Foundations for our future

An agenda for bedrock change to assist New Zealand towards prosperity

July 2008

Imagine a world without concrete or tarmac; no new roads, very little construction, virtually nil economic growth. It is a world that few New Zealanders would wish to contemplate.

If decisions are not made soon about improving access to rock and stone resources – the foundation for almost all development – we will all soon pay a heavy price; our future prosperity will be in question.

Already, Auckland road and construction projects are dependent on material imported from over 100kms away. Other regions are facing similar issues.

There is no shortage of aggregate anywhere, even in Auckland. Councils run shy of renewing quarry permits, let alone allowing new ones. We need government, councils and their communities to have a requirement in every town plan that it designate areas for aggregate production.

New Zealanders, and their ambitions for New Zealand, need aggregate – lots of it – but they perceive quarries will bring aggravation, especially in urban or semi-urban areas. Unfortunately, this is a view that most local authorities fail to challenge.

Quarries are not dirty neighbours that many people perceive. Most quarries carefully monitor the quality of their water and air.

The quarrying industry faces some of the most stringent environmental control regimes of any industry. It recognises and celebrates excellence in environmental performance and is constantly seeking improvements.

The Aggregate and Quarry Association (AQA) has been a supporter of sustainability since the 1970s. Last year, our annual conference theme integrated social, economic and environmental sustainability.

Our industry wants a new and urgently needed dialogue with government and local government that paves the way to sustainable access of aggregate resources.

This election-year agenda is intended to start the process.

James Boyce
President
AQA NZ

11 tonnes

of aggregates and allied raw materials used annually for every person across New Zealand*

Infrastructure is the key to New Zealand's future. Better roads, rail, ports and airports, commercial and residential buildings, factories and farms, sewerage and water schemes, broadband networks – all are crucial to improving our economic performance and community development.

All these activities are built on a basic foundation; rock.

As a nation, we are failing to provide for access to rock and stone resources. We plan individual projects well – building a house, re-surfacing a road – but plan poorly for providing the essential elements in our nation's infrastructural development. If we are to have an affordable and sustainable infrastructure base we need to better manage our access to rock and stone.

1991	14 million tonnes produced annually	3.5 million NZ population	4 tonnes per person
2008	50 million tonnes produced annually*	4.2 million NZ population	11 tonnes per person

Some rock solid New Zealand facts

- There is a direct correlation between aggregate production and economic activity.
- In 1991, when the economy was in trouble, less than 14m tonnes of aggregate were produced.
- New Zealand now produces around 50 million tonnes of aggregate annually, all used locally to help build our nation.*
- As recently as 2006, there were industry projections that this figure might take 15 years to achieve.
- We are an aggregate hungry nation – current consumption is 11 tonnes per person or a big truck load for every New Zealander.
- This places us among the top consumers in the world, reflecting what have been buoyant times.

But this economic activity is under threat. The aggregate production that underpins it is being stonewalled by public misperceptions about this vital industry and a lack of will to challenge these.

* These are industry provided figures and may vary from Crown Minerals' estimates.

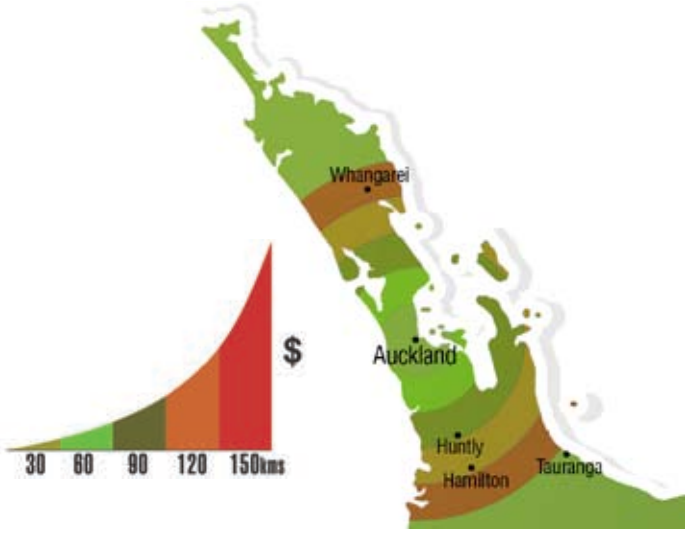
As an industry, we pledge to work with any decision maker who will address these issues and help build a better foundation for New Zealand's future.

Aggregate Issues

Access to aggregate (crushed rock, gravel or stone) is fundamental to progress.

The Resource Management Act 1991 is the principal, relevant legislation governing how extraction from quarries or from alluvial river beds operates.

Central Government passes responsibility for deciding on access to such resources to local authorities. There is no requirement for local bodies to consider the importance of providing for proximate (nearby) access to aggregate sources. This is becoming an increasingly important issue as the cost of transport continues to rise.



The cost of a truckload of gravel can double every 30kms travelled

Auckland residents are already paying more than they need to for a delivery, with aggregate being imported from Northland and Waikato. Regions with high population growth, like Wellington and Canterbury, are facing similar pressures and the problem is escalating.

This is absolutely unnecessary when proximate rock and stone resources are available throughout New Zealand.

