

**Before the Waikato District Plan Review Independent Hearings Panel**

Submitter No. 827; FS 1319

**UNDER** the Resource Management Act 1991  
**IN THE MATTER** of the Proposed Waikato District Plan  
**REGARDING** Hearing 3 – Strategic Objectives

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**PRIMARY STATEMENT OF EVIDENCE OF SARAH MCCARTER**

**SENIOR PLANNER**

**TONKIN & TAYLOR LTD**

**on behalf of New Zealand Steel Holdings Limited**

**11 October 2019**

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## **INTRODUCTION**

- 1 My full name is Sarah Catherine McCarter.
- 2 I am a Senior Planner at Tonkin & Taylor Limited and have been with the company for six years. I have twelve years' planning experience in New Zealand. I hold the qualifications of Bachelor of Arts and Bachelor of Science from Victoria University of Wellington and a Masters of Environmental Legal Studies (Honours) from the University of Auckland. I am a Full Member of the New Zealand Planning Institute, and a member of the Resource Management Law Association.
- 3 I am familiar with the Proposed Waikato District Plan ('the Plan') and specifically the provisions relating to the submission and further submission lodged by New Zealand Steel Holdings Limited (NZ Steel). I was involved in drafting the original submission for NZ Steel.
- 4 I prepared and presented evidence at Hearing 1 for the Proposed Waikato District Plan (Chapter 1 Introduction), with Mr Grant Huggins for NZ Steel.
- 5 I confirm that I have read the Code of Conduct for expert witnesses contained in the 2014 Environment Court Practice Note and that I agree to comply with it. I confirm that I have considered all the material facts that I am aware of that might alter or detract from the opinions I express. In particular, unless I state otherwise, this evidence is within my sphere of expertise and I have not omitted to consider material facts known to me that might alter or detract from the opinions I express.
- 6 I am authorised to provide expert planning evidence on behalf of NZ Steel Holdings Limited (NZ Steel).

## **SCOPE OF EVIDENCE**

- 7 My evidence deals with the following:
  - a An overview of NZ Steel's primary relief;
  - b Overall structure of Chapter 1 (Introduction)
  - c Strategic objectives and directions relating to mineral extraction in the Waikato District.

## **OVERVIEW OF NZ STEEL'S PRIMARY RELIEF**

- 8 To provide brief context to the NZ Steel submission point that is addressed in this hearing:

- a NZ Steel runs an iron sand mining and processing operation at Waikato North Head (WNH), an area also known as Maioro. Mining activities were established at WNH in 1968, and NZ Steel holds a Mining Licence for the iron sand mine, which is operative until 2066. The Mining Licence authorises NZ Steel's land use activities at the WNH site. The iron sand resource is a critical resource for NZ Steel operations at Glenbrook Steel Mill, located in the Auckland region. NZ Steel also sources coal and limestone from the Waikato District, and has a strong preference for continuing to source these resources locally rather than importing them.
- b Broadly, NZ Steel's submission sought that the Plan should appropriately provide for NZ Steel's activities at the WNH site, in order to better reflect the on-the-ground reality, provide continuity from the operative Waikato District Plan and enable users of the plan to have a clear understanding of activities that are lawful at WNH.
- c In particular, the Proposed Waikato District Plan ('the Plan') proposes to zone the WNH mine site as Rural Zone with an "Aggregate Extraction Area" overlay. NZ Steel's primary submission sought recognition of the WNH site through the creation of a 'Maioro Mining Zone', recognising the long-standing existing nature of the WNH mine site. This approach would be consistent with the operative Waikato District Plan provisions, which identify the WNH site as 'Maioro Mining Zone' and provide for specific permitted activities.

#### **OVERALL STRUCTURE OF CHAPTER 1 (INTRODUCTION)**

- 9 In Hearing 1, the Commissioners noted that they may seek to rationalise Chapter 1 further, for example, inclusion of the purpose of the Plan and a description of the district only.
- 10 NZ Steel's scope is of course limited to those provisions on which it submitted. For clarity, my view is that simplification of Chapter 1 could assist the user in navigating and understanding the Plan, and that this would align well with the National Planning Standards. Therefore, I support changes which clarify the intent of the introductory chapter i.e. that it is intended as an introduction and not to state objectives and policies which are presented later in the Plan.

