

# Talking Cents

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*Talking Cents is an ecumenical group charged by the Anglican Diocesan Council to promote an alternative to current economic and political thought, and to encourage debate within the church. Ministry units are encouraged to distribute these articles. This article is contributed by Mary Betz from the Justice and Peace Commission of the Catholic Diocese of Auckland.*

## Mining Seabed Iron Sands: What would Pope Francis do?

On 17 April TV3's 3<sup>rd</sup> Degree reported on the iron sands exploration programme of Trans Tasman Resources Ltd (TTR) off the Taranaki Coast.<sup>1</sup> TTR hopes to have a mining permit by the end of 2014, and plans to dredge and ship iron sand to China for making steel.

In November last year, the company estimated the revenue from the project at \$1 billion, with 80 percent of it staying in New Zealand. By April 2013, the revenue remaining in New Zealand had been revised downward to 60 percent of the total. TTR is about 97 percent foreign-owned, although the company has registered itself here, and placed one New Zealander on its board of directors, former Prime Minister Jenny Shipley.

The revenue would come over a fifteen year period, during which time the top five metres of an area 20 km long by 17 km wide would be sucked up by dredges operating 15 km offshore, 30 m below the surface. The iron portion of the sand will be magnetically separated, and the other 90 percent dumped back onto the seabed.

The company holds prospecting permits covering 6332 sq km and its spokesperson said 'there are probably a lot of other areas out there which are potentially of similar quality and are just as mineable.' Nowhere in the world has this kind of extraction happened offshore and on such a large scale.<sup>2</sup>

What's more, over 20,000 sq km between Whanganui and Kaipara are covered by permits: the Herald reported that TTR may be a test case.<sup>3</sup> It may be followed by further applications to mine iron sands by TTR and others.

Community concern over the prospect of mining the iron sands has been spearheaded by Kiwis Against Seabed Mining (KASM), and the New Zealand Recreational Fishing Council has also spoken out. Their concerns are the loss of marine life, including snapper and gurnard spawning

grounds; sediment-smothering of reefs which provide habitat for blue cod, and the erosion of Taranaki beaches and coastlines by the removal of large amounts of sand.

TTR's spokesperson says he thinks 'all the critters there [on the sea floor] are reasonably flexible on how they manage sand.' Nonetheless, they have contracted NIWA to study the environmental effects of the proposed development. NIWA is not commenting on the issues directly until research comes out in the Resource Management Act (RMA) process, so its website offers only equivocal comment on offshore mining, e.g., 'Just as nobody knows the full extent of reserves, nobody knows the full extent of the environmental risks of extraction, let alone how to mitigate those risks ... We need to balance mineral extraction with the other benefits of the marine environments. Some degree of exploitation of the resources is probably fine. But what degree?'<sup>4</sup>

The same NIWA article goes on to call attention to other offshore environments being studied because of their possible mineral development: phosphates on the Chatham Rise; sulphide deposits on the Kermadec Ridge; petroleum in the Great South Basin and methane gas hydrates on the Hikurangi Margin. Interestingly enough, NIWA is investigating both mineral potential and the environmental effects of exploiting that potential. This may raise some conflict of interest issues in the RMA process. The article even quotes Chris Baker, the CEO of Straterra, the industry group representing the New Zealand resource sector: 'If you adopt a precautionary approach, you'll ensure there's no progress.'

A precautionary approach seems exactly what is needed given the dearth of information on the species present - both on the seafloor and in the water column, uncertainties about how long it will take for benthic communities (those living on the seabed) to re-establish themselves, how long this will affect fish and marine mammal species, and

how the immense holes in the seafloor will affect local coastlines and beaches.

Energy and Resources Minister Simon Bridges confirmed in April that the National government was in favour of mining the iron sands because of the money and jobs the project would bring into the economy.<sup>5</sup> He estimated that the EPA (Environmental Protection Act) process would take about nine months, but then pre-empted it by saying ‘the long term damage isn’t there.’

