

# Northern Interior **Mining** Group

**NIMG**

Minerals North 2009  
Fort St James

# NIMG

## Northern Interior Mining Group

- Increase Regional Business Awareness
  - Highlight regional “cluster” approach to economic development and focus on business networks as a key step to developing business for this region.
  - Overview of NIMG Business Database Project and Next Steps
- Outcomes
  - Increase collective understanding and buy-in
  - Anticipate issues/ identify solutions
  - Develop critical mass of collective understanding and purpose to affect change

# Clusters.....What is it?

Michael Porter and Cluster Theory

*"**Clusters** consist of co-located and linked industries, government, academia, finance and institutions for collaboration."*

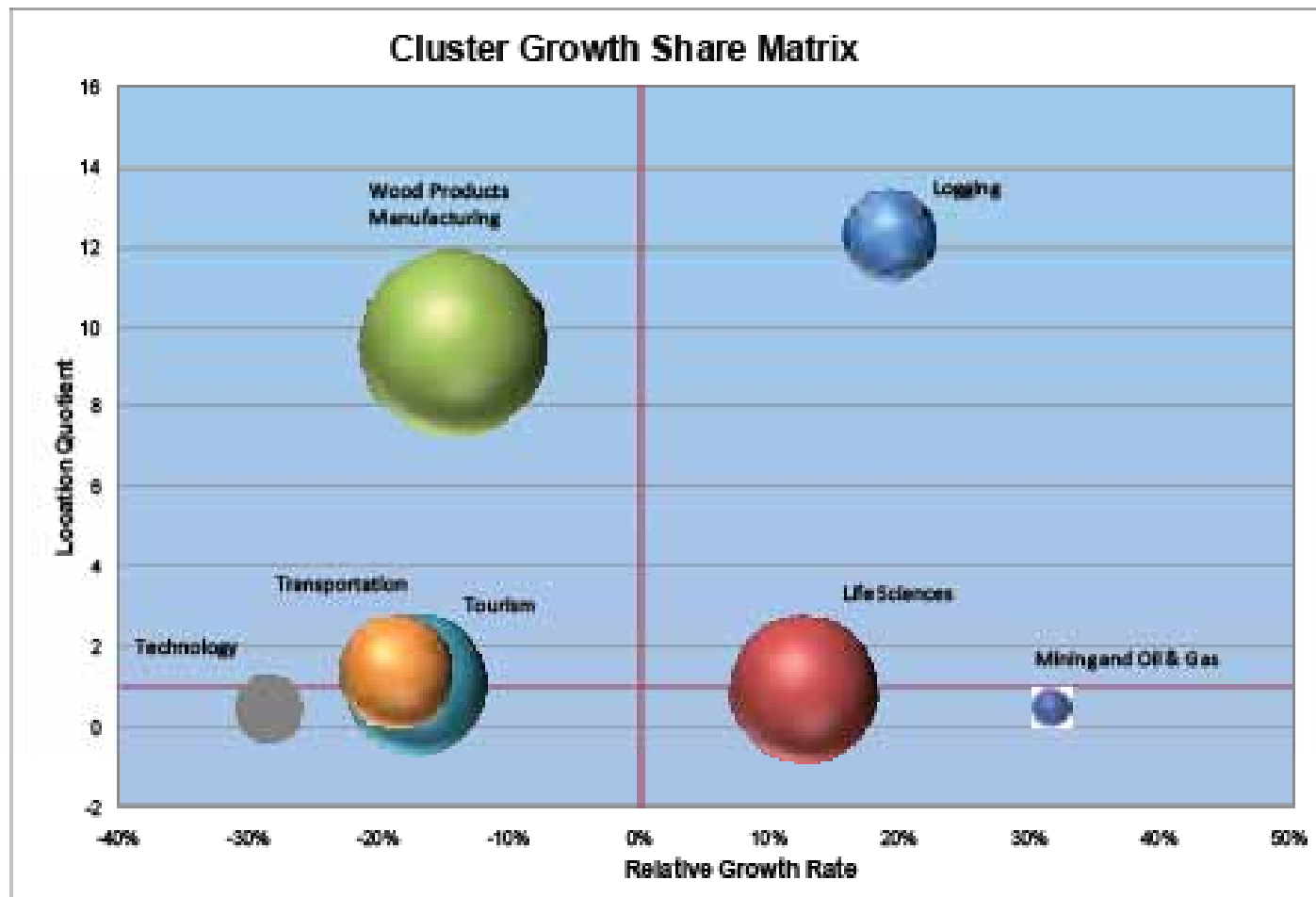
*"**Cluster initiatives** are organized efforts to increase the growth and competitiveness of clusters within a region, involving cluster firms, government and/or the research community."*

