

# HOW TO PERMIT YOUR MINE



by Joseph L. Danni

Vice-President Human Resources and Public Affairs, Placer Dome U.S. Inc.

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No matter how much you believe in your project and its economic, environmental and social soundness, it is unlikely to materialize on a timely basis if a majority of the local community or elected officials are against it.

Yet very little about permitting – industry jargon for gaining government and public approval for a mine project – requires special creativity or unique approaches. Although there is some of that, most success stories revolve around hard work, perseverance, attention to detail and commitment.

**I**would like to suggest 10 steps to success in managing the mine permitting process. Before doing so, it is helpful to briefly review the context in which we conduct our activities.

A survey on gold mining by the Gold Institute in the United States in 1995 showed that nearly half of the public in the U.S. have no opinion about mining. Nationally, the mining sector disappears into a U.S. gross domestic product (GDP) that is approaching seven trillion dollars. Hard rock, coal and industrial minerals together comprise only 1.5% of the GDP and employ approximately 119,000 people or 0.6% of the workforce. Gold mining directly employs fewer than 20,000 people and, therefore, represents approximately 0.1% of the workforce. By contrast, the McDonald's fast food chain alone employs 166,000 people.

Miners (and everyone else for that matter) consistently complain about the unfairness and bias of media treatment. At times, it appears we have a case. Mining stories often present easy and graphic targets. Two by two, like beasts to the ark, some words seem to seek each other out in mining stories. If it is laced, it must be with cyanide. Fat goes with cat and foreign with owned. If there are smokestacks, they are belching, and if there is waste, it is toxic. Even the terminology we routinely use evokes negative images. We strip overburden, leach heaps, waste rock and dig pits. This imagery presents an impediment at the outset of any media treatment of mining stories.

It is against this national backdrop of a generally disinterested public, political weakness, economic indifference and media vulnerability that we attempt to

permit our mines. We do succeed, as Placer Dome U.S. did with the Pipeline project in Nevada this year, but the time lines are getting longer (3-1/2 years for Pipeline), the costs greater and the challenges more diverse.

## Step 1. Understand Project Stakeholders

**W**e often have an “attitude problem” when we deal with permitting agencies. Frequently our internal conversations about government agency employees, with whom we work in the permitting process, range from condescending to belittling. And too frequently those attitudes are only slightly below the surface when we deal directly with those employees.

It is not necessary to exchange Christmas cards or go to the movies

together. But a little empathy goes a long way, and understanding the unique culture that is part of every agency we deal with only makes good business sense.

Exploration activity frequently starts premature and exaggerated speculation about the future of a project. Putting exploration activities in proper context and initiating and maintaining regular contact with local media improves the likelihood of positive media relationships later in the project cycle. Explorationists should remember they set the stage, for better or worse, for every company activity that will follow.

Developing a community profile based on research is also necessary to identify elected and non-elected leaders and the complex relationships that make a community work. Take time to read the history of the location. A lot of puzzles start to make more sense if you are moderately grounded in local history.

## Step 2. Know the Opposition

**D**o advance research also on the groups of stakeholders who inevitably will rise up to oppose a project. We have a tendency to lump together all opponents of mining as strident environmentalists who want to ban mining from the planet. While undoubtedly some fit this stereotype, most opposition, particularly local activists, reflect a concern raised in 1994 by a leading opponent of a sand and gravel quarry. In an interview he stated:

“You forget just how threatening your industry appears to the average resident. You are big – overpowering. Your operations are big, your equipment is big, your piles are big, the holes you leave in the ground are big. Everything you do is big and powerful. And we just don’t know who you are, just some big, out-of-town mining company.”

His statement is instructive in that we seldom take the time to see ourselves and our industry as many others view us.

Assuming that all opponents are tied into a national or international conspiracy to stop mining is an irrational assumption. The environmental movement is very adept at networking, yet on the local level the foregoing quote is more instruc-

tive and cannot be ignored. Lumping the community into two factions, those in favour of the project and those opposed, greatly limits the range of options available to address differences.

