



30 October 2015
Ministerial Advisory Committee
Independent Inquiry into the Environment Protection Authority
PO Box 21428
Little Lonsdale Street
VIC 8011

Via email: info@epa-inquiry.vic.gov.au

SUBJECT: INDEPENDENT INQUIRY INTO THE ENVIRONMENT PROTECTION AUTHORITY

Cement Concrete & Aggregates Australia (CCA) welcomes the opportunity to provide a submission to the Independent Inquiry into the Environment Protection Authority.

Introduction

CCA is the peak industry body for the heavy construction materials industry in Australia including the cement, pre-mixed concrete and extractive industries. For your information, a list of CCA Victoria's members is provided in Appendix 1.

CCA members account for approximately 90% of the \$7.21 billion in revenues generated by these industries that, between them, employ 18,000 Australians directly and a further 80,000 indirectly.

CCA members operate rock quarries, sand and gravel extraction sites, cement production and distribution facilities and concrete batching plants throughout Australia.

There are approximately 540 operating quarries across Victoria that produced some 47.4 million tonnes of stone, limestone, gypsum, sand and gravel in 2012/13 which was used to produce building and construction materials such as cement, bricks, concrete, tiles, pavers and road paving. The value of production from these quarries is estimated to be \$737.4 million.

The Victorian premixed concrete industry produced 6.5 million m³ of premixed concrete in 2012/13 worth around \$1.4 billion. This is enough to build around 100,000 new homes, 100 Eureka Towers or 44 Bolte Bridges. Further value is added through the manufacture of concrete products and delivering concrete services.

CCA's members service local, regional and national building, construction and infrastructure markets. The reliable and cost-effective supply to these markets is fundamental to sustainable growth and it is CCA's aim to promote policies and planning frameworks that recognise the importance of these materials to Australia's sustainable future.

CCA welcomes efforts to simplify the regulation and enforcement of environmental policy that provides increased certainty, reduced costs and reduced time to industry and results in better outcomes for all stakeholders.



CCAA makes the following comments to further improve environmental protection by the EPA:

- EPA should be a modern, **well resourced, technically competent risk based regulator** that has the trust of industry and government. Skilled and resourced staff are the key to realising the full benefit from a modern regulatory framework.
- EPA should initially focus on **compliance through education** and providing support to operators so they comply. EPA should also **reward excellent environmental performance** to incentivize industry to embrace best practice performance and innovation. CCAA looks forward to the outcome of the *Earned Autonomy Pilot Program* with the aim to expand the program to other industries if the pilot is successful.
- EPA should have an increased focus on **compliance audits of high risk sites**. Such audits should be conducted against well established, publicized criteria.
- The current **compliance tools are adequate**, providing EPA with enough legal powers and should not be expanded.
- EPA should have an increased focus on **timeliness of decision making**. Slow decision making by the EPA, either in the approvals or compliance area reduces certainty for industry and increases investment risk.
- EPA to continue to implement the **works approval reforms** as outlined in *EPA Report 1521, Approvals Review Final Report*, focusing on:
 - **Risk based** approach to determine level of assessment
 - **Streamlined approvals** with set timeframes, improved understanding of key issues to be addressed, detail required and methodology to be used
 - **Emergency approvals** to be streamlined
 - Improved **coordination** between state and local government as well as between state agencies/departments.
 - Improved **guidance material** & training of staff
 - Develop **standard conditions** for approvals
 - Improved **public reporting** of applications and timing of approvals
 - **Electronic lodgment** of applications
- **Strategic land use management** is a key area for EPA involvement. With record population growth and continued expansion of residential areas, there is an increasing need for planning powers to limit encroachment and maintain buffers around certain industries. Such strategic land use planning helps to prevent land use conflict issues from occurring in the first place, rather than attempting to address the issue after the event. Such land use planning helps to protect liveability and reduce costs for agencies involved in such conflict, including the EPA.
 - CCAA **RECOMMENDS** that state planning powers adopt the '**agent of change**' **principle** as outlined in *EPA Publication 1518 Recommended Separation Distances for Industrial Residual Air Emissions*.
 - It should be the responsibility of the 'agent of change', i.e. the proponent who is seeking to reduce the separation distance, to provide evidence to the planning authority to the satisfaction of the EPA that a variation from the recommended separation distance is appropriate. For an expansion of an existing quarry or the development of a new quarry, the agent of change would be the quarry proponent. For the development of new residential housing in a quarry buffer, the agent of change would be the property

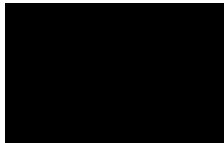
- developer. The proposed development should not proceed if the required environmental thresholds cannot be met.
- There should be no statutory obligation on an industry to supply information to third parties in respect to separation distance issues.
 - Rehabilitation of legacy derelict sites has been identified as an issue for some industries. This issue is adequately covered for the extractive industry by the requirement for a rehabilitation bond under the *Mineral Resources (Sustainable Development) Act 1990* managed by the Department of Economic Development, Jobs, Transport & Resources. CCAA **does not support** the introduction of additional financial security to cover the rehabilitation of industry sites.

Victorian environmental policy and enforcement needs to be internationally competitive to continue to attract capital to invest in Victoria to ensure a sustainable and competitive heavy construction materials industry. This in turn facilitates Victoria's improved productivity, housing affordability and lower infrastructure costs.

CCAA looks forward to working with Government to achieve these key objectives.

Please do not hesitate to contact me to discuss any of these issues in more detail.

Yours sincerely



Brian Hauser
State Director Vic/Tas

APPENDIX 1

CEMENT CONCRETE & AGGREGATES AUSTRALIA

MEMBERSHIP

FOUNDATION MEMBERS

 <i>Adelaide Brighton Ltd</i>	 Boral Construction Materials	 Boral Cement Limited
 Cement Australia Pty Ltd	 Hanson Australia Pty Ltd	 Holcim (Australia) Pty Ltd

VICTORIA

ORDINARY MEMBERS

<p>Aidan J Graham Pty Ltd Alsafe Pre-Mix Concrete Pty Ltd Axedale Sands & Gravel Barossa Quarries Pty Ltd Barro Group</p>	<p>Baxters Concrete Broadway & Frame Premix Concrete Pty Ltd Fulton Hogan Construction Pty Ltd Hillview Quarries Pty Ltd Hymix Australia Pty Ltd</p>	<p>Independent Cement & Lime Pty Ltd Mentone Pre-Mix Premier Resources T/A Hy-Tec Industries Pty Ltd Rocla Pty Ltd</p>
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ASSOCIATE MEMBERS

<p>Agi-Kleen Pty Ltd BASF Construction Chemicals Australia Pty Ltd Concrete Colour Systems</p>	<p>Concrete Waterproofing Manufacturing Pty Ltd T/a Xypex Australia Grace Construction Products</p>	<p>Sika Australia Pty Ltd WAM Australia</p>
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