



NEWS RELEASE

Conference Board of Canada Confirms Mining Critical to North

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Canada's foremost and independent not-for-profit applied research organization has confirmed that mining is critical to the North. In its latest study for its Centre for the North, *Mapping the Economic Potential of Canada's North*, released December 17, 2010, the Conference Board of Canada states:

"The natural resources sector – and the industries that support it – provides the strongest potential for Northern Canada's future economic development."

"The economic potential of Northern Canada is highly dependent on its mining and oil and gas resources. These primary industries also drive growth in other sectors of Northern economies, including communication, electricity and transportation infrastructure, and commercial services. They can contribute to the prosperity of northern communities by providing jobs and supporting local businesses."

The report is buoyant towards mining in Northern Canada for a variety of reasons. Global demand for Canada's minerals is expected to be strong over the medium term and the positive effects on commodity prices is making mines in remote Northern areas viable. Northern Canada's political environment is stable and there are large resource deposits and potential. In reality, all three territories have begun an expansion of their metal mining industries with a number of mines expected to begin production in the next 10 years.

Benefits are already starting to emerge. In Nunavut double-digit growth is expected this year thanks to the opening of the territory's only mine, Meadowbank. With 8 of the 100 top exploration projects in Canada, Nunavut's future looks even brighter (the NWT has two).

In a part of Canada that needs jobs, opportunities will further drive growth. An aging mining workforce is increasing demand for young miners and female miners, and mining pays some of the highest wages in Canada. New mining training programs are helping create success. Already, the mining industry is the largest employer of Aboriginal people in Canada, who are increasingly choosing the industry to build their careers.

The report warns that developing the industry is not without its challenges, however. Finding, developing and operating a mine in remote areas of the North is much more costly and logistically challenging. And while mining has the ability to build infrastructure and develop necessary services, it can only do so if the resources are of sufficient quality and quantity to justify the expense. The viability of many potential mines in Nunavut depends directly on infrastructure, but the substantial costs of building roads, railways, airstrips can keep a resource deposit in the ground.

This report argues that both project proponents and the respective governing agencies must ensure that mine development is both environmentally responsible and delivers economic rewards to residents, benefits to local governments, and returns to investors and operators.

The [Centre for the North](#) is a Conference Board of Canada program of research and dialogue. Its main purpose is to work with Aboriginal leaders, businesses, governments, communities, educational institutions, and other organizations to provide insights into how sustainable prosperity can be achieved in the North. Over its five-year mandate, the Centre for the North will help to establish and implement strategies, policies and practices to transform that vision into reality.

The Conference Board of Canada's report *Mapping the Economic Potential of Canada's North* is available at <http://www.conferenceboard.ca/documents.aspx?did=3948>.

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