

**IN THE MATTER** of the Resource Management Act 1991

**AND**

**IN THE MATTER** of a resource consent application to Whangarei  
District Council for the Otaika Quarry overburden  
disposal area project

**STATEMENT OF EVIDENCE OF**

**IAN JONES**

**ON BEHALF OF GBC WINSTONE**

## STATEMENT OF EVIDENCE OF IAN JONES

### INTRODUCTION

1. My full name is Ian Jones. For the past 27 years I have worked for Fletcher Building in a career of operations management, sales management, and for the last 10 years in general management. For the last 4 years I have been General Manager for GBC Winstone which includes full accountability for Golden Bay Cement and Winstone Aggregates. Previous to this I was General Manager for Pacific Steel which was an integrated steel mill that melted scrap metal and produced it into valuable reinforcing steel for the domestic and export construction market. Other roles within Fletcher Building included operations and sales management roles in Fletcher Easysteel, Humes Pipelines, and Fletcher Steel (Fiji)
2. I believe GBC Winstone, along with other Fletcher Building Companies such as Firth, Easysteel, and Placemakers, play a significant role in the region and I am proud to be involved with those business in terms of history, our role of today, and how we can leave a positive impact into the future. I have personally influenced outcomes for the Whangarei region in terms of supporting environmental initiatives, community support, commitment to environmental compliance, safety and care for staff and contractors. More commercially, I have been personally involved in decisions on strategic business models including, remaining as the only cement manufacturing in New Zealand which means a long term commitment to the cement plant operations in Portland, and, ensured that when vendors are selected for large capital projects, that local business is a significantly favoured attribute.

### BACKGROUND

3. I have been involved in the project at a governance level from project conception all the way through. Specifically, this has involved:
  - Project development;
  - Planning and strategy;
  - Review and approval of current proposal.
4. I confirm that I have read the statement of evidence of Ian Wallace, Michael Harris and Chris Edmonds. My evidence will focus on GBC Winstone, Otaika Quarry and relevant policies. I am authorised to present this evidence on behalf of GBC Winstone.

## SCOPE AND STRUCTURE OF EVIDENCE

5. I have structured my evidence as follows:
  - GBC Winstone;
  - Environmental Performance;
  - Community Relations Policy;
  - Health and Safety Policy;
  - Summary and Conclusions.
6. In summary, my evidence and that of the experts to follow will show that the proposed overburden disposal area is well planned, appropriate and essential for the continued economic growth of the region.

## THE APPLICANT - GBC WINSTONE

7. GBC Winstone is a division of Fletcher Concrete and Infrastructure Limited, a member of the Fletcher Building group of companies, legally the company is registered under Winstone Aggregates and Golden Bay Cement. GBC Winstone is New Zealand's largest manufacturer and distributor of cement, aggregates and sand, which supplies roading, ready mixed concrete, concrete product manufacturers and building and contracting customers.
8. The roots of the Winstone portion of the company go back to the earliest days of Auckland in 1864, when William Winstone started a transport business utilising a horse and cart. The business grew to include quarrying in the early part of last century. It was purchased by Fletcher interests in 1988 and placed under the control of Fletcher Concrete and Infrastructure. It recently merged with Golden Bay Cement, a company that also has a long presence in the region.
9. In the greater Northland region, Winstone has a long history which dates back to the early 1960's, which over the following decades grew to be a major branch of the Winstone Company. Today, GBC Winstone is the largest quarry operator in the country, and a significant contributor to the Whangarei District economy. It is:<sup>1</sup>

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<sup>1</sup> GBC Cement and Quarry Operations – An economic Impact Assessment (June 2016) (BERL).

- a. A major employer in the district, directly employing approximately 270 FTE<sup>2</sup> staff (and is one of a handful of manufacturing businesses in the district employing more than 100 staff);
  - b. Indirectly, is responsible for employment of further 280 FTE within the district via its supply contracts with other services/providers;
  - c. In 2015, had a direct economic impact on the district economy of \$43.7million;
  - d. Generated 8.4% of the districts total GDP for the manufacturing sector;<sup>3</sup>
  - e. In 2015, an additional \$29.7million in GDP was generated in the district economy due to the presence of GBC Winstone via capital expenditure, expenditure on goods and services etc; and
  - f. As a major Stakeholder in Whangarei and Northland it is involved in and is a key sponsor of community facilities, conservation and environmental initiatives throughout the district, including Friends of Matakoe - Limestone Island initiative, sponsors the Coastguard Northern Region Vessel, rural fire service, the Northland Science Fair, category sponsor of the Northland Business Awards (Northland Chamber of Commerce) and its long term support of the Quarry Arts Centre
10. Consent is sought to deposit overburden on the Pegram Block adjacent to Otaika Quarry. The details of the application and assessment as to effects will be covered by others. The overburden disposal area is required to provide for the continued operation of Otaika Quarry.
11. Planning and consultation for this proposal commenced in late 2015. Over that time GBC Winstone have consulted widely with interested parties including residents, Councils and iwi. At times this has not been easy, the application has highlighted the difficulties associated with reverse sensitivity and competition between the Quarry's need for an adjacent overburden area on one hand and resident's amenity on the other.

