

August 1, 2023

Executive Director's Message

If there is one problem that I've seen that everybody has in common, it's finding employees. And, SIMSA is best suited to address issues shared by a large group – to do things that an individual company cannot afford to do or it's just not practical.

So, SIMSA has launched a labour force development initiative that we have titled "Labour is Infrastructure."

SIMSA is currently tracking \$58-billion in major project spending in Saskatchewan over the next decade or so (see the "Saskatchewan Opportunities" list on the secured portion of our member database). This \$58-billion will result in 150,000 total new jobs – Saskatchewan cannot currently fill those positions. Even if half of those projects proceed, we still have an issue given we already have a labour shortage.

The current labour issues are driven not by deaths, but by the need for our products - food, energy, and fertiliser – carbon reduction, and the requirements to fulfill all of this. The simple statement is, "There are billions of dollars in spending waiting to come to Saskatchewan, but we need the labour force to enable that spending." So, as infrastructure, we need an expanded labour force to enable economic growth.

Thus, "Labour is Infrastructure."

SIMSA's key role is "to help its members sell stuff." But, our members cannot have sales without the capital spending going ahead and the current stumbling block to all of this is labour. As such, SIMSA is volunteering itself to be a central labour force development unit for Saskatchewan industry.

The initial vision is pulling together Provincial and Federal Government persons - as this is "infrastructure" – with key industrial developers (those spending at least \$1-billion), to assess the need and then agree to work together. This will be high-level needs not by specific jobs as the labour needs are across all sectors and a detailed study would just require a lot more time (that we don't have).

As an example and as a result of what this initiative could cause, it could result in all of the players contributing to a central fund to address the issues, disseminating a unified message, or at least not duplicating efforts nor embarking on contradictory paths.

The perceived initial steps are:

1. Secure a list of current Federal and Provincial labour programs. We have just completed this and will distribute them in the coming days to our membership.
2. *Quickly* poll industry on what is and is not working within current programs, and what else is needed or could be done – to start the conversation
3. Set a meeting between Government and industry to begin a dialogue. This meeting we see issues and potential solutions shared, as well as set next steps.

It is conceptually thought that as part of this work, we will need to look at the following areas:

1. Indigenous
 - a. Consultation
 - b. Participation
 - c. Pathways defined
 - d. Preferred impacts defined (such as entrepreneur development vs community development vs support system/third party development)
2. Local initiatives – education, recruitment of under or unemployed, etc.
3. Importing people – hopefully not temporarily but permanently
4. Other options – perhaps through things like automation, increase productivity to supplement labour for the “dull, dirty, and dangerous” tasks

Members' News

[Engcomp Welcomes Bryan MacFadden as SVP Strategy](#)

[Karri Howlett Consulting - ESG Basics Lunch and Learn on August 16 at Saskatoon Club](#)

[Team Power Solutions obtains updated COR certification](#)

[Unleash the Power of Powder Coating: Elevate Your Products with Pro Metal's Expert Services!](#)

Advocacy

Members have reported concerns about how safety registries are using WCB injury statistics as the primary performance indicator used to benchmark contractor performance, affecting employers' ability to bid on work. Further, there are concerns that a focus on lagging injury indicators is not a fair representation of safety efforts and future safety performance – especially for smaller companies. So, we have also begun work with other Associations and partners, to develop a better way of tracking safety ratings for ISN and the like.

SIMSA is developing a new marketing and awareness campaign, which will be launched in late August. It focuses on “buy local” messaging.

With the hiring of a Nuclear Specialist this month, we will begin focused work on attracting and securing nuclear reactor manufacturing and installation work in Saskatchewan, as well as nuclear fuel fabrication. This additional person will be exclusively focused on this initiative, which then allows the rest of SIMSA staff to focus on traditional and near-term opportunities.

Carbon Reduction

There are several ways to save money and energy in CNC machining operations:

1. **Optimize Tooling:** Choose the right tool materials and coatings to reduce wear and extend tool life, leading to lower replacement costs and energy usage.
2. **Efficient Programming:** Optimize CNC programs to minimize unnecessary tool movements and reduce machining time, saving energy and material costs.
3. **Proper Maintenance:** Regularly maintain CNC machines to ensure they operate at peak efficiency, avoiding energy waste and costly breakdowns.
4. **Material Selection:** Use the appropriate materials for your specific machining needs, preventing wasteful use and reducing material expenses.
5. **Machine Utilization:** Maximize machine usage by scheduling jobs strategically to minimize idle time and energy consumption.
6. **Energy-Efficient Equipment:** Invest in energy-efficient CNC machines and controllers, which can significantly lower energy consumption over time.
7. **Coolant Management:** Optimize coolant usage and consider recycling options to reduce waste and save on coolant expenses.
8. **Lights and Climate Control:** Implement energy-efficient lighting and maintain proper climate control in the machining area to reduce overall energy consumption.
9. **Training and Skill Development:** Ensure your operators are well-trained to use CNC machines efficiently, minimizing errors and material waste.
10. **Analyze and Improve:** Regularly monitor energy usage and machining processes, identifying areas for improvement, and implementing energy-saving measures.

