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Submission to the Ministry of Economic Development and Department of Conservation on the discussion paper: “Maximising our mineral potential: Crown Minerals Act and beyond”

The National Council of Women of New Zealand (NCWNZ) is an umbrella organisation representing 42 nationally organised societies and National Members. It has 26 Branches throughout the country attended by representatives of those societies and some 150 other societies as well as individual members. The Council’s function is to serve women, the family and the community at local, national and international levels through research, study, discussion and action.

This submission is based on responses from the members of the Environment Standing Committee, as well as the members of twelve branches and individual members. This submission has been reviewed by the Parliamentary Watch Committee and a Board member of the National Council of Women of New Zealand.

NCWNZ has made many resolutions and submissions on the preservation of natural landscapes and national parks. Our members are passionate about retaining the beauty of our country.

The questions in this Submission were taken from the Discussion Paper.

Q1 On the areas proposed for removal from Schedule 4:

Do you think these areas should be removed from Schedule 4 so that applications for exploration and mining activity can be considered on a case-by-case basis?

The response to this question was a universal “NO”. Members were vehemently opposed to mining any part of Schedule 4. The designation and protection by law in 1997 followed thorough investigation, consultation and compromise. The conservation values are irreplaceable, as that was the *raison d’etre* for the existence of Schedule 4.

A company that mined the Coromandel was investigated after its departure fifteen or so years ago, revealing its responsibility for disasters in several countries. It left the site with contaminated (by cyanide) water inadequately contained. The cost of remediation, assessed at approximately \$200 million, was far in excess of the company's \$10 million bond.

We understand that mining companies usually employ overseas workers, and that as much as 95% of the profit goes overseas.

It was noted that among the areas to be considered for removed from Schedule 4 are the Otahu Ecological Area, and the Parakawai Geological Area in Coromandel. Both these areas are habitats for the North Island Brown Kiwi; Hochstetter's and Archey's frogs; as well as native fisheries. Members expressed horror that such areas should be considered for any mining. Many frog species are near extinction worldwide, and no commercial entry to such areas should be permitted for any reason.

A small number of our members were in limited support of some mining in conservation areas. It is the restoration of the land that is the crucial matter. For instance, Pike River leaves a very small footprint and has won environmental awards. McCraes was replaced with parks and farmland. A member who was involved in the research at the Tui tailings dam checked experiments there to grow native plants to stimulate uptake of the heavy metals into the plants. There was a small but statistically significant increase in microbial activity with the plant plots. Where successful clean-up operations have been carried out by mining companies the results are seen as very satisfactory.

Q2. On the areas proposed for addition to Schedule 4:

Section 8 of this document sets out the areas proposed for addition to Schedule 4. Do you agree with the proposal to add these areas to Schedule 4?

To extend areas proposed for Schedule 4 can only be a positive step. However, members emphasized that no part of Schedule 4 should be removed or downgraded. Only 13.5% of New Zealand is covered by Schedule 4.

One branch agreed to adding Kaikoura Island and Rakitu Island to Schedule 4, but not at the cost of removing Te Ahumata Plateau. All areas could benefit with conservation measures currently being undertaken. Another member thought that Steward Island should stay in Schedule 4, since it is a complete entity on its own.

Additions to Schedule 4 need to be undertaken as time moves on. All additions listed are obvious for reasons listed and should form just part of an ongoing and continuing process. If new lands are gazetted into National Parks they should automatically be added to Schedule 4.

Q3. On the assessment of areas:

The assessment of areas covered by Schedule 4 and those proposed for addition is outlined in sections 7 and 8 of this document and Appendices 1 and 2.

(a) What are your views on the assessment of the various values (conservation, cultural, tourism and recreation, mineral, other) of the land areas discussed?