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<sup>2</sup> One FTE is a person who works more than 30 hours per week, people working under this were assigned 0.5 FTE value.

<sup>3</sup> GBC Winstone's Cement and Quarry Operations (June 2016), Berl, 3.

12. The Quarry is constrained by its inability to dispose of overburden and there is no other option available to it other than the Pegram Block. The challenge is that the realities of the situation and difficulties facing the Quarry are not properly recognized or provided for in the current or proposed plan. Failure to obtain these consents will leave the company with no option but to commence in-pit disposal next earthworks season (2018/19) which will result in sterilization of the resource and early closure of the regions largest quarry and the social and economic benefits associated with it.

#### **OFFICER REPORT**

13. GBC Winstone is extremely disappointed by the Officers recommendation that the proposal be declined due to cultural and amenity concerns. While the company accepts that there will be some adverse effects associated with the overburden placement, the evolution of this project, including various design refinements demonstrate that the project has been carefully and sympathetically designed to fit its environment and to ensure that where the effects on residents and iwi can be avoided, remedied or mitigated – while still reasonably providing for an overburden placement area – which in turn safeguards the continued operation of the Otaika Quarry, they have been.
14. We appreciate that at times weighing up these competing interests is not an easy balance. Over the life of the project, particularly while the Application was on hold, GBC has continued to make refinements to the projects where there are opportunities to further reduce effects. Due to the opportunity for overburden placement within the quarry being near exhaustion, the consent sought is now time critical and absolutely crucial for securing the long term operation of Otaika Quarry which is recognized as an important Regional Resource.
15. GBC Winstone considers that the project being presented for your consideration strikes an appropriate balance between quarry operations and its neighbours, and is a sensible solution to securing and maintaining aggregate supply for the district and wider Northland Region well into the future.

## **GBC WINSTONE'S COMMUNITY RELATIONS POLICY**

16. GBC Winstone is a successful business and is a market leader in the New Zealand aggregates industry. The company's focus on health and safety and community relations has played a significant part in this success. GBC Winstone Community relations remains as an overriding consideration across all GBC Winstone operations as mandated in the GBC Winstone Community Relations Policy which is attached as Appendix 1.
17. The company's commitment to its communities is guided by its Community Relations Policy. The objectives of this policy are to:
  - Ensure ongoing compliance with regulations, conditions of consent and plan requirements in line with our Environmental Policy;
  - Promote awareness of the importance of the aggregate industry to communities in New Zealand;
  - Establish relationships with the community, based on trust and integrity;
  - Ensure appropriate levels of community consultation and involvement are maintained which may include organised site visits, open days, mail outs, liaison groups and meetings;
  - Be actively involved in and support the communities in which we operate;
  - Respond to complaints and enquires promptly and in an appropriate manner.
18. Guidance for staff is provided through an internal document – the “*Community Relations Guidelines*”, which guides the formulation of community relations plans for individual sites and recognised the issues relevant to the individual site and how best to apply the above methods. GBC Winstone's commitment through these documents is implemented in practice through organised site visits, Community Open Days, consultation on proposals for resource consents and plan changes, and the ongoing formation of Community Liaison Groups throughout the country at GBC Winstone's major quarries. GBC Winstone has actively consulted at length with surrounding residents, relevant Council staff, iwi and other organisations on this proposal. This is further described in the evidence of Mr Wallace.

## **GBC WINSTONE'S HEALTH AND SAFETY POLICY**

19. A number of submitters have expressed concerns about health and safety. Our existing Otaika Quarry has a great track record with Health and Safety and GBC Winstone continues to lead its industry in this regard. Health and safety remains as an important and overriding consideration across all GBC Winstone operations and GBC Winstone is required by law to meet its obligations and responsibilities under the Health and Safety at Work Act 2015. Internally health and safety is mandated in the Winstone-Fletcher Safety Policy which is attached as Appendix 2.
20. The company's commitment to health and safety is guided by the Safety Policy. The guiding principles of this policy are:
  - Everyone has the right to work in a safe environment;
  - Everyone is responsible for their safety and safety of others;
  - A safe and healthy work environment leads to a safe and healthy business;
  - Everyone must do his or her job the safe way;
  - Zero Harm is our goal and we believe all harm accidents are preventable; and
  - Preventing accidents is a priority for us all.
21. The practical effect of GBC Winstone's focus on health and safety is that these factors are of paramount importance when planning projects like Pegram Block OBDA. For example where concerns have been expressed by the community about Air Quality and stability these have been thoroughly investigated by the Company in terms of testing, input from its experts and obtaining independent peer reviews of advice where required. This ensures that we operate safely.

## **GBC WINSTONE'S ENVIRONMENTAL PERFORMANCE**

22. GBC Winstone takes its corporate responsibility seriously and realises it is important for industry to recognise the concept of sustainability and it is important that aggregates are extracted, processed and transported as efficiently, economically and unobtrusively as possible. The company prides itself on its projects meeting the highest possible standards. It is proud of that record and takes criticism of this to heart.

