



DEVELOPMENT WEST COAST

Te Ohu Whakawhanake o Te Tai Poutini

File Ref 22213

13 October 2023

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SUBMISSION ON AN APPLICATION FOR RESOURCE CONSENT UNDER SECTION 96 OF THE
RESOURCE MANAGEMENT ACT 1991

TiGa Minerals and Metals Ltd

Consent Number: WCRC: RC 2023-0046
 GDC: LUN3154/23

Introduction

1. Development West Coast (DWC) is supportive of TiGa Minerals and Metals LTD's (TiGa) application for Resource Consent to establish and operate a mineral sands mine on the Barrytown Flats north of Greymouth.
2. DWC is the Economic Development Agency and Regional Tourism Organisation for the West Coast region. DWC's role is to promote sustainable economic benefit and sustainable employment for the West Coast region. We have a mandate to facilitate regional economic development while also caring for our people and our place. Our strategic priorities include identifying opportunities to diversify our businesses and sectors while being proactive and responsive to the economic climate and external factors affecting our region.
3. The local and regional government regulatory framework seeks to promote the strength and resilience of local communities by enabling them to provide for their current and future wellbeing, through an effective system of local governance.

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WEST COAST
UNTAMED NATURAL WILDERNESS

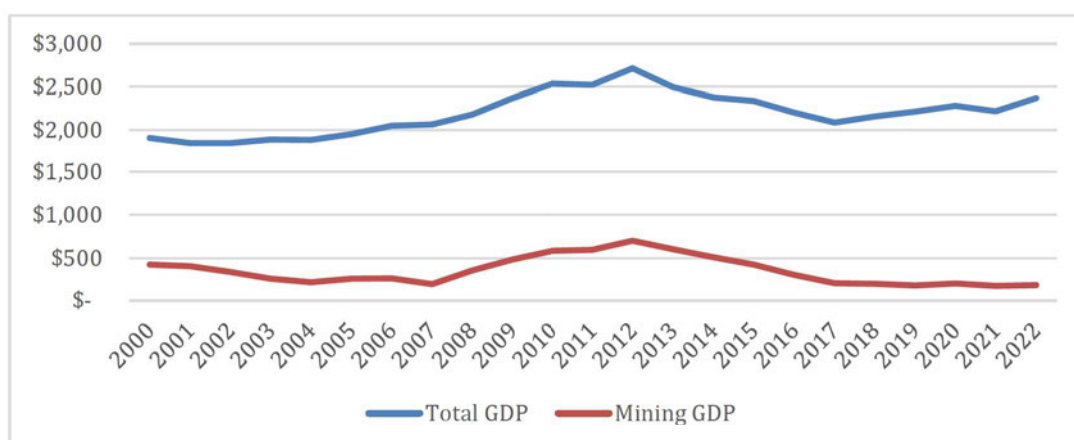
Alignment with Regional Strategies

4. An updated economic development strategy has been consulted on as the region faces the challenge of finding its place in the national economy going forward while at the same time safeguarding the social, community and economic welfare of its residents.
5. Te Whanaketanga Te Tai Poutini 2050 Strategy has, as its collective commitment, “unlocking the potential of Te Tai Poutini (the West Coast) by carving our own path, front footing the change required and working in partnership with open minds and a solution-based approach to the wero (challenges) we face.”
6. The Strategy is endorsed by the collective Mayors, Chairs and Iwi Group and led by a regional steering group.
7. A priority project identified during consultation with the mana whenua is “Realising our Natural Resources, Te Whakahaere i ngā Rawa o te Ao Tūroa”. The strategy supports the establishment of new industries that deliver value to the region while protecting our natural environment.
8. Te Whanaketanga has recently resulted in the development of Te Tai Poutini West Coast Renewable Energy Strategy, which is focused on future opportunities and the infrastructure required to support new projects.
9. DWC believes TiGa's proposed mineral sands mine aligns with the visions of both Te Whanaketanga and the Renewable Energy Strategy for Te Tai Poutini, fostering sustainable development and the advancement of renewable energy.