- I) Mineral potential has been assessed quite thoroughly in the document. However, potential for tourism, especially eco-tourism, could have been considered in greater depth, as this not only leads to employment for New Zealanders, but also provides conservation education to tourists and brings tourist dollars into New Zealand.
- II) Tourism is the highest earner in New Zealand, outstripping dairy farming. Whereas greater focus on eco-tourism could add to New Zealand's clean green image, development of mining in parks would do the opposite. Eco-tourists come to see our

most pristine areas, which will irrevocably be lost once mining operations spoil, and tailing dams and roading intrude.

- III) The value placed on mining is questionable, especially in relation to gold and coal. There are tonnes of gold stored in bank vaults around the world: witness when Australia tried to sell theirs, and crashed the price. Coal may become a non event, with the increasing seriousness of climate change which may stop the use of coal worldwide. In the past the damage left by overseas companies has been major compared to the bond charged – for instance in the Golden Cross Coromandel goldmine where the bond was \$10 million, the restoration of the damage left was estimated at \$200 million.
- IV) Consideration should also be given to leaving some fossil fuels in the ground for future generations, when climate change is no longer a problem, or when carbon sequestration is a viable option. The current civilisation has used up around half the world's fossil fuels in a very short period of time, with adverse results that are only just beginning to be understood. This would be a step for New Zealand comparable to the refusal to allow nuclear ships to dock in New Zealand.
- V) Members believe that conservation, cultural, tourism and recreation values in Schedule 4 outweigh the mineral values. There are too many differing views of the value of minerals, the cost of prospecting and ultimately mining, of building roads and other infrastructure, the economic benefits to the nation and its people, royalties and their distribution and the cost of restoring the landscape. These estimates must be made known and balanced against the ongoing economic benefits of tourism as well as the benefits of maintaining conservation, cultural and recreation values of the selected lands.
- VI) Members would be particularly interested in learning about the mineral values and other balancing values in the conservation estate which is not listed in Schedule 4, and land owned privately.

(b) *Do you have any additional information that may be important for Ministers to make their decisions?*

No.

Q.4 On the proposal to further investigate the mineral potential of some areas:

The Government is carrying out a research and investigation programme on the mineral potential of areas with significant mineral potential over the next nine months, including the Coromandel, parts of Paparoa National park and Rakiura National Park, and a number of non-Schedule 4 areas.

(a) *Do you have any comments on the type of information that would be the most useful to miners?*

The majority of members think that there should be no investment in prospecting and mining on Schedule 4 listed sites. It is not appropriate to provide information for miners on the mineral potential of national.

Conservation land is for protection not exploitation. The majority of NCWNZ members oppose all mining in Schedule 4 land.

Q5. On a new contestable conservation fund:

Section 9 describes a proposed contestable conservation fund the Government proposes to establish which would be made up of a percentage of the money the Crown receives from minerals (except petroleum) from public conservation areas.

(a) *a broad objective, to enhance conservation outcomes for New Zealand, is proposed for the fund. Do you agree with the proposed objective?*

No. The majority of our respondents considered discussion of such a fund is a red herring or smoke-screen. Profit to all but company shareholders is likely to be so little that the 'percentage' received by the Crown will be negligible.

A few members thought that a percentage of royalties from mining should be distributed to organisations and groups undertaking environmental projects, but not from land listed as Schedule 4.

(b) *What do you think the fund should be used for? What should its priorities be?*

Members cannot take this mythical fund seriously.

(c) *An independent panel appointed by the Minister of Energy and Resources and the Minister of Conservation is proposed to run the fund. Do you think this is a good idea?*

Our members think that such an independent panel would need to include conservationists with a variety of interests and specialities.

(d) *It is proposed that half of royalties from public conservation areas are contributed to the fund, with a minimum of \$2 million per year for the first four years, and a maximum of \$10 million per year. Do you think the amounts proposed for the fund are appropriate?*

Members cannot take this mythical fund seriously.

(e) *Do you have any other comments that might help the Government to make decisions on a new conservation fund?*

Members would rather see conservation better funded right now. DoC is currently under-funded and depends on hundreds of volunteer workers. Greater numbers of paid personnel could continue with more re-forestation and pest control.