*Clusters are regarded as key drivers for economic development because of their role in fostering high levels of **innovation**".*

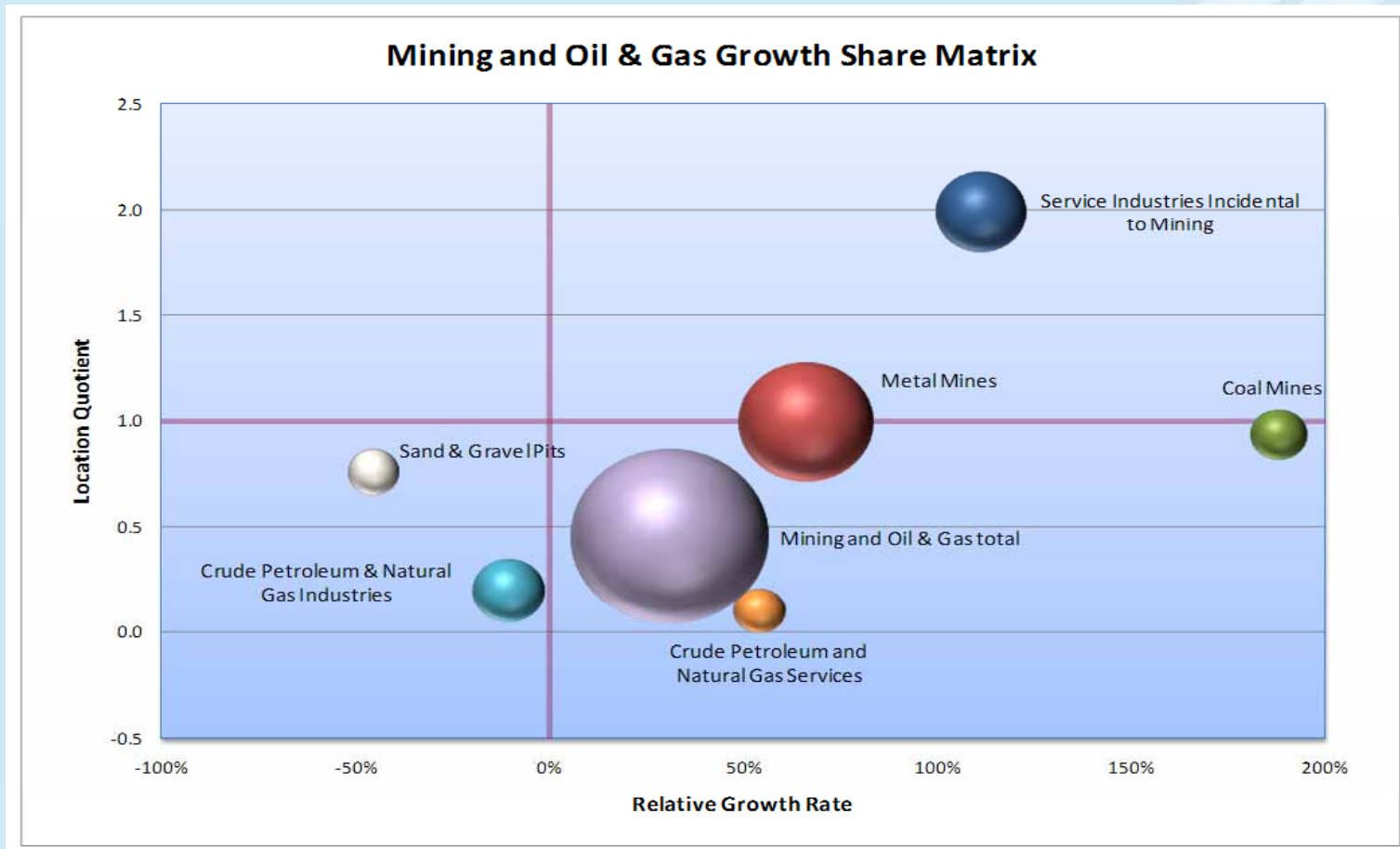
# North central BC Clusters

(December 2007)

