

Submission from the AQA on the infrastructure strategy for Aotearoa New Zealand Consultation Document

June 2021

Introduction

The Aggregate and Quarry Association (AQA) is the industry body representing construction material companies which produce an estimated 45 million tonnes of aggregate and quarried materials consumed in New Zealand each year.

Funded by its members, the AQA has a mandate to increase understanding of the need for aggregates to New Zealanders, improve our industry and users' technical knowledge of aggregates, and assist in developing a highly skilled workforce within a safe and sustainable work environment.

We make the following submissions in relation to the [consultation document on the Infrastructure Strategy for Aotearoa New Zealand](#).

Context

We agree that New Zealand is facing significant infrastructure challenges that will require bold action to address. The Government's 10-year Minerals and Petroleum Strategy released in November 2019 included a clear statement that:

***“Projections indicate that the population of New Zealand could grow as high as between 5.3 and 7.9 million by 2068. To meet the needs of this growing population we will require more housing, more energy, and expanded infrastructure. The minerals and petroleum sector has a critical role to play in building this future.*”**

We need to make sure we have the aggregate (crushed rock and stone) required, or alternative replacement material, to build the foundations of our houses and roads.”

Climate change will necessitate actions to defend or relocate infrastructure that is threatened by sea-level rise. Such change is going to put added pressure on rock supply for sea walls, riverbank protection and restoration. Based on the Draft Advice of the Climate Change Commission, 13 wind farms, each the size of the country's largest, will need to be built in the next 15 years to power the country's new electric cars and boilers. The construction of these wind farms alone will require an additional 1 million tonnes of aggregate and sand.

Construction cost pressures are increasing due to rising input costs, boom-bust cycles, and the increasing complexity of the projects we are undertaking, many of which are occurring in existing urban areas. In order to address this, it is critical that planning is enabling, proximate quarry resources are protected to supply vital construction materials, and quarry land is returned as an asset to the community on completion of quarrying.

Proposed vision for 2050

We support the proposed vision:

“Infrastructure lays the foundation for the people, places and businesses of Aotearoa New Zealand to thrive for generations”.

New Zealand needs a secure supply of quarry materials to provide affordable housing and infrastructure now and for future generations.

We also generally support the decision-making outcomes and principles outlined in the consultation document.

Infrastructure issues, challenges, and opportunities

Identifying aggregate availability

The Government, in consultation with the aggregates sector, needs to confirm the available sources of aggregate and sand throughout the country, including aggregate quality, accessibility, and proximity to markets so that those sources identified as critical for the country's future growth, are protected and appropriate provision is made for their development to meet future demand for aggregates.

We consider it imperative that local authorities are directed to protect key resource areas and enable their development, to both protect existing quarries from encroachment of non-compatible land uses such as housing, reduce reverse sensitivity potential and to enable the expansion of these resources and development of new greenfield resources.

Resource management and planning

Planning needs to be enabling so that resource consents are quicker to obtain and less costly. Even where appropriate planning zones and controls exist, the time and cost for obtaining consents to a quarry can be significant. In the event of a favourable decision, it is often more than 3 to 5 years from commencement of the consenting process before many quarries will ever sell their first tonne of aggregate. This timeframe does not always allow for the industry to respond quickly to demands placed on it by large infrastructure projects and building growth, meaning that aggregates are often sourced from further away at significant additional cost.

Aggregate is a locationally constrained resource

Quarry materials are not universally available and can only be sourced from where they are located; without planning to provide for adequate access to resources at workable locations, there is the real risk of losing access to such proximate resources.

New Zealand relies heavily on locally sourced aggregate resources for infrastructure repair following disasters, for road and rail transport corridors, major projects and for affordable housing development, all of which are essential for the social, economic, and cultural well-being of communities.

Currently, the cost of a tonne of aggregate doubles when it has to travel 30 kilometres from a quarry, with additional costs for each extra kilometre thereafter. By ensuring quarries are close to their markets, transport costs, transport congestion and carbon emissions are significantly reduced. We have seen recent projects such as Transmission Gully and Gisborne Airport sourcing aggregates from quarries up to 400km from the site due to lack of planning for aggregates, and environmental and production constraints at local quarries.

Addressing the lack of development capacity

Affordability of aggregates is critical in addressing a lack of development capacity.

An important issue for quarries operating in areas of expanding residential growth is reverse sensitivity. This occurs, when a new activity (i.e. residential) sensitive to the effects of another existing activity (i.e. quarrying) locates in close proximity to the existing activity. Complaints from the new activity lead to restrictions or cessation of the existing activity. In the case of quarrying, such restraints on operations leads to increased costs for more remotely sourced aggregate and lost opportunities for the local economy.

It is vital that local aggregate resources throughout the country are identified, appropriately protected from urban encroachment or other non-compatible land use, and able to be developed for extraction subject to appropriate environmental controls and site restoration planning.

Alignment with other national direction

Quarrying is a primary production activity under the National Planning Standards definition of primary production and therefore is a highly productive use of land.

Rather than taking an integrated approach to resource management, it appears that officials across government departments are acting in their separate silos creating unnecessary duplication and imposition of additional costs and restrictions, all with similar stated goals but with inevitable unintended consequences. We have seen this recently with introduction of the NES Freshwater Regulations, particularly concerning earthworks around wetlands.

Coherent policy is important to ensure our infrastructure keeps pace with population and economic growth and gives New Zealanders the services they expect, while ensuring their collective wellbeing. Policy also needs to deliver clear and consistent signals about the transition to low emissions, and the nature and speed of change required.

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