"As a nation, this is economically and environmentally unsustainable. There are projections that unless local access to rock and stone resources rapidly improves, we will not be able to sustain our current lifestyles within 20 years time. New Zealanders' ambitions for social and economic progress will have to be parked in a grass-lined cul-de-sac."

Moreover, these projections don't fully take into account the current commitments of both major parties to infrastructural development. The latest Budget by the current government confirmed spending on physical assets, by departments and Crown entities of around $25 billion over the next five years. Around 35% of this is expected to be spent in the transport sector alone. The current Opposition is indicating it may spend even more in some areas.

Such levels of expenditure are vital for New Zealand's advancement. However, one basic question has not been considered.

Where will the rock and stone resources come from?

There is currently:

- no national strategy for the development of aggregate supplies;
- no formal mechanism for industry liaison with government and advice to it;
- no recognition in national transport and infrastructural development planning on the need for proximate resources;
- no requirement for local bodies to include provision for local aggregate resources in their long-term plans; and
- an unchallenged public perception that quarries are dirty, noisy neighbours.

To create the changes needed to address New Zealand's growing demand for aggregate in the most sustainable manner requires leadership, commitment and ultimately action from all levels of government - central, regional and local. Industry will respond positively and assist where possible in the process of developing and implementing strategies that secure the aggregate supplies necessary for New Zealand's ongoing development.

By highlighting these issues in this election-year agenda document the AQA seeks to raise awareness with all political parties and local body politicians about vital issues that underpin many other areas of planned development and investment in New Zealand. We want to see these issues better understood and incorporated into party policy commitments this year and also at the 2010 local body elections.

Breaking rocks and tackling myths

Myth #1: Quarries are noisy, dirty places

Quarries do generate noise, dust and water quality issues. However, these are all subject to a range of controls, both mandatory through resource consents and voluntary through the industry's own commitments to being good neighbours. Quarries go to extraordinary lengths to mitigate the impact of their essential work. Air and water quality at a quarry can sometimes be better than on neighbouring properties.

Myth #2: Quarries are not good neighbours

The quarry industry engages regularly with their communities to address concerns and to communicate what is happening. Many quarries have active community liaison groups or hold open days. Wellington's Kiwi Point Quarry regularly consults its neighbours and encourages them to ring at any time if they have concerns.

Myth #3: Quarries leave big holes in the ground

By the very nature of extracting rock, hills can be removed and holes are created. This is not always a negative. Many former quarries now provide public amenities that would not have been previously possible, e.g. Auckland's Mt Smart Stadium is built on a former quarry site. What were once bare hillsides adjoining quarries are often landscaped and planted in trees.

Myth #4: Quarries are not sustainable

Although not directly sustainable, the quarry industry manufactures products that are essential to ensure sustainable communities. Aggregate is needed for energy efficient homes and for rail and cycleway projects, just as much as for any other development. The sources are either hillsides for rock or rivers for alluvial river stones. Where hillsides are used to extract rock there is often restorative work. Taking river stone often helps with flood protection and stones are replaced by the natural process of erosion. The aggregate industry is also an active recycler of previously used materials including concrete and glass bottles.

Myth #5: It's better to source rock and stone from outside urban areas

This simply adds to costs and pressures on sustainability and traffic flow. We can lower carbon footprints through sourcing aggregate close to the buildings and roads which require it. Every kilometre that is trucked adds to the cost, and can double the price every 30kms.

(Above) Logan Point is an existing quarry operating close to the heart of Dunedin

(Left) This park in Dunedin's North East Valley, opposite the famed Baldwin Street, is a former quarry

Agenda for change

To give New Zealand's future a more solid foundation we need to address these issues:

Central Government

- A national infrastructure summit, bringing together government, local government and affected industries to urgently assess obstacles to infrastructure development and set up rapid responses to issues, like proximate access to aggregate resources.
- Direct ministerial responsibility for aggregate; rather than currently under an Associate Minister of Energy, this might come under a Minister for Infrastructural Development. The Minister would need to have a close working relationship with the Minister for Local Government and Minister for the Environment.
- A national policy statement on aggregate supply – to include consideration of changes to the RMA and Local Government Act, requiring local authorities to include provision for proximate aggregate supplies in long-term council plans.
- A ministerial advisory body on aggregate supply that meets regularly.
- Establishment of a policy framework to ensure proximate supply of aggregates in all areas of New Zealand.
- Establishment of a research programme to identify future sources of aggregate supply and alternative sustainable technologies.
- Establishment of national standards for recycling of materials for use with aggregate, e.g. demolition concrete and glass bottles.

Local Government

- Identification and designation of resource extraction zones by every local authority.
- Establishment of appropriate working relationship models between local authorities and local quarry/river extraction operations, eg MOU between Christchurch City Council and Christchurch Quarry Owners Industry Group.
- Industry input into regional and local authority long-term plans.

About AQA

Established for over 40 years, the AQA is the national body representing 85% of the companies involved in New Zealand's quarrying industry. The industry currently produces nearly 50 million tonnes of aggregates and allied raw materials used in every roading and construction project in New Zealand.

For more information

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