By incorporating these strategies, you can effectively reduce costs and energy consumption in your CNC machining operations.

The last point (#10) will be tackled more in depth on the September 8th, lunch and learn soon to be posted.

Sector News

Ontario Power Generation (OPG) is attending our August 30 event, bringing billions of dollars of opportunities to SIMSA members. The following will give some context to the opportunities.

OPG is currently refurbishing the 4 existing Nuclear Power Plants at Darlington, with Units 2 and 3 completed, and units 1 and 4 underway. Unit 1 is to be completed Q4 2025 and Unit 4 is to be completed Q4 2026. The total budget for these refurbishments is \$12.8 billion. Darlington is responsible for generating over 20% of Ontario's electricity needs. See [HERE](#) for further details.

They also operate the Pickering site, which features six operating CANDU® reactors (CANadian Deuterium Uranium), and accounts for approximately 14% of Ontario's electricity needs. They are considering refurbishments at this site as well.

Further, the Darlington New Nuclear Project is leading the way in the advancement of [Small Modular Reactor \(SMR\)](#) technology in Canada – the future of nuclear power generation. On July 7, 2023 [the Ontario government announced](#) it will work with OPG to commence planning and licensing for three additional small modular reactors (SMRs), for a total of four SMRs at the Darlington new nuclear site.

OPG's electricity generation portfolio in Ontario includes:

- 66 hydroelectric stations
- 2 nuclear stations
- 1 biomass station
- 1 dual-fuelled oil and gas station
- 4 combined cycle gas turbine stations owned and operated by wholly-owned subsidiary Atura Power
- 1 solar facility

OPG also owns a number of additional facilities in Ontario and the United States:

- OPG's US Hydroelectric Platform — OPG wholly or jointly owns and operates 85 hydroelectric generating stations and holds minority interests in 14 hydroelectric and two solar facilities in the United States through its US-based wholly-owned subsidiary, [Eagle Creek Renewable Energy](#).
- Bruce nuclear stations — OPG also owns two other nuclear generating stations in Ontario that are leased to Bruce Power L.P.

For clarification, Bruce Power is a Canadian-owned partnership of TC Energy, Ontario Municipal Employees Retirement Systems (OMERS), the Power Workers' Union and The Society of United Professionals.

Established in 2001, Bruce Power is Canada's only private sector nuclear generator, annually producing 30 per cent of Ontario's power. Bruce Power has signed a long-term agreement with the province to refurbish six of its eight units, investing \$13 billion private dollars into these publicly owned assets. As part of the Life-Extension Program, Bruce Power is carrying out its intensive [Major Component Replacement \(MCR\) Project](#). The MCR Project began in January 2020 and focuses on the replacement of key reactor components in Units 3-8, including steam generators, pressure tubes, calandria tubes and feeder tubes.

On July 5th, 2023 Ontario's Minister of Energy, Hon. Todd Smith, announced support to advance the long-term planning and consultation work required to explore nuclear expansion options on the Bruce Power site.

Upcoming Events

Register for Upcoming Events [HERE](#)

- **GE Hitachi & SaskPower Event – August 30, 2023**
SIMSA will be co-hosting an event with the [Saskatchewan First Nations Natural Resource Centre of Excellence](#) (COE). It will be an all-day event with GE Hitachi, SaskPower, Ontario Power Generation, CSA, OCNI and others at Prairieland Park in Saskatoon, SK.
- **Lunch and Learn: Business Cases for Smart Sensors on Legacy Machines – September 8, 2023**
Learn about the business cases for making your legacy CNC machines smart.
- **Saskatchewan Suppliers Energy Forum (SSEF) – October 4, 2023**
The 9th Annual Saskatchewan Suppliers Energy Forum will be on October 4, 2023 at the Delta Hotel in Regina, SK. Confirmed participants include Cenovus, Crescent Point Energy, Federated Co-operatives Limited, DEEP Energy, Cenovus, SaskPower, Westinghouse and the OCNI. More to be announced soon!
- **New Product and Services Needs from the Mining Industry –October 5, 2023**
Save the Date! SIMSA, the IMII, and the Estevan Tech Hub invite you a session to discuss the current needs in mining on October 5th at the Delta in Regina from 8 to 10:30 AM. These are needs that have not been addressed by the current supply chain. Tickets go on sale soon.
- **Saskatchewan Mining Supply Chain Forum (MSCF) – April 17 & 18, 2024**
Save the Date! The 16th Annual Saskatchewan Mining Supply Chain Forum will take place on April 17 and 18, 2024 at Prairieland Park in Saskatoon, SK.
- **SIMSA AGM – May 15, 2024**
Save the Date! The SIMSA AGM will be on May 15, 2024 at Prairieland Park in Saskatoon.

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