

Assayers Foundation of British Columbia



DRAFT MINUTES
of an
Meeting of the British Columbia Assayers Foundation Advisory Council
held by conference call

January 27th, 2010

Member	Role	Affiliation	Address
Mac Chaudhry	Examiners Board Chair	BC Gov. (Ret.)	Victoria, BC.
Scott Daniels	Chair-Advisory Council	Teck Metals	Trail, BC.
Dave Lefebure	Member, Advisory Council	BC Government	Victoria, BC.
Ray Lett	Secretary-Advisory Council	BC Government	Victoria, BC.
Stephen Rowins	Member, Advisory Council	BC Government	Victoria, BC.
John Gravel	Member, Advisory Council	Acme Analytical	Vancouver, BC.
Keith Rogers	Member, Advisory Council	ALS-Chemex	N.Vancouver, BC.
Bill Clifford	Member, Advisory Council	Anachemia	Richmond, BC.

Agenda

1. Report on ALS & Acme Labs (plus other major BC Mineral Analysis Labs) and their management's opinion on possible legislation that would require "Assayers" be licensed - including related membership dues. (Scott)
2. Report on J. Gravel or K. Rogers willingness to participate in a Certified Assayers Foundation promotional session with another lab (IPL-Inspectorate, Assayers Canada, or other) to help promote the work of the Foundation & Advisory Council and to get feedback on issues of importance: Assayer Certification Program sustainability, membership (Scott)
3. Availability of a list of contact information for "Assayers." (Ray)
4. Update from Bill Clifford regarding his plans and/or activities as Membership Chair for 2009-2010 and his work to "solicit corporate member contributions."
5. Investigate timing issues for impending legislative reviews that might allow us an option to have The ACT revised, sooner than later. (Dave)

Summary of Meeting with John Shortreid & Jason Jung, Applied Science Technologists and Technicians of BC – (ASTTBC) on January 21st 2010.

Scott Daniels – There are 8 key outcomes from a meeting of Ray Lett, Scott Daniels with John Shortreid & Jason Jung (ASTTBC) aimed at developing a model for incorporating the BC Certified Assayers Program within ASTTBC. Meeting notes are posted on the bcassayer web site.

- A. **WHAT'S IN IT FOR MEMBERS?** The January 21st ASTTBC meeting agenda included a list of ideal requirements from a licensing body: Jason will provide Ray & Scott with a list of what ASTTBC would provide to licensed assayers for a \$300 annual renewal fee.

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- B. WHAT MODEL WITHIN ASTTBC. ASTTBC “Technology Specialist” model recommended.
- C. ADVISORY COUNCIL VERSUS FOUNDATION. Difference clarified by Scott & Ray for John Shortreid, ASTTBC.
- D. CHANGES TO MEMPR ACT. Clear agreement that any model developed between Assayers & ASTTBC would only be feasible with a change to the MEMPR ACT.
- E. HOW MANY DO WE NEED? Critical-mass numbers for financial feasibility of a model within ASTTBC is much lower than previous discussions. John Shortreid mentioned that they have some Technologist Specialist disciplines with as few as 38 members. During previous discussion with ASTTBC a number of 500-1000 members were suggested as needed to form an independent, regulatory professional body.
- F. CERTIFIED VERSUS LICENSED. In models being proposed by ASTTBC, John Shortreid was very clear that their preferred wording was “Certification” of members with annual licensing. The past 115 years understanding of Government “Certified” Assayer would likely have to change.
- G. OUTCOMES BASED VERSUS CREDENTIALS BASED. There is currently a paradigm shift in ASTTBC & similar organizations towards an “outcomes” based “certification” versus a “credentials” based “certification.” Rather than submitting credentials, a candidate for certification would have to provide evidence of competency e.g. passing the assayers certification examination.
- H. TECHNOLOGY REGISTRATIONS CANADA. There is more information about national registration for technologists on <http://staging.technologyregistrationscanada.ca>
- I. ASTTBC COSTS? ASTTBC estimates that they will need to charge “members” an annual renewal fee of \$300. It was not clear how much, if any, of this would help to cover the anticipated costs of the work of the current Board of Examiners, Advisory Council & Foundation. Implications of this ASTTBC cost along with a forecasted budget for 2011 are in the attached spreadsheet and a figure below. There is no indication of the amount of an initial registration fee.
- J. COSTS FOR CERTIFICATION EXAMINATIONS. John explained that in the ASTTBC model of running their business, all costs related to examinations were born by the incumbents –a cost-recovery basis, i.e. the costs for BCIT and the examiners time & travel costs.
- K. CONCLUSION. The ASTTBC felt that this endeavor of a licensing model for Assayers continues to be worth pursuing and welcomed the possibility of another meeting.
- L. GRANDFATHERING. The issue of “grandfathering” existing assayers into a new model was not discussed.

