

President's Message - Peter Oram



It seems hard to believe that another month has passed and here I am again writing to let you know of recent activities that have involved MANS. It seems that consultation is the key word over this last period. To begin, MANS has prepared a submission for the Department of Environment's water strategy consultation. We have participated in the consultation meeting (part of Phase 1) for Ship Harbour Long Lake Candidate Wilderness area and have also prepared a submission for their review. Finally, we, as well as many of our members, have been actively and heavily involved in the meetings currently underway for the Voluntary Planning Natural Resources Citizen Engagement Process that have been held across the province. These meetings will continue through June and I encourage all of you to get involved. Participation from our industry is critical – and I think many of you would benefit from sitting through if only one of these sessions. I understand that this might be uncomfortable for some of you but you need to make an effort to show support for our industry and the process. This is but the first step in a multi-year process that will lead to a provincial natural resources strategy, something that is obviously quite important to our industry. So I encourage you to check out the Voluntary Planning website at <http://vp.gov.ns.ca/projects/resources> and get involved.

Our destiny will be written by others if we individually and collectively fail to take part in these public consultation sessions. After all, this is the "new" way of doing things and we need to be part of it.

Until the next issue....

Executive Director's Message - Michelle Landreville



Thanks for taking the time to review the May edition of our newsletter. I thought I would take this opportunity to give you an update on some of the administrative advances we have made since our April edition.

First, Jennifer Wilson is well entrenched in our new role as my Executive Assistant. She has provided invaluable administrative support over these last six weeks and will no doubt continue to grow in this role. Many of you will be hearing from her as we move forward since she will be the first point of contact for setting up appointments with

Inside This Issue

**Lafarge in the News*

**Economic Impact*

Study

various government officials and regulators as well as working with the Board and its Committees to keep them on track with their meeting schedules. Jennifer has also assumed responsibility for producing the newsletter and will be contacting many of you seeking stories and news items as we continue to expand our monthly communication piece.

We will be moving into our new office space by mid June (with any luck!). We are thrilled about settling at 15 Dartmouth Road in Suite 300. The space is not only quite attractive but also quite functional and will serve us well as we continue to grow. Official thank yous will follow for those who were instrumental in helping us build out the space but suffice it to say that we have been quite fortunate to have members of our organization as well as a few industry partners assist us. An official notice of our move in date will come once we are in officially and we hope to have an official opening and ribbon cutting in September. I look forward to inviting you to our new home and hope that you will find time to stop by once we are settled.

That's it for this month – more news to follow in June!

Kudos to Lafarge

Submitted by John Amirault

The Lafarge cement plant near Brookfield was runner up in the land stewardship category at the recent 2008 Cement Industry Energy and Environmental Awards. Lafarge was lauded for working with the provincial Environment Department and the federal Department of Fisheries to successfully reroute two brooks on its property. Using overburden from existing quarries, Lafarge crews roughed out new channels that were completed by specialized contractors. The project included a fish ladder and the creation of wetland and recreational areas. The plant has signed a 30-year agreement with Ducks Unlimited Canada to manage the wetlands. (source: Chronicle Herald, "On The Move", May 13, 2008)

Towards Sustainable Mining Presentation to Natural Resources Canada

Towards Sustainable Mining (TSM) was the subject of an in-depth presentation by the Mining Association of Canada to senior managers in the Minerals and Metals Sector of Natural Resources Canada on April 28th. Gordon Peeling was responding to a request from the department to bring them up-to-date on implementation of TSM and particularly the issue of verification. The architecture of TSM and its various elements such as the development of metrics, guidance documents, reporting criteria, was presented in considerable detail so that the audience could have a better appreciation for the performance commitment of members of the Mining Association of Canada. There was considerable interest in the make-up and functioning of the Community of Interest Advisory Panel, the potential international application of TSM (in light of what ultimately might be the Government's response to the CSR Round Table recommendations), and future development of the elements related to biodiversity, closure, Aboriginal relations and human rights now that the Ruggie report on corporate responsibilities in the field of human rights has been released. For more information, contact Gordon Peeling (gpeeling@mining.ca) (source: MAC Activity Report, April 30, 2008)