- 11 However, I would note that Chapter 1 currently sets important context for the balance of the Plan (albeit set out in a level of detail which becomes confusing for the reader). In particular, the district wide issues that the Plan addresses are currently identified in Chapter 1. These will need to be carefully identified and articulated in a manner which aligns to the objectives, policies and rules identified in later chapters.
- 12 As noted in my evidence for Hearing 1, Section 1.2 sets out issues for the district and includes a list of economic challenges. This includes acknowledgement that the mining sector is important to the district due to its share of the GDP, but that it is a sector that is facing challenges. Section 1.4.2.3 (1.2.2.3 in the Hearing 1 redline version) states:
- (viii) A decline in the mining sector, with coal resources in particular becoming increasingly difficult and expensive to access, as well as public concerns about the environmental impacts of coal and mineral mining in the region, are a concern, considering its share of the district's GDP.*
- 13 I consider it is important to include reference to the mining sector in district wide issues which are addressed in subsequent chapters. As set out in my evidence for Hearing 1, I consider that the important role that mineral resources and their extraction play in the economic wellbeing of the district should be consistently referenced throughout the Plan.
- 14 In this regard, the broad intent of NZ Steel's primary submission, which I support, is that the Plan should incorporate provisions which set out that:
- a The extraction of mineral resources is a productive rural activity, and existing extractive activities, including the WNH site, contribute to the economic wellbeing of the district.
  - b These activities cannot be located in an urban setting, and are vulnerable to reverse sensitivity issues (particularly when residential activities locate within a buffer zone).
  - c Productive rural activities, specifically including mineral extraction, need to be addressed in the Plan.

### **SUBMISSION POINTS IN HEARING 3**

- 15 One of NZ Steel's primary submission points is being heard at Hearing 3:
- a Submission point 827.40: Amend Section 1.12.8 Strategic objectives as follows (or words to similar effect):

*(a) The matters set out in paragraphs 1.4.1.1 - 4.1.7 1.4.4 provide the overarching...*

*(vii) Supporting productive rural activities, including mineral extraction...*

*AND Any other further or consequential amendments required.*

- 16 NZ Steel made a further submission (FS1319.21) supporting Federated Farmers of New Zealand (submission point 680.22). The further submission emphasised that extraction of mineral resources is a productive rural activity and existing extractive activities contribute to the wellbeing of the district.
- 17 NZ Steel also made a submission on Objective 5.1.1, seeking that mineral extraction be specifically acknowledged as a productive rural activity (Submission Point 827.41). This submission point is currently scheduled to be heard in Hearing 21 (Rural Zone), however it is also relevant to the recommendations contained in the Council's section 42A report for Hearing 3, as set out below.
- 18 The section 42A report prepared by Alan Matheson (Consultant Planner) dated 30 September 2019 on Hearing 3: Strategic Objectives recommends that:
- a NZ Steel Submission Point 827.40 is accepted, insofar as the role of the rural productive and other activities is recognised in the plan through the directions and strategic objectives. Mr Matheson proposes the inclusion of the following text in 'directions' set out at Section 1.12.8 (Section 1.12.2 in the Hearing 3 redline version):
 

*(vii) Promote the on-going operation and development of rural production activities, including rural industry, services and other activities utilising the resources of the rural area.*
  - b Objective 5.1.1 (the strategic objective for Chapter 5 'Rural Zone') is incorporated into a new Section 1.13. Mr Matheson recommends that Section 1.12 be retained, but clarified to identify that these are 'directions' only and that the strategic objectives are contained in a new Section 1.13 titled "Strategic Objectives".<sup>1</sup> The purpose of this

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<sup>1</sup> s42A Report for Hearing 3: Strategic Objectives, at [31-32]

is to provide a clearer relationship between the strategic direction and objectives, and to provide initial alignment with the National Planning Standards<sup>2</sup> (Standard 4).

