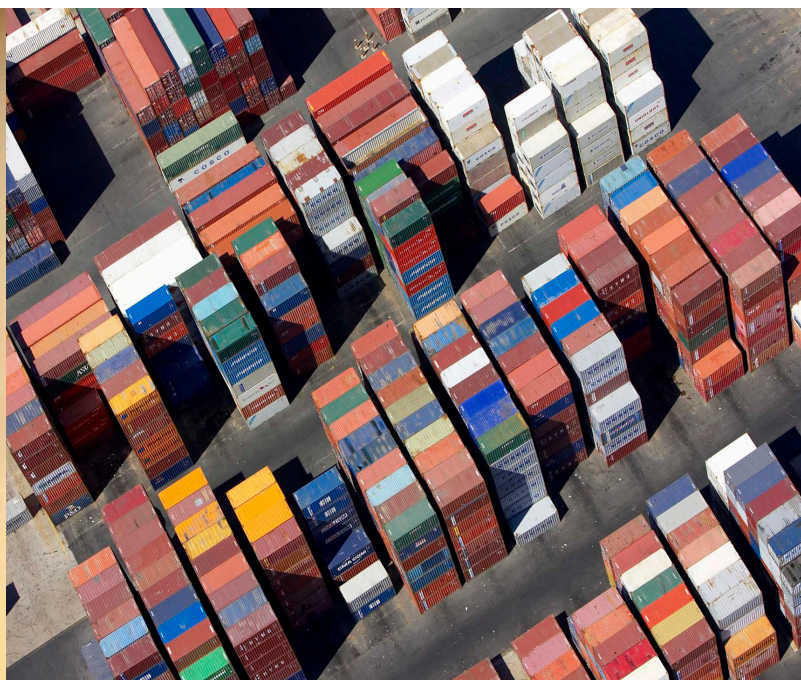


CCA Submission on Queensland Freight Action Plan 2024-2025



JUNE 2024

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Summary

Cement Concrete & Aggregates Australia (CCA) welcomes the opportunity to provide comments to the Queensland Ministerial Freight Council Secretariat on the draft Queensland Freight Action Plan 2024-2025.

CCA is the peak body for the heavy construction materials industry in Australia. Our members operate cement manufacturing and distribution facilities, concrete batching plants, hard rock quarries and sand and gravel extraction operations throughout the nation. CCA membership produce the majority of Australia's cement, concrete & aggregates, and ranges from large global companies to SMEs and family operated businesses.

Heavy construction materials are vital to delivering the infrastructure required to support Australia's built economy which underpins the development of our nation's physical infrastructure, generating approximately \$15 Billion in annual revenue and employing 30,000 Australians directly and a further 80,000 indirectly.

An efficient heavy construction materials logistics system will help to deliver affordable heavy construction materials that will underpin the cost-effective delivery of the State Government's significant Big Build infrastructure, Olympics, housing and renewables transition program.

The Queensland Freight Action Plan 2024-2025 needs to consider heavy construction materials as:

- Affordable materials contribute to affordable infrastructure.
- Construction materials are a significant part of Queensland's freight task. and
- Transport is a major part of material costs.

To address these issues, CCA recommends the Government develop a comprehensive Heavy Construction Materials Plan covering cement, aggregates, sand, and concrete.

CCA supports the following aspects to be included in the Freight Action Plan:

- The continued partnership between Government and industry peak bodies through forums such as the Queensland Ministerial Freight Council.
- The Mass-Distance-Location model for heavy vehicle road user charges
- Sweating the existing transport infrastructure by:
 - Improved Traffic Management Systems
 - Increased use of rail freight
 - Extend existing clearways
 - Extend operating hours of key quarries and concrete batch plants
- The close alignment of the Queensland's Zero Emission Vehicle Strategy 2022–2032 with the Freight Action Plan to facilitate the progressive decarbonisation of the freight task.

