



THE AGGREGATE & QUARRY
ASSOCIATION OF NZ

2026 GENERAL ELECTION – BRIEFING ON THE QUARRY SECTOR AND AGGREGATE SUPPLY

July 2026



“Our quarries produce aggregates, industrial rocks and building stone, gravels, and sands throughout New Zealand. These are the building blocks for our infrastructure and housing need. The sector supports individuals by providing high-paying jobs in the regions, with training and education opportunities. It supports community investments, community sponsorships, momentum for local service businesses, and regional infrastructure and housing.”

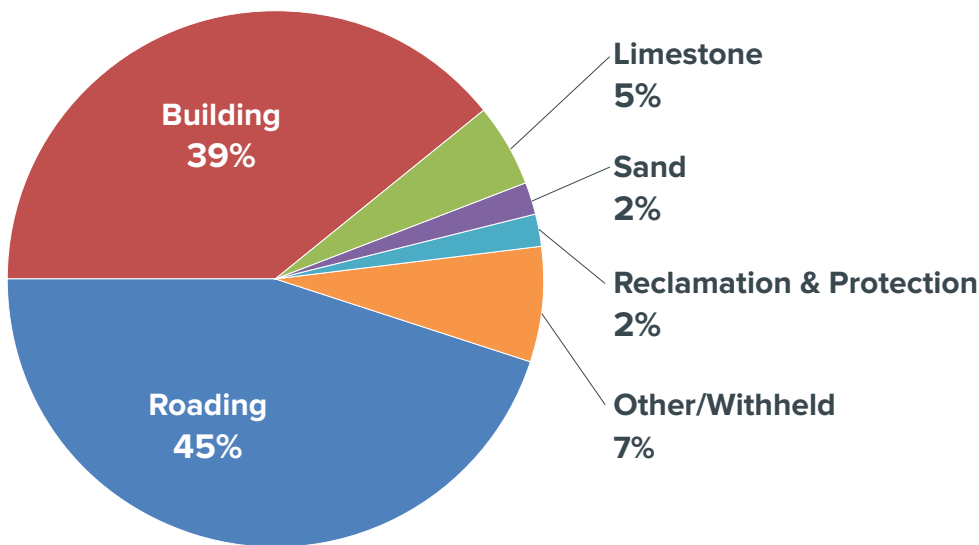
A Minerals Strategy for New Zealand to 2040 (January 2025).



INTRODUCTION

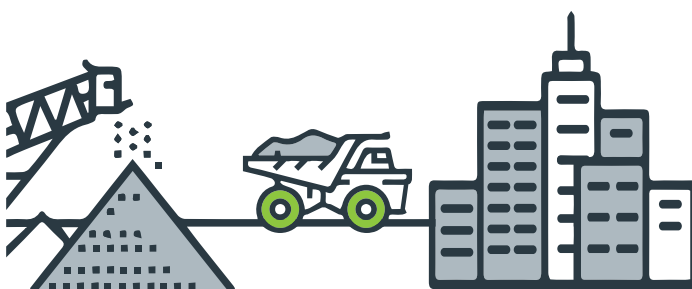
The Aggregate and Quarry Association of New Zealand (AQA) is the industry body representing construction material companies which produce an estimated 47 million tonnes of aggregate and quarried materials consumed in New Zealand each year – equivalent to about a 9-tonne truckload per person per year.

2024 PRODUCT USES



Source: New Zealand Petroleum and Minerals (NZP&M) statistics.

SOME FACTS ABOUT AGGREGATE



Quarrying needs to be carried out close to where materials will be used. This keeps transportation costs low and helps minimise building costs and emissions in local communities. Note that the price of aggregate doubles after 30km of transport from the quarry gate.



To build 1km of a two-lane motorway,
you need around
14,000 tonnes
of construction aggregates (400 truckloads)



To build an average house, you need about
250 tonnes
of aggregate – for use in concrete,
asphalt, mortar and building products

47 million tonnes of aggregate have a value of more than \$1 billion per year at the average price per tonne with the foundational material quarries produce for roads, buildings and other uses integral to a wider economic contribution to New Zealand of nearly \$3b per annum. Aggregate also makes up 5.2% of the ‘Heavy and Civil Engineering’ producer price index, making it one of the largest input cost categories for infrastructure works. For roading specifically, aggregate contributes an even larger portion of input costs. Table 1 shows the contribution of aggregate across road types and the difference between construction and maintenance.