Legislative Review of Export Development Canada (EDC)

EDC is a federal crown corporation that operates fairly independently from the government, that manages its own treasury operation, and that provides trade financing and credits insurance support to Canadian exporters. As part of a periodic review of EDC's legislation, the federal government has recently engaged International Financial Consulting (IFC) to examine the competitive dynamics, emerging needs, market gaps, and policy issues surrounding EDC and its business customers. A report will be finalized by Fall 2008, after which the review will enter the political arena – potentially leading to regulatory, legislative or policy changes. In preparing the report, IFC has scheduled a series of cross-country consultations as follows: Toronto, May 13 and 14; Vancouver, May 20 and 21; Calgary, May 22; Winnipeg, May 23; Montreal, May 27 and 28; Kanata, June 12; Halifax, June 24; and Ottawa, June 25. The consultations will include Town Hall meetings and more focused meetings as appropriate or sought. For more information, or to provide views, visit <http://www.edcreview2008.ca/> or contact Paul Stothart (pstothart@mining.ca).

(source: MAC Activity Report, May 2, 2008)

Nova Scotia Mineral Industry Economic Impact Study

Paul K. Smith, Nova Scotia Department of Natural Resources

You would think by now that every Nova Scotian would be very familiar with the importance of the mining and mineral industry sector on their everyday lives. I realize this is not the case. We need to remind ourselves from time to time that virtually everything that sustains us in our daily lives is present either as a direct result of mining or is derived through a related secondary process. Simply consider the materials that exist in your home, the roads you travel on, your office building, the computers you work on, the phones you use. Go to your local hardware store and buy a light-bulb or a new BBQ and remember how it got there. The list is so extensive that there simply isn't enough room or time to go through them all. Suffice it to say that mining products make it possible to have the life style that we have come to expect.

Well, to help understand the importance of mining, a study was commissioned in 1993 by the Department of Natural Resources to examine the real impact to the province. The results at that time were surprising to say the least, rating the industry as one of the most important of the resource sectors in the province. This report was updated in 2005 using data current to the end of 2003. Again, the results were impressive. The report noted that more than 5200 people were employed either directly or indirectly in the industry that it contributed more than \$400M to our provincial gross domestic product (GDP) and again it noted that the industry boasts the highest paying jobs in the resource sector.

As a result of skyrocketing commodity prices in recent years, a dramatic increase in exploration activities across the province has taken place and is still underway. Due to these changes, Gardner Pinfold Consulting and Conestoga-Rovers and Associates were contracted to update the last economic impact study. The resulting report, using data to the end of 2007, highlighted the critical importance of the mining and mineral sector to the economy as well as to the social fabric and local communities in Nova Scotia – essentially our 'core values'. The full report can be examined at the following website: <http://www.gov.ns.ca/natr/meb/pdf/08ofr01.htm>. It can also be requested through the Nova Scotia Department of Natural Resources library as Open File Report ME 2008-1.



While reading this report, two points should be taken into account: first, production, employment figures and investments are reported directly by the operators either to the Nova Scotia Department of Natural Resources, Natural Resources Canada or Statistics Canada. Secondly, spin off (indirect benefits) and GDP are produced using standard models developed over time by the Department of Finance. Interviews were also conducted with industry participants to collect expenditure data for the initial baseline study.

The following highlights key points in the report. It recognizes that the industry plays a major role in the Nova Scotia economy and that this stems from a variety of activities including mineral exploration, mine development, mineral production, secondary processing, provision of goods and services to the industry and mine site rehabilitation or reclamation. The total economic impact associated with both primary and secondary processing activities is as follows:

Employment (person years)	GDP (\$'000,000)
Direct = 3,075	Direct = \$283.4
Indirect = 3,265	Indirect = \$205.2
Total = 6,340	Total = 488.6

Although this economic analysis includes such things as transportation, capital equipment, engineering and maintenance, contractors and energy costs, it does not include downstream use such as material value of products that are used in paints, plastics, fertilizers, chemicals, cement, lime, plasterboard, ceramics, glass, paper or process aids. Another notable comment in the report confirms that many of the services provided to the mining and mineral industry are done by highly qualified and skilled professionals in Nova Scotia firms. In addition to urban areas of the province, the industry plays a pivotal role in rural communities. The direct, full time mining jobs alone contribute a total payroll of about \$96M, jobs that are found largely in rural areas.