We must also be aware that environmental groups enjoy a great deal of credibility as sources of information. A national survey conducted by the Angus Reid Group in 1991 revealed that 91% of respondents believe most or some of what environmental groups say when it comes to “credibility of environmental information

sources.” Fourteenth on the list of 14 “credible” sources was business/industry with a 37% ranking. We may believe we are honourable and our industry essential, but we have to be consistently credible at the project level to overcome our built-in negatives.

## Step 3. Tell the truth – full disclosure

**I**t is important that we do a full scoping of the project internally before engaging in the agency permitting

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*Mining at Golden Sunlight, Montana, U.S.A. – “a graphic target”.*



process. Every conceivable issue should be put on the table and carefully examined. Too frequently, we let the agency determine the relevant issues and keep our list close to the vest. If “unimportant” issues are not flagged by the agency in initial scoping sessions, we feel we have somehow saved some permitting time. Inevitably, however, every issue eventually sees the light of day. That is the nature of the process. However, because of our initial reluctance to share our complete list at the onset, we end up conducting

further studies not originally anticipated and then wonder why the project time line is delayed.

The second aspect of partial disclosure deals with downplaying the real impacts the planned activity will have on the environment or the community. To quote again from the activist who successfully blocked a sand and gravel operation:

“Their engineers and their lawyer were smooth, they had an answer for everything. But their answers didn’t fit with the reality of the industry – a reality we could

see any time we chose to drive out and look at it. This is what made us angry. They pretended that what we saw with our own eyes at existing gravel operations wasn’t real – that only what they were presenting to us on paper was real.”

The size, scope and real impacts of the planned activity cannot be sugar-coated or disguised.

#### Step 4. Staffing with Clear Responsibilities

**W**e would never operate a mine without the best people available assigned to specific responsibilities within the operation. And we would make every effort that those important responsibilities were not diluted by adding unrelated projects onto the work load. Project permitting, however, often lacks this clarity of focus and responsibilities are frequently assigned to talented people who have many other ongoing operational or corporate responsibilities.

On the subject of staffing, there is a tendency on the part of politicians, heavy-weight boxers and, sometimes, those involved in permitting in the extractive industries, to travel with a large entourage. A scoping meeting may require a large number of specialists in a variety of fields, but a visit to the local paper or the Bureau of Land Management for a progress review gives offense when accompanied by an entourage more befitting a Middle Eastern potentate.

#### Step 5. Pay Attention to Details – Follow Through

**D**etails, like what time a meeting starts and the exact location, become magnified when the project has a multitude of similar details competing for attention. A project manager must not only prioritize the details but must determine which are really not details and require considerable attention and which are truly details and can be delegated.

But it is the follow through that plays a major role in the success of any permitting process. In the local community, the project will be judged, ever so incrementally, by phone calls returned, promises kept and obligations fulfilled. Whether it is the local reporter or the Governor’s office,

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*Cortez Joint Venture, Nevada, U.S.A. – The Pipeline gold deposit under land at centre was the subject of a 3-1/2-year mine permitting process.*



be clear on requests and expectations. Ultimately, consistent follow through can engender more support for the project than the flashiest media campaign.

### Step 6. Saying Thanks

Recognize that we are wandering about the fields of sociology or even psychology in the foregoing discussion. We are, after all, talking about building gold mines, not seeking world peace and universal contentment. Nevertheless, you do not need a Ph.D. in psychology to know people are more likely to respond positively if they feel appreciated. Permitting exercises are lengthy, high tension efforts involving long and often unpredictable hours. Saying "thank you" to the people working on the effort goes a long way toward increasing productivity and often compensates for occasional internal flare-ups.

Further, saying "thanks" is not an inappropriate gesture to make to the permitting agency personnel working on a project. Even though they are "paid to do their job," your project will undoubtedly raise the stress level and work load on a

number of fronts. Project personnel can't change that, but it can be acknowledged.

### Step 7. Dealing with Rejection and Hostility

In the course of permitting a mine, some people are going to say no. Sometimes, a lot of people will say no and some of them will say it with passion. The project, the company and the project manager can, on occasion, expect to be vilified. It comes with the territory. The capable permitting manager must take the time to understand the nature of the opposition. Is there a common denominator? Is it reflexive? What does your research say? Are you separating the people from the problem?

