OF MINES, MEN & ENVIRONMENT

Financial Express, 11 October 2004 SANDEEP LAKHWARA

Imagine life without computers, telephones, television, fridges, music systems, aircraft, motor vehicles or bikes. Whilst it may be magical for some to live in such calm, most would prefer to live in a world with such niceties. Thanks to the mining industry, we can live in such a world today. The mining industry produces energy, metals and minerals that are essential to economic prosperity and a better quality of life

Equally important are the economic benefits that mining provides to the communities where it is located. These benefits are derived from employment, wages, economic activity due to purchase of goods and services, and from the payment of taxes, royalties and fees to local, state and national governments. The benefits are often in regions, which would otherwise have little to sustain them.

Along with jobs that are created during the exploration phase, there are jobs to be occupied during the mining and milling phases. These jobs are directly related to the industry.

The indirect creation of jobs include the building of roadways to reach the mine, the construction of new homes for miners and their families, the businesses required to service the families, including construction of community facilities like recreation clubs & golf courses, schools, medical facilities, electricity, water and the list goes on.

Whilst the economic benefits of mining are substantial, the industry must recognize that their actions meet the needs of today without compromising the ability of future generations to satisfy their own needs. The very process of creating a natural resource may impose costs and impacts on the communities and on the environment.

The community expects and demands that the mining industry integrates environmental considerations into every development and at every site where such activities are being undertaken. It also expects that no legacy of environmental damage is left after mining ceases, and that no liability is transferred to it or the government for the costs of repairing environmental damage or restoring the mined area to a safe condition which may be suitable for some subsequent beneficial land use.

Mining companies must take steps to balance benefits with any adverse impact that their activities may produce. Important steps include interaction with the local community and the government to ensure that development proceeds in a way that balances social, economic and environmental concerns.

Increasingly, industry is accepting responsibility for and demonstrating that it can protect the environment during and after mining operations. Whilst there are glaring examples of some major environmental disasters created by mining companies, a number of areas mined and then rehabilitated are now included as national parks, townships and museums. Stirling Hills in Ogdensburg has been converted into a mining museum, which includes over 30 acres of indoor and outdoor displays and historical buildings.

The Penrith Lake scheme in Sydney is another example. Sand and quarries operated by three different companies over a 2000 hectare area west of Sydney were rehabilitated to a series of public parklands and waterways, including an international rowing facility, which was the venue for rowing at the 2000 Olympics.

Similarly, the Bridge Hill Ridge in central New South Wales, once mined for mineral sands, has been included in the Myall Lakes National Park.

Anyone who has been to the Kolar Gold Fields, about an hour and a half drive out of Bangalore , can visualize the grand past of this mining township built by the British and understand what I mean by the economic benefits mining activity brought to the region. Sadly, the impact of closure of mines on the lives of people relying on it for their livelihood can now be felt in the township. Mining activities stopped in this region a few years ago and resulted in reducing the lifestyles of the people who live there to mere survival. There is considerable interest from companies such as Deccan Gold Mines Ltd to revive mining activities in the region.

The area also has tremendous potential to attract tourism through the conversion of its old historical buildings into museums, upgrading of its recreational and tourist facilities including The Kolar Golf Club, provision of guided tours and so on. My message to The Government of India, ultimate owners of the mines, is to please take swift action to enable private investment to reopen the mines and restore its glorious past.

Sandeep Lakhwara is managing director, Deccan Gold Mines Ltd.