companies and individuals, some of whom are elite players within the mining sector. It acts as a forum where its members, which includes mineral producers, exploration companies, equipment suppliers, and consultants, and even individual prospectors, can benefit from a golden network of high-power mining industry connections. In this fast-moving, unpredictable industry, such connections with mining's big-hitters and access



Northern Canada, with its rugged beauty and outstanding mineral potential, is Canada's mining frontier. (Courtesy Aurora Geosciences Ltd.)





The Mary River Iron Mine in the high Arctic is Nunavut's second and newest mine and has begun mining the deposit in the large hill in the background (Approved - Courtesy Baffinland Iron Mines)

to the inside knowledge that potential partners may possess can be the difference between seizing an opportunity or missing it – aka success or failure.

However as Executive Director of the NWT & Nunavut Chamber of Mines, Tom Hoefler, suggests, their remit goes further than this alone:

“We are a non-profit society, created in 1967, that champions on behalf of the minerals industry in northern Canada (NU and NT).”

“Our goals are to promote the industry and the North to Northerners, Canadians, and the world at large. We continue to speak out on industry opportunities, concerns and issues. We advise governments, investors, the media, educational institutions, and the public on industry positions and initiatives.”

“The Chamber of Mines works in 5 strategic areas: we seek improvements in regulatory environment & access to land, improve aboriginal relations through active engagement, encourage infrastructure development, engage in active communications & public relations, and support membership & operations.”

The role that NWT & Nunavut Chamber of Mines plays in ensuring that the region's mining sector runs smoothly is important now more than ever, bearing in mind that there are a number of both threats and opportunities that lie before it.

The slowdown in growth and tightening of belts among the BRICS nations, especially China, has seen investment in exploration and new mining projects effectively go into deep freeze in recent years. However the mining sector is notoriously cyclical, and while the recent sluggish economic performance of the BRICS countries has pushed the global mining sector into a major slump, it is widely accepted that demand for commodities in the long-run can only soar – Canada, and its mineral rich Northern territories are well poised to

capitalise on such an opportunity.

The Northwest Territories and Nunavut in particular are home to an abundance of riches, in terms of the minerals and metals which lie beneath the frozen ground. Over the coming 5 years a number of new projects are a work in progress, which could lead to projections for an enormous increase in mineral output in the north to be realised.

Tom said: "We have tremendous mineral potential, and when you imagine we are 1/3 of Canada's land mass, that is not surprising. As a result, we have one new mine in NU and 5 more in process behind it. We have one new mine under construction in the NWT, and 3 more behind it."

"But we need investment dollars now for infrastructure to put them all under construction. We also would like to see the markets change, and exploration investments strengthen. This is

a global situation, and we know the markets will eventually cycle back up, but we want to be ready for that moment."

For the Northern territories to achieve their target of an anticipated 91% increase in metal and non-metallic mineral output between 2011-2020 and reach its mining potential, the NWT & Nunavut Chamber of Mines, in its role as a champion for mining in the North, will be working actively to attract fresh investment to the area, and fortunately recent political developments mean that the mining sector will receive increased support from local government.

"We work hard to promote the creation of an environment that is attractive for investors. Our success in getting governments and the public to support this is reflected directly in investment levels, unless of course, the global marketplace stymies us. Governments are making changes

to make the North more attractive, and we will continue to work hard for continued improvements."

"Through devolution, the NWT Government is now the new "landlord" for non-renewable resources. This means that they are in the driver's seat now, and as a local government that feels the consequences of their actions, are in a good place to make a real difference in supporting our industry and its growth. As a sign of change, they are advancing work under a new Mineral Development Strategy, partnered with our Chamber of Mines."

With devolution now under active discussion in Nunavut, one can expect an aggressive approach in that territory too build up its mining industry for the benefit of its residents and economy. The Chamber of Mines will continue to be an active participant in both territories as their economies evolve.



Ekati diamond mine in the Northwest Territories is the largest diamond mine in Canada and has a plan to increase mine life by 10 years. (Approved - Courtesy Dominion Diamond Corporation)



The Northwest Territories is the 3rd most valuable producer of rough diamonds globally. (Approved - Courtesy Diavik Diamond Mines Inc.)