- Coordinated land use and transport planning, especially around Key Resource Areas (KRAS). Greater planning certainty in KRAs and a streamlined development approvals process are required to give priority to extracting these state significant quarry resources to market.
- Aligned cross border approaches to licensing, telematics, PBS, technology transition, decarbonisation, and biosecurity.
- Improved last mile heavy vehicle access and increased use of PBS.
- A resilient transport system underpinned by the strength, durability and wind, fire and flood resistance of concrete.
- Cameras and telematics to be used for safety monitoring and driver fatigue management.
- Industry wide telematics data to provide the evidence required to build business cases for infrastructure upgrades, transport planning and bridge assessments’.
- Overcome the existing driver shortage by introducing training and education subsidies for the transport industry together with a more flexible licencing scheme.

More details on these aspects are provided in Appendix 1.

Queensland’s regulatory environment needs to be internationally competitive to continue to attract capital to invest into the state to ensure a sustainable and competitive heavy construction materials industry. This in turn facilitates Queensland’s improved productivity, housing affordability and lower infrastructure costs.

APPENDIX 1

Detailed comments on the Queensland Freight Action Plan 2024-2025

Industry Summary

The concrete and aggregates produced by the industry is transported via heavy vehicles in mostly relatively short distances in urban and peri-urban areas (e.g. under 60 km per delivery for aggregates and under 15 km for pre-mixed concrete). There are about 100,000 average heavy vehicle movements in Australia per day (usually during daylight hours) relating to our industry. In addition, significant volumes of cement and clinker are transported by ship via the major ports of Townsville, Gladstone and Brisbane.

Queensland's Freight Action Plan needs to accommodate all aspects of the freight task, not just long-haul trucks, rail, containers and interstate movement of freight. The transport of heavy construction materials into and around Brisbane and South East Queensland is a very important component of the freight task and needs to be considered in developing the plan to minimise transport costs and social and environmental impacts. Transport of quarry materials is a significant cost component, generally contributing up to 25 per cent to the final delivered price of materials. The closer these materials are to freight corridors and their markets; the less impact transportation has on the overall cost.

An efficient heavy construction materials logistics system will help to deliver affordable heavy construction materials that will underpin the cost-effective delivery of the State Government's significant Big Build infrastructure, Olympics, housing and renewables transition program.

Why the draft Queensland Freight Action Plan 2024-2025 needs to consider heavy construction materials.

Affordable materials contribute to affordable infrastructure.

Heavy construction materials, cement, concrete and aggregates are typically the single biggest cost component of major infrastructure projects making up an average 29 per cent of project costs¹; having a larger impact on cost than labour and equipment.

Construction materials are a significant part of Queensland's freight task.

The heavy construction materials industry is a key player in Queensland's transport industry. Industry data indicates that quarry materials, cement and premixed concrete together make up 12 per cent of the Queensland road freight task by weight with some 25,000 daily concrete agitator, tipper and cement tanker movements. This is expected to increase proportionally to the significant increases in demand for heavy construction materials out to 2031-32 due to the Government's Big Build program, Olympics, renewable energy projects and housing demand.

Transport is a major part of material costs.

The high-bulk, low-value nature of the materials means that transportation costs have a significant impact on the delivered cost of heavy construction materials.

Improving transport productivity contributes significantly to delivering affordable infrastructure to support the Governments ambitious infrastructure, Olympics, home building and renewable energy program.

However, the timely, cost-effective delivery of the next generation of infrastructure projects is by no means guaranteed.

¹ The Impact of Heavy Construction Materials Prices on Infrastructure Costs, 2022, Macromonitors report prepared for CCAA.

To address these issues, CCAA **recommends** the Government develop a comprehensive **Heavy Construction Materials Plan** covering cement, aggregates, sand, and concrete. This plan will be critical in delivering an adequate supply of essential materials to the locations where they are needed and will facilitate the supply of essential construction materials for infrastructure, housing, and renewable energy projects.

