Greenlandic Experiences with Mining Operations: Contrasting FIFO-strategies with Flexible Settlements

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Minerals in Greenland

- despite the dominant role of fishery for exports and the importance of hunting for subsistence, focus has been on
- commercial exploitation of minerals, energy and oil
- recently resulting in abandoning the zero-tolerance policy on uranium
Greenland’s deficit challenge

- government costs will continue to grow
- more than export incomes from fishery and tourism
- a result of the self-rule agreement and liberalisation of business and trade
’To the benefit of Greenland’

- five scenarios present the harsh reality of expecting large scale mining to solve the deficit
- how is mining industry, government and community represented / conceived of?
- ½ million Can $ a year in state subsidies from Denmark
- 15-25 mining operations needed
Mining experiences in Greenland – I

• Ivittuk: a Danish enclave owned by the Øresund company producing cryolite
• at first, workers from Greenland not allowed
• ore crucial to the US WWII engagement in Greenland, but emptied in the 1960s
Mining experiences in Greenland – II

- example of local adaptation: coal mine in Qullissat – closed 1972
- second largest town
- origin of the workers movement and claim for independence
- integrated: hunting, fishing, mining
Mining experiences in Greenland – III

• Maarmorilik (Black Angel) zinc and lead in operation 1973 to 1990
• FIFO organized with attempted little interaction with local community
• local conflicts: ships breaking sea ice
• intensive work periods, migrating worker and barrack culture
• strike in 1977 led to removing miners (supported by police)
• huge pollution from deposits
Mining experiences in Greenland – IV

- Nanulaq gold mine, small, in operation 2004 to 2013
- engaged in training and employing Greenlanders
- huge problems with keeping trained workers for longer periods of time
- 10 hours a day for 3 weeks
- wage labor as temporary money source
Asymmetries and adaptive capacity

- basic asymmetry exist in the knowledge about mining practices, impacts, and regulation
- mining companies are global operators with limited interest in communicating their experiences
- Greenland government has limited capacity and is dependent on consultancy also used by the companies
- the adaptive capacity of the population is crucial, but limited – despite lasting debates, long term strategies have not been developed
The black-box: mining rationales

• stronger local and regulatory capacity needed to ask critical question to social impacts and frame cooperation

• SIA guidelines are weak and tend to focus on employment

• demands concerning the responsibility of mining companies when it comes to:
  - social inclusion,
  - working conditions, and
  - close down procedures

• the social license to operate must become real
Modes of mining operation

• FIFO, fly-in-fly-out is increasingly mining companies’ preferred modes of operation
• gives access to a larger pool of workers and specialists, control over the facilities, intensive work periods eventually around the clock and control over the workforce
• limits social responsibility and family activities
• temporary and flexible (eventual long term) settlement strategies is a relevant alternative
Lessons from other places? - I

- Kiruna iron mine in northern Sweden
- state controlled and strong focus on local community
- long term engagement as part of Swedish resource strategy
- welfare state model?
Lessons from other places? - II

• Red Dog mine in Alaska
• exceptionally rich copper ore and strong land claims
• Nana corporation represent locals and fund education, innovation, entrepreneurship and investments
• quite some outmigration and commercial perspective!
New Ruby mine as experiment

- the company developed 3 scenarios concerning the labour force policy in relation:
  - local settlement connection,
  - FIFO solution, or
  - a combination
- SIA focused on employment and local investment
- not work practices, education
- what would make mining feasible for both parties?
Competences and mobility

• quite high mobility in Greenland due to economic island operations
• 1 out of 10 each year
• expensive infrastructure
• lack of competences make vocationally trained workers valuable
• training responsibility?
• social priorities?
Influence, jurisdiction and community

- land use based on temporary permits, land cannot be owned
- government manages the underground and has the right to give permits
- huge difference from local communities as owner of infrastructures and institution or company owned based on licenses and legislation
- alternatives: barracks and FIFO or flexible settlements that support social structures and communities
- settlement mobility instead of personal mobility