

# Northern Mine Benefits

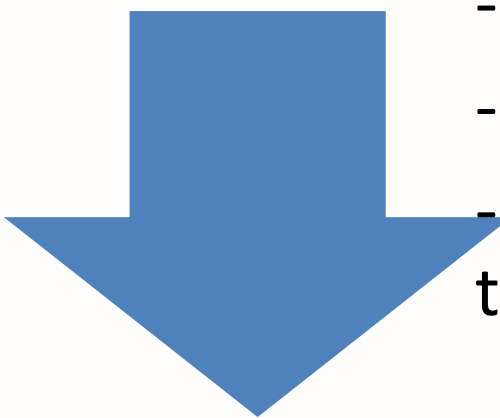
June 5, 2019

Ministry of Government Relations

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# Overview of the Northern Region

- 
- Young and growing population
  - Many lack job skills and work experience
  - Lower incomes and education levels than Sask average

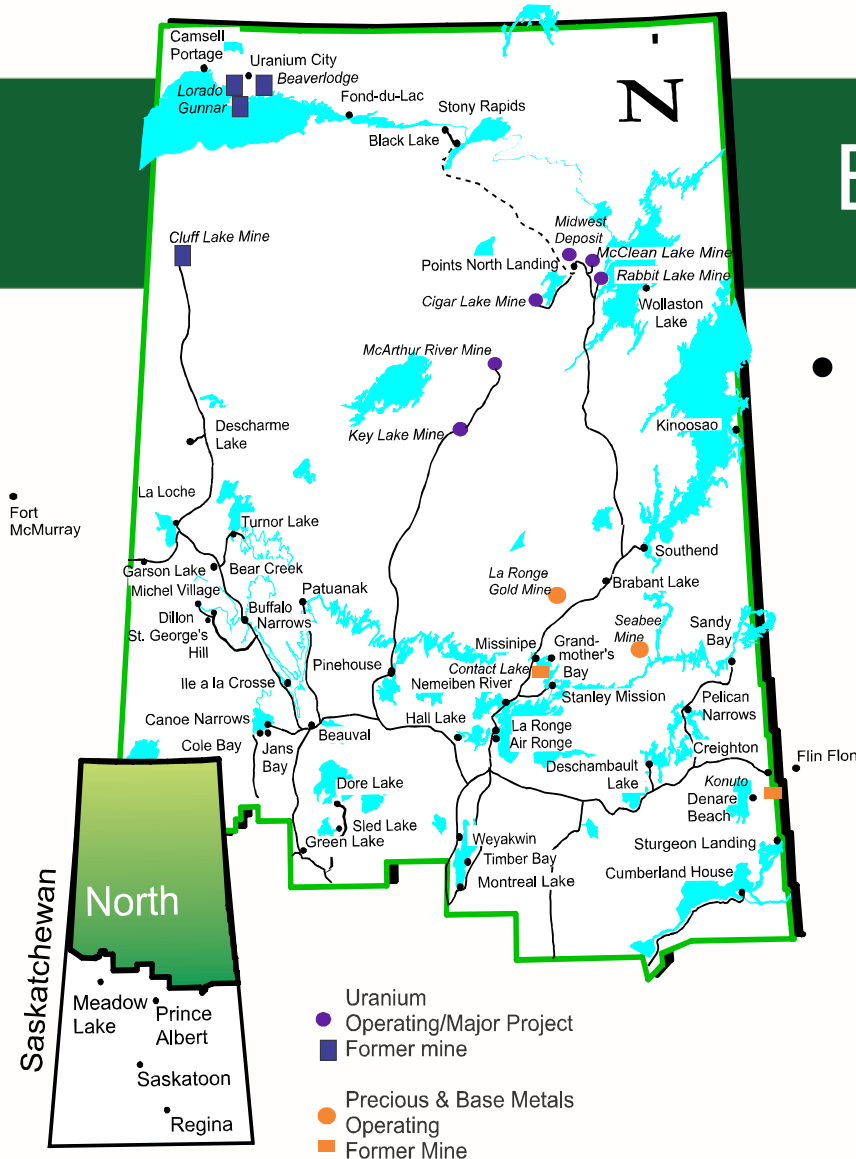


## Important mining, health and education sectors

- 
- High tech jobs
  - Needs skilled workers

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# Economic landscape



- Development Activities:
  - Uranium: 1 mine & 1 mill operating, 2 mines/mills suspended)
  - Gold: 1 mine operating
  - Exploration Activities (uranium, gold, copper)
  - 4 Major Decommissioning Sites (uranium)
  - Forestry
  - Fishing and trapping
  - Outfitting

