

# Assessing the Economic Impact of New and Existing Mining Operations

## The Need for Economic Impact Assessment in Today's Environment

Increasingly, economic impact assessments are required to raise funds from both public and private sector sources. In the mining industry, they are used to quantify the economic benefits that typically flow from new mining operations. Such data is used by policy makers at all levels of government and by industry strategists.

Doyletech's proprietary economic impact model has been used to assess several new mining operations; such as, the proposed McFaulds Lake "Ring of Fire" mining complex in Northern Ontario, Canada.

Our assessments illuminate the spending and employment benefits that mine development and operations bring to:

- The **local economy** (i.e., the community itself);
- The **regional economy** (i.e., the region around the proposed or operating mine).

Not only does the assessment identify the net additional spending generated by the mine, it can quantify the tax revenues to the different levels of government. Typically, we run the model for two phases: (1) **Construction Phase**, in which jobs and spending are generated, but over a fixed period of time only, after which the plant becomes operational and no further construction spending or jobs are created; and (2) for an **Operating Phase** in which jobs and spending are generated on a continuing, annual, basis.

## Assessing Mining Projects Using Doyletech's Economic Impact Model

The econometric model can be used to isolate individual project investments such as a new mine, a new railroad line, or a new processing plant and then calculate, under a variety of scenario conditions, what the returns would be.

The model can be run either to assess positive impacts from a new investment, or negative impacts from a shut-down or closure. In addition to the McFaulds mining project noted above, other recent applications include assessing the impact of:

- The new IGPC Ethanol and Greenfield Ethanol plants in Ontario;
- The new Peterborough Regional Health Centre;
- The new hospital construction in North Bay and Sault Ste. Marie;
- The Soulanges Canal Recreation and Tourism Complex;
- Investment in local communities in the Nunavut; and
- A new manufacturing facility in Vaughan, Ontario.

### Mining Project Economic Impact Assessment Services for:

Economic Development Officers  
Mining Company Officers  
Government Planners  
Environmental Assessment Engineers  
Community Investment Groups  
Corporate Social Responsibility Managers

### For more information, contact:

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