

# Ex-Straterra CEO Chris Baker

Gavin Evans - Wed, 29 Jun 2022

Former Straterra chief executive Chris Baker is optimistic about the sector's prospects.

The life-time miner sees a bright future for the industry as the global transition to a low-emissions economy drives electrification of industry and transport and increases demand for copper and aluminium. More specialist metals for batteries, wind turbines, solar panels and clean fuel catalysts will also be needed.

Baker, also the chair of RSC Mining and Mineral Exploration, isn't looking for a full-time gig after 12 years leading Straterra. He is enthusiastic about a new vanadium play RSC is investigating in Australia and expects to be heavily involved as the project firms up later this year.

Baker observes that the war in Ukraine, and the decarbonisation underway globally, mean prices of hard commodities like coal, iron ore and copper are high. The same is true of nickel, cobalt and vanadium – all of which are likely to play a growing part in the adoption of renewable energy.

That is happening today, but Baker says you wouldn't know that in New Zealand.

"We should be quietly encouraging resource exploration," he told *Inside Resources* earlier this month.

"We're never going to be like Australia. We don't have a mineral endowment anything like they do. But we do have potential that is not being tapped."

## Untapped potential

A "wonderful" example of that untapped potential is the country's offshore iron sands, he says.

The sands Trans-Tasman Resources wants to excavate 20-plus kilometres off the Taranaki coast are rich in titanomagnetite and vanadium. Nine years after its first application, TTR is back in court trying to advance its plans.

"We have made the development of those resources so hard – and it's not been based on data," Baker says.

"It's ideology. It's an appalling indictment on New Zealand and the system we operate and the lack of respect we have for responsible investment."

But there have also been lots of successful consents. And while the Resource Management Act has its flaws, it handles the trade-offs involved in extraction and rehabilitation "really well."

Baker says the threshold for allowing mine development should be high, and there is no evidence that projects have been consented that shouldn't have.

Most recently, Westland Mineral Sands is facing only a very limited challenge to the consents granted for its first project near Westport.

And despite being one of the harder jurisdictions for resources investment, Baker notes there is more activity in gold exploration than for some decades.

The West Coast and parts of Southland look "quite promising", he says, while the Wharekirauponga mine OceanaGold has proposed beneath the Coromandel Forest Park is "spectacular."

"I don't know that anything as good has been discovered in Australia in the last 30 years.

"It's a cracker. It's an absolute bolter."

OceanaGold filed for consents for its Waihi North development, including the Wharekirauponga mine, last week.

## Missed opportunities

But while optimistic, Baker worries that New Zealand isn't producing enough work and career opportunities for its young people now and could be playing a bigger role in meeting the world's increasing demand for minerals.

He says some people want to be a good global citizen only when it suits them. And some anti-extractionists also still expect to have access to a first-world economy and the technology that comes with it.

It's a "myopic and selfish" view that only works "when the hole is dug somewhere else," he says.

"When in fact, for the few things we do have competitive resources for – and there's not that many – we can do it better here.

"The pay is good, as is environmental management. We do some wonderful stuff in terms of rehabilitation."

But making that argument is not easy. And the issue is not unique to New Zealand.

Globally, opposition to extraction is growing. Baker says the sector has to stop "inexcusable" behaviour like the fatal blast at Pike River, Rio Tinto's destruction of 46,000-year-old rock shelters at Juukan Gorge, and dam failings in Africa in recent years.

In New Zealand, opponents are no longer interested in sustainable resource development and instead try to stop that trade-off discussion taking place at all.

Where Straterra used to be able to get environmental groups to participate in industry panels, Baker says that is no longer the case.

And he says the 2009-2010 debate about potentially opening up for mining land protected under Schedule 4 of the Crown Minerals Act – typically national parks, wildlife sanctuaries, and nature and scientific reserves – was a big part of that.

"The Schedule 4 debate I think still sort of reverberates in a way," he says.

"It gave opponents oxygen when they didn't have any and didn't need any. And they've still got it."

## Issues

Baker was on the establishment board for Straterra, which was formed in late 2008. He became its chief executive in 2010 – on a four-day-a-week basis – after taking on the role temporarily and really enjoying it.

Climate change was already an important issue, but the Schedule 4 debate and the disaster at Pike River became defining challenges for Straterra and the industry.

Baker is scathing of the Schedule 4 debate, which he says was born out of the idea that there were \$200 billion of minerals available in the Schedule 4 lands.

People who knew nothing about mining then got hold of that idea.

"And enough of the media, not all, got the impression that all we needed to do was open the gate and the dozer would come in and we'd start getting that \$200 billion.

"That is so far from the truth – but it's still the kind of construct that we are up against."

The then National government dropped the idea but the damage was done.

Baker says it is an example of how the country keeps having the wrong debate about mineral and resource development.

And on most things Straterra deals with the problem definition is wrong to start with.

He cites the Ardern administration's proposed ban on new mining activity on conservation land as a "solution looking for a problem."

The consenting regime for new development is rigorous and is intended to protect biodiversity and reduce environmental impacts, he says.

It should "lead to a net positive contribution – certainly not to a loss in biodiversity – or at least suitably compensating activities."

"But with a lot of the opponents you don't even get into that conversation."

## Pike River

After Pike River and the royal commission that followed, Straterra was heavily involved with officials to develop the improved regulations recommended.

Baker says health and safety in the industry is mostly done well, but the effort to maintain safe work practices and culture never stops.

And he says it is still not handled well across the broader economy.

On another pan-industry body he was involved with, Baker found himself – with a union representative – the only ones advocating for greater worker representation on health and safety committees.

Baker says that was quite an insight into the gulf between mining and other sectors – be it transport, construction or farming – and their attitude to safety.

He says you can't have effective health and safety without involving the people at risk. They are smart people and they see the workplace environment every day.

"There is a whole lot of the economy, from a business point of view, who still don't get it," he says.

Mining has a different perspective, but it shouldn't be that different from other sectors, he says.

"The only thing that works in mining is that if you can't do it safely, you don't do it."

"Successive governments have shown an abject lack of leadership, and it's not good enough that we still have the rate of accidents that we have."

## Advocacy

Baker says Straterra now works with the Aggregate and Quarry Association and sector safety body MinEx "pretty seamlessly."

And he says the organisation has done a good job using science and evidence to explain mining and the sector's importance to the wider policy community.

It's still hard work, but not as hard as getting the general public to understand the essential role of responsible mining in the economy. That remains a tough call, and one that few firms and agencies globally are doing well, he says.

"It's really, really hard. And in the last few years particularly, at any international conference I have connected with or gone too, that has been a key theme."

"How do we explain our business and actually get buy-in?"

Baker says that, like any organisation, Straterra will benefit from the fresh set of eyes and experience Josie Vidal brings to his former role.

And so long as it advocates only for responsible mining and sticks to its core tenets of integrity, science and evidence, it should do well.

"I really like the fact that we have someone who knows a lot more about communicating – and how we tell a better story."