

## **Submission from Straterra**

### **To Ministry of Primary Industries and Ministry for the Environment**

### **Submission on the Proposed NPS for Highly Productive Land**

### **October 2019**

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#### **Introduction**

1. Straterra is the industry association representing the New Zealand minerals and mining sector. Its membership is comprised of mining companies, explorers, researchers, service providers, and support companies.
2. We welcome the opportunity to make this submission on the proposed National Policy Statement for [Highly Productive Land](#).

#### **Submission**

3. As a land-based primary industry, often on the fringe of urban areas, the extractive sector which includes mining and quarrying has strong interests in this issue. In addition, minerals - particularly aggregate and sand - are crucial to the housing and infrastructure sectors.
4. We agree with the aim of the NPS-HPL that councils be required to consider the availability of highly productive land within their region or district for primary production now and for future generations.
5. Specifically, highly productive land needs to be recognised as a matter of national importance in RMA planning. Highly productive land, including mineral-rich land, can be undervalued and given less weight in planning decisions than other (at times competing) matters.

#### **Mining and quarrying should be part of the Highly Productive Land NPS**

6. This document is clearly written from an agricultural and horticulture perspective, but it is important to realise that the issue is broader than agricultural land and that highly productive land contains not just highly productive soils but important minerals, including aggregate, which are essential for New Zealand's economic development.
7. The government's 2019 [National Planning Standards](#) define primary production (page 61) as

*any aquaculture, agricultural, pastoral, horticultural, mining, quarrying or forestry activities; etc*

8. This is the definition that should be used when formulating the NPS-HPL. Mining and quarrying are clearly included within this primary production definition.
9. As well as mining and quarrying being part of the primary production sector, land endowed with mineral resource is clearly highly productive - much more so than agriculture land, in fact. For example, a dairy farm generates circa \$6,928 of revenue per hectare per year compared with \$229,000 from a gold mine and \$78,000 from a quarry.
10. Even though the extraction activity is only a temporary activity, rehabilitation is a critical element ensuring former mines and quarries are returned for the use of future generations when finished. Comprehensive bonding for rehabilitation that mining and quarrying operators provide give surety that the land will be rehabilitated and returned to productive use.
11. Sometimes land can be reinstated as agricultural or horticultural land once the extraction is completed, for example productive wine growing land in Marlborough is situated on former quarry land and there are many examples, particularly in Otago and the West Coast, where land previously mined is now productive farmland.

## Highly productive mineral-rich land is at risk of sterilisation

12. Highly productive, mineral resource-endowed land needs to be treated as a matter of national significance in RMA planning. It needs to be incorporated within the NPS-HPL, not just because it sits within the definition of primary production, but because it is at risk of being sterilised by competing activities.
13. There are two related issues – the first where other development takes place on top of a mineral resource so that it is physically inaccessible from the surface and/or underground, and the second is where sensitive land uses (like housing) established close to mineral resources give rise to reverse sensitivity concerns (see next section).
14. Economic mineral and aggregate deposits are limited in quantity, location and availability. They can only be sourced from where they are located and where the industry is able to access them. Urban development and expansion, which the NPS-HPL aims to guide, has the potential to sterilise future greenfield resources if not done well. Once urban development occurs on top of a mineral resource, it is unlikely that such mineral rich land will ever again be accessible for future extraction.
15. Given the limited quantity, location and availability of economic mineral resources, the case for recognising prospective land as a matter of national importance in RMA planning and as part of the NPS-HPL is just as strong if not stronger than it is for agricultural land.

## The importance of aggregate and other minerals to urban development

16. Sand and Aggregate are minerals crucial for urban development in their contribution to the building of housing and infrastructure. Cost and efficiency considerations dictate that these minerals should be sourced from areas as close to the development as possible.

17. Currently, the cost of a tonne of aggregate doubles when it is trucked 30 kilometres from a quarry, with additional costs for each extra kilometre thereafter. By ensuring quarries are close to their markets (which are often urban areas) transport costs, transport congestion and carbon emissions are significantly reduced.
18. An important issue for the extractive sector operating in areas of expanding residential growth is reverse sensitivity, as described above, where new residents, sensitive to the effects of the extractive sector, locate in close proximity to the existing extractive activity. Clearly not in the interests of the residents themselves, this issue needs to be addressed and can be incorporated into the NP-HPL by ensuring residential areas are not allowed to encroach close to land with high aggregate potential (or mineral resource perspectivity generally).

## Improved knowledge of mineral resource is needed.

19. We note that there is a potential conflict with the proposed [National Policy Statement for Urban Development](#) (NPS-UD). This NPS aims to remove barriers to the supply of land and infrastructure and to make room for cities to grow out as well as up.
20. To avoid a conflict, i.e. the NPS-UD enabling outward expansion and yet the NPS HPL guarding against it, the NPS-HPL will need to be flexible and focus on *redirecting* (rather than constraining) urban growth.
21. The key thing to achieve this is that the councils acquires good knowledge of where mineral resource is so that urban growth does not encroach upon the mineral resource. GNS has done some good work in this area but it needs to be completed.
22. Councils also need to be made aware of the importance of the resource to society so they can be well informed in their decision making.
23. This improved knowledge will help councils make better decisions as to where and how urban growth expands. It will help them to better assess and balance the trade-offs between protecting highly productive land while providing for greater urban capacity. It will ensure the best use of our mineral-endowed, highly productive land resource is promoted without compromising Government's objectives for urban development.

## Conclusion

- Highly productive, mineral resource-endowed land needs to be brought into the NPS-HPS discussion and treated as a matter of national significance in RMA planning.
- The 2019 National Planning Standards include mining and quarrying in the definition of primary production.
- Land endowed with mineral resource is clearly highly productive - much more so than agriculture land, in fact.
- Economic mineral and aggregate deposits are limited in quantity, location and availability. They can only be sourced from where they are located and where the industry is able to access them.

- The issue the NPS-HPL aims to address is particularly pertinent to the minerals sector as it too is at risk from expansion of urban development and expansion.
- We support an approach where the NPS-HPL is flexible and the focus is on redirecting (rather than constraining) urban growth. Councils need to be made aware of the importance of the mineral resource so they can be well informed in their decision making.
- Improved knowledge will ensure the best use of our mineral-endowed, highly productive land resource is promoted without compromising Government's objectives for urban development.