# Economic challenges/opportunities

- Main economic drivers revolve around resource development and government services
- Mining peaked in 2012; low commodity prices led to layoffs of half the workforce
- Public services (education, health, and government) are large employers

# Northern Engagement

- Promote collaboration to create positive, sustainable, change



# Socio-Economic Benefits Framework

## Evolution of tools to engage Northerners in shaping Saskatchewan's uranium industry:



- Mine Surface Lease Agreements
- Mine Human Resource Development Agreements
- Multi-Party Training Plan for the Mineral Sector
- Northern Labour Market Committee
- Northern Saskatchewan Environmental Quality Committee
- Northern Benefits Summary - annual public report mining initiatives
- Northern Municipal Trust Account
- Community Vitality Monitoring Partnership
- Institutional Control Program

# 40 Year Evolution

Socio-economic  
advances for  
mines

**1940s-  
1970s**  
Land  
lease

**1970s**

Cluff Lake  
Inquiry

*Conditions  
added to Land  
Lease for  
industry to meet  
quotas for local  
jobs & contracts*

**1980s**

Key Lake  
Inquiry

*Quotas changed to  
“Best Efforts” in local  
training, employment.  
Smaller contracts.*

*Better reporting.*

*Training Agreement  
required.*

**1990s**

Joint Federal  
Provincial Review  
of 5 mine  
proposals

*Land lease added  
commitments for  
community engagement, -  
public involvement, long  
term employment &  
contract targets, &  
Environmental Quality  
Committee.*

*Community Vitality  
Partnership established.  
Lease fee revenue sharing.*

**2009+**

Provincial  
Streamlining

*Government  
reduced red tape  
and improved  
communications:*

- Streamlined lease approval process
- Required fewer but better reports from industry;
- Improved its own communication of Industry's progress

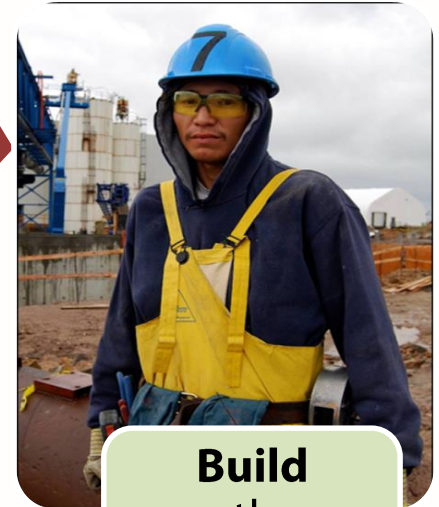
# Mine Surface Lease Agreements



Long-term  
**Crown land rental**  
(legal access)