It remains imperative that the State Government develop a plan to ensure the sustainable supply of construction materials, focused on timely delivery and effective transport linkages, and aimed at making housing, renewable energy projects, the Olympics and infrastructure most affordable.

CCAA makes the following comments on the specific aspects of the Freight Action Plan:

Shared Commitment 1 - Build Effective Partnerships

CCAA supports the continued partnership between Government and industry peak bodies through forums such as the Queensland Ministerial Freight Council. It is only with the continued cooperation of industry working together with positive Government action that the aims of the Freight Plan can be achieved.

CCAA is unique in representing largely short haul freight tasks around cities and the urban fringe and the Action Plan needs to consider these heavy construction materials for the reasons outlined previously.

Shared Commitment 2 - Unlock Economic Opportunity

Usage Based Charging Model for Heavy Vehicles

CCAA recognises that the road freight industry is a significant user of the road network and accepts that as such the industry should pay a fair, but not disproportionate, contribution to service the road network.

Any reform package must however, take into account the vital role the road freight industry plays in building our economy and communities. Disproportionate charging will result in downstream impacts on goods and services.

More specifically, heavy construction materials are an essential component in the infrastructure delivery chain, increased road user charges will impact directly on the industries' ability to deliver affordable construction materials for infrastructure projects.

In general, CCAA supports road pricing reform that facilitates an efficient road network, is not overly burdensome for industry and effectively accounts for on road and off-road usage.

CCAA supports the linking of road user charges to road expenditure, requiring revenue recovered through road users be ear marked for investment back into the road network, provided that:

- There is a clear and transparent link between funds raised and investments made based on clear priorities.
- It should not be simply a revenue-raising exercise for Government and not result in "double dipping" or cross subsidisation.

CCAA supports the Mass-Distance-Location model for heavy vehicles provided that:

- The system on which the model is based can accurately account for the mass, distance and location of heavy vehicles,
- it does not result in undue administrative burden for the heavy vehicle sector; and
- concerns regarding storage and protection of commercially sensitive data are addressed effectively.

Road charging reforms for the heavy vehicle sector must be accompanied with or followed by similar reforms for light vehicles.

Maximise Freight Productivity Through Non-Infrastructure Solutions - Sweating the existing assets

CCAA recognizes that making the most out of the existing assets is also an important aspect to improving transport productivity. CCAA supports the following:

- Open and efficient access to ports
- Improved Traffic Management Systems including:
 - Synchronised traffic lights
 - Managed motorways
 - Improved coordination between State and Local governments so that unnecessary traffic flow restrictions do not occur on local government roads
- Increased use of rail freight to reduce the total road freight task
- Extend existing clearways & introduce 24/7 clearways on major arterial roads
- Extend operating hours of key quarries and concrete batch plants to allow efficient supply of materials to major infrastructure projects.

Shared Commitment 3 - Smarter Connectivity and Access

Zero Emissions Heavy Vehicles

CCAA members remain committed to decarbonising our supply chain and support the close alignment of the Queensland's Zero Emission Vehicle Strategy 2022–2032 with the Freight Action Plan. The following issues are of specific importance to the heavy construction materials sector:

- Support the roll-out of recharging and refuelling infrastructure (particularly in regional areas).
- Ensure the mass disadvantage of transitioning to heavier BEVs is removed and converted into an incentive via PBS adjustments.
- Enable last kilometre and uniform freight network access for heavier BEVs.
- Remove regulatory barriers to support Euro VI standards to ensure Australia has access to

the fuel-efficient engines being supplied in other markets.

- Look to improving appropriate financing mechanisms to address up-front costs to transition vehicles to alternative fuels.
- Recognise that heavier loads (mostly our materials) may not be able to be as quickly transitioned. BEVs may be limited to shorter distances with lighter payloads until battery technology and charging infrastructure improves.
- Ensure a potential cost of heavier vehicles via road damage is not borne by the heavy vehicle industry via road user charging.