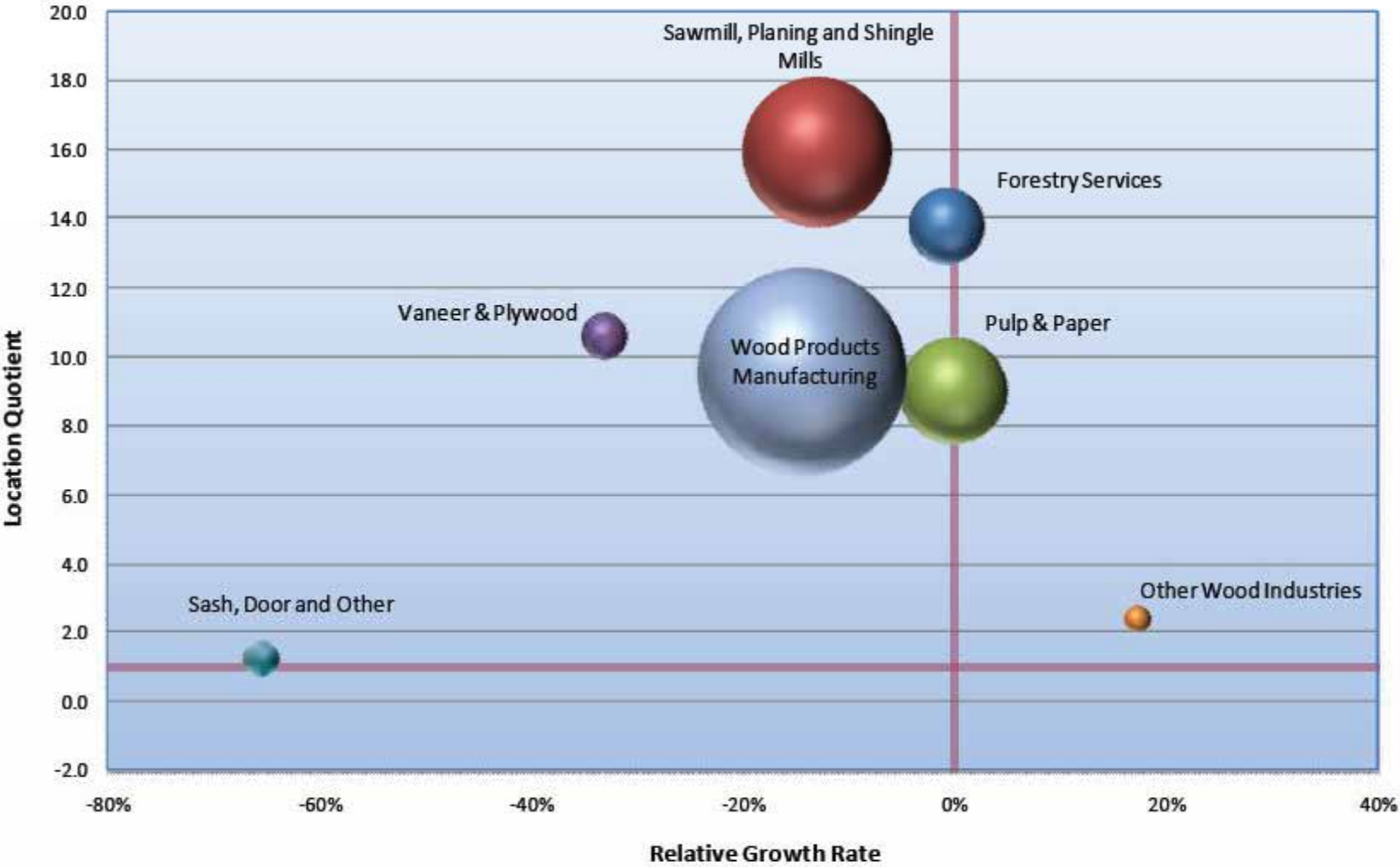
## Regional Profile



# Snapshot of North Central BC Mining....



# Wood Products Manufacturing Growth Share Matrix



# Northern Interior BC

## Strength

- 14 X national average of knowledgeable/ skilled “forestry services” (Source: MNP, December 2007)
- World class expertise operating, building and maintenance of pulp and saw mills (Source: KPMG, 2005)
- Workforce is familiar with resource sector

## Weakness

- Transferability: Sawmills to Mines
- Lack of understanding/ awareness of “mining”
- Mine procurement practices are different than forestry

# Pick something and run with it (April 2008)....The Opportunity

- Focus upon “**manufacturing, fabrication and services-related** to mining” (Core)
- Increase awareness of mining (especially for a transforming forest based economy) e.g., Mine Procurement, etc.



