

# Submission on the discussion document 'Taking responsibility for our waste – proposals for a new waste strategy'

December 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.

## Background

Accessing, extracting, processing and transporting aggregate (crushed rock, gravel and sand) is needed for the construction of infrastructure in New Zealand. It is essential that there is enough supply of aggregates to provide the infrastructure and buildings that the country needs. Since aggregates are a finite natural resource, and can only be quarried where they are found, best use needs to be made of them to secure long-term conservation.

We acknowledge the importance of the circular economy in the aggregates sector and generally, maximising the use and reuse of the same resources for as long as possible. However, while increased recycling and resource efficiency will have some impact, the technology is nowhere near ready to fully replace the need for extraction of natural aggregates.

We make the following submission in relation to the discussion document ['Taking responsibility for our waste – Proposals for a new waste strategy'](#).

## Responses to Questions

### **Questions 1. & 2. - Do you think changes are needed in how Aotearoa New Zealand manages its waste?**

We believe changes are needed in how New Zealand manages its waste and we support the move toward a circular economy.

There is no accurate data on construction and demolition (C&D) waste in New Zealand, and general statements of the scale of C&D waste mask weaknesses in

understanding of the composition of the total waste stream. Such perceptions are simplifying what is ultimately a complex situation. More consistent and comprehensive data collection and monitoring of waste streams and resource use is needed.

### **Questions 3. & 4. - Do you support the proposed vision?**

In general, we support the vision and the six core principles underpinning it.

Our sector is a large user of controlled fills, managed fills and cleanfills for rehabilitation and reuse as an additive to lower grade products. Getting the price levers right will help encourage the shift to more recycling but will also encourage those generating the waste to separate waste from controlled fills, managed fills and cleanfills, thus potentially providing additional material for use by the extractives sector.

We also agree that there is significant room for improvement in the data that is collected on waste. Better waste data will make it easier to identify opportunities and assess the effectiveness of waste minimisation measures. It will also allow all sectors to better prioritise, plan and execute activities to reduce waste.

### **Priorities for Stage 1.**

#### **Question 6. - Looking at the priorities and suggested headline actions for stage one, which do you think are the most important?**

We consider Priorities 1 and 4 to be the most important in the early stages of the Strategy.

It is essential that a system is in place for systematically collecting good data, evaluating it, and publicly reporting on progress. Such a system will build knowledge for all parties to use, and accountability for those working to achieve change.

The aggregates sector is happy to work with Government, the waste sector and local government to develop a nationally consistent record of all waste disposal facilities in New Zealand. We can be of particular assistance where facilities are not consented (e.g. cleanfills (class 5) are often permitted activities) and/or are already operating.

We also see significant benefits in encouraging the development of uses and markets for recycled material, so resource recovery and recycling become financially sustainable. A cost/benefit analysis for recycling and re-use of construction waste needs to be conducted by Government in consultation with industry, in order to establish the types of incentives, and/or penalties needed to achieve positive outcomes from the principle of a circular economy.

#### **Question 8. - What are the barriers or roadblocks to achieving the stage one actions, and how can we address them?**

Many quarry sites are small, unmanned for periods, and have no effective means of measuring the fill they are receiving (no weighbridge) or in some cases identifying the source of the cleanfill. It is critical therefore that the collection of waste quantity data

is simple for small and remote sites, as compliance will be affected if sites find collection and reporting of the data too complex and/or time consuming.

There is also a need to consider options to ensure appropriate infrastructure is in place to allow for greater recycling and re-use. A lack of appropriate infrastructure, coupled with proposed increases in waste levies and extension of the levy to a wider set of landfills, will likely add cost with no meaningful impact on the amount of waste going to landfill.

## **Strategic approach to reducing waste**

National direction has an important role in ensuring consistent implementation of the waste strategy across jurisdictions. New legislation should include provisions to require the Government to produce a long-term national strategy for tackling waste in line with moving New Zealand towards a circular economy.

It is important however that such direction allows flexibility for regional variations in community expectations, environment, and development needs. Greater direction will increase clarity and certainty and reduce compliance activity.

We also support the concept of replacing the requirement for a separate, dedicated waste management and minimisation plan, with inclusion of it as a specific component in long-term plans, where it can sit alongside other planning for service delivery, community building, infrastructure, financial sustainability and so on.

## **Powers to support improved recycling**

We support the creation of a clear set of powers to improve recycling.

Our sector currently pursues opportunities for reuse of materials including onsite use of lightly contaminated soils on development sites or roading projects and use of rubble as an alternative to quarried materials.

Currently there is little incentive for recycling and re-use due to the cost of processing these products relative to natural products and the reluctance of customers to specify and/or allow the use of recycled products. These customers include central and local government who are both significant users of aggregates and sand.

Crushed aggregate from demolition concrete can be re-cycled and used as an alternative to coarse aggregate for use in new concrete products, roading or drainage materials.

In the case of concrete only coarse recycled aggregate is used as the fine aggregate has a significantly higher water demand. This leads to a demand/production imbalance at the recycling operation. The coarse recycled aggregate will also push up water demand inevitably increasing the cement demand. Typically, the increase in cost doesn't make recycled aggregate in concrete an attractive option.

In roading materials, recycled aggregate typically needs to be blended with raw coarse aggregate as it is difficult to know the properties of recovered material and a high percentage of recycled aggregate can negatively affect the performance of the product. As with fresh aggregate, the high cost of cartage (both gathering material as well as distributing products) and the need for a reliable source of recovered material at a consistent quality affect the economic feasibility of recycling materials. It seems very unlikely that recycled aggregate could substitute for more than a fraction of the range of materials available from newly quarried material.

## Ensuring the waste levy is used to best effect

We agree that waste levies do play a role in changing behaviour and diverting waste from landfills, and will make alternatives such as recycling, composting and reuse more competitive. We therefore support differential levy rates for different classes of landfill to support those facilities that are reusing material and incentivise the generators of waste to find alternatives to dumping.

It is important however that we don't de-incentivise recycling by increasing the range of activities that could potentially be made subject to a levy such as certain types of waste-to-energy operation, or even 'downcycling' (that is, recycling materials into new products that can't themselves be recycled). Recycling and reuse of products into products that themselves cannot be recycled in many cases is preferable to sending them to landfill, particularly if their reuse is long term or provides time for technological breakthrough that may enable future recycling.

A key principle underpinning the use of waste levies is the monitoring and enforcement of the levy, including measures to combat inappropriate forms of disposal (littering, fly tipping, illegal dumping). We are aware of existing illegal dumping of waste to cleanfill and there is a real risk of this increasing with extensions to the levies. There has been inconsistent compliance monitoring and action across jurisdictions which has led to an "uneven playing field" for operators who comply with waste management regulations, having to compete with those operators who do not comply with regulations and who do not attract any compliance action.

We also believe the allocation of waste levy funds should be at arm's length from both the Government and MfE officials and instead be overseen by the major levy payers and by private sector personnel with expertise in waste management issues. This would avoid the risk of funding being siphoned off to favoured political projects.

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