

SUSTAINABLE PLANNING AND OTHER LEGISLATION AMENDMENT BILL 2012

Submission by

Cement Concrete and Aggregates Australia (CCAA) to the State Development, Infrastructure and Industry Committee

12 October 2012

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About Cement Concrete and Aggregates Australia (CCAA)

CCAA is the peak industry body representing the nation's heavy construction materials industry, and includes members in the extractive, cement and pre-mixed concrete industry. A list of CCAA members is attached.

We welcome the opportunity to make a submission to the State Development, Infrastructure and Industry Committee's review of the *Sustainable Planning and Other Legislation Amendment Bill 2012* (the Bill), particularly in relation to planning issues for the heavy construction materials industry.

About the heavy construction materials industry

The heavy construction materials industry plays a critical role in the built environment in which Queenslanders live, work and play. Life without the material our industry provides is almost unimaginable. The materials provide by our industry are used in a broad range of applications in our built environment including:

- Next to water, concrete (which generally comprises 80% gravel and sand; 10% cement and 10% water) is the most consumed substance on the planet.
- Each kilometre of a typical new 2 lane asphalt highway needs about 14,000 tonnes of crushed rock, or about 400 truck-loads of material.
- An average new house constructed needs about 110 tonnes of crushed rock, sand and cement in 53m3 of concrete.
- In general, quarries can only provide materials to their local communities, and quarry
 material needs to be sourced from specific geological areas. These materials are not
 imported from overseas. It is a "high volume, low value" material and transportation
 costs are significant. Increasing the average transportation distances of quarry
 material from an average 60km to 100km increases production costs by 35%.
- Compared to other extractive activities such as mining quarrying has a relatively small footprint. For example, an average quarry is about 10% the size of an average coal mine.
- It is estimated that each Queenslander requires about 10 tonnes per annum of quarry material to support the building of roads, houses and other infrastructure to service his or her needs.
- The time-limited nature of pre-mixed concrete means batching plants need to be located near end use.

There has been a significant demand for heavy materials construction material generated in Queensland over the past decade, and this is likely to continue in the foreseeable future, particularly in the context of:

 Continued population growth in Queensland. Although growth has slowed, it is still continuing and expected to result in an extra one million people living in Queensland each decade until 2056. It is estimated that each Queenslander requires about 10 tonnes per annum of quarry material to support the building of roads, houses and other infrastructure to service his or her needs.

- Road and transport network rebuild following the devastating flood and cyclone events of 2010/11 and early 2011, where an estimated 14 million tonnes of gravel is required until 2014.
- Mining and gas project investment which places a significant call on construction materials demand (e.g. for roads, ports and other related infrastructure).

Our overall principles on planning reform

Our industry supports planning reform that enables better social, economic and environmental outcomes – such as a strengthened property and construction industry, consistent, efficient and effective development assessment, as well as appropriate land settlement and uses. We believe that planning reform should:

- 1. Support the growth of the property and construction industry, a key pillar of the State's economy, to meet Queensland's social and economic needs.
- 2. Allow proponents within our industry to have applications lodged and properly assessed within a timely fashion, whilst maintaining appropriate "checks and balances" to protect community amenity and environmental values.
- 3. Take into account the importance and unique nature of the heavy construction materials industry for the State, including an understanding of the difficulties that local authorities may have in approving new, or extending existing facilities.
- 4. Demonstrate consistency across local authorities throughout the State.
- 5. Ensure suitable land settlement and land uses (including freight corridors), so that the industry is afforded protection from incompatible development, (such as residential developments, community facilities), being located too close to the operations of our industry.
- 6. Take into account the full range of state interests, not just environmental concerns.

In recent times, our industry has been very frustrated by the inability of the processes entailed as part of the Sustainable Planning Act 2009 to ensure a consistent, streamlined and co-ordinated approach to planning and development applications for our industry. This is despite the well documented need for construction materials to meet Queensland's growing population, rebuilding needs of the State, and building materials for local community needs. For example, it takes at least 5-7 years for a greenfield quarry site to be approved (and development approval costs of between \$2 to \$5 million), while an extension to an existing quarry may cost some \$1 to \$2 million.

Assessment of the Bill's Provisions

In general, our industry is strongly supportive of the Bill, and hope that the Bill's provisions will help facilitate a revitalised property and construction sector in the State. The Bill also takes into account many of the recommendations recently made by CCAA. The positive support being provided from the development and property industry would suggest the Bill goes a long way towards removing significant planning impediments for these industries, whose growth impacts directly on our industry.

We also believe that the Bill will support the heavy construction materials industry through more efficient processing of development approvals through the reduction in "red tape". The

Bill should result in a reduction of complexity associated with development applications and increase certainty for the industry, however, it is important that appropriate checks and balances are in place to ensure that community amenity and environmental values are maintained.

