

**SUBMISSION ON THE MINERALS AND  
PETROLEUM RESOURCES STRATEGY  
FOR AOTEOROA NEW ZEALAND:  
2019 - 2029**

**Presented by:**

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Privacy of natural persons

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**1.0 INTRODUCTION**

- 1.1 Swap is a member of the Aggregate and Quarry Association (“AQA”) and aligns itself with the AQA submission.
- 1.2 Swap is engaged in the extraction processing and transporting of aggregate (crushed rock, gravel and sand) and has substantial investment in land and other capital assets in the quarry industry.
- 1.3 Swap currently operates ten hard rock quarries across the Waikato and Bay of Plenty and ranks as fourth largest producer of aggregates by volume in New Zealand. Where suitable rock is not locally available, product must be carted to those regions from quarries located elsewhere.
- 1.4 Swap is therefore a significant contributor to the economic growth and development of communities throughout the North Island of New Zealand, including specialised product for railways, road and

infrastructure development and the housing and industrial building industries.

- 1.5 Swap draws attention to the impact on the minerals industry on pending development of policies and strategies which seek to discourage and control activities seen to impact adversely on the natural environment, natural land and water features, biodiversity and the historical and cultural landscape. There is concern at a potential disconnect between the managed extraction and use of minerals with appropriate respect for environmental impacts and outcomes, and aspirational ambitions to avoid any (rather than mitigate) adverse effects from mineral extraction (and other drivers of economic growth) for the greater benefit of people and communities at both local and national level.
- 1.6 Swap accordingly seeks to highlight the need, when interpreting the high-level aspirations of this Strategy, to promote a wider understanding across all relevant agencies of the need to accommodate the mineral extraction industry within those worthy aspirational ambitions. Quality resources which are accessible and efficient in terms of energy use for their extraction and transport to user are limited. This inevitably calls for the exercise of compromise and discretion to achieve both industry and environmental best practice. Ideally they coincide.
- 1.7 The integrated approach to resource management needs to start at the highest level and be maintained across Policy and Strategy development for land and water use, protection of rivers and streams and biodiversity, protection of historic sites and recognition of cultural values. This is not an easy task and requires mindfulness in terms of ensuring ongoing and appropriate access to New Zealand's important mineral resources which are critical to economic well-being and a prosperous New Zealand community.

## 2.0 OVERVIEW

- 2.1 The aspirational objectives of the Strategy are appropriate, subject to Swap's concern as to the downstream regulation and the influence of policies and strategies dealing with wider environmental concerns appropriately accommodating a productive, sustainable, efficient and economically driven minerals sector.
- 2.2 Work is currently being done by the Government owned research consultancy, GNS Science, to develop a Mineral Potential Model to inform the location of new sites in New Zealand suitable for aggregate mineral extraction. It is important that this work be completed and considered as part of this Strategy, because environmental and economic imperatives require that quarries (both existing and future) be near to the end user and supply markets. Quarries must be close to existing infrastructure and be located on slopes favourable to environmentally efficient extraction and transportation, bearing in mind the need to minimise carbon outputs associated with excessively long cartage movements.
- 2.3 Modernisation of the Crown Minerals Act needs to recognise that there will be occasions when some intrusion into sections of the conservation estate to provide access to minerals will be appropriate and should be facilitated. Geology dictates where the mineral resource is located, and people decide where to locate and thus where the demand is generated. Available resources must be located as near as practicable to end use demand to assist the goal of reducing carbon emissions from transport, and to ensure that affordable materials are available for construction of infrastructure (including railways) and housing. Direction needs to be given within the Strategy and downstream implementation instruments to ensure that the necessary resource is available to meet local and national needs.

### 3.0 **PRINCIPLES**

- 3.1 Swap supports the Principles outlined in the Strategy.
- 3.2 The need for the Crown to honour the rights of current permit holders and consult with stakeholders supports the wisdom of ensuring that adequate discretions with realistic guiding criteria remain in place.
- 3.3 The concept of a living document is supported. This is seen as a means of ensuring that the Strategy remains “fit for purpose” and can respond to any unforeseen consequences which impinge on the efficiency of resource extraction and recovery.
- 3.4 Swap sees the long-term benefit of the recycling of aggregate resources, so long as that can be undertaken in an environmentally and economically efficient way. European examples indicate that recycling on its own is unlikely to replace a continuing need to extract and process new aggregate within the life of the current Strategy and for decades beyond. A significant problem yet to be overcome is contamination of the aggregate component by clay or other unwanted material. This renders the aggregate component useless for high quality end use as it will not meet the specified high-performance standards required by end users such as NZTA. Innovation in processing and use of recycled resource is likely, but the fundamental need for new aggregate will continue.
- 3.5 There needs to be some care taken when analysing Government initiatives which impact on the aggregate industry for reasons previously highlighted. The aspirations of this Strategy and the principles expressed as a basis for future policy making and a review of the Crown Minerals Act are, in Swap’s view at risk. Vigilance on the part of officials tasked with supporting the natural resources section is therefore critical.
- 3.6 The cross-policy need for compromise while reasonable efforts are made to avoid displacement of streams, significant natural vegetation and fauna and to avoid compromising elite soils cannot be ignored, if

infrastructure, housing and other development promoted by Government and local communities is to proceed efficiently and economically for the greater well-being of New Zealand and New Zealanders.

3.7 Swap would welcome an additional Principle under the heading of PRINCIPLES FOR THE CROWN:

*12a The Crown ensures that care is taken in implementation of this Strategy and its other strategies and policies to require that the rules and regulations provide an appropriate level of compromise and flexibility so as to ensure that the ambition of a productive and innovative minerals sector can be efficiently achieved and existing and future capital investment in the sector is efficiently utilised.*

## **1.0 CLOSING**

4.1 Swap appreciates the opportunity to engage in consultation. It generally supports the Strategy but highlights the need for vigilance across all Government Strategy and Policy making to ensure that the aspirations of this Strategy can be achieved.

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Date: September 2019

**THE DIRECTORS**  
**J SWAP CONTRACTORS LIMITED, MATAMATA**