# Pick something and run with it...

In north central BC, the “Mining” cluster has, so far:

- Name: Northern Interior **Mining** Group, NIMG
- Identified a future: *The “Northern Interior **Mining** Group” believes north central BC can be the regional goods and service hub to support and increase manufacturing, fabrication and services related to mining.*
- *Stepping stones to get to a future...*
  - Develop a mining supplier guide for north central BC
    - Identify suppliers and fabricators
    - Develop a directory/ website
    - Make it customer friendly--valuable

# Pick something and run with it

- Increase awareness of human resource requirements to support the “core” and “mining”
  - Identify human resource requirements for mining (Source: BC Mineral Exploration and Mining Industry Labour Shortage Task Force, June 2008)
  - Identify human resource requirements for the CORE--manufacturing and related services to mining (Source: [www.ateec.ca](http://www.ateec.ca))
  - Promote and communicate human resource requirements to CNC, PGNAETA, and UNBC—In process
- Increase regional business understanding with mine procurement practices
  - Identify and bring mine procurement specialists to Mining Clusters
  - Support and encourage other regional groups, e.g., CIMM, Northern Chapter, June 2009
- Engage and establish contact with mines, manufacturers and related services

# NIMG Business Services to Support Mine Development

Suppliers	Inputs	Process	Outputs	Customers
<p><b>Manufacturers/ service providers</b></p> <p><b>NIMG; 9 Chamber region; CILA; Construction Association</b></p> <p><b>75 Businesses Self-identified</b></p> <p><b>2700-4700 employees</b></p>	<p><b>CAMESE (Canadian Association of Mining Equipment Services) definitions</b></p> <p><b>48 definitions asking business to self-identify core and secondary services for mines</b></p>	<p><b>Market/ Promotion Events:</b></p> <p>Minerals North 2009; Roundup; Canadian Institute of Mining &amp; Metallurgy, Northern Chapter</p> <p>1:1—Visit mine sites—procurement agents</p> <p>Promote core and secondary business</p>	<p><b><u>Market share</u></b></p> <p>•Develop a Regional Supply chain</p> <p><b><u>Track changes</u></b></p> <p>•Yr 1, 2 &amp; 3 (Employment)</p> <p>•# Mines</p> <p>•# businesses</p> <p><b>Develop efficient, just in time delivery systems for</b></p>	<p><b>Mines:</b></p> <p>Gibraltar, Endako , Perry Creek/ Brule, Trend, Mount Polley, Kemess, Huckleberry</p> <p><b>Inter regional:</b></p> <p>Core, support, soft and hard</p>

# BUSINESS IDENTIFICATION PROJECT

Understand the regional supply chain

*Who and what is the manufacturer/ service supplier chain currently and wanting to provide services for mine development and reclamation?*

Steps:

- November 2008 hired a third-party consultant
- Completed March 2009

# NI **M**G Business Identification Results

- 75 businesses
- 4700 employees
- Median: 18 employees per business
- 75 businesses identified 21 of 48 core business types
- Also, 23 of 42 businesses identified secondary areas of expertise

# By Employment: Top 12 Primary Business Types (March 31, 2009)

Core Business Service	# Business	Employment	Percentage
Surface mobile equipment and components	3	1036	21.9%
Hoisting Equipment	2	608	12.9%
Mine engineering & Contracting	4	435	9.2%
Mine site construction	10	405	8.6%
Electric power equipment	3	373	7.9%
Consulting geologists and Engineers	3	337	7.1%
Transportation equipment, assessories and services	8	330	7.0%
Management Consulting Services	6	250	5.3%
Education and training	4	106	2.2%
Hydraulic Components	2	104	2.2%
Safety services	4	87	1.8%
Closure reclamation and remediation	1	75	1.6%
<b>Totals</b>	<b>51</b>	<b>4146</b>	<b>4727</b>

# Regional Participation (March 31, 2009)

<b>Participation by Community</b>	<b>Total # Businesses Self-identified by Community</b>	<b>% (Compared to regional total)</b>
<b>Burns Lake</b>	<b>1</b>	<b>1.33%</b>
<b>Fort St James</b>	<b>1</b>	<b>1.33%</b>
<b>Mackenzie</b>	<b>3</b>	<b>4.00%</b>
<b>Prince George</b>	<b>55</b>	<b>73.33%</b>
<b>Quesnel</b>	<b>4</b>	<b>5.33%</b>
<b>Vanderhoof</b>	<b>9</b>	<b>12.00%</b>
<b>Vancouver</b>	<b>2</b>	<b>2.67%</b>
<b>Total Businesses</b>	<b>75</b>	<b>100.00%</b>

# Summary and Follow-up

- **Identified** regional business to support mine development
  - **Develop** Continuous/ Updateable Database for Mines and for the region's business
  - **Communicate** and **modify database for** mines and business
- **NIMG will provide** regular regional advisories, **invite** mine procurement specialists to business—Mining Cluster Musters
- **Use** the “voice of the customer” (Mines) to describe/ map procurement practices
- **Remain open, collaborative, and bottom-up**



# Acknowledgements

## NIMG Leadership Group

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- Jason Oliver, Geotech Drilling
- Jamie Hull, Wolftek Industries
- Glen Wonders, Terrane Metals

## Funders

- Western Economic Diversification
- 16/97 Economic Alliance Members
- Ministry of Community Development

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***Thank you***