

EXECUTIVE INTERVIEW: Wayne Scott – chief executive officer of AQA and MinEx

Bernie Napp - Wed, 21 Nov 2018

As the new CEO of the Aggregate and Quarry Association, Wayne Scott is on a mission to raise the sector's profile with Government.

BN: Background to recent changes to the AQA

WS: For some time, or certainly for the past couple of years, there's been discussion about beefing up the capability of the AQA. They've had a part-time CEO who has done a good job in terms of running the organisation from an administrative point of view, an accounting point of view, and communicating information to the sector. But the AQA board felt they needed to beef up the amount of work they do in the lobbying space.

So, they went out and got a bit more funding, and the purpose of that was to put on a full-time CEO, to extend the work that Roger Parton had been doing because he was retiring anyway, to include that lobbying stuff, and also some work on improving the perception of quarrying in this country.

BN: What do you mean by lobbying and perception?

WS: The lobbying is really about ensuring the Government understands the issues that the sector has. There was this perception that maybe they didn't, and certainly with some of the more recent projects, where there's been no, or very little thought given into the access to aggregates and where they're going to source them for major projects, exceptional costs that maybe could have been avoided if there had been a little bit better planning in those projects.

Certainly, Transmission Gully is a classic example of where you've got a large project that's been planned for some years without any consideration of where all the rock is coming from, which has led to them having to bring rock from Golden Bay, from the centre of the North Island, when in fact there's pretty good rock in close proximity to the project.

The reason we need to improve that is: if the time it takes to get approvals is such now that it could be five or 10 years before a greenfields quarry is approved - there needs to be a whole lot of planning around where urban growth's occurring, where major infrastructure developments are occurring to facilitate that. So, the sort of thing we're lobbying at the moment is identifying where future quarries are going to be, and securing access to those quarries going forward, including existing ones.

BN: How does this translate into Government policy?

WS: We are talking with Government at the moment, about them giving greater direction to urban authorities or councils, in terms of identifying where these resources are going to be needed and giving some level of protection against encroachment of non-compatible land use - because that's really the big issue. Aggregate is where it is. It's a fact of life, and we need it as close to the market as possible. This country has an abundance of resources. It's just a matter of ensuring that they're protected from encroachment and non-compatible land use.

BN: Other risks to the quarry sector?

WS: There are two issues I think we need to get our head around. One is also a cross-over with MinEx, the worker health issue, and we need to do a lot more work on that space, and we certainly propose to do that.

And the other big one in terms of the quarry sector is our social licence, and I think we're definitely in danger, at risk of losing our social licence. There's been a number of examples, not least of which are the Yaldhurst dust issue, the pending Templeton application, and issues around some of the Auckland applications, I think where we haven't done ourselves a great service in terms of selling ourselves as a sector. So, I think we need to have some serious discussions around how we maintain our social licence, and how we improve that public perception of quarrying.

BN: How to get the sector more involved in the AQA?

WS: The AQA membership is not large in terms of numbers of organisations, however, the members do represent about 85 per cent of quarry product, so they do represent a large chunk of the sector from a production point of view, and probably from a coverage point of view across the country.

There'll be the parts of the country where AQA members don't have quarries but the issue with the AQA is providing a proposition for all quarry owners. I think what we'll do, by getting some traction around our lobbying work and around improving the perception of quarrying generally, we'll attract a greater number of quarry operators to join AQA and support the cause.

BN: A National Policy Statement for aggregates - is that an area you've put any thought into?

WS: It is. We've in fact requested, following a meeting with the Transport Minister Phil Twyford, we've sent a letter to him outlining some of the things that we think would move this discussion forward and one of them is an NPS. While it's not his direct responsibility, he was certainly interested in discussing that with us when we met with him, and we've obviously copied that into to his Ministerial colleagues, Shane Jones and David Parker's Offices as well.

An NPS is something we're interested in discussing with the Government, a relatively long-term solution but it might be a way of protecting these resources. In the more immediate term, we're more interested in the Government coming out and supporting the need for councils and others to ensure in their planning documents they do consider quarries, that they do consider where they're going to get their resources from, along with other land uses.

It will be an ongoing conversation with the sector as well, and that has its difficulties because there are issues in parts of the country where there may be parts of our membership that don't actually want any National Policy Statement but you know that's just one of those issues about coming up with an industry position, where we're not going to get 100 per cent agreement but we will get position that suits the sector going forward.

BN: Is New Zealand missing a trick when it comes to improving infrastructure?

WS: Yes, I think we are. What we want to avoid is the 'oh shit' moment that the Victoria State government has just faced in Australia, where they've had, and do have some quite ambitious growth plans, particularly around western Melbourne. Where they suddenly realised they're running out of aggregate, and have no plan of how they're going to source that over the longer term or even the short term for that matter.

BN: Your views on the spread of the sector?

WS: I think the spread and the large number of small quarries is going to continue in this country. One thing that impresses me with this quarry sector, is the ability of people with relatively small volumes to make a go at quarrying. There are particular issues around operating on a small scale, and a lot of the regional parts of the country are relatively small scale, and they're just not going to fit well into the larger corporate-type operations. They're not going to be the sort of level of returns that these companies expect, so there's always going to be a market in this country for the small operator and in terms of numbers, they're probably going to dominate because of the layout of the country. The population, whilst it's concentrated in three major cities, the rest of it is spread far and wide.

BN: In terms of those smaller operators, what are you doing to support them?

WS: We're doing a lot of work in the health and safety. That's really where the need has been in recent years. I think the lobbying and the other stuff around improving perception will benefit the entire sector and it's going to be relatively longer term, hard to measure the immediate success of that. But certainly in health and safety, I think we need to get out and engage with people in their space. MinEx is planning next year to do a lot of work around the regional centres, more than we've done this year.

BN: As the CEO of both AQA and MinEx, how much travel are you doing these days?

WS: It would be easier to ask me how often I'm home; I can count that on my fingers. It goes with the territory; the industry is spread far and wide. I've got to be out amongst the industry, not sitting in the office. I'm doing a lot of travel but trying to co-ordinate it a bit better. I spent my first 12 months with MinEx as a bit of a scattergun in terms of travel. It tended to be wherever there were particular issues or particular opportunities, I'd be up there doing it. The plan for next year is to be more structured around some of that travel.