**Reinforce** provincial  
health/safety &  
environmental regulations  
at **uranium mines**



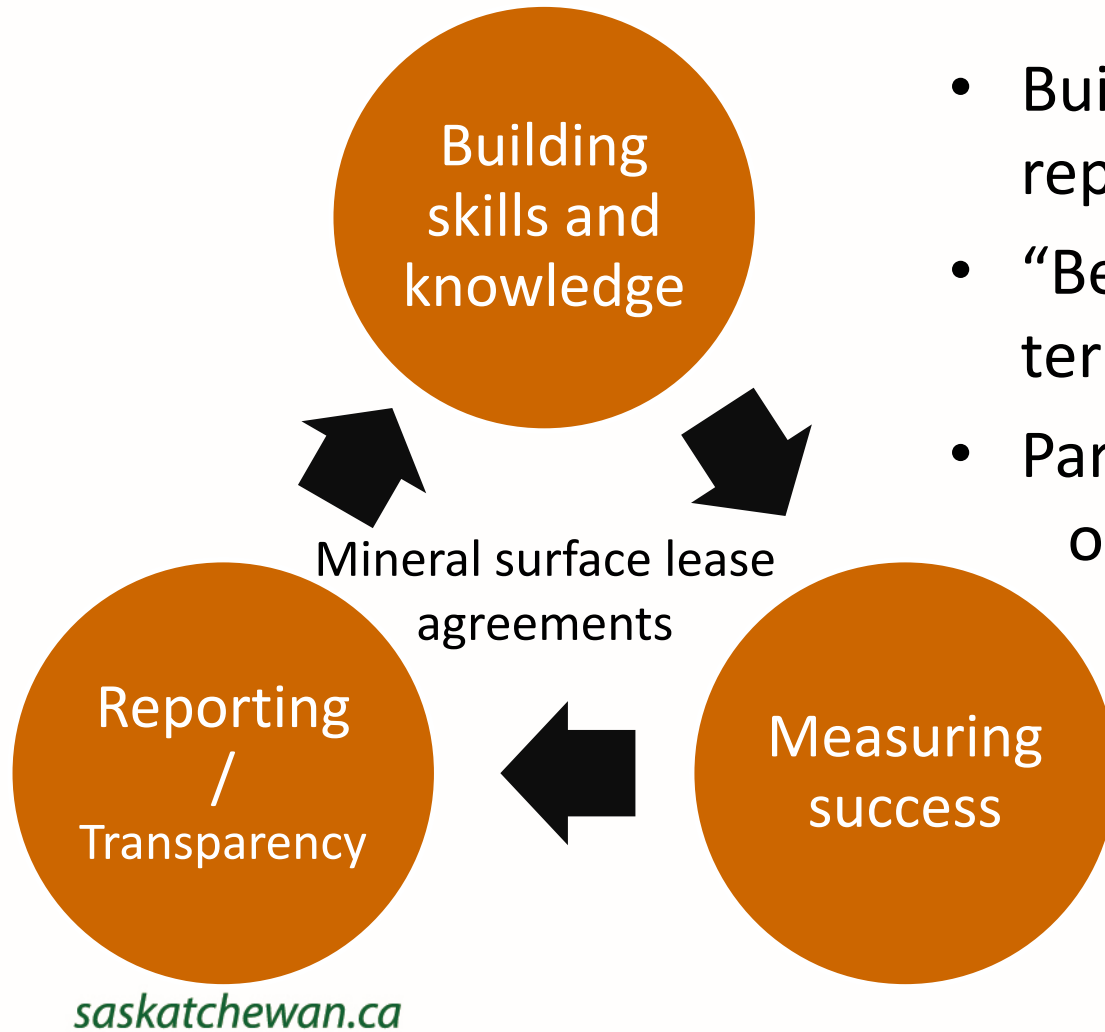
**Build**  
northern  
workforce  
and local  
economy



# Contract with Province - MSLA

- Contract signed by:
  1. the mine owners
  2. the Province:
    - Ministry of Environment (Crown land leases)
    - Ministry of Government Relations (socio-economic benefits)
- Crown's Duty to Consult is completed prior to lease being signed
- 12 in effect – 8 operations (3 producing), 4 in reclamation

# A Tool to Build the Economy



- Building, monitoring & reporting successes
- “Best efforts” lead to long-term investment in people
- Partnerships, not opponents (industry & government)

# Build the Northern Economy - MSLA

| <b>“Best Efforts” – Commitments<br/>by all Mine Operators</b>      | <b>Added commitments – by<br/>Uranium Mine Operators</b> |
|--|--|
| 1. Maximize Northern Employment                                    | 5. Provide Employee Services                             |
| 2. Maximize Northern Training and Employee Education               | 6. Promote Education                                     |
| 3. Encourage Northern Business                                     | 7. Partner in Community Vitality Studies                 |
| 4. Compensate Previous Lease Holders (Trappers) for Loss of income | 8. Consult and Involve the Public                        |

