

Pine Point Mine and its role in supporting Infrastructure

Pine Point mine life: 25 years from 1964 – 1988

Pine Point was one of the remarkable developments in Canadian mining, a partnership of government and private enterprise that returned handsome rewards to both. It sparked the construction of a 450-mile railway line into the Northwest Territories and played a major role in developing the north while creating hundreds of millions of dollars in new wealth.

The total cost of the Pine Point project, including mine development, railway construction, power plant construction and town site construction, came to \$125 million with government contributing \$88 million of that. The mine, which produced more than 70 million tons of ore during its 24-year operating life, permitted the company to pay out \$339 million in dividends, \$176 million in taxes, an estimated \$400 million in freight charges to the government-owned Canadian National Railway, \$246 million in wages and salaries, an estimated \$500 million in supplies and services and \$100 million to the Northern Canada Power Commission.

Benefits from the mine that cannot be quantified include demonstrating that a large open pit mining operation of a bulk commodity – lead and zinc concentrates – could be established successfully in the north.

Source: <https://www.mininghalloffame.ca/neil-campbell>

Infrastructure Success Story: Federal Partnership with Pine Point Mine

- Total cost of project: \$125 million, including mine development, railway, hydro-power and town site construction.
- Federal Government investment: \$88 million for railway and hydropower
- Return: \$1.8 billion over 25 year mine life (1964-1988):
 - \$339 million in dividends;
 - \$176 million in taxes;
 - \$400 million estimated freight charges paid to the Federally-owned Canadian National Railway;
 - \$246 million in wages and salaries;
 - \$500 million estimated spending on supplies and services; and
 - \$100 million to the Northern Canada Power Commission.
- The Pine Point partnership between government and private enterprise returned handsome rewards to both.

