



## From the Quarry Face

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### Now is the time

The election dust has settled, the deal with the Greens is done and the Cabinet appointed. As the old typing exercise would have it; Now is the time for all good men to come to the aid of the nation.

Of course, typewriters have been replaced by keyboards and women from the Prime Minister down are as much a part of the Government as men.

AQA welcomes the re-appointment of Megan Woods as Minister for Energy and Resources. She has been a good Minister for us to engage with and in keeping the portfolio, she can hit the ground running.

We are also pleased to see Grant Robertson pick up Infrastructure. This is obviously a key portfolio to ensure our nation gets back on its feet economically and given he is now also Deputy PM as well as Finance Minister, this gives us a fighting chance that the importance of aggregates to infrastructure will finally be recognised.

Stuart Nash as the new Minister for Economic & Regional Development will also bring a fresh set of eyes and perhaps some dynamism to roadblocks such as the desperate need for Government to fund the measly \$600,000 needed to complete the GNS Science national survey of aggregate resources.

Michael Wood, MP for Mt Roskill, is not well known but appears to be rated; let's hope he gets to grips with the Transport portfolio and quickly understands its utter dependence on local supplies of rock, sand and stone. He is also the new Minister for Workplace Relations & Safety, so wearing my MinEx CEO hat, I hope he can get the new regs for quarrying moving – they've been promised for years.

AQA is preparing a Briefing to Incoming Ministers; BIMs, as they are known, allow an organisation like ours to crisply set out the issues that need early and urgent attention from a new government. Our number one recommendation is the Ardern government urgently amend the recently promulgated Regulation 53 of the new National Environmental Standards for Freshwater which prohibit earthworks around any wet land.

We had written to the Prime Minister and senior Cabinet Ministers during the election campaign and perhaps understandably, got no more than a pro forma reply. As we note in the BIM, *“already two extensions of existing major quarries (in Auckland) are at stake. The preservation of most areas of wet grass and puddles in New Zealand could lead our country, over time, to import aggregates from overseas at greatly elevated expense to local supplies, and increased carbon emissions through longer cartage distances.”*

This is not an over-statement. AQA is saying very clearly to the new government that if it wants its infrastructure build as the pathway out of Covid-19's economic impacts, then it needs to act early and decisively to secure the aggregate; the consequences of not doing so are grim, not just for our industry but for our nation. Let's also hope Hon. David Parker in his continued role as Minister for the Environment

has heard this message and acts accordingly.

There are more details of what's in the AQA's Briefing to Incoming Ministers in this edition of From the Quarry Face. That includes an update on our second Rock our Future Competition, with some fantastic entries.

You'll see how AQA is engaging with our international body GAIN to share and learn from our collective Covid-19 responses.

GAIN has also replied/responded to last year's UN report on sand sustainability and while we accept that scoundrels are stealing sand in some parts of the world, that is only a fraction of what is able to be supplied legally.

As ever, our biggest issue is getting social licence to operate and produce what is needed. Now is the time for that to get sorted here in New Zealand.

**Wayne Scott**  
CEO  
AQA & MinEx

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## **Memo to Grant Robertson (and other incoming Ministers)**

Our Briefing to Incoming Ministers is being sent to all Ministers, but those whose portfolios intersect with the aggregate sector are the key audience.

As mentioned, there is a positive signal with the newly appointed Deputy PM Grant Robertson picking up Infrastructure. Our BIM includes seven recommended policies to the newly re-elected Labour Government.

Recommendation One asks for urgent changes to new freshwater regulations to end the nonsense of making earthworks in any area that gets wet a prohibited activity.

Our Second Recommendation asks the Government to urgently fund the completion of the National Aggregates Study for which funding was withdrawn in 2017. Even then infrastructure demands required this study – even more so now.

Recommendation Three is for the Government to give local authorities greater direction in planning for key resource areas such as aggregate supply and to protect quarries from reverse sensitivity.

The Fourth Recommendation seeks for the Overseas Investment Act to be amended around Ministerial veto powers and the use of environmental barriers to overseas investment. New Zealand quarrying companies with minor overseas shareholdings are currently delayed in purchasing small parcels of buffer land etc. by the requirements of the Overseas Investment Act.

In Recommendation Five we ask for a cost/benefit analysis to be conducted by Government in consultation with industry on recycling and re-use of waste so we can establish what incentives and penalties are needed towards achieving a more circular economy.

The need for RMA reforms which retain an emphasis on promoting the sustainable management of resources is Recommendation Six.

And in Recommendation Seven we ask the Government to revisit the NPS on Indigenous Biodiversity which in its current form will see most of NZ classified as being of significant or high value for biodiversity and thus shut down much aggregate supply.

If we can get progress on these seven issues, then New Zealand can get progress.

The AQA Briefing to Incoming Ministers will be available on our website later this month.

