

Submission to Upper Hutt City Council from AQA Issues and Opportunities for the Rural and Residential Review

April 2020

Introduction

The Aggregate and Quarry Association (AQA) is the industry body representing construction material companies which produce 50 million tonnes of aggregate and quarried materials consumed in New Zealand each year.

Upper Hutt City Council is in the preliminary phase of reviewing the rural and residential provisions in its District Plan ("Plan Change 50"). This submission provides some high-level feedback on the review and focusses on the document <u>Issues and Opportunities for the Rural and Residential Review – Rural Edition</u>.

Background

Even though there is currently no significant quarrying activity in Upper Hutt City, it is important that future potential activity is accommodated in the Council's planning.

Sand and aggregate and other products produced by the sector are essential inputs for construction, housing, roading and other infrastructure development.

These quarry products are largely brought in from outside the district and the distances transported could be quite large depending on what it is being used for, adding significant costs to the product.

Upper Hutt City's economy and population are currently growing, as is the wider region, meaning there is increasing local demand for quarry products. At the same time, the expanding development of Upper Hutt City is potentially closing access to prospective quarrying land. For these reasons it is essential that council planning allows for this growth as well as future needs.

AQA is working with central government to increase knowledge of the location of mineral resources in New Zealand. Based on our existing knowledge it is quite likely that significant commercially viable resource lies within the district.



It is essential that the Council takes steps to ascertain where such aggregate and mineral resources lie and ensure the district planning process does not preclude current and future access to them.

Not doing this, could mean lost opportunities for accessing a supply of sand, aggregates and other minerals which are an important input in developing the infrastructure necessary to enable Upper Hutt's anticipated growth as well as a valuable resource in itself.

Issues and Opportunities

The first section of the document – **Issues / Opportunities 1-3**, discusses how future growth in Upper Hutt should be provided for.

A key feature of mineral and aggregate deposits is that they are limited in quantity, location and availability. That is to say, they can only be sourced from where they are physically located and where the industry is able to access them.

In influencing growth and where it occurs, the Council needs to provide for, the location-specific nature of aggregate deposits. It is important that planning processes adopt the right balance so that residential and other zones do not preclude the opportunity for future quarrying activities to take place in Upper Hutt. This also applies to competition for agricultural, industrial and other land use, which is occurring as the city experiences economic and population growth.

Bad planning means access to valuable mineral deposits are, for the district, at risk of being inadvertently shut off or sterilised by competing land uses.

It should be noted that developing mineral resources carries no direct cost, or risk, to the Council and that such provision would not replace the RMA in any way.

Issue / Opportunity 3 refers to national policy supporting the protection of productive soils. We argue the proposed NPS for Highly Productive Land, which this commentary is alluding to, should recognise that highly productive land contains not just highly productive soils but also highly productive mineral resource and that councils should also be required to consider the availability of this land for future generations.

Quarrying is the most highly productive use of land for primary production. Revenue generated per hectare of quarrying land is \$78,012 per annum compared with only



\$6,928 for dairying for example. Quarries have only a finite life and so there is potential for future productive or community use of the land once quarrying is completed.

Issue / Opportunity 8 refers to resilience to the effects of climate change. The ideas put forward seem to be more focused on reducing emissions rather than increasing Upper Hutt's resilience to climate change. Aggregates have an important role in helping communities adapting to climate change in areas like flood protection, river flow and making infrastructure more resilient as well as strengthening sea walls (not applicable to Upper Hutt).

Issue / Opportunity 9 discusses potential economic opportunities. As well as the important uses of aggregate, as discussed above, quarrying produces significant economic opportunities for the local economy through investment and jobs. The average annual earnings of a quarry sector job is \$73,100 - much higher than the national average of \$59,100. It should also be noted that quarrying is the most highly productive use of land as noted above.

Not accommodating the quarry sector means lost opportunities for the local economy in investment and jobs.

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