Rich Lands Poor People: Is ‘Sustainable’ Mining Possible?

The growth story - Rajasthan

- State has maximum area under mining – 24 per cent of total area under major minerals (2007)
- 1.38 lakh ha of land under mining in 2008
- Value of mineral production up by 66 per cent since 1994-95
- State received Rs 590 crores as royalty (2003-04)
- Rajasthan one of the seven states with districts characterised as “high potential” by the IBM
- Sector dominated by minor minerals- mainly small unorganised sector
Growth but at what cost: Mining and poverty

- Mining areas are also the poorest areas
- Three states with substantial dependence on minerals (between 8-10% of GDP/about 6-13% of the total revenue receipt) – Jharkhand, Orissa and Chhattisgarh
- Characterised by low per capita income, lower growth rates and higher levels of poverty and food insecurity.
- Maximum number of backward districts in the country: Jharkhand (19/22), Orissa (27/30), Chhattisgarh (15/16)
Mining and poverty:

- Major mining districts of the country are also the poorest and most underdeveloped districts.

- **Iron ore districts**
  - **Keonjhar**: Produces 21% of India’s iron ore; 60% BPL; ranked 24th out of the 30 districts of Orissa in HDI
  - **Bellary**: 19% of iron ore production (most exported); largest number of private aircrafts; ranked third from the bottom in HDI in Karnataka; 50% literacy level.
Mining and poverty:

- Ajmer, Bhilwara and Udaipur key mineral districts in Rajasthan

- Bhilwara produces 83 per cent of India’s zinc; ranked 25th out of the 32 districts of Rajasthan in HDI.

- Udaipur which contributes 10 per cent of mineral value of the state ranks 27th out of 29 in HDI. Only 32 per cent of its villages have access to power and one third population is below poverty line.
Minerals and forests: Complete overlap

- Top 50 mineral bearing districts — forest cover one-third higher than national average
- Districts account for 18% of forests.
- Mining has already destroyed large tracts of forests
- **Udaipur**, one of the most forested districts is also heavily mined
Environment degradation & pollution

- Marble mining generates marble slurry – 5-6 MT every year
- Serious threat to ecosystem as no proper disposal method followed
- Mining has changed the face of Aravalli hills
- Asbestos mining still on exposing workers to occupational risks
The problem of illegal mines

- Small-scale mines – many illegal
- Employs many - 2.37 lakh people (minor minerals)
- 95 per cent workforce dalits or tribals
- Environmental and safety norms absent – no regulations applicable
- Highly unsafe - many accidents go unreported
- Deplorable working conditions
- Silicosis and tuberculosis rampant among mine workers
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Institutional failure

- Multiple agencies, poor regulations and even poorer implementation
- **MoEF**: Environment Impact Assessment, Environment Management Plan, Forest clearance
- **IBM**: Mine plan, Environment Management Plan (no connection with MoEF), mine closure plan as well as monitoring and regulation under MCDR
- **SPCBs**: Consent to establish and operate, monitoring and regulation under water and air act
- **DGMS**: Health and Safety (including dust, vibration, noise within mines)
- Over-regulation or multiplicity and (designed) bad management?