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The next generation

Chris Hodgson takes over as OMA chief

By Jane Werniuk

The Ontario Mining Association is starting the year with a new leader at the helm. Chris Hodgson joined the organization in October 2004, the first new president in 20 years. (See *CMJ* December 2004, p.26 for an article on Patrick Reid's retirement.) *CMJ* interviewed Hodgson at his Toronto office in mid-December.

Although he is new to the mining industry, Hodgson has a great deal of relevant prior experience. He was a member of the Ontario legislature from 1994 until 2003 and spent eight years in the cabinet, four as Minister of Mines. His comfort level with the major issues in the industry is evident, as is his willingness to take on responsibility.

He could have gone to different sectors in this new career, but Hodgson chose mining. "It's one of the major industries in Canada," he explains, "and one of the few in which Canada is a world leader." As Mines Minister, he learned that mining concerns the whole province.

"The role of the association," says Hodgson, "basically is to make sure that mining remains competitive in Ontario. If we want to keep mining thriving and producing jobs and giving economic benefits to Ontario, we have to make sure our jurisdiction's costs are competitive. That starts with access to land base and goes right through to the tax rates, energy costs, regulations and permitting.

"We have to make the government aware of our industry. Any changes and advances in technology have an impact on rules and regulations. Our members also need to recognize that government has different and competing priorities.

"The OMA has had a solid reputation since starting up in 1920, of working with governments and the community at large, as opposed to being confrontational." The fact that he was a Progressive Conservative Member of Parliament has not hampered his relationship with the current Minister of Mines, Rick Bartolucci, and his Liberal majority Government. "When I was in Government I tried to find consensus and got along quite well with members of the Opposition.

Today's top issues

"There are always urgent challenges that need to be addressed," says Hodgson. "Bill 133, before the House right now, deals with monetary penalties for spills. Quite frankly, we think that will hurt the environment. The bill proposes that individual employees and directors of a company can be charged for a spill, and the definition of 'spill' has been

changed. If it's viewed in the eyes of an inspector to cause an adverse effect maybe in the future, employees can be charged.

"We want to encourage employees to report spills. We want workers to have incentives to tell us exactly what's going on in their operations. The Bill 133 approach could be overkill. If this self-reporting [Bill 133] becomes a method for the Government to raise revenue, then that reverses the incentive.

"Environment Minister Leona Dombrowsky has agreed to meet with our association members later this month, and we'll present our case then."

Hodgson identifies one of the most important long-term issues as the cost and reliable supply of energy. "Metal prices are determined by the world market. Right now, nickel is double the historic average price, but anyone who's been in the business knows that there's cycles that every commodity goes through. We want to make sure that, even when commodity prices drop, we still have input costs in the mid-range, so that our product can be sold, and the high-paying jobs will still be here. There are only so many inputs that go into your costs. Energy is a large component of the cost of production in our members' operating mines. We need to have some stability and predictability around that cost."

He mentions several other ongoing issues. The OMA wants to build better First Nations relationships. It wants the industry to continue to be one of the safest and to keep improving its environmental record. "The reality for a lot of our members is that their orebodies are being mined deeper," says Hodgson. "How do you mine deeper orebodies and maintain, or improve, cost controls and emission reductions? These are challenges that are not going to go away."

He adds: "We want to continue to reach out and form partnerships with other associations, in areas of common interest. Energy is a great example, with the Association of Major Power Consumers in Ontario (AMPCO, the large electricity users), and the Stakeholders Alliance Coalition. In terms of Bill 133, in the last month we were able to put together 23 associations that speak with one voice." He would also like the OMA to reach out to responsible environmental organizations. "I think there is a lot of common ground between some of them and our members."

Changes in near future

For the six employees of the OMA, the biggest change may be getting used to a new office location, still in the Toronto area at 5775 Yonge Street, Suite 510, North York, ON, M2M 4J1.

An internal change that will soon become evident to outsiders is improved information flow, both with the members and the public. Hodgson is working on a communications plan, the focal point of which will be the launch of a new website.

"This is a high tech industry," explains Hodgson. "From mine managers to the shop floor stewards to the boards of directors, people get most of their information now through the Internet or through their computer screens.

We'll be trying to get more of our content online. We will try to communicate more frequently and more directly with our members and we will use the website to communicate more effectively with the public. The good news is that we already have a website that gets a lot of traffic. We'd like to build on that. Our members have a tremendous amount of information and good news stories that should be shared with the public and schools. They should be a click away."