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Consultation Response – Draft Minerals Strategy for New Zealand 2024

Tēnā koe,

New Zealand

Ngā lwi o Taranaki appreciates the opportunity to provide feedback on MBIE's discussion document for a Draft Minerals Strategy for New Zealand 2024.

We regret that Iwi are being asked to provide feedback on a matter which they have only recently completed robust and meaningful consultation on. Why the government has chosen to ignore the 2019 – 2029 strategy for minerals and petroleum resources is perhaps a matter of ideology rather than good judgment and the appropriate use of taxpayer monies.

We are concerned that reference to lwi and Hapū rights and interests in the discussion document does not include the principles of the Treaty of Waitangi. The short-term, economic driven direction of the discussion document is disappointing when there are so many potential social, cultural, and environmental matters involved.

Ngā lwi o Taranaki supports the wise extraction and use of minerals where the environmental, social, and cultural impacts are known and addressed. We do not support the use of deregulation or the removal of customary and contemporary lwi and Hapū rights to enable minerals extraction or use.

Introduction

- 1. Ngā lwi o Taranaki (hereafter Ngā lwi) advocates for the interests of the eight lwi of the Taranaki region, supporting the social, cultural, economic, and environmental interests of those eight entities both as individual lwi and as a collaborative and co-operative whole.
- 2. This includes where their rights and interests are potentially affected by central government policy and legislation.
- 3. Each of these eight lwi have now completed Treaty of Waitangi settlement claims and established governance and operations bodies as post-settlement governance entities (PSGE's). Those eight lwi are:
 - a. Ngāti Tama ki Taranaki;
 - b. Ngāti Ruanui;
 - c. Ngaa Rauru;
 - d. Ngāti Mutunga;
 - e. Taranaki lwi;
 - f. Ngāruahine;
 - g. Te Ātiawa;
 - h. Ngāti Maru Wharanui.
- 4. This response does not usurp or reduce the mana motuhake of each lwi as Treaty partners and as such each lwi shall provide their own response as time and resourcing allows.
- 5. The content and recommendations of this response should not be taken as an expression of consent to anything contained in discussion document.

Ngā lwi o Taranaki response to questions posed by MBIE

1. Are the strategic pillars of the Strategy (Enhancing prosperity for New Zealanders, Demonstrating the sector's value, and Delivering minerals for a clean energy transition) suitable or is there more we need to consider?

Enhancing prosperity for New Zealanders: This is a rather vague and poorly defined pillar. The indicators enhanced prosperity relate to:

- wages created;
- driving export sales; and

gaining royalties and taxes for New Zealand.

These are all indicators which are measured by a fall or rise in GDP. GDP assumes that economic wellbeing is a proxy for individual wellbeing using an outdated and unproven mantra that increased economic transactions translate to social progress. This and other economic doctrines such as the trickle-down effect or the invisible hand of the market continue to be used without critical analysis or reflexivity. All of these economic theories have been proven to worsen racial inequality¹, increase wealth disparity, and lead to greed and exploitation².

Currently this pillar makes a glancing reference to protecting the environmental values which is [sic] important to New Zealanders. This would seem to be an afterthought and may be better placed under one of the other pillars. We think it important to identify the difference between the protection of environmental values and the protection of the environment. The claim of protecting the environmental values of New Zealanders assumes that the citizenry of Aotearoa New Zealand is one homogenous group which share common values in how the environment should be managed, used, and protected.

Clearly, this is not the case and is verified in both constitutional and statute law as well as New Zealand common law around Te Tiriti o Waitangi/The Treaty of Waitangi. Treaty of Waitangi clauses are present in multiple statute laws in both operative form (the Resource Management Act 1991, Crown Minerals Act 1991, etc) and descriptive form (Local Government Act 2002, Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012, Heritage New Zealand Pouhere Taonga Act 2014.

Section 4 of the Conservation Act 1987 places an obligation on the Department of Conservation to actively consider partnership with lwi in the delivery of conservation outcomes.

Protection of environmental values

Iwi and hapū environmental values are different from those of other New Zealanders. They are bound by the obligations of kaitiakitanga to ensure that the venerated resources of their rohe are respected, used wisely, and are sustained for future generations. Actearoa New Zealand does not have value monism, we have value pluralism. There are two distinct sets of environmental values which are equally correct and fundamental and at times these are in conflict with each other. Ignoring one value set does not make the other more valid.