Table 1: Input percentage of road construction costs

	Arterial Roads		Sealed Local Roads		Unsealed Local Roads	
	Construction	Maintenance	Construction	Maintenance	Construction	Maintenance
Quarry Materials	14.7%	8.1%	16.0%	7.5%	27.0%	20.3%

Infrastructure Resources Study November 2021.

There are currently over 1,000 commercial quarries operating across New Zealand. Most of them are small and servicing local communities with essential construction materials including gravel and sand for infrastructure and housing, and armour stone for flood and tidal protection and climate change adaptation.



BACKGROUND

Accessing, extracting, processing and transporting aggregate (crushed rock, gravel and sand) is needed for the construction of infrastructure in New Zealand: this material forms the foundation of every road and building, either directly or as materials such as concrete. Such infrastructure is always important and is at the core of the Infrastructure Commission's National Infrastructure Plan which sets out a path for New Zealand's infrastructure over the next 30 years. There will be increased demand for aggregate and sand to build infrastructure and housing to meet population projections, and to address the nation's infrastructure deficit.

Additionally, as recent catastrophic events have confirmed, the impacts of climate change including rising sea levels will put added pressure on rock supply for sea walls, riverbank protection and restoration, and other adaptation strategies.

It is therefore more vital than ever that local aggregate (rock and sand) resources throughout the country are identified, protected and effectively managed to build resilient new infrastructure and homes.

Our nation's urban growth and resulting development projects are already constrained by restricted availability of suitable local aggregate and earth materials for construction. Planned regional growth projects and those now under construction involving major building and infrastructure developments, are increasingly facing delays and escalated costs due to a lack of nearby, consent-approved aggregates. For many projects, the cost of transporting suitable materials is adding significantly to overall project costs. Recent examples of this negative outcome include the Petone-Wellington Cycleway Project and the Cyclone Gabriel Rebuild in Hawke's Bay.

In 2022, the AQA launched a sustainability Road Map for the Aotearoa New Zealand Quarry Sector (<https://aqa.org.nz/wp-content/uploads/2022/07/AQA-Road-Map.pdf>). This Road Map sets out how the industry manages its material impacts on people and the environment, provides guidance on improvement, and suggests ways in which the Government can support the industry in delivering its sustainability commitments, including action on climate change. Individual quarry companies earn and retain their social licence to operate by engaging with the communities and iwi in the rohe in which they operate.



QUARRY SECTOR MATERIAL IMPACTS

ENERGY AND EMISSIONS

The quarry sector can reduce fossil fuel use.



SOCIO-ECONOMIC

Quarries provide products that society needs, employment, and financial support for communities.



HEALTH AND SAFETY

Quarry companies have systems to target zero harm in workplaces.



IWI AND STAKEHOLDER ENGAGEMENT

Engagement is essential as quarry operators live in the rohe of iwi/ Māori and work in communities.



AMENITY

Dust, noise vibration, visual impacts, and traffic can be managed in areas where quarries are operating.



BIODIVERSITY

Impacts are managed by avoiding, remedying, mitigating, offsetting and compensating for adverse effects.



GOVERNANCE

Environment, social, corporate governance are at the heart of everything we do.



FRESHWATER

Quarry operators manage impacts on waterways and wetlands.



WASTE AND CIRCULAR ECONOMY

Recycling and reuse promotes a circular economy approach to quarried materials.



KEY ISSUES

Access to aggregate resources

By international measure we have high per-capita demand for aggregate because our small population requires roads to every corner amid challenging topography. Adequate provision must now be made in planning documents to protect existing and potential aggregate deposits and provide for their extraction. Quarry materials are not universally available and can only be sourced from the location they are. Without planning measures to secure adequate access to resources, at workable locations, and protect them from encroachment from other land uses, there is the real risk of losing access to such proximate resources. An example here is in Central Otago where rock is imported to Whakatipu from Northern Southland and Central Otago due to land use changes that have encouraged lifestyle blocks.

An important issue for quarries operating in areas of expanding residential growth is reverse sensitivity – people complaining about quarries **after** moving into an existing quarrying area. An example is the Yaldhurst area in Christchurch. This has the potential to sterilise existing and future resources which means increased costs (and emissions) for more remotely sourced aggregate and lost opportunities for the local economy.

Fuel issues

Infrastructure delivery and maintenance cannot occur without a continuous supply of aggregate. The quarrying sector uses 200,000 litres of diesel each day to meet this demand and the classification of infrastructure within Band C of the Fuel Response Plan must therefore extend to the inputs required to sustain it. On that basis, quarry operations should be recognised within Band C, with fuel access sufficient to maintain normal production and distribution.