Green MP Gareth Hughes noted that the company had said the area had no special environmental features, while scientists warned that we know little about the ecosystem. He called for a precautionary approach. He noted that Australia had put a moratorium on seabed mining, and said that is the best approach for New Zealand to take as well.<sup>6</sup>

The Crown Minerals Amendment Bill passed in April streamlines permits for mining operations, sidelines the Minister of Conservation, and requires less frequent reporting.<sup>7</sup> Moreover, a supplementary order inserted *after* the bill came back from select committee levies significant fines on anyone ‘interfering’ with offshore mining ships or structures by entering a ‘non-interference’ zone, effectively limiting protest options.<sup>8</sup> Does such legislation anticipate future approval of contentious offshore mining operations?

The issues of the use or exploitation of resources - whether iron sands, petroleum, farmland, water or forests – are indeed complex. Human well-being is involved in terms of jobs and standard of living – but also in terms of the present and future environment which ultimately supports human life. Whether we see our Earth as a resource to be exploited or a gift to be respected is closely tied into both our individual values and perspectives on life, and the political stances we take in public.

The past months have seen the election and early actions of Pope Francis. His homily at his

inaugural Mass illustrates his own respect for creation, and his belief that protecting the environment is not only an integral part of Christianity but for all: ‘The vocation of being a “protector”... is not just something involving us Christians alone; it also has a prior dimension which is simply human, involving everyone. It means protecting all creation, the beauty of the created world ... It means respecting each of God’s creatures and respecting the environment in which we live. It means protecting people, showing loving concern for each and every person...’

‘In the end, everything has been entrusted to our protection, and all of us are responsible for it. Be protectors of God’s gifts! Whenever human beings fail to live up to this responsibility, whenever we fail to care for creation and for our brothers and sisters, the way is opened to destruction and hearts are hardened.’<sup>9</sup>

It is easy to think that the prospect of earning a billion dollars hardens the hearts of business and government, but it is also true that New Zealanders have to have jobs and make a living. Therein is a call for a new creativity in how we construct our business and industry as a country - for the values of human flourishing and environmental well-being to be the basis of how our economy, our collective ‘household’, is run.

In this vein, Pope Francis says: ‘I would like to ask all those who have positions of responsibility in economic, political and social life, and all men and women of good will: let us be ‘protectors’ of creation, protectors of God’s plan inscribed in nature, protectors of one another and of the environment.’

Do New Zealanders *need* the seabed iron sands to be mined – or the phosphates, the sulphides and the methane gas hydrates? Are there alternative, less damaging ways of providing work and keeping our economy, our Earth and ourselves safe and well?

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<sup>1</sup><http://www.3news.co.nz/Stripping-the-seabed-Bonanza-or-disaster/tabid/1773/articleID/294481/Default.aspx>

<sup>2</sup><http://www.stuff.co.nz/business/industries/7931459/Taranaki-seabed-mining-looks-likely>

<sup>3</sup>[http://www.nzherald.co.nz/business/news/article.cfm?c\\_id=3&objectid=10829768](http://www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=10829768)

<sup>4</sup><http://www.niwa.co.nz/publications/wa/water-atmosphere-2-february-2011/oceans-treasure>

<sup>5</sup><http://www.3news.co.nz/3rd-Degree-interview-Simon-Bridges/tabid/1773/articleID/294483/Default.aspx>

<sup>6</sup><http://www.3news.co.nz/Greens-seek-halt-to-Taranaki-seabed-mining/tabid/1607/articleID/294795/Default.aspx>

<sup>7</sup>[http://www.parliament.nz/en-NZ/PB/Debates/Debates/a/f/2/50HansD\\_20130416\\_00000016-Third-Readings.htm](http://www.parliament.nz/en-NZ/PB/Debates/Debates/a/f/2/50HansD_20130416_00000016-Third-Readings.htm)

<sup>8</sup><http://www.legislation.govt.nz/sop/government/2013/0205/latest/whole.html#DLM5117601>

<sup>9</sup>[http://www.vatican.va/holy\\_father/francesco/homilies/2013/documents/papa-francesco\\_20130319\\_omelia-inizio-pontificato\\_en.html](http://www.vatican.va/holy_father/francesco/homilies/2013/documents/papa-francesco_20130319_omelia-inizio-pontificato_en.html)