

SECTION C.4

*Observations on Risk Assessment from a Public
Perspective*

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Observations on Risk Assessment from a Public Perspective

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by

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I work for the Environmental Mining Council of BC, an organization that was formed in 1992 to respond to risks posed by mineral development. The EMCBC is an alliance of local, provincial and national conservation groups. Each group brings to the Council a unique set of priorities and concerns but they all share a commitment to "work towards environmentally sound mining policies and practices."

Some local groups had been working for years on mitigating health and fisheries impacts related to acid mine drainage problems from existing and past mine operations, including the Equity Silver, Sullivan and Mt. Washington mines. These organizations play an ongoing role in monitoring operations and negotiating public response to problems and providing detailed input to assessment of new projects. They have a very informed and practical understanding of risk assessment and management options at the local and regional level.

Provincial and national groups within the Council have tended to focus on biodiversity protection and the role of mineral development as a factor in protected areas and land use plans. Their sense of risk is played out in the science, policies and politics that govern the trade-offs between tailings impoundments, road corridors, critical habitat areas and watersheds. From the particulars of individual habitat integrity, to the breadth of the natural systems that define a sustainable natural legacy their knowledge of conservation biology and land use is critical to defining "limits of acceptable change" and risk.

We also have international development partners whose macro analysis focuses on the establishment of accountable risk management standards and the transfer of precedents across jurisdictions. Issues such as riverine and marine tailings disposal figure prominently for both their local impact and the subsequent ripple effect on the acceptability or rejection of other projects.

None of these groups fits well into the "Outrage" box that some analysts have referred to during this conference. Addressing the increasing sophistication and complexity of public perceptions and reactions to hazards and risks defies the neat equations put forward by some risk experts. In these summary comments I will speak briefly to the nature of our work and some of the challenges for us and industry to do justice to public concerns about industry practices.

Our challenge at EMCBC is to help people understand the nature of the risks posed by any project and, where the risks are deemed to be acceptable, to work with them to ensure that there are adequate regulatory and technical safeguards in place. We do this by working with a variety of analytical tools and experts to assess the ecological site, the project design, the company capacity and the regulatory framework for assessment,

monitoring and enforcement. In many cases this translates into recommendations or requirements for changes and improvements in operations. In other cases, where the equations results in a score that falls below the limits of acceptability it calls for more serious opposition to development activities. The empirical data on the current and past problems in mining lend ample support for public caution.

While it is extremely important to codify and quantify potential risks, as has been well illustrated by the presentations at this conference, it is equally important not to get lost in the statistics, the 'real' numbers and the probability analyses. We have seen on many occasions the problems arising with a false sense of security grows out of a modeling exercise. Understanding theoretical risk management systems and putting them into practice is where the industry finds itself in trouble time and again. The gap between the promise and performance of some "modern mines" can be, has been, substantial. In cases such as this, the promise of low statistical risk is of little comfort to those people who end up as statistics. This is on the minds of many people who come to us for assistance.

We see too many examples of expensive consultants studies who provide assurances in the short term, but set the public and companies up for liability in the long term. The prediction of AMD the construction of tailings impoundments, and the design of closure plans are all imperfect sciences. While we don't expect that the risk will ever be zero, I think it fair to ask for much better consistency in standards and rigour in the enforcement of those standards by companies and government agencies.

While a good looking map and matrix will often gain a permit, we are seeing examples where certain companies are really ill-prepared for operational challenges and legitimate community demands. These problems translate into increased costs and liabilities, decreased shareholder returns and, when disaster strikes, a black eye for the whole industry. We are all aware of examples of these kinds of problems here in BC and in most other jurisdictions.

To address these problems more systematically we need to better integrate risk assessment practices with a set of incentives to promote excellence in risk management. This includes strong regulations and enforcement capacity – linked to either production restrictions or financial penalties to send clear signals about public standards. It also includes a strong commitment to independent auditing and reporting of risk management systems. Without this clear bottom line of standards and a link between risk reduction and the flow of capital we will not see adequate industry-wide environmental performance. Let's face it, we are not there yet. This means that the risk assessment methods have been either inadequate or inadequately applied in many cases.

Because of some recent mining disasters and some ongoing problems on sites throughout the country public concern is growing. We do not see ourselves as "opponents" of mining. Our organization, and others we work with in various regions and countries, is actively seeking to create the political space for companies and consultants to do the right thing. By asking the hard questions and calling the challenge on performance standards we seek to weed out the bad actors; those who would not

choose to pursue the highest standard in risk management and hazard prevention; those who would choose to cut corners and externalize costs to the environment and the public downstream.

Unfortunately these companies do exist and operate in Canada and beyond and are the primary reason for our ongoing efforts and environmental groups. Those companies who follow this philosophy are a risk and hazard to both industry and public.

How do we ensure that these companies are not allowed to off-load their risks to the public? As I've said we need to seriously re-examine the incentives and regulatory signals now in place for companies to adopt best practices. In the short term, by bringing companies, consultants and other stakeholders together to discuss theoretical and practical challenges this kind of forum is an important contribution to the solution(s). We are grateful to MEND and the participants for creating this opportunity.

We strongly believe that, in the face of increased public scrutiny, those companies who invest in solid risk management competencies will increasingly realize competitive advantage by responding, in real and measurable ways to the public concerns and demands. We look forward to industry-wide commitments to a) internalize environmental costs and risks, b) respect the public right to know and understand the nature of mine-related risks, and c) pursue excellence in precautionary mine design and operations. With the important exception of some exemplary projects we are clearly not there yet. We look forward to the ongoing work of MEND partnerships with the public and private sectors to get us all there soon.