Experience during Covid-19 restrictions demonstrates that even short interruptions to quarry output and construction activity delay the delivery of major projects. For large, sequential programmes such as Auckland's City Rail Link, disruptions to materials supply did not just pause progress, they compounded delays and increased costs across the programme.

Fast-track Approvals Act 2024

The Fast-track Act has provided speedy approval of quarries and aggregate extraction activities needed to support nationally and regionally significant projects. While providing a one-stop-shop for approvals under

other legislation, the process has delivered timely approvals while maintaining environmental standards through use of the effects management hierarchy (i.e. avoid, mitigate, offset or compensate) to improve environmental outcomes from activities like quarrying.

Quarrying and the environment

It is the rural environment that has provided the aggregates, food, water, and electricity to support the growing population residing in the built-up urban environment of Aotearoa New Zealand. If the Government imposes stricter environmental bottom lines, which force quarries away from local markets, then the urban population will end up paying the price in greatly elevated cost of aggregate, and increased carbon emissions from having to cart aggregates longer distances.

Quarries fully expect to meet stringent environmental and resource management requirements for new or renewed consents. A good example is Winstone Aggregates Pukekawa Quarry (<https://mineralscouncil.co.nz/wp-content/uploads/2023/03/Pukekawa-Quarry-case-study-1.pdf>). However, some quarries have very low impact on the environment or local iwi and communities; they sometimes sit idle due to fluctuations in demand, returning to activity in response to events such as natural disasters. To ensure the continuity of supply of aggregate, the resource management system needs to allow for fluctuating demands and periods of quarry inactivity. This will create an enduring industry which can respond quickly and appropriately to natural disasters and sudden changes in market conditions.



Pukekawa Quarry.

Definition of a “wetland”

While the Resource Management Act and subsequent National Policy Statements on Freshwater Management (NPS-FM) have attempted to clearly define a natural inland wetland, the current definition is problematic in that it includes “permanently or intermittently wet areas, shallow water, and land water margins that support a natural ecosystem of plants and animals that are adapted to wet conditions”. This has been interpreted to mean any intermittently wet areas, regardless of size or ecological value, other than certain pasture which has an exclusion under the NPS-FM. The photo below is an example of an area determined to be a “wetland” for the purposes of the NPS FM when clearly there is little ecological value within ponded water on a constructed site access track.



Tyre track trenches determined to be “wetlands”.

Quarrying on conservation land

While there is currently no direct threat to existing concession and access arrangements for quarrying on Department of Conservation (DOC) land, the AQA is extremely concerned at reports that some political parties plan to implement a ban on **all** extractive sector activities on public conservation land and water. This would have profound implications for quarries across New Zealand. While it is unclear how such a ban would apply to quarries, the Aggregate Opportunity Modelling for New Zealand report (<https://tewaihang.govt.nz/media/ovhlybvt/aggregate-opportunity-modelling-for-nz.pdf>) released by the Infrastructure Commission in 2021 identified that

20-32% of future hard rock reserves are situated on DOC administered land; most of which is on stewardship land and has generally a lower conservation value. Any sterilisation of available quarry resources across the DOC estate would add a heavy cost to New Zealand’s infrastructure and housing ambitions, including on iwi and regional communities.

Currently extraction of aggregates on DOC land is essential for flood mitigation, river restoration, bridge protection, and the construction and maintenance of tracks, carparks, and structures in national parks and on other DOC land. An example is the extraction of rock and gravel from conservation land adjoining the Waiho River near Franz Josef Glacier to help protect its walking tracks. This sensible and pragmatic decision saved DOC a four-fold dollar amount – and corresponding, considerable carbon dioxide emissions – stemming from the alternative of trucking material a long distance from an existing quarry.

Health and safety in quarrying

The aggregates sector is dominated by small and medium-sized businesses (SMEs). There is no doubt that lifting the performance of these SMEs will have the biggest impact on improving workplace health and safety outcomes.

While we support the intent of the proposed Health and Safety at Work Amendment Bill, we are concerned about proposed changes to the Health and Safety at Work Act 2015 (HSWA) which do not do justice to the results of the 2024 consultation and is a significant missed opportunity to improve New Zealand’s patchy record on health and safety. The Bill should be amended to add a requirement for businesses to identify critical controls, and to monitor and verify the effectiveness of these critical controls.

The small business carve-out will be unworkable in complex workplaces – such as mines and quarries, where multiple small and large businesses and contractors work together.

