



# MiningWatch Canada

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## Mines Alerte

### *When Mining Doesn't Work: Towards Sustainable Mining Communities*

*MiningWatch Canada, November 22, 2004*

When the Mining Association and the Prospectors Association talk about “sustainable mining”, they often neglect to tell us that:

- most mines last less than fifteen years;
- mining is in fact a waste management industry, leaving behind as much as twenty tonnes of waste rock and toxic tailings for every ounce of gold it extracts (for example);
- the local community may get some jobs and contracts from the mine, and the government may get something in taxes, but the profits will overwhelmingly flow to the shareholders of the mining company;
- local communities bear the brunt of environmental and health costs during and after the mine, and are often ill equipped to protect their interests.

Mining no longer provides a sustainable base for the development of local economies. The government investments that are required to open new mines and keep mines operating, would be better spent on remediation and closure, on sustainable community economic development for remote communities, on research and support for metals recycling, and on caring for the health concerns of affected residents. Where mining does take place, it must be made to better serve the development needs for an entire region,

through effective land use planning and decent resource rents.

At present, the greatest government investment in communities where mining is declining is in keep the mining sector going through subsidies; through finding a new ore body; and/or through re-mining tailings and waste rock etc. Once a region commits to one mine, it is committing to mining as long as ore can be found. The mining industry advocates for planning policies that “sterilise” areas of significant mineral potential from development other than mining. In the long run, as the environment becomes more polluted, everyone comes out worse off.

It is very hard for miners and their families to imagine a future alternative to mining, since the mining industry has so visibly shaped their region for its own purposes. For people to break through this barrier, opportunities need to be created to talk with others that face similar crises in different regions, countries or industries.

***So, what kind of economic development works?***

*Inexpensive housing* often draws in new people who are supporters of the informal economy and values like voluntary simplicity. Many of them are artists, craftspeople, and “jacks of all trades”. They are resilient, and bring education, theory, and a real economic contribution to the existing population. Retired



The abandoned Giant gold mine in Yellowknife.

people stabilize the town.

*A service centre for the Aboriginal community.* Aboriginal people generally do not move away when the mine closes down. In 1987, Canada Mortgage and Housing Corporation paid for David Walker to do a report on Lynn Lake. Three to four Aboriginal communities had most of their members move there to access services, and some ended up living in the dump. The town set up a Housing Authority and became a service centre for the Aboriginal communities

*The “conservation economy”* is another variation on the informal economy, which is based on valuing the services provided by nature. Ecotrust Canada, a west-coast-based non-government organisation, is undertaking research and economic development work in communities to cultivate “conservation economy... as an *outgrowth* of a healthy community, as well as a *means* to a healthy community.”

*Community Economic Development* is about creating viable, ecologically responsible, long-term communities through import substitution, community capacity building and closed-loop development. Practitioners focus on organizing, conflict resolution and community building.

There are now some excellent “how-to” manuals for community economic development, and a few organizations around the country that provide education, analysis and research in support of this work like the Centre for Community Enterprise, the University College of Cape Breton, the Concordia University Institute for Management and Community Development, Algoma University’s Community Economic and Social Development, Carleton University’s Community Economic Development and Technical Assistance Program and the Simon Fraser University Community Economic Development Centre.

#### ***What changes to government policy will make a difference?***

The difficulties for mining communities facing closure are often compounded by inappropriate, non-existent or punitive social policies from the federal and provincial governments.

Most communities, especially marginalized and depleted ones, do not have the skills, knowledge and expertise to pull themselves up by their own bootstraps. Community development cannot proceed effectively if the political climate makes self-help efforts difficult.

*The Community Futures Program.* Administered through three regional branches of Industry Canada — FEDNOR, WED, and ACOA — it assists hinterland rural communities to strengthen and diversify their local economies through economic development at the community level. Community Futures provides resources for building the capacity to adapt to and manage economic change, including development of people, organizations and infrastructure. Community Futures Corporations also provide advice, information and referral service to local businesses and entrepreneurs. They also provide access to capital for small business financing by operating locally governed investment funds that can provide loans, loan guarantees or equity investments for business start-up, expansion or

stabilization. There is great potential in this program. *In northern Ontario, too many of its resources are going to chasing new mines.*

*Indian and Northern Affairs Canada* (DIAND) runs several programs that are aimed at economic development for First Nations and Inuit and for northern communities generally. *Unfortunately most of these are specifically aimed at helping these communities become dependent on mining.* The programs include Economic Development – Innovation and Knowledge, the Resource Access Negotiations Program, the Resource Partnerships Program, the Regional Partnership Fund, and the Equity Programs.

#### ***What is needed:***

- Regulation, monitoring and enforcement of environmental laws and regulations affecting mine development and mine operations before and after closure: the Fisheries Act, Canadian Environmental Assessment Act, and Canadian Environmental Protection Act;
- Research, monitoring and analysis of health impacts from mining operations before and after closure, not through theoretical “risk analysis”, but through actual studies of levels of metals in human beings;
- Adequate and secure reclamation bonds on all mining operations: not just policies unrelated to regulation;
- A review of incentives to the mining industry in the light of the costs after shut-down, environmental and social costs, and investment in recycling and conservation of metals.
- Research about and protection of the tax base when the mine is closed, and/or protection of the town from bankruptcy;
- Planning for infrastructure maintenance — roads, rail, sewer, water, energy when they were linked with the mine infrastructure;
- Adequate resources from governments to undertake community economic development — at least comparable to government investment in new mines;
- Public discussion and review of federal DIAND programs and regional economic development programs like Community Futures (existing evaluations must also be made public) and the Manitoba Community Re-Investment Fund;
- A review of transfer payment policies, such as EI and Workers’ Compensation for accessibility and efficiency from point of view of the community;
- Appropriate industrial adjustment packages to allow just transitions for workers;
- Support for land-use and economic planning on a regional basis to ensure that resource wealth is shared, that natural capital is protected and that ecologically sound uses are retained on the land base.

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