|  |  |
| --- | --- |
| Before the Independent Commissioners |  |
|  |  |

|  |  |
| --- | --- |
| Under | the Resource Management Act 1991 |
| In the matter of | a hearing on submissions on the proposed Te Tai o Poutini Plan  Hearing Topics 1 and 2: Introduction / Whole Plan and Strategic Objectives  Submitter**: WMS Group (HQ) Limited and WMS Land Co. Limited (S599)** |

|  |
| --- |
| Statement of Evidence of Raymond Terence Mudgway |
| 2 October 2023 |
| |  |  | | --- | --- | |  | | |  |  | |  |  | |  |  | |

**Introduction**

1. My name is Raymond Terence Mudgway.
2. I am Director of WMS Group (HQ) Limited and WMS Land Co. Limited (together **WMS**). I was appointed as a Director of WMS Land Co. Limited in August 2021, and subsequently appointed as a Director of WMS Group (HQ) Limited in February 2022. I have authority to give evidence on behalf of WMS.
3. Prior to joining WMS I was a Director and General Manager of the Port of Wellington where I was responsible for overseeing operations both at the main port and the subsidiary port.
4. I provide this statement in support of WMS' submission in respect of the proposed Te Tai o Poutini Plan (**TTPP**).

**Company overview**

1. WMS, which was established in 2022, undertakes mineral sand mining projects on the West Coast and operates ports and coastal shipping.
2. WMS holds a number of mining, prospecting and exploration permits and primarily mines ilmenite, garnet, and rare earth elements (**REEs**) for export. Ilmenite is used for a number of industrial purposes, garnet is used to make sandpaper, and for water jet cutting, and REEs are used in products such as electric vehicle batteries. REEs are high value, and have global strategic importance given their application and uses, particularly in technology.
3. WMS has a breadth of mining experience within the company, and many employees are from the West Coast, or have a strong connection to the region. In total, WMS employs over 40 staff.
4. WMS owns significant areas of farmland, notably in Cape Foulwind, Ruatapu, and Karangaru. The intention is that the land will be used in the short term for mineral extraction before being returned to productive farmland when extraction operations are complete. WMS' approach to mining is through the progressive rehabilitation method which minimises the amount of disturbed land and restores the land as mining moves across a site.
5. WMS recognises its responsibilities to landowners, local authorities, the wider West Coast community and the environment to ensure that extraction sites are returned to an improved environmental condition once operations have ceased. WMS is working with environmental experts to ensure that land is appropriately restored. Approximately 80% of the materials WMS extracts are returned to the ground and rehabilitated for future use for agriculture, grazing, forestry or restoration for native bush or wetlands as appropriate.
6. WMS is a proudly West Coast company, and intends to deliver positive economic impacts and employment opportunities to the West Coast community with minimum environmental impact. WMS seeks to have positive gains to the environment for each of its projects.
7. As part of its operations, WMS is working to improve transport, logistics and supply chain networks in the West Coast, which will bring wider benefits to the region. In particular WMS is working to improve and strengthen shipping networks between the West Coast and the rest of the country. WMS is committed to upgrading local ports and shipping infrastructure, which will benefit other local businesses and industries, for instance by allowing shipping of export and import products, as well as bolstering the fishing industry. Currently the West Coast is heavily reliant on trucking routes, which leaves it vulnerable in the event of natural disasters which may affect the roading infrastructure. Improving the region's shipping network, and bolstering supply chains within the region will go some way to improving the region's emergency response capabilities.
8. Mining is currently underway at Okari / Nine Mile, Cape Foulwind (**Nine Mile Project**) on 20 hectares of farmland and is anticipated to take 5-7 years. This mine will yield West Coast Ilmenite, garnet and world-class monazites containing REEs. The Nine Mile Project is creating over 40 FTE jobs and will bring many benefits to the local environment and communities. This includes the creation of ecological corridors between wetlands, stock-fencing wetlands, monitoring of penguin populations, additional native planting and the contribution of substantial funding to the Kawatiri Cycle Trail.
9. Another proposed operation is being developed at Mananui (**Mananui Project**). If the Mananui Project goes ahead, it will allow the extraction of heavy mineral sands on 110 hectares of farmland at Mananui. The Mananui Project, and its supporting supply chain, is anticipated to provide a $37.9 million boost to the West Coast economy. WMS engaged Sense Partners, an economics consultancy, to prepare a report on the Mananui Project. Sense Partners' report provides that the Mananui Project will generate $71 million in export revenue each year, and will boost West Coast GDP by 1.8%, supporting between 65 and 70 high paying jobs. A further 65 to 69 jobs in areas such as engineering, geotechnical and maintenance will be supported by the company's $15.4 million of local spending.
10. WMS supports the strategic direction of the TTPP as it relates to mining. The TTPP recognises the importance of the mineral extraction industry within the region while ensuring activities effects are managed.

**The West Coast's connection with mining**

1. The mineral extraction industry plays a prominent role in the West Coast economy. The rich and diverse mineral profile sets the West Coast apart as a highly productive and valuable region. As such in addition to contributing to the economy on a national scale, at a regional level it provides an integral boost to GDP and employment.
2. The fixed nature of the resources naturally limits the land that can be used for mineral extraction. The West Coast is unique in its mineral profile, and accordingly is exclusively positioned to provide for mineral sand extraction. Global demand for critical and green minerals is on the rise, and as such, mineral exports will become an increasingly profitable sector of the region's economy. WMS sees this as an opportunity to establish the West Coast as a global leader in the sustainable production of mineral resources.
3. Mining provides significant employment in the West Coast region, and mining's share of employment in the region is substantially higher than the share for the rest of the country. Mineral extraction, and the establishment of businesses like WMS, provides well-paid employment opportunities, which both encourages locals to stay in the region and attracts workers from other parts of the country to the West Coast. Attracting and retaining a workforce doesn't just benefit WMS, it benefits the community more broadly in that it encourages more spending in the region.

**Conclusion**

1. WMS supports the enabling of mining activities in the TTPP on the basis that the mineral extraction industry is vital for the prosperity of the West Coast both now and in the future.

**Raymond Terence Mudgway   
2 October 2023**