There needs to be more focus on mental health, wellbeing and psychosocial risks in the workplace. While some guidance has been developed, there is no clear mental health strategy or plan to implement one.

POLICIES AND RECOMMENDATIONS

National Environment Standard (NES) for Quarrying

New Zealand needs a secure supply of quarry materials to provide affordable housing and infrastructure now and for future generations. To achieve this, it is critical that planning is streamlined, quarry resources are protected so they can supply vital construction materials, and quarry land is returned as an asset to the community once extraction has been completed.

The AQA has developed a National Environment Standard (NES) for Quarrying which we have socialised with officials. We consider it imperative that any such instrument must give direction to local authorities to protect key areas containing resources such as aggregate. This would both protect existing quarries from encroachment of non-compatible land uses such as housing, reduce reverse sensitivity potential, and enable the expansion of these resources and development of new greenfield resources.

While current resource management (RM) reforms may address these issues in the long term, the RM system needs to be able to respond quickly to changes in demand now and in the short to medium term.

Recommendation 1

The Government, in consultation with the quarrying sector, to implement an NES for Quarrying, as part of national direction, to streamline resource consenting and ensure quarrying is conducted in an environmentally and socially responsible way, while providing direction to local authorities on the protection of existing quarries from encroachment of non-compatible land uses.

Resource management reform

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 three to five years (and sometimes ten years) from commencement of the consenting process before many quarries ever sell their first tonne of aggregate.

The Planning and Natural Environment bills due to be passed by mid-2026 represent a significant improvement in resource management processes across the country and coupled with the Fast-track Approval Act create certainty for resource users while delivering positive outcomes for both the built and the natural environments.

Recommendation 2

Minerals such as aggregates are key to the functioning of our economy and sit on the Critical Minerals List along with other minerals such as cobalt, vanadium and rare earth elements, which will likely be essential in a low emissions economy. It is critical that the purpose and outcomes of the resource management system, including the Fast-track Approvals Act, retain their emphasis on promoting the sustainable management of natural and physical resources.

Recommendation 3

The definition of a wetland needs to be included in the Natural Environment Bill or modified in the NPS-FM to read:

A wetland is a valuable wetland which deserves protection if:

It is more than 50% dominated by indigenous species; and

the hydrology is natural; and

It is an area of over 500m².

Locally sourced aggregates

Aggregates are a finite resource quarried from various rock types including alluvial gravel, basalt, granite and greywacke. Not all aggregates are created equal and depending on the geology, different quarries produce aggregates of varying quality.

By default, the New Zealand Transport Agency Waka Kotahi (NZTA) higher specifications for aggregates (e.g. M04) are used in project designs, however it is common for contractors to have difficulty in sourcing this premium aggregate because there isn't a suitable quarry nearby, and it can prove too expensive to import it from further afield. There are also occasions where the road design does not require a particularly high loading specification, due to lower traffic volumes, and so, does not require M04.

Recommendation 4

A tripartite group consisting of NZTA, roading contractors and the aggregates sector, to develop a matrix of fit-for-purpose road design using regionally available aggregates that match the requirements for road loading by location with the available aggregates in the area.

Fuel issues

We support the Government's current approach to managing fuel security and the use of priority bands in Phase 3 of the Fuel Response Plan to ensure continuity of critical and economically important activity.

Aggregate is a foundational input into all major infrastructure, including state highways and local road construction and maintenance, major transport projects, and civil infrastructure such as water, energy and public works, as well as broader construction activity across both public and private sectors.

Recommendation 5

Quarry operations and aggregate supply should be explicitly recognised within B and C in Phase 3 of the Fuel Response Plan, ensuring continued fuel access to maintain normal operations, continuity of supply to infrastructure and roading projects, and avoidance of system-wide disruption and downstream economic impacts. This reflects the role of aggregates as an enabling input to infrastructure, rather than a discretionary or deferrable activity and/or penalties needed to achieve positive outcomes from the principle of a circular economy.

Invitation to any political party candidate

As outlined, there are more than 1,000 operating commercial quarries across Aotearoa New Zealand. If you are standing or re-standing for Parliament, there will almost certainly be one or more quarries in your electorate or community; every voter is dependent on quarries for the roads, rail corridors, cycleways and footpaths they use, the schools in their communities, homes they live in and places they work. If you would like to discuss any of the issues in this briefing note – or would like to visit a quarry to better understand what they contribute – please contact the AQA.





THE AGGREGATE & QUARRY
ASSOCIATION OF NZ

Wayne Scott, CEO

wayne@aqa.org.nz

021 944 336

www.aqa.org.nz