Discussion on Agenda Items 1 & 2:

Scott Daniels: ASTTBC have an annual \$300 licensing fee for technologists. There was no indication of an initial registration charge. The 2010-2011 Assayers Certification budget is \$24,700. Industry and government contributions are presently insufficient to sustain the program after 2011. A budget of \$75, 000 would be sufficient to adequately compensate volunteer examiners and others for their services and to have sufficient funds for operating the program. An ASTTBC – certified assayers model would require individuals to pay over \$1000 each year including a \$300 ASTTBC fee to generate revenue of \$75,000 (Figure 1).

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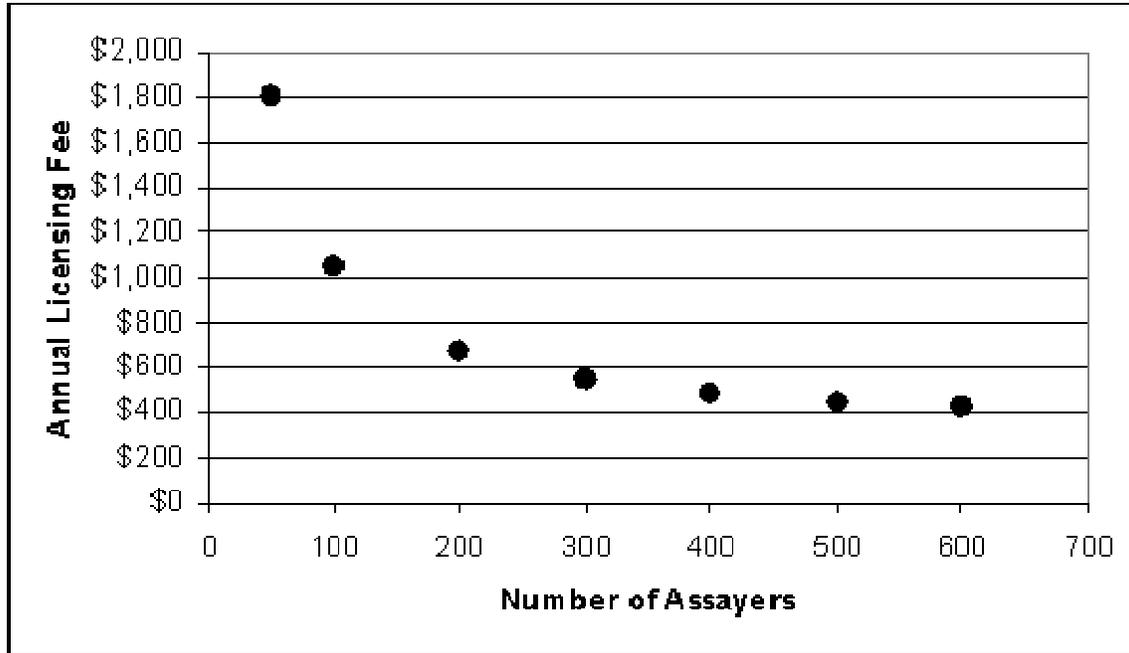


Figure 1. Estimated ASTTBC-BC Assayer Licensing fee based on number of contributors

John Gravel: There are only 50 to 60 certified assayers working in BC and it is very unlikely that they would be willing to pay > \$1000 annual to maintain a license through an ASTTBC model.