Enhance rail freight access

CCAA supports efforts to divert freight from road onto the rail system, reducing the number of trucks on the road. To achieve such an aim, significant improvements in the rail capabilities would need to be achieved together with incentives to encourage rail use. There is potential for increased use of rail for the transport of heavy construction materials as distance from quarry source to market increases over time, but the barriers to entry need to be reduced.

Rail needs to link to the Industrial zones; currently it mostly links to residential / retail. Consideration should be given to funding or grants to support industry / private investment into establishing rail loading/unloading facilities to bring raw materials from further afield into major markets.

The supply chain requires consistency of supply to ensure a smooth operation. If the rail network was improved with greater options, greater flexibility, price competitive with the ability to provide a consistent service, rail will be perceived as a viable alternative option to road.

Ensure existing and future freight corridors and intermodal terminals are identified and protected during land use planning decision making processes

CCAA supports the continued use of [Key Resource Areas](#) (KRAs) as an essential land use planning tool that identifies state significant quarry resources and their associated transport links and protects these from development that

could impact on their long-term availability. By using the KRA concept, supplies of vital construction materials located close to market remain available for development when needed.

A KRA includes a transport route and separation area around the transport route from the boundary of the resource area to a major road or railway. This helps enable heavy vehicle access to the quarry. Without this, the quarry risks becoming a stranded asset with heavy vehicle access potentially limited or banned.

Whilst these principles of KRAs are welcome, their actual practical implementation is of concern to industry. The planning system is not fit for purpose when development applications for new or expanded quarries in KRAs are caught up in a slow and expensive process with little certainty of outcomes. Local council conditions on approvals often place threshold limits on quarry production, hours of operation, or transport movements, increasing the risk that quarries will not be able to increase supply to meet the expected increase in demand.

Greater planning certainty in KRAs and a streamlined development approvals process are required to give priority to extracting these state significant quarry resources to market.

Investigate road access issues and challenges such as more efficient permit and access approval

Cross border movement of heavy construction materials, especially from South East Queensland into New South Wales and vice versa would benefit from aligning approaches to licensing, telematics, PBS, technology transition, decarbonisation, and biosecurity.

Heavy Vehicle Access

CCAA strongly supports improved heavy vehicle access, including the promotion of strategic road freight routes for higher productivity vehicles and options for addressing first and last mile issues.

Greater engagement and consistency across Local Government boundaries is a key barrier for our industry. More work needs to be done with Local Government and industry to identify and

resolve first and last mile access issues. CCAA believes that Local Government heavy vehicle access systems need to be streamlined to provide consistency and ensure that heavy vehicle access is not impeded.

Our members are strong supporters of continuing Performance Based Standards (PBS) and their consistent implementation across Queensland. There should also be a consistent approach for Higher Mass Limits, and that vehicles should be regulated on their performance, rather than length and mass. The industry asserts that increased mass limits for truck and dog trailer combinations provides strong productivity gains, increased capacity, as well as reducing congestion on the network.

Nighttime freight should be a focus to use the roads when they are less congested. More support and flexibility on 24-hour operating approval for quarries and concrete plants should be considered to enable this and support a more resilient transport network that can rapidly recover from floods and repair roads.

Shared Commitment 4 - A Resilient Freight System

Increase transport system resilience

Climate resilience must become a key criterion for the design and construction of transport infrastructure of the future and be firmly embedded in policies, codes, specifications and regulations.

Concrete stands strong in the face of disaster, it doesn't burn, is resistant to bushfires and is weather-resilient. This is vital for sustainable infrastructure in Australia.

Natural disasters are becoming increasingly common, and building for resilience to flooding, bushfires and high wind events is vital for economic, social and environmental sustainability. Resilient infrastructure is often made from concrete, as its natural strength and durability makes it more able to survive disasters.

Designing and constructing for Disaster Resilience helps reduce the need (and therefore cost and speed) of post disaster reconstruction. In

this way, demand for raw materials in reconstruction is lowered, as is the production of demolition waste, both of which lower potential greenhouse gas emissions. Concrete's resilience then also supports the recovery of communities, as businesses can return to operation and occupants to housing more quickly.