From the report: *The mining industry in Nova Scotia ranks "Number One" in terms of average weekly wages paid among the various resource sectors.*

- *the average wage in the primary mining sector is over \$1,000 per week.*
- *this is more than 40% higher than the average of all economic sectors.*

Processed mineral products manufactured in Nova Scotia include clay products, Portland cement products, bricks, marble, building stone and slate, gypsum and salt products. According to national data, the mining industry ranks among the top ten industries in the country in terms of productivity. The average value of output in the industry of Nova Scotia has increased by 28% to \$182,000 per person according to the economic impact report.

As of 2006, the primary value of production was dominated by gypsum, crushed stone and salt (37.2%, 26.1% and 19.1% of total production respectively). New data will be interesting to integrate into the report as the mining industry changes in Nova Scotia. A number of new projects such as recently opened Zn-Pb Scotia Mine at Gays River operated by Acadian Mining Corp., the Moose River gold project of Atlantic Gold NL and the highly anticipated Donkin Coal project in Cape Breton of Xstrata Donkin Coal Alliance will no doubt change this report significantly. These projects should create another estimated 450 full time, high paying jobs for rural Nova Scotians and could possibly more than double the industry's GDP contribution to the province.

The economic, social, health and environmental benefits of mine and quarry reclamation projects continues to play a major role throughout Nova Scotia. Even a quick read through this economic impact study will highlight the importance and significance of the mining and mineral industry to the residents of this province. We are a resource-rich province that is



capable of making Nova Scotia economically self-sufficient. The industry sees itself with an obligation to help keep residents employed in Nova Scotia with high paying, safe jobs. It's also possible to achieve this goal in a socially acceptable manner that meets all the legislated requirements across all jurisdictions.

Voluntary Planning Update - Tara O'Blenis-Wilson, Tripple Uranium

Minerals are among four topics being explored at a series of 26 meetings being held throughout the province to collect public input for a new natural resources strategy. A citizens engagement committee formed by Voluntary Planning began its round of public gatherings in Pugwash on May 12 and will continue them through to the final meeting June 12 in Antigonish.

The sessions, all scheduled for between 6:30 p.m. and 9 p.m., allow participants to speak to forests, minerals, parks and biodiversity as the province strives to create a new "long-term plan for its natural assets," said Ron Smith, chair of Voluntary Planning's board of directors, in a press release. Biodiversity is described as the connectedness and diversity among and within plant and animal species in an ecosystem.

Robin Barrett, one of the eight volunteer committee members recruited to the project last fall, told a group of about 95 people in Dartmouth May 20 that he and his colleagues will strive to marry differing visions and values in presenting their findings to the province. "This is the foundation piece," he said of the public consultations. He said the group may hold more meetings "if needed for clarification" before compiling its findings for government by year-end. Beyond public discussion, written submissions are encouraged and will be accepted until July 31. Phone calls and Internet communication are also invited.

This first phase of the undertaking will inform a more detailed analysis next year by a panel of independent experts. The outcome of that effort will be turned over to the Department of Natural Resources to use in designing the new strategy in 2010.

Participation at the meetings had varied by location by the end of the second week of sessions. Numbers had been high for the Blockhouse meeting, an estimated 250 people, and New Minas, a crowd estimated at 160. Forestry was the topic most favoured by speakers. Minerals drew a smaller percentage of remarks relative to audience size. Most comments were unfavourable, but not all. Many of the objections were voiced by representatives known for their association with anti-uranium and anti-mining groups.

The number of sessions being held over the five-week period and the voluntary nature of committee service has resulted in members dividing the meetings among one another. This has allowed up to three meetings in different locations to be scheduled on the same evening.

At least two committee members, a facilitator, and staff from Voluntary Planning attend each session. A microphone records comments and any material created from work in the break-out groups used at some gatherings is collected for later review by all committee members.

