

AWARDS BANQUET KEYNOTE ADDRESS

by R.T. Marshall

Mr. Minister, Honoured Guests, Ladies and Gentlemen: I can honestly say that it is indeed a pleasure for me to have this opportunity to address the Eighth British Columbia Mine Reclamation Symposium. It is difficult to appreciate that we have been meeting as a group for so many years, and I find it particularly rewarding to see so many new faces getting involved in this very important aspect of our business.

What I would like to do tonight is to look back over the past years with respect to both mine reclamation and environmental protection as one cannot deal with either subject in isolation, where we are today, and also take a glance at where we might be heading in the future. I would also like to bring you up to date on my own segment of the mining industry, namely that of coal. All this should not take more than two hours, however, because I know you are all waiting with baited breath to know who will receive this year's awards, I will just highlight and be as brief as possible.

Before I go any further, and having participating in this symposium in prior years at the Vernon Motor Lodge, I have an announcement to make. Upon checking into the hotel, I asked three basic questions of the reception clerk:

1. Is there a swimming pool in the hotel?
2. If so, where is it located? and finally,
3. Which is the fastest route from the head table to the safety of my room?

The first time I can recall meeting Jake MacDonald was back around 1960-61: he was the resident mining inspector at Nelson, and I was a shiny new engineer. At the time, my company had a mineral property north of Nelson on which we planned to undertake a diamond drilling program. I bravely walked into his office one morning and addressed him:

"Oh, Honourable Mr. MacDonald, sir, I

am here to request your kind permission to construct a road to the top of the mountain." (I was more respectful in those days.)

To which he responded, "What the h----- for?"

"Because, kind sir, my company's geologists have located a mineral prospect on the top of the mountain, and we wish to move some equipment up there to drill and evaluate it."

He looked at me and said, "All you will probably end up doing is chopping down a lot of trees and making a big mess."

To which I responded, "If we plan it carefully and conduct the program with the same degree of care, we should be able to meet our objectives with minimum damage."

Jake then said, "Why don't we sit down and have a good look at this plan of yours?"

The end result was that we did build the road with minimum impact and completed the program.

I make this point only to indicate that even back then, within the Department of Mines as it was at that time, there was an awareness and a concern for protection of our natural resources and an attempt was being made to minimize the impact of surface disturbance.

During the latter 1960's, we were into the revitalization of the coal industry, and large scale surface coal mines were coming into being with the development of the Kaiser Coal and Fording Coal mines. Although this type of mining as such was not new to the Province, the sheer scale of these operations for that time were massive, and a completely new approach was required for environmental protection because so many different disciplines were being impacted. At the same time, the environmental movement was coming to the forefront as a major issue of the day, and even though many mining companies had departments within

their organizations working on environmental protection to varying degrees, industry and government both were under tremendous pressure to improve and meet higher standards.

As a general statement, one would have to agree that this was good. But like so many things that are worthwhile, sometimes there is a tendency to go too far, and a radical element entered the scene whose position was that the only way to protect the environment was not to do anything — all mining should be forbidden, no forestry activities and, indeed, at one point I read that fishing should be outlawed. These attitudes were, of course, extreme, but they were heard all across North America and beyond. I met a person from the States who was making a fortune during this time lecturing around the country on the value of the "pristine environment" and appearing as an "expert witness" for lobby groups in Washington. I heard him speak on one occasion, and although the basic message was sound, it was carried to the furthest of extremes, and the theatrics were something else. One has to question if any real good is accomplished in this manner.

However, to return to the 1970's and as I said earlier: both government and industry were under tremendous pressure for change in this whole area. Times were good, we were on an economic high that many thought would never end, unemployment was at the lowest of levels, there were in many cases more jobs than people to fill them.

At this same time, believe it or not, the government and many companies recognized their obligations and were indeed in their own way making advances in the field of environmental protection and reclamation. Sometimes industry would be prodded by the Department or universities, and at other times it would be the other way around. During this period, the "Technical Research Committee on Reclamation" was formed, representing the government, universities and industry: in my opinion, an extremely worthwhile undertaking which led to the development of this symposium. This free exchange of knowledge in research, and practical

application on a co-operative basis was a major step forward in the field of mine reclamation.

During this period, around the mid-1970's, my association, through the Environment and Reclamation Committee, arranged a tour of Germany and Great Britain as a technical exchange visit dealing specifically with coal mine reclamation in other parts of the world. Representatives of government from the coal-producing provinces were invited to participate, and a delegation from B.C., Alberta, Saskatchewan, Nova Scotia and the federal government embarked on this very important mission.

I raise this matter because it stands out in my mind as one of the most informative undertakings I have been involved in.

For instances, at one location — I believe it was in Stuttgart — I learned that some people prefer to sleep standing in a shower rather than lying in a bed. To protect the guilty, I won't mention any names, but the individual is here tonight.

I also discovered that certain people in the Department are capable of working all night long, even if it is in the bar, and that the maidens in the Hoffbrauhaus in Munich can carry an unbelievable number of beer steins at one time.

But seriously, from a technical standpoint we learned a great deal.

- Although much of mine reclamation is site specific, there are many aspects that apply everywhere in the world.
- It was confirmed that whole villages could be relocated as surface mining progressed through an area, that the land could be fully reclaimed and re turned to productive use.
- The importance of keeping the community informed was highlighted.
- Finally, that the delegation, in addition to gaining much valuable information, was able to give many ideas that we had developed in Canada to both countries.

Above all, the most lasting result of this whole exercise was that new and close contacts were established across Canada and

Europe in the field of mine reclamation, enabling a free exchange of information and experience which benefits everyone. The contacts are still in use today, and the data is being passed onto the younger members of the fraternity as they come into the business.