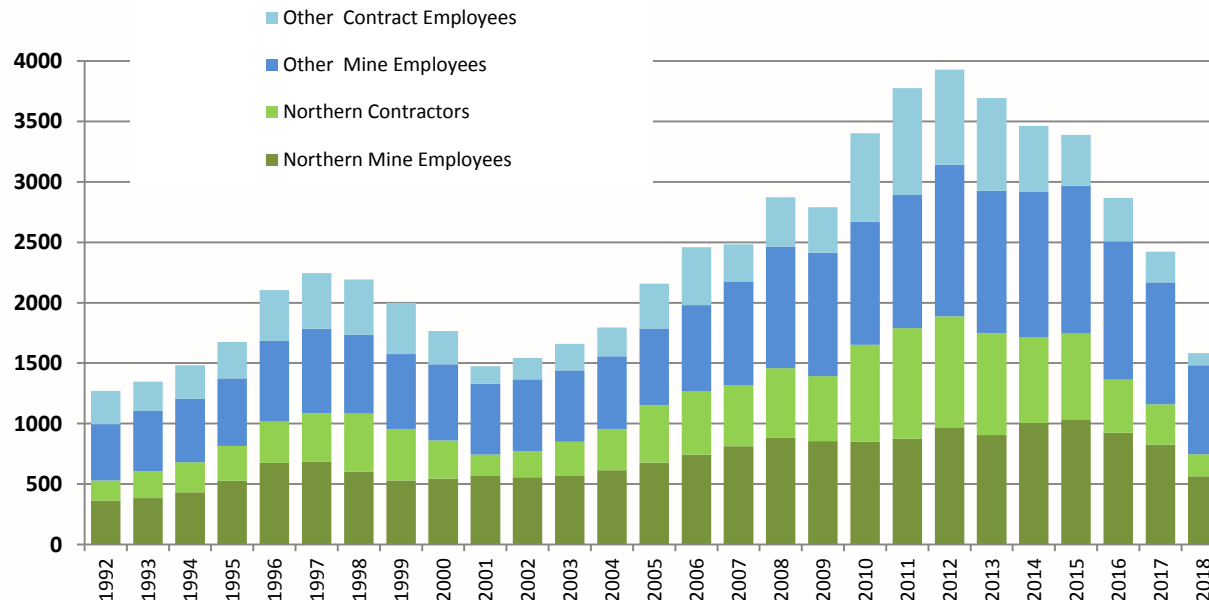
# 2016 Summary of Benefits



- Mines report to government annually on how they met these 8 commitments
- Government publishes an annual **Northern Benefits Summary**

# 2018 results - preliminary

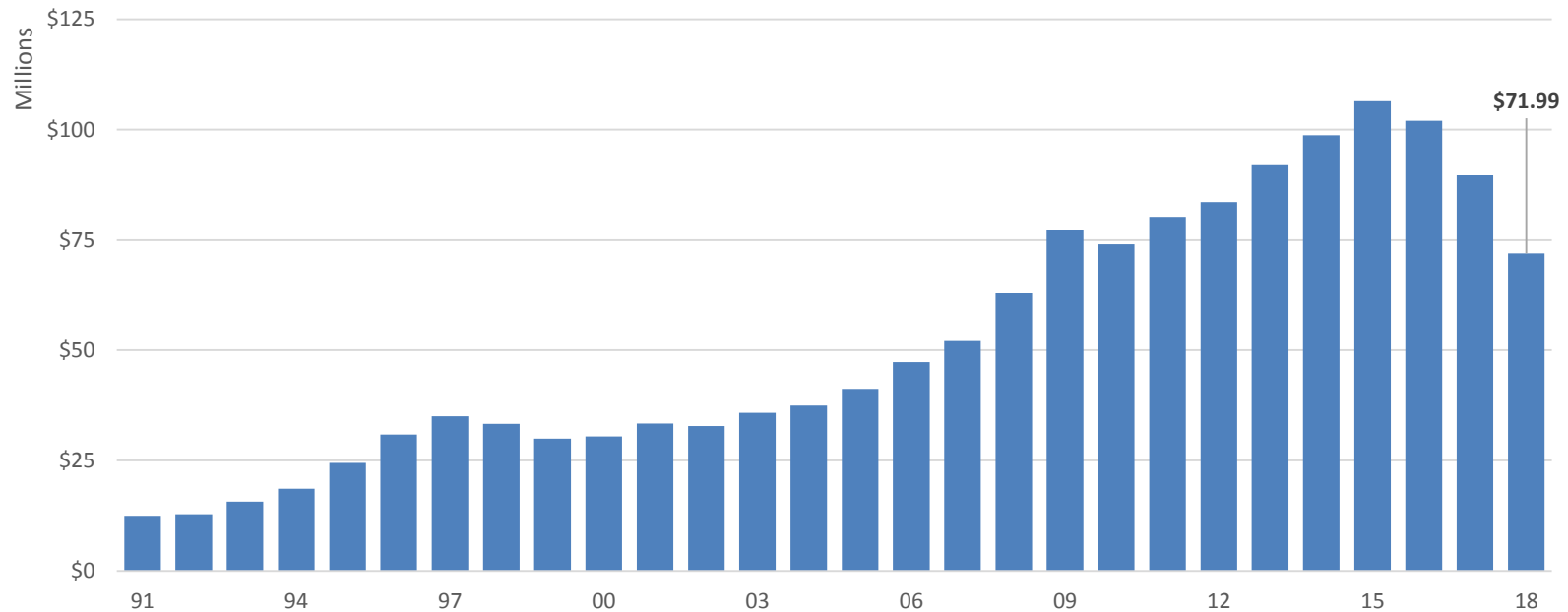
What is the long-term employment trend  
at mines in Northern Saskatchewan?