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## **Rock our Future rocks**

We have had eight finalists this year for our second Rock our Future Competition aimed at

The judging of entries has taken place and I can truly say that I've been blown away by what these

primary school students.

Entries came in the form of physical structures, as well as digital builds through the likes of Minecraft. You can see some of these in the below photos.



primary school children have contributed.

We will announce the winners by the end of the month.



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## Canterbury's line in the sand goes to the UN

You may recall a UN report last year covered by FTQF which detailed the 'great sand robbery' happening in parts of the world; beaches are becoming bare, river deltas being stripped to feed urban growth. The UN has continued to focus on extraction issues and recently, two things have happened.

Firstly, the UN Environment Programme (UNEP) has been consulting on mineral resource governance. I was pleased to submit on that and focused on Canterbury as the best practice example on river gravel and sand extraction in New Zealand (as well as the largest).

I sent the UN the [Environment Canterbury Code of Practice](#) dated 2017 which reflects current standards in NZ. I also attached the [best practice guide](#) developed by Canterbury quarry operators. The code addresses wider community concerns by promoting minimum and best practices as well as longer-term goals in quarry management across such issues as dust, air and water quality and vehicle movements.

As I noted to the UN: "Collaboration between regulators and industry practitioners has proven very successful in achieving environmentally sustainable river extraction."

Meanwhile, the [Global Aggregates Information Network](#) (GAIN) of which the AQA is a member, has responded to the UNEP report "Sand and Sustainability." Jim O'Brien, GAIN Convenor says GAIN's members fully support the thrust of the UNEP report, while noting that all aggregate extraction is strongly regulated in developed economies such as western Europe, North America, Australia and New Zealand.

Jim says while accepting there is irresponsible and illegal sand extraction in some parts of the world, governments are acting; China has made it a crime and people can go to prison, while India is moving to replace illegal sand with manufactured sand.

Jim makes the point that illegal sand extraction can give our whole industry a poor image (we had a Stuff reporter trying to find illegal extraction here, without success). Moreover, Jim notes that it's not true that the world is running out of sand; the big problem is getting permits to responsibly extract or manufacture it (and there's no need to mine beaches).

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## More pain within GAIN

Speaking of GAIN, I joined a recent Zoom session with other GAIN representatives from around the world to discuss the impacts of Covid-19 on our various industries and economies.

Obviously there have been mixed impacts with countries like Mexico and Spain reporting on big hits already and more to come for their sectors because of the toll Covid has taken on their people and economies.

Here was Jim O'Brien's summary of my contribution (and for contrast, that of my Australian counterpart).

Wayne submitted following views on what we have learned from Covid-19.

### Wayne Scott, AQA New Zealand

Positives:

- The inability to travel, the use of virtual meetings and social distancing requirements have made the industry look at some of the practices that we thought were important that maybe were not so important.
- We now have less meetings and issues are dealt with onsite by those that best know the answers. Some tasks have been re-engineered to facilitate social distancing and in turn have become more productive. Non-contact options for docketing etc. have made sites more productive.
- We have also seen less absenteeism through illness as our attention to our health and less contact with others has meant a significant reduction in flu and cold absenteeism this past winter.
- Many sites reduced working hours during various Covid level restrictions and found that workers were more productive and happier in their work.
- Government stimulus packages are heavy on infrastructure and primary industry so our sector will be less affected in the foreseeable future.

Negatives:

- There is little doubt that Covid has had a negative impact on the mental wellbeing of the sector. People have become anxious about loved ones in other parts of the world, the possibility of their family catching Covid, their job security as the economy slows and friends and family are out of work, and the prospect of our borders being closed for several years.
- New Zealand's "elimination" strategy may isolate NZ from the rest of the world for many years as other countries learn to live with the disease and our Government insists on elimination.
- This strategy may see the New Zealand economy retract for many years and may see long term impacts from our traditional trading partners if the rest of the world "opens" and NZ remains shut.

### Ken Slattery, Cement Concrete and Aggregates Australia

Ken indicated that draconian state lockdowns were being lifted, particularly in Victoria, which has taken its toll on the economy. There had been only 7 Covid cases in the industry, but none by community transmission within the industry.

National unemployment had risen from 4% to 7.5% now, still low by international standards. The Government is launching an A\$230bn stimulus package.

The positive learning was the ability to work remotely – no one had occupied the CCAA office for 6 months. Another positive is that the industry has learned to be resilient, through practical experience in crisis management. Industry employment levels are likely to be lower in the future, due to greater productivity. The industry has proven itself as necessary to society, and planning/permitting decisions are now made more speedily. The national focus now is on economic recovery.

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## Metso Outotec - Mining webinar series



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Our goal is to combine two legacies into one integrated webinar series full of our best experts and bringing you the most insightful topics to help optimise your operations.

The schedule of topics range from quick maintenance service tips, to new product launches as well as discussions and panels on the hottest industry topics.

You can see the recorded webinars [here](#).

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