- 19 I generally agree with the intent of Mr Matheson's proposals, which, in a similar manner to Ms Donaldson for Hearing 1, seek to rationalise and streamline Chapter 1 and subsequent chapters. However, both the wording of the strategic direction for the rural environment and the proposal to incorporate Objective 5.1.1 into Chapter 1 (along with strategic objectives set out in other chapters) effectively introduce further complexity into this chapter.
- 20 In relation to the NZ Steel submission, my opinion is that:
- a I agree with clarification that the matters set out in Section 1.12.8 (Section 1.12.2 in the Hearing 3 redline version) are 'strategic directions' rather than 'strategic objectives'. This improves clarity of the intent of these provisions.
  - b I also agree with the insertion of an additional Section 1.12.8(vii) to support productive rural activities. However, I propose amendments to the section for consistency with other parts of the Plan, particularly Section 1.4.3 (Section 1.2.3 in the Hearing 1 redline version) and subsequent sub-sections (attached in Appendix A).
  - c In this regard, I propose that the section is amended to reference 'productive rural activities and rural-based activities' rather than 'rural production activities including rural industry, services and other activities utilising the resources of the rural area'. The concepts of 'productive rural activities' and 'rural-based activities' are clearly articulated in Section 1.4.3 (Section 1.2.3 in the Hearing 1 redline version), and my view is that these concepts should be consistently used throughout the Plan. I note that mining is clearly included in productive rural activities in Section 1.4.3 (Section 1.2.3 in the Hearing 1 redline version).
  - d In my opinion, the strategic objectives included in new Section 1.13.3 should be retained in their original chapters. While I understand that the purpose of this is to improve the linkages and

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<sup>2</sup> Ibid., at [30].

alignment with the National Planning Standards, the effect is to introduce additional text into an already lengthy introduction. I consider that cross-referencing from Chapter 1 to the relevant chapters would suffice to improve both linkages within the Plan as notified, and also to the District Plan structure which is set out in Section 4 of the National Planning Standards.

e I also propose references to mineral extraction are added to the strategic direction and strategic objective for the Rural Zone, in a manner consistent with NZ Steel's primary submission and for the reasons set out in Paragraphs 13 -14 above (see Appendix A to this evidence).

21 Any alternative changes to Chapter 1 should ensure that mining / mineral extraction is clearly included as a productive rural activity, as set out in Section 1.4.3 (1.2.3.1 in the Hearing 1 redline version) and subsequent sub-sections.

## **CONCLUSION**

22 In summary, I support changes proposed to clarify the intent of the introductory chapter. However, I note that Chapter 1 currently identifies the issues that the Plan addresses. In my opinion, any modifications to Chapter 1 will need to carefully identify these issues in a manner which aligns to the objectives, policies and rules identified in later chapters.

23 It is important that the Plan recognises the importance of mineral extraction and the challenges that the sector faces. I consider that mineral resources and their extraction should be consistently referenced throughout the Plan, and have therefore proposed amendments as set out in Appendix A.

24 Any alternative changes to Chapter 1 should ensure that mining / mineral extraction is clearly included as a productive rural activity.

Sarah McCarter

11 October 2019



# Appendix A: NZ Steel proposed changes to Council redline

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Retain Section 1.12.8 (Section 1.12.2 in the Hearing 3 redline version):

*(vii) Promote the on-going operation and development of ~~rural production activities, including rural industry, services and other activities utilising the resources of the rural area~~ productive rural activities, including mineral extraction, and rural-based activities.*

Retain Objective 5.1.1 in its current location and amend as follows:

~~1.13.3~~ 5.1.1 Strategic Objective – Rural Environment

*(a) Subdivision, use and development within the rural environment where:*

*(i) high class soils are protected for productive rural activities;*

*(ii) productive rural activities, including mineral extraction, are supported, while maintaining or enhancing the rural environment;*

*(iii) Urban subdivision, use and development in the rural environment is avoided.*

*(Addresses Issue 1.4.3 – The Rural Environment)*