1,583  
workers,  
47 % of  
them  
northern

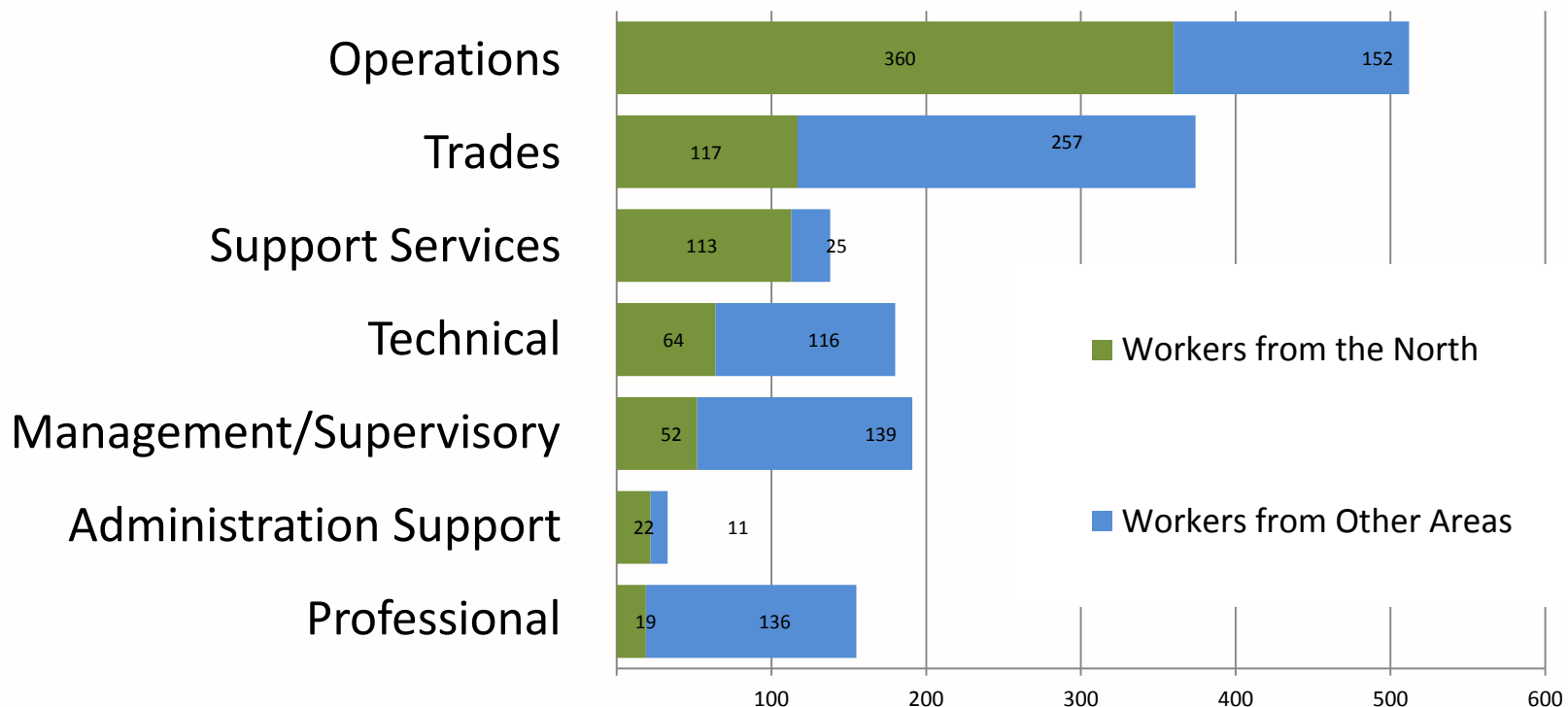
# 2018 results - preliminary

What did northern employees earn at  
Northern Saskatchewan mines?