23. As a responsible corporate, GBC Winstone voluntarily invests extensively in its quarry sites and seeks to address some of the environmental effects of its activities where this is possible. It does this by developing land management plans including things such as re-planting, pest control, weed control and rehabilitation of excavation areas as well as involvement in community conservation initiatives. As a business with large landholdings GBC Winstone seeks to ensure that they are managed and left in a way (where possible) that makes a positive contribution to the environment. Much of this has occurred independently and over and above consenting/permit requirements in accordance with the company's environmental policy. For example:
- Initiatives to help improve the way Auckland Green Geckos are salvaged and relocated as part of our Symonds Hill Quarry expansion at Hunua Quarry;
  - Restoration planting in Belmont Regional Park in conjunction with Wellington Regional Council to mitigate the biodiversity effects of the Belmont Quarry Extension;
  - Rodney Aggregates Limited's joint venture with local iwi and Auckland Council as part of the Wai Care programme which offers assistance to community groups, individuals and businesses to monitor water quality of local streams; and
  - Support of *Trees for Survival*, a charity which teaches school children the skill of growing and planting native trees.
24. The Pegram consenting process has provided the company with a good opportunity to consider its options for environmental protection enhancement of the environment and community it operates in, as part of its only Otaika Operation. In line with both its iwi liaison and environmental initiatives at sites around the country, GBC Winstone is proud of the significant partnership agreement that it has entered into with Te Pouwhenua o Tiakiriri Kukupa Trust and mitigation measures that have been developed in close conjunction with them. The agreement formalizes and recognizes many years of working together on environmental monitoring at Otaika and will be implemented as part of a long term joint initiative providing Te Parawhau Ki Tai with opportunities to be involved in the ongoing monitoring and development of the Pegram project. We would very much like to affirm our relationship with the Ruarangi Trust via provision of the same opportunities.

25. From GBC Winstone's perspective, the mitigation and environmental management package and associated conditions provide a strong framework for better understanding and on-going relationship between GBC Winstone and local iwi.

## **CONCLUSION**

26. Qtaika Quarry has enjoyed a long history and has contributed significantly to the district as a stakeholder, member of the community, business partner to our contractors and as an employer, a role which GBC Winstone very much wishes to continue. For the reasons set out in the evidence that follows, GBC Winstone is of the view that the proposed Pegram OBDA is a sensible solution to enable the Otaika Quarry to continue to play an important role in the supply of Aggregates to the Region.

**Ian Jones**

March 2018

**Appendix 1 – GBC Winstone Community Relations Policy**



## ***Community Relations Policy***

### **Background**

As the largest producer of aggregate products in New Zealand, Winstone Aggregates is easily identified by the local communities in which we operate and throughout New Zealand society as a whole.

Adverse effects generated by our activities and the activities of other players within the industry have the potential to create negative perceptions of 'who we are' and 'what we do' among the community, including not only neighbours but Iwi, local and regional Councils, conservation groups and, to a lesser extent, suppliers and purchasers.

These negative perceptions have the potential to impact upon the business at all levels.

### **Purpose**

Winstone Aggregates is committed to developing good relations with the community at all levels of the business.

### **Implementation**

The purpose set out above will be implemented through the following methods:

- Ensure ongoing compliance with regulations, conditions of consent and plan requirements in line with our Environmental Policy
- Promote awareness of the importance of the aggregate industry to communities in New Zealand
- Establish relationships with the community, based on trust and integrity
- Ensure appropriate levels of community consultation and involvement are maintained which may include organised site visits, open days, mail outs, liaison groups and meetings
- Be actively involved in and support the communities in which we operate
- Respond to complaints and enquiries promptly and in an appropriate manner

At an individual site level, Community Relations Plans will be prepared to assist in implementing the methods set out above. These plans will be developed in accordance with the "Outline for Site Community Relations Plan" included as part of the Community Relations Guidelines, and will recognise the issues relevant to the individual site and how best to apply the above methods.

A handwritten signature in black ink that reads "B Chote".

Bernie Chote  
**General Manager**

Dated: October 2007

**Appendix 2 – GBC Winstone / Fletcher Building Safety Policy**



## Safety Policy

Together we strive to be better every day by committing to managing the safety risks at our operations so that employees and other workers are not exposed to the risk of significant injuries and fatalities.

Together we will:

- Ensure leaders are competent and accountable in safety and demonstrate a highly visible level of commitment.
- Set objectives and targets on a risk-based approach that prioritises controls for critical risks.
- Commit to meet Fletcher Building, relevant regulatory and industry standards.
- Consult with employees and other workers to encourage participation for continuous improvement and empowerment.
- Set high standards of operational discipline and ensure accountability.
- Support training programmes to build safety knowledge and improve safe work practices.
- Encourage an open, honest and transparent reporting culture where all workers participate in reporting incidents and safety concerns.
- Accurately report and record all incidents and safety concerns, ensure investigations identify incident causes, and ensure there is accountability for corrective actions.
- Recognise and celebrate effective safety risk management.

**Mark Adamson**  
**Chief Executive Officer**  
**Fletcher Building Limited**

**Ian Jones**  
**General Manager**  
**GBC Winstone**

**Date:** August 2016