Protection of the environment

This is where the common values of tangata whenua and tangata tiriti are mobilised to determine the most appropriate way to sustainably use natural resources which provide the greatest benefit to the wellbeing of all New Zealanders. Protection of the environment includes not extracting minerals where it is inappropriate or there is not enough data on the environmental impacts of that extractive activity.

¹ https://rooseveltinstitute.org/2024/04/15/the-trickle-down-tax-code-failed/#:~:text=Trickle%2Ddown%20economics%20has%20significantly,those%20gains%20have%20been%20erased

² https://www.theguardian.com/books/2016/apr/15/neoliberalism-ideology-problem-george-monbiot

Suggestion – Enhancing the wellbeing of all New Zealanders. We recommend using a different metric than GDP to measure revenues and tracking growth of mining related jobs. GDP fails to capture the degree of income inequality in our society and whether the nations rate of growth is sustainable or unsustainable. GDP also counts environmental degradation, crime, and environmental disasters as 'growth' because they generate spending.

We trust the government will measure the contribution of minerals to our collective wellbeing using NZ Treasury's Living Standards Framework which focuses on lifting living standards for all New Zealanders, sustainability, resilience, distribution, and productivity³.

Demonstrating the sectors value: This pillar is supposed to be about enabling conversations about the pros and cons of minerals production and highlighting the importance of the sector to our economy and lives.

Logically, a conversation regarding the pros and cons of minerals production would lead to determining whether the sector is important, or not. As stated with the previous pillar, pursuing an increase in GDP based on the export of minerals is an outdated and unsustainable approach which favours minerals extraction for extractions sake. It appears the sectors importance to our economy and lives has already been determined. The minerals sector also has value to global networks of predatory capital who possess the resources and technology to do what Aotearoa New Zealand cannot — extract maximum value from the minerals of this country.

The sectors value should include, and be tied to, environmental restoration and remediation or a net gain in environmental quality. What should be made clear, and measured, is the contribution of the sector to our emissions.

Suggestion – Demonstrating the sectors value to Aotearoa New Zealand.

Delivering minerals for a clean energy transition: Essentially, the government is looking to export raw or semi-processed minerals and then import value added products made from those minerals. New Zealand does not have the manufacturing technology or capability to process minerals. If the government can develop a secure trading relationship for extracted minerals then great. Otherwise, we are at the mercy of the market for both selling raw minerals and importing the manufactured components for renewable energy.

It should be clear whether the mining of minerals is contributing to the global clean energy value chain not the development of clean energy here in Aotearoa New Zealand.

Suggestion – Positioning Aotearoa New Zealand well in the global energy transition value chain.

2. Are the key actions the right one's to deliver on our strategic pillars, and are they ambitious enough? What else might we need to consider?

Reporting is a great way to measure impact but what is the baseline being measured against and what is this strategy trying to achieve? The current pillars are vague and ambiguous. See suggestions in section one. Ngā lwi believes a vision and set of principles

³ https://www.treasury.govt.nz/sites/default/files/2021-10/tp-living-standards-framework-2021.pdf

for the minerals strategy would define an overall purpose and align what outcomes are being sought.

3. Are there opportunities for our minerals sector we haven't considered?

Doing nothing, including leaving minerals where they are is an option.

4. Are there challenges for our minerals sector we haven't considered?

The uncertain political environment will make it difficult to attract investment if the government changes in 2026. The strategy cannot predict the actions of future governments who might wish to reverse legislation around minerals and fossil fuels extraction. This is again why cross-party support for strategic direction are important.

5. Are there any other things we have missed that we should include, or things we should not include?

An objective to double the mineral sectors export values to \$2 billion over 10 years should be accompanied by an objective to double the present social and environmental benefits.

We note the similarity of the minerals strategy proposals to MBIE's consultation on carbon capture, utilisation, and storage. It is a clear that there are issues of national energy security for natural gas. It is likely that there are also certain minerals such as aggregate and phosphorus which are critical to the maintenance of our domestic economy. We suggest that this strategy clearly categorises those minerals that are:

- Critical to Aotearoa New Zealand's continued domestic development and wellbeing;
- Not critical to Aotearoa New Zealand's continued domestic development and wellbeing;
- Being extracted for export to merely increase GDP;
- Being extracted for export for genuine and contracted production of renewable energy components which will in turn be imported to Aotearoa New Zealand.