One of our branches thought that security of funding could be a great help to any conservation work, either by DoC or the voluntary sector. This would save them having to spend many hours on future applications for funding.

A suggestion was made that a percentage of royalties received from sand dredging also be included in any plans for distribution.

Q6. On approval of access arrangements:

In section 6 it is proposed that the joint approval of the land-holding Minister and the Minister of Energy and Resources be required for an access arrangement on Crown Land for mineral exploration or development. Do you think this is appropriate?

The majority of our members think that no mineral exploration should be undertaken on Schedule 4 land. If it is decided to proceed, then the Minister of Conservation should have the final approval or denial for any access.

Some members thought that ministers, who have declared their support for mining in Schedule 4 areas, are clearly not impartial, and therefore it is inappropriate for them to make the final decisions on access to Schedule 4 land for mineral exploitation.

a) To quote: *“Existing processes for accessing Crown land could be improved in order to better facilitate responsible mineral development. In particular improved Ministerial consideration of the potential for economic growth from mineral development could be achieved by introducing new joint ministerial approval processes for access to Crown land.”*

This shows emphasis on mining, rather than on investigation.

b) To quote: *“The Government considers it important that the consideration of any mineral-related access arrangement application for Crown-owned land takes full account of the potential national significance and economic benefits of a proposal to explore or mine Crown-owned minerals. Accordingly it is proposed that the joint approval of the land-holding Minister and the Minister of Energy and resources be required for an access arrangement in future”.*

Talk is of “national significance”. Is this economic or environmental? Since 1992 and Agenda 21, the intrinsic environmental value has been recognised. But it is not recognised in this discussion document.

Q7. On any other issues:

Do you have any further suggestions or comments on what has been said in this document?

Further comments from members:

- 1) Over many generations New Zealanders have fought hard to protect our National Parks and other conservation areas. It is these wild and natural places that underpin our valuable clean, green image and our tourism industry's 100% pure brand. To put this at risk is folly in the extreme.
- 2) As a nation we must be careful not to rush in and “hock off the family jewels” because of a temporary cash flow problem. People expect their governments to be prudent financial managers.
- 3) One suggestion was that perhaps mining could be undertaken for “rare earth elements” which would be used to produce sustainable products for hybrid cars, wind turbines, fibre optic cables. This could be preferable to importing such elements from overseas countries where the stringent conditions that New Zealand requires do not apply.
- 4) A question was raised as to whether the area of land quoted as being involved in mining activities actually includes the infrastructure such as tailing dams to service the mine. It was noted that cyanide is used to extract gold from rock, so that all spoil and water is contaminated. One jeweller was quoted as saying that he preferred to use base metals

since the manufacture of just one gold wedding ring produces 20 tonnes of spoil.

- 5) The Discussion Document mentions monitoring to ensure that conditions of consents are met – this has not always happened. What guarantee is there that this time it will work, and the community will not be left with a mess to clear up?
- 6) One member states that it is very clear that any of the Conservation Estate that contains Kauri is in danger of the disease Phytophthora spreading through mining. This causes Kauri dieback. Trees under stress from adverse weather, trampling on roots, and disturbance of soil allows the disease to take hold. There is no cure. The Kauri must be protected from Phytophthora.
- 7) If New Zealand's goal is to improve the living standards of New Zealanders, one branch suggested investment in cutting-edge technology.

For example, further support could be given to initiatives such as the development of biodiesel from algae, and the development which is being carried out by IRL into hydrogen fuel cells. (In Europe today, there are dramatic advances in hydrogen fuel cell technology.) Let New Zealand invest in projects that return profits directly to New Zealand and which contribute to the reduction of greenhouse gases.

Conclusion:

By far the majority of members are adamantly opposed to any mining on Schedule 4 Conservation Lands. A few members are in favour of very strictly controlled mining if a considerable profit can clearly be shown to benefit New Zealand, and if the bonds retained from mining companies are realistic.

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