An old but often tried and true first step is to look for objective criteria to which all parties can agree as standards for decision making. For instance, local tradition, federal laws, or generally accepted technical standards may be used as agreed upon criteria to initiate discussions.

In a confrontational permitting situation the manager must remember that people take positions or push certain solu-

tions because those positions or solutions satisfy their interests or needs. All of those needs and interests cannot be met, but a clear, not assumed, understanding of them will help in tense situations.

The permitting team or manager must continue to work with sceptical, even hostile groups. Group dynamics do change, and opponents may never embrace a project but some do come to acceptance. Persistence is the key.

### Step 8. Grassroots Support

There is not a politician, trade association or environmental group that does not promote grassroots support as a basis for their positions and strategies. But in the process of becoming grassroots conscious, they all too often institutionalize and structure something that is no longer grassroots. Grassroots, used as an adjective, is defined as, "originating in or emerging from people at a distance from ... the center." The antithesis of this definition is when the permitting manager reviews the strategy and says, "Now, let's organize our grassroots function." That's not grassroots. When supporters of the project emerge on their own, and they will, that is grassroots, and the permitting manager must resist the natural urge to control the effort.

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*In Venezuela, Public Affairs Coordinator Eduardo Cartaya (left) of Placer Dome consults with community leaders at Las Cristinas, Placer Dome's newest mine development project.*



Attempting to dictate strategy or control a grassroots group can lead to only one of two results, both of them bad. One, the attempt to control will alienate the group whose initial inclination was to be helpful and, even worse, perhaps control will succeed. But in taking control of a grassroots group supporting the project, the very integral, dynamic factors of such a group are lost. A permitting manager, by following a simple strategy of consistent, two-way communication and trust, can have effective grassroots support without demanding control.

### Step 9. Accuracy, Brevity, Continuity

Throughout the entire permitting process the manager and his team should repeat the mantra: accuracy,



*As others see us: "You are big, overpowering. Your operations are big, your equipment is big, the holes you leave in the ground are big...."*

brevity, continuity. Be accurate, over time, with what you are saying to all stakeholders. Strive for brevity, even when presenting the most complex of issues. Technical detail is part of any solid permitting process, but leave it in the attachments for the technical people and the environmental activists. Spare the Rotary Club the detailed metallurgy and related topics. Practice continuity. Keep moving forward, return phone calls, keep commitments and try not to change permitting managers, or support staff, unless absolutely necessary.

### Step 10. Conflict or Compromise?

Speaking to the 1996 annual meeting of the Gold Institute, Fred Smith of the Competitive Enterprise Institute made the

following observation about those in industry:

"Too often, the business community seeks to appease its critics by capitulation – by premature cringing, as it were. This is not wise. Firms often defend their environmental record like this: We once produced x wastes, we're now down to 50 % of that amount and our plans are to reduce wastes by another 10 % over the next decade. By the 21st century, pollution will almost be eliminated! Expecting applause, they are puzzled at the silence."

His point, among others, is that the industry does not produce waste. We produce products to make the world a better place. Waste reduction is happening, environmental sensitivity is part of today's culture, but we shouldn't start a discussion about our industry or our projects with apology in our words and compromise in our hearts.

So what does the permitting manager do? First, at the project level, stakeholder involvement will occur whether wanted or not. Second, where there is stakeholder involvement there will be collaboration on some level or another. That being the case, why not make involvement and collaboration more efficient and effective? Why not, as permitting manager, manage the process in the best way possible?

The permitting manager must never lose sight of the goal, which is to successfully permit the project. Compromise should not be the strategy, but it can sometimes be a tactic. A thoughtful, thorough permitting package need not be thrown open to compromise at the first hint of opposition. However, neither should the permitting manager turn a deaf ear to changes that can improve the process, resolve disputes, or both.

In his speech on Conciliation with America, Edmund Burke, in 1775, said, "All government – indeed, every human benefit and enjoyment, every virtue and every prudent art – is founded on compromise and barter."

