

# Submission from the AQA on the Draft 2024 Waikato Future Proof Strategy

February 2024

## Introduction

1. The Aggregate and Quarry Association (AQA) is the industry body representing quarrying companies which produce 45 million tonnes of aggregate and quarried materials consumed in New Zealand each year.
2. We would like to thank the Future Proof Partnership for the opportunity to comment on the draft 2024 [Waikato Future Proof Strategy](#).
3. The Future Proof Strategy is a 30-year growth management and implementation plan for the Hamilton, Waipā, Waikato and Matamata-Piako sub-region.
4. The strategy is being updated to, amongst other things, respond to changes in national and regional direction including national policy statements for highly productive land and indigenous biodiversity.
5. The Waikato Future Proof Strategy is an important initiative that provides a framework to manage growth and development in the Waikato sub-region. The Aggregate and Quarry Association is interested in the strategy because of the need to protect aggregate and other quarry materials from future development.

## Key points

6. To future proof the sub-region, provision must be made to recognise existing and potential aggregate and sand deposits and provide for their extraction.
7. While there is some mention in the strategy of the importance of protecting mineral resources from future development, insufficient mention is made of this as it relates to aggregates.
8. The strategy is well focused on protecting highly productive soils for agriculture. Aggregate deposits can only be sourced from where they are physically located and land containing them is also highly productive so should be protected also.
9. Policies which limit access to aggregates will necessitate making provisions to access them from further away / outside the sub-region which means higher costs for ratepayers and users of quarried materials, increased traffic congestion and increased carbon emissions.
10. We recommend that the Future Proof Strategy revisit the policies around highly productive land after planned changes to the NPS-HPL have been announced by

the Government.

## Aggregates and Waikato sub-region

11. Aggregate (crushed rock, gravel and sand) is an essential resource for the construction of housing, roading projects and other transport infrastructure. It is used for general construction – in concrete, asphalt, mortar and other building products.
12. It is also important for increasing resilience and adapting to extreme weather events and climate change.
13. Due to unprecedented levels of construction and infrastructure development activity, there is a growing demand for aggregate
14. The Waikato sub-region in particular, is a fast-growing district where aggregate is needed to support infrastructure and other construction activity not only within the sub region but also in surrounding areas. This includes Auckland which is also facing major shortages.

### Quarrying in Waikato

15. Quarrying is also particularly important in Waikato as a contributor to its growth and because of the contribution it makes to the local economy.
16. Annually the (wider) Waikato Region produces 14.5 tonnes of aggregate per resident, the highest per capita volume of any region in New Zealand. Comparable figures aren't available for the sub-region (as opposed to the Region). According to Infometrics, in 2020 (latest available figures) the Waikato Region accounted for 25.6% of the country's overall employment in the sector and 18.2% of all business units. The sector's importance to Waikato, in terms of its share of employment, is greater than it is in any other region in the country.

## Protect access to potential aggregate resources

17. In thinking about the future of the sub-region It is important to be aware that aggregate deposits are 'location specific'. They can only be sourced from where they are physically located and where the industry is able to access them.
18. It is therefore important that the Waikato sub-region does not shut off access to potential aggregate resources. Council planning must identify where the rock is located and protect those areas from other development and alternative land uses.
19. This will be a major factor in future-proofing the sub-region. In order to future proof the sub-region, adequate provision must be made to recognise existing and potential aggregate and sand deposits and provide for their extraction. Without planning that provides for adequate access to resources at workable locations, there is the real risk of losing access to such proximate resources.

20. Due to its weight and volume, aggregate is very expensive to transport. An additional 30kms of travel typically doubles the cost of aggregate. This highlights that shifting large volumes from outside the region or far from where it is to be used is very expensive and would increase the cost of many of the proposed projects.
21. While there is some mention in the strategy of the importance of protecting mineral resources from future development, eg Directive 9.7: “Development occurs in a way that minimises loss of access to important mineral resources and minimises reverse sensitivity issues for waste management facilities.” There is insufficient mention made of this in the document, particularly as it relates to aggregates. The role and contribution of aggregate and quarrying in terms of growth in the region, existing or potential, is also overlooked.

## Review of the resource management system

22. One of the reasons for the review is to respond to changes to legislation including resource management legislation and national directions.
23. As will be well understood, since the Future Strategy was written the Natural and Built Environment Act and the Spatial Planning Act have been passed, and since then repealed by the new Government. The new Government has also reinstated the RMA and confirmed it will be reformed this term. It also intends to review the National Policy Statements and other national direction instruments. For these reasons we think there is merit in delaying the finalisation of the strategy until there is more certainty of direction in these areas.

## Highly Productive Land

24. Specifically, the strategy is being updated to respond to changes in the National Policy Statement for Highly Productive Land (NPS-HPL), which as stated above, is being reviewed. The NPS-HPL has significant implications for the quarrying sector.
25. The NPS-HPL places a significant focus on land-based agriculture and reliance on use of the soil. Waikato has large areas of highly productive land (Land Use Capability classes 1-3) - for example, approximately two thirds of Matamata-Piako is occupied by highly productive land. This means, as the document emphasises, a lot of land is to be protected for agriculture. For example, Directive 9.1 is to “Protect highly productive land in the rural environment for productive uses” – the implication being this is agricultural land for agriculture.
26. We have a number of problems with this approach. Firstly, it needs to be noted that land containing quarry materials is also highly productive. In fact, it is significantly more productive than soils used for agriculture due to the value and scarcity of the aggregates produced relative to the value of agricultural commodities.
27. Like highly productive soils, aggregate deposits can only be sourced from where they are physically located and where the industry is able to access them.
28. The original intent of the NPS-HPL was to protect highly productive land for future

*primary production*. This would include quarrying recognising:

- 1) that other factors in addition to soil determine the productive capacity of land, and
  - 2) that quarrying is a recognised sector within “primary production” in a number of definitions, including the National Planning Standards definition of primary production.
29. As stated, we understand the future of the NPS-HPL is highly uncertain under the new Government.
30. We recommend that the Future Proof Strategy revisit the policies around highly productive land after planned changes to the NPS-HPL have been announced by the Government.

### **Waahi Toituu and Waahi Toiora**

31. This approach to protecting highly productive land is reflected in Part B3 Waahi Toituu and Waahi Toiora. This section proposes the protection of, among other things, LUC Class I, II and III land. This appears to contradict Directive 9.7 which clearly intends to “minimise loss of access to important mineral resources”.
32. Once again, we caution that policies which aim to reduce access to aggregate extraction will necessitate making provisions to access quarrying materials from further away which means higher costs for ratepayers and users of quarry materials.

### **Conclusion**

33. To future proof the sub-region and minimise the risk of future shortages of quarry materials, the strategy needs to protect aggregate resources from future development. Failure to do so will mean it will have to be sourced, at some expense, from outside the sub-region.

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