

24 May 2022

Independent Expert Panel
C/o Department of Environment, Land, Water and Planning
PO Box 500
East Melbourne VIC 8002

Via Engage Victoria website <https://engage.vic.gov.au/climate-action-target-2035>

SUBJECT: VICTORIA'S EMISSIONS REDUCTION TARGET FOR 2035

Cement Concrete & Aggregates Australia (CCAA) welcomes the opportunity to provide a submission to the Independent Expert Panel on Victoria's emissions reduction target for 2035.

CCAA is the peak industry body for the heavy construction materials industry in Australia including the cement, pre-mixed concrete and extractive industries. Our members operate cement distribution facilities, concrete batching plants, hard rock quarries and sand and gravel extraction operations throughout Victoria. For your information, a list of CCAA Victoria's members is provided in Appendix 1.

CCAA members nationally account for 80% of total industry output, with the industry generating \$15 billion per annum in revenue, employing 30,000 Australians directly and supporting the employment of a further 80,000 people. CCAA members produce and supply the heavy construction materials that are used to construct Victoria's infrastructure. Providing both the raw material and finished product, heavy construction materials contribute to the construction of our homes, roads, railways, bridges, ports, airports, hospitals, and schools.

CCAA'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 CCAA's aim to promote policies that recognise the importance of these materials to Victoria's sustainable future.

Target setting

Targets tend to overweight mitigations and emissions reduction over adaption and innovation strategies. All business sectors should be encouraged to invoke a full life cycle response to actual carbon reduction and Government should provide incentives to business to invest in new technologies to drive these reductions.

Targets must be set cognisant of all other jurisdictions to avoid Victoria being out-of-step and potentially disadvantaged.

Whilst target setting into the future is important in establishing an emissions reduction framework, there should also be a focus on broader government policy and regulatory settings that:

- incentivise product and supply chain innovation,
- reduce energy costs for low carbon renewables,
- support local supply chains where decarbonisation is evident on a whole-of-life basis, and
- champion waste-to-energy and recycling.

Sector based mitigation and abatement strategies backed by government regulatory settings and incentives are key to delivering Government set whole-of-state targets.

Most sectors have developed or are developing sector-based roadmaps that embrace the adoption of new technologies and innovation to drive decarbonisation. Government should recognise these and support the acceleration of these via supportive policy and incentives.

Role of Industry

The heavy construction materials supply sector in Victoria is largely local and acknowledges its role in mitigating climate change impacts while reducing emissions, provided that viable decarbonisation pathways are identified and incentivised and legislation is equitable and advantageous and does not provide unnecessary regulatory impediment.

Our industry acknowledges and is supportive of Victoria's proven track record in reducing greenhouse gas emissions. CCAA **supports** the importance of a partnership approach (rather than a prescriptive one) to achieving significant emissions reductions whilst maintaining the internal competitiveness of critical local manufacturing industries. Balancing economic, social and environmental issues while pursuing the long-term ambition of net zero emissions is vital.

Sector based targets

CCAA **does not support** sector-based targets and welcomes government support for transition planning in partnership with business, industry and the community. Most sectors have developed or are developing sector-based roadmaps that embrace the adoption of new technologies and innovation to drive decarbonisation.

The cement and concrete industry has declared its [ambition](#) to deliver net zero carbon cement and concrete to Australian society by 2050. The industry has also released a [Decarbonisation Pathways for the Australian Cement and Concrete Sector](#) that identifies key principles and opportunities for decarbonisation specifically relevant for this sector. Whilst the Australian cement and concrete sector has a long history of reducing its CO₂ emissions having delivered a 25 per cent reduction since 2000, continued effort across all segments of the cement and concrete value chain will be required to achieve this ambition.

The cement and concrete industry look forward to continuing to work with the State government on plans to deliver targeted incentives for Victorian businesses to implement projects to reduce carbon emissions and for national and global companies to set up local trials to prove new technologies to reduce carbon emissions in their industry. Incentives could be by way of grants, access to public land, subsidised energy, specialist expertise and coordination, reduced regulatory burden etc. Such programs will be key to maintaining the competitiveness of Victorian business and industry.

Victoria's regulatory and planning environment needs to be internationally competitive to continue to attract capital to invest into 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.

The provision of affordable heavy construction materials through an efficient supply chain helps to facilitate the delivery of affordable housing and infrastructure, contributing to the completion of Victoria's Big Build within budget.

There is no more important time than now for the construction sector, supported by an efficient heavy construction materials supply chain, to provide the engine to rebuild Victoria's post COVID economy and create jobs.

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

 <p>ADBRI Adbri Limited</p>	 <p>BORAL Boral Australia</p>	 <p>CEMENT AUSTRALIA Cement Australia Pty Ltd</p>
 <p>Hanson HEIDELBERGCEMENTGroup Hanson Australia Pty Ltd</p>		 <p>Holcim Holcim (Australia) Pty Ltd</p>

VICTORIA

ORDINARY MEMBERS

<p>Alsafe Pre-Mix Concrete Pty Ltd Barossa Quarries Pty Ltd Barro Group Pty Ltd Baxters Concrete Pty Ltd Broadway & Frame Premix Concrete Pty Ltd</p>	<p>Delatite Pre-Mix Pty Ltd T/A Mansfield Pre Mix Fulton Hogan Industries Hillview Quarries Pty Ltd Hymix Australia Pty Ltd Independent Cement & Lime Pty Ltd</p>	<p>Kennedy Haulage Pty Ltd Mentone Pre Mix Metro Quarry Group Pty Ltd Premier Resources T/A Hy-Tec Industries Pty Ltd</p>
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ASSOCIATE MEMBERS

<p>Command Alkon Incorporated Concrete Colour Systems Concrete Waterproofing Manufacturing Pty Ltd T/a Xypex Australia</p>	<p>GCP Applied Technologies Mapei Australia Pty Ltd</p>	<p>Sika Australia Pty Ltd WAM Australia</p>
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