The construction material must be flexible enough to address the primary risks of a changing climate. Key construction material attributes include:

- Wind resistance - Storm events, cyclones, and other high wind events can have devastating impacts on buildings and transport infrastructure. Concrete is more resistant to high winds and to damage/penetration by wind-borne objects. Indeed, many concrete buildings, such as schools and hospitals have become safe room shelters in storm events.
- Flood resistance - Floods exert huge pressure on buildings, while debris carried by floodwaters - as well as the dynamic forces of the water itself - place additional strain on structures and bridges. The rigid nature of concrete and its high density, helps it to better endure high water pressures. Concrete structures therefore often survive flooding, and as with high wind events, concrete buildings can also provide shelter from flooding
- Bush fire resistance - Bushfires are the most common and devastating natural disasters in Australia, resulting in loss of life and property. Infrastructure on bushland fringes of urban areas, face the greatest potential exposure to bushfire. Concrete both insulates and resists structural deformation and failure when exposed to bushfire. Even at high temperatures, it does not fail dramatically. Its unique thermal properties protect reinforcing steel and prestressing steel. Concrete, unlike many composite manufactured building products, does not emit toxic fumes when subjected to high/extreme temperatures.
- Fire resistance - Concrete structures provide excellent structural adequacy, integrity and insulation when subjected to fire. When designed appropriately, concrete structures

can provide fire resistance well in excess of the required Fire Resistance Levels.

- Durability - Concrete is a byword for durability. It has an innate ability to withstand expected wear and deterioration throughout its intended life, with only minimal maintenance.
- The longer a product lasts and the less maintenance it requires, the more economical it is and the lower its impact on the environment. Concrete is such a product. Its use helps conserve resources and reduce waste otherwise associated with repair and replacement. In fact, most concrete structures can last 100 years or more. When they are demolished, it is more likely to be because of obsolescence rather than deterioration. Even this can be avoided if structures are strategically designed at the outset to accommodate future possible uses.
- Design flexibility – The plasticity of concrete in its 'wet' state provides scope to mould and sculpt virtually any built form imaginable.
- Concrete supports a circular economy with structures designed to be recycled at the end of their lives.

More details are available [here](#)

Shared Commitment 5 - Safer Freight Movements

CCAA **supports** have the requirement for cameras and telematics to be used for safety monitoring and driver fatigue management.

Critical Enabler 1 - Quality Freight Data

CCAA **supports** the use of industry wide telematics data to provide the evidence required to build business cases for infrastructure upgrades, transport planning and bridge assessments, to improve the freight task for heavy vehicles supplying construction materials.

Other technological innovations include Open On Board Mass (OBM) monitoring to allow expansion of the higher mass network to increase capacity, productivity and safety through the reduction of current truck to tonne requirements.

Heavy vehicles should also be required to install cameras and telematics for safety monitoring and driver fatigue management.

Critical Enabler 2 - Skilled Workforce

Heavy vehicle driver shortage is a key industry issue with an aging workforce and a lack of availability of HC/MC drivers. Training and education subsidies for the transport industry together with a more flexible licencing scheme would help get more drivers into the workforce.

A focus on a federal immigration policy that supports bringing in skilled heavy vehicle drivers would also strengthen supply of drivers.

Note that with the adoption of In Vehicle Management Systems (IVMS), Telematics, Electronic Work Diaries and Electronic Weighbridges (unmanned), the driver shortage has now extended to include skill gaps related to new and emerging technologies.

CCAA **recommends** that the driver shortage is addressed by:

- Providing industry-based incentives and training to attract truck drivers to our industry.
- Providing immigration incentives combined with training programs for HC/MC licencing.
- Providing tax incentives for drivers in heavy construction materials industry.

**CCAA Submission on
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Action Plan 2024-2025**

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