We are concerned that there is already a strategy for minerals and petroleum entitled "Responsibly Delivering Value – A Minerals and Petroleum Resource Strategy for Aotearoa New Zealand: 2019-2029⁴". This strategy identifies that the minerals and petroleum sector has a critical role in meeting the increasing demands of housing, energy, and infrastructure. The 2019 strategy also recognised that the sector needed to start planning now to build a more productive, sustainable, and inclusive economy. We note the strategy's focus on the need for the sector to gain and maintain social licence and conduct itself in a legitimate, accountable, and socially responsible way.

MBIE's 'Report back on the final Minerals and Petroleum Resource Strategy' was a cabinet paper to the Cabinet Economic Development Committee which identified three important themes⁵.

Low emissions economy.

⁴ https://www.mbie.govt.nz/dmsdocument/7148-responsibly-delivering-value-a-minerals-and-petroleum-strategy-for-aotearoa-new-zealand-2019-2029

⁵ https://www.mbie.govt.nz/dmsdocument/7148-responsibly-delivering-value-a-minerals-and-petroleum-strategy-for-aotearoa-new-zealand-2019-2029

- Growing a productive, sustainable, and inclusive economy.
- Social responsibility.

Consultation on the 2019 draft strategy received submissions from the general public, iwi, the minerals and quarrying sector, the oil and gas sector, research institutes, and non-governmental organisations⁶. There was general support for the strategy's vision, objectives while support for principles to guide the Crown and industry was strong.

We wish to highlight the key differences between the current minerals and petroleum strategy and the draft minerals strategy which is the subject of this discussion document in Table 1.

Table 1 Key difference between MBIE 2019 and 2024 discussion documents

2019 Draft Strategy Consultation – Minerals and Petroleum Resources	2024 Draft Strategy Consultation - Minerals
Overall Vision	Three pillars
Objectives for the minerals and petroleum sector	Six success measures
Guiding principles (Crown and industry)	Six key actions (changes to legislation and promotion
	of investment)
Action areas	Seven strategic actions

Other Feedback

6. We, along with countless others, rejected the proposed Fast Track Approvals Bill due to its lack of Te Tiriti compliance and focus on short term outcomes.

Ngā lwi provides the following to clarify what a good minerals strategy looks like:

- The strategy needs to address the conflict between extractive and exploitative activities and climate change commitments.
- We note the enabling and permissive nature of the discussion document with regard to attracting investment, deregulation, and deprioritising environmental protection. This ignores the important notion of social licence which, if not addressed, will lead to actions which will delay, disrupt, and derail even the best of intentions.
- The Critical Minerals List under development should identify and prioritise:
 - Minerals which will contribute to the wellbeing of all New Zealanders and are not exported.
 - Minerals which will be exported and traced that contribute to the global clean energy transition.
- The export of minerals needs to be ethical and not contribute to sustaining war monger nations production of weapons.

 $^{^{6}\ \}underline{\text{https://www.mbie.govt.nz/dmsdocument/7147-summary-of-submissions-a-minerals-and-petroleum-strategy-for-aotearoa-new-zealand-2019-2029}$

- We do not support the prioritisation of the greater good of the nation over regional prosperity. All Iwi of Taranaki have already contributed disproportionately to the prosperity of Aotearoa New Zealand via petroleum resources being extracted from their stolen lands.
- There is a strong focus on following international best practice. Aligning regulations
 and policy to international examples is both unwise and potentially foolish. The best
 practice is to identify what the priorities of iwi, hapū, and New Zealand public are and
 establish a strategy based on these priorities. This has already been done through the
 2019 minerals and petroleum strategy.
- What protection will the minerals strategy offer for cultural materials such as pounamu, matā, pākohe and pūrangi?
- We support the investigation into minerals recovery, re-use, and recycling technologies.
- Ngā lwi recommends that in the event that the 2019 minerals and petroleum strategy is still ignored, an overall vision statement, guiding principles, and action areas are developed which provide context and direction for the 2024 Minerals Strategy. The guiding principles must include reference to Te Tiriti o Waitangi and its principles.

Nāku noa,

Emere Wano

Regional Recovery Manager | Ngā Iwi o Taranaki