

Official opening and address to the 2000 New Zealand Minerals & Mining Conference

Hon P Swain

Associate Minister of Energy

Good morning and thanks for the chance to talk to you. It's really pleasing to see so many industry representatives here – I want to spend a few minutest talking about issues relating to your industry.

At the end of today I would like to leave you with three strong messages from government.

The first is that this government supports environmentally responsible mining and the endeavours of the mining industry.

The second is that explorers and developers are wanted and welcomed in New Zealand.

And the last is that it is up to the industry to keep the public properly informed about how your industry and to constantly work on improving your public image.

Mining and regional development

The mining industry is a high-tech industry which fits snugly with our concept of a growing knowledge-based economy.

It has particular value for regional development, the gold mining industry alone provides more than 4,000 jobs – mostly outside of the main cities. The industrial minerals industry is twice as large as that.

As well as those people directly employed by the industry there are greater downstream effects for the community. One example from the broader extraction industry of this is of the local pie shop down the road from one of Taranaki's petroleum industry locations. The shop sells over \$4,000 worth of pies a week to workers in the industry.

That's just one example of the positive benefits the industry brings to its local community and is the sort of real positive benefit you need to be telling people about.

Production

You would all be well aware that New Zealand is considered a relatively unexplored country mineral-wise, but it has a significant record of mineral production for local use and export.

As a result, sitting comfortably within our 'clean green' country, is an efficiently operating mining industry that

contributes significantly to our nation's gross domestic product. More good news for us to spread around.

For instance gold exports last year were worth over \$170 million - to put this in perspective that's greater than what we earned through wine industry exports. New Zealand is still experiencing a gold export boom which began in the late 1980s and, if exploration is encouraged, could continue almost indefinitely.

Industrial mineral producers, the nation's quiet achievers, also continue to perform well. \$320 million worth of industrial minerals were produced in NZ last year. Almost all of which is produced for domestic consumption - that's over 8 tonnes per head of population which emphasises the reliance that communities all over the country, both urban and rural, have on these commodities.

New Zealand produced over two million tonnes of iron sand concentrate last year, of which about half was used as the raw material for our steel industry and half was exported.

The news is also good on the coal front with total production exceeding 3.5 million tonnes last year and coal exports worth over \$100 million.

All of this clearly demonstrates that the mining and minerals industry is a vital one for New Zealand economic development.

Access

One of the issues that I know is of concern to your industry is that of access to Crown land. I am chairing a ministerial group that will be making recommendations on the allocation of Timberlands Westcoast land. One of the issues I am keen to address as a result of this work is access for the mining industry and I would expect to have some announcements early next year. Currently we are awaiting a report from a government appointed working party who have been charged to address the land allocation issue.

Image

I turn now to environmental and community issues – really the image of the mining industry.

Many strong and articulate environmental lobby groups have developed in New Zealand and they play a role in keeping important environmental and community issues to the fore.

However these groups do harbour a tough anti-mining sentiment. I believe that sentiment is based primarily on the problems left over from uncontrolled pioneer mining operations, as well as reports of current bad mining practice in other countries.

The mining industry has responded locally with the development of stringent controls and new technology. These developments should be actively promoted by the industry to show there are positive examples of the industry working responsibly. Some of the land reclamation and revegetation activities of many of the existing mining companies are further examples of this.

There needs to be closer liaison between industry groups – particularly the New Zealand Minerals Industry Association - and Crown Minerals, in getting this message out to the public.

On a limited budget the NZMIA has presented strong positions on the importance of the mining industry in New Zealand and the industry's accomplishments in environmental control. NZMIA has produced publications and maintain an informative website concerning mining and community issues.

Similarly Crown Minerals is working hard to promote the industry. To date this promotion has been focused on attracting mineral exploration and development investment to New Zealand.

You need to take your message to the New Zealand public that mining is necessary and is today environmentally friendly.

I understand school representatives were specifically invited to this Conference, so they can see the industry in action. The NZMIA has for some time dispensed mining information to schools. Crown Minerals has similarly kept schools informed with publications, and is expanding its educational and broader community education role.

As an indication of my commitment to the industry and to encourage a better working relationship between government and the industry, I am setting up a representative working group which can advise me on issues. Some proposed names for this have been put together and we'll be making some decisions on who will be on that group in the near future.

Conclusion

New Zealand's mining industry can live alongside New Zealand's "clean and green" image but it will require a much more concerted effort to properly inform the public about what the mining industry is like today.

To achieve this we need to work together. The future of the minerals and mining industry in New Zealand depends on this.

Once again "welcome". I wish you an enjoyable and rewarding Conference.