Mining’s role in the West Coast economy

10. Mining has long been a key driver of the West Coast economy. When mining prospers, the broader economy resonates with this growth. Conversely, any downturns in the mining sector reverberate across the region’s economic landscape.

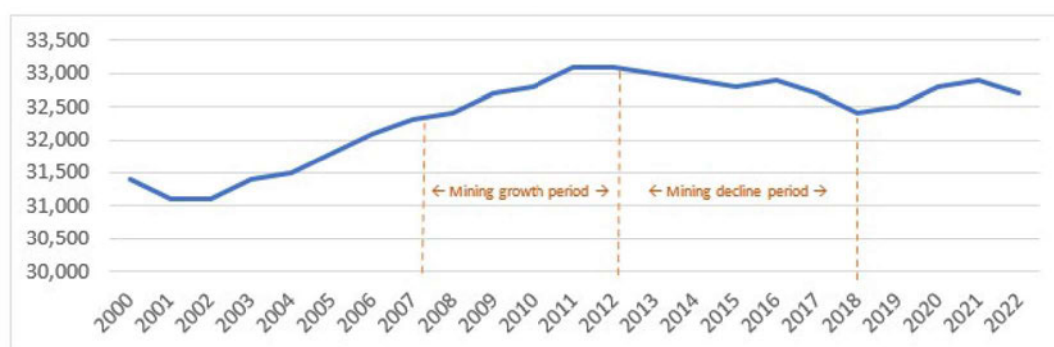
Figure 1: West Coast Gross Domestic Product (\$M)



Source: Infometrics

11. The performance of the mining sector has not only influenced the region’s overall economic condition, but it has wider socio-economic implications. From the peak of mining’s contribution to the West Coast economy in 2012 through its decline to 2018, total GDP fell by \$557m and the region’s population dropped by 700 people. For such a sparsely populated region, the loss of so many people had a major impact on our tightly knit communities, schools, community groups, sports clubs, and consumer demand for local businesses.

Figure 2: West Coast population



Source: Infometrics

12. Mining has a profound influence on the economic and social fabric of the region, due to the sector’s high economic productivity. Each job in the mining sector on the West Coast contributes \$300,023 towards the regional economy – this is more than twice the average productivity of jobs on the West Coast (\$142,565). Notably, the mining sector’s productivity on the West Coast surpasses not only the regional average but also the national average (\$132,815). This highlights the sector’s importance and its potential impact at both a regional and national scale.

Table 1: Productivity – GDP contribution per job in 2022 (source Infometrics)

Mining productivity (West Coast)	\$300,023
Average productivity (West Coast)	\$142,565
Average productivity (New Zealand)	\$132,815

13. Mining remains a key contributor to the West Coast economy. In 2022, the sector contributed \$183.3m towards the region’s GDP (7.7%).

Table 2: GDP contribution of mining in 2022 (source Infometrics)

West Coast	\$183.3m	7.7% of total GDP
NEW ZEALAND	\$2,920m	0.8% of NZ GDP

- At its peak in 2012, mining accounted for 1,472 jobs on the West Coast. While this number has greatly reduced, the sector remains a key employer in the region. In 2022, 611 people were directly employed in mining (3.7% of jobs on the West Coast).

Table 3: Mining jobs in 2022 (source Infometrics)

West Coast	611	3.7% of total jobs
NEW ZEALAND	5,942	0.2% of NZ jobs

- It is important to recognise the multiplier effect inherent in the mining sector. Each direct job in mining supports multiple roles in ancillary sectors. These could encompass positions such as administrative roles within mining companies themselves, engineering and transport services, and other crucial support roles that are indirectly but intrinsically tied to the industry.
- The median salary for mining jobs on the West Coast is around \$82,750, the highest of all broad industries.¹ This is 54% higher than the average salary across all industries (\$53,600). This implies that West Coast households will benefit more from growth in mining sector job opportunities than they might from an expansion in other sectors.
- Based on the median salary, mining contributes around \$50.6 million in wages for 611 West Coast workers. This does not include the many ancillary jobs the sector also supports.
- TiGa's mineral sands mine has the potential to bolster the mining industry- a key economic driver where the region holds a comparative advantage. It will also, importantly, add diversification to an industry historically based on coal and gold, enhancing resilience in the sector and wider economy.
- TiGa's focus on extracting Ilmenite and Rare Earth Elements (REE)- integral to the production of solar and wind power generation components, energy-efficient engines, and electric vehicle batteries – aligns with the vision of both Te Whanaketanga Te Tai Poutini 2050 Strategy and Te Tai Poutini West Coast Renewable Energy Strategy. TiGa presents an exciting opportunity for employment in the region that contributes to the green economy and the renewable energy sector.

