House of Commons
Chambre des communes
Canada

House of Commons Standing Committee on Finance – Pre-budget Consultations 2013

This brief is submitted by:

(●) **an organization** **Organization name:** Canada Mining Innovation Council

or

( ) **an individual** **Name:** _____

Topic: Innovation and commercialization

*Recommendation 1: Please provide a short summary of your recommendation.

Provide a direct contribution of $6M, $2M per year for 3 years to enable the organization to accelerate its success building consortia, addressing the largest challenges in the mining industry, encourage investment by the industry, facilitate the adoption of new technologies and practices in the industry and address labour productivity challenges.

The funding will be matched approximately 10:1 by industry through CMIC memberships and direct financial support for research, development and commercialization projects across Canada.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

$5 million -$9.9 million

3 years

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

The mining industry currently provides direct contributions to the federal, provincial and territorial governments of $9 billion through taxes and royalties. Incorporating the 3,200 mining supply companies and their employees and the 330,000 individuals employed by the mining industry across Canada fiduciary inputs to the federal government are easily greater than $10 billion annually. A direct investment of $6 million through foregone taxes represents less than 0.1% return on the current investment to the government from the mining industry.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

Beneficiaries of this recommendation include: the Canadian mining industry by the development of technology to reduce costs, increase efficiency and therefore revenue, address environmental concerns and ensure the industry is sustained as a global leader and major employer; Academia by research and applied research programs with closer ties to industry; The Government of Canada by significant increases in the investment by the industry in innovation and increased tax and royalty revenues; and other sectors by providing new markets for technologies in Canada and abroad and new employment.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

From mining come the highways, electrical and communications networks, clean-energy technologies, housing, automobiles, consumer electronics and other necessities of modern life. This investment would protect an incredibly important social and economic engine for Canada. It will sustain employment in the industry and will provide a new model for the training of highly qualified personnel through national partnerships to ensure that students are ready for the workforce. A significant positive impact to northern regions and Aboriginal Canadians will be realized.

Topic: Innovation and commercialization

Recommendation 2: Please provide a short summary of your recommendation.

Explicitly include mining in Canada's innovation agenda. Canada's current S&T strategy defined through the Science & Technology Innovation Council (STIC) identifies four general areas where Canada must provide focus and resources in order to be competitive on the global stage. Mining is noticeably absent. As a sector that underpins virtually all sectors of our economy, that is an early adopter of newer and riskier technology, is a lead adopter of ICT technologies, and contributes $590M in R&D and innovation annually, the mining industry as a whole must be recognized and supported.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

$1 billion or more

5 or more years

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

There is no explicit allocation of new funding or re-allocation of existing funding but rather recognition of mining innovation in general. Current funding programs look for proposals, either solicited or unsolicited, to be aligned with the key areas identified by the STIC report. A lack of direct alignment significantly decreases any possibility of success. Proponents are often attempting to "fit" proposals into categories which further reducing success and decreasing the efficiency of existing vehicles.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

Beneficiaries include: Canadian mining sector including mining supply companies by providing efficient avenues for conducting RD&I activities directly or indirectly; Academia by providing programs focussed on activities relevant to the industry, increasing collaborations and addressing a critical shortage of workers; The Government of Canada through significant increases in business innovation investment by the industry and increased use and efficiency of existing programs; and Canadians as an increased national focus on mining innovation will help the industry be sustainable into the future.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Mining underpins virtually every aspect of modern life and every sector of our economy driving economic growth and prosperity. Products and technology developments fuel advances that enhance health, environmental and social wellbeing across Canada.

Specifically, mining provides the necessary investments, infrastructure, employment and societal benefits to remote, northern regions of Canada. As Canada's largest employer of Aboriginal Canadians, the mining industry provides and will continue to provide significant positive impact through job creation in remote northern regions.

Topic: Please select from the pull-down menu

Recommendation 3: Please provide a short summary of your recommendation.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

Please select from the drop down menu

Please select from the drop down menu

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Please use this page if you wish to provide more explanation about your recommendation(s).

The recognition of the incomplete linkage in Canada's mining innovation continuum between the development of new scientific knowledge and commercialization in Canada's innovation agenda resulted in the creation of the Canada Mining Innovation Council (CMIC). We instigate innovation through coordination of industry-driven research, development and commercialization. This is achieved by developing consortia of industry, research institutions and innovation centres to focus and deliver the techniques and technologies required for the mining industry to increase its global competitiveness. The CMIC Life of Mine Roadmap provides a structure through which all aspects of the sector's primary activities, from mineral exploration through extraction and processing to remediation, are linked together for increased industry effectiveness and efficiency. Canada's mining sector quickly embraced this unique concept, with senior company representatives volunteering to chair CMIC's technical working groups and to lead its Board of Directors. The federal and provincial natural resource and innovation-related departments, industry associations and Canadian academic institutions also embrace CMIC as evidenced by the financial support and the present enrolment of over 87 members and over 200 volunteers. CMIC has evolved into a more inclusive and unique ecosystem, with strong interest and participation from other sectors such as ICT, clean-tech and aerospace/defense that may provide the breakthroughs required for advancing change in the mining industry. This early support was quickly translated into results. In a little over 2 years, CMIC's Exploration technical group and key university researchers visualized, formulated and implemented the joint CMIC-NSERC 5 year, $13M Footprints Project designed to address Canada's declining metal resource inventory. This project has the financial support of 28 major and mid-tier mining and exploration companies, plus a large proportion of Canadian service providers and a network of 24 Canadian universities. This request is to enable CMIC to accelerate the remaining 6 programs in the areas of mining (surface/underground), processing, energy, environmental stewardship and HQP. Funding is targeted at 3 temporary program managers to transition these groups to live technical projects, seed capital for programs to be levered with industry, federal, provincial and international funding vehicles, technical support (e.g. IP management) and knowledge dissemination. No funding will be expended on core CMIC operations. Once this critical mass of projects is achieved, CMIC will be self-sustaining through income from membership and managing the project portfolio. We will ensure increased investment by industry in innovation, close the innovation gap and help industry address escalating costs (10%-15% inflation in 2011). We expect to lever the investment by 10x ($60million) and expect a longer-term economic benefit of 100 fold ($600million).

*Please note that at least one recommendation must be provided