

DATE: 30 August, 2020

TO: Panel, Yukon Mineral Development Strategy

FROM: David Loeks

RE: Submission to Panel, public engagement phase.

I applaud the Yukon Government for drafting a Mineral Development Strategy. This is an opportunity to re-think right down to the fundamentals. While I concur with the recommendations submitted by CPAWS and YCS, I would like to offer my own, based on nearly 40 years of observations of the mining sector in the Yukon.

Quartz and placer mining have enjoyed priority status in the Yukon since the 1890s. Both kinds of mining cause environmental problems, but quartz mining is in a class of its own. There may be exceptions, but I'd hazard that in 100 years, not one hardrock mine in the Yukon has come to a good end. All exported profits out of the territory and all left the public holding an environmental liability. In the most egregious example (Faro), the costs may reach \$1 billion and at least 500 years of toxic exposure. And arguably, no lasting benefits to the Yukon.

The premise has been that mining is the highest, best, and therefore the priority use for public lands. The flip side of this has been that wilderness is considered to be unproductive and valueless, unless flagged by a formal park withdrawal. In support of mining's pre-eminence, the road and trail network in the Yukon has steadily expanded while the wilderness legacy has dwindled, public monies have poured into infrastructure and subsidies supporting the mining sector, and a wide range of environmental and social impacts have been incurred by the taxpayer. The worth of the tradeoff benefits depend on your value system.

Regarding values, the general assumption that the Yukon is and should be mining country no longer holds. There is approximately an 80% / 20% split among Yukon voters between those who prioritize environmental values and those who value economic development more. This is a remarkable sea-change from the Yukon of 40 years ago. It was made manifest by the survey results from the Yukon Fish and Wildlife Management Board's 20-20 Vision process of 2009. It was abundantly demonstrated by the public support for the (real) Peel Watershed Final Recommended Plan in 2012-2016. Again, Yukon voters split roughly 80/20. There is no reason to believe this proportion has changed.

If public policy is designed to serve the Yukon public (and please Yukon voters), then this simple fact should resonate with Government. It seems only prudent.

By definition, mining is not a sustainable activity, so the two meta-questions for this strategy really should be:

- How to minimize mining-sector environmental damage and social impacts, so that they are within bounds of environmental sustainability and social acceptability? And:
- How to maximize benefits to the Yukon so that hosting mineral development is worthwhile?

Consistent with the values of the majority of Yukon voters, a mineral development strategy should understand mining as just one of several options for public lands, and not the default preference. Several things flow from this shift of emphasis.

The first change would be to suspend the mining sector's status as a chronic recipient of corporate welfare. Possibly no other sector is as subsidized as this one is and for such unexamined reasons.

Secondly, the free-entry staking principle must go. Revisions or replacement of the Quartz Act and the Placer Act are in order. Free staking is a hoary relic of the 19th century which presumes that the activities and impacts of mining exploration and the assertion of rights by staking is acceptable everywhere – except where it has been withdrawn. No other land or resource use has this privilege. It has pre-empted the interests of many people and it has disrupted sound management of public lands. It makes providing for ecosystem functionality and connectivity subject to market whims. Conflicts with the interests of First Nations are only intensifying.

Many of the operational principles of free-entry staking could remain, if society first makes basic broad decisions about where mining is appropriate and how access should be permitted in each landscape. Some form of regional land-use planning, in other words. This is the forum in which society can democratically weigh-in on how they want the landscape to look.

A moratorium on staking in any region until land use planning is completed should be in effect. In the case of the Peel, the commission asked for a moratorium on staking when they began their work. But the Yukon Government ignored it for six long years. In this period, the number of claims went from 1,658 to 8,431. The implications for public policy formation should be evident. Another consideration: a moratorium on staking until planning is completed would sharpen the focus of the Yukon Government to get on with this vital process. A similar moratorium should be in effect for any major development approvals, including roads (think ATAC) or mine sites (think Kudz Ze Kayah).

In order to determine if mining is a preferable land-use option, more comprehensive accounting and analysis of costs and benefits should be provided to decision-makers, land-use planning commissions, and the general public. The public really ought to have a clear understanding of its financial contributions to mining, including the costs of roads, schools, policing, social workers, COs, wildlife biologists, energy infrastructure, government departments devoted to the mineral sector, YESAB, environmental remediation and monitoring. And non-cash contributions, such as opportunity costs when wilderness is lost and when wildlife becomes collateral damage.

Benefits and costs should be looked at in a more sophisticated way. Population growth, for instance, is by no means an unmixed blessing. More population conveys a reduction in quality of life for many people already here: rush-hour traffic congestion, competition in campgrounds, more crowded rivers and hiking trails, more noise and commotion from ATVs, snowmachines, and motor boats, fewer visible wildlife. And increased hunting pressure. These are real impacts felt by real people, but the presumption in some circles is that population growth is simply a Good Thing.

Back to benefits: Job creation is a crude metric. Are the wages paid by the mineral industry staying and circulating in the Yukon, or are they exported out of territory? What about expenditures for supplies, machinery, and transport? And profits? And royalties? How precisely is the economic activity of the mining sector beneficial to Yukon voters? I am not asserting that there are no benefits from the mineral sector – but I am suggesting that they – like the costs - have not been clearly enumerated.

If a transparent cost and benefit analysis can be done, then the public and their designated representatives and public servants can make sensible decisions about where the mineral sector can

operate and under what rules and conditions. We really should learn from the many mistakes of the past.

Other changes that the Mineral Development Strategy should include might be a principle of not permitting toxic extraction technology. Industry has not demonstrated that it can safely manage such calamities as cyanide, acid leaching and other chemicals that can potentially blight an ecosystem.

Another principle: no new permanent roads. A “Roadless Rule” similar to that used by the US Forest Service in the Tsongass National Forest (Alaska) could include a sequence of access decisions based on project phase:

- Early (prospecting and exploration): air access only, ATVs on staked claims only.
- Advanced exploration: Air and/or controlled access winter trail.
- Production: Air access, or controlled access winter trail or all-season tote road with full restoration and reclamation after project terminates. I strongly urge consideration of air access as was done by the Plata Mine in the 1980s. Heavy-lift airship technology is developing quickly and I urge the Yukon mineral sector to be early adopters.

Finally, it should not need saying, but it clearly does: all mineral development activity should be required to complete full environmental stabilization and restoration. Permits must be backed by damage deposits that are realistically high enough to ensure that the public never again is left footing the bill of private industry. Inspections and enforcement must be effective. So far there is no convincing evidence that industry has improved its end-game, so this will need especial attention.

In closing, I thank the Yukon Government for undertaking this Strategy and the Panel for its open-minded invitation to the public.

Respectfully,

David Loeks MFSc. MBA