Continuing on then, the economy continued to be hot, international markets for our metals and coals were expanding, new mines were being proposed, and pressure continued to increase for more and more stringent environmental restrictions, without any thought of the true associate costs and how realistic some of these requirements might be. What we were starting to see were people in specific disciplines pushing for absolute perfection or as close as they could get to it, but failing to look at the overall scene and the interaction of impacts and, at the risk of repeating myself, what all this was leading to and at what cost.

And now comes the time for my lecture on economics. Whether it is government, industry or the university, there exists a fundamental principle and that is: the financial aspect cannot be ignored.

- There must be a source of money.
- With this money, a service or commodity is provided.
- There is a top limit for what you charge for this service or commodity.
- If this limit is exceeded, the structure will collapse.
- And, through all of this, the law of supply and demand applies.

I appreciate this is a very simplistic approach to economics, but it will suffice for my purpose.

In the early 1980's, the world dropped into a very deep recession and in Canada it is as severe as anywhere else.

Fiscal restraint became the by-word; corporate survival is another phrase commonly heard. I don't have to tell you this; everyone in this room is well aware of it. Some more so than others.

By now you are probably asking yourselves, what is the point, if any, this guy is trying to make, and what has a simple lecture on economics got to do with mine

reclamation? Simply this.

Much of Canada's income is from the export of our natural resources: namely metals, coal, lumber, energy, grain, etc. These goods go into the international market, and there is a world price for which we have to compete. In Canada the cost of producing these items has been steadily increasing for numerous reasons which I don't need to go into, and quite frankly, we are on the verge of pricing ourselves out of the world market. Consequently, we have to look at all aspects of how we are conducting our affairs in both the public and private sectors.

I am raising this whole issue because part of this assessment will address the aspect of environmental protection. A considerable amount of excellent work and policies have evolved during these past years, even though at times with a little too much over-zealousness. During periods such as we are currently experiencing, there is a tendency to over-react to the situation, and we must be careful not to throw the baby out with the bath water, so to speak.

We must remember that the mining industry is cyclic in nature; it always has been and always will be. Therefore, when policies are being developed, they must be viewed in the long term, they must be realistic, fill the requirement and, above all, be cost effective. If not, we cannot effectively compete.

I feel I can honestly say that in British Columbia, on the whole, the policies developed, with respect to environment and reclamation, have tended to be fairly well balanced, and from the industry side the responsibility in these areas has been acknowledged. I think the Department of Energy, Mines and Petroleum Resources and the Ministry of the Environment have to take much of the credit for the implementation of workable guidelines because, in my own personal experience in many years of mine development in a number of jurisdictions, I have always found a common thread of practical application in this province. You are to be congratulated for this.

Specifically then, I think we have to

examine the existing requirements to ensure they are not too onerous in economic terms. We must acknowledge that the mining industry in this Province accepts the responsibility for mine reclamation and realistic environmental protection. Having acknowledged this, we must review the various programs to ensure that we are not spending funds today prematurely; we must continually monitor the requirements to reflect changing times and knowledge: for example, the final angle of the dump and highwall face.

Is the angle we are currently working to the correct one for all purposes, or can we adjust in light of current knowledge, thus allowing for a cost savings but at the same time maintaining the overall obligation to meet the requirement? I don't know myself at this time, but I make the point as an example of what we should be looking at on a co-operative basis.

I believe that in the course of mine development, and again from my own experience of operating at the local level, it is important to keep the community informed and to let them have input; but again, this must be on a practical basis.

I also believe that at times like these we, as an industry, must work together with government to move forward. I am not suggesting that we look to reduce the Province's income but to examine some of the legislation that applies to our industry for possible areas where we could be more cost effective. In this regard, I must commend the B.C. Mining Association for undertaking the review of The Minerals Act, and, also as an illustration of industry co-operation, point out that the B.C. Mining Association and the Coal Association of Canada are jointly involved in reviewing some of the legislation to identify areas that need updating: again on a practical basis from both the standpoint of industry and government. I believe this approach makes a lot of sense and might form a model for the future. There are many areas where duplication of effort can be eliminated and through co-operation the same objectives accomplished at less cost.

With respect to Canada's coal industry,

let me try to bring you up-to-date with a few brief comments. Although we do not have the final figures yet, preliminary data indicates that total production for 1983 will be 44.25 million tonnes, up from 42.8 million in 1982; exports increased by 900,000 tonnes to 16.9 million. Of these, metallurgical coal was up to 14.6 million from 13.03 the previous year. On the other hand, thermal coal exports were down during 1983 to approximately 2.3 million tonnes, a decrease of some 22 percent.

Regionally, Alberta continues to be the largest producer of coal at 21.4 million tonnes, much of which is used internally. British Columbia is second at 11.8 million tonnes, followed by Saskatchewan, Nova Scotia and New Brunswick. Ontario imports all of its coal requirements with total imports being 14 million tonnes, down from 15.8 million the previous year. Five new mines were officially opened during 1983, with one new mine scheduled to come on stream in 1984.

Although overall production has increased, the industry is faced with the problem that prices are not keeping pace with increased costs, and accordingly we are continually looking at ways to reduce costs.

Looking ahead then (and I do this with some reluctance, as to quote Dr. Norbert Berkowitz, "Those who live by crystal ball had better learn how to digest glass"), I would expect to see a gradual increase in coal production in Canada.

Coal is Canada's largest energy resource and will continue to play an important role. We must continue to pay attention to mine reclamation and environmental protection on a practical and cost effective basis. There is a proper balance as to what is desirable, what we would like to do, and what we can do, and I, for one, believe we can achieve this balance. A lot of good work has been done in mine reclamation in this province, but that does not mean we can stop looking for improvement.

Ladies and gentleman, thank you for the opportunity of sharing these thoughts with you tonight!