Employment Opportunities and Implications

- Sustainable employment opportunities are those that promote long-term economic, social, and environmental well-being. In our ever-changing global economy, sustainable employment involves a balance between economic growth, social equity, and environmental responsibility.
- Mining operations have increasingly adopted advanced technologies, such as automation, remote monitoring, and data analytics. These technologies have improved safety, efficiency, and productivity in the sector. As a result, the nature of jobs in the mining sector is evolving to meet

¹ Based on StatsNZ's LEED data for 2021, inflated by the Labour Cost Index between 2021-2023.

these new requirements and expectations. The employment opportunities offered by TiGa are wide ranging, financially attractive and have the potential to attract young families to the region.

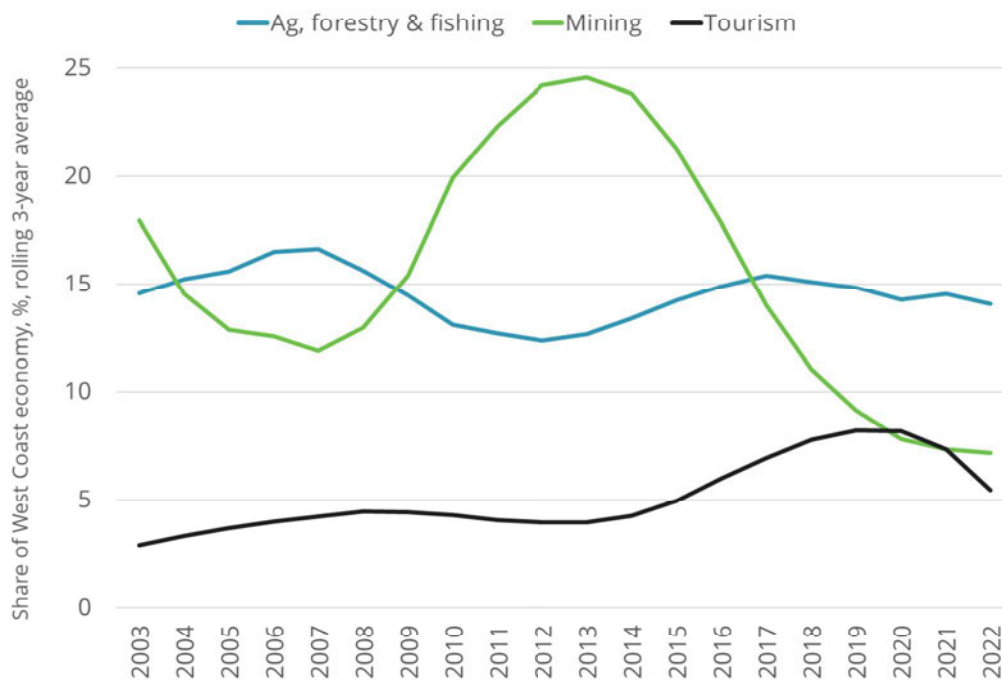
22. TiGa’s proposed mineral sands mine is projected to create 57 direct jobs, potentially injecting around \$4.7 million into local wages based on the median mining salary. Alongside this, an estimated 80 support roles could add another \$4.3 million, considering the average West Coast salary. In total, TiGa's employment opportunities may generate around \$9.0 million annually in wages, much of which will be recycled locally through household spending.