Gatherings have followed a common format. A welcome and introduction by committee members on hand are followed by a facilitator inviting participants, who are seated in a circle, to share their vision for the four resource areas being considered. A microphone is passed around the meeting circle and those who wish to speak do so.

A second part of the program has been precluded at some sessions by the number of people wishing to speak to the meeting as a whole. Break-out group work, where



participants collect in four smaller groups to consider each resource area's benefits, issues, and priorities and later present their conclusions to the entire gathering, has not occurred at some of the larger meetings.

An arm's length government agency, Voluntary Planning has been spearheading public input into the creation of new or redesigned government policy for more than four decades. Accountable to the Treasury and Policy Board, its board called for volunteers to serve on the natural resources strategy project last fall.

To spark discussion and frame written briefs, Voluntary Planning has drafted a "conversation starter" about each of the four resource areas being studied – forests, minerals, parks, and biodiversity. Following is an excerpt about minerals from that document, available as a handout at meetings or online at http://vp.gov.ns.ca/files/u4/conversation_starter.pdf.

MINERALS

Every year in North America, more than 21 tonnes of new minerals are required for each person to maintain our standard of living ¹. Virtually everything we build or use either contains mineral products or is produced by machines that are built from minerals. Nova Scotia has a long and rich mining history producing fuels, metals and building materials on a continuous basis for more than 300 years.

Mining projects are often controversial due to their potential impacts on communities and the environment. Much of Nova Scotia's current mineral production is used within the province for things like road construction, residential buildings and power generation.

However, many of our raw materials are shipped elsewhere for manufacturing. The concept of sustainable mineral development presents major challenges to society, given the demand for raw materials and the associated economic benefits, and the environmental and social impacts that are a consequence of this development.

¹ **Mineral Information Institute, Golden, Colorado, 2002. *www.mii.org***

Nova Scotia Power Commercial and Industrial Custom Energy Conservation Program Submitted by Ian Paton

Helping customers save electricity is a fundamental part of NSPI's long term plan for reducing environmental emissions and meeting load growth. NSPI was recently given regulatory approval to offer the **Commercial and Industrial (C&I) Custom** program, which provides financial incentives to business customers for electricity-saving projects.

Eligible Customers

The C&I Custom program is available to medium and large commercial and industrial customers, typically having 250 kVA (kW) or higher monthly demand. Smaller facilities may also be considered. Large facilities (typically 25,000 square feet or more) in the design or construction phases are also eligible.



How it Works

Incentives will be paid for electricity-saving measures or options that would not be implemented without financial assistance. For example: a customer is purchasing equipment and could choose a more efficient option but the incremental cost does not meet their payback requirement. NSPI would pay the customer an incentive to buy the more efficient option. The customer could finance the remaining incremental costs at zero percent interest, with repayment on their electricity bill.

Incentive for Preliminary Energy Audit

Customers who have already identified possible measures may not require a preliminary audit. Other customers may wish to have a quick, high level audit, the results of which can be used to define the scope of the feasibility study. To assist in this phase, NSPI will:

- Recommend qualified third party assistance, if needed;
- Pay up to 100% of customer costs for a cursory walk through energy audit.

Incentive for Feasibility Study

Feasibility studies may be needed to develop detailed savings and cost estimates. The study reports will be brief, typically two to three pages, plus appendices as needed for supporting information. To assist in this phase, NSPI will:

- Pay up to 100% of customer costs for feasibility studies;
- Provide a template and content guidelines for use in completing the studies;
- Provide test equipment that the customer or their consultant can borrow at no cost.

NSPI may accept existing feasibility studies that meet content guidelines and remain relevant, although no incentive will be paid toward their cost.

Incentives for Projects

The dollar amount paid for each project will vary, depending on the specific needs of the customer and the measures involved. A maximum incentive of \$500,000 will be paid for a single project. NSPI will pay incentives as a lump sum or at predefined project milestones.

How to Participate

The program will officially launch by May 31, 2008. NSPI is now seeking C&I Custom projects for implementation after that date. Customers may contact the following if they would like to participate.

Chuck Faulkner
Sr. Technical Advisor
Conservation and Energy Efficiency
Nova Scotia Power Inc.
Phone: (902) 428-6146
chuck.faulkner@nspower.ca

