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Ministry of Business, Innovation and Employment  
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### **Western Bay of Plenty District Council submission on the draft Minerals Strategy for New Zealand to 2040.**

Western Bay of Plenty District Council appreciates the opportunity to submit on the proposed draft Minerals Strategy.

We have provided comment below on questions from the consultation of most relevance to local government business and for our residents here in the Western Bay.

#### **Question 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?**

We submit that:

1.1 Adjusting the wording from "enhancing prosperity" to "enhancing wellbeing" for New Zealanders would better reflect the multidisciplinary nature of the strategy, particularly the indication of significant ongoing collaboration between MBIE and other government departments with core purposes which require them to consider costs and benefits to sectors and elements beyond just the financial realm; for example the Ministry for the Environment, the Department of Conservation, Treaty partners, local government, regions and communities. The use of the word prosperity without further reference to protection of the natural environment and associated biodiversity services also does not reflect the stated intention of "protecting the environmental values which is (sic) important to New Zealanders" which puts it at risk of being overlooked as work on the strategy actions commences.

1.2 The wording of the third indicator under the measure proposed to support tracking of the strategic pillar “Demonstrating the sectors value” could be changed to “Improved reporting on environmental, cultural, and social impacts on their communities” to better enable reporting of the overall change effected by minerals industry activity on any given area of a community. The intent and outcomes of “improved reporting on environmental, cultural, and social net benefits to their communities” are not the same as “reporting on improved environmental, cultural, and social impacts within communities”. The indicator as currently worded does not ensure that any situations where the minerals sector may result in a net disadvantage to a community are transparently reported.

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

We submit that:

*Improve data on New Zealand’s mineral resources (strategy action 1)*

2.1 Investigations beyond the first year proposed under the action to improve data on New Zealand’s mineral resources should also be carried out by or with the support of independent subject matter experts, such as GNS.

*Ensure secure, affordable and responsible access to the minerals we need (strategy action 2)*

2.2 It is ambiguous in what context the word “responsible” is used in this action item. As written, it appears to refer only to reducing risk to supply chains/sustainability of supply. If this action is also intended to address risk to vulnerable social and environmental interests associated with mineral extraction, this needs to be stated explicitly under point 2b.

2.3 The proposed investigation of preferential pathways for the development of minerals identified as critical should be consistent with other legislation such as the RMA reform and the Crown Minerals Amendment Act 2023. The wording of this action item needs to be clarified so that the reader can ascertain whether the scope of this work includes consideration of further changes to legislative settings.

*Develop a more enduring, efficient and responsible regulatory framework (strategy action 3)*

2.4 The word enduring should be replaced with robust. A regulatory framework developed on the principle of persistence is likely to limit agility and adaptability to respond as internal and external drivers change over time. A robust framework would contain pathways for dealing with changes as they arise, including how to prepare for reforms or workarounds that could feasibly be required in future. The word robust also better reflects the fact that a fit-for-purpose process produces

the same or similar outputs when given the same inputs, regardless of who or what implements the process i.e.. a robust process is designed to ensure objectivity at key decision points.

*Foster sector innovation, value add and commercialisation, and workforce development (strategy action 4)*

2.5 To support submission point 5.1, below: an additional sub-action within the first three years to develop best practice guidelines for community-level plans for transitioning away from reliance on minerals extraction as a key employment industry, prior to exhausting deposits.

2.6 The word “encourage” should be replaced by “support”. As international, and even domestic, mineral sector stakeholders may not consider themselves to have a responsibility to individuals and communities that deliver the value of their investments, local training and employment pathways will need direction and ongoing monitoring to produce the desired outcome of providing New Zealanders with access to higher paying skilled or technical roles.

2.7 The strategy does not propose the establishment of any objectives or performance indicators to ensure that employers prioritise local capacity building and input, for example over bringing in expertise from overseas. The use of the word ‘encourage’ in Action 4c is not sufficient to drive this desired outcome, therefore, relevant objectives or performance indicators should be developed to ensure an increased local workforce is achieved.

*Accelerate a circular economy of critical minerals in New Zealand (strategy action 5)*

2.8 This action should include links to education opportunities and New Zealand’s growth in research and innovation.

*Increase public knowledge and confidence in the sector (strategy action 6)*

2.9 To support submission point 5.1, below: The word “encourage” should be replaced by “support” to ensure that the objectives of increased sector contributions to the environment and social issues experienced by communities impacted by mining projects are achieved.

### **Question 3. Are there opportunities for our minerals sector we haven’t considered?**

We submit that:

3.1 The strategy does not consider extending employment and education opportunities to our neighbours in the Pacific or commitments to assist with improving their energy and resource security.

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

We submit that:

4.1 The fact that minerals are finite is not sufficiently addressed as a challenge when avoiding unintended consequences. The communities that support extraction activities remain once mining operations conclude, which has historically led to poor social outcomes for locations in New Zealand and overseas where mining is a significant employer. As private industry has no legislated obligation to manage social outcomes, the burden of mitigating them often falls to local government in the absence of any central government strategic direction or funding support. The strategy needs to be expanded to include supporting actions to mitigate negative social impacts on communities as minerals activities wind down.

4.2 The strategy omits any comments around the challenges of balancing the changes proposed by the strategies key actions that enable mining of coal, and the possibility of increased production against:

- the pathways laid out in New Zealand's emissions reduction plan,
- global commitments made by New Zealand to phase down fossil fuels, and
- key trade agreements with partners such as Australia, the United Kingdom, and the European Union.

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

5.1 We submit that the strategy should include:

A further key action to address the social and cultural risks posed to communities during and after the transition away from mineral extraction as a key employment industry.

Minerals are inherently a finite resource and minerals industry players can forecast the timeframes over which extraction activity, and therefore employment opportunities, can be expected for any given mineral deposit and supporting community. Key industry players should be required to support the development of transition plans in collaboration with the relevant territorial authority to ensure that risks are understood, and appropriate mitigations are put into place to manage future negative impacts associated with minerals extraction activity that may occur within a community.

5.2 We submit that the strategy should exclude:

References to “now and into the future” or reword this to “the next 15 years”. The strategy is scoped to guide the development of the minerals industry out to 2040. The phrase “into the future” adds ambiguity by implying a longer or open-ended timescale.

Yours sincerely,

A handwritten signature in black ink, consisting of the letters 'M' and 'W' in a cursive, stylized font.

Megan Wakefield  
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**Western Bay of Plenty District Council**