

23 February 2026

Deputy Premier  
Minister for State Development, Infrastructure and Planning  
Minister for Industrial Relations  
c/- Director, Improvement and Assessment Division  
Planning Group  
Department of State Development, Infrastructure and Planning  
Email: [ministerial.callin@dndip.qld.gov.au](mailto:ministerial.callin@dndip.qld.gov.au)

**Proposed Call In Notice For A Development Application Under The *Planning Act 2016*  
Lot 105 SP144215, Lot 112 SP106901, Lot 4 RP183125, Lot 1 RP167430**

**Construction Material Supply as a Matter of State Economic Interest**

Dear Deputy Premier

CCA welcomes the opportunity to provide comment in response to your recent correspondence regarding the *Proposed Call In Notice For A Development Application Under The Planning Act 2016 - Lot 105 SP144215, Lot 112 SP106901, Lot 4 RP183125, Lot 1 RP167430*.

CCA does not seek to comment on the merits of any individual development application, nor on the procedural pathway by which it should be assessed.

However, we wish to reinforce that securing the ongoing supply of strategically located heavy construction materials is clearly a matter of State economic interest.

**Construction material supply as a State economic interest**

The State Planning Policy recognises that extractive resources are essential to support economic growth, infrastructure delivery and the economical supply of construction materials.

Hard rock, sand and gravel underpin:

- Transport infrastructure
- Energy and utilities infrastructure
- Public works
- Housing construction
- Private sector development.

These materials are location-dependent, finite and not economically substitutable at scale. Their availability directly affects infrastructure delivery timelines, construction costs, emissions from haulage and housing affordability across South East Queensland.

For these reasons, construction material supply is an ongoing and substantive State economic interest.

**Emerging structural supply gap in South East Queensland**

Independent economic analysis undertaken for CCA by Macromonitors (September 2025) identified an emerging structural supply imbalance in Southeast Queensland.

The analysis found that:

- existing approved hard rock quarry (regulated) capacity in SEQ is approximately 23.8 million tonnes per annum (mtpa), and
- forecast demand is projected to increase to approximately 26 mtpa by 2032. Subsequent discussions with Transport and Main Roads indicate that this estimate is likely to be highly conservative.

This indicates an emerging supply shortfall of more than 2 mtpa, even before accounting for reserve depletion, construction acceleration or additional infrastructure commitments.

The report concluded that these risks are structural rather than cyclical, driven by declining permitted capacity, long approval lead times and increasing difficulty securing timely approvals for new or expanded quarries.

### **Historical non-approvals contributing to current deficits**

The present SEQ supply imbalance has developed over time. Over the past decade:

- two SEQ quarry proposals were denied, representing approximately 3 mtpa of potential annual production;
- five SEQ quarry proposals were significantly delayed (in some cases more than six years), impacting approximately 6 mtpa of annual production, and
- additional projects outside SEQ were also refused.

While each proposal involved its own assessment considerations, the cumulative effect of refusals and extended delays has constrained replacement capacity as existing quarries deplete.

The emerging supply gap should therefore be understood as the result of accumulated capacity attrition rather than short-term demand volatility.

### **Role of Key Resource Areas in securing supply**

Queensland has identified Key Resource Areas (KRAs) to recognise and protect strategically significant extractive resources.

The identification of KRAs reflects an acknowledgement that certain resources are of long-term importance to the State's construction and infrastructure needs.

However, the effectiveness of KRAs as a policy mechanism ultimately depends on whether those resources can be progressively developed to maintain supply continuity.

If strategically located resources within KRAs are not brought online or are not replaced as existing quarries deplete, the practical outcome is:

- reduced local production capacity;
- increased reliance on more distant sources;
- escalating transport distances and costs; and
- greater exposure to infrastructure budget pressures.

KRAs therefore function not only as a protective designation but as a strategic supply mechanism. To fulfil their intended role in supporting the economical supply of construction materials, they must be capable of contributing to the State's ongoing material requirements over time.

## Policy Certainty and Sovereign Risk Considerations

Recent public commentary, including suggestions from some stakeholders and Members of Parliament that certain Key Resource Areas (KRAs) should be removed raises significant policy certainty concerns.

KRAs have historically functioned as a strategic planning mechanism to signal long-term State support for the protection and orderly development of identified extractive resources.

Their designation has informed investment decisions, land acquisition, feasibility assessments and long-term capital allocation across the construction materials sector.

Retrospective removal or weakening of KRAs after substantial private capital has been deployed in reliance upon their strategic status would represent a material sovereign risk signal. It would suggest that formally identified State economic interests may be subject to reversal due to shifting political or localised pressures.

Such a precedent would have consequences beyond the extractive industry. It would:

- undermine investor confidence in long-term infrastructure and resource policy settings;
- increase perceived regulatory risk in Queensland;
- elevate the cost of capital for quarry development and associated infrastructure;
- discourage future investment in replacement capacity, and
- potentially affect broader perceptions of Queensland as a stable jurisdiction for capital-intensive projects.

Heavy construction material supply is inherently long-term. Quarries require significant upfront capital, extended approval timeframes, and operate over multi-decade horizons. Investors must be able to rely on consistent policy frameworks over those timeframes.

Policy stability in relation to KRAs is therefore imperative and needed to maintain Queensland's reputation for regulatory certainty and disciplined economic planning.

## Cost and infrastructure consequences of constrained local supply

The economic implications of not securing proximate quarry supply extend beyond industry operations and directly affect public infrastructure budgets and housing affordability.

CCAA analysis demonstrates that:

- increasing aggregate haul distances by 45–75 kilometres increases aggregate costs by 29% to 48%;
- aggregates represent approximately 45% of total concrete costs;
- this translates into a 13% to 22% increase in concrete prices, and
- concrete pricing increases from approximately \$330/m<sup>3</sup> at 20 km haulage to \$401/m<sup>3</sup> at 95 km haulage.

These increases compound across major infrastructure and residential projects.

Large transport projects, for example, require millions of tonnes of aggregates and concrete. Even modest per-tonne increases materially affect total project budgets and, ultimately, taxpayer exposure.

When strategically located supply is constrained, demand is displaced to more distant sources. This results in:

- increased heavy vehicle movements and community safety impacts;
- higher fuel consumption and greenhouse gas emissions and air pollutants;
- greater road wear and maintenance costs; and
- escalating construction costs borne by government and home buyers.

Securing adequate, proximate supply of heavy construction materials is therefore directly linked to infrastructure efficiency, budget discipline and cost-of-living outcomes.

### **Closing remarks**

CCAA reiterates that:

- increased construction material supply that is proximate to demand is fundamental to Queensland's infrastructure and housing and affordability objectives;
- South East Queensland is facing an emerging and significant structural supply gap with heavy construction materials;
- historic non-approvals and prolonged delays have contributed to constrained replacement and supply capacity, and
- increasing haulage distances materially escalates economic and environmental costs.

For these reasons, securing strategically located extractive resources — including those identified within KRAs — is clearly and demonstrably in the State's economic interest.

We appreciate the opportunity to provide this input and would welcome further engagement on construction material supply challenges in Queensland.

For any further engagement with CCAA please contact Mr David Rynne, QLD State Director,  
at \_\_\_\_\_ or on \_\_\_\_\_

Yours sincerely

MICHAEL KILGARIFF  
Chief Executive Officer