The Bill also supports the principle of planning reform that takes into account the full range of state interests, not just environmental concerns. This is evident through the introduction of the Department of State Development, Infrastructure and Planning (DSDIP) as a single concurrence agency to improve the coordination and responsiveness in dealing with development applications. Having a single concurrence agency should ensure effective balancing and management of the State's various competing interests (such as environmental, infrastructure and economic development). Having a full understanding and overview of the State's interests would ensure that the interests of the heavy construction materials industry are properly taken into account in the decision making process.

However, it remains to be seen how the Bill will take into account some of the specific characteristics of the heavy construction materials industry. The importance and unique nature of the industry, as reflected in both the *Temporary State Planning Policy 2/12 – Planning for Prosperity*, and *State Planning Policy 02/07 – Protection of Extractive Resources* (which provides for Key Resource Areas), must continue to be reflected in all levels of planning across the State including regional and local authority schemes. Although Government has recognised the importance of the industry through such planning policies, there has been an accumulation of regulatory and planning controls that have been put in place over the years which has led to constraints in the effective and efficient utilisation of heavy construction material resources. It is also important that any additional planning responsibilities given to local authorities takes into account the specific characteristics of the industry, and the need for local construction materials. There is a concern that any additional responsibility for processing of development applications by local authorities may result in longer approval times as traditionally local governments have experienced difficulties in improving new, or extending current facilities.

It is also unclear how the Bill will support the key principle of developing consistency across local authorities. The Bill provides for local councils to have the discretion to accept development applications that do not include all required supporting information at the time of lodgement. Although such changes should facilitate more efficient processing of development approvals, we believe it is important that local councils follow consistent protocols in determining development applications. It is also vital that local governments are able to ensure effective integrated strategic land use and infrastructure in their planning schemes. As an industry body, CCAA has been working to improve consistency of planning schemes with local authorities through the development of the <u>CCAA Extractive Industry Model Codes and Guidelines</u>.

Whilst outside the scope of the Bill, it is also critical that heavy construction materials' facilities do not face encroachment from incompatible land uses. It is paramount that the importance and unique nature of the industry continue to be reflected in any amendments to the current planning schemes, including any revised State Planning Policies and Regional Plans. This will ensure that the State and local communities continue to have access to a ready supply of construction materials, as well as minimise any local community concerns.

In summary, whilst CCAA is very supportive of the Bill, much of the success of the new legislation will be dependent on the way in which it is implemented, including adequate resources and support for the increased role of the DSDIP as a single state assessment and referral agency. Furthermore, the Government should be open to revisiting aspects of the legislation in the future should it become clear that the objectives of the legislation are not being met.

We welcome the opportunity to comment on the Bill, and again, reiterate our strong support for the overall intention of the Bill. To discuss our submission further, please contact me on 07 3227 5210 or email <u>aaron.johnstone@ccaa.com.au</u>

Yours sincerely

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Aaron Johnstone State Director - Queensland

CEMENT CONCRETE & AGGREGATES AUSTRALIA

MEMBERSHIP (QLD)

FOUNDATION MEMBERS

| Adelaide Brighton Ltd | BORAL Boral Construction Materials | BORAL Boral Cement Limited |
|-----------------------------|--|-------------------------------|
| Cement Australia Pty Ltd | Hanson Australia Pty Ltd | Holcim (Australia) Pty Ltd |

ORDINARY MEMBERS

| Barro Group | Mackay Sand and Gravel Sales | Quarrico |
|---------------------------|-----------------------------------|----------------------------|
| Brisbane City Council T/A | Marine Contracting Pty Ltd | Riverside Industrial Sands |
| Bracalba Quarries | Mount Marrow Blue Metal | Pty Ltd |
| Byrne Bros Pty Ltd | Quarries Pty Ltd | Southern Pacific Sands |
| Fulton Hogan Construction | Neilsen's Quality Gravels Pty Ltd | Sunstate Cement Ltd |
| Pty Ltd | Nucrush Pty Ltd | Wagner Investments Pty |
| Hymix Australia Pty Ltd | Ostwald Quarries Pty Ltd | Ltd |
| | Premier Resources T/A Hy-Tec | Zanows Sand and Gravel |
| | Industries Pty Ltd | |
| | | |
| | | |

ASSOCIATE MEMBERS

| Concrete Waterproofing | |
|---------------------------------|---|
| Manufacturing Pty Ltd T/a Xypex | |
| Australia | |
| Grace Construction Products | |
| Sika Australia Pty Ltd | |
| | |
| | Manufacturing Pty Ltd T/a Xypex Australia Grace Construction Products |