Scott Daniels: It is true that there may only be 50-60 certified assayers in BC labs, but sufficient revenue might be generated if the annual licensing was mandatory for all mineral laboratory technical staff (i.e. certified assayer, non-certified technician, sample preparation technician). An increase in the number of licensees could decrease to annual fee to the \$300 range. A hazard of requiring all laboratory staff to be certified is there would be resistance to fees payment by individuals and laboratory management.

Keith Rogers: It is unlikely that laboratory management or individual staff members would be willing to pay the fees. If a laboratory paid the fees for staff the cost might be ~ \$90,000 annually.

Bill Clifford: The benefit of an annual license fee to an individual needs to be determined.

John Gravel: An annual payment of ~\$1000 paid by an individual or employer is not economical. Also, where labs are international & have non-BC branches the BC licensing fees for technicians the fee could be avoided if the sample preparation and analysis were carried out outside of BC.

Keith Rogers: Commercial laboratories would also have other internal costs to administer licensing fees that would further impact on a company net profit.

Steve Rowins: A high turnover among lab staff especially in sample preparation would increase the number of potential license fee paying technicians and raise the cost to a commercial lab.

Scott Daniels: A two tier licensing model would recognize both licensed technicians and certified assayers working together in commercial laboratories. The Teck, Trail, laboratory has a relatively stable work force and a two tier licensing model might be feasible. However, there is a consensus from Acme and ALS-Chemex that a ~\$300 licensing fee would not be accepted.

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John Gravel: There is no BC Securities Commission requirement that assays and analytical results included as part of a 43-101 qualifying report are carried out by a BC Certified Assayer. The responsibility for credibility of the data lies with the qualified responsible professional writing the report. The need for a fee-paying licensed technical and/or certified assayer is less critical.

Mac Chaudhry: Sample preparation and analysis or assaying are closely linked tasks in commercial laboratories. It is difficult to separate the responsibility of technician and assayer when completing the work.

Scott Daniels: The MEMPR Act only applies to analytical and assay work carried out in BC. If samples are shipped outside of BC then the act does not apply and the work can be carried out by anyone.

Mac Chaudhry: Commercial mineral analysis and assaying carried out in BC should be encouraged by the argument that BC Certified assayers guarantee high quality work and credibility of results. Sample should not be sent off-shore to avoid compliance with the MEMPR Act.

Bill Clifford: There are clear financial benefits of the BC Certified Assayers program to major laboratories (e.g. ALS-Chemex and Acme), and other smaller commercial and mines laboratories (e.g. Barrick, GoldCorp, Teck). Anachemia and the Canadian Mineral Analysts have given financial support to the program. The two models proposed are funding from licensing fees (through ASTTBC) and funding through industry contributions with an annual target of \$75,000.

Keith Rogers: ALS-Chemex supports maintaining the BC Assayers program. Industry should be approached to determine if the program justifies contributions to maintain the proposed \$75 000 budget.

John Gravel: One hazard of an industry funded program are that it relies heavily on a fund raiser. The \$75, 000 for an annual budget may be difficult to achieve.

Scott Daniels: The proposed budget could be adjusted to ~ \$50,000 annually by eliminating some of the cost items (e.g. scholarships).

Dave Lefebvre: There is clearly a cultural shift from a minimum funding-volunteer program to a model where there would be adequate compensation for volunteer services.

John Gravel: Funding could be partly by donation and partly through a "Tax" on stakeholder organizations (including BCIT and MEMPR).

Mac Chaudhry: BCIT should be exempt since they contribute valuable services in kind by providing a laboratory space for the practical assayers examination. A reasonable annual budget to allow stipends for examiners, office expenses and examination test materials should be in minimum \$30 000. The ASTTBC model would mean that ASTTBC would require fees of \$300/year/person and industry would still have to pay for arranging the examinations.