# 2018 results - preliminary

## Mine jobs by category - As of Dec 31, 2018



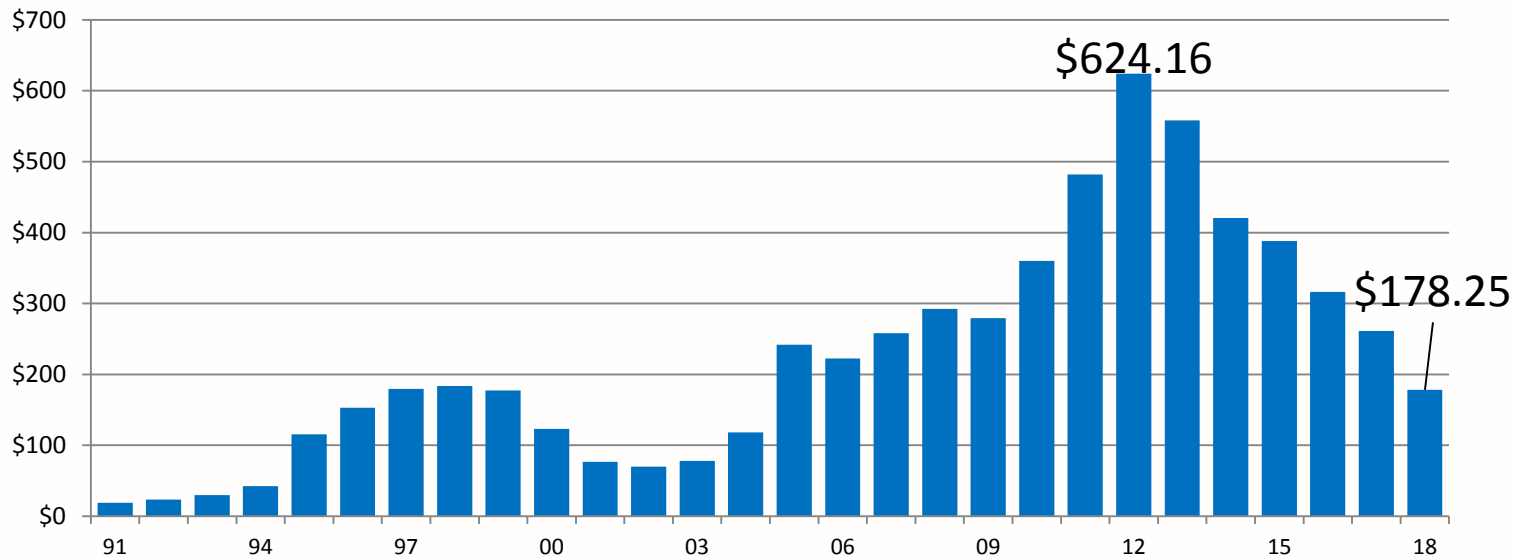
# 2018 results - preliminary

- Indigenous employment rate of 39 per cent
- Females made up 16 per cent
- On-the-job training worth \$500K for northern apprentices and summer students
- Programs for mill operator, environmental trainees, trades, power engineers



# 2018 results - preliminary

## Northern businesses and joint ventures - In millions



# 2018 results - preliminary

- Procured 45 per cent of goods and services from northern businesses and joint ventures
- Maximized purchases in flights, freighting, catering, janitorial, environmental, exploration, and construction

# Human Resource Development Agreements (since 1986)

- Purpose – training and employment
- Required under the surface lease agreement since 1986
- Mines commit to:
  - work collaboratively with other agencies
  - hire, train and advance Northerners in jobs
  - report on training and employment
- Accountability – quarterly reports

# Northern Saskatchewan Environmental Quality Committee

- Purpose - help communities, uranium mining industry and regulators share information and answer concerns
- 30 community representatives on NSEQC
- Cost-shared by government (staff and expenses), and industry (in-kind)

# Touring Cigar Lake Mine site



# Newest Mandate

To increase the  
level of communication among  
government, northern stakeholders,  
and industry around  
uranium development *and*  
*environmental issues* in  
northern Saskatchewan

# Northern Mines Monitoring Secretariat

- Committee of provincial government ministries & the Canadian Nuclear Safety Commission (CNSC) which assists the NSEQC representatives in obtaining information & answers to questions
- Meets twice per year
- Committee where regulators of the uranium industry can keep each other informed of current issues and activities

# Northern Mines Monitoring Secretariat

## Provincial and federal authorities:

- Environment (Land Stewardship, Landscape Conservation, Environmental Protection, Environmental Assessment)
- Immigration and Career Training
- Energy and Resources
- Population Health
- Labour Relations and Workplace Safety
- Government Relations, and
- Canadian Nuclear Safety Commission



# Concluding Thoughts

- Northerners value being valued – reinforce this with everything we do
- Effective engagement is not a one-off effort
  - It is results driven
  - Takes time, commitment & staying power

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