<i>Table 4: Projected employment from TiGa’s mineral sands mine</i>		
<i>Employment</i>	<i>Number of jobs</i>	<i>Estimated local wages</i>
Direct jobs	57	\$4.7 million
Support roles	80	\$4.3 million

Economic Benefits

23. TiGa predicts the mine will produce \$63 million in export earnings per year, representing a substantial boost to both the West Coast and New Zealand's broader economy, enhancing trade balances and potentially stimulating further regional development.
24. Given the productivity of mining jobs on the West Coast, TiGa's prospective 57 roles might yield an estimated \$17.1 million for the regional GDP. The 80 support roles could further add \$11.4 million. In total, this could boost the West Coast and New Zealand's annual GDP by a potential \$28.5 million.
25. With a possible \$9.0 million in wages from the initiative, central government stands to gain approximately \$2.8 million in income tax revenue - a significant contribution to the nation's finances. Assuming TiGa is profitable, company tax paid on earnings will also increase tax revenue.
26. Mining has always been, and will continue to be, a vital part of the West Coast economy, reflecting the region’s natural resource endowments and hence comparative advantages. Mining is over nine times as important to the West Coast economy as it is to the national economy.
27. The West Coast is blessed with a natural resource endowment that lends itself to mining, primary production, and tourism. That is not going to change – the regional economy will continue to depend heavily on these three industries for the foreseeable future. It is logical to support West Coast industries which have a regional comparative advantage and the mining sector represents our largest comparative advantage.

Figure 3: Share of West Coast region economy (source Infometrics)



28. The West Coast economy is not overly diverse and our challenge is to support all sectors to thrive, rather than concentrating on one at the risk of another. Primary production, mining and tourism need to find ways to co-exist as they do all over the world. Mining provides the high-paying industrial jobs we need, and tourism creates an appealing quality of life for both visitors and residents.
29. It is DWC's mandate to ensure there is strength and diversity across business sectors and within sectors and by doing so, to help the Coast's economy withstand shocks within a sector without disrupting the economy as a whole.
30. Overall, the mining sector is undergoing significant transformation to adapt to changing environmental, technological, and societal demands. While challenges remain, including environmental concerns and social responsibility, there is a growing recognition within the industry that embracing sustainable and responsible practices is essential for long-term viability.
31. DWC is supportive of the efforts TiGa have gone to thus far to carry out operations in a socially and environmentally responsible way. This commitment reflects the core values and principles embodied by the Resource Management Act.
32. As the Regional Tourism Organisation (RTO), DWC has carefully considered the potential impact of the TiGa mine on the visitor experience for the region. We see no negative impact to the experience or reputation of the region.

The Economic Opportunity

33. TiGa has applied for consent to mine for REEs among other minerals at the Barrytown site. The "green-tech" low-carbon emissions industry is heavily reliant on access to REEs, which are at present in short supply world-wide.
34. There is an unprecedented demand around the world for the clean tech minerals, and this represents a real economic opportunity for the West Coast and New Zealand. These minerals have an essential role in supporting New Zealand's transition to a low-carbon economy.
35. REEs are critical to several key industries and technologies, but 80% of their global supply is dominated by China. Local sourcing of critical minerals is, in a global sense preferable than importing them from China.
36. In recent years, the global supply, mining and distribution of REEs has come under intense pressure for a variety of reasons, including high demand, geopolitical tensions, lack of sustainable sources, and poor recovery efforts. Addressing climate change is the need of the hour which demands advanced technologies in multiple spheres that critically depend on REEs. At the same time procurement of REEs must also remain an ecologically sustainable and economically viable process.

Conclusion

37. For all of the above reasons, DWC believes that mineral sands mining signifies a new and important pursuit for the region and one which allows us to play a vital part in advancing the green economy while looking after our natural environment.

DWC believes there is an opportunity to provide a benchmark model for how mining and tourism can co-exist and strengthen the local economy. As stated previously, mining provides the high-paying industrial jobs we need, and tourism creates an appealing quality of life for both visitors and residents. There is a great opportunity to cooperate and DWC supports the willingness of TiGa so far, to work with the Barrytown community.

Your faithfully



HEATH MILNE
Chief Executive