John Gravel: Acme analytical could make a \$10 000 contribution to the Assayers Foundation. A workable budget is \$50 000 per year and laboratories could be invoiced for their contributions based on the number of employees.

Keith Rogers: Raising \$50 000 for the program is feasible.

Mac Chaudhry: An agreement for contributing funds from commercial laboratories should be formalized with a memorandum of understanding between laboratories and the advisory council.

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John Gravel & Keith Rogers: Joint agreement to formalizing contribution to the program.

John Gravel and Scott Daniels: Funding from government would also be appreciated.

Dave Lefebure: BC Geological Survey currently has a very small operations budget. Industry might stimulate more government funding by increasing the public profile of the assayers program since industry gains the greatest benefit from the program.

Bill Clifford: True, industry benefits from the program, but government gains revenue from increased BC laboratory business stimulated by the BC assayer program and from government taxation on commercial laboratory operation.

John Gravel: A back-of-the-envelope calculation would suggest that the Government benefits from approximately \$500,000 in annual tax revenues from the Assaying industries of BC.

Mac Chaudhry: More resources for the BC Assayers program might be available if the program were to be delivered by another government agency such as the BC Ministry of Advanced Education.

Dave Lefebure: BC Ministry of Advanced Education might be willing to deliver the program in the future. The feasibility of transferring the program can be determined.

Scott Daniels: The Spring Assayers Advisory Council meeting will focus on (1) creating a balanced budget of ~\$50 000 for the 2011-2012 year and (2) ensuring sustainability of key members of the examination board and advisory council.

Agenda Item 3 - List of contact information for "Assayers."

Ray Lett: Work is continuing on a list of BC Certified Assayers and others working in commercial laboratories with address, phone and email contact information. The list now has 87 certified assayers of whom ~ 50 have recent contact information. More work will be needed to update the list with reliable contact information.

Dave Lefebure: A contact list is essential to encourage contact between assayers and laboratory technical staff. Presently, there appears to be little contact between individuals working in the assaying industry.

Mac Chaudhry: Individuals working in the assaying industry should be strongly urged to provide contact information and participate more in the assayers program. The possibility of legislations changes might compel people to participate more.

Bill Clifford: A BC assayer newsletter distributed several times each year using the mailing list would encourage more contact among assayers and laboratories. Information about Canadian Mineral Analysts annual meeting could also be included.

Scott Daniels: There is an urgent need to encourage contact among assayers through the bcassayer site and a newsletter.

Dave Lefebure: Encouraging participation should be seduction rather than compulsion based on a threat of changes to the MEMPR because, in reality, changes could take several years.

Agenda Item 4. Update from Bill Clifford regarding his plans and/or activities as

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Membership Chair for 2009-2010 and his work to "solicit corporate member contributions."

Bill Clifford: Will continue to discuss financial contribution to the Assayers Foundation from different sectors of the BC Mining Industry including a process to obtain major funding from Acme Analytical and ASL-Chemex.

Agenda Item 5. Investigate timing issues for impending legislative reviews that might allow us an option to have The ACT revised, sooner than later.

Dave Lefebure: Rewording legislation is relatively simple. Passing a revised act through the legislative process is more of a challenge, because changes to the MEMPR Act might take 2-3 years before being passed into law.

Ray Lett: All BC legislation is reviewed every three years & the MEMPR Act is scheduled for review in 2011. Changes such as a policing function and a grandfathering clause might be included during a review then.

Next Conference Call Meeting – March 17th, 2010.

Action Items:

1. Scott Daniels to adjust the assayers program budget a target of \$50 000 for 2011-2012.
2. Bill Clifford to continue to discuss financial contribution to the Assayers Foundation from different sectors of the BC Mining Industry including a process to obtain major funding from Acme Analytical and ASL-Chemex.
3. Ray Lett to complete contact list.